

Hamblen County Government



Annual Debt Report

For the Year Ending June 30, 2020

Bill Brittain
County Mayor

Anne Bryant-Hurst
Finance Director

Hamblen County, Tennessee
Annual Debt Report for the Fiscal Year Ending June 30, 2020
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Hamblen County's Debt Management Policy is on the Hamblen County website at www.HamblenCountyTN.gov



To: Hamblen County Citizens and All Interested Parties

From: Bill Brittain, County Mayor
Anne Bryant-Hurst, Finance Director

Date: April 13, 2020

Re: Annual Debt Report

In compliance with Section II.B of Hamblen County's Debt Management Policy, we present the Annual Debt Management Report for the fiscal year ending June 30, 2020. It is our goal to demonstrate strong financial management practices to the citizens of Hamblen County, investors, and credit agencies. We will continue our practice of strategic planning to issue and manage debt based on focused long-term goals.

Hamblen County received a rating of Aa3 from Moody's Investors Service, and an AA- from Standard and Poor's during its most recent ratings review. These ratings are a positive reflection of Hamblen County's solid financial position, conservative budgetary practices, and well managed debt profile. These ratings allow Hamblen County to obtain financing at lower interest rates, which in return results in a lower tax burden on its citizens.

The most recent ratings are further supported by comparing selected ratios to national benchmarks. Based on the outstanding principal at June 30, 2020, Hamblen County's net debt to assessed property value is 1.97 percent compared to a national benchmark which recommends a percentage of no more than 10 percent. Additionally, Hamblen County's net debt-per-capita ratio of \$445 is considered in the very low category in Standard & Poor's classification system for setting credit ratings. Finally, Hamblen County's net debt as a percentage of personal income is 1.22% percent as compared to the benchmark which recommends a percentage of 4.5% percent or less. Each of these ratios individually, and in combination, reinforces the County's strong financial management practices. Hamblen County also compares favorably with surrounding counties. As of June 30, 2019 Hamblen County had the lowest per capita debt of all its contiguous neighbors and the next to lowest after issuing general obligation bonds for school and county projects in January 2020.

As we begin the 2020-2021 budget discussions, we will work with our Finance Committee, Budget Committee, and County Commission to adopt an adequately funded debt budget that meets the present and future needs of the citizens of Hamblen County.

Bill Brittain, County Mayor

511 West Second North Street • Morristown, TN 37814 • office. 423.586.1931 • fax. 423.586.4699

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To: Randy DeBord
Finance Committee Chair

From: Bill Brittain, County Mayor
Anne Bryant-Hurst, Finance Director

Date: April 13, 2020

Re: Annual Debt Report

In compliance with Section II.B of Hamblen County's Debt Management Policy, Anne Bryant-Hurst, Finance Director, and I present the Annual Debt Report for the fiscal year ending June 30, 2020, for your approval. This report is designed to provide information to the Finance Committee, Budget Committee, and County Commission that will allow us to adopt an adequately funded debt budget. We will continue our practice of strategic planning to issue and manage debt based on focused long-term goals.

Hamblen County's ratings of Aa3 from Moody's Investors Service and AA- from Standard and Poor's are a positive reflection of Hamblen County's solid financial position, conservative budgetary practices, and well managed debt profile. These ratings allow Hamblen County to obtain financing at lower interest rates, which in return results in a lower tax burden on its citizens.

Hamblen County continues to compare favorably with surrounding counties. As of June 30, 2019 Hamblen County had the lowest per capita debt of all its contiguous neighbors and the next to lowest after issuing general obligation bonds for school and county projects in January 2020.

We look forward to working together as we prepare the 2020-2021 General Debt Service Fund budget that meets the needs of the citizens of Hamblen County.

Bill Brittain, *County Mayor*

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Hamblen County, Tennessee

Annual Debt Report

Schedule of Changes in Long-term Other Loans and Bonds
For Year Ending June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7/1/2019	Issued During Period	Paid and/or	
							Matured During Period	Outstanding 6/30/2020
OTHER LOANS PAYABLE								
Payable through General Debt Service Fund								
Local Government Public Improvement Bonds, Series E-4-A - Refunding	\$ 10,100,000	Variable (1)	8-13-08	6-1-25	\$ 10,100,000	0	\$ 1,470,000	\$ 8,630,000
Qualified School Construction Bonds (2)	\$ 11,280,000	1.515	12-17-09	7-1-26	5,062,623	0	703,854	4,358,769
Total Payable through General Debt Service Fund					\$ 15,162,623	0	\$ 2,173,854	\$ 12,988,769
Total Other Loans Payable					\$ 15,162,623	0	\$ 2,173,854	\$ 12,988,769
BONDS PAYABLE								
Payable through General Debt Service Fund								
General Obligation Bonds, Series 2014	\$ 5,200,000	1.446	3-28-14	6-1-23	\$ 2,210,000	0	\$ 615,000	\$ 1,595,000
General Obligation Bonds, Series 2020A	\$ 19,995,000	2-5	1-31-20	6-1-49	0	19,995,000	0	19,995,000
Total Payable through General Debt Service Fund					\$ 2,210,000	19,995,000	\$ 615,000	\$ 21,590,000
Total Bonds Payable					\$ 2,210,000	19,995,000	\$ 615,000	\$ 21,590,000
TOTAL DEBT								
					\$ 17,372,623	19,995,000	\$ 2,788,854	\$ 34,578,769

(1) These issues were swapped to a synthetic fixed rate by execution of swap agreements in prior years.

(2) As of June 30, 2020 Hamblen will have deposited \$6,921,235 in the QSCB sinking fund held by the State of Tennessee, leaving a total of \$4,358,769 remaining to be deposited. The State of Tennessee holds the sinking fund payments in escrow and will pay off the full \$11,280,000 in 2027.

Hamblen County, Tennessee
Annual Debt Report

Percentage of Debt - Hamblen County Government to Hamblen County School Department

Description of Indebtedness	Percentage of Outstanding		Percentage of Outstanding		Amount of Outstanding		Total
	Balance Related to Hamblen County General Government	Balance Related to Hamblen County School Department	Balance Related to Hamblen County School Department	Balance Related to Hamblen County School Department	Balance Related to Hamblen County School Department	Balance Related to Hamblen County School Department	
<u>OTHER LOANS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
Local Government Public Improvement Bonds, Series E-4-A - Refunding	24.760	%	75.240	%	\$	2,136,788	\$ 6,493,212 \$ 8,630,000
Qualified School Construction Bonds	0.000	%	100.000	%		0	4,358,769 4,358,769
Total Payable through General Debt Service Fund					\$	2,136,788	\$ 10,851,981 \$ 12,988,769
Total Other Loans Payable					\$	2,136,788	\$ 10,851,981 \$ 12,988,769
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
General Obligation Bonds, Series 2014	51.920	%	48.080	%	\$	828,124	\$ 766,876 \$ 1,595,000
General Obligation Bonds, Series 2020A	47.987	%	52.013	%		9,595,000	10,400,000 19,995,000
Total Payable through General Debt Service Fund					\$	10,423,124	\$ 11,166,876 \$ 21,590,000
Total Bonds Payable					\$	10,423,124	\$ 11,166,876 \$ 21,590,000
TOTAL DEBT	36.323	%	63.677	%	\$	12,559,912	\$ 22,018,857 \$ 34,578,769

Hamblen County, Tennessee
Annual Debt Report
Schedule of Budgeted Debt Payments
For Year Ending June 30, 2020

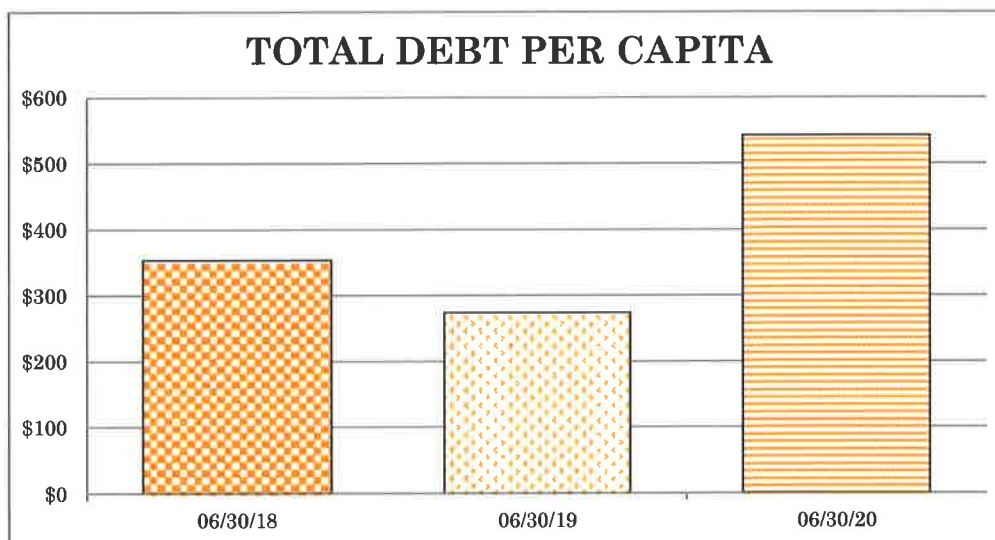
	PRINCIPAL	INTEREST
Other Loans:		
Local Government Public Improvement Bonds Refunding, Series E-4-A	\$ 1,470,000	\$ 505,000
Qualified School Construction Bonds	<u>703,854</u>	<u>182,172</u>
Total Other Loans	<u>\$ 2,173,854</u>	<u>\$ 687,172</u>
Bonds:		
General Obligation Bonds, Series 2014	\$ 615,000	\$ 36,715
General Obligation Bonds, Series 2020A	<u>0</u>	<u>213,023</u>
Total Bonds	<u>\$ 615,000</u>	<u>\$ 249,738</u>
TOTAL BUDGETED DEBT PAYMENTS	<u>\$ 2,788,854</u>	<u>\$ 936,910</u>

Hamblen County, Tennessee
Annual Debt Report
Debt Per Capita

Calculation Method:

$$\text{Debt Per Capita} = \frac{\text{Total Debt of the County}^1}{\text{County's Population}^2}$$

	06/30/18	06/30/19	06/30/20
Total Debt	\$ 22,346,477	\$ 17,372,623	\$ 34,578,769
Population	63,203	63,465	63,740
Debt Per Capita	\$ 354	\$ 274	\$ 542



Debt Per Capita - This ratio is used in evaluating the county's ability to pay off its debt by taking the total principal on outstanding debt divided by the total citizens in the county.

¹ Principal amount only (any interest expense that would be due is not included)

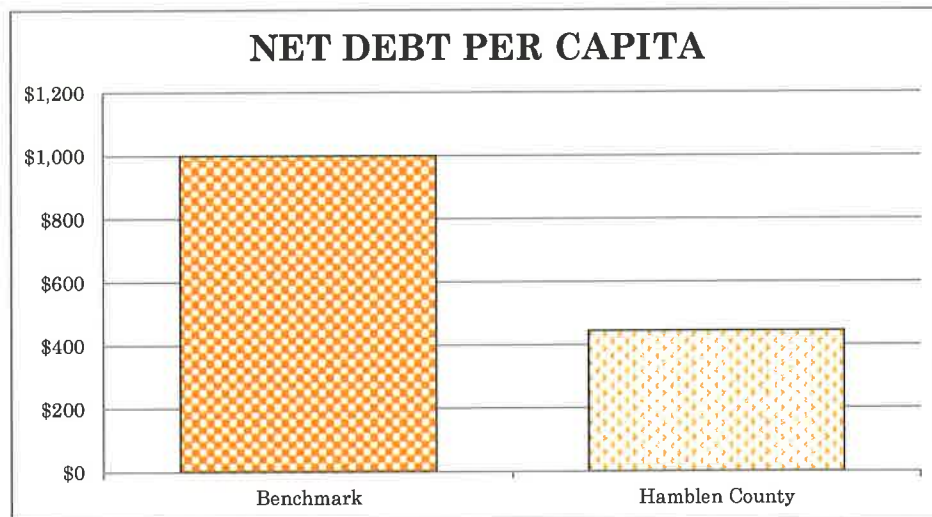
² U.S. Census Bureau, data.census.gov, hamblen county, tennessee 5-year population estimate (2018:ACS 5-Year Estimates Data Profiles)

Hamblen County, Tennessee
Annual Debt Report
Net Debt and Net Debt Per Capita

Calculation Method:

$$\text{Net Debt Per Capita} = \frac{\text{Net Debt of the County}^1}{\text{County's Population}^2}$$

	Benchmark ³	Hamblen County
Total Debt		\$ 34,578,769
Less: Projected Year Fund Balance in the General Debt Service Fund		(6,205,199)
Net Debt		<u>\$ 28,373,570</u>
Population		<u>63,740</u>
Net Debt Per Capita - S & P's Very Low Category	<u>\$ 1,000</u>	<u>\$ 445</u>



Net Debt - Net debt is the outstanding principal less the fund balance that is currently available in the General Debt Service Fund. This allows Hamblen County to determine the amount required to be collected in the future to retire the outstanding principal on its debt.

Net Debt Per Capita - Net debt per capita is calculated by dividing the net debt by the total number of citizens of Hamblen County. This is the additional amount that Hamblen County would need to collect from every citizen in order to retire its outstanding principal balance. Simply stated, if every citizen remitted an additional \$445 to Hamblen County at June 30, Hamblen County would be able to retire all of its debt excluding the interest component at one time. For comparison, Standard and Poor's classifies governments with less than \$1,000 in net debt per capita as having a very low debt burden.

¹ Principal amount less projected year-end fund balance (any interest expense that would be due is not included)

² U.S. Census Bureau, data.census.gov, hamblen county, tennessee 5-year population estimate (2018:ACS 5-Year Estimates Data Profiles)

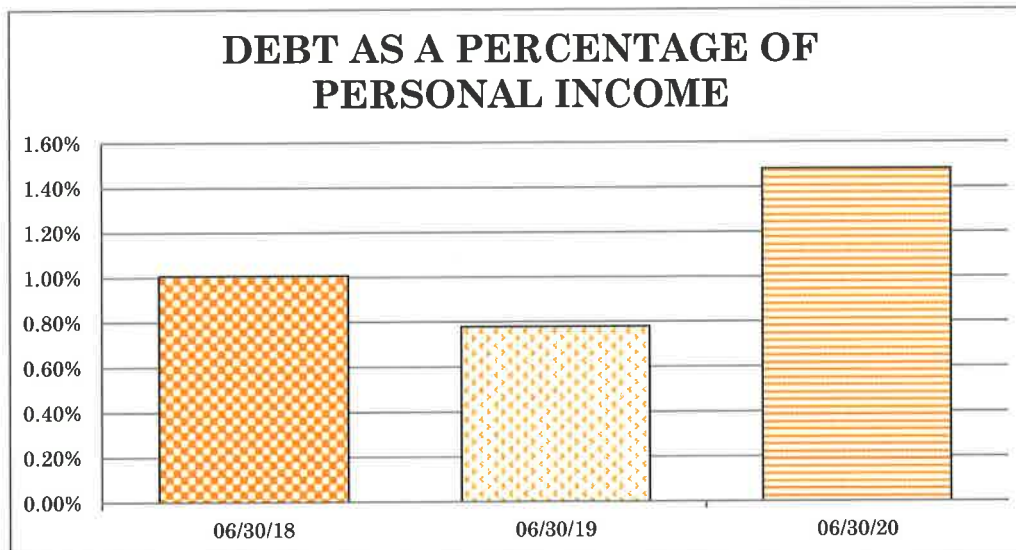
³ "Municipal Benchmarks: Assessing Local Performance and Establishing Standards",
 David N. Ammons. - 2012, p. 88

Hamblen County, Tennessee
Annual Debt Report
Debt as a Percentage of Personal Income

Calculation Method:

$$\text{Debt as Percentage of Personal Income} = \frac{\text{Total Debt of the County}^1 / \text{County's Population}^2}{\text{Total Personal Income}^3}$$

	06/30/18	06/30/19	06/30/20
Total Debt	\$ 22,346,477	\$ 17,372,623	\$ 34,578,769
Population	63,203	63,465	63,740
Personal Income ⁴	35,089	35,134	36,636
Debt Per Capita	1.01%	0.78%	1.48%



Debt as a Percentage of Personal Income - This ratio incorporates an ability to pay concept into the assessment of debt burden. It uses total personal income (including wages, dividends, interest, rent, and government payments) divided by total population. The lower the percentage the more desirable the measurement. A low debt per capita percentage indicates either a low debt burden or strong personal income or some combination of the two.

¹ Principal amount only (any interest expense that would be due is not included)

² U.S. Census Bureau, https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml (2017 ACS 5-Year Population Estimate.)

³ Bureau of Economic Analysis, <https://www.bea.gov/data/income-saving/personal-income-county-metro-and-other-areas>

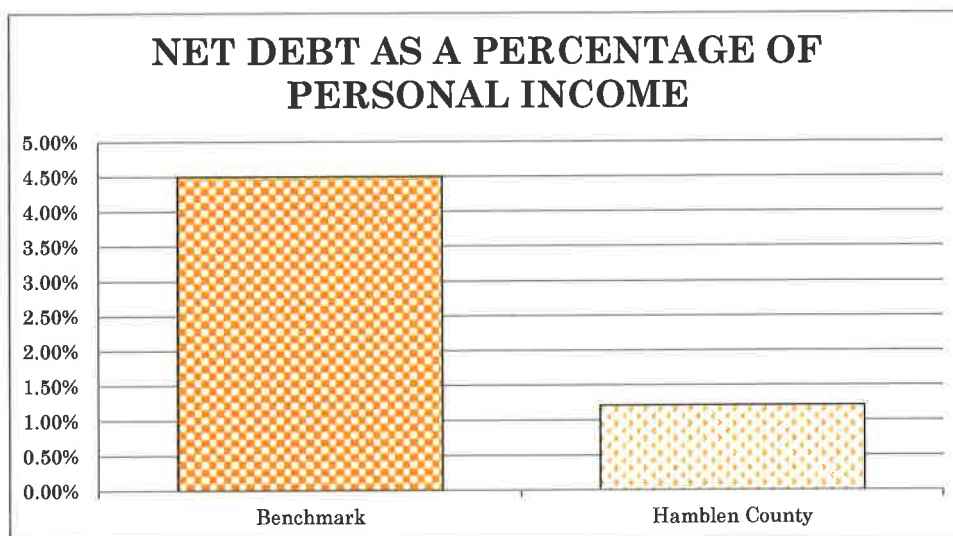
⁴ Most recent data available is used

Hamblen County, Tennessee
Annual Debt Report
Net Debt as a Percentage of Personal Income

Calculation Method:

$$\text{Net Debt as Percentage of Personal Income} = \frac{\text{Net Debt of the County}^1 / \text{County's Population}^2}{\text{Total Personal Income}^3}$$

	Benchmark ⁴	Hamblen County
Total Debt	\$	34,578,769
Less: Projected Year Fund Balance in the General Debt Service Fund		(6,205,199)
Net Debt	\$	28,373,570
Personal Income	\$	36,636
Population		63,740
Net Debt Per Capita (not to exceed)	4.5%	1.22%



Net Debt as a Percentage of Personal Income - This ratio incorporates an ability to pay concept into the assessment of debt burden. It uses the total personal income (including wages, dividends, interest, rent, and government payments) divided by total population. This ratio can be utilized to determine how Hamblen County's debt load can be spread to its citizens based on their ability to pay. For comparison, a national standard uses a benchmark of not greater than 4.5% of total personal income to assess net debt. Hamblen County's current net debt as a percentage of personal income is 1.22%.

¹ Principal amount less projected year-end fund balance (any interest expense that would be due is not included)

² U.S. Census Bureau, data.census.gov, hamblen county, tennessee 5-year population estimate (2018:ACS 5-Year Estimates Data Profiles)

³ Bureau of Economic Analysis, <https://www.bea.gov/data/income-saving/personal-income-county-metro-and-other-areas>

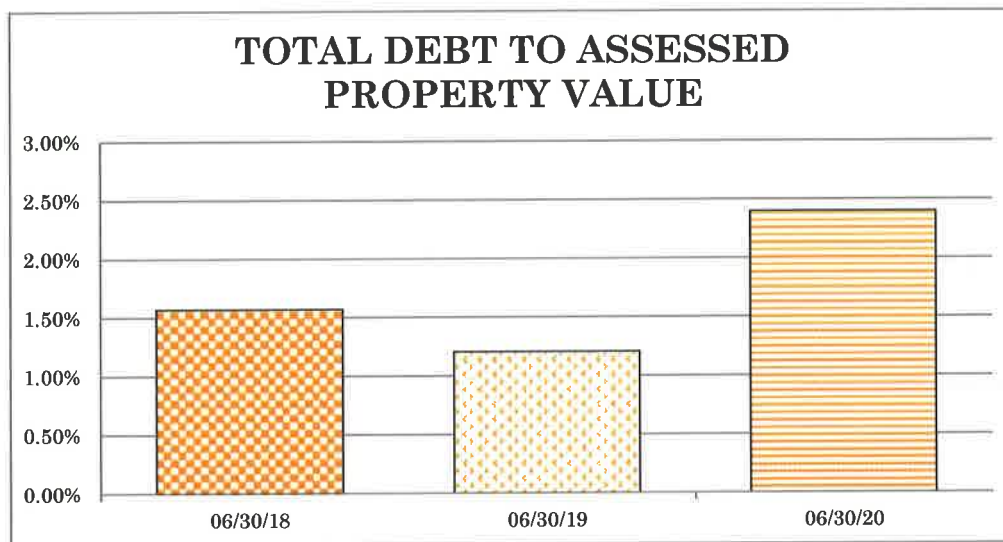
⁴ "Municipal Benchmarks: Assessing Local Performance and Establishing Standards",
 David N. Ammons. - 2012, p. 100

Hamblen County, Tennessee
Annual Debt Report
Debt to Assessed Property Value

Calculation Method:

$$\text{Debt to Assessed Property Value} = \frac{\text{Total Debt of the County}^1}{\text{Assessed Property Value}^2}$$

	06/30/18	06/30/19	06/30/20
Total Debt	22,346,477 \$	17,372,623 \$	34,578,769
Assessed Property Value	1,424,686,246	1,440,971,348	1,441,688,882
Debt to Assessed Property Value	1.57%	1.21%	2.40%



Debt to Assessed Property Value - This ratio examines Hamblen County's current indebtedness to assessed property value. It measures the wealth available to support present indebtedness so the County can include any anticipated debt to calculate a new ratio, thus helping determine whether the County has the capacity to meet present and future obligations.

¹ Principal amount only (any interest expense that would be due is not included)

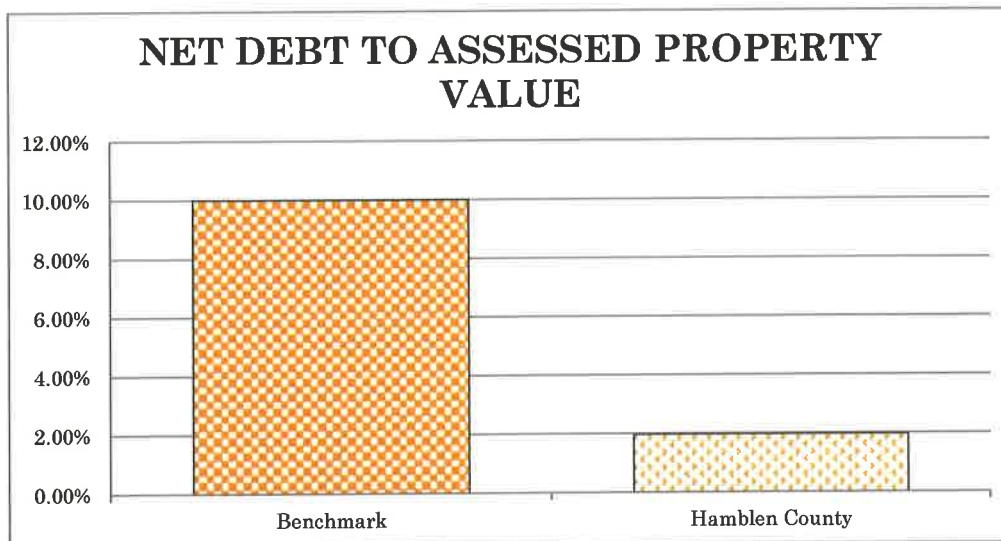
² This is based on final assessments as received from the State of Tennessee, and excludes any changes made during the year.

Hamblen County, Tennessee
Annual Debt Report
Net Debt to Assessed Property Value

Calculation Method:

$$\text{Net Debt to Assessed Property Value} = \frac{\text{Net Debt of the County}^1}{\text{Assessed Property Value}^2}$$

	Benchmark ³	Hamblen County
Total Debt		\$ 34,578,769
Less: Projected Year Fund Balance in the General Debt Service Fund		(6,205,199)
Net Debt		<u>\$ 28,373,570</u>
Assessed Property Value		<u>\$ 1,441,688,882</u>
Net Debt to Assessed Property Value (Average Not to Exceed)	<u>10%</u>	<u>1.97%</u>



Net Debt to Assessed Property Value - This ratio examines Hamblen County's net indebtedness to the assessed property value. It measures the wealth available to support the County's current indebtedness and also helps the County evaluate its capacity to support any anticipated borrowing, thus helping determine whether the County has the capacity to meet increased debt obligations. The higher the percentage, the higher the tax rate must be in order to meet Hamblen County's obligation. The current benchmark being is 10%. Hamblen County's current net debt to assessed property value of 1.97% is well below the benchmark.

¹ Principal amount less projected year-end fund balance (any interest expense that would be due is not included)

² This is based on final assessments as received from the State of Tennessee, and excludes any changes made during the year

³ "Municipal Benchmarks: Assessing Local Performance and Establishing Community Standards",

David N. Ammons. - 2012, p. 100

Hamblen County, Tennessee
Annual Debt Report
Schedule of Long-term Debt Requirements by Year - Total
General Debt Service Fund

Year Ending June 30	Principal	Interest	Other Fees	Total
2021	\$ 2,883,854	\$ 1,194,201	\$ 81,670	\$ 4,159,725
2022	3,078,854	1,119,264	69,028	4,267,146
2023	3,483,854	1,034,126	55,733	4,573,713
2024	3,258,854	918,755	41,704	4,219,313
2025	3,358,854	805,809	26,900	4,191,563
2026	1,513,140	688,679	11,280	2,213,099
2027	806,359	495,028	2,820	1,304,207
2028	740,000	443,788	0	1,183,788
2029	740,000	406,788	0	1,146,788
2030	740,000	369,788	0	1,109,788
2031	740,000	332,788	0	1,072,788
2032	740,000	317,988	0	1,057,988
2033	735,000	303,188	0	1,038,188
2034	735,000	288,488	0	1,023,488
2035	735,000	272,868	0	1,007,868
2036	735,000	256,331	0	991,331
2037	735,000	239,794	0	974,794
2038	735,000	222,338	0	957,338
2039	735,000	204,881	0	939,881
2040	735,000	187,425	0	922,425
2041	735,000	169,050	0	904,050
2042	735,000	150,675	0	885,675
2043	735,000	132,300	0	867,300
2044	735,000	113,925	0	848,925
2045	735,000	95,550	0	830,550
2046	735,000	77,175	0	812,175
2047	735,000	57,881	0	792,881
2048	735,000	38,588	0	773,588
2049	735,000	19,294	0	754,294
Total	\$ 34,578,769	\$ 10,956,753	\$ 289,135	\$ 45,824,657

Hamblen County, TennesseeAnnual Debt ReportSchedule of Long-term Debt Requirements by Year - By Debt TypeGeneral Debt Service Fund

Year Ending June 30	Other Loans			
	Principal	Interest	Other Fees	Total
2021	\$ 2,253,854	\$ 532,002	\$ 81,670	\$ 2,867,526
2022	2,333,854	467,144	69,028	2,870,026
2023	2,423,854	398,939	55,733	2,878,526
2024	2,518,854	326,968	41,704	2,887,526
2025	2,618,854	251,022	26,900	2,896,776
2026	773,140	170,892	11,280	955,312
2027	66,359	14,241	2,820	83,420
Total	\$ 12,988,769	\$ 2,161,208	\$ 289,135	\$ 15,439,112

Year Ending June 30	Bonds			Total
	Principal	Interest		
2021	\$ 630,000	\$ 662,199	\$ 0	\$ 1,292,199
2022	745,000	652,120	0	1,397,120
2023	1,060,000	635,187	0	1,695,187
2024	740,000	591,787	0	1,331,787
2025	740,000	554,787	0	1,294,787
2026	740,000	517,787	0	1,257,787
2027	740,000	480,787	0	1,220,787
2028	740,000	443,788	0	1,183,788
2029	740,000	406,788	0	1,146,788
2030	740,000	369,788	0	1,109,788
2031	740,000	332,788	0	1,072,788
2032	740,000	317,988	0	1,057,988
2033	735,000	303,188	0	1,038,188
2034	735,000	288,488	0	1,023,488
2035	735,000	272,868	0	1,007,868
2036	735,000	256,331	0	991,331
2037	735,000	239,794	0	974,794
2038	735,000	222,338	0	957,338
2039	735,000	204,881	0	939,881
2040	735,000	187,425	0	922,425
2041	735,000	169,050	0	904,050
2042	735,000	150,675	0	885,675
2043	735,000	132,300	0	867,300
2044	735,000	113,925	0	848,925
2045	735,000	95,550	0	830,550
2046	735,000	77,175	0	812,175
2047	735,000	57,881	0	792,881
2048	735,000	38,588	0	773,588
2049	735,000	19,294	0	754,294
Total	\$ 21,590,000	\$ 8,795,545	\$ 0	\$ 30,385,545

Total Other Loans and Bonds	\$ 34,578,769	\$ 10,956,753	\$ 289,135	\$ 45,824,657
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Hamblen County, Tennessee
Annual Debt Report
Schedule of Long-term Debt Requirements by Year
Local Government Public Improvement Bonds - Series E-4-A, Refunding

Year Ending June 30	Principal	Interest	Other Fees	Total
2021	1,550,000	361,110	70,390	1,981,500
2022	1,630,000	296,252	57,748	1,984,000
2023	1,720,000	228,047	44,453	1,992,500
2024	1,815,000	156,076	30,424	2,001,500
2025	1,915,000	80,130	15,620	2,010,750
Total	\$ 8,630,000	\$ 1,121,615	\$ 218,635	\$ 9,970,250

NOTE:

Local Government Public Improvement Bonds, Series E-4-A, Refunding were issued through the Blount County Public Building Authority on August 13, 2008, in the amount of \$10,100,000. This other loan was issued at a cost of \$100,000 to refund the \$10,000,000 outstanding for the Local Government Public Improvement Bonds, Series A-2-B. Series A-2-B was originally issued on June 1, 2001, for capital projects related to the school department and the courthouse annex. Series A-2-B has a synthetic fixed rate through the execution of swap agreement (a derivative). As of June 30, 2019, the swap agreement has a \$1,122,380 negative fair value or cost should Hamblen County desire to terminate the swap before the bonds mature. The termination value is constantly changing based on financial market conditions. Currently, interest and other fees are budgeted at a rate of 5%.

Hamblen County, Tennessee
Annual Debt Report
Schedule of Long-term Debt Requirements by Year
Qualified School Construction Bond

Year Ending June 30	Principal	Interest	Other Fees	Total
2021	703,854	170,892	11,280	886,026
2022	703,854	170,892	11,280	886,026
2023	703,854	170,892	11,280	886,026
2024	703,854	170,892	11,280	886,026
2025	703,854	170,892	11,280	886,026
2026	773,140	170,892	11,280	955,312
2027	66,359	14,241	2,820	83,420
Total	\$ 4,358,769	\$ 1,039,593	\$ 70,500	\$ 5,468,862

NOTE:

The Qualified School Construction Bonds were issued through the Tennessee State School Bond Authority and loaned to Hamblen County on December 17, 2009, in the amount of \$11,280,000. This other loan was issued at a cost of \$124,936 for capital projects related to the school department. It is important to note that the Tennessee State School Bond Authority issued the bonds and loaned the proceeds to Hamblen County and various other governments across Tennessee. Hamblen County pays interest of 1.515 percent on its share of the bonds and also pays a monthly administrative fee to the State of Tennessee. Hamblen County and the other borrowers of the bond proceeds are required to comply with federal regulations established for the Qualified School Construction Bond program. Failure to comply with those requirements may result in the loss of the tax credit status of the bonds. This would result in further charges to the borrowers (Hamblen County) including the requirements to pay the tax-credit rate (5.86 percent) in addition to the 1.515 percent for a total rate of 7.375 percent. Currently, the budget is based on the 1.515 percent and the related monthly administrative fee.

Payments are made to the State of Tennessee and deposited into a sinking fund. The State holds the sinking fund payments in escrow and will pay off the full \$11,280,000 in 2027. This schedule reflects the remaining payments required to be made to the sinking fund.

Hamblen County, Tennessee
Annual Debt Report
Schedule of Long-term Debt Requirements by Year
General Obligation Bonds, Series 2014

Year Ending June 30	Principal	Interest	Total
2021	630,000	28,412	658,412
2022	645,000	18,333	663,333
2023	320,000	6,400	326,400
Total	\$ 1,595,000	\$ 53,145	\$ 1,648,145

NOTE:

General Obligation Bonds, Series 2014 were issued on March 28, 2014, in the amount of \$5,200,000. These bonds were sold at a premium totaling \$77,475 and issued at a cost of \$73,224. Of the \$5,200,000 issued, \$2,700,000 was for paving project in the county and \$2,500,000 was for capital improvements projects at one of the county high schools. The fixed interest rates on the Series 2014 bonds range from 1.15% to 2%.

Hamblen County, Tennessee
Annual Debt Report
Schedule of Long-term Debt Requirements by Year
General Obligation Bonds, Series 2020A

Year	Ending June 30	Principal	Interest	Total
2021		0	633,787	633,787
2022		100,000	633,787	733,787
2023		740,000	628,787	1,368,787
2024		740,000	591,787	1,331,787
2025		740,000	554,787	1,294,787
2026		740,000	517,787	1,257,787
2027		740,000	480,787	1,220,787
2028		740,000	443,788	1,183,788
2029		740,000	406,788	1,146,788
2030		740,000	369,788	1,109,788
2031		740,000	332,788	1,072,788
2032		740,000	317,988	1,057,988
2033		735,000	303,188	1,038,188
2034		735,000	288,488	1,023,488
2035		735,000	272,868	1,007,868
2036		735,000	256,331	991,331
2037		735,000	239,794	974,794
2038		735,000	222,338	957,338
2039		735,000	204,881	939,881
2040		735,000	187,425	922,425
2041		735,000	169,050	904,050
2042		735,000	150,675	885,675
2043		735,000	132,300	867,300
2044		735,000	113,925	848,925
2045		735,000	95,550	830,550
2046		735,000	77,175	812,175
2047		735,000	57,881	792,881
2048		735,000	38,588	773,588
2049		735,000	19,294	754,294
<hr/>				
Total		\$ 19,995,000	\$ 8,742,400	\$ 28,737,400

NOTE:

General Obligation Bonds, Series 2020A were issued on January 21, 2020 in the amount of \$19,995,000. These bonds were sold at premium totaling \$1,294,385. Direct costs of issuance totaled \$139,995, the underwriter's discount was \$220,730 (awarded to the lowest bidder), and bond insurance was \$43,400. These bonds were issued for improvements to West High School and for costs related to new jail construction. The fixed interest rates on the Series 2020 A bonds range from 2% percent to 5%.

Hamblen County, Tennessee
Annual Debt Report
Multi-Year Debt Budget

ACCOUNT NUMBER DESCRIPTION	YE 2020	YE 2021	YE 2022	YE 2023	YE 2024	YE 2025
ESTIMATED REVENUES						
40000 <u>Local Taxes</u>						
40100 <u>County Property Taxes</u>						
40110 Current Property Tax	\$ 4,687,000	\$ 5,372,000	\$ 5,372,000	\$ 5,372,000	\$ 5,372,000	\$ 5,372,000
40120 Trustee's Collections - Prior Year	125,000	125,000	125,000	125,000	125,000	125,000
40130 Circuit/Clerk and Mater Collections - Prior Years	51,000	51,000	51,000	51,000	51,000	51,000
40140 Interest and Penalty	47,000	47,000	47,000	47,000	47,000	47,000
40161 Payments in-Lieu-of Taxes - T.V.A.	408	408	408	408	408	408
40162 Payments in-Lieu-of Taxes - Local Utilities	74,000	74,000	74,000	74,000	74,000	74,000
40163 Payments in Lieu of Taxes - Other	1,900	1,900	1,900	1,900	1,900	1,900
40200 <u>County Local Option Taxes</u>						
40210 Local Option Sales Tax	63,000	63,000	63,000	63,000	63,000	63,000
40266 Litigation Taxes - Jail, Workhouse or Courthouse	90,000	90,000	90,000	90,000	90,000	90,000
40300 <u>Statutory Local Taxes</u>						
40320 Bank Excise Tax	21,600	21,600	21,600	21,600	21,600	21,600
Total Local Taxes	\$ 5,160,908	\$ 5,845,908	\$ 5,845,908	\$ 5,845,908	\$ 5,845,908	\$ 5,845,908
42000 <u>Fines, Forfeitures, and Penalties</u>						
42100 <u>Circuit Court</u>						
42150 Jail Fees	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600
42300 <u>General Sessions Court</u>						
42350 Jail Fees	27,000	27,000	27,000	27,000	27,000	27,000
Total Fines, Forfeitures, and Penalties	\$ 28,600	\$ 28,600	\$ 28,600	\$ 28,600	\$ 28,600	\$ 28,600
44000 <u>Other Local Revenues</u>						
44100 <u>Recurring Items</u>						
44110 Investment Income	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
44990 <u>Other Local Revenues</u>						
44990 Other Local Revenues	500,000	500,000	500,000	500,000	500,000	500,000
Total Other Local Revenues	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
Total Estimated Revenues and Other Sources	\$ 6,089,508	\$ 6,774,508	\$ 6,774,508	\$ 6,774,508	\$ 6,774,508	\$ 6,774,508
ESTIMATED EXPENDITURES						
82100 <u>Principal on Debt</u>						
82110 <u>General Government</u>						
601 Principal on Bonds	\$ -	\$ -	\$ 47,987	\$ 355,104	\$ 355,104	\$ 355,104
612 Principal on Other Loans	363,972	383,780	403,588	425,872	449,394	474,154
Total Principal - General Government	\$ 363,972	\$ 383,780	\$ 451,575	\$ 780,976	\$ 804,498	\$ 829,258
82120 <u>Highways and Streets</u>						
601 Principal on Bonds	\$ 319,308	\$ 327,096	\$ 334,884	\$ 166,144	\$ -	\$ -
Total Principal - Highways and Streets	\$ 319,308	\$ 327,096	\$ 334,884	\$ 166,144	\$ -	\$ -
82130 <u>Education</u>						
601 Principal on Bonds	\$ 295,692	\$ 302,904	\$ 362,129	\$ 538,752	\$ 384,896	\$ 384,896
612 Principal on Other Loans	1,809,882	1,870,074	1,930,266	1,997,982	2,069,460	2,144,700
Total Principal - Education	\$ 2,105,574	\$ 2,172,978	\$ 2,292,395	\$ 2,536,734	\$ 2,454,356	\$ 2,529,596
82200 <u>Interest on Debt</u>						
82210 <u>General Government</u>						
603 Interest on Bonds	\$ 102,223	\$ 304,136	\$ 304,136	\$ 301,736	\$ 283,981	\$ 266,226
613 Interest on Other Loans	125,038	106,839	87,650	67,471	46,177	23,708
Total Interest - General Government	\$ 227,261	\$ 410,975	\$ 391,786	\$ 369,207	\$ 330,158	\$ 289,934
82220 <u>Highways and Streets</u>						
603 Interest on Bonds	\$ 19,062	\$ 14,752	\$ 9,518	\$ 3,323	\$ -	\$ -
Total Interest - Highways and Streets	\$ 19,062	\$ 14,752	\$ 9,518	\$ 3,323	\$ -	\$ -
82230 <u>Education</u>						
603 Interest on Bonds	\$ 128,452	\$ 343,313	\$ 338,466	\$ 3,077	\$ 307,806	\$ 288,562
613 Interest on Other Loans	550,854	495,553	437,242	375,921	311,215	242,934
Total Interest - Education	\$ 679,306	\$ 838,866	\$ 775,708	\$ 378,998	\$ 619,021	\$ 531,496
82300 <u>Other Debt Service</u>						
82310 <u>General Government</u>						
510 Trustee's Commission	\$ 105,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Total Other Debt Service - General Government	\$ 105,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
82330 <u>Education</u>						
699 Other Debt Service	\$ 16,280	\$ 18,280	\$ 18,280	\$ 18,280	\$ 18,280	\$ 18,280
Total Other Debt Service - Education	\$ 16,280	\$ 18,280	\$ 18,280	\$ 18,280	\$ 18,280	\$ 18,280
Total Estimated Expenditures and Other Uses	\$ 3,835,763	\$ 4,286,727	\$ 4,394,146	\$ 4,373,662	\$ 4,346,313	\$ 4,318,564
Excess of Estimated Revenue Over (Under) Estimated Expenditures	\$ 2,253,745	\$ 2,487,781	\$ 2,380,362	\$ 2,400,846	\$ 2,428,195	\$ 2,455,944
Estimated Beginning Fund Balance & Reserves- July 1	3,951,454	6,205,199	8,692,980	11,073,342	13,474,188	15,902,383
Estimated Ending Fund Balance & Reserves - June 30	\$ 6,205,199	\$ 8,692,980	\$ 11,073,342	\$ 13,474,188	\$ 15,902,383	\$ 18,358,327

ASSUMPTION 1: Based on current economic conditions, revenues are budgeted constant with no growth.
ASSUMPTION 2: Five cents are added to the property tax rate for year ending 2021 per projections for new county projects.
ASSUMPTION 3: Multi-year Debt Budget is projected through year ending 2027 which is the year all current bonds and other loans will be paid off with the exception of Bond 2020A which will be paid off in 2049.
ASSUMPTION 4: Projected new debt service obligations will be added to the Multi-Year schedule when issued.

Hamblen County, Tennessee
Annual Debt Report
Multi-Year Debt Budget

ACCOUNT NUMBER	DESCRIPTION	YE 2026	YE 2027
ESTIMATED REVENUES			
40000	<u>Local Taxes</u>		
40100	<u>County Property Taxes</u>		
40110	Current Property Tax	\$ 5,372,000	\$ 5,372,000
40120	Trustee's Collections - Prior Year	125,000	125,000
40130	Circuit/Clerk and Mater Collections - Prior Years	51,000	51,000
40140	Interest and Penalty	47,000	47,000
40161	Payments in-Lieu-of Taxes - T.V.A.	408	408
40162	Payments in-Lieu-of Taxes - Local Utilities	74,000	74,000
40163	Payments in Lieu of Taxes - Other	1,900	1,900
40200	<u>County Local Option Taxes</u>		
40210	Local Option Sales Tax	63,000	63,000
40266	Litigation Taxes - Jail, Workhouse or Courthouse	90,000	90,000
40300	<u>Statutory Local Taxes</u>		
40320	Bank Excise Tax	21,600	21,600
	Total Local Taxes	<u>\$ 5,845,908</u>	<u>\$ 5,845,908</u>
42000	<u>Fines, Forfeitures, and Penalties</u>		
42100	<u>Circuit Court</u>		
42150	Jail Fees	\$ 1,600	\$ 1,600
42300	<u>General Sessions Court</u>		
42350	Jail Fees	27,000	27,000
	Total Fines, Forfeitures, and Penalties	<u>\$ 28,600</u>	<u>\$ 28,600</u>
44000	<u>Other Local Revenues</u>		
44100	<u>Recurring Items</u>		
44110	Investment Income	\$ 400,000	\$ 400,000
44990	<u>Other Local Revenues</u>		
44990	Other Local Revenues	-	-
	Total Other Local Revenues	<u>\$ 400,000</u>	<u>\$ 400,000</u>
	Total Estimated Revenues and Other Sources	<u>\$ 6,274,508</u>	<u>\$ 6,274,508</u>
ESTIMATED EXPENDITURES			
82100	<u>Principal on Debt</u>		
82110	<u>General Government</u>		
601	Principal on Bonds	\$ 355,104	\$ 355,104
612	Principal on Other Loans	-	-
	Total Principal - General Government	<u>\$ 355,104</u>	<u>\$ 355,104</u>
82120	<u>Highways and Streets</u>		
601	Principal on Bonds	\$ -	\$ -
	Total Principal - Highways and Streets	<u>\$ -</u>	<u>\$ -</u>
82130	<u>Education</u>		
601	Principal on Bonds	\$ 384,896	\$ 384,896
612	Principal on Other Loans	773,140	66,353
	Total Principal - Education	<u>\$ 1,158,036</u>	<u>\$ 451,249</u>
82200	<u>Interest on Debt</u>		
82210	<u>General Government</u>		
603	Interest on Bonds	\$ 248,471	\$ 230,716
613	Interest on Other Loans	-	-
	Total Interest - General Government	<u>\$ 248,471</u>	<u>\$ 230,716</u>
82220	<u>Highways and Streets</u>		
603	Interest on Bonds	\$ -	\$ -
	Total Interest - Highways and Streets	<u>\$ -</u>	<u>\$ -</u>
82230	<u>Education</u>		
603	Interest on Bonds	\$ 269,317	\$ 250,072
613	Interest on Other Loans	170,892	14,241
	Total Interest - Education	<u>\$ 440,209</u>	<u>\$ 264,313</u>
82300	<u>Other Debt Service</u>		
82310	<u>General Government</u>		
510	Trustee's Commission	\$ 120,000	\$ 120,000
	Total Other Debt Service - General Government	<u>\$ 120,000</u>	<u>\$ 120,000</u>
82330	<u>Education</u>		
699	Other Debt Service	\$ 18,280	\$ 4,820
	Total Other Debt Service - Education	<u>\$ 18,280</u>	<u>\$ 4,820</u>
	Total Estimated Expenditures and Other Uses	<u>\$ 2,340,100</u>	<u>\$ 1,426,202</u>
	Excess of Estimated Revenue Over (Under) Estimated Expenditures	<u>\$ 3,934,408</u>	<u>\$ 4,848,306</u>
	Estimated Beginning Fund Balance & Reserves- July 1	<u>18,358,327</u>	<u>22,292,735</u>
	Estimated Ending Fund Balance & Reserves - June 30	<u>\$ 22,292,735</u>	<u>\$ 27,141,041</u>

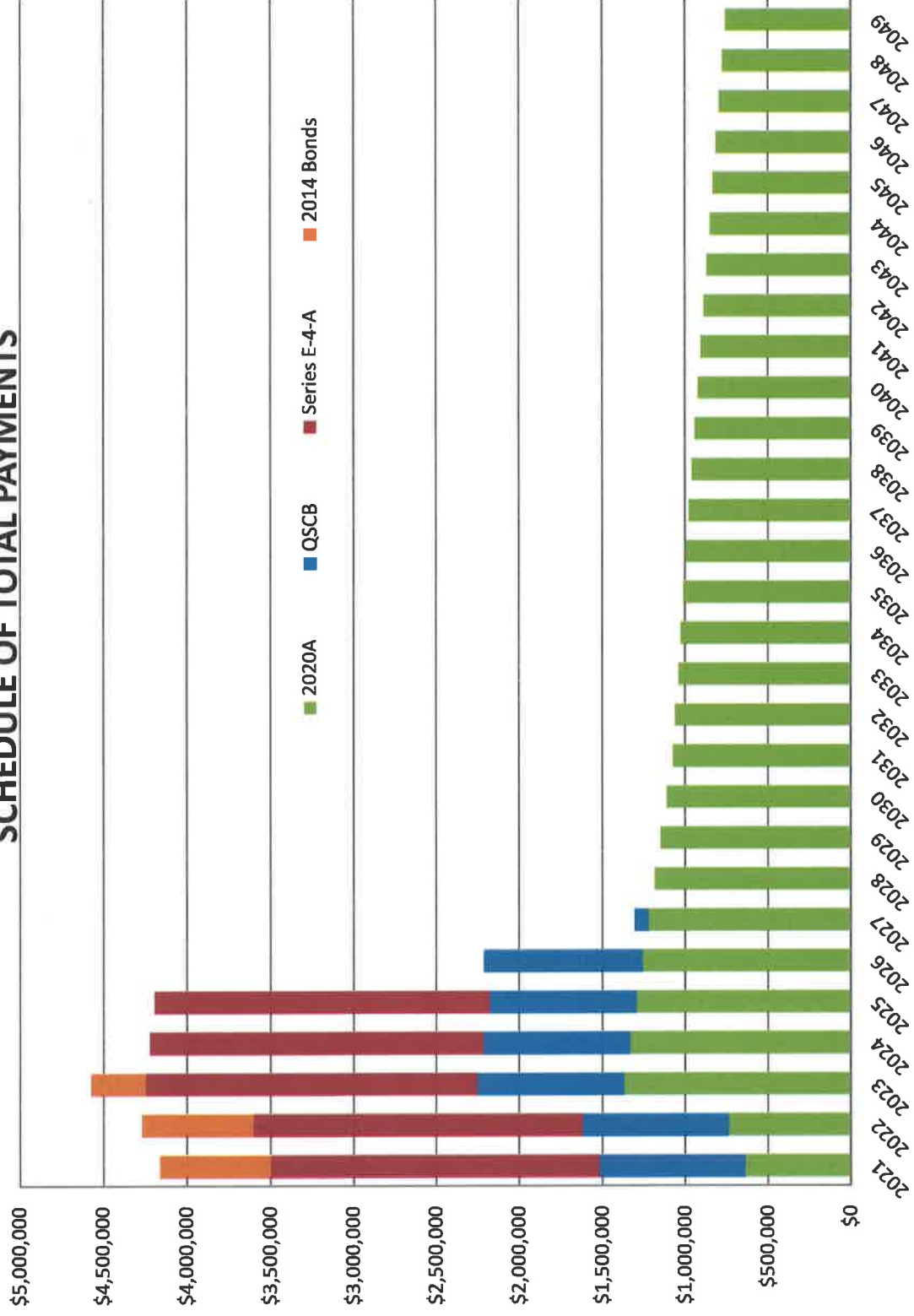
ASSUMPTION 1: Based on current economic conditions, revenues are budgeted constant with no growth.

ASSUMPTION 2: Five cents are added to the property tax rate for year ending 2021 per projections for new county projects.

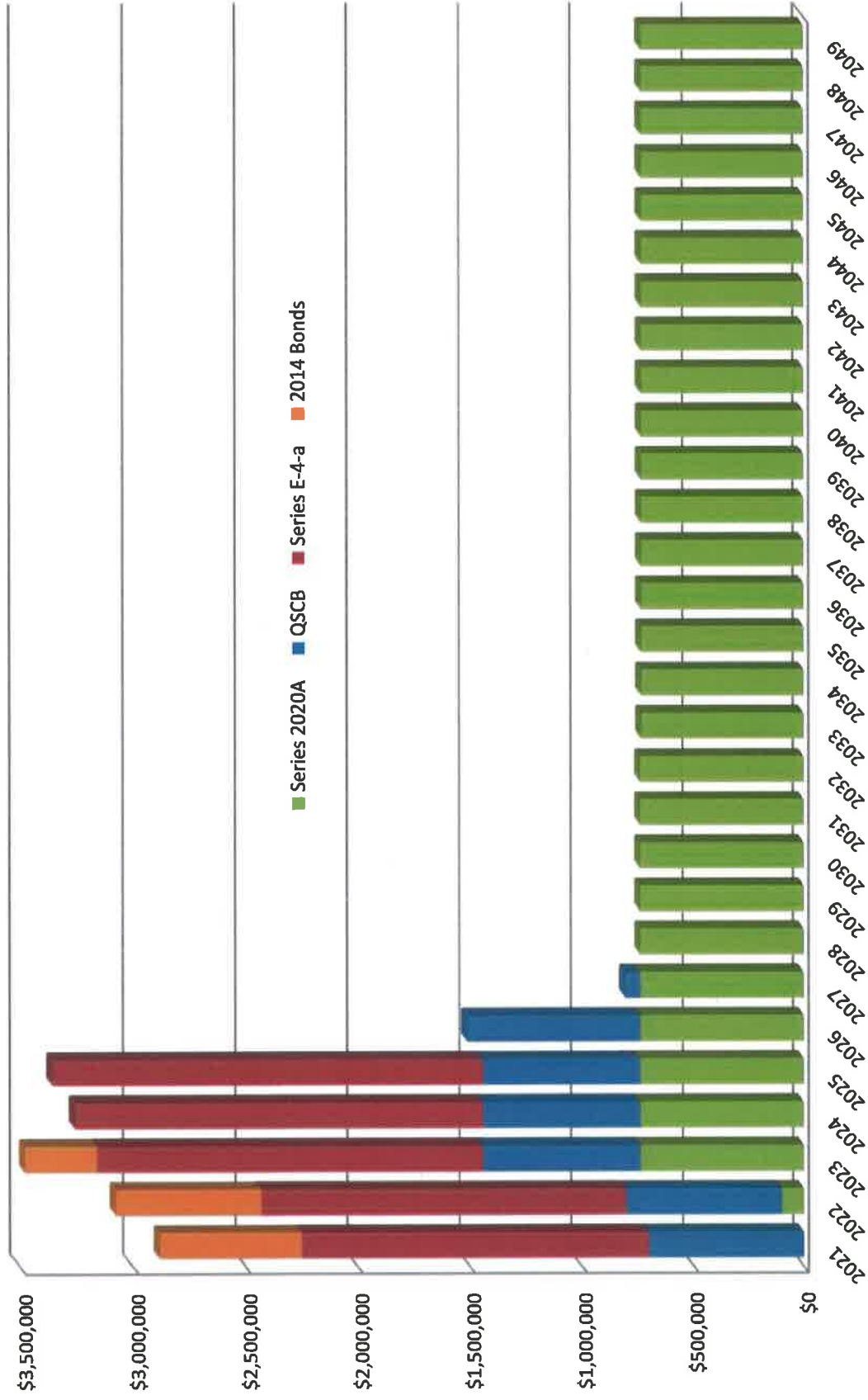
ASSUMPTION 3: Multi-year Debt Budget is projected through year ending 2027 which is the year all current bonds and other loans will be paid off with the exception of Bond 2020A which will be paid off in 2049.

ASSUMPTION 4: Projected new debt service obligations will be added to the Multi-Year schedule when issued.

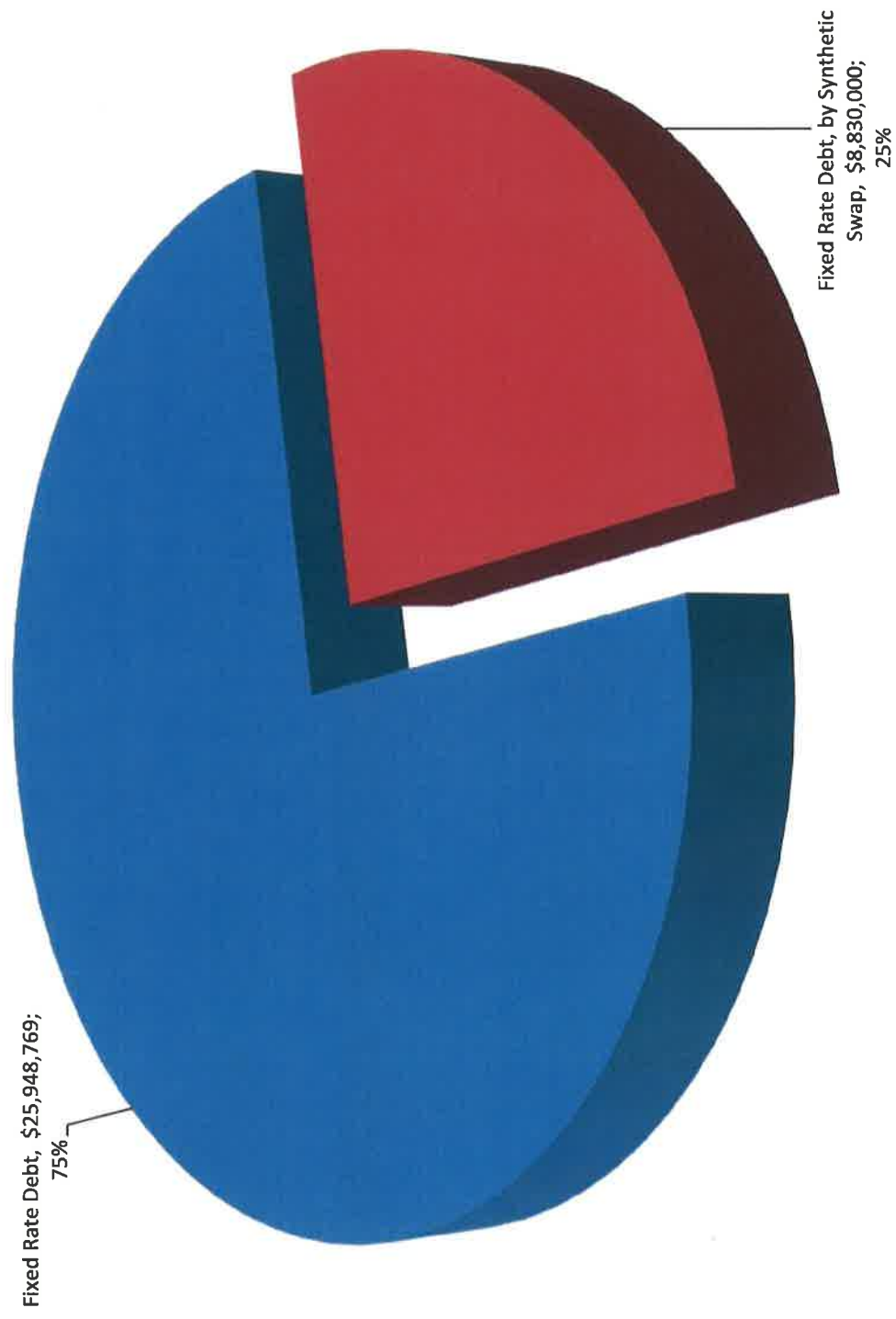
HAMBLEN COUNTY, TENNESSEE **SCHEDULE OF TOTAL PAYMENTS**



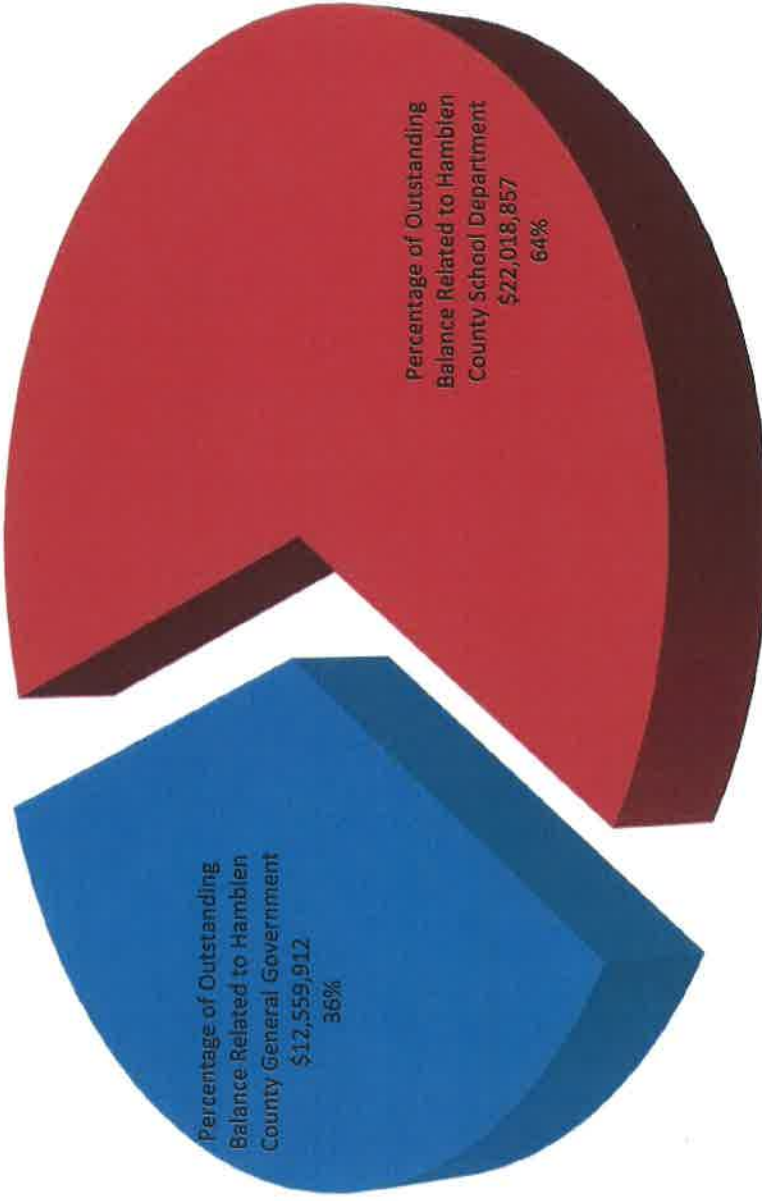
HAMBLEN COUNTY, TENNESSEE **SCHEDULE OF PRINCIPAL PAYMENTS**



Hamblen County, Tennessee
Debt Portfolio Ratios
Total Outstanding Debt - \$34,578,769



Hamblen County, Tennessee
General Government to Schools Percentage
Total Outstanding Debt - \$34,578,769



Hamblen County, Tennessee
Annual Debt Report
History of Total Debt
General Debt Service Fund

