

Loudon County, Tennessee Annual Debt Report

As of February 2024



Rollen "Buddy" Bradshaw, Loudon County Mayor
Erin Rice, Director of Accounts & Budgets

Table of Contents

| | |
|------------------|---|
| Section 1 | Loudon County Debt Management Policy |
| Section 2 | Financial Advisory Agreement Between Loudon County and Cumberland Securities |
| Section 3 | Loudon County Current Bond Rating Report |
| Section 4 | Schedule in Changes in Long-term Notes, Other Loans, and Bonds (June 30, 2022 Annual Financial Report) |
| Section 5 | General Debt Service Fund 151 |
| Section 6 | Education Debt Service Fund 156 |
| Section 7 | Combined Outstanding Debt |
| Section 8 | Benchmark Comparisons |
| Section 9 | Possible Future Considerations |

Section 1

Loudon County Debt Management Policy

RESOLUTION # 120511-0

**A RESOLUTION OF LOUDON COUNTY COMMISSION
TO ADOPT A DEBT MANAGEMENT POLICY
FOR LOUDON COUNTY, TENNESSEE**

WHEREAS, Tennessee Code Annotated, Section 9-21-151(b)(1), authorizes the State Funding Board to develop model financial transaction policies for local governments and local government instrumentalities;

WHEREAS, the State Funding Board has adopted a statement on debt management and directed local governments and government entities that borrow money to draft their own debt management policies with certain mandatory provisions; and

WHEREAS, the Loudon County Legislative Body has prepared a debt management policy that includes the mandatory provisions relative to transparency, professionals and conflicts.

NOW, THEREFORE, BE IT RESOLVED by the Loudon County Legislative Body meeting in regular session at Loudon, Tennessee, on this 5th day of December, 2011, that:

SECTION 1. The debt management policy attached as Exhibit A to this resolution, incorporated herein by reference, is hereby adopted.


SECTION 2. This resolution shall take effect upon passage, the public welfare requiring it.

ADOPTED this 5th day of December, 2011




Loudon County Commission Chair

ATTEST:



Loudon County Clerk

APPROVED:



Loudon County Mayor

EXHIBIT A

[attach debt management policy]

**LOUDON COUNTY
TENNESSEE**

Debt Management Policy

Formally Adopted: December 5, 2011

TABLE OF CONTENTS

| | |
|---|----|
| Introduction..... | i |
| Introductory Statement | 1 |
| Goals and Objectives | 1 |
| Procedures for the Issuance of Debt | 2 |
| Credit Quality and Credit Enhancement | 3 |
| Affordability | 3 |
| Debt Structure | 3 |
| Debt Types | 5 |
| Refinancing Outstanding Debt. | 8 |
| Methods of Issuance | 10 |
| Professionals | 11 |
| Compliance | 13 |
| Debt Policy Review | 14 |

INTRODUCTION

This Debt Management Policy (the “Debt Policy”) is a written guideline with parameters that affect the amount and type of debt that can be issued by Loudon County, Tennessee (the “County”), the issuance process and the management of the County’s debt. The purpose of this Debt Policy is to improve the quality of management and legislative decisions and to provide justification for the structure of debt issuances consistent with the Debt Policy’s goals while demonstrating a commitment to long-term capital planning. It is also the intent of the County that this Debt Policy will signal to credit rating agencies, investors and the capital markets that the County is well managed and will always be prepared to meet its obligations in a timely manner. This Debt Policy fulfills the requirements of the State of Tennessee regarding the adoption of a formal debt management policy on or before January 1, 2012.

This Debt Policy provides guidelines for the County to manage its debt and related annual costs within both current and projected available resources while promoting understanding and transparency for our citizens, taxpayers, rate payers, businesses, investors and other interested parties.

The County may, from time to time, review this Debt Policy and make revisions and updates, if warranted.

Loudon County, Tennessee
DEBT MANAGEMENT POLICY

I. INTRODUCTORY STATEMENT

In managing its Debt (defined herein as tax-exempt or taxable bonds, capital outlay notes, other notes, capital leases, interfund loans or notes and loan agreements); it is the County's policy to:

- Achieve the lowest cost of capital within acceptable risk parameters
- Maintain or improve credit ratings
- Assure reasonable cost access to the capital markets
- Preserve financial and management flexibility
- Manage interest rate risk exposure within acceptable risk parameters

II. GOALS AND OBJECTIVES

Debt policies and procedures are tools that ensure that financial resources are adequate to meet the County's long-term capital planning objectives. In addition, the Debt management policy (the "Debt Policy") helps to ensure that financings undertaken by the County have certain clear, objective standards which allow the County to protect its financial resources in order to meet its long-term capital needs.

The Debt Policy formally establishes parameters for issuing debt and managing a debt portfolio which considers the County's specific capital improvement needs; ability to repay financial obligations; and, existing legal, economic, and financial market conditions. Specifically, the policies outlined in this document are intended to assist in the following:

- To guide the County in policy and debt issuance decisions
- To maintain appropriate capital assets for present and future needs
- To promote sound financial management
- To protect the County's credit rating
- To ensure the County's debt is issued legally under applicable state and federal laws
- To promote cooperation and coordination with other parties in the financing
- To evaluate debt issuance options

III. PROCEDURES FOR ISSUANCE OF DEBT

1) Authority

- a) The County will only issue Debt by utilizing the statutory authorities provided by *Tennessee Code Annotated* as supplemented and revised ("TCA") and the Internal Revenue Code (the "Code").
- b) The County will adhere to any lawfully promulgated rules and regulations of the State and those promulgated under the Code.
- c) All Debt must be formally authorized by resolution of the County's Legislative Body.

2) Transparency

- a) It is recognized that the issuance of Debt must have various approvals and on occasion, written reports provided by the State of Tennessee Comptroller's office either prior to adoption of resolutions authorizing such Debt, prior to issuance and/or following issuance. The County, in conjunction with any professionals (including, but not limited to, financial advisors, underwriters, bond counsel, etc. which may individually or collectively be referred to herein as "Financial Professionals") will ensure compliance with TCA, the Code and all federal and State rules and regulations. Such State compliance will include, but not be limited to, compliance with all legal requirements regarding adequate public notice of all meetings of the County related to consideration and approval of Debt. Additionally, the County shall provide the Tennessee Comptroller's office sufficient information on the Debt to not only allow for transparency regarding the issuance, but also assuring that the Comptroller's office has sufficient information to adequately report or approve any formal action related to the sale and issuance of Debt. The County will also make this information available to its legislative body, citizens and other interested parties.
- b) The County will file its Audited Financial Statements and any Continuing Disclosure document prepared by the County or its Dissemination Agent. To promote transparency and understanding, these documents should be furnished to members of the Legislative Body and made available electronically or by other usual and customary means to its citizens, taxpayers, rate payers, businesses, investors and other interested parties by posting such information on-line or in other prominent places.

- c) The following information will be provided annually to the County Commission and will be available to the public:
 - i. Amortization schedules for each outstanding loan and predicted fund balances over the life of these loans;
 - ii. Current values for:
 - 1. Net debt per capita;
 - 2. Net debt per capita as a percentage of income per capita;
 - 3. Debt as a percentage of total assessed property values; and
 - 4. Percentage of debt that has a variable interest rate
 - iii. Current bond rating

IV. CREDIT QUALITY AND CREDIT ENHANCEMENT

The County's Debt management activities will be conducted in order to maintain or receive the highest possible credit ratings unless modified by the Legislative Body based on facts and circumstances at the time of issuance of any debt. The Mayor and Finance Director in conjunction with any Financial Professionals that the County may chose to engage will be responsible for maintaining relationships and communicating with one or more rating agencies.

The County will consider the use of credit enhancements on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when clearly demonstrable savings can be shown shall an enhancement be considered. The County will consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancements:

1) Insurance

The County may purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination shall be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds.

2) Letters of Credit

The County may enter into a letter-of-credit ("LOC") agreement when such an agreement is deemed prudent and advantageous. The County or its Financial Professionals, if any, may seek proposals from qualified banks or other qualified financial institutions pursuant to terms and conditions that are acceptable to the County.

V. **AFFORDABILITY**

The County shall consider the ability to repay Debt as it relates to the total budget resources, the wealth and income of the community and its property tax base and other revenues available to service the Debt. The County should consider debt ratios such as net debt per capita, debt to assessed valuation and other benchmarks compared to its peers when analyzing its Debt including materials published by the nationally recognized credit rating agencies. Currently, some typical debt ratios of Tennessee counties are:

- 1) Net debt per capita = \$100 - \$2,000 (average about \$1,500)
- 2) Net debt per capita as a percentage of income per capita = 2% - 8% (average 4.3%)
- 3) Debt as a percentage of total assessed property values = 3% - 10% (average 6.5%)

VI. **DEBT STRUCTURE**

The County shall establish all terms and conditions relating to the issuance of Debt and will invest all bond proceeds pursuant to the terms of its investment policy, if any. Unless otherwise authorized by the County, the following shall serve as the Debt Policy for determining structure:

1) Term

All capital improvements financed through the issuance of Debt will be financed for a period not to exceed the useful economic life of the improvements and in consideration of the ability of the County to absorb such additional debt service expense. The term of Debt shall be determined by, but not limited to, the economic life of the assets financed, conditions in the capital markets, the availability of adequate revenue streams to service the Debt and other budgetary obligations of the County and the existing pattern of Debt payable from such identifiable fund or enterprise activity, but in no event will the term of such Debt exceed forty (40) years, as outlined in TCA.

2) **Capitalized Interest**

From time to time, certain financings may require the use of capitalized interest from the date of issuance until the County is able to realize beneficial use and/or occupancy of the financed project. Interest may be capitalized through a period permitted by federal law and TCA if it is determined that doing so is beneficial to the financing by the Legislative Body and is appropriately memorialized in the legislative action authorizing the sale and issuance of the Debt.

3) **Debt Service Structure**

General Obligation debt issuance shall be planned to achieve relatively net level debt service or level principal amortization considering the County's outstanding debt obligations, while matching debt service to the useful economic life of facilities. Absent events or circumstances determined by its Legislative Body, the County shall avoid the use of bullet or balloon maturities (with the exception of sinking fund requirements required by term bonds) except in those instances where such maturities serve to make existing overall debt service level or match specific income streams. Debt which is supported by project revenues and is intended to be self-supporting should be structured to achieve level proportional coverage to expected available revenues.

4) **Call Provisions**

In general, the County's Debt should include a call feature no later than ten (10) years from the date of delivery of the bonds. The County will avoid the sale of long-term debt which carries longer redemption features unless a careful evaluation has been conducted by the Mayor and Finance Director and/or Financial Professionals, if any, with respect to the value of the call option. The decision to refinance any debt must be approved by the Legislative Body.

5) **Original Issuance Discount/Premium**

Debt with original issuance discount/premium will be permitted.

6) **Deep Discount Bonds**

Deep discount debt may provide a lower cost of borrowing in certain capital markets. The Mayor and Finance Director and/or Financial Professionals, if any, should carefully consider their value and effect on any future refinancing as a result of the lower-than-market coupon.

VII. DEBT TYPES

When the County determines that Debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued.

1) Security Structure

a) **General Obligation Bonds**

The County may issue Debt supported by its full faith, credit and unlimited ad valorem taxing power ("General Obligation Debt"). General Obligation Debt shall be used to finance capital projects that do not have significant independent creditworthiness or significant on-going revenue streams or as additional credit support for revenue-supported Debt, if such support improves the economics of the Debt and is used in accordance with these guidelines.

b) **Revenue Debt**

The County may issue Debt supported exclusively with revenues generated by a project or enterprise fund ("Revenue Debt"), where repayment of the debt service obligations on such Revenue Debt will be made through revenues generated from specifically designated sources. Typically, Revenue Debt will be issued for capital projects which can be supported from project or enterprise-related revenues.

c) **Capital Leases**

The County may use capital leases to finance projects assuming the Mayor and Finance Director and/or Financial Professionals, if any, determine that such an instrument is economically feasible.

2) Duration

a) **Long-Term Debt**

The County may issue long-term Debt when it is deemed that capital improvements should not be financed from current revenues or short-term borrowings. Long-term Debt will not be used to finance current operations or normal maintenance. Long-term Debt will be structured such that financial obligations do not exceed the expected useful economic life of the project(s) financed.

- i. *Serial and Term Debt.* Serial and Term Debt may be issued in either fixed or variable rate modes to finance capital infrastructure projects;

- ii. *Capital Outlay Notes ("CONs")*. CONs may be issued to finance capital infrastructure projects with an expected life up to twelve years; or
- iii. *Capitalized Leases*. Capitalized Leases may be issued to finance infrastructure projects or equipment with an expected life not greater than its expected useful life.

b) Short-Term Debt

Short-term borrowing may be utilized for:

- i. Financing short economic life assets;
- ii. The construction period of long-term projects;
- iii. For interim financing; or
- iv. For the temporary funding of operational cash flow deficits or anticipated revenues subject to the following policies:
 - 1. *Bond Anticipation Notes ("BANs")*. BANs, including commercial paper notes issued as BANs, may be issued instead of capitalizing interest to reduce the debt service during the construction period of a project or facility. The BANs shall not mature more than 2 years from the date of issuance. BANs can be rolled in accordance with federal and state law. BANs shall mature within 6 months after substantial completion of the financed facility.
 - 2. *Revenue Anticipation Notes ("RANs") and Tax Anticipation Notes ("TANs")*. RANs and TANS shall be issued only to meet cash flow needs consistent with a finding by bond counsel that the sizing of the issue fully conforms to federal IRS and state requirements and limitations.
 - 3. *Lines of Credit*. Lines of Credit shall be considered as an alternative to other short-term borrowing options. A line of credit shall only be structured to federal and state requirements.
 - 4. *Interfund Loans*. Interfund Loans shall only be used to fund operational deficiencies among accounts or for capital projects to be paid from current fiscal year revenues. Such interfund loans shall be approved by the State Comptroller's office and shall only be issued in compliance with state regulations and limitations.

5. *Other Short-Term Debt.* Other Short-Term Debt including commercial paper notes, BANs, Capitalized Leases and CONs may be used when it provides an interest rate advantage or as interim financing until market conditions are more favorable to issue debt in a fixed or variable rate mode. The County will determine and utilize the most advantageous method for short-term borrowing. The County may issue short-term Debt when there is a defined repayment source or amortization of principal.

3) **Interest Rate Modes**

a) **Fixed Rate Debt**

To maintain a predictable debt service schedule, the County may give preference to debt that carries a fixed interest rate.

b) **Variable Rate Debt**

The targeted percentage of net variable rate debt outstanding (excluding (1) debt which has been converted to synthetic fixed rate debt and (2) an amount of debt considered to be naturally hedged to short-term assets in the Unreserved General and/or Debt Service Fund Balance) shall not exceed 20% of the County's total outstanding debt and will take into consideration the amount and investment strategy of the County's operating cash.

The following circumstances may result in the consideration of issuing variable rate debt:

- i. *Asset-Liability Matching;*
- ii. *Construction Period Funding;*
- iii. *High Fixed Interest Rates.* Interest rates are above historic averages;
- iv. *Diversification of Debt Portfolio;*
- v. *Variable Revenue Stream.* The revenue stream for repayment is variable and is anticipated to move in the same direction as market-generated variable interest rates or the dedication of revenues allows capacity for variability; and
- vi. *Adequate Safeguard Against Risk.* Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts such structures could include, but are not limited to, interest rate caps and short-term cash investments in the County's General Fund.

An analysis by the Mayor and Finance Director and/or Financial Professionals, if any, shall be conducted to evaluate and quantify the risks and returns associated with the variable rate Debt including, but not limited to, a recommendation regarding the use of variable rate debt.

4) **Zero Coupon Debt**

Zero Coupon Debt may be used if an analysis has been conducted by the Mayor and Finance Director and/or Financial Professionals, if any, and the risks and returns associated with the Zero Coupon Debt have been made. The analysis shall include, but not be limited to a recommendation regarding the use of Zero Coupon Debt as the most feasible instrument considering available revenues streams, the need for the project and other factors determined by the Legislative Body.

5) **Synthetic Debt**

The County will not enter into any new interest rate swaps or other derivative instruments unless it adopts a Debt Derivative Policy consistent with the requirements of TCA and only after approval of the State Comptroller's office and affirmative action of the Legislative Body. To the extent the County has any current existing interest rate swaps or other derivative instruments, the County will monitor these agreements and any amendments consistent with the compliance report issued by the State Comptroller's Office at the time the agreements were previously authorized.

VIII. REFINANCING OUTSTANDING DEBT

The Mayor and Finance Director, in conjunction with Financial Professionals, if any, shall have the responsibility to analyze outstanding Debt for refunding opportunities. The Mayor and Finance Director will consider the following issues when analyzing possible refunding opportunities:

1) **Debt Service Savings**

Absent other compelling considerations such as the opportunity to eliminate onerous or restrictive covenants contained in existing Debt documents, the County has established a minimum net present value savings threshold of at least 3.0 percent of the advance refunded Debt principal amount. Current refunding opportunities may be considered by the County using any savings threshold if the refunding generates positive net present value savings. The decision to take less than 3.0 percent net present value savings for an advance refunding or to take the savings in any manner other than a traditional year-to-year level savings pattern must be approved by the Legislative Body or delegated to the County's Chief Executive.

2) **Restructuring for economic purposes**

The County may also refund Debt when it is in its best financial interest to do so. Such a refunding will be limited to restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, release reserve funds or remove unduly restrictive bond covenants or any other reason approved by the Legislative Body in its discretion.

3) **Term of Refunding Issues**

Normally, the County will refund Debt equal to or within its existing term. However, the Mayor and Finance Director may consider maturity extension, when necessary to achieve desired outcomes, provided that such extension is legally permissible and it is approved by the Legislative Body. The Mayor and Finance Director may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful economic life of the financed facility and the concept of inter-generational equity should guide these decisions.

4) **Escrow Structuring**

The County shall utilize the least costly securities available in structuring refunding escrows. In the case of open market securities, a certificate will be provided by a third party agent, who is not a broker-dealer stating that the securities were procured through an arms-length, competitive bid process, that such securities were more cost effective than State and Local Government Obligations (SLGS), and that the price paid for the securities was reasonable within Federal guidelines. In cases where taxable Debt is involved, the Mayor and Finance Director, with the approval of bond counsel, may make a direct purchase as long as such purchase is the most efficient and least costly. Under no circumstances shall an underwriter, agent or any Financial Professionals sell escrow securities involving tax-exempt Debt to the County from its own account.

5) **Arbitrage**

The County shall take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding. Any positive arbitrage will be rebated as necessary according to Federal guidelines.

IX. METHODS OF ISSUANCE

The Mayor and Finance Director may consult with a Financial Professional regarding the method of sale of Debt. Subject to approval by the Legislative Body, the Mayor and Finance Director will determine the method of issuance of Debt on a case-by-case basis consistent with the options provided by prevailing State law.

1) Competitive Sale

In a competitive sale, the County's Debt will be offered in a public sale to any and all eligible bidders. Unless bids are rejected, the Debt shall be awarded to the bidder providing the lowest true interest cost as long as the bid adheres to the requirements set forth in the official notice of sale.

In a competitive sale, a financial advisor may not bid on an issue for which they are providing advisory services.

2) Negotiated Sale

The County recognizes that some securities are best sold through a negotiated sale with an underwriter or group of underwriters. The County shall assess the following circumstances in determining whether a negotiated sale is the best method of sale:

- a) State requirements on negotiated sales;
- b) Debt structure which may require a strong pre-marketing effort such as those associated with a complex transaction generally referred to as a "story" bond;
- c) Size or structure of the issue which may limit the number of potential bidders;
- d) Market conditions including volatility wherein the County would be better served by the flexibility afforded by careful timing and marketing such as is the case for Debt issued to refinance or refund existing Debt;
- e) Whether the Debt is to be issued as variable rate obligations or perhaps as Zero Coupon Debt;
- f) Whether an idea or financing structure is a proprietary product of a single firm;
- g) In a publicly offered or privately placed, negotiated sale, a financial advisor, if any, shall not be permitted to resign as the financial advisor in order to underwrite or privately place an issue for which they are or have been providing advisory services;
- h) The underwriter shall clearly identify itself in writing as an underwriter and not as a financial advisor from the earliest stages of its relationship with the County with

respect to the negotiated issue. The underwriter must clarify its primary role as a purchaser of securities in an arm's length commercial transaction and that it has financial and other interests that differ from those of the County. The underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the Legislative Body (or its designated official) in advance of the pricing of the debt.

3) Private Placement

From time to time, the County may elect to privately place its Debt. Such placement shall only be considered if this method is demonstrated to be advantageous to the County.

X. PROFESSIONALS

1) Financial Professionals

As needed, the County may select Financial Professionals to assist in its Debt issuance and administration processes. In selecting Financial Professionals, consideration should be given with respect to:

- a) relevant experience with municipal government issuers and the public sector;
- b) indication that the firm has a broadly based background and is therefore capable of balancing the County's overall needs for continuity and innovation in capital planning and Debt financing;
- c) experience and demonstrated success as indicated by its experience;
- d) the firm's professional reputation;
- e) professional qualifications and experience of principal employees; and
- f) the estimated costs, but price should not be the sole determining factor.

2) Miscellaneous

a) **Written Agreements**

- i. Any Financial Professionals prior to being engaged by the County shall enter into written agreements including, but not limited to, a description of services provided and fees and expenses to be charged for the engagement. The written agreements shall also include a provision for the termination of such agreements
- ii. The County shall enter into an engagement letter agreement with each lawyer or law firm representing the County in a debt transaction. No engagement letter is required for any lawyer who is an employee of the County or lawyer or law firm which is under a general appointment or contract to serve as counsel to the County. The County does not need an engagement letter with counsel not representing the County, such as underwriters' counsel.
- iii. The County shall require all Financial Professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the County and the lender or conduit issuer, if any. This includes "soft" costs or compensations in lieu of direct payments.

b) **Conflict of Interest**

- i. Financial Professionals involved in a debt transaction hired or compensated by the County shall be required to disclose to the County existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisors, swap advisors, bond counsel, swap counsel, trustee, paying agent, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the County to appreciate the significance of the relationships.
- ii. Financial Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

XI. COMPLIANCE

1) Continuing Annual Disclosure

Normally at the time Debt is delivered, the County will execute a Continuing Disclosure Certificate in which it will covenant for the benefit of holders and beneficial owners of the publicly traded Debt to provide certain financial information relating to the County by not later than twelve months after each of the County's fiscal years, (the "Annual Report and provide notice of the occurrence of certain enumerated events. The Annual Report (and audited financial statements, if filed separately) will be filed with the MSRB through the operation of the Electronic Municipal Market Access system ("EMMA") and any State Information Depository established in the State of Tennessee (the "SID"). If the County is unable to provide the Annual Report to the MSRB and any SID by the date required, notice of each failure will be sent to the MSRB and any SID on or before such date. The notices of certain enumerated events will be filed by the County with the MSRB through EMMA and any SID. The specific nature of the information to be contained in the Annual Report or the notices of significant events is provided in each Continuing Disclosure Certificate. These covenants are made in order to assist underwriters in complying with SEC Rule 15c2-12(b) (the "Rule").

2) Arbitrage Rebate

The County will also maintain a system of record keeping and reporting which complies with the arbitrage rebate compliance requirements of the Internal Revenue Code (the "Code").

3) Records

The County will also maintain records required by the Code including, but not limited to, all records related to the issuance of the debt including detailed receipts and expenditures for a period up to 6 years following the final maturity date of the Debt or as required by the Code.

4) Rating Agency Reports

At the time of issuance of any new debt, the County shall make available to the Legislative body and any interested citizens any rating agency reports issued in connection with the new debt.

XII. DEBT POLICY REVIEW

1) General Guidance

The guidelines outlined herein are only intended to provide general direction regarding the future issuance of Debt. The County maintains the right to modify this Debt Policy and may make exceptions to any of its guidelines at any time to the extent that the execution of such Debt achieves the goals of the County as long as such exceptions or changes are consistent with TCA and any rules and regulations promulgated by the State.

This Debt Policy should be reviewed from time to time as circumstances, rules and regulations warrant.

2) Designated Official

The Mayor and Finance Director are responsible for ensuring substantial compliance with this Debt Policy.

Section 2

Financial Advisory Agreement Between Loudon County and Cumberland Securities

MUNICIPAL ADVISORY AGREEMENT
BETWEEN
LOUDON COUNTY, TENNESSEE
AND
CUMBERLAND SECURITIES COMPANY, INC.

THIS AGREEMENT entered into this 2nd day of March 2020, by and between LOUDON COUNTY, TENNESSEE (hereinafter referred to as the “Client”), and CUMBERLAND SECURITIES COMPANY, INC., a Tennessee based Independent Registered Municipal Advisor (hereinafter referred to as “Municipal Advisor”).

W I T N E S S E T H

WHEREAS, the Client may in the future require financing for the purpose of providing funds for capital projects; and

WHEREAS, the Client must from time to time provide adequate new facilities or improvements to meet the demands placed on the services provided by the Client in order to promote the general welfare of the citizens of the Client and its area; and

WHEREAS, the Client may from time to time desire to refinance debt, or other obligations, issued for previous said projects; and

WHEREAS, the Client desires that the most complete and accurate economic and financial information possible be provided its officials and to potential bidders and ultimate buyers of the Client's bonds, notes, and/or other obligations; and

WHEREAS, due to the rapid changes in financing methods, the complexity of laws governing such financings and the specialization that is required to remain informed and up-to-date, the Client desires that a recognized independent registered municipal advisor be retained in the structuring, marketing and sale of the Client’s bonds, notes, and/or other obligations; and

WHEREAS, the Client has evaluated the capabilities of the Municipal Advisor to the complete satisfaction of the Client and has requested the Municipal Advisor to assist and advise the Client in matters relating to the Client’s issuance of bonds, notes, and/or other obligations under

terms and conditions decided by the Client to be suitable and in the best interest of the Client and its constituents.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, it is hereby mutually agreed by and between the Client and the Municipal Advisor that

Section 1. Definitions:

- a) "Authorized Representative(s)" means the County Mayor and/or Finance Director of the Client, as hereinafter defined.
- b) "Client" means the Client as previously defined.
- c) "Municipal Advisor" means Cumberland Securities Company, Inc.

Section 2. Scope of Services:

- a) Suitability and Needs Analysis. In preparation for the development of any financing plan, or plans, the Municipal Advisor will survey the financial resources of the Client to determine its borrowing capacity and analyze the existing debt structure of the Client as compared to the existing and projected sources of revenues which may be pledged to secure payment of the debt service on the proposed issues. Such studies will also include a complete analysis of the existing indebtedness of the Client to determine the most practical, economical way for the Client to fund needed public improvements and projects. In addition, the Municipal Advisor will consider any future financing requirements projected by Client officials, its consultants (if any) and other experts that may be employed from time to time by the Client.
- b) Development of plan of Finance/Refinance. The Municipal Advisor, working with the Authorized Representative(s) and other Client officials and employees, the Client's Attorney, the independent Bond Counsel to the Client, and other such independent consultants or consulting engineers as may be engaged by the Client from time to time, shall assist in the development of a plan or plans for the financing or refinancing of any improvements through the issuance of bonds or other obligations, including loan agreements.
- c) Recommendation. Based on the information developed by or other information available to the Municipal Advisor, the Municipal Advisor will submit its recommendations on the

financing of the proposed public improvements and projects. The Municipal Advisor's recommendation will include among other things, a schedule of principal maturities, options of prior payment, and the necessary security provisions designed to make the issues attractive to potential investors. All recommendations will be based on the Municipal Advisor's experience as to how the debt obligations can best be sold under terms most advantageous to the Client, based on its facts and circumstances. In preparing any plan of financing, and in all other services rendered by the Municipal Advisor under this Agreement, it is hereby understood that the Municipal Advisor may rely upon any written data or reports furnished to the Municipal Advisor by the Client or its Authorized Representatives. The Authorized Representative(s) agree to make available to the Municipal Advisor any data, reports, or Client personnel for conferences and consultations as may be necessary for the formulation of any financing plans.

- d) State Reports. If the Client and the Municipal Advisor determine that it is advantageous to the Client to refund any presently outstanding bonds, loans and/or outstanding notes, the Municipal Advisor will submit a plan of refunding and a computation of projected costs savings, if applicable, to the Director for the Office of State & Local Finance for review as required by Section 9-21-1003, Tennessee Code Annotated.
- e) Resolutions. The Municipal Advisor shall ensure that all the necessary resolutions are prepared for adoption in preparation for the sale and issuance of the bonds, loans and/or notes and that all other necessary proceedings are prepared and executed to complete each sale.
- f) Financial and Economic Factors. The Municipal Advisor will advise on current market conditions, forthcoming bond, loans and note issues, federal tax law considerations, and other general information and economic data which might normally be expected to influence the interest rates or other bidding or sale conditions, so that the date for the sale of the bonds, loans and/or notes can be set at a time, which in the Municipal Advisor's opinion will be most favorable to the Client.
- g) Legal Services. The Municipal Advisor will work with Client's nationally recognized bond attorney(s), for their approving legal opinion(s) on its debt obligations, as needed.

- h) Offering Document. In connection with any bond sale, the Municipal Advisor shall prepare a “near final” Preliminary and Final Official Statement substantially in accordance with the standards recommended by the Government Finance Officers Association (the “GFOA”) and will make a national distribution of such “near final” Preliminary Official Statements to potential bidders or purchasers for the bonds and to other interested parties and will furnish the successful bidder(s) or purchasers a reasonable amount of final Official Statements within seven (7) business days from the sale date as required by the Securities and Exchange Commission Rule 15c2-12.
- i) Credit Rating(s). The Municipal Advisor will prepare and assemble all necessary information concerning the Client for submission to and consideration by one or more of the major rating services (Moody's Investors Service, Inc., and/or Standard & Poor's Rating Services, and/or Fitch Ratings) in connection with a bond sale either independently or in connection with the use of credit enhancement if in the opinion of the Municipal Advisor, such rating(s), would prove to be economically beneficial to the Client. The Municipal Advisor will arrange for conferences or meetings (if necessary) with appropriate personnel analyzing the proposed bond issue(s) in anticipation of a rating(s) on such bonds.
- j) Credit Enhancement. The Municipal Advisor will advise the Client on the use of credit enhancement instruments available from municipal bond insurers or others and provide assistance in seeking such insurance or credit enhancement if in the opinion of the Municipal Advisor, such credit enhancement instrument would prove to be economically beneficial to the Client.
- k) Procurement of Services. The Municipal Advisor will assist the Client in engaging a major commercial bank (after receiving approval from and Authorized Representative) to serve as the Client's Registrar, Paying Agent and Escrow Trustee, if required. The Municipal Advisor will also assist the Client in engaging any other services, as required, for debt issuance.
- l) Advertisement. The Municipal Advisor will prepare forms and coordinate the submission of all advertisements concerning the sale and issuance of bonds and notes as required by law.

- m) Verification. The Municipal Advisor will furnish a representative at the sale to assist and advise the Client officials in receiving bids or pricing levels and will tabulate all bids or pricing as well as perform computer verification of the mathematical accuracy of said bids or pricing and the compliance of all bids with the published requirements of the sale, if applicable. In addition, the Municipal Advisor will assist and advise the Client in the awarding of the bonds to the successful bidders or purchasers.
- n) Closing Coordination. The Municipal Advisor will supervise all closing proceedings so as to ensure the quickest possible delivery of the debt obligations to the purchaser or purchasers, including having the bond forms printed and ready for signatures of the proper officials.
- o) Final Reports. After the sale, the Municipal Advisor will deliver to the Client, the Registrar/Paying Agent and/or appropriate officials, a schedule of debt service requirements on the debt obligations.
- p) Bond Yield Calculation. The Municipal Advisor will calculate the "Bond Yield" based on the arbitrage provisions of the Internal Revenue Code of 1986 and will advise the Client on the maximum allowable yield on such debt obligations. If requested, the Municipal Advisor will advise the Client on the investment of the proceeds of debt obligations so as to maximize the arbitrage potential under applicable existing laws.
- q) State Form Preparation. The Municipal Advisor will prepare State Form CT-0253, "Report on Debt Obligations" for execution and submission to the State Comptroller's Office by the Client and a representative of the Municipal Advisor pursuant to Section 9-21-151, Tennessee Code Annotated within forty-five (45) days after the issuance of any bonds or notes with a maturity of greater than one (1) year.
- r) IRS Form 8038-G. The Municipal Advisor will prepare or cause to be prepared Form 8038-G "Information Return for Tax-Exempt Governmental Bond Issues" and file or cause to be filed the report with the United States Department of the Treasury on or before the 15th day of the second calendar month after the close of the calendar quarter in which any debt is issued.

Section 3. Fees.

- a) Closing Costs. The Client will be responsible for paying all of the normal bond issuance costs and fees. The normal bond issuance costs that the Client will pay will include the following: Bond Counsel fees, registration and paying agent's initial acceptance fees; bond printing costs; any rating agency's fees not associated with bond insurance; costs of preparation, printing and distribution of the Preliminary and Final Official Statements, and all legally required publication costs and if a refunding is involved the acceptance fee of the Escrow Agent and the fee of an accounting firm to verify the accuracy of the escrow fund to defease the bonds or notes being refunded. The Municipal Advisor will bill the Client and pay on the Client's behalf the above referenced issuance cost unless the Client requests to handle such payments itself. It is expressly understood that the Client will be responsible for all compensation due (if any) to the Client's Attorney, other independent consultants engaged by the Client, the annual fees of the Registration and Paying Agent, the annual fee payable to the Municipal Advisor for also serving as the Dissemination Agent and if the Client so desires and qualifies, any premiums due and other related rating fees for bond insurance or other credit enhancement instruments purchased directly by the Client to enhance the sale of the bonds.
- b) Municipal Advisor Fee. In addition to the aforementioned bond issuance costs outlined above, the Client agrees that in consideration for the services rendered by the Municipal Advisor at its expense, the Client shall pay or cause to be paid to the Municipal Advisor a fee at the time of and only upon the successful issuance and delivery of any debt obligation. The determination of any Municipal Advisor fee or other compensation for all debt obligations will be mutually agreeable between the Client and the Municipal Advisor pursuant to a Fee Letter. The fee for any Municipal advisory activity that does not involve any specific financing by the Client, will also be mutually determined by the Municipal Advisor and an Authorized Representative, pursuant to a Fee Letter.
- If Client represents to another firm or person that it will rely on the advice of Municipal Advisor as its Independent Registered Municipal Advisor ("IRMA"), Client agrees to compensate the Municipal Advisor for any resulting transaction for which another person

or firm relied upon the IRMA exemption.

Section 4. Disclosures

- a) **Regulatory Registration.** The Municipal Advisor is registered as a Municipal Advisory firm with the U.S. Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”). The Municipal Advisor will maintain all required registrations with the SEC and MSRB. A municipal advisory client brochure is posted on the website of the MSRB (www.msrb.org) that describes the protections that may be provided by the Municipal Securities Rulemaking Board rules and how to file a complaint with an appropriate regulatory authority. The Advisor will maintain all required registrations with the SEC and the MSRB and the Advisor will disclose any legal or disciplinary events, including information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation, and other detailed information. The Client may electronically access the Advisor’s most recent Form MA and each most recent Form MA-I filed with the Commission at <https://tinyurl.com/SEC-MA-Search>. As of the date of this document, Cumberland Securities Company, Inc. has never had a legal or disciplinary event.
- b) **Potential Conflicts of Interest.**
- i) **Contingent Fee Form of Compensation.** Under a contingent fee form of compensation, payment of the Municipal Advisor’s fee is dependent upon the successful completion of a financing or other transaction. Although this form of compensation may be customary for the Client, it presents a conflict because the Municipal Advisor may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the client. The officers of the Municipal Advisor are also officers, directors and shareholders of Cumberland Advisors, Inc. which may receive a fee in connection with services related to the investment of bond proceeds. All recommended financings are reviewed by the firm to confirm that that they are suitable for each client. Upon execution of this Municipal Advisory Agreement, the Municipal Advisor will have a legally binding fiduciary responsibility to put the financial interests of the Client

before its own.

- ii) Dissemination Agent. The Municipal Advisor may also serve as the Client's Dissemination Agent for which it will receive a separate form of compensation for work completed in accordance with services rendered as Dissemination Agent.
- iii) Bloomberg License. The Client hereby recognizes that the Municipal Advisor also receives the use of a Bloomberg license courtesy of Raymond James and Associates. The use of this license is not contingent upon any specific existing or future business. All recommended financings and investments are reviewed by the firm to confirm that that they are suitable for each client.
- iv) TN-LOANS Program. The Client recognizes that the Municipal Advisor has developed a variable rate loan program known as the Tennessee Local Government Alternative Loan Program (the "TN-LOANS Program"), TN-LOANS LLC. ("TN-LOANS LLC") serves as the Program Administrator to various public building authorities in the state of Tennessee ("PBA"). In the event that the Client chooses to participate in the TN-LOANS Program and votes to enter into a Loan Agreement with a PBA, the Municipal Advisor will be deemed to be a Municipal Advisor to the Client pursuant to applicable rules of the MSRB in connection with any participation by the Client in the TN-LOANS Program.

The Client recognizes that the owner and President of TN-LOANS LLC is also an owner, officer and employee of the Municipal Advisor. As a part of its fiduciary obligation to the Client, the Municipal Advisor has disclosed to the Client that if the Client participates in the TN-LOANS Program, then TN-LOANS LLC will receive separate and additional compensation for its work and performance as the Program Administrator. The Client acknowledges and waives any perceived or potential conflicts of interest that may result from the Municipal Advisor or any related entities in performing multiple roles such as Municipal Advisor, Dissemination Agent and/or Program Administrator. The Municipal Advisor is not a fiduciary of any other party to the transaction and will be neither party to, nor liable under, any contract, agreement, or understanding executed or otherwise existing to affect the debt obligation. We will


not (i) provide any assurances that any investment made in connection with the debt obligation or otherwise during our engagement is the best possible investment available for your situation or that every possible alternative or provider has been considered and/or solicited, (ii) investigate the veracity of any certifications provided by any party, (iii) provide legal or accounting assurance that any matter or procedure complies with any applicable law, or (iv) be liable to any party if any of the Bonds or an investment fails to close or for default of same.

Section 5. **Term.** THIS AGREEMENT shall remain in full force and effect for five (5) years from the date entered into hereof (the "Expiration Date"). The initial Expiration Date (and any subsequent Expiration Date) shall be extended for an additional 365-day period unless the Client shall deliver to the Municipal Advisor on or before ninety (90) days preceding the then effective Expiration Date written notice that the Client will not extend the Expiration Date for an additional 365-day period (a "Notice of Non-extension"). In the event the Client does not deliver a Notice of Non-extension on or before ninety (90) days preceding the then effective Expiration Date, the Expiration Date shall be automatically extended for an additional period of 365 days, and the last day of such extended period shall thereafter be deemed to be the Expiration Date. Upon termination of this Municipal Advisor Agreement by the Client, the Municipal Advisor shall be paid the fee in full that would be due for all work completed up to the date of cancellation and authorized by an Authorized Representative.

This Agreement shall take effect immediately.

This 2nd day of March 2020.

CUMBERLAND SECURITIES COMPANY, INC.

By:  _____
President

LOUDON COUNTY, TENNESSEE

By:  _____
County Mayor

Section 3

**Loudon County
Current
Bond Rating Report**



Rating Action: Moody's Assigns Aa2 to Loudon County, TN's \$26.4 million Rural School Refunding Bonds, Series 2020A

17 Mar 2020

New York, March 17, 2020 – Moody's Investors Service has assigned a Aa2 to Loudon (County of), TN's \$26.4 million Rural School Refunding Bonds, Series 2020A. Moody's maintains a Aa2 on the county's outstanding general obligation debt.

RATINGS RATIONALE

The Aa2 reflects the county's moderately-sized tax base with average resident wealth and income levels, strong and stable financial position, and average long-term liabilities.

While the county is susceptible to some risks associated with the coronavirus, the county is well positioned to handle its negative impacts due to its healthy financial position. The situation surrounding coronavirus is rapidly evolving. If our view of the credit quality of the county changes, we will update the rating and/or outlook at that time.

RATING OUTLOOK

Moody's typically does not assign outlooks to local government credits with this amount of debt outstanding.

FACTORS THAT COULD LEAD TO AN UPGRADE

Material growth in the tax base along with strengthening of wealth indicators

Sizeable increases in General Fund reserves

FACTORS THAT COULD LEAD TO A DOWNGRADE

Significant contraction in the tax base that leads to weakened property tax collections

Material declines in reserves levels which limit financial flexibility

Dramatic increase in debt levels that creates financial pressure

LEGAL SECURITY

The bonds are secured by the county's full faith and credit and general obligation unlimited tax pledge on all taxable property within the county excluding the city of Lenoir.

USE OF PROCEEDS

The bonds will be used to refund the county's outstanding Rural School Bonds, Series 2011 and Rural School Bonds, Series 2012 for positive net present value savings.

PROFILE

Loudon County, TN is located in the eastern portion of the state just south of Knox County, TN (Aa1 stable). The county's population is 51,610 according to the 2018 American Community Survey.

METHODOLOGY

The principal methodology used in this rating was US Local Government General Obligation Debt published in September 2019. Please see the Rating Methodologies page on www.moody.com for a copy of this methodology.

REGULATORY DISCLOSURES

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the

assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moody's.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moody's.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moody's.com for additional regulatory disclosures for each credit rating.

Susanne Siebel
Lead Analyst
Regional PFG Northeast
Moody's Investors Service, Inc.
7 World Trade Center
250 Greenwich Street
New York 10007
US
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

Christopher Coviello
Additional Contact
Regional PFG Northeast
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

Releasing Office:
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653



© 2020 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. AND/OR ITS CREDIT RATINGS AFFILIATES ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S INVESTORS SERVICE DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S INVESTORS SERVICE CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS,

ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from \$1,000 to

approximately \$2,700,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moody.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY250,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

Section 4

Schedule in Changes in Long-term Notes, Other Loans, and Bonds

Source: June 30, 2022 Annual Financial Report

Exhibit J-1

Loudon County, Tennessee
Schedule of Changes in Long-term Notes, Other Loans, and Bonds
For the Year Ended June 30, 2022

| Description of Indebtedness | Original Amount of Issue | Interest Rate | Date of Issue | Last Maturity Date | Outstanding 7-1-21 | Paid and/or Matured During Period | Outstanding 6-30-22 |
|---|--------------------------------|------------------|---------------------|--------------------------|-----------------------|--|------------------------|
| <u>NOTES PAYABLE</u> | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | |
| Del Conca Waterline Extension | \$ 400,000 | 2.88 % | 2-1-13 | 2-1-23 | \$ 89,000 | \$ 44,000 | \$ 45,000 |
| Total Notes Payable | | | | | \$ 89,000 | \$ 44,000 | \$ 45,000 |
| <u>OTHER LOANS PAYABLE</u> | | | | | | | |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | |
| Blount County PBA Loan, Series E-3-C - Refunding | 12,265,000 | (1) | 7-31-08 | 6-1-25 | \$ 4,235,000 | \$ 970,000 | \$ 3,265,000 |
| Total Other Loans Payable | | | | | \$ 4,235,000 | \$ 970,000 | \$ 3,265,000 |
| <u>BONDS PAYABLE</u> | | | | | | | |
| <u>Payable through General Debt Service Fund</u> | | | | | | | |
| General Obligation Series 2017 | 9,675,000 | 2 to 3 | 10-31-17 | 6-1-37 | \$ 9,210,000 | \$ 475,000 | \$ 8,735,000 |
| General Obligation Series 2018 | 8,010,000 | 3 to 4 | 11-30-18 | 6-1-38 | 7,675,000 | 345,000 | 7,330,000 |
| Total Payable through General Debt Service Fund | | | | | \$ 16,885,000 | \$ 820,000 | \$ 16,065,000 |
| <u>Payable through Education Debt Service Fund</u> | | | | | | | |
| Rural School Bonds, Series 2013A | 8,850,000 | 1.4 to 5 | 5-10-13 | 6-1-23 | \$ 2,000,000 | \$ 1,000,000 | \$ 1,000,000 |
| Rural School Refunding Bonds, Series 2020A | 24,220,000 | 2 to 5 | 5-29-20 | 6-1-36 | 22,900,000 | 1,395,000 | 21,505,000 |
| Rural School Refunding Bonds, Series 2021 | 7,100,000 | 2 | 6-4-21 | 6-1-30 | 7,100,000 | 450,000 | 6,650,000 |
| Total Payable through Education Debt Service Fund | | | | | \$ 32,000,000 | \$ 2,845,000 | \$ 29,155,000 |
| Total Bonds Payable | | | | | \$ 48,885,000 | \$ 3,665,000 | \$ 45,220,000 |

(1) A previous issue, Series IV-H-1, was swapped from variable to synthetic fixed rate by execution of a swap agreement. That issue was refunded with proceeds of the E-3-C issue. The swap agreement was retained.

Section 5

General Debt Service Fund 151

The purpose of General Debt Service Fund 151 is to pay the general debt obligations of Loudon County. The following tables include a multi-year debt budget with all current debt payments, amortization schedules for each outstanding loan, and estimated fund balances for each fiscal year. Property tax revenues are estimated and calculated based on no growth in value per year. The number of property tax pennies currently assigned to this fund has not been adjusted in future years.

The Tellico Area Service System (TASS) is a regional water, sewer and solid waste system jointly owned by Monroe and Loudon counties. Loudon County is contingently liable for certain debt issued by the county on behalf of this joint venture. TASS reimburses the counties for debt service payments; therefore, there is no effect on fund balance. Debt associated with TASS is included in the following tables. Loudon County would become liable for this debt in the event of default by TASS.

Loudon County
Multi-Year Debt Budget

| <u>Fund 151 General Debt Service</u> | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning of Year | | | | | | | | | |
| Restricted Fund Balance Estimate | 2,574,218 | 2,574,697 | 2,378,267 | 2,209,405 | 1,997,944 | 1,783,182 | 1,570,770 | 1,318,503 | 1,070,280 |
| Property Tax (3% delinquency; 0 growth) | 220,751 | 230,731 | 240,823 | 240,823 | 240,823 | 240,823 | 240,823 | 240,823 | 240,823 |
| Number of Property Tax Pennies | 4.9 | 4 | 3.84 | 3.84 | 3.84 | 3.84 | 3.84 | 3.84 | 3.84 |
| Revenue | | | | | | | | | |
| Current Property Tax | 1,122,826 | 947,754 | 924,760 | 924,760 | 924,760 | 924,760 | 924,760 | 924,760 | 924,760 |
| Trustee's Prior Year | 17,457 | 9,184 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Trustee's Bankruptcy | 315 | 104 | 1,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Clerk & Master's Prior Year | 9,537 | 8,633 | 10,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| Interest & Penalty | 4,219 | 2,492 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Payments in Lieu of Taxes -Tate & Lyle | 37,706 | 37,706 | 37,706 | 37,706 | 37,706 | 37,706 | | | |
| Payments in Lieu of Taxes -Del Conca | 46,802 | 46,296 | 46,802 | | | | | | |
| Bank Excise Tax | 6,806 | 5,778 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Interest Earned | 8,164 | 11,823 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Revenue from Joint Ventures (Career Center) | 14,933 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Contracted Services (TASS Reimb) | 203,472 | 203,472 | 203,472 | 234,420 | 234,420 | 234,420 | 234,420 | 234,420 | 234,420 |
| Transfers In (from Fund 112 for Jail) | 125,000 | 125,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Total Revenues | 1,597,237 | 1,398,242 | 1,393,740 | 1,380,886 | 1,380,886 | 1,380,886 | 1,343,180 | 1,343,180 | 1,343,180 |
| Expenditures | | | | | | | | | |
| Principal on Bonds - 9.675 Series 2017-Jail | 475,000 | 490,000 | 505,000 | 515,000 | 525,000 | 535,000 | 545,000 | 555,000 | 570,000 |
| Principal on Bonds - 8.010 Series 2018-Jail | 345,000 | 360,000 | 370,000 | 380,000 | 395,000 | 405,000 | 420,000 | 430,000 | 445,000 |
| Principal on Notes (\$400,000 Del Conca) | 44,000 | 45,000 | | | | | | | |
| Interest on Bonds - 9.675 Series 2017-Jail | 245,877 | 231,628 | 216,928 | 206,828 | 196,528 | 186,028 | 175,328 | 163,883 | 151,950 |
| Interest on Bonds - 8.010 Series 2018-Jail | 254,300 | 240,500 | 229,700 | 218,600 | 207,200 | 195,350 | 183,200 | 170,600 | 157,700 |
| Interest on Notes (\$400,000 Del Conca) | 2,564 | 1,296 | | | | | | | |
| Trustee's Commission | 23,045 | 19,276 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Other Debt Service | 3,500 | 3,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 | 7,500 |
| Other Debt Service - TASS | 203,472 | 203,472 | 203,474 | 234,420 | 234,420 | 234,420 | 234,420 | 234,420 | 234,420 |
| Other Debt Service | | | | | | | | | |
| Other Debt Service | | | | | | | | | |
| Total Expenditures | 1,596,758 | 1,594,672 | 1,562,602 | 1,592,348 | 1,595,648 | 1,593,298 | 1,595,448 | 1,591,403 | 1,596,570 |
| Effect on Fund Balance | 479 | (196,430) | (168,862) | (211,462) | (214,762) | (212,412) | (252,268) | (248,223) | (253,390) |
| Ending Fund Balance | 2,574,697 | 2,378,267 | 2,209,405 | 1,997,944 | 1,783,182 | 1,570,770 | 1,318,503 | 1,070,280 | 816,890 |

This estimate is based on several assumptions. Some, but not all, are as follows:

- (1) The number of property tax pennies assigned to this fund remain 3.84 until FY 2030
- (2) The value of the property tax penny has not been increased thru FY 2030
- (3) County Commission does not approve any additional general obligation debt prior to FY 2024
- (4) Other revenues remain as indicated each year until FY 2030



DEBT SERVICE

Loudon County, Tennessee \$9,675,000 General Obligation Bonds, Series 2017

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|--------------|--------|--------------|---------------|--------------|
| 12/01/2023 | | | 108,463.75 | 108,463.75 | |
| 06/01/2024 | 505,000.00 | 2.000% | 108,463.75 | 613,463.75 | 721,927.50 |
| 12/01/2024 | | | 103,413.75 | 103,413.75 | |
| 06/01/2025 | 515,000.00 | 2.000% | 103,413.75 | 618,413.75 | 721,827.50 |
| 12/01/2025 | | | 98,263.75 | 98,263.75 | |
| 06/01/2026 | 525,000.00 | 2.000% | 98,263.75 | 623,263.75 | 721,527.50 |
| 12/01/2026 | | | 93,013.75 | 93,013.75 | |
| 06/01/2027 | 535,000.00 | 2.000% | 93,013.75 | 628,013.75 | 721,027.50 |
| 12/01/2027 | | | 87,663.75 | 87,663.75 | |
| 06/01/2028 | 545,000.00 | 2.100% | 87,663.75 | 632,663.75 | 720,327.50 |
| 12/01/2028 | | | 81,941.25 | 81,941.25 | |
| 06/01/2029 | 555,000.00 | 2.150% | 81,941.25 | 636,941.25 | 718,882.50 |
| 12/01/2029 | | | 75,975.00 | 75,975.00 | |
| 06/01/2030 | 570,000.00 | 3.000% | 75,975.00 | 645,975.00 | 721,950.00 |
| 12/01/2030 | | | 67,425.00 | 67,425.00 | |
| 06/01/2031 | 585,000.00 | 3.000% | 67,425.00 | 652,425.00 | 719,850.00 |
| 12/01/2031 | | | 58,650.00 | 58,650.00 | |
| 06/01/2032 | 605,000.00 | 3.000% | 58,650.00 | 663,650.00 | 722,300.00 |
| 12/01/2032 | | | 49,575.00 | 49,575.00 | |
| 06/01/2033 | 625,000.00 | 3.000% | 49,575.00 | 674,575.00 | 724,150.00 |
| 12/01/2033 | | | 40,200.00 | 40,200.00 | |
| 06/01/2034 | 640,000.00 | 3.000% | 40,200.00 | 680,200.00 | 720,400.00 |
| 12/01/2034 | | | 30,600.00 | 30,600.00 | |
| 06/01/2035 | 660,000.00 | 3.000% | 30,600.00 | 690,600.00 | 721,200.00 |
| 12/01/2035 | | | 20,700.00 | 20,700.00 | |
| 06/01/2036 | 680,000.00 | 3.000% | 20,700.00 | 700,700.00 | 721,400.00 |
| 12/01/2036 | | | 10,500.00 | 10,500.00 | |
| 06/01/2037 | 700,000.00 | 3.000% | 10,500.00 | 710,500.00 | 721,000.00 |
| | 8,245,000.00 | | 1,852,770.00 | 10,097,770.00 | |

Date Structure

Date 10/31/2017
First Coupon Date 06/01/2018

Note: Original True Interest Cost of 2.47%



DEBT SERVICE

Loudon County, Tennessee
\$8,010,000 General Obligation Bonds, Series 2018

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|--------------|--------|--------------|--------------|--------------|
| 12/01/2023 | | | 114,850.00 | 114,850.00 | |
| 06/01/2024 | 370,000.00 | 3.000% | 114,850.00 | 484,850.00 | 599,700.00 |
| 12/01/2024 | | | 109,300.00 | 109,300.00 | |
| 06/01/2025 | 380,000.00 | 3.000% | 109,300.00 | 489,300.00 | 598,600.00 |
| 12/01/2025 | | | 103,600.00 | 103,600.00 | |
| 06/01/2026 | 395,000.00 | 3.000% | 103,600.00 | 498,600.00 | 602,200.00 |
| 12/01/2026 | | | 97,675.00 | 97,675.00 | |
| 06/01/2027 | 405,000.00 | 3.000% | 97,675.00 | 502,675.00 | 600,350.00 |
| 12/01/2027 | | | 91,600.00 | 91,600.00 | |
| 06/01/2028 | 420,000.00 | 3.000% | 91,600.00 | 511,600.00 | 603,200.00 |
| 12/01/2028 | | | 85,300.00 | 85,300.00 | |
| 06/01/2029 | 430,000.00 | 3.000% | 85,300.00 | 515,300.00 | 600,600.00 |
| 12/01/2029 | | | 78,850.00 | 78,850.00 | |
| 06/01/2030 | 445,000.00 | 3.250% | 78,850.00 | 523,850.00 | 602,700.00 |
| 12/01/2030 | | | 71,618.75 | 71,618.75 | |
| 06/01/2031 | 455,000.00 | 3.250% | 71,618.75 | 526,618.75 | 598,237.50 |
| 12/01/2031 | | | 64,225.00 | 64,225.00 | |
| 06/01/2032 | 470,000.00 | 3.500% | 64,225.00 | 534,225.00 | 598,450.00 |
| 12/01/2032 | | | 56,000.00 | 56,000.00 | |
| 06/01/2033 | 490,000.00 | 3.500% | 56,000.00 | 546,000.00 | 602,000.00 |
| 12/01/2033 | | | 47,425.00 | 47,425.00 | |
| 06/01/2034 | 505,000.00 | 3.500% | 47,425.00 | 552,425.00 | 599,850.00 |
| 12/01/2034 | | | 38,587.50 | 38,587.50 | |
| 06/01/2035 | 525,000.00 | 3.500% | 38,587.50 | 563,587.50 | 602,175.00 |
| 12/01/2035 | | | 29,400.00 | 29,400.00 | |
| 06/01/2036 | 540,000.00 | 3.500% | 29,400.00 | 569,400.00 | 598,800.00 |
| 12/01/2036 | | | 19,950.00 | 19,950.00 | |
| 06/01/2037 | 560,000.00 | 3.500% | 19,950.00 | 579,950.00 | 599,900.00 |
| 12/01/2037 | | | 10,150.00 | 10,150.00 | |
| 06/01/2038 | 580,000.00 | 3.500% | 10,150.00 | 590,150.00 | 600,300.00 |
| | 6,970,000.00 | | 2,037,062.50 | 9,007,062.50 | |

Date Structure

Date 11/30/2018
First Coupon Date 06/01/2019

Note: Original True Interest Cost of 3.32%



AGGREGATE DEBT SERVICE

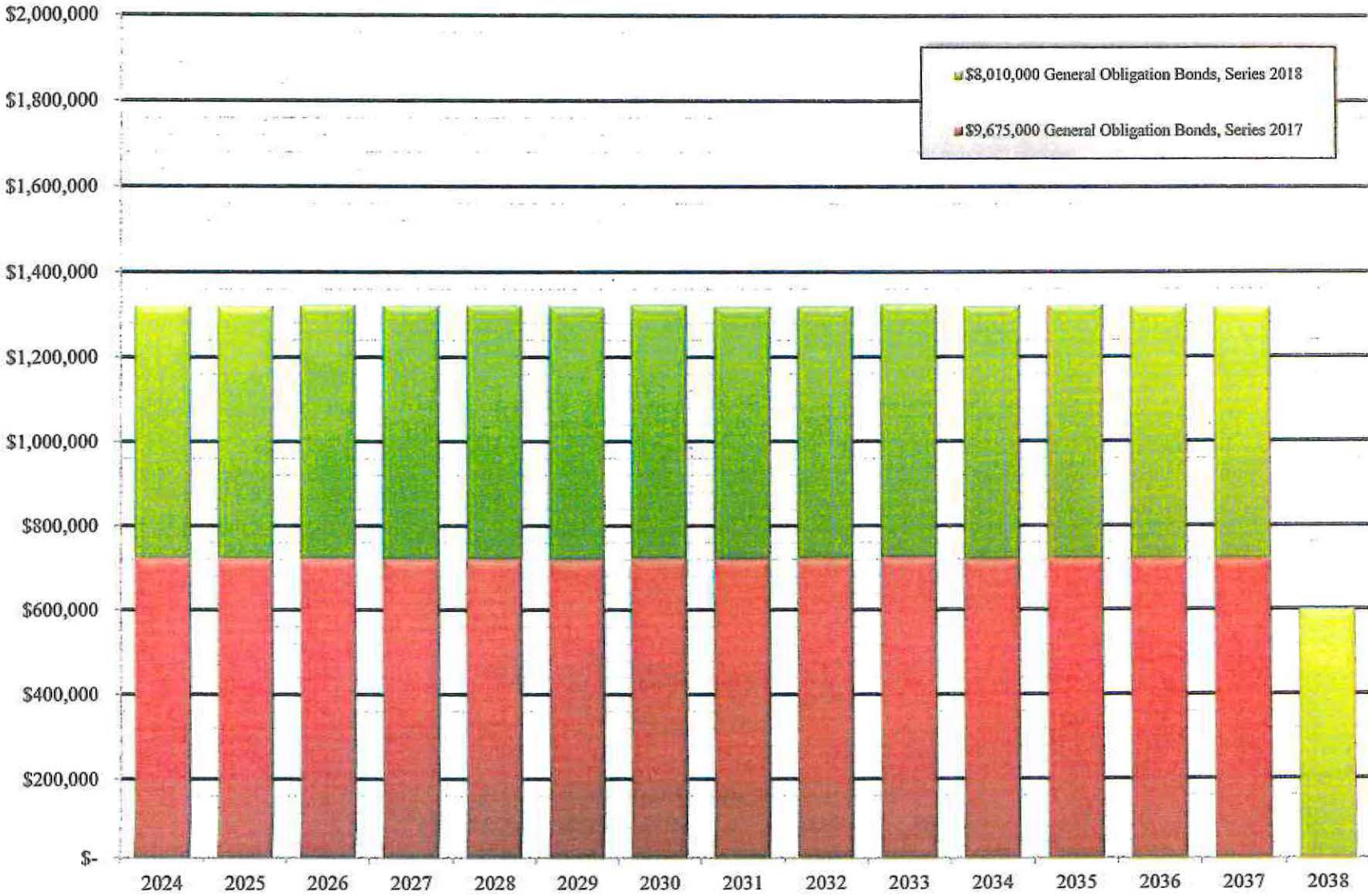
Loudon County, Tennessee
Total Combined Outstanding General Obligation Debt Service

| Date | Principal | Interest | Total P+I |
|------------|---------------|--------------|---------------|
| 06/30/2024 | 875,000.00 | 446,627.50 | 1,321,627.50 |
| 06/30/2025 | 895,000.00 | 425,427.50 | 1,320,427.50 |
| 06/30/2026 | 920,000.00 | 403,727.50 | 1,323,727.50 |
| 06/30/2027 | 940,000.00 | 381,377.50 | 1,321,377.50 |
| 06/30/2028 | 965,000.00 | 358,527.50 | 1,323,527.50 |
| 06/30/2029 | 985,000.00 | 334,482.50 | 1,319,482.50 |
| 06/30/2030 | 1,015,000.00 | 309,650.00 | 1,324,650.00 |
| 06/30/2031 | 1,040,000.00 | 278,087.50 | 1,318,087.50 |
| 06/30/2032 | 1,075,000.00 | 245,750.00 | 1,320,750.00 |
| 06/30/2033 | 1,115,000.00 | 211,150.00 | 1,326,150.00 |
| 06/30/2034 | 1,145,000.00 | 175,250.00 | 1,320,250.00 |
| 06/30/2035 | 1,185,000.00 | 138,375.00 | 1,323,375.00 |
| 06/30/2036 | 1,220,000.00 | 100,200.00 | 1,320,200.00 |
| 06/30/2037 | 1,260,000.00 | 60,900.00 | 1,320,900.00 |
| 06/30/2038 | 580,000.00 | 20,300.00 | 600,300.00 |
| | 15,215,000.00 | 3,889,832.50 | 19,104,832.50 |

Par Amounts Of Selected Issues

| | |
|---|---------------|
| \$9,675,000 General Obligation Bonds, Series 2017 | 8,245,000.00 |
| \$8,010,000 General Obligation Bonds, Series 2018 | 6,970,000.00 |
| TOTAL | 15,215,000.00 |

Loudon County, Tennessee Total Outstanding Debt Service - General Fund



Loudon County, Tennessee
Debt Portfolio Ratios - General Fund
Total Outstanding Debt = \$15,215,000



Section 6

Education Debt Service Fund 156

The purpose of Education Debt Service Fund 156 is to pay for debt issued on behalf of Loudon County Schools where the debt proceeds have not been shared with the City of Lenoir School System. Residents in the City of Lenoir City are not taxed for this purpose.

The following tables include multi-year debt budgets with all current debt payments, amortization schedules for each outstanding loan, and estimated fund balances for each fiscal year. Property tax revenues are estimated and calculated based on no growth in value per year. The number of property tax pennies currently assigned to this fund has not been adjusted in future years.

Loudon County
Multi-Year Debt Budget

| Fund 156 Education Debt Service | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Beginning of Year | | | | | | | | | |
| Restricted Fund Balance Estimate | 7,715,091 | 9,097,603 | 8,617,402 | 7,859,073 | 7,418,526 | 7,430,360 | 7,819,826 | 8,424,863 | 9,547,281 |
| Property Tax (3% delinquency; no growth) | 189,547 | 197,824 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 |
| Number of Property Tax Pennies | 17.95 | 14.95 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| Revenue | | | | | | | | | |
| Current Property Tax | 3,521,128 | 2,957,469 | 2,680,132 | 2,680,132 | 2,680,132 | 2,680,132 | 2,680,132 | 2,680,132 | 2,680,132 |
| Trustee's Prior Year | 39,998 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Trustee's Bankruptcy | 459 | 3,000 | 3,000 | 700 | 700 | 700 | 700 | 700 | 700 |
| Clerk & Master's Prior Year | 27,531 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 |
| Interest & Penalty | 11,260 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Payment In-Lieu of Tax - Tate & Lyle | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | | | |
| Adequate Facilities Tax | 2,612,175 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| Miscellaneous | 6,192 | | | | | | | | 0 |
| Interest Earned | 32,574 | 60,000 | 60,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 10,000 |
| Total Revenues | 6,413,377 | 4,756,529 | 4,479,192 | 4,466,892 | 4,466,892 | 4,466,892 | 4,304,832 | 4,304,832 | 4,264,832 |
| Expenditures | | | | | | | | | |
| Principal on Bonds - 8.850M | 1,000,000 | 1,000,000 | | | | | | | |
| Principal on Bonds - 24.220 Series 2020A | 1,395,000 | 1,435,000 | 1,470,000 | 1,540,000 | 1,555,000 | 1,555,000 | 1,550,000 | 1,550,000 | 1,550,000 |
| Principal on Bonds - 7.1M Series 2021 | 450,000 | 300,000 | 1,000,000 | 650,000 | 1,500,000 | 1,250,000 | 1,000,000 | 600,000 | 350,000 |
| Principal on Loans - 12.5M E-3-C | 970,000 | 1,025,000 | 1,090,000 | 1,150,000 | | | | | |
| Principal on Notes - 2.6M Series 2022 | | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 |
| Principal on Notes - 3M Series 2023 | | | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 |
| Interest on Bonds - 8.850 M | 29,000 | 15,000 | | | | | | | |
| Interest on Bonds - 24.220 Series 2020A | 823,375 | 753,625 | 681,875 | 608,375 | 531,375 | 453,625 | 375,875 | 298,375 | 251,875 |
| Interest on Bonds - 7.1M Series 2021 | 140,817 | 133,000 | 127,000 | 107,000 | 94,000 | 64,000 | 39,000 | 19,000 | 7,000 |
| Interest on Loans - 12.5M E-3-C | 149,492 | 146,925 | 112,000 | 57,500 | | | | | |
| Interest on Notes - 2.6M Series 2022 | | 45,880 | 91,746 | 83,391 | 75,037 | 66,682 | 58,328 | 49,973 | 41,619 |
| Interest on Notes - 3M Series 2023 | | | 91,900 | 138,173 | 126,646 | 115,119 | 103,592 | 92,066 | 80,539 |
| Trustee's Commission | 71,529 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 100,000 |
| Other Debt Service 12.5M SWAP Term | | 35,300 | | | | | | | |
| Other Debt Service - 8.850 M | 1,652 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | 5,030,865 | 5,236,730 | 5,237,521 | 4,907,439 | 4,455,058 | 4,077,426 | 3,699,795 | 3,182,414 | 2,829,033 |
| Effect on Fund Balance | 1,382,512 | (480,201) | (758,329) | (440,547) | 11,834 | 389,466 | 605,037 | 1,122,418 | 1,435,799 |
| Ending Fund Balance | 9,097,603 | 8,617,402 | 7,859,073 | 7,418,526 | 7,430,360 | 7,819,826 | 8,424,863 | 9,547,281 | 10,983,080 |

This estimate is based on several assumptions. Some, but not all, are as follows:
 (1) The number of property tax pennies assigned to this fund remain 13.0 until FY 2030
 (2) The value of the property tax penny does not increase each year until FY 2030
 (3) County Commission does not approve any additional education debt prior to FY 2030
 (4) Other revenues remain as indicated each year until FY 2030



DEBT SERVICE

London County, Tennessee
\$14,835,000 Local Government Public Improvement Bonds, Series E-3-C
\$12,265,000 Allocated to Rural School
Budget Variable Rates

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|--------------|--------|------------|--------------|--------------|
| 12/01/2023 | | | 56,000.00 | 56,000.00 | |
| 06/01/2024 | 1,090,000.00 | 5.000% | 56,000.00 | 1,146,000.00 | 1,202,000.00 |
| 12/01/2024 | | | 28,750.00 | 28,750.00 | |
| 06/01/2025 | 1,150,000.00 | 5.000% | 28,750.00 | 1,178,750.00 | 1,207,500.00 |
| | 2,240,000.00 | | 169,500.00 | 2,409,500.00 | |

Date Structure

Date 06/01/2015
First Coupon Date 12/01/2015

Note: Interest is payable monthly with principal due annually on June 1st.



DEBT SERVICE

Loudon County, Tennessee \$24,220,000 Rural School Refunding Bonds, Series 2020A

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|---------------|--------|--------------|---------------|--------------|
| 12/01/2023 | | | 340,937.50 | 340,937.50 | |
| 06/01/2024 | 1,470,000.00 | 5.000% | 340,937.50 | 1,810,937.50 | 2,151,875.00 |
| 12/01/2024 | | | 304,187.50 | 304,187.50 | |
| 06/01/2025 | 1,540,000.00 | 5.000% | 304,187.50 | 1,844,187.50 | 2,148,375.00 |
| 12/01/2025 | | | 265,687.50 | 265,687.50 | |
| 06/01/2026 | 1,555,000.00 | 5.000% | 265,687.50 | 1,820,687.50 | 2,086,375.00 |
| 12/01/2026 | | | 226,812.50 | 226,812.50 | |
| 06/01/2027 | 1,555,000.00 | 5.000% | 226,812.50 | 1,781,812.50 | 2,008,625.00 |
| 12/01/2027 | | | 187,937.50 | 187,937.50 | |
| 06/01/2028 | 1,550,000.00 | 5.000% | 187,937.50 | 1,737,937.50 | 1,925,875.00 |
| 12/01/2028 | | | 149,187.50 | 149,187.50 | |
| 06/01/2029 | 1,550,000.00 | 3.000% | 149,187.50 | 1,699,187.50 | 1,848,375.00 |
| 12/01/2029 | | | 125,937.50 | 125,937.50 | |
| 06/01/2030 | 1,550,000.00 | 3.000% | 125,937.50 | 1,675,937.50 | 1,801,875.00 |
| 12/01/2030 | | | 102,687.50 | 102,687.50 | |
| 06/01/2031 | 1,550,000.00 | 2.000% | 102,687.50 | 1,652,687.50 | 1,755,375.00 |
| 12/01/2031 | | | 87,187.50 | 87,187.50 | |
| 06/01/2032 | 1,550,000.00 | 2.000% | 87,187.50 | 1,637,187.50 | 1,724,375.00 |
| 12/01/2032 | | | 71,687.50 | 71,687.50 | |
| 06/01/2033 | 1,550,000.00 | 2.125% | 71,687.50 | 1,621,687.50 | 1,693,375.00 |
| 12/01/2033 | | | 55,218.75 | 55,218.75 | |
| 06/01/2034 | 1,550,000.00 | 2.250% | 55,218.75 | 1,605,218.75 | 1,660,437.50 |
| 12/01/2034 | | | 37,781.25 | 37,781.25 | |
| 06/01/2035 | 1,550,000.00 | 2.375% | 37,781.25 | 1,587,781.25 | 1,625,562.50 |
| 12/01/2035 | | | 19,375.00 | 19,375.00 | |
| 06/01/2036 | 1,550,000.00 | 2.500% | 19,375.00 | 1,569,375.00 | 1,588,750.00 |
| | 20,070,000.00 | | 3,949,250.00 | 24,019,250.00 | |

Date Structure

Date 05/29/2020
First Coupon Date 12/01/2020



DEBT SERVICE

Loudon County, Tennessee
\$7,100,000 Rural School Refunding Bonds, Series 2021

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|--------------|--------|------------|--------------|--------------|
| 12/01/2023 | | | 63,500.00 | 63,500.00 | |
| 06/01/2024 | 1,000,000.00 | 2.000% | 63,500.00 | 1,063,500.00 | 1,127,000.00 |
| 12/01/2024 | | | 53,500.00 | 53,500.00 | |
| 06/01/2025 | 650,000.00 | 2.000% | 53,500.00 | 703,500.00 | 757,000.00 |
| 12/01/2025 | | | 47,000.00 | 47,000.00 | |
| 06/01/2026 | 1,500,000.00 | 2.000% | 47,000.00 | 1,547,000.00 | 1,594,000.00 |
| 12/01/2026 | | | 32,000.00 | 32,000.00 | |
| 06/01/2027 | 1,250,000.00 | 2.000% | 32,000.00 | 1,282,000.00 | 1,314,000.00 |
| 12/01/2027 | | | 19,500.00 | 19,500.00 | |
| 06/01/2028 | 1,000,000.00 | 2.000% | 19,500.00 | 1,019,500.00 | 1,039,000.00 |
| 12/01/2028 | | | 9,500.00 | 9,500.00 | |
| 06/01/2029 | 600,000.00 | 2.000% | 9,500.00 | 609,500.00 | 619,000.00 |
| 12/01/2029 | | | 3,500.00 | 3,500.00 | |
| 06/01/2030 | 350,000.00 | 2.000% | 3,500.00 | 353,500.00 | 357,000.00 |
| | 6,350,000.00 | | 457,000.00 | 6,807,000.00 | |

Date Structure

Date 06/04/2021
First Coupon Date 12/01/2021



DEBT SERVICE

Loudon County, Tennessee
\$2,600,000 Rural School Capital Outlay Note, Series 2022

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|--------------|--------|------------|--------------|--------------|
| 12/01/2023 | | | 45,872.75 | 45,872.75 | |
| 06/01/2024 | 217,000.00 | 3.850% | 45,872.75 | 262,872.75 | 308,745.50 |
| 12/01/2024 | | | 41,695.50 | 41,695.50 | |
| 06/01/2025 | 217,000.00 | 3.850% | 41,695.50 | 258,695.50 | 300,391.00 |
| 12/01/2025 | | | 37,518.25 | 37,518.25 | |
| 06/01/2026 | 217,000.00 | 3.850% | 37,518.25 | 254,518.25 | 292,036.50 |
| 12/01/2026 | | | 33,341.00 | 33,341.00 | |
| 06/01/2027 | 217,000.00 | 3.850% | 33,341.00 | 250,341.00 | 283,682.00 |
| 12/01/2027 | | | 29,163.75 | 29,163.75 | |
| 06/01/2028 | 217,000.00 | 3.850% | 29,163.75 | 246,163.75 | 275,327.50 |
| 12/01/2028 | | | 24,986.50 | 24,986.50 | |
| 06/01/2029 | 217,000.00 | 3.850% | 24,986.50 | 241,986.50 | 266,973.00 |
| 12/01/2029 | | | 20,809.25 | 20,809.25 | |
| 06/01/2030 | 217,000.00 | 3.850% | 20,809.25 | 237,809.25 | 258,618.50 |
| 12/01/2030 | | | 16,632.00 | 16,632.00 | |
| 06/01/2031 | 216,000.00 | 3.850% | 16,632.00 | 232,632.00 | 249,264.00 |
| 12/01/2031 | | | 12,474.00 | 12,474.00 | |
| 06/01/2032 | 216,000.00 | 3.850% | 12,474.00 | 228,474.00 | 240,948.00 |
| 12/01/2032 | | | 8,316.00 | 8,316.00 | |
| 06/01/2033 | 216,000.00 | 3.850% | 8,316.00 | 224,316.00 | 232,632.00 |
| 12/01/2033 | | | 4,158.00 | 4,158.00 | |
| 06/01/2034 | 216,000.00 | 3.850% | 4,158.00 | 220,158.00 | 224,316.00 |
| | 2,383,000.00 | | 549,934.00 | 2,932,934.00 | |

Date Structure

Date 12/16/2022
First Coupon Date 06/01/2023



DEBT SERVICE

London County, Tennessee
\$3,000,000 Rural School Capital Outlay Note, Series 2023

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total |
|------------|--------------|--------|------------|--------------|--------------|
| 12/01/2023 | | | 17,049.17 | 17,049.17 | |
| 06/01/2024 | 231,000.00 | 4.990% | 74,850.00 | 305,850.00 | 322,899.17 |
| 12/01/2024 | | | 69,086.55 | 69,086.55 | |
| 06/01/2025 | 231,000.00 | 4.990% | 69,086.55 | 300,086.55 | 369,173.10 |
| 12/01/2025 | | | 63,323.10 | 63,323.10 | |
| 06/01/2026 | 231,000.00 | 4.990% | 63,323.10 | 294,323.10 | 357,646.20 |
| 12/01/2026 | | | 57,559.65 | 57,559.65 | |
| 06/01/2027 | 231,000.00 | 4.990% | 57,559.65 | 288,559.65 | 346,119.30 |
| 12/01/2027 | | | 51,796.20 | 51,796.20 | |
| 06/01/2028 | 231,000.00 | 4.990% | 51,796.20 | 282,796.20 | 334,592.40 |
| 12/01/2028 | | | 46,032.75 | 46,032.75 | |
| 06/01/2029 | 231,000.00 | 4.990% | 46,032.75 | 277,032.75 | 323,065.50 |
| 12/01/2029 | | | 40,269.30 | 40,269.30 | |
| 06/01/2030 | 231,000.00 | 4.990% | 40,269.30 | 271,269.30 | 311,538.60 |
| 12/01/2030 | | | 34,505.85 | 34,505.85 | |
| 06/01/2031 | 231,000.00 | 4.990% | 34,505.85 | 265,505.85 | 300,011.70 |
| 12/01/2031 | | | 28,742.40 | 28,742.40 | |
| 06/01/2032 | 231,000.00 | 4.990% | 28,742.40 | 259,742.40 | 288,484.80 |
| 12/01/2032 | | | 22,978.95 | 22,978.95 | |
| 06/01/2033 | 231,000.00 | 4.990% | 22,978.95 | 253,978.95 | 276,957.90 |
| 12/01/2033 | | | 17,215.50 | 17,215.50 | |
| 06/01/2034 | 230,000.00 | 4.990% | 17,215.50 | 247,215.50 | 264,431.00 |
| 12/01/2034 | | | 11,477.00 | 11,477.00 | |
| 06/01/2035 | 230,000.00 | 4.990% | 11,477.00 | 241,477.00 | 252,954.00 |
| 12/01/2035 | | | 5,738.50 | 5,738.50 | |
| 06/01/2036 | 230,000.00 | 4.990% | 5,738.50 | 235,738.50 | 241,477.00 |
| | 3,000,000.00 | | 992,261.50 | 3,989,350.67 | |

Date Structure

Date 10/20/2023
First Coupon Date 12/01/2023



AGGREGATE DEBT SERVICE

Loudon County, Tennessee Total Combined Outstanding Rural School Debt Service

| Date | Principal | Interest | Total P+I |
|------------|---------------|--------------|---------------|
| 06/30/2024 | 4,008,000.00 | 1,104,519.67 | 5,112,519.67 |
| 06/30/2025 | 3,788,000.00 | 994,439.10 | 4,782,439.10 |
| 06/30/2026 | 3,503,000.00 | 827,057.70 | 4,330,057.70 |
| 06/30/2027 | 3,253,000.00 | 699,426.30 | 3,952,426.30 |
| 06/30/2028 | 2,998,000.00 | 576,794.90 | 3,574,794.90 |
| 06/30/2029 | 2,598,000.00 | 459,413.50 | 3,057,413.50 |
| 06/30/2030 | 2,348,000.00 | 381,032.10 | 2,729,032.10 |
| 06/30/2031 | 1,997,000.00 | 307,650.70 | 2,304,650.70 |
| 06/30/2032 | 1,997,000.00 | 256,807.80 | 2,253,807.80 |
| 06/30/2033 | 1,997,000.00 | 205,964.90 | 2,202,964.90 |
| 06/30/2034 | 1,996,000.00 | 153,184.50 | 2,149,184.50 |
| 06/30/2035 | 1,780,000.00 | 98,516.50 | 1,878,516.50 |
| 06/30/2036 | 1,780,000.00 | 50,227.00 | 1,830,227.00 |
| | 34,043,000.00 | 6,115,034.67 | 40,158,034.67 |

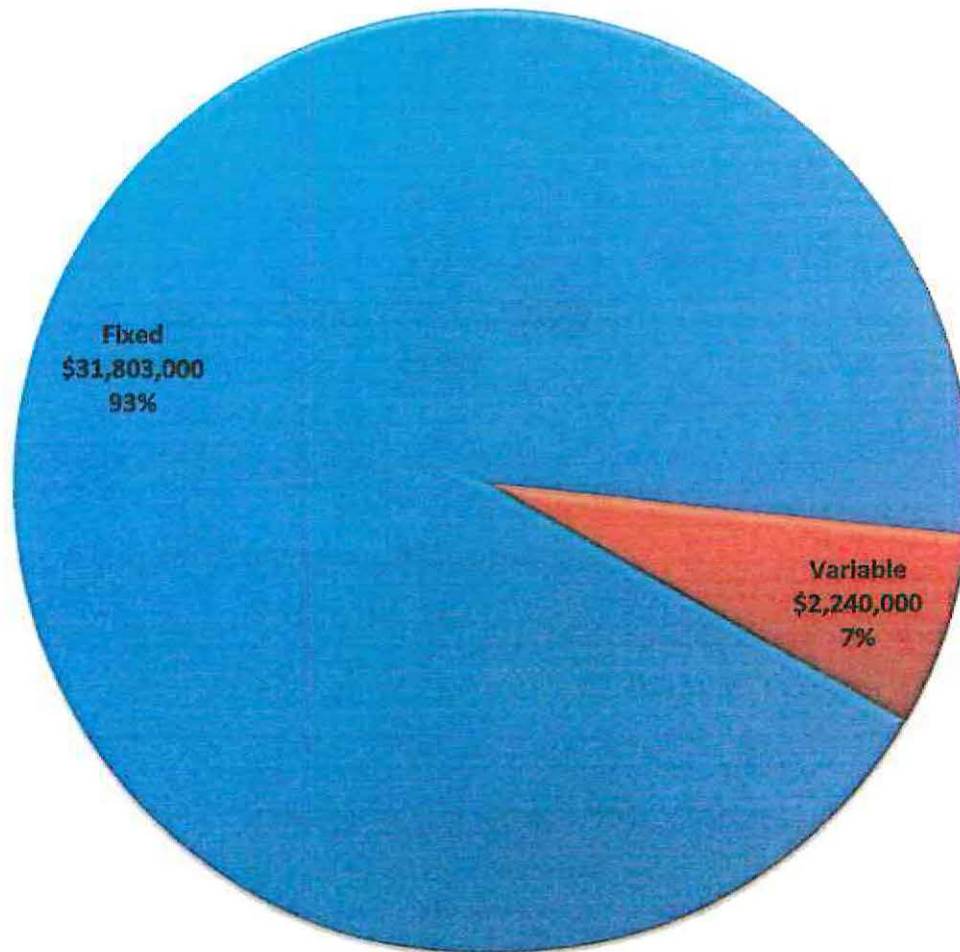
Par Amounts Of Selected Issues

| | |
|--|---------------|
| \$14,835,000 Local Government Public Improvement Bonds, Series E-3-C | 2,240,000.00 |
| \$24,220,000 Rural School Refunding Bonds, Series 2020A | 20,070,000.00 |
| \$7,100,000 Rural School Refunding Bonds, Series 2021 | 6,350,000.00 |
| \$2,600,000 Rural School Capital Outlay Note, Series 2022 | 2,383,000.00 |
| \$3,000,000 Rural School Capital Outlay Note, Series 2023 | 3,000,000.00 |
| TOTAL | 34,043,000.00 |

Loudon County, Tennessee Total Outstanding Debt Service - Rural Schools



Loudon County, Tennessee
Debt Portfolio Ratios - Rural Schools
Total Outstanding Debt = \$34,043,000



Variable rate debt is subject to credit risk, letter of credit or liquidity renewal risk, put risk and other risk associated with variable rate bonds.

Section 7

**Combined Outstanding
Debt**

LOUDON COUNTY
TOTAL COMBINED CURRENT OUTSTANDING DEBT
As of February 2024

| FY | Total Principal | Total Interest | Total Principal and Interest | Other Charges | FY Total |
|--------------|-------------------|-------------------|------------------------------|------------------|-------------------|
| 2024 | 4,883,000 | 1,551,149 | 6,434,149 | 365,974 | 6,800,123 |
| 2025 | 4,683,000 | 1,419,867 | 6,102,867 | 396,920 | 6,499,787 |
| 2026 | 4,423,000 | 1,230,786 | 5,653,786 | 396,920 | 6,050,706 |
| 2027 | 4,193,000 | 1,080,804 | 5,273,804 | 396,920 | 5,670,724 |
| 2028 | 3,963,000 | 935,323 | 4,898,323 | 396,920 | 5,295,243 |
| 2029 | 3,583,000 | 793,897 | 4,376,897 | 396,920 | 4,773,817 |
| 2030 | 3,363,000 | 690,683 | 4,053,683 | 371,920 | 4,425,603 |
| 2031 | 3,037,000 | 585,739 | 3,622,739 | 371,920 | 3,994,659 |
| 2032 | 3,072,000 | 502,558 | 3,574,558 | 137,500 | 3,712,058 |
| 2033 | 3,112,000 | 417,115 | 3,529,115 | 137,500 | 3,666,615 |
| 2034 | 3,141,000 | 328,435 | 3,469,435 | 137,500 | 3,606,935 |
| 2035 | 2,965,000 | 236,892 | 3,201,892 | 137,500 | 3,339,392 |
| 2036 | 3,000,000 | 150,427 | 3,150,427 | 137,500 | 3,287,927 |
| 2037 | 1,260,000 | 60,900 | 1,320,900 | 137,500 | 1,458,400 |
| 2038 | 580,000 | 20,300 | 600,300 | 137,500 | 737,800 |
| 2039 | 0 | 0 | 0 | | 0 |
| 2040 | | | 0 | | 0 |
| 2041 | | | 0 | | 0 |
| 2042 | | | 0 | | 0 |
| 2043 | | | 0 | | 0 |
| 2044 | | | 0 | | 0 |
| 2045 | | | 0 | | 0 |
| 2046 | | | 0 | | 0 |
| Total | 49,258,000 | 10,004,875 | 59,262,875 | 4,056,914 | 63,319,789 |

Principal Amounts on Current Outstanding Debt

General Debt Service:

| | | |
|--|------------------|------------|
| G.O. Bonds, Series 2017 - \$9,675,000 | 8,245,000 | |
| G.O. Bonds, Series 2018 - \$8,010,000 | 6,970,000 | |
| Pub Imp Bonds, Series E-3-C, G.O. Portion - \$14,835,000 | <u>2,240,000</u> | |
| Total General Debt Service Principal | | 17,455,000 |

Education Debt Service:

| | | |
|---|------------------|-------------------|
| Rural School Refunding Bonds, Series 2020A - \$24,220,000 | 20,070,000 | |
| Rural School Bonds, Series 2021 - \$7,100,000 | 6,350,000 | |
| Rural School Capital Outlay Note, Series 2022 - \$2,600,000 | 2,383,000 | |
| Rural School Capital Outlay Note, Series 2023 - \$3,000,000 | <u>3,000,000</u> | |
| Total Education Debt Service | | <u>31,803,000</u> |

Total Principal Amount due on Current Outstanding Debt **49,258,000**

Current Education Debt pays out in 2036

Current General Debt pays out in 2038



AGGREGATE DEBT SERVICE

Loudon County, Tennessee
Total Combined Outstanding General Obligation & Rural School Debt Service

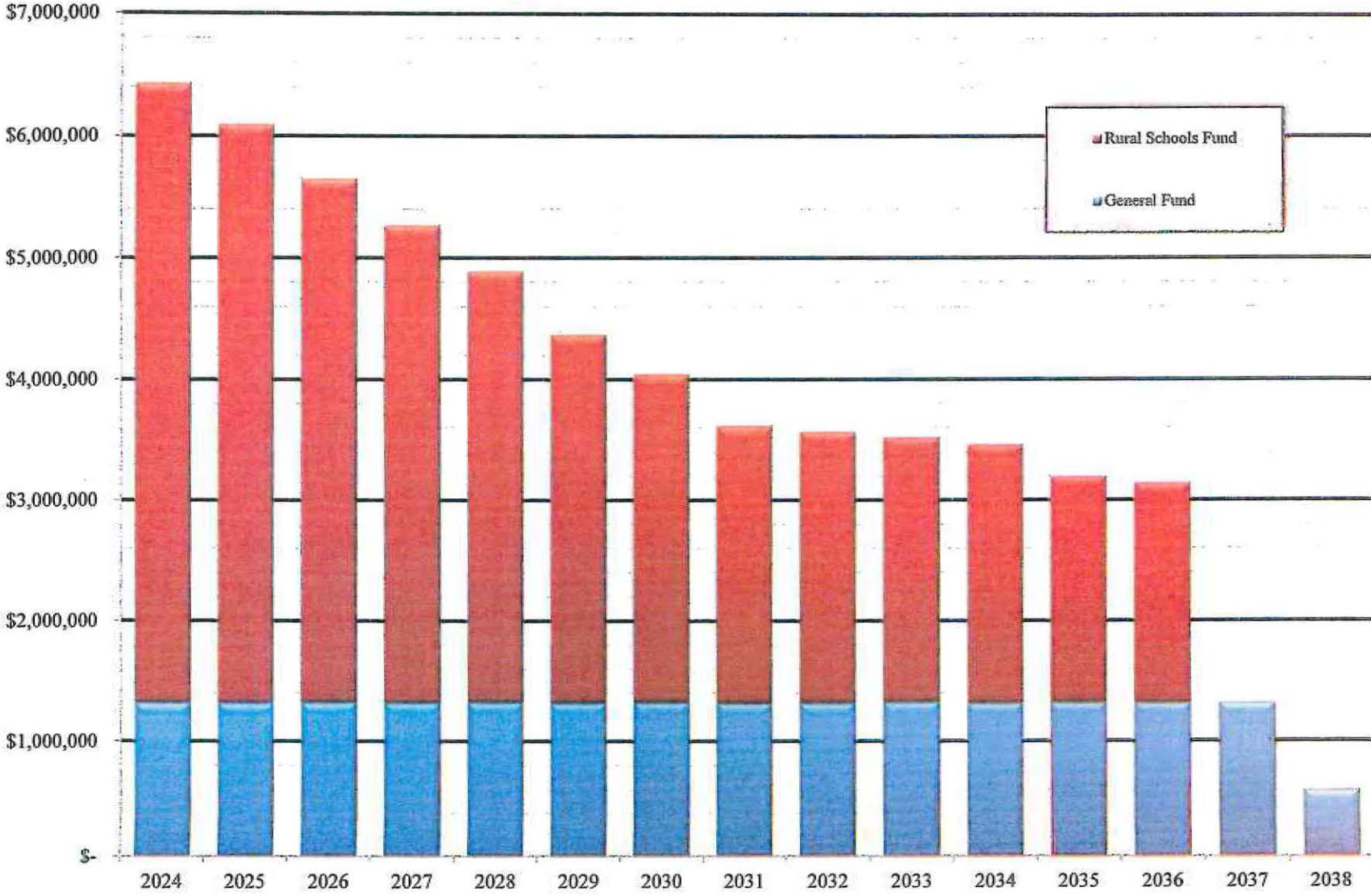
| Date | Principal | Interest | Total P+I |
|------------|---------------|---------------|---------------|
| 06/30/2024 | 4,883,000.00 | 1,551,147.17 | 6,434,147.17 |
| 06/30/2025 | 4,683,000.00 | 1,419,866.60 | 6,102,866.60 |
| 06/30/2026 | 4,423,000.00 | 1,230,785.20 | 5,653,785.20 |
| 06/30/2027 | 4,193,000.00 | 1,080,803.80 | 5,273,803.80 |
| 06/30/2028 | 3,963,000.00 | 935,322.40 | 4,898,322.40 |
| 06/30/2029 | 3,583,000.00 | 793,896.00 | 4,376,896.00 |
| 06/30/2030 | 3,363,000.00 | 690,682.10 | 4,053,682.10 |
| 06/30/2031 | 3,037,000.00 | 585,738.20 | 3,622,738.20 |
| 06/30/2032 | 3,072,000.00 | 502,557.80 | 3,574,557.80 |
| 06/30/2033 | 3,112,000.00 | 417,114.90 | 3,529,114.90 |
| 06/30/2034 | 3,141,000.00 | 328,434.50 | 3,469,434.50 |
| 06/30/2035 | 2,965,000.00 | 236,891.50 | 3,201,891.50 |
| 06/30/2036 | 3,000,000.00 | 150,427.00 | 3,150,427.00 |
| 06/30/2037 | 1,260,000.00 | 60,900.00 | 1,320,900.00 |
| 06/30/2038 | 580,000.00 | 20,300.00 | 600,300.00 |
| | 49,258,000.00 | 10,004,867.17 | 59,262,867.17 |

Par Amounts Of Selected Issues

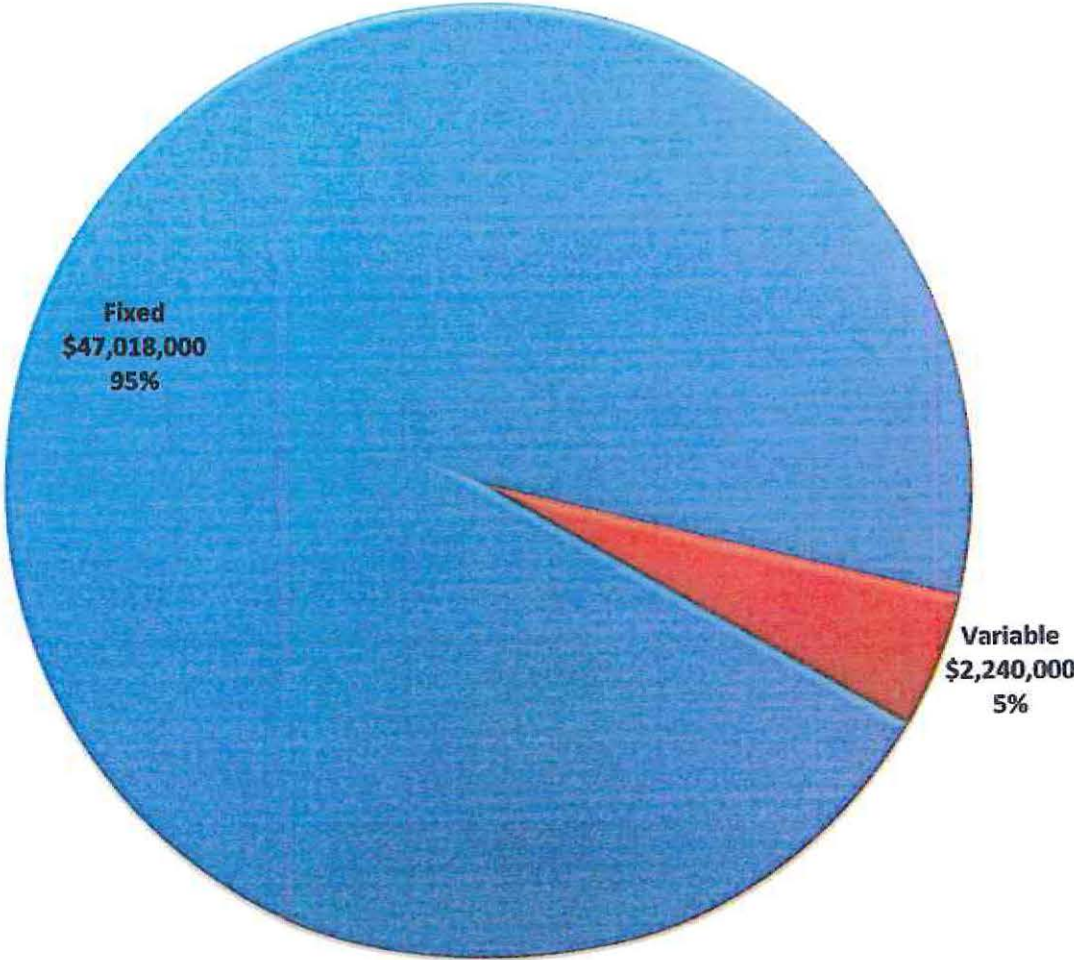
| | |
|--|---------------|
| \$9,675,000 General Obligation Bonds, Series 2017 | 8,245,000.00 |
| \$8,010,000 General Obligation Bonds, Series 2018 | 6,970,000.00 |
| \$14,835,000 Local Government Public Improvement Bonds, Series E-3-C | 2,240,000.00 |
| \$24,220,000 Rural School Refunding Bonds, Series 2020A | 20,070,000.00 |
| \$7,100,000 Rural School Refunding Bonds, Series 2021 | 6,350,000.00 |
| \$2,600,000 Rural School Capital Outlay Note, Series 2022 | 2,383,000.00 |
| \$3,000,000 Rural School Capital Outlay Note, Series 2023 | 3,000,000.00 |
| TOTAL | 49,258,000.00 |

Loudon County, Tennessee

Total Outstanding Debt Service - General Fund and Rural Schools Fund



Loudon County, Tennessee
Debt Portfolio Ratios - General Fund & Rural School Fund
Total Outstanding Debt = \$49,258,000



Variable rate debt is subject to credit risk, letter of credit or liquidity renewal risk, put risk and other risk associated with variable rate bonds.

Section 8

Benchmark Comparisons

**Debt as a Percentage of
Total Assessed Property Value**

Debt Per Capita

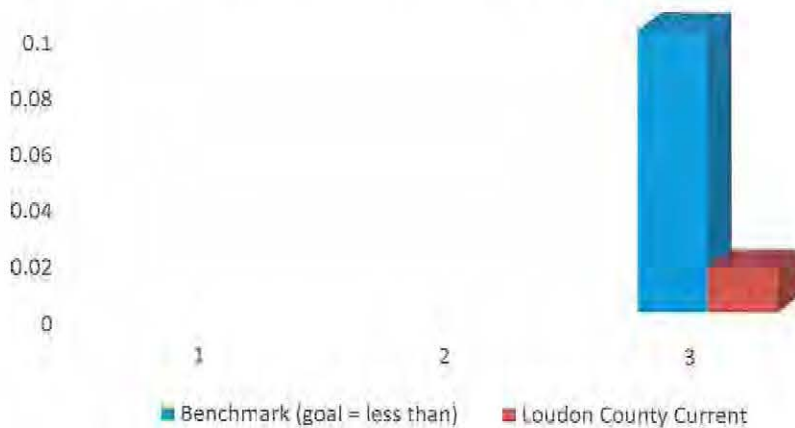
Debt Per Capita Income

Debt as a Percentage of Total Assessed Property Values

| | |
|--------------------------------------|---------------|
| Calculation Method: | |
| Debt (Principal) | 36,857,700 |
| Divided by Assessed Property Value * | 2,354,397,770 |
| | 1.57% |

| | |
|------------------------------|-------|
| Benchmark (goal = less than) | 10% |
| Loudon County Current | 1.57% |

Debt/Assessed Property Value



Net Debt is described as netting the value of debt with cash or assets. (Debt - cash = net debt) Net Debt divided by the Assessed Property Value gives a measurement of how much debt exists in relation to the supporting tax base. The national benchmark in this regard estimates that overall net debt should not exceed 10% of assessed value. Loudon County's **total principal debt** falls below that at 1.57%

The Net Debt of Loudon County could be estimated by subtracting beginning fund balances ("cash") from the total principal. The following table shows a slight reduction in the percentage when Net Debt is used.

| | |
|------------------------------|---------------|
| Total Principal | 48,530,000 |
| Fund 151 FY 22 Ending FB | (2,574,697) |
| Fund 156 FY 22 Ending FB | (9,097,603) |
| Net Debt | 36,857,700 |
| Divided by Assessed Property | 2,354,397,770 |
| | 1.57% |

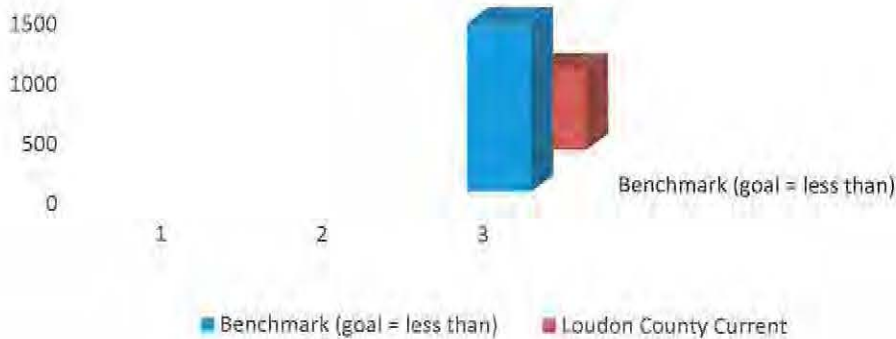
* Source: Loudon County Assessor of Property, April 19, 2022

Debt Per Capita

| | |
|----------------------|------------|
| Calculation Method: | |
| Net Debt (Principal) | 36,857,700 |
| Population* | 54,886 |
| | 672 |

| | |
|------------------------------|-------|
| Benchmark (goal = less than) | 1,400 |
| Loudon County Current | 672 |

Debt Per Capita



Net Debt is described as netting the value of debt with cash or assets. (Debt - cash = net debt)
 Net Debt divided by the County's population gives the dollar value of the outstanding debt in relation to each citizen. The national benchmark in this regard estimates the overall debt per capita should not exceed \$1,400 . Loudon County's **total principal debt per capita**, \$672, is below this benchmark.

The Net Debt of Loudon County could be estimated by subtracting beginning fund balances ("cash") from the total principal. The following table shows a reduction when Net Debt is used, although it still exceeds the benchmark.

| | |
|--------------------------|-------------|
| Total Principal | 48,530,000 |
| Fund 151 FY 22 Ending FB | (2,574,697) |
| Fund 156 FY 22 Ending FB | (9,097,603) |
| Net Debt | 36,857,700 |
| Divided by Population | 54,886 |
| | 672 |

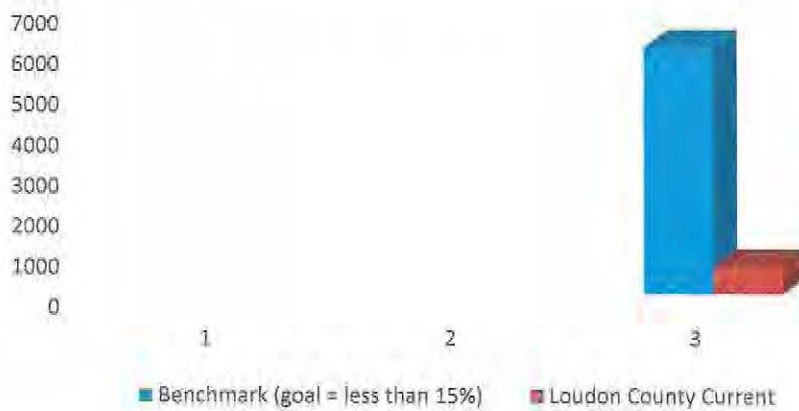
* Source: 2020 U. S. Census

Debt Per Capita Income

| | |
|---------------------|--------|
| Calculation Method: | |
| Net Debt per Capita | 672 |
| Per Capita Income* | 40,425 |
| | 1.66% |

| | |
|----------------------------------|-------|
| Benchmark (goal = less than 15%) | 6,064 |
| Loudon County Current | 672 |

Debt Per Capita Income



Net Debt is described as netting the value of debt with cash or assets. (Debt - cash = net debt)
 Net Debt divided by the County's per capita income gives the dollar value of the outstanding debt in relation to each citizen's per capita income. According to the national benchmark, this should not exceed 15% of per capita income. Loudon County's debt per capita as a percentage of income per capita is approximately 1.66% or 672, compared to 15% or 6,064 utilizing total principal debt.

The Net Debt of Loudon County could be estimated by subtracting beginning fund balances ("cash") from the total principal. The following table shows a reduction when Net Debt is used.

| | |
|------------------------------|-------------|
| Total Principal | 48,530,000 |
| Fund 151 FY 22 Ending FB | (2,574,697) |
| Fund 156 FY 22 Ending FB | (9,097,603) |
| Net Debt | 36,857,700 |
| Divided by Per Capita Income | 40,425 |
| | 912 |

* Source: 2020 U. S. Census

Section 9

Education Debt Service Fund 156 Possible Future Considerations

The following tables are a consideration of funding a new school with a base line amount of \$100 million dollars. These estimations include a 25- and 30-year schedule. The value of the property tax penny is not estimated to increase each year, which allows for a more conservative estimate. The number of pennies assigned in each year fluctuates to allow the fund balance to pay the estimated total debt in the following year. This has been a practice of the county in the debt funds for multiple years.

Education Debt Service

Fund 156

Estimated Multi-Year Debt Budget
with proposed \$100 Million
at 25 years

Loudon County
Estimated Multi-Year Debt Budget

| Fund 156 Education Debt Service PROPOSED \$100 M at 25 Years | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Beginning of Year | | | | | | | | | |
| Restricted Fund Balance Estimate | 7,715,091 | 9,097,603 | 8,617,402 | 8,269,384 | 9,119,679 | 11,228,761 | 10,939,311 | 10,453,754 | 10,074,075 |
| Property Tax (3% delinquency; no growth) | 189,547 | 197,824 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 |
| Number of Property Tax Pennies | 17.95 | 14.95 | 14.95 | 41.00 | 45.00 | 44.00 | 42.00 | 40.00 | 38.00 |
| Revenue | | | | | | | | | |
| Current Property Tax | 3,521,128 | 2,957,469 | 3,082,152 | 8,452,724 | 9,277,380 | 9,071,216 | 8,658,888 | 8,246,560 | 7,834,232 |
| Trustee's Prior Year | 39,998 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Trustee's Bankruptcy | 459 | 3,000 | 3,000 | 700 | 700 | 700 | 700 | 700 | 700 |
| Clerk & Master's Prior Year | 27,531 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 |
| Interest & Penalty | 11,260 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Payment In-Lieu of Tax - Tate & Lyle | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 |
| Adequate Facilities Tax | 2,612,175 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| Miscellaneous | 6,192 | | | | | | | | 0 |
| Interest Earned | 32,574 | 60,000 | 60,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 10,000 |
| Total Revenues | 6,413,377 | 4,756,529 | 4,881,212 | 10,239,484 | 11,064,140 | 10,857,976 | 10,283,588 | 9,871,260 | 9,418,932 |
| Expenditures | | | | | | | | | |
| Principal on Bonds - 8.850M | 1,000,000 | 1,000,000 | | | | | | | |
| Principal on Bonds - 24.220 Series 2020A | 1,395,000 | 1,435,000 | 1,470,000 | 1,540,000 | 1,555,000 | 1,555,000 | 1,550,000 | 1,550,000 | 1,550,000 |
| Principal on Bonds - 7.1M Series 2021 | 450,000 | 300,000 | 1,000,000 | 650,000 | 1,500,000 | 1,250,000 | 1,000,000 | 600,000 | 350,000 |
| Principal on Loans - 12.5M E-3-C | 970,000 | 1,025,000 | 1,090,000 | 1,150,000 | | | | | |
| Principal on Notes - 2.6M Series 2022 | | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 |
| Principal on Notes - 3M Series 2023 | | | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 |
| Principal on Bonds - \$100M New School - 25 Yrs | | | | | | 2,570,000 | 2,685,000 | 2,805,000 | 2,930,000 |
| Interest on Bonds - 8.850 M | 29,000 | 15,000 | | | | | | | |
| Interest on Bonds - 24.220 Series 2020A | 823,375 | 753,625 | 681,875 | 608,375 | 531,375 | 453,625 | 375,875 | 298,375 | 251,875 |
| Interest on Bonds - 7.1M Series 2021 | 140,817 | 133,000 | 127,000 | 107,000 | 94,000 | 64,000 | 39,000 | 19,000 | 7,000 |
| Interest on Loans - 12.5M E-3-C | 149,492 | 146,925 | 100,800 | 51,750 | | | | | |
| Interest on Notes - 2.6M Series 2022 | | 45,880 | 91,745 | 83,391 | 75,037 | 66,682 | 58,328 | 49,973 | 41,619 |
| Interest on Notes - 3M Series 2023 | | | 94,810 | 138,173 | 126,646 | 115,119 | 103,592 | 92,066 | 80,539 |
| Interest on Bonds - \$100M New School - 25 Yrs | | | | 4,487,500 | 4,500,000 | 4,500,000 | 4,384,350 | 4,263,525 | 4,137,300 |
| Trustee's Commission | 71,529 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 100,000 |
| Other Debt Service 12.5M SWAP Term | | 35,300 | | | | | | | |
| Other Debt Service - 8.850M | 1,652 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | 5,030,865 | 5,236,730 | 5,229,230 | 9,389,189 | 8,955,058 | 11,147,426 | 10,769,145 | 10,250,939 | 9,896,333 |
| Effect on Fund Balance | 1,382,512 | (480,201) | (348,018) | 850,295 | 2,109,082 | (269,450) | (485,557) | (379,679) | (477,401) |
| Ending Fund Balance | 9,097,603 | 8,617,402 | 8,269,384 | 9,119,679 | 11,228,761 | 10,939,311 | 10,453,754 | 10,074,075 | 9,596,674 |

This estimate is based on several assumptions. Some, but not all, are as follows:

- (1) The number of property tax pennies assigned to this fund fluctuate to allow enough fund balance to pay the estimated debt in the following FY
- (2) The value of the property tax penny does not increase each year
- (3) County Commission does not approve any additional education debt after the new school
- (4) Other revenues remain as indicated each year

Loudon County
Estimated Multi-Year Debt Budget

| Fund 156 Education Debt Service PROPOSED \$100 M at 25 Years | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|---|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning of Year | | | | | | | | | |
| Restricted Fund Balance Estimate | 9,596,674 | 9,540,505 | 9,538,104 | 9,585,546 | 9,687,293 | 10,061,983 | 10,484,213 | 12,733,345 | 14,982,027 |
| Property Tax (3% delinquency; no growth) | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 |
| Number of Property Tax Pennies | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 |
| Revenue | | | | | | | | | |
| Current Property Tax | 7,834,232 | 7,834,232 | 7,834,232 | 7,834,232 | 7,834,232 | 7,834,232 | 7,834,232 | 7,834,232 | 7,834,232 |
| Trustee's Prior Year | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Trustee's Bankruptcy | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| Clerk & Master's Prior Year | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 |
| Interest & Penalty | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Payment in-Lieu of Tax - Tate & Lyle | | | | | | | | | |
| Adequate Facilities Tax | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| Miscellaneous | | | | | | | | | |
| Interest Earned | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Total Revenues | 9,418,932 | 9,418,932 | 9,418,932 | 9,418,932 | 9,418,932 | 9,418,932 | 9,418,932 | 9,418,932 | 9,418,932 |
| Expenditures | | | | | | | | | |
| Principal on Bonds - 8.850M | | | | | | | | | |
| Principal on Bonds - 24.220 Series 2020A | 1,550,000 | 1,550,000 | 1,550,000 | 1,550,000 | 1,550,000 | 1,550,000 | | | |
| Principal on Bonds - 7.1M Series 2021 | | | | | | | | | |
| Principal on Loans - 12.5M E-3-C | | | | | | | | | |
| Principal on Notes - 2.6M Series 2022 | 216,000 | 216,000 | 216,000 | 216,000 | | | | | |
| Principal on Notes - 3M Series 2023 | 231,000 | 231,000 | 231,000 | 230,000 | 230,000 | 230,000 | | | |
| Principal on Bonds - \$100M New School - 25 Yrs | 3,065,000 | 3,200,000 | 3,345,000 | 3,495,000 | 3,650,000 | 3,815,000 | 3,990,000 | 4,170,000 | 4,355,000 |
| Interest on Bonds - 8.850 M | | | | | | | | | |
| Interest on Bonds - 24.220 Series 2020A | 205,375 | 174,375 | 143,375 | 110,438 | 75,563 | 38,750 | | | |
| Interest on Bonds - 7.1M Series 2021 | | | | | | | | | |
| Interest on Loans - 12.5M E-3-C | | | | | | | | | |
| Interest on Notes - 2.6M Series 2022 | 33,264 | 24,948 | 16,632 | 8,316 | | | | | |
| Interest on Notes - 3M Series 2023 | 69,012 | 57,485 | 45,958 | 34,431 | 22,954 | 11,477 | | | |
| Interest on Bonds - \$100M New School - 25 Yrs | 4,005,450 | 3,867,525 | 3,723,525 | 3,573,000 | 3,415,725 | 3,251,475 | 3,079,800 | 2,900,250 | 2,712,600 |
| Trustee's Commission | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Other Debt Service | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | 9,475,101 | 9,421,333 | 9,371,490 | 9,317,185 | 9,044,242 | 8,996,702 | 7,169,800 | 7,170,250 | 7,167,600 |
| Effect on Fund Balance | (56,169) | (2,401) | 47,442 | 101,747 | 374,690 | 422,230 | 2,249,132 | 2,248,682 | 2,251,332 |
| Ending Fund Balance | 9,540,505 | 9,538,104 | 9,585,546 | 9,687,293 | 10,061,983 | 10,484,213 | 12,733,345 | 14,982,027 | 17,233,359 |

This estimate is based on several assumptions. Some, but not all, are as follows:

- (1) The number of property tax pennies assigned to this fund fluctuate to allow enough fund balance to pay the estimated debt in the following FY
- (2) The value of the property tax penny does not increase each year
- (3) County Commission does not approve any additional education debt after the new school
- (4) Other revenues remain as indicated each year

Education Debt Service

Fund 156

Estimated Multi-Year Debt Budget
with proposed \$100 Million
at 30 years

Loudon County
Estimated Multi-Year Debt Budget

| Fund 156 Education Debt Service PROPOSED \$100M at 30 Years | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|--|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Beginning of Year | | | | | | | | | |
| Restricted Fund Balance Estimate | 7,715,091 | 9,097,603 | 8,617,402 | 7,867,364 | 9,293,009 | 10,945,927 | 10,371,821 | 9,806,672 | 9,551,327 |
| Property Tax (3% delinquency; no growth) | 189,547 | 197,824 | 206,164 | 206,164 | 206,164 | 208,164 | 206,164 | 206,164 | 206,164 |
| Number of Property Tax Pennies | 17.95 | 14.95 | 13.00 | 45.00 | 44.00 | 40.00 | 39.00 | 38.00 | 35.00 |
| Revenue | | | | | | | | | |
| Current Property Tax | 3,521,128 | 2,957,469 | 2,680,132 | 9,277,380 | 9,071,216 | 8,246,560 | 8,040,396 | 7,834,232 | 7,215,740 |
| Trustee's Prior Year | 39,998 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Trustee's Bankruptcy | 459 | 3,000 | 3,000 | 700 | 700 | 700 | 700 | 700 | 700 |
| Clerk & Master's Prior Year | 27,531 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 |
| Interest & Penalty | 11,260 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Payment In-Lieu of Tax - Tate & Lyle | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 | 162,060 |
| Adequate Facilities Tax | 2,612,175 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| Miscellaneous | 6,192 | | | | | | | | 0 |
| Interest Earned | 32,574 | 60,000 | 60,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 10,000 |
| Total Revenues | 6,413,377 | 4,756,529 | 4,479,192 | 11,064,140 | 10,857,976 | 10,033,320 | 9,665,096 | 9,458,932 | 8,800,440 |
| Expenditures | | | | | | | | | |
| Principal on Bonds - 8.850M | 1,000,000 | 1,000,000 | | | | | | | |
| Principal on Bonds - 24.220 Series 2020A | 1,395,000 | 1,435,000 | 1,470,000 | 1,540,000 | 1,555,000 | 1,555,000 | 1,550,000 | 1,550,000 | 1,550,000 |
| Principal on Bonds - 7.1M Series 2021 | 450,000 | 300,000 | 1,000,000 | 650,000 | 1,500,000 | 1,250,000 | 1,000,000 | 600,000 | 350,000 |
| Principal on Loans - 12.5M E-3-C | 970,000 | 1,025,000 | 1,090,000 | 1,150,000 | | | | | |
| Principal on Notes - 2.6M Series 2022 | | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 | 217,000 |
| Principal on Notes - 3M Series 2023 | | | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 | 231,000 |
| Principal on Bonds - \$100M New School - 30 Yrs | | | | | | 1,780,000 | 1,865,000 | 1,955,000 | 2,045,000 |
| Interest on Bonds - 8.850 M | 29,000 | 15,000 | | | | | | | |
| Interest on Bonds - 24.220 Series 2020A | 823,375 | 753,625 | 681,875 | 608,375 | 531,375 | 453,625 | 375,875 | 298,375 | 251,875 |
| Interest on Bonds - 7.1M Series 2021 | 140,817 | 133,000 | 127,000 | 107,000 | 94,000 | 84,000 | 39,000 | 19,000 | 7,000 |
| Interest on Loans - 12.5M E-3-C | 149,492 | 146,925 | 100,800 | 51,750 | | | | | |
| Interest on Notes - 2.6M Series 2022 | | 45,880 | 91,745 | 83,391 | 75,037 | 66,682 | 58,328 | 49,973 | 41,619 |
| Interest on Notes - 3M Series 2023 | | | 94,810 | 138,173 | 126,646 | 115,119 | 103,592 | 92,066 | 80,539 |
| Interest on Bonds - \$100M New School - 30 Yrs | | | | 4,736,806 | 4,750,000 | 4,750,000 | 4,665,450 | 4,576,863 | 4,484,000 |
| Trustee's Commission | 71,529 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 | 100,000 |
| Other Debt Service 12.5M SWAP Term | | 35,300 | | | | | | | |
| Other Debt Service - 8.850M | 1,652 | 5,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | 5,030,885 | 5,236,730 | 5,229,230 | 9,638,495 | 9,205,058 | 10,607,426 | 10,230,245 | 9,714,277 | 9,358,033 |
| Effect on Fund Balance | 1,382,512 | (480,201) | (750,038) | 1,425,645 | 1,652,918 | (574,106) | (565,149) | (255,345) | (557,593) |
| Ending Fund Balance | 9,097,603 | 8,617,402 | 7,867,364 | 9,293,009 | 10,945,927 | 10,371,821 | 9,806,672 | 9,551,327 | 8,993,734 |

This estimate is based on several assumptions. Some, but not all, are as follows:

- (1) The number of property tax pennies assigned to this fund fluctuate to allow enough fund balance to pay the estimated debt in the following FY
- (2) The value of the property tax penny does not increase each year
- (3) County Commission does not approve any additional education debt after the new school
- (4) Other revenues remain as indicated each year

Loudon County
Estimated Multi-Year Debt Budget

| Fund 156 Education Debt Service | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|
| Beginning of Year | | | | | | | | | |
| Restricted Fund Balance Estimate | 8,993,734 | 8,857,660 | 8,774,317 | 8,738,454 | 8,758,234 | 9,050,769 | 9,389,144 | 11,556,234 | 13,722,986 |
| Property Tax (3% delinquency; no growth) | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 | 206,164 |
| Number of Property Tax Pennies | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 |
| Revenue | | | | | | | | | |
| Current Property Tax | 7,215,740 | 7,215,740 | 7,215,740 | 7,215,740 | 7,215,740 | 7,215,740 | 7,215,740 | 7,215,740 | 7,215,740 |
| Trustee's Prior Year | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 | 700 |
| Clerk & Master's Prior Year | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 | 46,000 |
| Interest & Penalty | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| Miscellaneous | | | | | | | | | |
| Interest Earned | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Total Revenues | 8,800,440 | 8,800,440 | 8,800,440 | 8,800,440 | 8,800,440 | 8,800,440 | 8,800,440 | 8,800,440 | 8,800,440 |
| Expenditures | | | | | | | | | |
| Principal on Bonds - 8.850M | | | | | | | | | |
| Principal on Bonds - 24.220 Series 2020A | 1,550,000 | 1,550,000 | 1,550,000 | 1,550,000 | 1,550,000 | 1,550,000 | | | |
| Principal on Bonds - 7.1M Series 2021 | | | | | | | | | |
| Principal on Loans - 12.5M E-3-C | | | | | | | | | |
| Principal on Notes - 2.6M Series 2022 | 216,000 | 216,000 | 216,000 | 216,000 | | | | | |
| Principal on Notes - 3M Series 2023 | 231,000 | 231,000 | 231,000 | 230,000 | 230,000 | 230,000 | | | |
| Principal on Bonds - \$100M New School - 30 Yrs | 2,145,000 | 2,245,000 | 2,355,000 | 2,465,000 | 2,580,000 | 2,705,000 | 2,835,000 | 2,970,000 | 3,110,000 |
| Interest on Bonds - 8.850 M | | | | | | | | | |
| Interest on Bonds - 24.220 Series 2020A | 205,375 | 174,375 | 143,375 | 110,438 | 75,563 | 38,750 | | | |
| Interest on Bonds - 7.1M Series 2021 | | | | | | | | | |
| Interest on Loans - 12.5M E-3-C | | | | | | | | | |
| Interest on Notes - 2.6M Series 2022 | 33,264 | 24,948 | 16,632 | 8,316 | | | | | |
| Interest on Notes - 3M Series 2023 | 69,012 | 57,485 | 45,958 | 34,431 | 22,954 | 11,477 | | | |
| Interest on Bonds - \$100M New School - 30 Yrs | 4,386,853 | 4,284,975 | 4,178,338 | 4,066,475 | 3,949,388 | 3,826,838 | 3,698,350 | 3,563,688 | 3,422,613 |
| Trustee's Commission | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 |
| Other Debt Service - 8.850M | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Expenditures | 8,936,514 | 8,883,783 | 8,836,303 | 8,780,660 | 8,507,905 | 8,482,065 | 6,633,350 | 6,633,688 | 6,632,613 |
| Effect on Fund Balance | (136,074) | (83,343) | (35,863) | 19,780 | 292,535 | 338,375 | 2,167,090 | 2,166,752 | 2,167,827 |
| Ending Fund Balance | 8,857,660 | 8,774,317 | 8,738,454 | 8,758,234 | 9,050,769 | 9,389,144 | 11,556,234 | 13,722,986 | 15,890,813 |

This estimate is based on several assumptions. Some, but not all, are as follows:

- (1) The number of property tax pennies assigned to this fund fluctuate to allow enough fund balance to pay the estimated debt in the following FY
- (2) The value of the property tax penny does not increase each year
- (3) County Commission does not approve any additional education debt after the new school
- (4) Other revenues remain as indicated each year