



November 22, 2024

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# South Carroll

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# South Carroll

## Private Acts of 1955 Chapter 278

**SECTION 1.** That there is hereby created and established an independent and Special School District in Carroll County, in the State of Tennessee, out of territory included in the Thirteenth Civil District, the Twenty-Fourth Civil District, and certain portions of the Sixth, Seventh, Twelfth and Fourteenth Civil District [sic] as now constituted, embracing the schools of Concord, Clarksburg, Westport and Yuma. The boundaries of the said Special School District so created and established shall be as follows:

Beginning at the point where the Carroll, Henderson, and Decatur County lines intersect; running thence Westwardly with the said Henderson and Carroll County boundary line to where the Sixth and Seventh Civil Districts line of Carroll County, Tennessee intersects the said Henderson and Carroll County boundary line; thence northwardly to where the said Sixth and Seventh Civil District line of Carroll County, Tennessee intersects Hickory Plains and Liberty Church Road; thence northwardly along said Sixth and Seventh Civil District line to Obion Creek; thence westwardly along B. Crum and Howley boundary line to the Northeast corner of Duncan line; thence Southwardly to James boundary line; thence westwardly to boundary line of Cook and Fry; thence southwardly to Joe Bishop boundary line; thence eastwardly with boundary line of McKnight and Dedman to said Sixth and Seventh Civil District line; thence northwardly with the said Sixth and Seventh District line to said Hickory Plains and Liberty Church Road; thence northwardly along center of Hickory Plains and Liberty Church Road to Hickory Plains Church; thence northwardly by said road to Jumbo; thence northwardly by said road to Liberty Church; thence eastwardly along said road to its intersection with the Purdy Road at Big Fork; thence northwardly along Purdy Road to Stanford and Bates boundary line, on the east side of said Purdy Road; thence eastwardly with said Stanford and Bates boundary line to Roark boundary line; thence northwardly with Roark and Stanford boundary line to the corner of Longmire and Davis; thence eastwardly with Roark and Davis; thence southwardly with Bates and Roark to gravel road; thence along said gravel road to Highway 22 at Red Top; thence northwardly along center of Highway 22 to its intersection with Hilliard Branch; thence northeastwardly down center of Hilliard Branch to its intersection with Beaver Creek; thence southeastwardly to the intersection of Beaver Creek with the Twenty-Fourth and Fifteenth Civil District line, the same being the intersection of Buck Ditch with said Beaver Creek; thence eastwardly along the Twenty-Fourth and Fifteenth Civil District line to the Northeast corner of the Twenty-Fourth Civil District, the same being the North-Southwestern corner of the Eighteenth Civil District; thence southwardly along Eighteenth and Twenty-Fourth Civil District line to its intersection by the Fourteenth and Eighteenth Civil District line; thence along the Fourteenth and Eighteenth Civil District line to its intersection with the Benton County line, [sic] thence south with the Benton County line to an inner corner of the Carroll-Benton County line, [sic] thence east with the Carroll-Benton County line to the intersection of the Decatur County line; thence south with the Carroll-Decatur line to the point of beginning.

As amended by: Private Acts of 1985, Chapter 65

**COMPILER'S NOTE:** The 1985 amendment deleted the portion of Section 1 which provided that this special school district would be known as the "South Carroll County Special School District".

**SECTION 2.** That a Board of Education composed of five members, all of whom shall be more than twenty-one years of age and bonafide [sic] residents of and qualified voters in the said South Carroll County Special School District, be and the same is hereby created and established for the Special School District, provided that of the said Special District Board of Education, one shall reside in and be elected by the qualified voters of the Thirteenth Civil District, as now constituted; one shall reside in and be elected by the qualified voters of the Fourteenth Civil District, as now constituted; and one shall reside in and be elected by the qualified voters of the Westport precinct of the Twenty-Fourth Civil District, as now constituted; and one shall reside in and be elected by the qualified voters of the Concord precinct of the Twenty-Fourth Civil District, as now constituted; one shall reside and be elected by the qualified voters of those portions of Civil Districts Six, Seven, and Twelve, as the same are described in Section 1 of this act. The members of the first Board of Education of said Special School District, which is hereby constituted and appointed, shall serve until September 1, 1956 and until their successors shall be elected and qualified. After September 1, 1956 the terms of the members of the said Board of Education shall be for four years. The first Special Board of Education, which is hereby constituted and appointed, shall consist of the following named persons:

Thirteenth Civil District--Woodrow Enochs.

Fourteenth Civil District--Dorsey Dameron.

Twenty-Fourth Civil District--(Westport Precinct) M.C. Spellings.

Twenty-Fourth Civil District--(Concord Precinct) Cedric Horn.

Portions of Sixth, Seventh and Twelfth Civil District--B. Crum.

In the event of a vacancy among the members of said Special Board of Education, the remaining members of said Board of Education shall have the power to fill and shall fill such vacancies by appointment and such appointees shall hold office until September 1, 1956; or thereafter, the person so appointed to fill such vacancy shall serve for the remainder of the unexpired term of his predecessor or until the next regular biennial election, whichever is sooner, and until a successor is elected and qualified

The term of those members of the Board of Education of said Special School District elected in the August, 1972 election from the Thirteenth Civil District, as now constituted, and of those portions of Civil Districts Six, Seven, and Twelve, as the same are described in Section 1 of Chapter 278 of the Private Acts of 1955 shall be two (2) years; thereafter [sic], the terms of said elected members from the said Thirteenth Civil District and the same portion of Civil Districts Six, Seven, and Twelve shall be for a full four (4) year term. As amended by: Private Acts of 1972, Chapter 301

**SECTION 3.** That the members of said Board of Education shall within thirty days after the passage of this Act, meet at some convenient place in said Special School District, qualify by taking and subscribing to the oath required by law in such case and organize by electing a chairman, vice-chairman, a secretary and a treasurer, all of whom shall be members of said Board and upon such organization being perfected said Board of Education shall proceed to make all necessary and proper arrangements for the operation of said Special School District and for the management and control of the schools of said district under the powers herein given.

**SECTION 4.** That the members of said Board of Education shall serve without compensation but provision and allowance may be made for payment not to exceed Two (\$2.00) Dollars per meeting and Five (5¢) Cents per mile one way for the meetings and for reasonable clerical assistance necessary in keeping records and books of the secretary and the treasurer, provided that such duties may be assigned to the Superintendent of the Special School District said [sic] Board of Education shall prescribe the rules and regulations for its government and shall meet at such stated intervals as may be prescribed by its rules and regulations, and may hold such special meetings as may be necessary or advisable for all of which special meetings all members shall have the notice prescribed by its rules and regulations.

The Treasurer of said Board of Education shall enter into bond with proper conditions, sufficient to cover the school funds belonging to said South Carroll County Special School District which may be received, the amount of penalty of which bond shall be determined by said Board of Education and the bond shall be payable to the State of Tennessee for the use and benefit of said South Carroll County Special School District and such bond shall be approved by and filed with the Chairman of said Board of Education; the premium on said bond to be paid as an expense of said Special School District.

The Secretary of said Board of Education shall keep a true and correct record of all meetings and business transactions of said Board and shall perform such other duties as may be required from time to time by said Board. The Treasurer of said Board of Education shall keep a true and correct account of all moneys received and disbursed and shall perform such other duties as may from time to time be required by the Board.

All necessary books, blank forms and stationery for the proper keeping of records by the Secretary and by the Treasurer shall be provided by the Board and paid as an expense incident to the management, control and maintenance of said schools and all books, records and other papers in connection with the administration of said schools shall be carefully preserved by the respective officers keeping same, and upon the expiration of their terms of office shall be delivered to their successors.

**SECTION 5.** That the said Board of Education, a majority of which shall at all times constitute a quorum for the transaction of business, shall have all the powers usually incident to and belonging to Boards of Education of municipal corporations and shall have full powers as directors or trustees to manage the schools of said District. Said Board of Education shall make or cause to be made, and properly verified and certified, all necessary and proper reports of scholastic population, average daily attendance and other statistical data with reference to the schools of said district to the County Trustee, the County Superintendent of Public Instruction and the State Commissioner of Education, all as required by and in accordance with the general laws of the State governing the management and control of the Public schools of the State. And said Board of Education shall prescribe all reasonable and necessary rules and regulations for the management, government and control of such schools and shall employ such superintendents, teachers, and assistant teachers as may be necessary in their conduct and management. The Board of Education shall also have the power to borrow money against the credit of the South Carroll County special school district as created by anticipated tax receipts and/or state receipts.

As amended by: Private Acts of 1995, Chapter 108

**SECTION 6.** That the County Trustee of Carroll County from and after July 1, 1955, shall apportion to the

South Carroll County Special School District for the operation and maintenance of the schools therein provided for, the pro rata share of all school funds in his hands to which the said South Carroll County Special School District is entitled, which apportionment as between the said South Carroll County Special School District and the remainder of Carroll County shall be made according to the provisions of the State school law, and this apportionment shall apply not only to the pro rata share of any and all school taxes assessed and collected locally by Carroll County under the general law, but also the pro rata share of said Special School District in the State school funds paid over to said County Trustee by the State pursuant to law.

**SECTION 7.** That the school properties of the Carroll County Board of Education lying within the said Special School District herein created, which boundaries are set out in Section 1 of this Act, shall be and hereby are transferred to the control of the South Carroll County Special School District Board of Education as herein established and constituted.

**SECTION 8.** That the said Special School District Board of Education as herein established and constituted, shall have the power to establish, [sic] locate such school or schools as it deems necessary of grades one through twelve, or any combination of these grades, provided that except for failure to maintain average daily attendance as required by State of Tennessee school law, neither of the schools of Concord, Westport, Yuma or Clarksburg shall be moved or discontinued except by the consent of a majority of the qualified voters within the district in which the school is located.

**SECTION 9.** That the South Carroll County Special School District be and it is hereby authorized and empowered to issue and sell its interest-bearing coupon bonds, to mature at a date not exceeding thirty (30) years after their issuance, in an amount not exceeding One Hundred Fifty Thousand Dollars, (\$150,000.00), to provide funds for repairing, remodeling, and improving present school buildings and to erect new school buildings and to provide for the purchase of equipment and facilities for such buildings and school grounds.

**SECTION 10.** That any bonds issued under authority hereof shall be appropriately designated to show [sic] purpose for which they were issued. They shall be issued at such time or times, bear such date or dates, be due and payable at such time or times, redeemable if required by said Special School District, bear such interest rate or rates, be in such denominations, as herein provided, and as the South Carroll County Special School District may fix by resolution in each instance, and shall not be sold for less than par and accrued interest, the rate of interest on such bonds in no event to exceed five (5%) per cent per annum. The bonds and coupons shall be signed by the Chairman of said District Board of Education and the Secretary of said Board, but the signatures on the coupons may be lithographed. The bonds shall be the absolute, direct and general obligation of the South Carroll County Special School District, or be the direct and general obligation of said Special School District with a pledge of revenues, as it may determine, in that any funds receivable by said Special School District, not otherwise pledged to the payment of its other indebtedness, may be allocated, pledged and used for such purposes and for the retirement of said bonds.

**SECTION 11.** That said bonds shall be sold in such manner and upon such advertisement as shall be fixed by resolution, [sic] by said Board of Education of said Special School District and the proceeds thereof shall be kept in a separate fund and shall be used exclusively for the purposes named in this Act. But it shall not be necessary for the purchaser of the bonds so sold to look to the proper application of the funds.

**SECTION 12.** That for the purpose of paying interest on the bonds and of paying bonds at maturity there is hereby levied, and the South Carroll County Special School District is hereby authorized and empowered to levy and collect for the year 1955 and each subsequent calendar year thereafter a special tax of Eighty (\$.80) Cents on each One Hundred (\$100.00) Dollars of taxable property, both real and personal, situated within the boundaries of said Special School District as designated in Section 1 of this Act. Said tax shall be an addition to the amount levied for the operation and maintenance of the schools of said Special School District. Said levy shall become effective upon the result of any election held in said Special School District wherein a majority of the voters in said election shall be for the issuance of said bonds. Said tax shall be collected by the trustee of the county as other taxes are collected by him, and shall be kept in a separate account from all other funds belonging to said Special School District for the purpose of paying interest on said bonds and to create a sinking fund to pay said bonds as they mature.

There is hereby levied, and The South Carroll County Special School District is hereby authorized and empowered to levy and collect for the year 2001 and each subsequent calendar year thereafter a special tax of one dollar (\$1.00) on each one hundred dollars (\$100) of taxable property, both real and personal, situated within the boundaries of The South Carroll County Special School District and may pledge such tax to pay such debt service. This tax is for the purpose of paying the costs of the acquisition,

construction, improvement, renovation, and equipping of schools, and related educational facilities within The South Carroll County Special School District, including the acquisition of all property real and personal appurtenant thereto and connected with such work, and paying all legal, fiscal, administrative and engineering costs incident thereto, including, without limitation, all debt service on indebtedness incurred for the foregoing purposes. This tax shall be in addition to the amount levied for the operation and maintenance of the schools of The South Carroll County Special School District.

As amended by: Private Acts of 2001, Chapter 2

The Board of Education of "The South Carroll County Special School District" shall have the authority to set the tax rate lower than that imposed by this Act as amended or any other Act setting a tax rate for "The South Carroll County Special School District" but shall not have the power to impose a tax in excess of any statutory levy nor shall it have the power to lower any special levy assessed for the purpose of bond repayment. In order to change the rate of taxation, the Board shall certify on or before September 1 to the County Trustee the new special school district tax rate not to exceed the rate imposed by any Legislative Act, and the County Trustee shall collect only the taxes based on the rates based on the rates so certified.

As amended by: Private Acts of 1975, Chapter 179

**SECTION 13.** That none of bonds as above authorized shall be issued until after an election is held in said Special School District, and a majority of the qualified voters voting in said election, by their ballots vote in favor of issuance of said bonds, which election or elections shall not be called, as hereinafter provided, until after the passage of a resolution of the Board in and for said Special School District, calling for the same, and specifying the purpose, and fixing the amount of the bonds to be issued thereunder. The election or elections for said purpose or purposes shall be called by the Election Commissioners of Carroll County within sixty (60) days after receipt of it [sic] from said Board of written notice of the passage of the resolution, aforesaid; and said written notice shall be accompanied by a copy of said resolution, certified to [sic] by the Chairman and Secretary of the Board of said Special School District, and said election shall be called and held as other elections are held; said Special School District shall pay for and said Commissioners of Election shall furnish, according to the law now existing and regulating elections in this State, tickets to be used in said election, and upon said tickets shall be printed (1) "For issuance of One Hundred Fifty Thousand Dollars (\$150,000.00) (or for such amount as shall have been fixed by resolution of the Board of the South Carroll County Special School District) School Bonds," and (2) "Against the issuance of One Hundred Fifty Thousand Dollars, (\$150,000.00) (or such amount as shall have been fixed by resolution of the Board of the South Carroll County Special School District) School Bonds," and votes shall mark their ballots as provided by law, and all persons qualified to vote in South Carroll County Special School District elections, may vote; provided that failure of a majority of the qualified voters of the South Carroll County Special School District, voting in said election to vote for the issuance of said bonds provided for in this Act, shall not prevent the submission of another proposition to issue bonds under this Act, and in case of a failure of a majority of the qualified voters voting in said election, or elections, to vote for the issuance of the bonds as provided for in this Act, subsequent elections may be held under the same provisions and restrictions as provided in this Act, as to whether said bonds shall be issued; but if in any of the elections herein provided for, a majority of the qualified voters voting in said election shall vote for the issuance of said bonds, said bonds shall be accordingly issued as directed by this Act.

**SECTION 14.** That whatever bonds issued in pursuance of the authority herein granted shall be known and designated as "South Carroll County School Bonds," and said bonds shall contain a recital that they are issued pursuant to and in accordance with the provisions of this Act, and such recital shall be conclusive evidence of their legality.

**SECTION 15.** That for the purpose of operating and maintaining the schools of the South Carroll County Special School District and for the purpose of supplementing the fund as now provided by law and available for the benefit of the inhabitants of said Special School District, South Carroll County Special School District, there is hereby levied for the year 2008 and each subsequent calendar year thereafter a separate tax of one dollar and thirty cents (\$1.30) on each one hundred dollars (\$100) of taxable property, both real and personal, situated within the boundaries of the South Carroll County Special School District as designated in Section 1 of this Act. The taxes levied by this section shall become due under the general laws of the State and collected by the County Trustee of Carroll County, and the special taxes hereby provided for, together with all school funds received from the County Trustee, shall constitute the school fund for said Special School District, which school fund shall from time to time as collections and apportionments are made, be paid to the Treasurer of the Board of Education of said Special School District or as the District Board of Education may direct, by the County Trustee upon warrants signed by the Chairman, or Vice-Chairman, and Secretary of said Board of Education, and shall be under the control of said Board of Education for the use and benefit of said Special School District and for the operation and maintenance of the schools therein provided and for no other purpose. No part of

said school funds shall be paid out by the Treasurer of said Special School District, or otherwise, except upon and by order of said Board of Education upon warrant properly drawn and signed by its Chairman, or Vice-Chairman, and Secretary. A separate tax list and assessment roll for that part of Carroll County lying within the boundaries of said Special School District, as defined in Section 1 of this Act, shall be used by the County Trustee in making collections of said taxes.

As amended by: Private Acts of 1981, Chapter 145  
Private Acts of 1982, Chapter 285  
Private Acts of 1986, Chapter 130  
Private Acts of 2008, Chapter 83

**SECTION 16.** That Section [sic] 714 of the Private Acts of 1917, as amended, the caption of which is set forth in the caption of this Act, and all laws or parts of laws in conflict with the provisions of this Act, be and the same hereby are repealed.

**COMPILER'S NOTE:** Private Acts of 1917, Chapter 714, established the Clarksburg Special School District in Carroll County.

**SECTION 17.** That the provisions of this Act are hereby declared to be severable. If any of its sections, provisions, exceptions, sentences, clauses, phrases, or parts be held unconstitutional or void the remainder of this Act shall continue in full force and effect, it being the legislative intent now hereby declared, that this Act would have been adopted even if such unconstitutional or void matter had not been included therein.

**SECTION 18.** That this Act shall have no effect unless the same shall have been approved by a two-thirds vote of the Quarterly County Court of Carroll County at its regular meeting in April, 1955, or as soon thereafter as the Court shall meet in either a called or regular meeting. Its approval or non-approval shall be proclaimed by the presiding officer of the said Court, and the result shall be certified to the Secretary of State.

**SECTION 19.** That within 30 days after the Governor approves this Act, the Election Commissioners of Carroll County shall call an election to be held not later than 60 days after its approval for the purpose of determining the will of a majority of the people in the South Carroll County Special School District. The question on the ballot shall be:

"I favor creating the South Carroll County Special School District. [sic]

"Yes [sic]

"No"

Those in favor of the proposition shall vote "Yes" and those opposed shall vote "No". All persons residing in the area designated as South Carroll County Special School District who are registered and qualified to vote under the registration and election laws shall be entitled to vote in said election. The election shall be conducted in accordance with the election laws. The said election is declared to be for a county governmental purpose and the county shall expend from its general funds the moneys necessary to conduct the election. In the event that this section is declared to be invalid or unconstitutional by the Courts, the same shall be elided, and the General Assembly declares that the other sections of this Act would have been enacted irrespective of the validity of this Section.

**SECTION 20.** That this Act shall take effect from and after its passage, the public welfare requiring it. Passed: March 9, 1955.

## Bonds

### Private Acts of 1978 Chapter 210

**SECTION 1.** Chapter 146 of the Private Acts of 1977 is repealed.

**SECTION 2.** The South Carroll County Special School District, as created by Chapter 278 of the Private Acts of 1955, is hereby authorized to issue its negotiable bonds in an aggregate principal amount not exceeding three hundred and fifty thousand dollars (\$350,000) for the purpose of constructing, repairing, improving and equipping school buildings and additions thereto for said school district, and acquiring all property, real and personal, appurtenant thereto or connected with such work. Said bonds shall bear interest at such rate or rates not exceeding eight per cent (8%) per annum, payable annually or semiannually, shall mature serially or otherwise in not exceeding thirty (30) years after date thereof and shall be subject to such terms of redemption, with or without premium, as may be provided by resolution of the Board of Education of said school district. Said bonds shall be in such form and of such

denominations and shall be sold in such manner as the Board of Education may provide by resolution, but in no event shall such bonds be sold for less than par and accrued interest. The Board of Education is authorized and empowered to do and perform all acts which may be necessary or desirable in connection with the issuance and sale of said bonds. Said bonds shall be signed by the Chairman of the Board of Education with his manual or facsimile signature and attested by the Secretary of said board with his manual signature, and the coupons attached thereto shall be signed with the facsimile signatures of said officials. The Board of Education may by resolution provide for the official seal of said district or a facsimile thereof to be impressed or reproduced upon each of said bonds.

**SECTION 3.** For the purpose of paying the principal and interest and any redemption premium on the school bonds herein authorized there is hereby levied a continuing annual tax of one dollar (\$1.00) on each one hundred dollars (\$100.00) worth of taxable property in said South Carroll County Special School District, beginning with the year 1978 and continuing until said bonds have been paid in full as to both principal and interest. Said tax shall be annually extended and collected by the county officials of Carroll County in the manner provided by the general law for the extension and collection of county taxes and shall constitute a lien on the property against which they are levied with like force and effect as do county taxes. The proceeds of said taxes, as collected, shall be placed in a special fund and shall be used solely for the purpose of paying principal and interest and redemption premiums on the school bonds herein authorized.

**SECTION 4.** The bonds herein authorized shall be exempt from all state, county, and municipal taxes.

**SECTION 5.** The bonds herein authorized shall not be issued until the issuance thereof has been approved by a majority of the registered voters of said district voting at an election called for such purpose by the County Election Commission of Carroll County pursuant to the request of the Board of Education of said district. Such election shall be held in the same manner and by the same officials as general elections are required to be held in Carroll County and notice thereof shall be given in the manner required by Title 2, Tennessee Code Annotated, for elections held on questions in Carroll County. At such election the proposition being submitted to the registered voters of said district shall appear in the form of a question and shall briefly state the maximum amount of bonds to be issued and the purpose for which such bonds are to be issued and shall be followed by the words "Yes" and "No" so that a voter can vote his preference by making a cross mark (X) opposite the proper word. The County Election Commission of Carroll County shall canvass the returns of such election and determine and declare in writing the results thereof. Such declaration shall constitute conclusive evidence of the results said election. If a majority of the registered voters of said district voting at any election vote against the issuance of the bonds herein authorized, no subsequent election may be held for such purpose within one hundred and eighty (180) days succeeding the date of such election.

**SECTION 6.** If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this Act are declared to be severable.

**SECTION 7.** All laws or parts of laws in conflict herewith are, to the extent of such conflict, repealed.

**SECTION 8.** This Act shall take effect upon becoming a law, the public welfare requiring it.

Passed: March 6, 1978.

## Private Acts of 2008 Chapter 82

**SECTION 1.** The South Carroll County Special School District, located in Carroll County, Tennessee (the "District"), created by Chapter 278 of the Private Acts of 1955 of the State of Tennessee, as amended, by Chapter 258 of the private Acts of 1959, by Chapter 112 of the Private Acts of 1961, by Chapter 301 of the Private Acts of 1972, by Chapter 179 of the Private Acts of 1975, by Chapter 146 of the Private Acts of 1977, by Chapter 210 of the Private Acts of 1978, by Chapter 145 of the Private Acts of 1981, by Chapter 285 of the Private Acts of 1982, by Chapter 65 of the Private Acts of 1985, by Chapter 130 of the Private Acts of 1986, Chapter 108 of the Private Acts of 1995 and by Chapter 2 of the Private Acts of 2001, and any other Acts amendatory thereto (the "Act of Incorporation"), is hereby authorized and empowered to issue and sell to the United States of America, acting through Rural Development, by resolution of the Board of Education of the District, an installment bond in the principal amount of not to exceed two million six hundred ninety-four thousand dollars (\$2,694,000) for the purpose of providing funds for the (i) construction, improvement, renovation, expansion, furnishing, fixturing and equipping of a gymnasium, in and for the District, including the purchase of all property, real and personal, or interests therein, necessary in connection with said work, (ii) funding of all accounts and funds necessary and proper in



connection with the issuance and sale of the bond as the Board of Education of the District shall determine, (iii) payment of capitalized interest during the period of construction, and (iv) payment of all legal, fiscal, administrative, architectural, engineering, accounting and similar professional and other costs incident thereto and to the issuance and sale of the bond.

**SECTION 2.** The bond shall be sold to the United States of America, acting through Rural Development, as a fully registered installment bond, without coupons, at a rate not to exceed four and one-eighth percent (4.125%) per annum and payable in four hundred fifty-six (456) consecutive monthly installments of principal and interest.

**SECTION 3.** The bond shall be issued in fully registered form and shall be signed and sealed as provided in the Tennessee Public Obligations Registration Act and in the resolution adopted by the District's Board of Education authorizing the bond.

**SECTION 4.** For the purpose of paying principal of and interest on the bond herein authorized and any other indebtedness of the District, there is hereby levied, in addition to any tax currently being levied within the boundaries of the District for the benefit of the District, a property tax of thirty-one cents (\$0.31) on every one hundred dollars (\$100) of real and personal proeprty located within the District, such tax to be effective for the 2008 tax year and each tax year thereafter that the bond remains outstanding. Said rate is established to provide tax revenues sufficient to pay principal of and interest on the bonds as they come due. If at the time of issuance, the annual debt service requirements on the bonds should be less than anticipated by the establishment of the tax rate herein, the tax rate levied by this Section 3 shall be reduced to a rate which will produce tax revenues in an amount sufficient to pay debt service on the bonds. The rate hereinabove established may be adjusted from time to time in accordance with the procedure set forth in Tennessee Code Annotated, Section 67-5-1704, relating to county-wide reappraisal. In addition, in the event the total assessed value of all property subject to the tax hereinabove described declines by more than ten percent (10%) from January 1 of any year to January 1 of the next succeeding year or declines by more than fifteen percent (15%) from January 1 of any year to January 1 of the second succeeding year thereafter, at the request of the Board of Education, the county assessor of property shall certify to the county trustee and the Board of Education the total assessed value of taxable property within the District and furnish the county trustee and the Board of Education an estimate of the total assessed value of all new construction and improvements not included on the assessment roll of the base year and all deletions from the assessment roll of the base year. Upon receipt of said information and certifications, the county trustee shall adjust the tax rate established herein to an adjusted rate which is estimated to provide to the District the same tax revenue as was provided by said tax in the base year, exclusive of such new construction, improvements and deletions, in accordance with policies established by the state board of equalization pursuant to Tennessee Code Annotated, Section 67-5-1704(b), or any successor thereto. Said taxes shall be used exclusively to pay principal and interest on the bonds authorized herein and any other indebtedness of the District as they become due and to maintain debt service fund balances. The Board of Education is hereby authorized to pledge such tax to pay the principal of an interest on the bonds and any other indebtedness of the District. The taxes shall be annually extended and collected by the county trustee of Carroll County in the manner provided by general law for the extension and collection of county taxes and shall constitute a lien on the property against which they are levied with the like force and effect as do county taxes. In the event the property taxes and such other funds as shall be pledged to the payment of the indebtedness of the District are not sufficient to pay principal thereof and interest thereon when due, the District shall apply funds from operations or other available funds of the District to the payment thereof. Any surplus arising from the tax hereinabove described and not required for the payment of debt service on outstanding obligations of the District shall first be used to fund any debt service reserve fund established by the Board of Education, and may thereafter be used, at the discretion of the Board of Education of the District, for the construction, improvement, renovation, expansion, furnishing, fixturing and equipping of school buildings and facilities, and additions thereto, in and for the District, including the purchase of all property, real and personal, or interests therein, necessary in connection with said work, and the purchase of school buses and school transportation equipment, and all other operations and maintenance of schools in the District.

**SECTION 5.** The Board of Education is authorized to pledge to the payment of the bond all or a portion of (i) any funds received by the District under the Tennessee Basic Education Program available to be used for capital outlay expenditures, as set forth in Tennessee Code Annotated, Section 49-3-351, et seq., and related sections, (ii) its share of the local option sales and use tax now or hereafter levied and collected in Carroll County, Tennessee, pursuant to Tennessee Code Annotated, Section 67-6-712, and (iii) any other funds received from the State of Tennessee, or any of its authorities, agencies or instrumentalities, for school purposes and available to be used for capital outlay expenditures.

**SECTION 6.** The bond, and all income therefrom, shall be exempt from all state, county and municipal

taxation in the State of Tennessee, except inheritance, transfer and estate taxes and except as otherwise provided by applicable law.

**SECTION 7.** The District is further authorized, by resolution of the Board of Education, to borrow money and issue its bond or bonds for the purpose of refunding the bond authorized herein, at or prior to maturity, in whole or in part, at any time, in accordance with the terms hereof.

**SECTION 8.** The District is further authorized, by resolution of the Board of Education, to issue and sell notes of the District in anticipation of the issuance of the bond authorized herein. The notes may bear such date or dates, shall mature at such time or times, not exceeding three (3) years from their respective dated dates, may bear interest at such rate or rates (which may vary from time to time), may be payable at such time or times, may be in such denominations, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment at such place or places, may be subject to such terms of redemption, with or without premium, and may provide for the replacement of mutilated, destroyed or lost notes, all as may be provided by resolution of the Board of Education. The notes shall be sold as a whole or in part from time to time in such manner as shall be provided by resolution of the Board of Education. The Board of Education of the District is authorized and empowered to do and perform all acts and enter into all agreements which may be necessary or desirable in connection with the issuance and sale of the notes and delegate the power to consummate all such acts and execute and implement all such agreements on its behalf as the Board of Education shall deem necessary or desirable.

**SECTION 9.** If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of his act are declared to be severable.

**SECTION 10.** This act shall take effect upon becoming a law, the public welfare requiring it.

Passed: April 3, 2008.

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