

**FINANCE
DIRECTOR
REPORT**



Claiborne County Finance Department

Finance Director's Report on 2025 Budget Status

To: County Commission
From: Eric Pearson, Finance Director
Date: 11/6/2024
Subject: 2025 Budget Status through October 30, 2024

This report summarizes the County's 2025 budget actuals through the first third of the fiscal year, from July 1, 2024 through October 30, 2024. The report contains two detailed tables and a summary table.

There are two detailed tables: one table for appropriations and one table for revenues. The tables show the following for each of the County's Funds:

- Budgeted appropriations and the budgeted revenues at the major category level
- Actual monthly expenditures by major appropriation category and for the quarter
- Actual monthly revenues by major revenue category and for the quarter

The summary table presents the following data by Fund for the 2025 Budget through October 30, 2024:

- Total budgeted appropriations and revenues
- Total actual appropriations and revenues
- Revenues less appropriations on a budget and actual basis
- Beginning and ending cash balances

Actuals represent 33.3% of the fiscal year. In general, experience is consistent with budget projections.

The General Fund (Fund 101) expenditures are 29.4% of budget and revenues are 21.8% of budget. In FY 2024, these percentages were 30.7% and 24.8%, respectively. In FY 2025, expenditures exceed revenue by approximately \$1.47 million. This is primarily the result of the delay in property tax collections. In FY 2024, property tax revenue was at 11.7% of budget. In FY 2025, property tax revenue is at 5.7% of budget. The delay in property tax collections is offset in part by increases in other revenues, including the SRO Grant (+\$75,000), interest earnings (+\$95,515), fees in lieu of salary from officials (+\$186,296), and Opioid Funds (+\$109,000). The cash balance in the General Fund at the end of October is \$4,298,387. However, if we exclude restricted cash (revenue that is restricted to specific purposes and not available for general expenses), the cash balance is \$1.32 million, or 7.5% of budgeted appropriations. The cash balance will improve once property tax collections occur.

The Solid Waste Fund (Fund 116) expenditures are 20.9% of budget and revenues are 16.1% of budget. Expenditures exceed revenue by about \$139,982. This is primarily the result of the delay in property tax collection. Property taxes are 54% of budgeted revenue, so expenses will exceed revenue until property tax collection increases. In addition, the budget includes \$390,000 in revenue from a bond issue for

purchase of a new garbage truck. The bond issue, which is about 13% of the Fund's total revenue, has not occurred, due to the delay in adopting the FY 2025 budget. The garbage truck cannot be purchased until the bond issue is completed. The Fund's cash balance is \$1,394,247.

The American Rescue Plan Fund (Fund 127) expenditures are 20.2% of budget and revenues are 31% of budget. Expenditures exceed revenue by about \$269,206. This is consistent with budget, as much of the ARP funds were received in prior years and existing cash balances will fund a significant amount of current year expenses. Waterline extension projects and TDEC water projects are being bid out so expenditures will accelerate as these projects are implemented.

The Highway Fund (Fund 131) expenditures are 31.1% of budget and revenues are 20.3% of budget. Expenditures exceed revenues by about \$649,950. In FY 2024 through October, expenditures were 26.1% of budget and revenues were 34.5% of budget. Expenditures are similar but more State Aid revenue was received through October in FY 2024. The FY 2025 budget assumes a large withdrawal from cash reserves (\$444,417), so expenditures will likely exceed revenues for the entire fiscal year. The Fund has adequate cash balance (\$1.2 million) if needed for unanticipated expenditure needs.

The Debt Service Fund (Fund 151) expenditures are 14.5% of budget and revenues are 16.7% of budget, similar to FY 2024. Revenues exceeded expenditures by about \$7,103. This is expected, in part because of the delay in property tax collection. Also, most of the Fund's expense does not occur until April 2025, and most of the revenue is from a transfer from the School General Purpose Fund (Fund 141) which does not occur until March 2025. The Fund's cash balance of \$1.36 million is more than sufficient for debt service payments due in FY 2025. The FY 2025 budget does assume a large withdraw from fund balance (\$515,795) to use wheel tax revenue realized in prior years to pay for jail debt. This will result in a gradual decrease in the Fund's cash balance during the fiscal year.

The Capital Projects Fund (Fund 171) has no expenditures or revenues. When the architect completes their ADA work, the building improvements will be bid out. The County will issue borrowing to finance the improvements. Until the note is issued, there will be no revenues. Expenditures will not occur until after a vendor is hired to perform the building improvements.

The Highway Capital Fund (Fund 176) expenditures are 75.6% of budget and revenues are 24.5% of budget. Expenditures exceed revenue by about \$411,947. The high amount of expenditures relative to budget is primarily the result of fully expending the \$200,000 appropriation for equipment early in the fiscal year. The wheel tax is about 87% of the Fund's revenue, and this tax revenue is realized in a consistent amount each month. The Fund has available cash balance of \$512,611 if needed for unanticipated expenditures.

Attachments

1. Table 1: 2024-25 Budgeted and Actual Expenditures by Fund and Major Category as of October 2024
2. Table 2: 2024-25 Budgeted and Actual Revenues by Fund and Major Category as of October 2024
3. Table 3: 2025 Budget Status Summary as of October 2024

Table 1: 2024-2025 Budgeted and Actual Expenditures by Fund and Major Category

Fiscal Year 2024-2025											
Month		Oct-24									
Fund	General Fund (101)										
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance			
51100	County Commission	187,506	11,516	11,719	11,718	10,605	45,558	141,948			
51210	Board of Equalization	7,025	0	0	0	0	0	7,025			
51220	Beer Board	2,500	0	525	525	0	1,050	1,450			
51230	Budget and Finance Committee	32,232	0	0	0	0	0	32,232			
51300	County Executive	224,627	22,488	21,819	17,262	17,140	78,709	145,918			
51400	County Attorney	65,461	3,432	6,520	4,394	4,865	19,211	46,250			
51500	Election Commission	353,879	36,707	58,349	15,024	17,904	127,984	225,895			
51600	Register of Deeds	260,862	40,288	26,172	17,451	18,706	102,618	158,244			
51710	Planning & Community Development	5,000	2,563	2,000	0	0	4,563	437			
51720	County Planner	28,993	8,355	1,213	1,078	1,078	11,723	17,270			
51800	County Buildings	297,726	24,182	35,823	18,245	23,033	101,282	196,444			
51910	Preservation of Records	24,796	1,196	2,618	2,106	1,611	7,531	17,265			
52100	Accounting/Budgeting/Payroll	480,496	59,086	40,552	36,137	38,941	174,717	305,779			
52300	Property Assessor's Office	295,558	18,881	27,124	18,279	19,316	83,600	211,958			
52310	Reappraisal Program	101,884	5,096	8,024	5,748	6,827	25,695	76,189			
52400	County Trustee's Office	373,700	18,381	24,290	27,524	25,249	95,444	278,256			
52500	County Clerk's Office	443,548	26,310	40,408	27,115	30,135	123,968	319,580			
53100	Circuit Court	497,790	59,000	44,475	31,656	35,653	170,783	327,007			
53300	General Sessions	283,272	20,582	32,127	22,584	21,457	96,750	186,522			
53400	Chancery Court	320,133	37,347	31,850	21,067	22,420	112,684	207,449			
53600	District Attorney General	615,902	31,381	57,717	44,554	42,589	176,241	439,661			
53610	Public Defenders Office	52,405	650	2,095	6,940	3,388	13,073	39,332			
54110	Sheriff's Department	3,415,402	205,298	319,645	238,960	292,824	1,056,727	2,358,675			
54160	Admn Sexual Offenders	2,000	0	0	0	300	300	1,700			
54220	Workhouse	4,075,447	265,811	369,995	301,310	300,163	1,237,278	2,838,169			
54240	Juvenile Services	83,423	3,875	7,638	4,967	5,503	21,983	61,440			
54310	Fire Prevention and Control	231,000	0	0	0	0	0	231,000			
54410	Civil Defense (Emergency Mgmt)	148,849	6,113	10,764	7,592	8,171	32,640	116,209			
54420	Rescue Squad	36,000	0	0	0	0	0	36,000			
54490	Other Emergency Management	59,200	10,500	0	0	10,500	21,000	38,200			
54610	County Coroner/Medical Examiner	63,000	2,000	2,000	3,950	3,950	11,900	51,100			
55110	Health Department	173,581	6,990	11,185	8,381	10,650	37,206	136,375			
55120	Rabies and Animal Control	20,000	0	0	0	0	0	20,000			
55130	Ambulance/Emergency Medical Svcs	365,000	13,750	13,750	13,750	13,750	55,000	310,000			
55170	Alcohol & Drug Programs	100,000	0	0	0	0	0	100,000			
55190	Other Local Health Services	86,473	4,167	9,163	5,864	6,400	25,594	60,879			

Table 1: 2024-2025 Budgeted and Actual Expenditures by Fund and Major Category

Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
55720	Sanitation Education/Information	69,985	3,647	5,083	4,569	4,048	17,347	52,638
56300	Senior Citizens Assistance	174,327	15,088	13,230	13,049	15,416	56,782	117,545
56500	Libraries	178,713	10,220	18,502	12,563	16,042	57,327	121,386
57100	Agriculture Extension Service	117,753	1,016	0	208	23,265	24,490	93,263
57300	Forest Service	2,000	0	0	0	0	0	2,000
57500	Soil Conservation	109,624	5,720	10,352	7,264	8,010	31,347	78,277
58120	Industrial Development	120,000	0	11,676	14,945	17,065	43,686	76,314
58130	Housing & Urban Development	1,064,484	239,518	2,000	0	0	241,518	822,966
58190	Other Econ & Community Develop	65,062	0	0	0	0	0	65,062
58300	Veteran's Service	43,526	2,112	4,140	2,783	3,843	12,878	30,648
58400	Other Charges	1,097,591	417,714	4,996	200,204	11,934	634,847	462,744
58900	Tax Relief	45,000	1,796	50	0	4,881	6,727	38,273
91000	Capital Projects	833,502	7,352	0	9,682	0	17,034	816,468
	Total General Fund	17,736,237	1,650,127	1,289,588	1,179,448	1,097,632	5,216,795	12,519,442
Fund	Solid Waste (116)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
55731	Waste Pickup	2,919,152	182,606	157,379	117,247	152,712	609,944	2,309,208
	Total Solid Waste/Sanitation Fund	2,919,152	182,606	157,379	117,247	152,712	609,944	2,309,208
Fund	Drug Control (122)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
54150	Drug Enforcement	61,200	2,516	712	37,126	1,255	41,609	19,591
	Total Drug Control Fund	61,200	2,516	712	37,126	1,255	41,609	19,591
Fund	American Rescue Plan (127)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
58836	Local Assistance Fund	100,000	0	0	0	0	0	100,000
58831	Architects/Medical&Dental	74,653	0	6,460	15,144	15,265	36,869	37,784
91401	Capital Expenditures	9,908,037	1,488,689	249,430	264,796	0	2,002,914	7,905,123
	Total ARP Fund	10,082,690	1,488,689	255,890	279,940	15,265	2,039,783	8,042,907
Fund	Highway (131)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
61000	Administration	173,282	15,838	13,242	12,689	18,465	60,234	113,048
62000	Highway & Bridge Maint	1,921,467	91,956	137,156	89,193	428,671	746,976	1,174,491
63100	Equipment Operation & Maint	496,191	30,686	31,231	30,445	16,032	108,395	387,796
65000	Other Charges	98,800	43,614	2,827	2,877	3,085	52,403	46,397
66000	Employee Benefits	30,000	5,897	0	5,896	0	11,793	18,207

Table 1: 2024-2025 Budgeted and Actual Expenditures by Fund and Major Category

Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
68000	Capital Outlay	1,598,132	10,000	1,000	1,131	361,294	373,425	1,224,707
99100	Transfers Out	40,000	0	0	0	0	0	40,000
	Total Highway/Public Works Fund	4,357,872	197,990	185,456	142,231	827,548	1,353,226	3,004,646
	Debt Service (151)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
82110	General Government-Principal	1,005,000	0	0	85,000	100,000	185,000	820,000
82120	Highways & Streets-Principal	0	0	0	0	0	0	0
82130	Education-Principal	1,900,000	0	0	0	0	0	1,900,000
82210	General Government-Interest	126,595	0	0	32,654	4,561	37,216	89,379
82220	Highways & Streets-Interest	0	0	0	0	0	0	0
82230	Education-Interest	618,750	0	0	309,375	0	309,375	309,375
82310	General Government	8,000	53	39	43	132	266	7,734
	Total General Debt Service Fund	3,658,345	53	39	427,072	104,693	531,857	3,126,488
	Capital Projects (171)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
91190	General Government Projects	1,000,000	0	0	0	0	0	1,000,000
	Total Capital Projects Fund	1,000,000	0	0	0	0	0	1,000,000
	Capital Projects-Highway (176)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
91200	Highway & Street Capital Projects	812,448	4	2,862	207,370	403,574	613,811	198,637
99100	Transfers Out	0	0	0	0	0	0	0
91200	Highway & Street Capital Projects	812,448	4	2,862	207,370	403,574	613,811	198,637

Table 024-2025 Budgeted and Actual Revenues by Fund and Major Category

Fiscal Year 2024-2025											
Month	Oct-24										
Fund	General Fund (101)										
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance			
40100	County Property Taxes	8,683,151	75,741	29,038	33,901	353,789	492,468	8,190,683			
40200	County Local Option Taxes	473,000	1,007	39,206	41,721	44,362	126,296	346,704			
40300	Statutory Local Taxes	432,000	0	8,189	10,437	7,103	25,729	406,271			
41500	Permits	60,000	11,065	1,465	635	3,608	16,773	43,227			
42100	Circuit Court	72,000	0	9,517	9,062	11,197	29,776	42,224			
42300	General Sessions Court	9,650	0	1,197	1,438	1,921	4,555	5,095			
42400	Juvenile Court	8,100	0	1,012	677	489	2,177	5,923			
42500	Chancery Court	6,900	1,293	479	800	632	3,204	3,696			
43100	General Service Charges	6,500	0	500	566	639	1,705	4,795			
43300	Fees	98,000	6,491	7,026	7,530	6,266	27,313	70,687			
44100	Recurring Items	872,325	128,284	130,777	131,889	129,928	520,878	351,447			
44500	Nonrecurring Items	259,138	0	0	0	1,155	1,155	257,983			
45100	Excess Fees	595,000	1,147	95,000	0	27,000	123,147	471,853			
45500	Fees In Lieu Of Salary	848,000	0	277,288	80,849	84,264	442,401	405,599			
46100	General Government Grants	0	0	0	0	0	0	0			
46200	Public Safety Grants	1,200,891	0	0	975,000	113,159	1,088,159	112,732			
46300	Health And Welfare Grants	86,473	11,999	32,120	8,559	198	52,877	33,596			
46400	Public Works Grants	69,985	0	0	0	0	0	69,985			
46800	Other State Revenues	2,619,205	65,026	158,099	70,439	95,975	389,539	2,229,666			
47100	Federal Through State	484,121	0	1,079	34,994	259,460	295,534	188,587			
47600	Direct Federal Revenue	20,000	400	800	1,000	1,000	3,200	16,800			
48100	Other Governments	217,588	50	1,021	1,208	1,142	3,420	214,168			
48900	Other	40,068	0	40,895	58,307	0	99,201	-59,133			
49000	Other Sources (Non-Revenue)	40,000	0	0	0	0	0	40,000			
	Total General Fund	17,202,095	302,503	834,705	1,469,011	1,143,287	3,749,506	13,452,589			
	Solid Waste (116)										
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance			
40100	County Property Taxes	1,662,652	15,587	5,976	6,976	71,378	99,917	1,562,735			
43100	General Service Charges	728,000	104,161	66,718	55,580	77,652	304,111	423,889			
44100	Recurring Items	128,500	14,671	16,349	14,213	15,950	61,183	67,317			
44500	Nonrecurring Items	0	0	0	0	0	0	0			
46100	General Government Grants	10,000	0	4,751	0	0	4,751	5,249			
49000	Other Sources	390,000	0	0	0	0	0	390,000			
	Total Solid Waste Fund	2,919,152	134,419	93,793	76,770	164,980	469,962	2,449,190			
	Drug Control (122)										
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance			
42100	Circuit Court	9,700	475	274	18	48	814	8,886			
42300	General Sessions Court	9,500	760	178	335	853	2,126	7,374			
42900	Other Fines, Forfeitures & Penalties	20,000	387	0	653	0	1,040	18,961			
	Total Drug Control Fund	39,200	1,622	452	1,006	900	3,972	35,221			

Table 2: 2024-2025 Budgeted and Actual Revenues by Fund and Major Category

Fund	American Rescue Plan (127)	Budget	July	August	Sept	Oct	YTD	Balance
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
47100	Federal Through State	5,703,129	293,777	716,616	183,262	576,922	1,770,577	3,932,553
47600	Direct Federal Revenue	0	0	0	0	0	0	0
	Total ARP Fund	5,703,129	293,777	716,616	183,262	576,922	1,770,577	3,932,553
Fund	Highway (131)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
40100	County Property Taxes	71,780	668	256	299	3,062	4,286	67,494
40200	County Local Option Taxes	40,000	0	0	0	16,535	16,535	23,465
40300	Statutory Local Taxes	133,000	0	0	0	0	0	133,000
44100	Recurring Items	3,000	1,387	0	0	0	1,387	1,613
44500	Nonrecurring Items	2,500	0	0	0	0	0	2,500
46400	Public Works Grants	668,565	0	0	0	0	0	668,565
46800	Other State Revenues	2,539,963	2,192	225,522	228,164	225,190	681,068	1,858,895
47100	Federal Through State	0	0	0	0	0	0	0
49000	Other Sources	0	0	0	0	0	0	0
	Total Highway/Public Works Fund	3,458,808	4,247	225,778	228,464	244,787	703,275	2,755,533
Fund	Debt Service (151)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
40100	County Property Taxes	119,700	2,206	846	987	5,327	9,365	110,335
40200	County Local Option Taxes	357,500	0	70,276	66,736	58,423	195,435	162,065
44100	Recurring Items	1,000	2,660	2,606	2,652	2,661	10,578	-9,578
44500	Nonrecurring Items	2,518,750	0	0	309,375	0	309,375	2,209,375
49000	Other Sources (Non-Revenue)	145,600	0	0	0	0	0	145,600
	Total General Debt Service Fund	3,142,550	4,866	73,728	379,750	66,411	524,754	2,617,796
Fund	Capital Projects (171)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
49100	Bonds Issued	1,000,000	0	0	0	0	0	1,000,000
	Total Capital Projects Fund	1,000,000	0	0	0	0	0	1,000,000
Fund	Capital Projects-Highway (176)							
Function	Description	Budget	July	August	Sept	Oct	YTD	Balance
40100	County Property Taxes	108,020	1,003	384	449	4,593	6,428	101,592
40200	County Local Option Taxes	715,000	0	70,276	66,736	58,423	195,435	519,565
	Total Highway Capital Projects Fund	823,020	1,003	70,661	67,185	63,016	201,864	621,156

Table 3: 2025 Budget Status Summary

Fiscal Year 2024-2025	
Month	October 2024

BUDGET AND ACTUALS

CASH BALANCE STATUS

Fund	General Fund (101)	Budget	Actual	Percent of Budget
	Appropriations	17,736,237	5,216,795	29.4%
	Revenues	17,202,095	3,749,506	21.8%
	Revenue Less Appn	-534,142	-1,467,289	

General Fund (101)	
Cash Balance	
Beginning Year	5,096,447
Ending Year	4,298,387
Change	-798,060

Fund	Solid Waste (116)	Budget	Actual	Percent of Budget
	Appropriations	2,919,152	609,944	20.9%
	Revenues	2,919,152	469,962	16.1%
	Revenue Less Appn	0	-139,982	

Solid Waste (116)	
Cash Balance	
Beginning Year	1,575,037
Ending Year	1,394,247
Change	-180,790

Fund	Drug Control (122)	Budget	Actual	Percent of Budget
	Appropriations	61,200	41,609	68.0%
	Revenues	39,200	3,979	10.2%
	Revenue Less Appn	-22,000	-37,630	

Drug Control (122)	
Cash Balance	
Beginning Year	45,123
Ending Year	7,992
Change	-37,131

Fund	American Rescue Plan (127)	Budget	Actual	Percent of Budget
	Appropriations	10,082,690	2,039,783	20.2%
	Revenues	5,703,129	1,770,577	31.0%
	Revenue Less Appn	-4,379,560	-269,206	

ARP (127)	
Cash Balance	
Beginning Year	4,002,651
Ending Year	3,733,444
Change	-269,207

Fund	Highway (131)	Budget	Actual	Percent of Budget
	Appropriations	4,357,872	1,353,226	31.1%
	Revenues	3,458,808	703,275	20.3%
	Revenue Less Appn	-899,064	-649,950	

Highway (131)	
Cash Balance	
Beginning Year	1,644,251
Ending Year	1,217,815
Change	-426,436

Fund	Debt Service (151)	Budget	Actual	Percent of Budget
	Appropriations	3,658,345	531,857	14.5%
	Revenues	3,142,550	524,754	16.7%
	Revenue Less Appn	-515,795	-7,103	

Debt Service (151)	
Cash Balance	
Beginning Year	1,303,799
Ending Year	1,358,289
Change	54,491

Fund	Capital Projects (171)	Budget	Actual	Percent of Budget
	Appropriations	1,000,000	0	0.0%
	Revenues	1,000,000	0	0.0%
	Revenue Less Appn	0	0	

Capital Projects (171)	
Cash Balance	
Beginning Year	382
Ending Year	382
Change	0

Fund	Capital Projects-Highway (176)	Budget	Actual	Percent of Budget
	Appropriations	812,448	613,811	75.6%
	Revenues	823,020	201,864	24.5%
	Revenue Less Appn	10,572	-411,947	

Capital Projects-Highway (176)	
Cash Balance	
Beginning Year	722,675
Ending Year	512,611
Change	-210,064



Claiborne County Finance Department

Finance Director's Update on Capital Outlay Note for Landfill Garbage Truck

To: County Commission
From: Eric Pearson, Finance Director
Date: 11/7/2024
Subject: Capital Outlay Note for Landfill Garbage Truck

This memo provides the County Commission with an update on the status of the Capital Outlay Note for a new Landfill Garbage Truck. The Claiborne County Fiscal Year 2025 Budget included an appropriation for purchase of a new Landfill Garbage Truck to be financed through the proceeds from a Capital Outlay Note.

The State Comptroller of the Treasury must approve the issuance of a Capital Outlay Note (CON) by a County government. A letter was submitted to the Comptroller requesting approval to issue the CON for the Landfill Garbage Truck.

The Comptroller has approved the CON issuance. The approval letter is attached. The approval is valid for six months. The Finance Department will work with the Mayor to finalize the issuance of the CON within this six month period.



JASON E. MUMPOWER
Comptroller

November 6, 2024

Honorable Joe Brooks, Mayor
and Honorable Board of Commissioners
Claiborne County
P.O. Box 318
Tazewell, TN 37879

Dear Mayor Brooks and Members of the Board:

Thank you for your request. We acknowledge receipt on November 1, 2024, of a request from the Finance Director of Claiborne County (the "County") for approval to issue three-year capital outlay notes in an amount not to exceed \$390,000 to be known as the "Claiborne County Landfill Garbage Truck Capital Outlay Notes, Series 2024" (the "Notes").

Included with the request was a certified copy of Resolution #2024-120 adopted on October 21, 2024, authorizing the issuance of the Notes to finance the acquisition of a garbage truck for the Claiborne County Landfill (the "Project"). The proposed note form was not included with the resolution. Please submit a copy of the executed note to our office when you complete the Report on Debt Obligation: incot.cc/debt-report. The report should be filed within forty-five (45) days of the issuance of the debt herein approved.

Note Approval

This letter constitutes approval for the County to issue the Notes by informal bid pursuant to Title 9, Chapter 21, Part 6 of Tennessee Code Annotated. Approval of the sale of the Notes is conditioned upon the County's compliance with all relevant provisions of Tennessee law. Our office has relied upon the County's determination of the cost of the public works project.

The County is responsible for ensuring compliance with Title 9, Chapter 21, Parts 1, 4, and 6 of the Tennessee Code Annotated, its debt management policy, and timely payment of outstanding note principal and interest in accordance with the note provisions.

This letter and the approval to issue debt do not address the compliance with federal tax regulations and should not be relied upon for that purpose. The County should discuss these issues with a tax attorney or bond counsel.

Claiborne County
Capital Outlay Note Approval Letter
November 6, 2024

This approval is valid for six months after the date of this letter. If the Notes have not been issued within that time, a new request must be submitted to our office for approval. Please notify us if the County decides not to issue the Notes.

Purpose, Terms, and Life

This Project meets the definition of a public works project in Tenn. Code Ann. § 9-21-105, and the County may issue notes under the authority of Title 9, Chapter 21 of the Tennessee Code Annotated to finance such Project.

The maturity of the Notes does not exceed the life of the proposed Project as attested by the local governing body. The maximum maturity for the Notes as authorized by the governing body is three fiscal years after the fiscal year the Notes are issued.

In its resolution, the County committed to amortize the Notes in a manner that reflects level debt service.

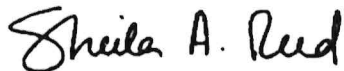
The submitted resolution and supporting documents appear to meet the requirements for the issuance of notes in Title 9, Chapter 21 Parts 1, 4, and 6 of the Tennessee Code Annotated.

After Issuance

Our website contains specific compliance requirements your local government will be responsible for once the notes are issued: <https://www.claibornecounty.org>. The listing is not all inclusive.

If you should have questions or need assistance, please refer to our online resources or feel free to contact your financial analyst, Lori Barnard, at 615.747.5347 or lori.barnard@claibornecounty.org.

Sincerely,



Sheila Reed, Director
Division of Local Government Finance

cc: Eric Pearson, Finance Director, Claiborne County

SR:lb