



JASON E. MUMPOWER  
*Comptroller*

July 16, 2024

Honorable Weston Wamp, Mayor  
and Honorable Board of Commissioners  
Hamilton County  
201 Seventh Street  
Chattanooga, TN 37402

Dear Mayor Wamp and Board of Commissioners:

Thank you for your request. We acknowledge receipt on July 12, 2024, of a request from Hamilton County (the "County") for a report on a plan of refunding (the "Plan") for the County's proposed issuance of an estimated 23,345,000 General Obligation Refunding Bonds, Series 2024B.

Pursuant to the provisions of Tennessee Code Annotated Title 9, Chapter 21, enclosed is a report based upon our review of the County's Plan. The Plan, this letter, and the enclosed report should be made available on the County's website and must be presented to each member of the Board for review prior to the adoption of an authorizing resolution for the refunding bonds.

Our website contains specific compliance requirements your local government will be responsible for once the bonds are issued: <http://tncot.cc/debt>. The listing is not all inclusive and you should work with your financial advisor and bond counsel to ensure compliance with legal and regulatory requirements related to the proposed refunding.

If you should have questions or need assistance, please refer to our online resources or feel free to contact your financial analyst, William Wood, at 615.401.7893 or [william.wood@cot.tn.gov](mailto:william.wood@cot.tn.gov).

Sincerely,

A handwritten signature in black ink that reads "Sheila A. Reed".

Sheila Reed, Director  
Division of Local Government Finance

cc:

Lee Brouner, CFO, Hamilton County  
Lauren Lowe, PFM Financial Advisors  
Thomas Lauth, Kutak Rock LLP



**Report on General Obligation Refunding Bonds, Series 2024B  
Hamilton County, Tennessee**

This report is being issued pursuant to Tenn. Code Ann. § 9-21-903 and is based upon information as presented in a plan of refunding (the “Plan”) received by our office on July 12, 2024, from Hamilton County, Tennessee (the “County”). Our report provides information to assist the governing body in its responsibility to understand the nature of the refunding transaction, including the costs and benefits, prior to approving the issuance of the refunding bonds and is designed to provide consistent and comparable information for all local governments in Tennessee. This report does not constitute approval or disapproval of the Plan or a determination that a refunding is advantageous or necessary. This report and the County’s Plan must be presented to the governing body prior to the adoption of a resolution authorizing the refunding bonds.

**PROPOSED REFUNDING TRANSACTION:**

The County plans to issue an estimated \$23,345,000 General Obligation Refunding Bonds, Series 2024B, at a premium of \$1,212,648. The bonds will be issued by competitive bid, to current refund \$24,000,000 General Obligation Bonds, Series 2015A.

**COSTS:**

Estimated costs of issuance are summarized below and based upon the principal amount of \$23,345,000 of the Series 2024B Refunding Bonds:

	Cost of Issuance	Price per \$1,000 Bond
Underwriter's Discount	\$ 116,725	\$ 5.00
Bond Counsel (Kutak Rock LLP)	7,910	0.34
Financial Advisor	10,299	0.44
Rating Agencies	33,327	1.43
Other	3,921	0.17
Total Cost of Issuance	\$ 172,182	\$ 7.38

**BENEFITS:**

The County’s stated objective for the refunding is to achieve savings. The anticipated net present value savings are \$1,095,919 achieved by reducing the average interest rate on the debt.

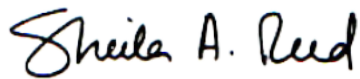
**Balloon Indebtedness**

The proposed structure of the Series 2024B Refunding Bonds is not balloon indebtedness as defined in Tenn. Code Ann. § 9-21-133 because the proposed structure is level or declining in nature. If the

structure is revised, the County should determine if the new structure complies with state law balloon indebtedness. If it is determined that the revised bond structure constitutes balloon indebtedness, the County must submit a Plan of Balloon Indebtedness to our office for approval prior to the County adopting the resolution authorizing the issuance of the debt.

**Effective Date for this Report**

This report is effective for a period of ninety (90) days from the date of the report. If the refunding transaction has not been priced during this ninety (90) day period, a new plan of refunding, with new analysis and estimates based on market conditions at that time, must be submitted to our office. We will then issue a report on the new plan for the County's governing body to review prior to adopting a new authorizing resolution for the refunding bonds.



Sheila Reed  
Director of the Division of Local Government Finance  
Date: July 16, 2024