OFFICIAL STATEMENT

New Issues
Book-Entry Only

Ratings: Moody's "Aaa"
S&P: "AA+"

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, (i) interest on the Series 2021A Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series 2021A Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. Interest on the Series 2021B Bonds is includable in gross income of the holders thereof for federal income tax purposes. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "Tax Matters" herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See "Tax Matters" herein).

$27,140,000
RUTHERFORD COUNTY, TENNESSEE
$21,000,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2021A
$6,140,000 GENERAL OBLIGATION BONDS, SERIES 2021B (FEDERALLY TAXABLE)

Dated: Date of Issuance

Due: April 1, as shown below

Rutherford County, Tennessee (the "County") will issue its $21,000,000 General Obligation School Bonds, Series 2021A (the "Series 2021A Bonds") and its $6,140,000 General Obligation Bonds, Series 2021B (Federally Taxable) (the "Series 2021B Bonds" and, collectively with the Series 2021A Bonds, the "Bonds") in fully registered form, without coupons, and, when issued, the Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Bonds. Individual purchases of beneficial ownership interest in the Bonds will be made in book-entry form only, in denominations of $5,000 or multiples thereof through DTC Participants. Interest on the Bonds will be payable semiannually on April 1 and October 1 of each year, commencing on April 1, 2022, calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of principal of and interest on the Bonds are to be made to purchasers by DTC through the Participants (as such term is herein defined). Purchasers will not receive physical delivery of Bonds purchased by them. See "The Bonds-Book-Entry-Only System." Principal of and interest on the Bonds are payable by the County to the corporate trust office of U.S. Bank National Association, Nashville, Tennessee, as registration and paying agent (the "Registration Agent").

The Bonds are subject to optional redemption as set forth herein. The Bonds are payable on April 1 of each year as follows:

SERIES 2021A BONDS

Maturity (April 1)	Principal	Interest Rate	Yield	CUSIP Number*	Maturity (April 1)	Principal	Interest Rate	Yield	CUSIP Number*
2022	$700,000	5.000%	0.080%	783244KW5	2031	$1,040,000	5.000%	0.900%	783244LF1
2023	725,000	2.000	0.110	783244KX3	2032	1,090,000	4.000	1.020 c	783244LG9
2024	740,000	5.000	0.120	783244KY1	2033	1,135,000	4.000	1.100 c	783244LH7
2025	775,000	5.000	0.220	783244KZ8	2034	1,180,000	3.000	1.330 c	783244LJ3
2026	815,000	5.000	0.370	783244LA2	2035	1,215,000	3.000	1.400 c	783244LK0
2027	855,000	5.000	0.480	783244LB0	2036	1,250,000	2.000	1.870 c	783244LL8
2028	900,000	5.000	0.620	783244LC8	2037	1,275,000	2.000	1.910 c	783244LM6
2029	945,000	5.000	0.710	783244LD6	2040	1,355,000	2.000	2.030	783244LQ7
2030	990,000	5.000	0.820	783244LE4	2041	1,380,000	2.000	2.060	783244LR5

$2,635,000 2.000% Term Bond due April 1, 2039, Yield 2.000% (CUSIP 783244LP9)
c = Yield to call date of April 1, 2031

SERIES 2021B BONDS

Maturity (April 1)	Principal	Interest Rate	Yield	CUSIP Number*	Maturity (April 1)	Principal	Interest Rate	Yield	CUSIP Number*
2023	$300,000	0.300%	0.300%	783244LS3	2030	$445,000	1.400%	1.400%	783244LZ7
2024	420,000	0.500	0.500	783244LT1	2031	450,000	1.500	1.500	783244MA1
2025	425,000	0.700	0.700	783244LU8	2032	460,000	1.600	1.600	783244MB9
2026	425,000	0.850	0.850	783244LV6	2033	465,000	1.700	1.700	783244MC7
2027	430,000	1.000	1.000	783244LW4	2034	475,000	1.800	1.800	783244MD5
2028	435,000	1.150	1.150	783244LX2	2035	480,000	1.900	1.900	783244ME3
2029	440,000	1.300	1.300	783244LY0	2036	490,000	2.000	2.000	783244MF0

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged. The Series 2021B Bonds shall be additionally payable from, but not secured by, revenues derived from the operation of the Airport (as defined herein).

The Bonds are offered when, as and if issued, subject to the approval of the legality by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose opinions will be delivered with the Bonds. Certain legal matters will be passed upon for the County by Nicholas C. Christiansen, Esq., County Attorney. Stephens Inc. is serving as Municipal Advisor to the County. The Bonds, in book-entry form, are expected to be available for delivery through Depository Trust Company in New York, New York, on or about September 1, 2021.

August 17, 2021

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended (collectively, the "Official Statement") by Rutherford County, Tennessee (the "County") from time to time, is an Official Statement with respect to the Bonds described herein that is deemed final by the County as of the date hereof (or of any such supplement or amendment).

No dealer, broker, salesman or other person has been authorized by the County or by Stephens Inc. (the "Municipal Advisor") to give any information or make any representations other than those contained in this Official Statement and, if given or made, such information or representations with respect to the County or the Bonds must not be relied upon as having been authorized by the County or the Municipal Advisor. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities other than the securities offered hereby to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date as of which information is given in this Official Statement.

In making an investment decision investors must rely on their own examination of the County and the terms of the offering, including the merits and risks involved. No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

The material contained herein has been obtained from sources believed to be current and reliable, but the accuracy thereof is not guaranteed. The Official Statement contains statements which are based upon estimates, forecasts, and matters of opinion, whether or not expressly so described, and such statements are intended solely as such and not as representations of fact. All summaries of statutes, resolutions, and reports contained herein are made subject to all the provisions of said documents. The Official Statement is not to be construed as a contract with the purchasers of any of the Rutherford County, Tennessee General Obligation School Bonds, Series 2021A and General Obligation Bonds, Series 2021B (Federally Taxable).

Table of Contents

Officials i
Summary Statement ii
Official Statement 1
Introduction 1
The Bonds 1
- Description 1
- Optional Redemption 3
- Mandatory Redemption 3
- Notice of Redemption 4
- Security and Sources of Payment 5
- Discharge and Satisfaction of Bonds 5
- Remedies of Bondholders 5
- Book-Entry-Only System 6

Plan of Financing 8
- Sources and Uses of Funds 8
- The Projects 8

Ratings 8
Continuing Disclosure 9
- General 9
- Annual Report 9
- Reporting of Significant Events 10
- Termination of Reporting Obligation 11
- Amendment 11
- Default 12

Future Issues 12
Litigation 12
Approval of Legal Proceedings 13
Tax Matters 13
- Federal 13
- State Taxes 17
- Changes in Federal And State Tax Law 17

Municipal Advisor 18
Underwriting 18
Forward-Looking Statements 18
Miscellaneous 19
Certificate of County Mayor 20

Forms of Legal Opinions .... Appendix A
Demographics and Financial Information Related to the County .... Appendix B
Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2020 .... Appendix C

RUTHERFORD COUNTY, TENNESSEE
Courthouse, Suite 101, Public Square
Murfreesboro, Tennessee 37130

Officials

Bill Ketron
County Mayor and Chairman

Board of Commissioners

Rhonda Allen	Paul Johnson
Wayne Blair	Mike Kusch
Carol Cook	Allen McAdoo
Phil Dodd	Steve Pearcy
Rod Key	Robert W. Peay, Jr.
David Gammon	Jeff Phillips
Virgil Gammon	Pettus Read
William Trey Gooch	Chantho Sourinho
Joe Gourley	Robert Stevens
Craig Harris	Michael Wrather
Joe Jernigan	

County Officials

Assessor of Property	Rob Mitchell
County Clerk	Lisa Duke Crowell
Budget and Finance Director	Lisa Nolen
Director of Schools	Bill Spurlock
Register of Deeds	Heather Dawbarn
Sheriff	Mike Fitzhugh
Superintendent of Highways	Greg Brooks
Trustee	Thomas E. Batey

County Attorney
Nicholas C. Christiansen
Murfreesboro, Tennessee

Bond Counsel
Bass, Berry & Sims PLC
Nashville, Tennessee

Registration and Paying Agent
U.S. Bank National Association
Nashville, Tennessee

Municipal Advisor
Stephens Inc.
Nashville, Tennessee

Underwriter (Series 2021A Bonds)
Fidelity Capital Markets
Boston, Massachusetts

Underwriter (Series 2021B Bonds)
Piper Sandler & Co.
Chicago, Illinois

Summary Statement

This Summary is expressly qualified by the entire Official Statement, which should be viewed in its entirety by potential investors.

ISSUER...	Rutherford County, Tennessee (the "County").
ISSUES...	$21,000,000 General Obligation School Bonds, Series 2021A (the "Series 2021A Bonds") and $6,140,000 General Obligation Bonds, Series 2021B (Federally Taxable) (the "Series 2021B Bonds") (collectively, the "Bonds").
PURPOSE...	The Series 2021A Bonds are being issued for the purposes of financing the (i) acquisition of land for, design, site development, constructing, improving, renovating, repair and equipping of County schools and school facilities; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing; (iii) acquisition of all property, real and personal, related to the foregoing (collectively, the "Series 2021A Projects"); (iv) if required by applicable law, the payment of funds required to be shared with the City of Murfreesboro, Tennessee, to the extent not waived, pursuant to Sections 9-21-129 and 49-3-1003, Tennessee Code Annotated, as amended; (v) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (vi) payment of costs incident to the issuance and sale of the Series 2021A Bonds. The Series 2021B Bonds are being issued for the purposes of financing (i) a loan to the Smyrna/Rutherford County Airport Authority (the "Airport Authority") for the (a) construction, improvement, extension and equipping of the Smyrna/Rutherford County Airport (the "Airport"), (b) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing, (c) payment of capitalized interest during construction of the foregoing projects and for up to six months thereafter, and (d) acquisition of all property, real and personal appurtenant thereto or in connection therewith (collectively, the "Series 2021B Projects"), (ii) the reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (iii) the payment of costs incident to the issuance and sale of the Series 2021B Bonds.
DATED DATE	September 1, 2021 (Date of Delivery).
INTEREST DUE................................	Each April 1 and October 1, commencing April 1, 2022.
PRINCIPAL DUE..............................	Series 2021A Bonds – April 1, 2022 through April 1, 2037, inclusive, and April 1, 2039 through April 1, 2041, inclusive. Series 2021B Bonds – April 1, 2023 through April 1, 2036, inclusive.
SETTLEMENT DATE.......................	September 1, 2021 (Date of Delivery).
OPTIONAL REDEMPTION............	The Bonds shall be subject to redemption at the option of the County on and after April 1, 2031 at the price of par.

SECURITY .... The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged. The Series 2021B Bonds shall be additionally payable from, but not secured by, revenues derived from the operation of the Airport.

RATINGS .... "Aaa" by Moody's Investors Service ("Moody's") and "AA+" by S&P Global Ratings, a Division of Standard & Poor's Financial Services LLC ("S&P") based on documents and other information provided by the County. The ratings reflect only the view of Moody's and S&P and neither the County, the Municipal Advisor nor the Underwriter make any representations as to the appropriateness of such ratings.

There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn. Any such downward change in or withdrawal of the ratings may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the ratings may be obtained from Moody's and S&P. See "Ratings" herein.

TAX MATTERS .... In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the County, (i) interest on the Series 2021A Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Series 2021A Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. Interest on the Series 2021B Bonds is includable in gross income of the holders thereof for federal income tax purposes. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "Tax Matters" herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See "Tax Matters" herein).

REGISTRATION AND PAYING AGENT .... U.S. Bank National Association, Nashville, Tennessee.

MUNICIPAL ADVISOR .... Stephens Inc.

UNDERWRITERS .... Series 2021A Bonds -- Fidelity Capital Markets, Boston, Massachusetts.

Series 2021B Bonds -- Piper Sandler & Co., Chicago, Illinois.

Official Statement

Rutherford County, Tennessee

$27,140,000

$21,000,000 General Obligation School Bonds, Series 2021A

$6,140,000 General Obligation Bonds, Series 2021B (Federally Taxable)

Introduction

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by Rutherford County, Tennessee (the "County") of $21,000,000 General Obligation School Bonds, Series 2021A (the “Series 2021A Bonds”) and $6,140,000 General Obligation Bonds, Series 2021B (Federally Taxable) (the “Series 2021B Bonds”).

The Series 2021A Bonds are issuable under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., Tennessee Code Annotated, and pursuant to a resolution adopted by the Board of County Commissioners of the County on June 17, 2021 (the "Series 2021A Bond Resolution") authorizing the execution, terms, issuance and sale of the Series 2021A Bonds.

The Series 2021B Bonds are issuable under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., Tennessee Code Annotated, and pursuant to a resolution adopted by the Board of County Commissioners of the County on June 17, 2021 (the "Series 2021B Bond Resolution") authorizing the execution, terms, issuance, and the sale of the Series 2021B Bonds.

The Series 2021A Bonds and the Series 2021B Bonds are sometimes collectively referred to herein as the "Bonds". The Series 2021A Bond Resolution and the Series 2021B Bond Resolution are sometimes collectively referred to herein as the "Resolutions".

This Official Statement includes descriptions of, among other matters, the Bonds, the Resolutions, and the County. Such descriptions and information do not purport to be comprehensive or definitive. All references to the Resolutions are qualified in their entirety by reference to the definitive document, including the form of the Bonds included in the Resolutions. During the period of the offering of the Bonds, copies of the Resolutions and any other documents described herein or in the Resolutions may be obtained from the County. After delivery of the Bonds, copies of such documents will be available for inspection at the County Mayor's office. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in the Resolutions.

The Bonds

Description

The Series 2021A Bonds are being issued for the purposes of financing the (i) acquisition of land for, design, site development, constructing, improving, renovating, repair and equipping of County schools and school facilities; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing; (iii) acquisition of all property, real and personal, related to the foregoing (collectively, the “Series 2021A Projects”); (iv) if required by applicable law, the payment of funds required to be shared with the City of Murfreesboro, Tennessee, to the extent not waived, pursuant to Sections 9-21-129 and 49-3-1003, Tennessee Code Annotated, as amended; (v) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (vi) payment of costs incident to the issuance and sale of the Series 2021A Bonds.

The Series 2021B Bonds are being issued for the purposes of financing (i) a loan to the Smyrna/Rutherford County Airport Authority (the "Airport Authority") for the (a) construction, improvement, extension and equipping of the Smyrna/Rutherford County Airport (the "Airport"), (b) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing, (c) payment of capitalized interest during construction of the foregoing projects and for up to six months thereafter, and (d) acquisition of all property, real and personal appurtenant thereto or in connection therewith (collectively, the "Series 2021B Projects" and, together with the Series 2021A Projects, the "Projects"), (ii) the reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (iii) the payment of costs incident to the issuance and sale of the Series 2021B Bonds

The Bonds will be issued as fully registered book-entry Bonds, without coupons, in denominations of $5,000 or any integral multiple thereof. The Bonds will be dated their date of issuance. Interest on the Bonds, at the rates per annum set forth on the cover page and calculated on the basis of a 360-day year, consisting of twelve 30-day months, will be payable semiannually on April 1 and October 1 of each year (herein an "Interest Payment Date"), commencing April 1, 2022.

The Bonds will mature on the dates and in the amounts set forth on the cover page.

The Bonds will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds.

U.S. Bank National Association, Nashville, Tennessee (the "Registration Agent") will make all interest payments with respect to the Bonds on each Interest Payment Date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the Interest Payment Date (the "Regular Record Date") by check or draft mailed to such owners at their addresses shown on said registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to the extent of the payments so made. Payment of principal of the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. In the event the Bonds are no longer registered in the name of DTC or its successor or assigns, if requested by the Owner of at least $1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

Any interest on any Bond which is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: The County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration

Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall not be more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in the Resolution or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of and interest on the Bonds when due.

Optional Redemption

The Bonds maturing on or before April 1, 2031 are not subject to redemption prior to maturity at the option of the County. The Bonds maturing on April 1, 2032 and thereafter shall be subject to redemption prior to maturity at the option of the County on or after April 1, 2031 as a whole or in part at any time at the redemption price of par, plus interest accrued to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Board of County Commissioners of the County in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

Mandatory Redemption

Subject to the credit hereinafter provided, the County shall redeem Series 2021A Bonds maturing April 1, 2039 on the redemption dates set forth below opposite the maturity date, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, or such Person as shall then be serving as the securities depository for the Series 2021A Bonds, shall determine the interest of each Participant in the Series 2021A Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Series 2021A Bonds, the Series 2021A Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall select. The dates of redemption and principal amount of Series 2021A Bonds to be redeemed on said dates are as follows:

Final Maturity	Redemption Date	Principal Amount of Bonds Redeemed
April 1, 2039	April 1, 2038	$1,305,000
	April 1, 2039*	1,330,000

*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Series 2021A Bonds maturing April 1, 2039 to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Series 2021A Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Series 2021A Bond maturing April 1, 2039 so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Series 2021A Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced.

Notice of Redemption

Notice of call for redemption shall be given by the Registration Agent on behalf of the County not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail or certified mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants, or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the County pursuant to written instructions from an authorized representative of the County (other than for a mandatory sinking fund redemption, if applicable), notices of which shall be given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided. In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

Security and Sources of Payment

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the County are irrevocably pledged. The Series 2021B Bonds are additionally payable from, but not secured by, revenues derived from the operation of the Smyrna/Rutherford County Airport, a general aviation airport (the "Airport").

Under Tennessee law, the County's legislative body is authorized to levy a tax on all taxable property within the County, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more complete statement of the general covenants and provisions pursuant to which the Bonds are issued, reference is hereby made to the respective Resolutions.

Discharge and Satisfaction of Bonds

With respect to the Series 2021A Bonds and the Series 2021B Bonds, respectively, the Bonds may be discharged and defeased in any one or more of the following ways:

(a) By depositing sufficient funds as and when required with the Registration Agent, to pay the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers ("an Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds to the Registration Agent, for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable under the Resolution, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied.

If the County pays and discharges the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners of such Bonds shall thereafter be entitled only to payment out of the money or Defeasance Obligations.

Defeasance Obligations are direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Remedies of Bondholders

Under Tennessee law, any Bondholder has the right, in addition to all other rights:

(1) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce its rights against the County, including, but not limited to, the right to require the County to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the County to carry out any other covenants and agreements, or

(2) By action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Bondholder.

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has S&P's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of County or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the County or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that County believes to be reliable, but County takes no responsibility for the accuracy thereof.

THE COUNTY AND THE REGISTRATION AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO

(I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY PARTICIPANT OR ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.

Plan of Financing

Sources and Uses of Funds

The following table sets forth the sources and uses of funds in connection with the issuance of the Bonds.

Sources of Funds	Series 2021A	Series 2021B
Par Amount	$21,000,000.00	$6,140,000.00
Reoffering Premium (Discount)	2,886,101.05	-
Total Sources	$23,886,101.05	$6,140,000.00
Uses of Funds		
Deposit to Construction Fund	$21,563,922.78	-
Deposit to Airport Fund	-	6,052,663.77
Payment to City of Murfreesboro	2,132,998.00	-
Costs of Issuance (includes Underwriter's Discount and Expenses)	189,180.27	87,336.23
Total Uses	$23,886,101.05	$6,140,000.00

The Projects

The proceeds of the Bonds (other than proceeds used to pay issuance costs and proceeds of the Series 2021A Bonds used to share with the City of Murfreesboro, if any) will be used to finance the Projects. Pursuant to the Series 2021A Resolution, a portion of the proceeds of the Series 2021A Bonds will be deposited in a construction fund (the "Construction Fund") to be held and invested by the County, and used to pay costs of the Series 2021A Projects and reimbursement to the County for any funds previously expended for costs of the Series 2021A Projects, if applicable. Pursuant to the Series 2021B Resolution, a portion of the proceeds of the Series 2021B Bonds will be deposited into the Airport Fund and used to make a loan to the Airport Authority for the purpose of paying the costs of the Series 2021B Projects. Moneys in the Construction Fund and the Airport Fund may be invested as permitted by Tennessee law and may not be used for any purpose other than paying costs of the Projects, costs of issuance of the Bonds or, if applicable, debt service on the Bonds.

Ratings

The Bonds have been assigned ratings of "Aaa" by Moody's Investors Service, Inc. ("Moody's") and "AA+" by S&P Global Ratings, a Division of Standard & Poor's Financial Services LLC ("S&P") based on documents and other information provided by the County. The ratings reflect only the view of Moody's and S&P and neither the County nor the Underwriter makes any representation as to the appropriateness of such ratings.

There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely. Any such downward change in or withdrawal of the ratings may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the ratings may be obtained from Moody's and S&P.

Continuing Disclosure

General

The County will at the time the Bonds are delivered execute a Continuing Disclosure Certificate ("Disclosure Certificate") under which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the County by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2021 (the "Annual Report"), and to provide notice of the occurrence of certain enumerated events and notice of failure to provide any required financial information of the County. The Annual Report (and audited financial statements if filed separately) and notices described above will be filed by the County with the Municipal Securities Rulemaking Board ("MSRB") at www.emma.msrb.org ("EMMA") and with any State Information Depository which may be established in Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events is summarized below. These covenants have been made in order to assist the Underwriters in complying with SEC Rule 15c2-12(b), as it may be amended from time to time (the "Rule"). The County has not failed to comply in any material respect with previous continuing disclosure undertakings in the past five years.

Annual Report

The County's Annual Report shall contain or incorporate by reference the General Purpose Financial Statements of the Issuer for the fiscal year, prepared in accordance with generally accepted accounting principles; provided, however, if the County's audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained herein, and the audited financial statements shall be filed when available. The Annual Report shall also include the following information included in Appendix B to this Official Statement (which data may be presented in a format other than as set forth in the Official Statement) as follows.

1. "Summary of Outstanding Debt ";
2. "Debt Statement ";
3. "Per Capita Debt Ratios";
4. "Debt Ratios";
5. "Debt Trend";
6. "Debt Service Requirements";
7. "Property Valuation and Property Tax";
8. "Top Taxpayers";
9. "Fund Balances";

10. "Local Sales Tax Collections"; and

11. "Wheel Tax."

Any required disclosure may be incorporated by reference to other documents filed with the MSRB on EMMA or by such other method as may be subsequently determined by the MSRB. The County shall clearly identify each such other document so incorporated by reference. The County will provide, in a timely manner, notice of failure to provide the required annual financial information described above on or before the date specified above.

Reporting of Significant Events

The County will file notice of Listed Events (as defined in (3) below) with the MSRB and SID, if any, as follows:

1. Upon the occurrence of a Listed Event, the County shall in a timely manner, but in no event more than ten (10) business days after the occurrence of such event, file a notice of such occurrence with the MSRB and SID, if any.

2. For Listed Events where notice is only required upon a determination that such event would be material under applicable Federal securities laws, the County shall determine the materiality of such event as soon as possible after learning of its occurrence.

3. The following are the Listed Events:

    a. Principal and interest payment delinquencies;

    b. Non-payment related defaults, if material;

    c. Unscheduled draws on debt service reserves reflecting financial difficulties;

    d. Unscheduled draws on credit enhancements reflecting financial difficulties;

    e. Substitution of credit or liquidity providers, or their failure to perform;

    f. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

    g. Modifications to rights of Bondholders, if material;

    h. Bond calls, if material, and tender offers;

    i. Defeasances;

    j. Release, substitution, or sale of property securing repayment of the securities, if material;

    k. Rating changes;

    l. Bankruptcy, insolvency, receivership or similar event of the obligated person;

m. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

n. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

o. Incurrence of a financial obligation (as defined by the Rule) of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect security holders, if material; and

p. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation (as defined by the Rule) of the County, any of which reflect financial difficulties.

Termination of Reporting Obligation

The County's obligations under the Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Amendment

Notwithstanding any other provision of the Disclosure Certificate, the County may amend the Disclosure Certificate, provided that the following conditions are satisfied:

(a) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body;

(b) the amendment is in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted;

(c) the Disclosure Certificate, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(d) the amendment does not materially impair the interests of beneficial owners or registered owners, as determined either by parties unaffiliated with the County (such as bond counsel), or by approving vote of the beneficial owners and registered owners pursuant to the terms of the Resolution at the time of the amendment.

In the event of any amendment to the Disclosure Certificate, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Default

In the event of a failure of the County to comply with any provision of the Disclosure Certificate, any Bondholder or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under the Disclosure Certificate. A default under the Disclosure Certificate shall not be deemed an event of default, if any, under the Resolution, and the sole remedy under the Disclosure Certificate in the event of any failure of the County to comply with the Disclosure Certificate shall be an action to compel performance.

Future Issues

The County has continued to experience population growth. This growth has created, and will likely continue to create, a need for capital improvement financings. The Rutherford County Board of Education has, specifically, forecasted that an increase in the student population may create a need for additional school facilities. Preliminary estimates are that an additional $300 million may be needed for additions, renovations and construction of elementary, middle and high schools over the next five years. Additionally, the County may need approximately $1 to $5 million over the next 1 to 3 years for other County purposes. Preliminary estimates for future capital improvement needs were developed before the Covid-19 outbreak. Although these plans continue to be reviewed, the County is uncertain if the ongoing Covid-19 outbreak, and the increased utilization of online learning platforms, will impact these plans. (See Appendix B for additional information regarding the impact of the Covid-19 outbreak on the County.) The funding for most of these new projects has not been approved by the County Commission, and the projects, amounts, and timing are all subject to change.

Litigation

The County, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. After reviewing the current status of all pending and threatened litigation with its counsel, the County believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the County or its officials in such capacity are adequately covered by insurance or by sovereign immunity or will not have a material adverse effect upon the County's financial condition, except as may be otherwise described below.

As of the date of this Official Statement, the County has no knowledge or information concerning any pending or threatened litigation contesting the authority of the County to issue, sell or deliver the Bonds.

Dylan Geerts, et al. v. Rutherford County, Tennessee, United States District Court, Middle District of Tennessee, Case No. 3:17-cv-1014. Per a settlement agreement filed in federal court on June 16, 2021, the County has agreed to pay up to $11 million to settle a class action lawsuit against the County alleging the illegal arrest and detention of juveniles. While the maximum amount of the County's liability pursuant to the class action is $11 million, under the terms of the settlement agreement it could be as low as $5.2 million. The actual amount of monetary damages payable by the County will not be known until the time period for submission, review and approval/denial of claims runs, and the settlement agreement is given final approval by the court. The precise timing of such approval decision by the court is unknown at this time, but under the current schedule, in no event will it occur before December 3, 2021 and the County will not be required to pay this liability before February 3, 2022. Upon the court's determination of the

County's actual liability, such money will be due and payable by the County as a lump sum. Prior to June 30, 2021, the County transferred approximately $5 million from the General Fund to the Self-Insurance Fund for this liability. Although such actual amount is yet to be determined, a portion of the monetary damages payable by the County will be covered by insurance. To the extent that the County's ultimate liability exceeds the amount that has already been transferred from the General Fund and the amount payable from insurance proceeds, the remaining liability is anticipated to be paid from the County's General Fund.

The County has no knowledge or information of any actions pending or expected that would materially affect the County's ability to pay the debt service requirements of the Bonds, including the settlement agreement described above. Depending on the final amount paid by the County as a result of the above-described settlement, the County may consider raising property taxes to ensure that the unassigned fund balance continues to comply with the County's policy of maintaining an unassigned General Fund balance of at least 15% of appropriations.

Approval of Legal Proceedings

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinions of Bass, Berry & Sims PLC, Bond Counsel. A copy of the opinions will be available upon delivery of the Bonds. (See Appendix A). Certain legal matters will be passed upon for the County by Nicholas C. Christiansen, Esq., County Attorney.

Tax Matters

Federal

Series 2021A Bonds – Federally Tax-Exempt

General. Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Series 2021A Bonds. Their opinion under existing law, relying on certain statements by the County and assuming compliance by the County with certain covenants, is that interest on the Series 2021A Bonds:

- is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986 (the "Code"), and
- is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code.

The Code imposes requirements on the Series 2021A Bonds that the County must continue to meet after the Series 2021A Bonds are issued. These requirements generally involve the way that the Series 2021A Bond proceeds must be invested and ultimately used. If the County does not meet these requirements, it is possible that a bondholder may have to include interest on the Series 2021A Bonds in its federal gross income on a retroactive basis to the date of issue. The County has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2021A Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,

- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Series 2021A Bonds.

If a bondholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Series 2021A Bonds or affect the market price of the Series 2021A Bonds. See also "Changes in Federal and State Tax Law" below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Series 2021A Bonds, or under State, local or foreign tax law.

Bond Premium. If a bondholder purchases a Series 2021A Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Series 2021A Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder's tax basis in that Series 2021A Bond will be reduced. The holder of a Series 2021A Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Series 2021A Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Series 2021A Bond with bond premium, even though the Series 2021A Bond is sold for an amount less than or equal to the owner's original cost. If a bondholder owns any Series 2021A Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Original Issue Discount. A Series 2021A Bond will have "original issue discount" if the price paid by the original purchaser of such Series 2021A Bond is less than the principal amount of such Series 2021A Bond. Bond Counsel's opinion is that any original issue discount on these Series 2021A Bonds as it accrues is excluded from a bondholder's federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder's tax basis in these Series 2021A Bonds will be increased. If a bondholder owns one of these Series 2021A Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Information Reporting and Backup Withholding. Information reporting requirements apply to interest on tax-exempt obligations, including the Series 2021A Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Series 2021A Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2021A Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Series 2021B Bonds – Federally Taxable

Disclaimer. Any discussion of the tax issues relating to the Series 2021B Bonds in this Official Statement was written to support the promotion or marketing of the Series 2021B Bonds. Such discussion was not intended or written to be used, and it cannot be used, by any person for the purpose of avoiding any tax penalties that may be imposed on such person. Each investor should seek advice with respect to the Series 2021B Bonds based on its particular circumstances from an independent tax advisor.

General. The following is a summary of certain anticipated United States federal income tax consequences of the purchase, ownership and disposition of the Series 2021B Bonds. The summary is based upon the provisions of the Code, the regulations promulgated thereunder and the judicial and administrative rulings and decisions now in effect, all of which are subject to change. The summary generally addresses Series 2021B Bonds held as capital assets and does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances or certain types of investors subject to special treatment under the federal income tax laws, including but not limited to financial institutions, insurance companies, dealers in securities or currencies, those holding such bonds as a hedge against currency risks or as a position in a "straddle" for tax purposes, or those whose functional currency is not the United States dollar. Potential purchasers of the Series 2021B Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, ownership and disposition of the Series 2021B Bonds.

Interest on the Series 2021B Bonds is includable in gross income for federal income tax purposes. Purchasers other than those who purchase Series 2021B Bonds in the initial offering at their stated principal amounts will be subject to federal income tax accounting rules affecting the timing and/or characterization of payments received with respect to such Series 2021B Bonds. In general, interest paid on the Series 2021B Bonds, accrual of market discount, if any, will be treated as ordinary income to an owner of Series 2021B Bonds and, after adjustment for the foregoing, principal payments will be treated as a return of capital.

Market Discount. Any owner who purchases a Series 2021B Bond at a price which includes market discount in excess of a prescribed de minimis amount (i.e., at a purchase price that is less than its adjusted issue price in the hands of an original owner) will be required to re-characterize all or a portion of the gain as ordinary income upon receipt of each scheduled or unscheduled principal payment or upon other disposition. In particular, such owner will generally be required either (a) to allocate each such principal payment to accrued market discount not previously included in income and to recognize ordinary income to that extent and to treat any gain upon sale or other disposition of such a Series 2021B Bond as ordinary income to the extent of any remaining accrued market discount (under this caption) or (b) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history of the Tax Reform Act of 1986 will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest.

An owner who acquires a Series 2021B Bond at a market discount also may be required to defer, until the maturity date of such Series 2021B Bond or the earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry a Series 2021B Bond in excess of the aggregate amount of interest includable in such owner's gross income for the taxable year with respect to such Series 2021B Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the Series 2021B Bond for the days during the taxable year on which the owner held the Series 2021B Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the Series 2021B Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the bond owner elects to include such market discount in income currently as described above.

Sale or Redemption of Bonds. A bond owner's tax basis for a Series 2021B Bond is the price such owner pays for the Series 2021B Bond plus the amount of any market discount previously included in income, reduced on account of any payments received (other than "qualified stated interest" payments) and any amortized bond premium. Gain or loss recognized on a sale, exchange or redemption of a Series 2021B Bond, measured by the difference between the amount realized and the basis of the Series 2021B Bond as so adjusted, will generally give rise to capital gain or loss if the Series 2021B Bond is held as a capital asset (except as discussed above under "Market Discount"). The legal defeasance of Series 2021B Bonds may result in a deemed sale or exchange of such Series 2021B Bonds under certain circumstances; owners of such Series 2021B Bonds should consult their tax advisors as to the Federal income tax consequences of such an event.

Backup Withholding. A bond owner may, under certain circumstances, be subject to "backup withholding" (currently the rate of this withholding obligation is 28%, but the rate may change in the future) with respect to interest on the Series 2021B Bonds. This withholding generally applies if the owner of a Series 2021B Bond (a) fails to furnish the registration agent or other payor with its taxpayer identification number; (b) furnishes the registration agent or other payor an incorrect taxpayer identification number; (c) fails to report properly interest, dividends or other "reportable payments" as defined in the Code; or (d) under certain circumstances, fails to provide the registration agent or other payor with a certified statement, signed under penalty of perjury, that the taxpayer identification number provided is its correct number and that the holder is not subject to backup withholding. Backup withholding will not apply, however, with respect to certain payments made to bond owners, including payments to certain exempt recipients (such as certain exempt organizations) and to certain Nonresidents (as hereafter defined). Owners of the Series 2021B Bonds should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining the exemption.

Backup withholding is not an additional tax. Any amount paid as backup withholding would be credited against the bondholder's U.S. federal income tax liability, provided that the requisite information is timely provided to the Internal Revenue Service. The amount of "reportable payments" for each calendar year and the amount of tax withheld, if any, with respect to payments on the Series 2021B Bonds will be reported to the bond owners and to the Internal Revenue Service.

Nonresident Borrowers. Under the Code, interest income with respect to Series 2021B Bonds held by nonresident alien individuals, foreign corporations or other non-United States persons ("Nonresidents") generally will not be subject to the United States withholding tax (or backup withholding) if the Authority (or other who would otherwise be required to withhold tax from such payments) is provided with an appropriate statement that the beneficial owner of the Series 2021B Bond is a Nonresident. Notwithstanding the foregoing, if any such payments are effectively connected with a United States trade or business conducted by a Nonresident bondowner, they will be subject to regular United States income tax, but will ordinarily be exempt from United States withholding tax.

ERISA. The Employees Retirement Income Security Act of 1974, as amended ("ERISA"), and the Code generally prohibit certain transactions between a qualified employee benefit plan under ERISA or tax-qualified retirement plans and individual retirement accounts under the Code (collectively, the "Plans") and those who, with respect to a Plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. All fiduciaries of Plans, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in any Series 2021B Bonds.

Miscellaneous. The opinions of Bond Counsel are not intended or written by Bond Counsel to be used and cannot be used by an owner of the Series 2021B Bonds for the purpose of avoiding penalties that may be imposed on the owner of the Series 2021B Bonds. The opinions of Bond Counsel are provided to support the promotion or marketing of the Series 2021B Bonds. In all events, all investors should consult their own tax advisors in determining the Federal, state, local and other tax consequences to them of the purchase, ownership and disposition of the Series 2021B Bonds.

State Taxes

Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bonds during the period the Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Changes in Federal and State Tax Law

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing, where applicable, the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Municipal Advisor

Stephens Inc. is serving as Municipal Advisor to the County in connection with the issuance of the Bonds. Stephens Inc., in its capacity as Municipal Advisor, has relied on the opinion of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal or state income tax status of the Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. The information set forth herein has been obtained from the County and other sources believed to be reliable but has not been independently verified by the Municipal Advisor.

The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds.

The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

Underwriting

Fidelity Capital Markets, Boston Massachusetts (the "Series 2021A Underwriter"), acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the Series 2021A Bonds for an aggregate purchase price of $23,828,120.78, which is par, less $57,980.27 underwriter's discount, plus net original issue premium of $2,886,101.05.

Piper Sandler & Co., Chicago, Illinois (the "Series 2021B Underwriter" and, together with the Series 2021A Underwriter, the "Underwriters"), acting for and on behalf of itself and such other securities dealers as it may designate, will purchase the Series 2021B Bonds for an aggregate purchase price of $6,102,687.12, which is par, less $37,312.88 underwriter's discount.

The Underwriters may offer and sell the Series 2021A Bonds and the Series 2021B Bonds to certain dealers (including dealer banks and dealers depositing the Series 2021A Bonds and the Series 2021B Bonds into investment trusts) and others at prices different from the public offering prices stated on the cover page of this Official Statement. Such initial public offering prices may be changed from time to time by the Underwriters.

Forward-Looking Statements

The statements contained in this Official Statement, and in any other information provided that are not purely historic, are forward-looking statements, including statements regarding the expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available on the date hereof, and assumes no obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business and policy decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

Miscellaneous

Any statement made in this Official Statement involving matters of opinion and estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement was duly authorized by the County.

[Certification Page Follows]

Certificate of County Mayor

I, Bill Ketron, do hereby certify that I am the duly qualified and acting County Mayor of Rutherford County, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated August 17, 2021 issued in connection with the sale of the County's $21,000,000 General Obligation School Bonds, Series 2021A and its $6,140,000 General Obligation Bonds, Series 2021B (Federally Taxable) and to the best of my knowledge, information, and belief (a) the descriptions and statements contained in said Official Statement were at the time of acceptance of the winning bids and are on the date hereof true and correct in all material respects; and (b) that said Official Statement did not at the time of the acceptance of the winning bids and does not on the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements made, in light of the circumstances under which they are made, not misleading.

WITNESS my official signature this 17th day of August, 2021.

/s/ Bill Ketron
County Mayor

I, Lisa Duke Crowell, do hereby certify that I am the duly qualified and acting County Clerk of Rutherford County, Tennessee, and as such official, I do hereby certify that Bill Ketron is the duly qualified and acting County Mayor of said County and that the signature appended to the foregoing certificate is the true and genuine signature of such official.

WITNESS my official signature and the seal of said Rutherford County, Tennessee as of the date subscribed to the foregoing certificate.

/s/ Lisa Duke Crowell
County Clerk

(SEAL)

APPENDIX A

Forms of Legal Opinions of Bass, Berry & Sims PLC, Attorneys,
Nashville, Tennessee relating to the Bonds.

(Form of Opinion of Bond Counsel)
Series 2021A Bonds

Bass, Berry & Sims PLC
150 Third Avenue South, Suite 2800
Nashville, Tennessee 37201

September 1, 2021

We have acted as bond counsel to Rutherford County, Tennessee (the "Issuer") in connection with the issuance of $21,000,000 General Obligation School Bonds, Series 2021A, dated September 1, 2021 (the "Series 2021A Bonds"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Series 2021A Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.

2. The resolution of the Board of County Commissioners of the Issuer authorizing the Series 2021A Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The Series 2021A Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit. The principal of and interest on the Series 2021A Bonds are payable from unlimited <u>ad</u> <u>valorem</u> taxes to be levied on all taxable property within the County.

4. Interest on the Series 2021A Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Series 2021A Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2021A Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Series 2021A Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements. Except as set forth in this Paragraph 4, we express no opinion regarding other federal tax consequences arising with respect to the Series 2021A Bonds.

5. Under existing law, the Series 2021A Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on all or a portion of the interest on any of the Series 2021A Bonds during the period such Series 2021A Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee and (b) Tennessee franchise taxes by reason of the

inclusion of the book value of the Series 2021A Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

It is to be understood that the rights of the owners of the Series 2021A Bonds and the enforceability of the Series 2021A Bonds and the resolution authorizing the Series 2021A Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2021A Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

Bass, Berry & Sims, PLC

(Form of Opinion of Bond Counsel)
Series 2021B Bonds

Bass, Berry & Sims PLC
150 Third Avenue South, Suite 2800
Nashville, Tennessee 37201

September 1, 2021

We have acted as bond counsel to Rutherford County, Tennessee (the "Issuer") in connection with the issuance of $6,140,000 General Obligation Bonds, Series 2021B (Federally Taxable), dated September 1, 2021 (the "Series 2021B Bonds"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Series 2021B Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.

2. The resolution of the Board of County Commissioners of the Issuer authorizing the Series 2021B Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The Series 2021B Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the Issuer. For the prompt payment of principal and interest on the Series 2021B Bonds, the Issuer has irrevocably pledged its full faith and credit. The Series 2021B Bonds are additionally payable from, but not secured by, certain revenues derived from the operation of the Smyrna/Rutherford County Airport.

4. Under existing law, the Series 2021B Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on all or a portion of the interest on any of the Series 2021B Bonds during the period such Series 2021B Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Series 2021B Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

It is to be understood that the rights of the owners of the Series 2021B Bonds and the enforceability of the Series 2021B Bonds and the resolution authorizing the Series 2021B Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2021B Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

Bass, Berry & Sims, PLC

APPENDIX B

Demographic and General Financial Information
Related to the County

PROFILE OF THE GOVERNMENT

Located in the middle of Tennessee with 615 square miles of land area, Rutherford County is the approximate geographic center of the state and the 5th largest county in the state. The County is adjacent to the southern border of the Metropolitan Government of Nashville and Davidson County. Rutherford County was incorporated in 1834 and is governed by an elected County Mayor and a 21-member County Commission. Elections are held every four years. The most recent election was held in August 2018. The new officials took office in September 2018. The next major election will be held in August 2022. Virtually all of the County Commission's business is conducted through the committee system before moving to the full County Commission for a final vote.

The City of Murfreesboro is the County Seat of Rutherford County. Murfreesboro has an estimated population of 146,900. Murfreesboro is home to Middle Tennessee State University, the Saint Thomas Rutherford Hospital, and a large commercial and retail base. The Town of Smyrna is located in the northwestern part of the County. The Town of Smyrna is located near the Nashville – Davidson County border and has an estimated population of approximately 51,586. Smyrna is also notably the home to the TriStar Stonecrest Medical Center, a Motlow State Community College Campus and the large Nissan Assembly Plant. The City of LaVergne is adjacent to the Nashville-Davidson County border and has an estimated population of 35,716. LaVergne is known for its significant manufacturing, warehouse and distribution facilities. The County also includes the small City of Eagleville and numerous unincorporated areas.

The County provides a full range of services, including elementary and secondary education, law enforcement and corrections, judicial, solid waste collection, public health and welfare, and the construction and maintenance of highways and related infrastructure. Counties in Tennessee are political subdivisions of the State of Tennessee (the "State"). As a political subdivision of the State, a county only has authority delegated to it by the State. The State delegates authority and powers to counties through legislative action of the State's General Assembly, either through its Public or Private Acts. Public Acts apply to all counties in the State and are codified in the Tennessee Code Annotated which is revised and published on an annual basis and is widely available. Private Acts apply only to the counties named in the particular Private Act. Private Acts are available from the Secretary of State. Rutherford County operates under both Public and Private Acts. The majority of the Public Acts applicable to Rutherford County are found in Title 5 of the Tennessee Code Annotated, except to the extent such provisions have been modified by Private Acts specific to Rutherford County.

The Rutherford County Finance Department operates under Chapter 49, Private Acts of 1979, as amended. This legislation is specific only to Rutherford County and governs the authorities, responsibilities, and day-to-day operations of the Finance Department. The finance director reports directly to the County Commission and is responsible for establishing and maintaining an accounting system for all funds of the County in accordance with generally accepted accounting principles. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., sheriff). A formal budget is adopted annually by the County Commission and is reviewed daily by the Finance Department for compliance. No appropriation made by the County Commission may be legally exceeded, except by resolution of the full commission.

DEMOGRAPHIC DATA

Population

According to the 2020 U. S. Census estimate, the County is the fifth largest county in the state with a population of 339,261 reflecting a 29% increase since the 2010 census

	County	Tennessee
1980 U.S. Census	84,058	4,600,252
1990 U.S. Census	119,847	4,890,626
2000 U.S. Census	183,596	5,703,719
2010 U.S. Census	263,721	6,355,518
2020 U.S. Census	339,261	6,886,834

Source: U.S. Bureau of Census

Income and Housing

In 2019, the County had a per capita personal income of $42,712, which was 87.7% percent of the State average of $48,676.

	County	Tennessee	% of State
2010 Per Capita Personal Income	$31,265	$35,652	87.7%
2011 Per Capita Personal Income	$32,746	$37,610	87.1%
2012 Per Capita Personal Income	$34,809	$39,285	88.6%
2013 Per Capita Personal Income	$35,245	$39,406	89.4%
2014 Per Capita Personal Income	$36,400	$40,778	89.3%
2015 Per Capita Personal Income	$37,899	$42,599	89.0%
2016 Per Capita Personal Income	$38,797	$43,591	89.0%
2017 Per Capita Personal Income	$39,812	$45,193	88.1%
2018 Per Capita Personal Income	$41,302	$47,165	87.6%
2019 Per Capita Personal Income	$42,712	$48,676	87.7%

Source: Bureau of Economic Analysis

In 2019, the County's median housing value of $264,990 compared favorably to the State's median of $226,000.

	County	Tennessee	% of State
2010 Median Housing Value	150,000	149,900	100.1%
2011 Median Housing Value	157,000	150,925	104.0%
2012 Median Housing Value	162,500	160,000	101.6%
2013 Median Housing Value	162,500	165,000	98.5%
2014 Median Housing Value	163,000	166,000	98.2%
2015 Median Housing Value	182,250	175,000	104.1%
2016 Median Housing Value	199,000	185,000	107.6%
2017 Median Housing Value	230,000	196,800	116.9%
2018 Median Housing Value	247,000	210,000	117.6%
2019 Median Housing Value	264,990	226,000	117.3%

Source: Tennessee Housing Development Agency – This data reflects only the sales prices of new and existing homes that were sold in the respective years. This data may not be representative of the median value of all homes in the County or State.

COVID-19

The world-wide outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread to counties and cities throughout the State of Tennessee, including the County, and is considered by the World Health Organization to be a Public Health Emergency of International Concern. The spread of COVID-19 led to quarantining and other "social distancing" measures in affected regions. While effects of COVID-19 on the County may be temporary, the virus affected travel, commerce and financial markets across the world.

As of July 31, 2021, Rutherford County had approximately 883 known active cases of COVID-19. The County is unable to predict: (i) the extent or duration of the COVID-19 outbreak, any recurrence thereof, or any other epidemic or pandemic; (ii) the extent or duration of existing and additional quarantines, travel restrictions or other measures relating to COVID-19 or any other epidemic or pandemic; or (iii) whether and to what extent the COVID-19 outbreak or any other epidemic or pandemic may disrupt the local or global economy, manufacturing or the supply chain; or (iv) the impact of, or the timing of, or the effectiveness, distribution and utilization of, COVID-19 vaccines. Given the evolving nature of the spread of the virus and the behavior of governments, businesses and individuals in response thereto, the County cannot accurately predict the magnitude of any future impact of COVID-19 on the County and its financial condition. The County has proactively taken steps to mitigate the spread of COVID-19 and to preserve effective staffing for all essential County operations.

From a financial perspective, the County has experienced an overall increase in revenues since the start of the pandemic. For the most recent fiscal year, the County's largest source of revenues is property tax revenues. Property tax revenues are due each year on October 1st and are delinquent on the last day of February of the following year, so all tax year 2019 taxes were required to be paid without any penalty by February 29, 2020. The COVID-19 outbreak did not have a material impact on fiscal year 2019-2020 property tax collections because taxes were due prior to the outbreak. The County originally budgeted property tax collections of approximately $214.6 million for fiscal year 2020-2021. As of June 30, the County estimates that $221.58 million in property taxes were collected for fiscal year 2020-2021. This represents approximately 98.7% of the taxes levied and also represents growth of approximately 2.7% over the prior year.

The County's second largest source of revenues is sales and use tax revenues. For fiscal year 2019-20, the County estimates that it received over $160 million in sales tax collections. Most of the County's portion of local sales tax collections were allocated for school purposes. Other significant distributions were made, in accordance with State Law, to the municipalities in which the sale tax originated. The County received approximately $5.3 million of the total and Rutherford County Schools received approximately $68 million of the total. All sales and use tax revenues are collected by the State, and the County does not typically receive notice from the State of the County's share of sales and use taxes collected for approximately 50 days after the close of each month.

The County estimates that fiscal year 2019-2020 sales tax collections were up approximately 4.3% over fiscal year 2018-2019. This increase was partially due to the fact that the County was approximately nine months into the fiscal year before the Covid-19 outbreak. Nevertheless, the County estimates that sales tax collections in the months of April, May, June and July of 2020 increased by approximately 5% from the same period in the prior year. Sales tax revenue would likely have been higher were it not for the cancellation of numerous events and conferences within the County.

The County's fiscal year recently ended on June 30, 2021. Although numbers are not final, the County's estimates that over $190.45 million in sales taxes have been collected. This represents an 18.75% increase over fiscal year 2019-2020.

The County, and especially Rutherford County Schools, also receives funding from the State of Tennessee and the federal government. The County has budgeted State funding of approximately $241 million for the General Purpose School Fund in fiscal year 2020-2021. This represents approximately 59% of the School budget. The State of Tennessee receives a substantial portion of the shared revenues from sales tax collections which may be adversely impacted by economic events such as the Covid-19 outbreak. The State of Tennessee, however, has reported that sales tax revenues in fiscal year 2020-2021 are above levels reported in fiscal year 2019-2020.

The County expects to receive some federal and/or State assistance to offset costs to the County of addressing the COVID-19 outbreak. As this point, the County has not been informed as to the complete timing or final amount of federal or State assistance that may eventually be provided, nor does the County know the full scope of expenses that will be payable from such assistance. Therefore, the County cannot provide any assurances to whether any projected decline in tax revenues will be fully mitigated, in whole or part, by such assistance. The County's proposed budget for the 2021 fiscal year did not include any such assistance as a source of revenue to provide for a balanced budget. The County is, however, expecting at least $8.5 million dollars from State and federal sources. Additionally, the County expects to receive approximately $64.5 million from the recently enacted American Rescue Plan. The County has tentatively made plans to use these funds for qualified capital improvements.

The County's current liquidity position is expected to be adequate to fund essential services and make timely debt service payments on debt of the County.

Various types of information regarding employment and income trends within the County are detailed below in this APPENDIX B. Some of this information was assembled prior to the COVID-19 outbreak and may not be reflective of current conditions. For example, unemployment rates throughout the United States, including the County, increased significantly during the COVID-19 outbreak. Furthermore, the largest employers in the County are listed below in this Appendix B. The COVID-19 outbreak has affected businesses throughout the United States, including businesses in the County, and many of the employers listed below in this APPENDIX B may have reduced their employment levels from the described levels. Given the fluidity of the current economic environment, the County is not able to provide sufficiently accurate updates to this information.

CYBER-SECURITY

The County utilizes various computer systems and network technology to perform many of its vital operations. Such operations often include the storage and transmission of sensitive information, and as a result, the County may be the target of cyberattacks attempting to gain access to such information. In addition to intentional attacks, information breaches may occur due to unintentional employee error. A successful cyberattack or unintentional breach may require the expenditure of an unknown amount of money or time to resolve, substantially interrupt municipal services and operations and subject the County to legal action. The County has no knowledge of, nor historical record of any successful cyber-security breach or related attack. Attempted cyber-security attacks, whether anonymous or targeted, occur on a periodic frequency that is not uncommon to organizations or agencies of similar characteristics. To mitigate against such risks, the County has instituted various policies and procedures to protect its network infrastructure, including a cyber-security training requirement for certain departments, as well as general cyber-security training and awareness for all employees. The County also maintains insurance against cyber-security incidents, up to a coverage maximum of $1,000,000. Despite the County's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

LOCAL ECONOMY

The strength of Rutherford County's economy can be attributed to its diversity of manufacturing, retail establishments, warehouse facilities, higher education institutions, medical services and corporate call centers. The County's strong economy in turn attracts a growing population. Rutherford County has been recognized as one of the fastest growing counties in America. The citizenry has grown to 339,261 per the 2020 Census which is 29% above the 2010 Census and 85% above the 2000 Census.

The County's largest manufacturing employers include Nissan USA, Ingram Content Group, Asurion, Bridgestone, Johnson Controls, Schneider Electric, and General Mills. While manufacturing is one of the County's strongest economic segments, distribution, transportation, and other service-related industries are also large contributors to the strength of the economy. Tennessee's second largest state university with an enrollment of approximately 22,000, a regional veteran's facility with 347 hospital beds and 245 long-term care beds, a call center for Verizon Wireless, a call center for the Veteran's Administration, and numerous other companies are all located in Rutherford County. The employees of the south central regional office for State Farm Insurance are now working remotely. The County also benefits from being within a day's drive of 75 percent of the nation's markets and only minutes from three major interstates.

Nissan, with over 8,000 employees from throughout the region, is a major employer in the County. The Nissan Vehicle Assembly Plant in Smyrna was opened in 1983. Nissan has reportedly invested over $6.4 billion in manufacturing facilities. The Smyrna plant is located on over 884 acres and the facility covers over 5.9 million square feet. The plant capacity is over 640,000 vehicles per year. Currently, the plant produces the Nissan Altima, Nissan Maxima, Nissan Pathfinder, Nissan Leaf, the Infiniti QX60 and the Nissan Rogue.

The economic base in the County continues to grow. Mahle, North America recently announced an investment of $34 million and the addition of 345 new jobs at a facility in Rutherford County. Mahle provides products to Nissan, Volkswagen and General Motors, which all have automotive assembly plants in Tennessee. Amazon has recently announced an expansion in the LaVergne area of Rutherford County.

They will be adding over 100 jobs in a "last mile" facility in the County. Additionally, Stevens Aerospace has announced that they are relocating to the Smyrna Airport in Rutherford County. Stevens Aerospace and Defense Systems provides MRO (maintenance, repair, and overhaul) services on a wide range of aircraft produced by manufacturers such as Textron, Bombardier, Gulfstream, Pilatus, Dassault, and Embraer. This move is expected to create 80 new jobs in the County. The ICEE Company, a subsidiary of J&J Snack Foods, previously announced that they will be relocating their corporate headquarters to LaVergne. ICEE is reported to be a leader and innovator in the frozen beverage industry. The relocation is expected to add approximately 200 jobs in Rutherford County.

In December 2020, Gutterglove announced plans to invest $5.4 million in a new manufacturing and distribution center in LaVergne. The company will be relocating certain machinery from their West Coast facility and adding manufacturing, shipping, receiving, and inventory spaces. The project is expected to create 80 new jobs.

In January 2021, Woods Air Movement announced plans to establish a North American headquarters and manufacturing facility in Murfreesboro. The company is investing $3.6 million in a 25,000 square foot facility for the headquarters and for manufacturing industrial ventilation products used in road and rail tunnels, non-residential buildings, and underground parking garages. The project is expected to add 27 new jobs.

MAJOR RUTHERFORD COUNTY EMPLOYERS

The following table includes numerous major employers in Rutherford County.

Major Rutherford County Employers

Employer	Employees	Product/Service
Nissan North America	8,000	Automobile Manufacturing
Rutherford County Government and Board of Education	6,482	Government / Education
Middle Tennessee State University	2,205	Higher Education
National Healthcare Corp.	2,071	Healthcare
Ingram Content Group	2,000	Media Publishing and Distribution
State Farm Insurance[1]	1,650	Insurance
Amazon Fulfillment Center	1,550	Distribution Center
St. Thomas Rutherford Hospital	1,400	Healthcare
Alvin C. York Veterans Administration Medical Center	1,300	Healthcare
Asurion	1,250	Wireless Devices - Refurbishing

(1) State Farm announced in November 2020 that employees working at the Rutherford County office would be transitioned into a remote workforce. Although State Farm will continue to employ these individuals, the plans call for the building to be sold.

Sources : Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2020.

LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT DATA

The labor force within the County has increased from 143,716 in 2011 to 186,925 in April 2021, reflecting a 30% increase. The Covid-19 outbreak, and the impact on economic conditions, resulted in a sharp increase in the unemployment rate in 2020. However, as of April 2021, the County's estimated unemployment rate is 3.7% which compares favorably to the State average of 5.0% and the U. S. average of 6.1%.

			Total Labor	Unemployment Percent		
Year	Employment	Unemployment	Force	County	State	U.S.
2011	132,075	11,641	143,716	8.1%	9.1%	8.9%
2012	135,362	9,565	144,927	6.6%	8.0%	8.1%
2013	138,392	9,147	147,539	6.2%	7.7%	7.4%
2014	142,024	7,949	149,973	5.3%	6.6%	6.2%
2015	148,912	7,017	155,929	4.5%	5.6%	5.3%
2016	157,683	6,058	163,741	3.7%	4.8%	4.9%
2017	166,272	4,966	171,238	2.9%	3.7%	4.4%
2018	174,384	4,839	179,223	2.7%	3.5%	3.9%
2019	182,311	4,867	187,178	2.6%	3.4%	3.7%
2020	171,647	12,721	184,368	6.9%	7.5%	8.1%
Apr-21	180,009	6,916	186,925	3.7%	5.0%	6.1%

Source: Bureau of Labor Statistics and Tennessee Department of Labor and Workforce Development

EDUCATION

Two accredited public school systems—the Rutherford County Schools and the Murfreesboro City Schools—educate the majority of children in the County. In the 2019-2020 school year, the Rutherford County School System had an average daily membership of 46,879, an increase of 25.9% from the 2009-2010 school year. The Murfreesboro City School System had an average daily membership of 8,690 in the 2019-2020 school year, an increase of 25.9% from the 2009-2010 school year.

Average Daily Membership

School Year	Rutherford County Schools	Murfreesboro City Schools	School Year	Rutherford County Schools	Murfreesboro City Schools
1999-2000	24,991	5,644	2010-2011	38,122	6,837
2000-2001	25,793	5,699	2011-2012	38,645	7,069
2001-2002	26,824	5,741	2012-2013	39,969	7,151
2002-2003	28,012	5,841	2013-2014	40,932	7,072
2003-2004	29,422	5,983	2014-2015	41,425	7,528
2004-2005	31,002	6,029	2015-2016	42,650	7,981
2005-2006	32,704	6,358	2016-2017	43,789	8,015
2006-2007	34,384	6,661	2017-2018	44,843	8,353
2007-2008	35,706	6,849	2018-2019	45,888	8,423
2008-2009	36,497	6,859	2019-2020	46,879	8,690
2009-2010	37,238	6,903			

Source: Tennessee Department of Education

Rutherford County is also the home to several institutions of higher education. Middle Tennessee State University, located in Murfreesboro, is the second largest university in Tennessee. MTSU has enrollment of approximately 22,000 students and faculty of approximately 900. Motlow Community College has four campuses including one in Rutherford County. The Rutherford County campus in Smyrna serves over 2,000 students.

ACCOUNTING AND FINANCIAL REPORTING FOR RETIREMENT COMMITMENTS

Employees of Rutherford County and non-certified employees of the Rutherford County School Department and employees of Community Care of Rutherford County are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the Tennessee Consolidated Retirement System (TCRS). Teachers of the Rutherford County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is now closed to new membership. Teachers with membership in TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan.

The TCRS was created by state statute under *Tennessee Code Annotated (TCA),* Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administrations of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

For detailed information on retirement commitments, see page 99, Note E, of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2020.

ACCOUNTING AND FINANCIAL REPORTING FOR OTHER POSTEMPLOYMENT BENEFITS

All full-time employees and eligible retirees of the primary government, the Smyrna-Rutherford County Airport Authority, Community Care of Rutherford County, Rutherford County Emergency Communications District and the Rutherford County School Department are eligible to participate in the health insurance cost-sharing plan accounted for in the Employee Insurance – Health Fund (internal service fund). For accounting purposes, the plan is an agent multiple-employer defined benefit OPEB plan. Benefits and premium requirements are established and amended by an insurance committee established by the County Commission. The plan is self-insured and financed on a pay-as-you-go basis. For detailed information on other post-employment benefits, see Appendix C, page 119, Note F of the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2020.

PROPERTY TAX FREEZE PROGRAM

In its 2007 session, the 105th General Assembly enacted the *Property Tax Freeze Act* which authorizes the legislative body of any county and/or municipality to adopt the property tax freeze program for lower income senior citizens. The Act became effective on July 1, 2007.

Homeowners qualifying for an authorized program will have the property taxes on their principal residence frozen at a base tax amount, which is the amount of taxes owed in the year they first qualify for the program. Thereafter, as long as the owner continues to qualify for the program, the amount of property taxes owed for that property will not change, even if there is a property tax rate increase.

In order to qualify, the homeowner must file an application annually and must:

- Own their principal place of residence in a participating county and/or city
- Be 65 years of age or older by the end of the year in which the application is filed
- Have an income from all sources that does not exceed the county income limit established for that tax year

The Rutherford County Board of Commissioners created a property tax freeze program for qualifying citizens.

LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES

Significant financial demands continue as a result of the high population growth rate being experienced by Rutherford County. A significant impact of this growth is the demand for additional capital investment. Tennessee statutes mandate to counties the primary responsibility for elementary and secondary education. Education is the largest single major expenditure function of the county. The Board of Education continues to forecast a need for additional schools and significant additions to existing schools within the next five years if growth continues.

In addition to the initial construction costs for new facilities, Rutherford County will incur significant additional recurring costs to staff, operate, and maintain the new facilities. The commissioners are aware of the significance of the additional costs and are expected to prepare the operating budgets accordingly.

The County Commission recently approved the new 2021-2022 budget for the County. The 2021-2022 Budget does not include any change in the property tax rate. The budget projects the use of nearly $13.35 million from the fund balance to fund General Fund operations for the 2021-2022 fiscal year. After the assignment, as of June 30, 2021, the preliminary unassigned fund balance in the General Fund totaled approximately $37.03 million, which is 30.24% percent of approved 2021-2022 appropriations. This exceeds the amount set by policy (15 percent). According to the Commission’s policy, the excess is available to cover revenue shortfalls, unanticipated expenditures, and to ensure stable tax rates.

To better serve the needs of the commission and the public, the commission reviewed the county's policy concerning the fund balance in the General Debt Service Fund. The last revision to this policy was approved April 17, 2014. The policy requires the finance director to determine or estimate the principal and interest requirements of the county and recommend sources of revenues to meet those actual or projected requirements. Additionally, the policy of the county requires that at the beginning of each fiscal year, the county will maintain an adequate amount in cash or investments in the General Debt Service Fund that is conservatively calculated to meet (1) cash flow needs, (2) budgeting contingencies, (3) emergency contingencies, (4) variable rate volatility contingencies, and (5) future forecasted needs. The ending fund balance of the General Debt Service Fund meets the debt service fund balance policy.

RUTHERFORD COUNTY, TENNESSEE
GENERAL FINANCIAL INFORMATION
SUMMARY OF OUTSTANDING DEBT

Amount Issued	Issue	Date Issued	Maturity Date	Interest Rate	Principal Outstanding 6/30/2021 (1)
88,800,000	GO Refunding Bonds, Series 2010	09/28/10	04/01/26	4.00% - 5.00%	34,525,000
69,280,000	GO Bonds, Series 2012	02/15/12	04/01/23	2.00% - 4.00%	7,100,000
38,410,000	GO Refunding Bonds, Series 2013A	02/27/13	04/01/23	5.00%	1,335,000
31,000,000	GO Bonds, Series 2014A	06/12/14	04/01/34	3.00% - 5.00%	22,880,000
2,570,000	GO Bonds, Series 2014B (Taxable)	06/12/14	04/01/34	1.20% - 4.10%	1,975,000
40,460,000	GO Refunding and Improvement Bonds, Series 2015A	05/14/15	04/01/35	3.125% - 5.00%	26,965,000
23,930,000	GO Refunding Bonds, Series 2015B	05/14/15	04/01/28	2.00% - 5.00%	17,725,000
25,640,000	GO Refunding Bonds, Series 2016A	09/15/16	04/01/29	2.50% - 5.00%	21,395,000
101,000,000	GO Public Improvement & School Bonds, Series 2016B	09/28/16	04/01/36	2.50% - 5.00%	87,285,000
81,530,000	GO School Bonds, Series 2017	11/28/17	04/01/38	2.25% - 5.00%	73,175,000
40,680,000	GO School Bonds, Series 2018	08/30/18	04/01/38	2.80% - 5.00%	36,910,000
14,610,000	GO Bonds, Series 2019	09/20/19	04/01/29	5.00%	11,960,000
90,370,000	GO Bonds, Series 2020	10/15/20	04/01/40	1.50% - 5.00%	89,370,000
64,100,000	GO Refunding Bonds, Series 2020	11/12/20	04/01/32	0.27% - 1.73%	63,800,000
21,000,000	GO School Bonds, Series 2021A	09/01/21	04/01/41	2.00% - 5.00%	21,000,000
6,140,000	GO Bonds, Series 2021B (Taxable)	09/01/21	04/01/36	0.30% - 2.00%	6,140,000
				Total	**523,540,000**
	Other Loans and Leases				
2,133,645	Energy Efficiency Loan	02/21/18	03/01/25	0.75%	1,161,597
980,761	Energy Efficiency Loan	07/01/20	08/01/23	1.00%	711,271
				Total	1,872,868
	Total Current Outstanding Debt				**$525,412,868**

DEBT STATEMENT

(as of June 30, 2021) (1)

Current Debt	**$525,412,868**
Net Direct Debt	**$525,412,868**
Net Overlapping Debt (As of 6/30/2020) (2)	**306,197,326**
Overall Net Debt	**$831,610,194**

DEBT RECORD

There is no record of a default on bond principal and interest from information available.

(1) - As of 6/30/2021, adjusted for Series 2021 Bonds.

(2) - Consists of tax supported debt of Murfreesboro, Smyrna, Eagleville, and LaVergne as of 6/30/20.

Source: Annual Financial Reports prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2020 and County officials.

POPULATION

	County	Tennessee
1980 U.S. Census	84,058	4,600,252
1990 U.S. Census	119,847	4,890,626
2000 U.S. Census	183,596	5,703,719
2010 U.S. Census	263,721	6,355,518
2020 U.S. Census	339,261	6,886,834

Source: U.S. Bureau of Census

PER CAPITA DEBT RATIOS

Net Direct Debt	$1,548.70
Total Net Overlapping Debt	902.54
Overall Net Debt	2,451.24

DEBT RATIOS

	Assessed Value [1]	Estimated Actual Value [1]
Property Values	$10,849,095,596	$41,121,957,472
Net Direct Debt to	4.84%	1.28%
Total Net Overlapping Debt to	2.82%	0.74%
Overall Net Debt to	7.67%	2.02%

[1] Includes estimated value of property subject to in lieu of tax payments.

DEBT TREND
For Fiscal Years Ending June 30

	2021	2020	2019	2018	2017
Bonded Debt	$496,400,000	$439,745,000	$461,250,000	$454,025,000	$402,480,000
Notes & Cap. Leases & Loans	1,872,868	2,493,728	2,552,273	2,798,706	2,679,524
Total Net Debt	$498,272,868	$442,238,728	$463,802,273	$456,823,706	$405,159,524

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2017-2020 and County Officials.

DEBT SERVICE REQUIREMENTS

(Debt Service as of June 30, 2021)(1)(2)

		Principal Requirements					Interest Requirements				
	Year Ended June 30	**Outstanding 6/30/2021**	**Plus: GO School Bonds, Series 2021A**	**Plus: GO Bonds, Series 2021B**	**Total Principal Requirements**	**Percent Principal Retired**	**Outstanding 6/30/2021**	**Plus: GO School Bonds, Series 2021A**	**Plus: GO Bonds, Series 2021B**	**Total Interest Requirements**	**Total Debt Service Requirements**
1	2022	$37,690,000	$700,000		$38,390,000		$17,316,219	$420,729	$46,856	$17,783,804	$56,173,804
2	2023	37,690,000	725,000	300,000	38,715,000		15,505,381	686,250	80,325	16,271,956	54,986,956
3	2024	34,425,000	740,000	420,000	35,585,000		13,767,216	671,750	79,425	14,518,391	50,103,391
4	2025	35,780,000	775,000	425,000	36,980,000		12,252,771	634,750	77,325	12,964,846	49,944,846
5	2026	36,925,000	815,000	425,000	38,165,000	35.88%	11,036,113	596,000	74,350	11,706,463	49,871,463
6	2027	33,285,000	855,000	430,000	34,570,000		9,546,430	555,250	70,738	10,172,417	44,742,417
7	2028	34,430,000	900,000	435,000	35,765,000		8,265,524	512,500	66,438	8,844,462	44,609,462
8	2029	32,790,000	945,000	440,000	34,175,000		7,203,240	467,500	61,435	7,732,175	41,907,175
9	2030	28,925,000	990,000	445,000	30,360,000		6,206,527	420,250	55,715	6,682,492	37,042,492
10	2031	26,265,000	1,040,000	450,000	27,755,000	66.94%	5,282,168	370,750	49,485	5,702,403	33,457,403
11	2032	27,165,000	1,090,000	460,000	28,715,000		4,397,927	318,750	42,735	4,759,412	33,474,412
12	2033	23,680,000	1,135,000	465,000	25,280,000		3,528,796	275,150	35,375	3,839,321	29,119,321
13	2034	24,360,000	1,180,000	475,000	26,015,000		2,864,090	229,750	27,470	3,121,310	29,136,310
14	2035	22,560,000	1,215,000	480,000	24,255,000		2,194,095	194,350	18,920	2,407,365	26,662,365
15	2036	20,655,000	1,250,000	490,000	22,395,000	91.13%	1,572,994	157,900	9,800	1,740,694	24,135,694
16	2037	13,780,000	1,275,000		15,055,000		995,994	132,900		1,128,894	16,183,894
17	2038	14,145,000	1,305,000		15,450,000		618,213	107,400		725,613	16,175,613
18	2039	5,870,000	1,330,000		7,200,000		229,663	81,300		310,963	7,510,963
19	2040	5,980,000	1,355,000		7,335,000		119,600	54,700		174,300	7,509,300
20	2041		1,380,000		1,380,000	100.00%		27,600		27,600	1,407,600
		$496,400,000	$21,000,000	$6,140,000	$523,540,000		$122,902,956	$6,915,529	$796,391	$130,614,876	$654,154,876

(1) - As of 6/30/2021, adjusted for Series 2021 Bonds.

(2) - Excludes $1,872,868 of Energy Efficiency Loans payable from the General Purpose School Fund.

Source: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal year ending June 30, 2020 and County Officials.

Real Property Assessment, Tax Levy and Collection Procedures

State Taxation of Property; Classifications of Taxable Property; Assessment Rates

Under the Constitution and laws of the State of Tennessee, all real and personal property is subject to taxation, except to the extent that the General Assembly of the State of Tennessee (the *"General Assembly"*) exempts certain constitutionally permitted categories of property from taxation. Property exempt from taxation includes federal, state and local government property, property of housing authorities, certain low cost housing for elderly persons, property owned and used exclusively for certain religious, charitable, scientific and educational purposes and certain other property as defined under the *Tennessee Code Annotated.*

Under the Constitution and laws of the State of Tennessee, property is classified into three separate classes for purposes of taxation: Real Property; Tangible Personal Property; and Intangible Personal Property. Real Property includes lands, structures, improvements, machinery and equipment affixed to realty and related rights and interests. Real Property is required constitutionally to be classified into four sub classifications and assessed at the rates as follows:

(a) Public Utility Property (which includes all property of every kind used or held for use in the operation of a public utility, such as railroad companies, certain telephone companies, freight and private car companies, street car companies, power companies, express companies and other public utility companies), to be assessed at 55% of its value;

(b) Industrial and Commercial Property (which includes all property of every kind used or held for use for any commercial, mining, industrial, manufacturing, business or similar purpose), to be assessed at 40% of its value;

(c) Residential Property (which includes all property which is used or held for use for dwelling purposes and contains no more than one rental unit), to be assessed at 25% of its value; and

(d) Farm Property (which includes all real property used or held for use in agriculture), to be assessed at 25% of its value.

Tangible Personal Property includes personal property such as goods, chattels and other articles of value, which are capable of manual or physical possession and certain machinery and equipment. Tangible Personal Property is required constitutionally to be classified into three sub classifications and assessed at the rates as follows:

(a) Public Utility Property, to be assessed at 55% of its value;

(b) Industrial and Commercial Property, to be assessed at 30% of its value; and

(c) All other Tangible Personal Property (including that used in agriculture), to be assessed at 5% of its value, subject to an exemption of $7,500 worth of Tangible Personal Property for personal household goods and furnishings, wearing apparel and other tangible personal property in the hands of a taxpayer.

Intangible Personal Property includes personal property, such as money, any evidence of debt owed to a taxpayer, any evidence of ownership in a corporation or other business organization having multiple owners and all other forms of property, the value of which is expressed in terms of what the property represents rather than its own intrinsic value. The Constitution of the State of Tennessee empowers the General Assembly to classify Intangible Personal Property into sub classifications and to establish a ratio of assessment to value in each class or subclass and to provide fair and equitable methods of apportionment of the value to the State of Tennessee for purposes of taxation.

The Constitution of the State of Tennessee requires that the ratio of assessment to value of property in each class or subclass be equal and uniform throughout the State of Tennessee and that the General Assembly direct the method to ascertain the value and definition of property in each class or subclass. Each respective taxing authority is constitutionally required to apply the same tax rate to all property within its jurisdiction.

County Taxation of Property

The Constitution of the State of Tennessee empowers the General Assembly to authorize the several counties and incorporated towns in the State of Tennessee to impose taxes for county and municipal purposes in the manner prescribed by law. Under the *Tennessee Code Annotated,* the General Assembly has authorized the counties in Tennessee to levy an *ad valorem* tax on all taxable property within their respective jurisdictions, the amount of which is required to be fixed by the county legislative body of each county.

All property is required to be taxed according to its values upon the principles established in regard to State taxation as described above, including equality and uniformity. All counties, which levy and collect taxes to pay off any bonded indebtedness are empowered, through the respective county legislative bodies, to place all funds levied and collected into a special fund of the respective counties and to appropriate and use the money for the purpose of discharging any bonded indebtedness of the respective counties.

Assessment of Property

The function of assessment is to assess all property (with certain exceptions) to the person or persons owning or claiming to own such property on January 1 for the year for which the assessment is made. All assessment of real and personal property are required to be made annually and as of January 1 for the year to which the assessment applies. Not later than May 20 of each year, the assessor of property in each county is required to (a) make an assessment of all property in the county and (b) note upon the assessor's records the current classification and assessed value of all taxable property within the assessor's jurisdiction.

The assessment records are open to public inspection at the assessor's office during normal business hours. The assessor is required to notify each taxpayer of any change in the classification or assessed value of the taxpayer's property and to cause a notice to be published in a newspaper of general circulation stating where and when such records may be inspected and describing certain information concerning the convening of the county board of equalization. The notice to taxpayers and such published notice are required to be provided and published at least 10 days before the local board of equalization begins its annual session.

Valuation for Property Tax Purposes

The value of all property is based upon its sound, intrinsic and immediate value for purposes of sale between a willing seller and a willing buyer without consideration of speculative values. In determining the value of all property of every kind, the assessor is to be guided by, and follow the instructions of, the appropriate assessment manuals issued by the division of property assessments and approved by the State board of equalization. Such assessment manuals are required to take into account various factors that are generally recognized by appraisers as bearing on the sound, intrinsic and immediate economic value of property at the time of assessment.

[The Remainder of this Page Intentionally Left Blank]

PROPERTY VALUATION AND PROPERTY TAX

Fiscal Year Tax Year	2020-2021 2020	2019-2020 2019	Reappraisal 2018-2019 2018	2017-2018 2017	2016-2017 2016
ESTIMATED ACTUAL VALUES					
Residential & Farm	$26,662,018,623	$22,709,083,068	$21,873,616,788	$17,663,579,804	$17,019,574,720
Commercial & Industrial	9,563,203,130	8,283,813,750	7,882,469,428	6,785,038,274	6,446,182,070
Personal Property	2,235,978,061	2,091,229,863	1,988,454,170	1,826,626,737	1,628,303,046
Public Utilities	537,173,837	560,217,666	527,227,031	452,694,692	458,944,060
In Lieu of Property Tax Payments (1)(2)	2,123,583,821	2,086,766,418	2,159,563,288	2,005,770,586	2,027,809,763
Total Estimated Actual Values	$41,121,957,472	$35,731,110,765	$34,431,330,705	$28,733,710,093	$27,580,813,659
Annual Percentage Change	15.09%	3.77%	19.83%	4.18%	12.86%
Estimated Per Capita Amount	$121,210	$107,583	$106,005	$90,706	$89,628
ASSESSED VALUES					
Residential & Farm (at 25%)	$5,904,304,024	$5,677,270,767	$5,468,404,197	$4,016,256,458	$3,869,825,802
Commercial & Industrial (at 40%)	3,388,434,133	3,313,525,500	3,152,987,771	2,468,396,924	2,345,121,037
Personal Property (at 30% - 40%)	594,758,913	627,954,052	597,068,154	498,910,870	444,282,486
Public Utilities (at 30%-55%)	234,476,380	244,535,011	230,134,599	197,601,233	200,329,082
In Lieu of Property Tax Payments (1)(2)	727,122,146	727,470,608	746,458,126	683,852,116	684,509,281
Total Assessed Values	$10,849,095,596	$10,590,755,938	$10,195,052,847	$7,865,017,601	$7,544,067,688
Annual Percentage Change	2.44%	3.88%	29.63%	4.25%	3.36%
Estimated Per Capita Amount	$31,979	$31,888	$31,388	$24,828	$24,516
Appraisal Ratio	88.58%	100.00%	100.00%	90.95%	90.95%
Assessed Values to Actual Values	26.38%	29.64%	29.61%	27.37%	27.35%
Property Tax Rate					
General/Operating	$0.6170	$0.6170	$0.5470	$0.6982	$0.6982
General Purpose School	1.1224	1.1224	1.0524	1.3435	1.3535
General Debt Service	0.4800	0.4800	0.5000	0.6383	0.6283
Total Property Tax Rate	$2.2194	$2.2194	$2.0994	$2.6800	$2.6800
Taxes Levied					
Property Taxes	$224,488,310	$218,454,575	$198,493,051	$192,523,018	$183,684,656
In-lieu of Property Taxes (3)	7,673,179	5,754,214	6,221,044	6,190,973	6,144,872
Total Taxes	$232,161,489	$224,208,789	$204,714,095	$198,713,991	$189,829,528
Current Collections	**(Estimated)**				
Current Fiscal Year(4)	$221,580,861	$214,957,808	$194,745,564	$189,157,285	$180,789,656
Percent Collected Current FY	98.70%	98.40%	98.11%	98.25%	98.42%

(1) The value estimates for producing In-Lieu of Tax Payments were provided by the Rutherford County Trustee and Director of Finance. These values include Nissan which is the largest component.

(2) Tax revenues from this line item are limited by the terms of the in lieu of tax payment agreements. Tax revenues from the other categories of assessed values are not limited as to rate or amount.

(3) These values are net of the amount paid to the Town of Smyrna.

(4) Does not include In-Lieu of Property Taxes levied and collected.

Source: State Board of Equalization, 2016 - 2020 Tax Aggregate Reports of Tennessee, the Rutherford County Director of Finance, Clerk and Master, and Property Assessor.

TOP TAXPAYERS

Business	Type of Business	Tax Year 2020 Assessed Value		Assessed Value as a % of Total Assessment	Tax Year 2020 Tax Levy		Tax Levy as a % of Total Levy
Nissan North America	Automobile Manufacturing	$622,770,006	(1)	5.74%	$5,053,100	(2) (3)	2.18%
Prologis	Real Estate Development	96,546,499		0.89%	2,142,753		0.92%
Middle Tennessee Electric	Public Utility	83,631,969		0.77%	1,856,128		0.80%
General Mills / Pillsbury	Food Products	81,794,018	(1)	0.75%	1,594,786	(3) (4)	0.69%
BVA Avenue	The Avenues (Retail Mall)	65,986,113		0.61%	1,464,496		0.63%
Bridgestone/Firestone USA	Tire Manufacturing	44,688,478		0.41%	991,816		0.43%
Swanson Developments	Real Estate Development	40,549,202		0.37%	899,949		0.39%
Wal-mart	Retail	36,664,098		0.34%	813,723		0.35%
LC Henley Station LLC	Real Estate Development	35,040,000		0.32%	777,678		0.33%
Atmos	Public Utility	24,809,322		0.23%	550,618		0.24%
		$1,132,479,705		10.44%	$16,145,047		6.95%

(1) The Assessed value figures shown are disproportionate to the taxes levied based on an in lieu of tax payment agreement.

(2) Nissan North America's Tax Year 2020 Tax Levy represents $670,763 tax on real and personal property not covered by the PILOT agreement and $4,396,468 net in lieu of tax payments.

(3) Tax revenues are limited by the terms of the in lieu of tax payment agreements.

(4) General Mills' Tax Year 2020 Tax Levy represents $1,000,713 tax on real and personal property not covered by the PILOT agreement and $594,073 net in lieu of tax payments.

Source: County Officials.

FUND BALANCES

The General Fund is the chief operating fund of Rutherford County Government. At the end of the 2020-2021 fiscal year, the total fund balance and unassigned fund balance of the General Fund are estimated at $69.06 million and $37.04 million, respectively. Approximately $13.35 million of the total General Fund balance has been assigned for use in operations in the 2021-2022 fiscal year. In the event that revenues are higher or expenses are lower than budget estimates, the draw on fund balance may be reduced. Approximately $10.8 million is restricted for COVID-19 programs, $4.15 million is restricted for capital projects and approximately $1.36 million is restricted for other purposes. Additionally, approximately $2.36 million is committed for prior year encumbrances and commitments.

Per a settlement agreement filed in federal court on June 16, 2021 (see “Litigation”), the County has agreed to pay up to $11 million to settle a class action lawsuit against the County alleging the illegal arrest and detention of juveniles. While the maximum amount of the County’s liability pursuant to the class action is $11 million, under the terms of the settlement agreement it could be as low as $5.2 million. The County has transferred approximately $5 million from the General Fund to the County’s Self-Insurance Fund for this liability. To the extent the final settlement exceeds this amount, additional funds from the General Fund will be utilized for this purpose. Depending on the final amount paid by the County as a result of the above-described settlement, the County may consider raising property taxes to ensure that the unassigned fund balance continues to comply with the County’s policy of maintaining an unassigned General Fund balance of at least 15% of appropriations.

The County also maintains a strong Debt Service Fund balance. The preliminary estimate for the Debt Service Fund, as of June 30, 2021, is over $52.22 million.

FUND BALANCES

GOVERNMENTAL FUNDS	(Estimate) 06/30/21	06/30/20	06/30/19	06/30/18	06/30/17
General Government Fund	$69,064,103 [1]	$54,631,928	$50,312,935	$45,025,907	$38,718,207
Ambulance Service	9,193,850	6,216,710	3,569,576	3,856,696	3,912,619
Special Revenue Funds	35,978,833	33,188,887	30,672,130	29,465,109	26,562,761
Education Funds	95,934,405	70,682,446	68,026,550	56,227,818	48,456,933
Debt Service Funds	52,222,606	52,829,597	52,692,185	49,358,710	42,829,329
Capital Project - Gen. Government	9,826,117	6,724,116	1,455,488	2,014,622	24,321,067
Capital Project - Education	42,367,980	7,215,699	22,821,863	67,425,780	29,878,084
TOTAL ALL FUNDS	$314,587,894	$231,489,383	$229,550,727	$253,374,642	$214,679,000

[1] Includes $10.8 million in funds restricted for Covid-19 programs. These funds are from one-time revenue sources and must be spent in accordance with U.S. Treasury guidelines and timeframes.

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2017 - 2020 and County Officials.

Note: Balances excludes approximately $32.2 million from the American Rescue Plan Act that is currently reserved for eligible projects.

LOCAL SALES TAX

Tennessee counties may, by a resolution approved by the governing body, levy a sales tax on the same privileges subject to the State sales tax. The local option sales tax rate cannot exceed 2.75%. Additionally, the local option sales tax is only applicable to the first $1,600 of any single article of personal property. The County's local sales tax collections for FY 2019-20 were almost $160 million. The sales tax collections are distributed in accordance with Tennessee law. One half of the tax is distributed to the municipal government in which the tax originated and one half is distributed to either Rutherford County Schools or the Murfreesboro City Schools. The County receives the portion of sales taxes originated in unincorporated areas. Sales tax revenues are an important part of the Rutherford County School budget but not a large part of the Rutherford County budget.

The County's 2020-21 fiscal year ended on June 30, 2021. The County preliminarily estimates that the total sales tax collections for FY 2020-21 were over $190 million which represents an increase of approximately 19% over FY 2019-20. Sales taxes can be impacted by changes in economic conditions. Given the uncertainties surrounding the future of Covid-19, the County cannot predict how much sales tax collections may be negatively impacted by the outbreak in FY 2022. The recently approved budget for FY 2021-2022 assumes a slight decrease in sales tax revenues for the coming year compared to FY2020-2021 actual collections.

LOCAL SALES TAX

	(Estimate) FY2020-21	FY2019-20	FY2018-19	FY2017-18	FY2016-17
Rate (Percent of retail sales)	2.75%	2.75%	2.75%	2.75%	2.75%
Distribution					
General Fund	$1,581,277	$1,076,066	$957,625	$852,516	$870,919
Solid Waste/Sanitation	4,743,831	3,228,198	2,872,875	2,557,548	2,612,758
Highway/Public Works	1,581,277	1,076,066	957,625	852,516	870,919
General Purpose School	81,323,387	68,090,105	65,354,328	61,848,919	59,026,606
Cities Portion	87,320,062	74,461,622	71,896,570	68,109,636	64,503,971
City School System	13,903,061	12,033,119	11,455,012	10,861,900	10,277,623
Total Amount Collected	$190,452,895	$159,965,176	$153,494,035	$145,083,035	$138,162,796
% of Increase	19.06%	4.22%	5.80%	5.01%	7.76%

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2017-2020 and County Officials.

WHEEL TAX

	(Estimate) FY2020-21	FY2019-20	FY2018-19	FY2017-18	FY2016-17
Rate	$50.00	$50.00	$50.00	$50.00	$50.00
General Fund	$3,945,563	$3,818,732	$3,695,134	$3,615,844	$3,494,141
Highways	3,945,563	3,818,732	3,695,134	3,615,844	3,494,141
General Purpose School	4,495,203	4,323,155	4,190,765	4,095,813	3,964,981
City School System	765,547	751,581	740,047	723,351	689,805
Total Amount Collected	$13,151,876	$12,712,200	$12,321,080	$12,050,852	$11,643,068
% of Increase	3.46%	3.17%	2.24%	3.50%	4.53%

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2017-2020 and County Officials.

Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
Fiscal Year ended June 30

	2020	2019	2018	2017	2016
REVENUES					
Local Taxes	$77,328,699	$70,732,329	$68,953,073	$66,430,755	$62,840,113
Licenses & Permits	2,545,137	2,583,798	2,590,311	2,513,145	2,223,938
Fines, Forfeitures, and Penalties	1,719,437	1,898,730	1,968,514	1,755,075	2,215,829
Charges for Current Services	2,314,776	2,567,675	2,983,002	2,604,852	1,880,490
Other Local Revenues	5,194,135	3,046,462	2,938,660	1,854,259	1,491,447
Fees Received form County Officials	12,250,722	11,773,667	11,040,150	10,740,265	9,938,183
State of Tennessee	9,985,651	9,058,873	9,465,752	6,576,880	7,943,370
Federal Government	1,890,308	1,250,064	1,005,105	972,400	1,392,188
Other Governments	369,466	1,771,250	708,739	933,863	574,143
Total Taxes and Revenues	**113,598,331**	**104,682,848**	**101,653,306**	**94,381,494**	**90,499,701**
Other Sources:					
Debt Proceeds					
Insurance Recovery	5,900	152,447	84,565	41,140	38,843
Operating Transfers In	660,394	677,944	1,143,970	717,109	782,302
Total Other Souces	666,294	830,391	1,228,535	758,249	821,145
Total Revenues & Other Sources	114,264,625	105,513,239	102,881,841	95,139,743	91,320,846
EXPENDITURES					
General Government	9,558,020	10,379,692	11,427,766	8,813,957	8,268,788
Finance	8,566,161	8,234,262	7,871,278	7,781,963	7,600,337
Administration of Justice	9,984,762	9,358,838	8,512,053	8,278,873	5,789,985
Public Safety	60,094,386	55,199,828	52,907,433	50,842,068	49,505,715
Public Health and Welfare	5,669,717	5,076,929	5,193,203	4,696,647	4,587,585
Social, Cultural, and Recreational Services	3,034,617	2,974,130	2,919,739	2,802,017	2,687,478
Agriculture and Natural Resources	1,121,303	1,214,268	1,087,536	1,092,194	999,288
Other Operations	7,744,712	6,958,264	5,973,433	7,123,257	6,008,767
Debt Service					113,658
Total Expenditures	**105,773,678**	**99,396,211**	**95,892,441**	**91,430,976**	**85,561,601**
Payments to Refunded Bond Escrow Agent	-	-	-	-	-
Operating Transfers Out	4,171,954	830,000	681,700	1,640,500	200,000
Total Other Souces	4,171,954	830,000	681,700	1,640,500	200,000
Total Expenditures & Other Uses	109,945,632	100,226,211	96,574,141	93,071,476	85,761,601
Excess of Revenues & Other Sources Sources Over (Under) Expenditures	4,318,993	5,287,028	6,307,700	2,068,267	5,559,245
Fund Balance July 1	50,312,935	45,025,907	38,718,207	36,649,940	31,090,695
Prior Period Adjustment	-	-	-	-	-
Fund Balance, June 30	54,631,928	50,312,935	45,025,907	38,718,207	36,649,940

Sources: Annual Financial Reports and Auditor's Report Prepared by State Comptroller of the Treasury for the fiscal years ending June 30, 2016-2020.

SELECTED FINANCIAL INFORMATION REGARDING THE COUNTY

General

The County accounts for its financial resources on the basis of funds and account groups, each of which is considered a separate accounting entity. The General Fund is the general operating fund of the County. Other funds include Special Revenue Funds, the General Debt Service Fund, Capital Projects Funds, Internal Service Funds and Trust and Agency Funds. For additional information regarding the component units, see Notes to the General Purpose Financial Statements contained in APPENDIX C hereto.

Revenues received from ad valorem taxes levied on all taxable property within the boundaries of the County securing the payment of principal of and interest on the Obligations are deposited in the Debt Service Funds of the County. Such tax collections for the Obligations will be used exclusively to pay the principal of and interest on the Obligations. Included as APPENDIX C to this Official Statement are the General Purpose Financial Statements and notes thereto for the fiscal year ended June 30, 2020. Potential purchasers should read APPENDIX C in its entirety for more complete information concerning the County's financial position.

The County uses the modified accrual basis of accounting for all Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred. Funds where expenditures determine the eligibility for grants recognize revenue at the time of the expenditures. Grant proceeds received prior to meeting the aforementioned revenue recognition policy are recorded as deferred revenues. Principal and interest on general long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

The primary revenues susceptible to accrual are revenues received from the State of Tennessee. Sales tax collected and held by the State at year-end on behalf of the County and its component units are also recognized as revenue.

All Proprietary Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when incurred.

For additional information regarding these funds, see Notes to the Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2020, in APPENDIX C hereto.

APPENDIX C

Comprehensive Annual Financial Report of the County for the Fiscal Year Ended June 30, 2020