



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

Agenda
Water and Wastewater Financing Board
March 14, 2019
10:00 AM

- I. Call to Order
- II. Staff Update
- III. Approval of Minutes- page 4
- IV. Financial
 - a. Staff Recommended Action
 - i. City of Bethel Springs- page 18
 - ii. City of Chapel Hill- page 25
 - iii. City of Dunlap- page 29
 - iv. City of Friendship- page 34
 - v. Town of Greenfield- page 40
 - vi. Grundy County Wastewater- page 53
 - vii. City of Harrogate- page 65
 - viii. Town of Jasper- page 77
 - ix. Town of Kenton- page 88
 - x. City of Luttrell- page 96
 - xi. City of Mountain City- page 99
 - xii. Town of Oneida- page 114
 - xiii. City of South Fulton- page 136
 - xiv. City of Spencer- page 145
 - xv. Town of Spring City- page 157
 - xvi. City of Watertown- page 172
 - xvii. City of Woodland Mills- page 176
 - V. Recommended for Release
 - a. Financial
 - i. Town of Bluff City- page 184
 - ii. Town of Cumberland Gap- page 188
 - iii. Town of Englewood- page 191
 - iv. Town of Gainesboro- page 194
 - v. Town of Mitchellville- page 197
 - vi. Town of Monterey- page 200
 - vii. City of Munford- page 203
 - viii. City of Westmoreland- page 206
 - b. Water Loss

Ann Butterworth
John Greer

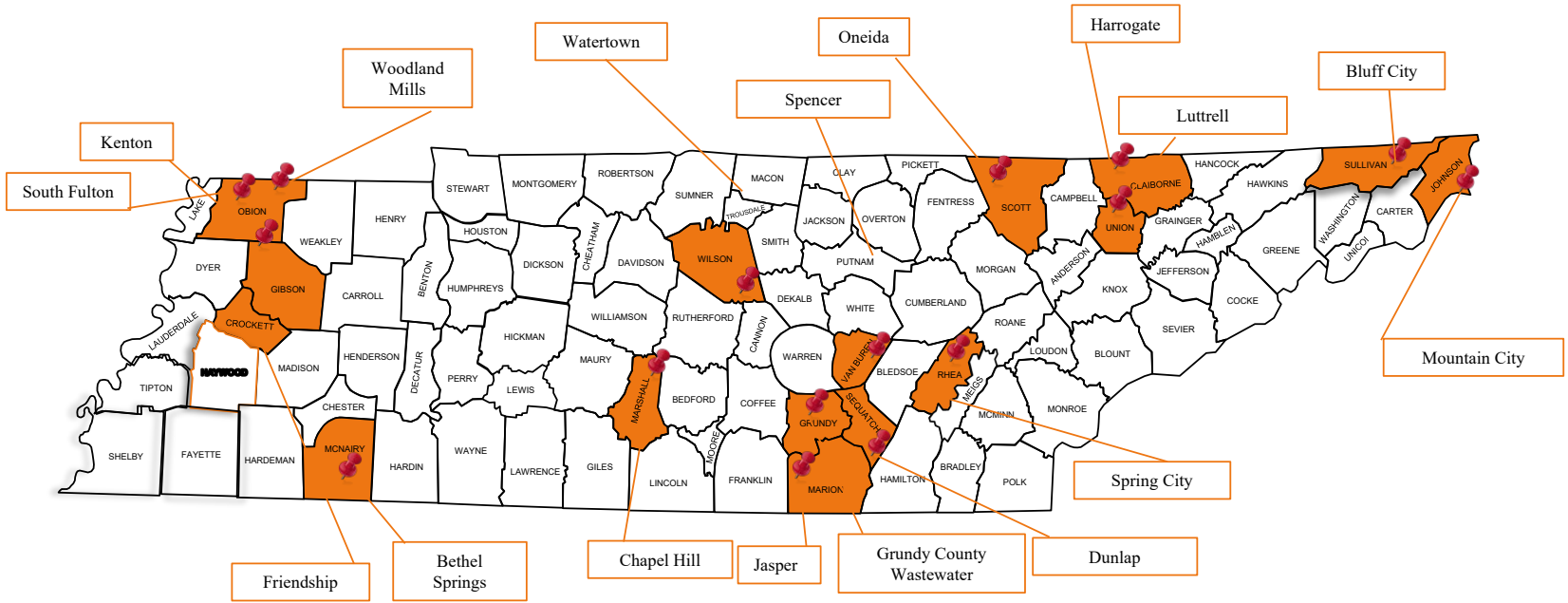
- i. Non-Revenue Water
 - 1. City of Bluff City- page 209
 - 2. City of Brentwood- page 213
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 - 5. Dowelltown-Liberty Waterworks- page 225
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 - 9. Town of Maury City- page 241
 - 10. City of Red Boiling Springs- page 246
 - 11. Town of Signal Mountain- page 250
 - 12. Town of Smyrna- page 254
- ii. Validity Score
 - 1. City of Bluff City- page 259
 - 2. Town of Estill Springs- page 263
 - 3. Lauderdale County Water System- page 267
 - 4. City of Loudon- page 271
 - 5. Town of Maynardville- page 275
 - 6. Town of McLemoresville- page 279
 - 7. City of Millington- page 283
 - 8. City of Smithville- page 287
 - 9. Town of Tiptonville- page 291

VI. Miscellaneous

- a. Referred for Missing Training- No Recommended Action- page 297
- b. Water Loss Update
- c. Kenneth Wiggins Resolution- page 301
- d. 2019 WWFB Meeting Schedule- page 303
- e. Member Discussion

WWFB

March 14, 2019



Approval of Minutes

MINUTES
of the
WATER and WASTEWATER FINANCING BOARD MEETING
November 15, 2018
10:00 am

Chair Ann Butterworth detected a quorum and called to order the meeting of the Water and Wastewater Financing Board (Board) in the Volunteer Conference Center in the Cordell Hull Building in Nashville, TN.

Board members present and constituting a quorum:

Ann Butterworth, Chair, Comptroller Designee
Tom Moss, Department of Environment and Conservation (TDEC), Commissioner Designee
Randy Wilkins, Representing Utility Districts
Drexel Heidel, Active Employee of a Water Utility District
Eugene Hampton, Representing Government Finance
Jim Redwine, Environmental Interests
Nick Newman, Active Employee of Municipal Water System

Members Absent:

Rick Graham, Representing Municipalities
VACANT, Representing Manufacturing Interests

Staff Present:

John Greer, Comptroller's Office
Lauren Cecil, Comptroller's Office

Counsel Present:

Rachel Buckley, Comptroller's Office

Approval of Minutes:

Ms. Butterworth presented the March 29, 2018 minutes for approval. Mr. Moss moved to approve, and Mr. Heidel seconded, that motion was approved unanimously.

Updates:

John Greer introduced the two new board members.

FINANCIAL DISTRESS

Town of Alamo

John Greer gave an update, but no action was taken.

City of Alexandria

The Board heard updates from Mr. Greer and Mayor Bennett Armstrong. Staff recommended the Board order the following:

1. The Town shall have the Municipal Technical Advisory Service (“MTAS”), the Tennessee Association of Utility Districts (“TAUD”), or another qualified expert perform an updated rate analysis to include the following:
 - a. a review of the \$6.00 depreciation charge and the 11% overage increase that the Town recently implemented;
 - b. a review of the cost of capital improvement projects and a rate structure to fund such projects;
 - c. creation of a capitalization policy;
 - d. creation of a five-year capital asset budget to be taken from the current capital asset list and to include future anticipated needs and a plan for implementing said budget; and
 - e. a review of the current leak adjustment policy.
2. The Town shall provide an update to Board staff with the updated rate analysis and an implemented or proposed plan of action by April 19, 2019.

Mr. Heidel moved to approve staff recommendation, and Mr. Hampton seconded it. The motion passed unanimously.

Town of Allardt

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. The City shall have MTAS, the TAUD, or another qualified expert assist with the following:
 - a. creating and implementing a five-year capital asset budget to be taken from the current capital asset list and to include future anticipated needs; and
 - b. reviewing the leak adjustment policy.
2. The City shall provide an update to Board staff with the information required in paragraph 1 of this order by March 1, 2019.
3. The City shall provide a financial update to Board staff on or before March 1 and September 1 of each year beginning March 1, 2019, until the Board releases the City from its oversight.

Mr. Moss moved to approve staff recommendation, and Chair Butterworth seconded it. The motion passed unanimously.

Town of Atwood

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. By February 15, 2019, the Town shall send Board staff a comprehensive update to include the following:
 - a. the Town’s progress on implementing the TAUD’s recommendations;
 - b. the Town’s progress on drilling an additional well, including an analysis of the feasibility of purchasing water from a neighboring utility;
 - c. a copy of the Town’s five-year capital asset budget; and
 - d. a copy of meeting minutes at which the Town voted to adopt a leak adjustment policy.

Mr. Moss moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Bethel Springs

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The Town shall have MTAS, TAUD, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.**
2. **The Town shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.**

Mr. Redwine moved to approve staff recommendations, and Mr. Newman seconded it. The motion passed unanimously.

City of Blaine

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The Town shall have MTAS, TAUD, or another qualified expert:**
 - a. **perform an updated rate study with audited or unaudited fiscal year 2018 numbers;**
 - b. **review well-user flat fees and determine whether increases in said fees are necessary;**
 - c. **create a five-year capital asset budget to be taken from the current capital asset list and to include future anticipated needs;**
 - d. **develop a plan of implementation of the foregoing capital asset budget; and**
 - e. **review the capitalization policy and notify the City of necessary changes.**
2. **The City shall adopt all recommendations of the updated rate study by February 28, 2019.**
3. **The City shall provide an update to Board staff to include the updated rate study and an implemented plan of action by April 19, 2019.**

Mr. Moss moved to approve staff recommendations, and Mr. Redwine seconded it. The motion was passed unanimously.

City of Celina

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **By December 31, 2018, Town shall have MTAS, TAUD, or another qualified expert:**
 - a. **complete a rate analysis of the sewer system;**
 - b. **update the completed water rate analysis to include the four-tiered water rate structure that is currently in place;**
 - c. **create a capitalization policy and develop a plan of implementation of said policy;**
 - d. **create a capital asset list;**
 - e. **create a five-year capital asset budget and develop a plan of implementation of said budget; and**
 - f. **review the leak adjustment policy.**
2. **The City shall justify the higher rates for outside customers. If the higher rates cannot be justified, the City shall have one flat rate for all residential customers and one flat rate for all commercial customers.**
3. **The City shall implement the recommendations of both the updated water rate analysis and of the sewer rate analysis by February 28, 2019.**

- 4. The City shall send financial updated to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the City from its oversight.**

Mr. Heidel moved to approve staff recommendations, and Mr. Moss seconded it. The motion passed unanimously.

Cheatham County Water and Wastewater

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The Authority shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the Authority from its oversight.**

Mr. Newman moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

Coffee County Water and Wastewater Treatment Authority

The Board heard updates from Mr. Greer. No action was needed to be taken.

City of Copperhill

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The City shall provide a financial update to Board staff by March 1, 2019.**

Mr. Hampton moved to approve staff recommendation, and Chair Butterworth seconded it. The motion passed unanimously.

City of Dyer

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The City shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the City from its oversight.**

Mr. Moss moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

City of Elkton

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The City shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the City from its oversight.**

Mr. Newman moved to approve revised staff recommendations, and Mr. Butterworth seconded it. The motion was approved unanimously.

Gainesboro

The Board heard updates from Mr. Greer but took no action.

Graysville

The Board heard updates from Mr. Greer but took no action.

Town of Greenfield

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The Town shall have MTAS, TAUD, or another qualified expert to assist in completing the financial questionnaire previously sent by Board staff.**
- 2. The Town shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.**

Mr. Moss moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Grundy County

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The County shall have the County Technical Assistance Service ("CTAS"), TAUD, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.**
- 2. The County shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.**

Chair Butterworth moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

Town of Huntingdon

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The Town shall send financial updates to staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the Town from its oversight.**

Mr. Heidel moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Town of Kenton

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. By December 31, 2018, Town shall have MTAS, TAUD, or another qualified expert perform a rate study to include:**
 - a. a review of all water rates, including a justification for the differing rate classes;**
 - b. a review of all sewer rates, including a justification for the differing rate classes; and**
 - c. a proposed plan of action to remedy the Town's financially distressed condition.**
- 2. The Town shall send the completed rate study, the proposed or implemented plan of action, and all supporting documentation to Board staff by February 15, 2019.**

Mr. Moss moved to approve staff recommendations, and Chair Butterworth seconded it. The motion passed unanimously.

Town of La Grange

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

- 1. The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the Town from its oversight.**

Mr. Newman moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

City of Luttrell

The Board heard updates from Mr. Greer and Mr. Al Majors of MTAS, who indicated that MTAS could not complete the previously contemplated cost of service study. Upon hearing MTAS's update, staff retracted its recommendation listed in the Board's meeting packet. Mr. Heidel then moved to order the following:

- 1. The City shall require that all vendors contracted with the City's water and sewer system shall provide true documentation of their costs of services and transactions, including invoices and other proofs of payment.**
- 2. The City shall hire a qualified expert to complete a comprehensive cost of service study of the City's water and sewer system. The qualified expert shall be pre-approved by Board staff. The City shall be under contract for said cost of service study by December 31, 2018.**
- 3. The City shall provide an update to Board staff on the City's compliance with this order, including providing all supporting documentation provided in the cost of service study, by March 1, 2019.**

Mr. Moss seconded the motion. The motion passed unanimously.

Metro Nashville

Board approved to go out of order to hear from Metro Nashville because it had representatives in attendance at the meeting. The Board heard updates from Mr. Greer, but took no action.

Maury City

The Board heard updates from Mr. Greer, but took no action.

McLemoresville

The Board heard updates from Mr. Greer. Staff recommended the Board direct staff to send a letter thanking the City for its proactive approach and to notify it that because it is not financially distressed, it is no longer under the Board's oversight.

Mr. Moss moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

Metro Moore County

The Board heard an update from Mr. Greer and Mark Butler from TAUD. Mr. Butler indicated that because the municipality had previously struggled with long-term plans, the Board should include in its order an updated capital asset list and to create a capital asset plan with a ten-year projection. Mr. Heidel then moved to order the following:

1. **Metro Moore shall have MTAS, TAUD, CTAS, or another qualified expert aid with the following:**
 - a. **creating a water and sewer rate structure to include:**
 - i. **commercial, industrial, and residential classes;**
 - ii. **minimum monthly charges to recover fixed costs that vary with each class of user; and**
 - iii. **variable rates based on the costs of treating and distributing water and treating wastewater, including separate accounting for water and sewer and distinctions for customers having the largest impact on the water and wastewater treatment process;**
 - b. **creating a meter policy;**
 - c. **taking a meter inventory of the largest users, including type, size, and brand;**
 - d. **creating a meter replacement program based on the completed meter inventory; and**
 - e. **updating Metro Moore's capital asset list and creating a five-year capital asset plan with a 10-year projection.**
2. **By March 31, 2019, Metro Moore shall implement all recommendations of the rate study required by paragraph 1 of this order.**
3. **Metro Moore shall provide an update on all paragraphs of this order to Board staff by April 19, 2019.**

Mr. Hampton seconded the motion, which passed unanimously.

Town of Michie

The Board heard updates from Mr. Greer and Mr. Butler of TAUD, who indicated that the Town should increase its rates by another 7% to become more financially sound. Given the updates from Mr. Butler, staff retracted its original recommendation that was contained in the Board's meeting packet. Mr. Moss moved that the Board order the following:

1. **The Town shall hire an independent outside expert to perform a capital asset evaluation and create a 5-year plan based on the evaluation, to be completed by April 30, 2019. The Town shall be under contract with such expert by December 31, 2018.**
2. **The Town shall provide Board staff with an update on the capital asset evaluation and resulting 5-year plan by May 31, 2019.**
3. **The Town shall implement a 7% rate increase across all customer classes, by January 1, 2019.**
4. **By February 15, 2019, the Town shall provide Board staff with an update on the 7% rate increase, including the meeting minutes in which the Town voted to implement the increase and the notice of the increase.**

Mr. Newman seconded the motion, which then passed unanimously.

Town of Mitchellville

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the Town from its oversight.**

Mr. Newman moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

Town of Mountain City

The Board heard updates from Mr. Greer, who indicated that he received a letter from the Town that morning with updates. Given the last-minute update from the Town, Staff retracted its original recommendation contained in the Board's meeting packet. Mr. Heidel then made a motion that the Board order the following:

1. **The Town shall hire a qualified expert to complete a comprehensive cost of service study of the Town's water and sewer system. The qualified expert shall be pre-approved by Board staff. The Town shall be under contract for said cost of service study by December 31, 2018, and shall notify Board staff of the contract by January 15, 2019.**
2. **If the Town does not provide Board staff with the information required in paragraph 1 by January 15, 2019, Counsel shall issue a subpoena for the attendance of the Town's Board of Mayor and Aldermen at the Board's March 14, 2019, meeting.**
3. **The Town shall submit the completed cost of service study and supporting documentation to Board staff by May 31, 2019.**

Mr. Moss seconded the motion, which passed unanimously.

City of Munford

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The City shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the City from its oversight.**

Mr. Newman moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Niota

The Board heard updates but took no official action. Chairman Butterworth suggested that staff send a letter thanking the City for its hard work.

Oakdale

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The Town shall increase rates by 30%, effective January 1, 2019.**
2. **The Town shall increase rates by an additional 25%, effective January 1, 2020.**
3. **Beginning January 1, 2021, the Town shall increase rates annually by no less than 1%, effective January 1 of each year.**
4. **The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the Town from its oversight.**

Chair Butterworth moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

Obion

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The Town shall send a financial update to Board staff by December 31, 2018, which shall include the Town's actions taken in accordance with Ordinance 2017-02.**
2. **The Town shall provide a financial update to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the Town from its oversight.**

Mr. Newman moved to approve staff recommendations, and Mr. Redwine seconded it. The motion passed unanimously.

Oneida

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The Town shall comply with all the directives of the Board's April 17, 2018 order by January 31, 2019.**
2. **If the Town fails to comply with this order, Board staff shall refer the Town to the Attorney General's Office to pursue enforcement proceedings.**

Mr. Moss moved to approve staff recommendations, and Mr. Newman seconded it. The motion passed unanimously.

Pikeville

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The City shall comply with all the directives of the Board's April 17, 2018 order by January 31, 2019.**
2. **If the City fails to comply with this order, Board staff shall refer the City to the Attorney General's Office to pursue enforcement proceedings.**

Mr. Moss moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Roane County

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The County shall bring in assistance from TAUD, CTAS, or another qualified expert to complete a rate study to include a detailed plan to cure the County of financially distressed status.**
2. **The County shall provide an update to Board staff with the completed rate study and implemented or proposed plan of action by April 19, 2019.**

Mr. Newman moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Rocky Top

The Board heard updates from Mr. Greer, but took no action..

Town of Sneedville

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The Town shall have MTAS, TAUD, or another qualified expert to complete a rate study and assist with the following:**
 - a. **creating a new customer contract;**
 - b. **creating a 5-year capital asset budget to be taken from the current capital asset list and to include future anticipated needs and a plan for implementation of said budget;**
 - c. **creating a utility rate and fee policy to include procedures for notifying customers of rate or fee changes; and**
 - d. **creating a leak adjustment policy applying to sewer only.**
2. **The Town shall provide an update to Board staff with the completed rate study and an implemented or proposed plan of action by April 19, 2019.**

Chair Butterworth moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Spencer

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The City shall have MTAS, TAUD, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.**
2. **The City shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.**

Mr. Newman moved to approve staff recommendations, and Mr. Heidel seconded it. The motion passed unanimously.

Stanton

The Board heard updates from Mr. Greer, but took no action.

Tracey City

The Board heard updates from Mr. Greer, but took no action.

Tusculum

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. **The City shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2019, until the Board releases the City from its oversight.**

Chair Butterworth moved to approve staff recommendations, and Mr. Hampton seconded it. The motion passed unanimously.

Woodland Mills

The Board heard updates from Mr. Greer. Staff recommended the Board order the following:

1. The City shall have MTAS, TAUD, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

Mr. Moss moved to approve staff recommendations, and Mr. Newman seconded it. The motion passed unanimously.

WATER LOSS

Benton

The Board heard updates from Mr. Greer. No action was needed to be taken

Bluff City

The Board heard updates from Mr. Greer. No action was needed to be taken

Byrdstown

The Board heard updates from Mr. Greer. No action was needed to be taken

Cowan

The Board heard updates from Mr. Greer. No action was needed to be taken

Dowell Town Liberty

The Board heard updates from Mr. Greer. No action was needed to be taken

Englewood

The Board heard updates from Mr. Greer. No action was needed to be taken

Henning

The Board heard updates from Mr. Greer. No action was needed to be taken

Parsons

The Board heard updates from Mr. Greer. No action was needed to be taken

Selmer

The Board heard updates from Mr. Greer. No action was needed to be taken

MISCELLANEOUS

2018 Meeting Resolution:

Mr. Greer presented the Board with the proposed 2019 meeting dates. Chair Butterworth moved to approve by resolution the recommended dates (March 14, September 19, November 21, 2019), and Mr. Heidel seconded it, which passed unanimously. The next meeting is set for March 14, 2019 at 10 a.m. (CST).

The Board discussed and approved a resolution to be created in honor of Mr. Kenny Wiggins's service while on the Board. Ms. Butterworth moved and Mr. Heidel seconded. It was passed unanimously.

Chair Butterworth adjourned the meeting at 1:13 pm.

Respectfully submitted,

**Ann Butterworth
Chair**

DRAFT

Financial

City of Bethel Springs

Bethel Springs

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$354,045.00	\$402,597.00	\$0.00
Other Revenue	\$0.00	\$0.00	\$0.00
Operating Revenue	\$354,045.00	\$402,597.00	\$0.00
Operating Expenses	\$351,456.00	\$348,053.00	\$0.00
Operating Income	\$2,589.00	\$54,544.00	\$0.00
Non-Operating Revenue(Expenses)	(\$81,572.00)	(\$91,400.00)	\$0.00
Net Change In Position	(\$78,983.00)	(\$36,856.00)	\$0.00
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Bethel Springs Water Department

Staff Summary:

On November 15, 2018 the Board ordered the following:

1. The Town shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The Town shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

No information has been received.

Staff Recommendation:

Order the following:

1. The Town shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert, as approved by Board staff, assist in completing the financial questionnaire previously sent by Board staff.
2. The Town shall send the completed financial questionnaire and all supporting documentation to Board staff by May 31, 2019.



STATE OF TENNESSEE
Water & Wastewater Financing Board
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243
Phone (615) 747-5260 Fax (615) 741-1551

January 18, 2018

Bennie Moore
Bethel Springs Water Department
P.O. Box 214
Bethel Springs, TN 38315

Dear Mr. **Moore**,

The Tennessee Comptroller of the Treasury has referred Bethel Springs Water Department to the Water & Wastewater Financing Board (hereinafter "Board") pursuant to Tennessee Code Annotated § 68-221-1010(a).

Please fill out the attached questionnaire and return it and all supporting documentation to our office no later than February 28, 2018. Please submit this to either utilities@cot.tn.gov, and/or the following mailing address:

Water & Wastewater Financing Board
ATTN: John Greer
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

While we recognize that this questionnaire may be difficult to fill out, it is necessary to determine how we can help you achieve long-term financial success. After we receive your information, we will decide whether it is necessary for the City to (1) meet with our staff or (2) go directly before the Board.

If you need further assistance or have any questions, please feel free to contact me at (615) 747-5260 or utilities@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer".

John Greer
Utilities Specialist

Cc: Mayor Gary Bizzell, Jr.



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1603	Bethel Springs				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	12/28/2017	1/4/2018	SRW	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2017	(\$36,856.00)
6/30/2016	(\$78,983.00)

C Is in default on certain outstanding debt.

Holder of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD

IN THE MATTER OF:

TOWN OF BETHEL SPRINGS

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**TENN. CODE ANN. § 68-221-1010
-FINANCIAL DISTRESS**

ORDER

On November 15, 2018, the Tennessee Water and Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Bethel Springs (“the Town”) pursuant to Tenn. Code Ann. § 68-221-1010. Based on the Town’s continued financial deficiencies and failure to respond to Board staff, the Board hereby orders the following:

1. The Town shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The Town shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

ENTERED this 20th day of November, 2018.

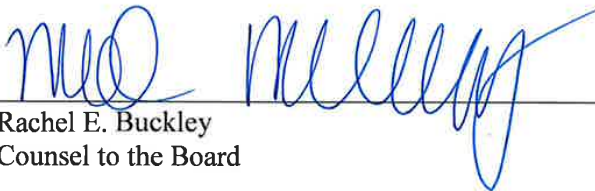


ANN V. BUTTERWORTH, Chair
Water and Wastewater Financing Board

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served via certified mail return receipt requested to the following on this 28th day of November, 2018:

Mayor Gary Bizzell, Jr.
Ms. Deborah Sullivan, City Recorder
Town of Bethel Springs
4066 Main Street
P.O. Box 214
Bethel Springs, TN 38315



Rachel E. Buckley
Counsel to the Board

City of Chapel Hill

Chapel Hill

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$476,550.00	\$560,002.00	\$0.00
Other Revenue	\$128,816.00	\$12,324.00	\$0.00
Operating Revenue	\$605,366.00	\$572,326.00	\$0.00
Operating Expenses	\$640,652.00	\$717,350.00	\$0.00
Operating Income	(\$35,286.00)	(\$145,024.00)	\$0.00
Non-Operating Revenue(Expenses)	\$21,242.00	\$14,840.00	\$0.00
Net Change In Position	(\$14,044.00)	(\$130,184.00)	\$0.00
Grant/Capital Contribution	\$0.00	\$84,450.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Chapel Hill

Staff Summary:

Chapel Hill has been referred for financial distress. Staff requested the City fill out a financial questionnaire, but no information has been received.

Staff Recommendation:

Order the following:

1. The City shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert, as approved by Board staff, assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by May 31, 2019.



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/>	Component Unit
1626	Chapel Hill				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	8/15/2018	9/5/2018	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Statutory Decrease in net position for two consecutive years.

Fiscal Year End	Statutory Decrease in NP
6/30/2017	(\$130,184.00)
6/30/2016	(\$14,044.00)

C Is in default on certain outstanding debt.

Holder of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score [80]

Excessive non-revenue water % as established by the board Non-Rev Water % [8.8]
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:
 []

City of Dunlap

Dunlap

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,794,466.00	\$1,919,789.00	\$2,007,586.00
Other Revenue	\$49,012.00	\$59,135.00	\$66,560.00
Operating Revenue	\$1,843,478.00	\$1,978,924.00	\$2,074,146.00
Operating Expenses	\$1,936,718.00	\$2,060,797.00	\$1,992,181.00
Operating Income	(\$93,240.00)	(\$81,873.00)	\$81,965.00
Non-Operating Revenue(Expenses)	(\$187,726.00)	(\$81,873.00)	(\$216,041.00)
Net Change In Position	(\$280,966.00)	(\$163,746.00)	(\$134,076.00)
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Dunlap

Staff Summary:

The City of Dunlap has been referred for financial distress. Staff requested the City fill out a financial questionnaire, but no information has been received.

Staff Recommendation:

Order the following:

1. The City shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by May 31, 2019.



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1663	Dunlap				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	6/29/2018	7/11/2018	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Statutory Decrease in net position for two consecutive years.

Fiscal Year End	Statutory Decrease in NP
6/30/2017	(\$225,811.00)
6/30/2016	(\$280,966.00)

C Is in default on certain outstanding debt.

Holder of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score [83]

Excessive non-revenue water % as established by the board Non-Rev Water % [1.5]
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Unit
1663	Dunlap				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2018	Water and Sewer	2/25/2019	3/5/2019	MLB	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Statutory Decrease in net position for two consecutive years.

Fiscal Year End	Statutory Decrease in NP
6/30/2017	(\$225,811.00)
6/30/2018	(\$165,606.00)

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score [86]

Excessive non-revenue water % as established by the board Non-Rev Water % [1.5]
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

City of Friendship

Friendship

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$303,684.00	\$299,372.00	\$0.00
Other Revenue	\$12,562.00	\$7,004.00	\$0.00
Operating Revenue	\$316,246.00	\$306,376.00	\$0.00
Operating Expenses	\$322,989.00	\$424,280.00	\$0.00
Operating Income	(\$6,743.00)	(\$117,904.00)	\$0.00
Non-Operating Revenue(Expenses)	(\$7,071.00)	(\$531,297.00)	\$0.00
Net Change In Position	(\$13,814.00)	(\$649,201.00)	\$0.00
Grant/Capital Contribution	\$43,476.00	\$1,265,929.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Friendship

Staff Summary:

The City of Friendship has been referred for financial distress, having excessive non-revenue water and a low validity score. Staff requested the City fill out three questionnaires, but no information has been received.

Staff Recommendation:

Order the following:

1. The City shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert, as approved by Board staff, assist in completing the questionnaires previously sent by Board staff.
2. The City shall send the completed questionnaires and all supporting documentation to Board staff by May 31, 2019.



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

September 12, 2018

The Honorable Casey Burnett
City of Friendship
631 Main Street
Friendship, TN 38034

Dear Mayor Burnett,

The City of Friendship has been reported to the Water & Wastewater Financing Board (hereinafter "Board") for having a validity score of 70. This is below the minimum of 75 as set by the Board.

Please fill out the enclosed questionnaire and return it and all supporting documentation, as well as a detailed plan for raising your low validity score, to our office no later than December 14, 2018. Please submit this to either utilities@cot.tn.gov, and/or the following mailing address:

Water and Wastewater Financing Board
ATTN: John Greer
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

While we recognize that this questionnaire may be arduous to fill out, it is necessary to determine how we can help you achieve long-term financial success. After we receive your information, we will decide whether it is necessary for the City to (1) meet with our staff or (2) go directly before the Board.

If you need further assistance or have any questions, please feel free to contact me at (615) 747-5260 or utilities@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer", is positioned above a horizontal blue line.

John Greer
Technical Secretary

enclosure

cc (w/out encl.): Mr. Joe Garrett



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

September 12, 2018

The Honorable Casey Burnett
City of Friendship
631 Main Street
Friendship, TN 38034

Dear Mayor Burnett,

The City of Friendship has been reported to the Water & Wastewater Financing Board (hereinafter "Board") for having excessive non-revenue water of 23.5%. This is above the maximum of 20% as set by the Board.

Please fill out the enclosed questionnaire and return it and all supporting documentation, as well as a detailed plan for lowering your non-revenue water, to our office no later than December 14, 2018. Please submit this to either utilities@cot.tn.gov, and/or the following mailing address:

Water & Wastewater Financing Board
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

While we recognize that this questionnaire may be arduous to fill out, it is necessary to determine how we can help you achieve long-term financial success. After we receive your information, we will decide whether it is necessary for the City to (1) meet with our staff or (2) go directly before the Board.

If you need further assistance or have any questions, please feel free to contact me at (615) 747-5260 or utilities@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer", is written over a horizontal blue line.

John Greer
Technical Secretary

enclosure
cc (w/out): Mr. Joe Garrett



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

September 12, 2018

The Honorable Casey Burnett
City of Friendship
631 Main Street
Friendship, TN 38034

Dear Mayor Burnett,

The Tennessee Comptroller of the Treasury has referred City of Friendship to the Water & Wastewater Financing Board (hereinafter "Board") pursuant to Tennessee Code Annotated § 68-221-1010(a).

Please fill out the enclosed questionnaire and return it and all supporting documentation to our office no later than December 14, 2018. Please submit this to either utilities@cot.tn.gov, and/or the following mailing address:

Water & Wastewater Financing Board
ATTN: John Greer
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

While we recognize that this questionnaire may be difficult to fill out, it is necessary to determine how we can help you achieve long-term financial success. After we receive your information, we will decide whether it is necessary for the City to (1) meet with our staff or (2) go directly before the Board.

If you need further assistance or have any questions, please feel free to contact me at (615) 747-5260 or utilities@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer".

John Greer
Technical Secretary

enclosure
cc (w/out encl.): Mr. Joe Garrett

Town of Greenfield

Greenfield

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$453,324.00	\$457,777.00	\$487,823.00
Other Revenue	\$26,824.00	\$29,812.00	\$9,577.00
Operating Revenue	\$480,148.00	\$487,589.00	\$497,400.00
Operating Expenses	\$535,398.00	\$554,179.00	\$567,507.00
Operating Income	(\$55,250.00)	(\$66,590.00)	(\$70,107.00)
Non-Operating Revenue(Expenses)	(\$1,341.00)	\$809.00	\$8,142.00
Net Change In Position	(\$56,591.00)	(\$65,781.00)	(\$61,965.00)
Grant/Capital Contribution	\$85,311.00	\$34,612.00	\$66,407.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Town of Greenfield

Staff Summary:

On November 15, 2018, the Board ordered Greenfield to complete the following:

1. The Town shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The Town shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

The Town has submitted all required information. The Town voted to remove the 3,000 gallons included for free in the minimum bill. The current rates are:

Monthly charge with 0 gallons: \$6.00

All usage per thousand: \$3.00

The Town is projecting a positive change in net position based on the rate increase.

Staff Recommendation:

Order the following:

1. The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning September 1, 2019, until the Board releases the Town from its oversight.

BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD

IN THE MATTER OF:

TOWN OF GREENFIELD

)
)
)
)
)
)
)


**TENN. CODE ANN. § 68-221-1010
-FINANCIAL DISTRESS**

ORDER

On November 15, 2018, the Tennessee Water and Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Greenfield (“the Town”) pursuant to Tenn. Code Ann. § 68-221-1010. Based on the City’s financial deficiencies and its failure to respond to Board staff, the Board hereby orders the following:

1. The Town shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert to assist in completing the financial questionnaire previously sent by Board staff.
2. The Town shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

ENTERED this 22nd day of November, 2018.

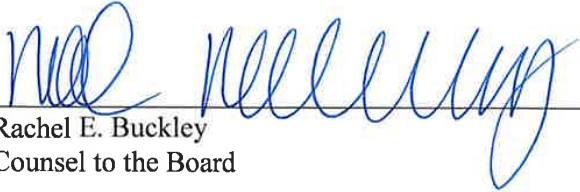


ANN/V. BUTTERWORTH, Chair
Water and Wastewater Financing Board

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served via certified mail return receipt requested to the following on this 28th day of November, 2018:

Mayor Cindy McAdams
Ms. Callie Croom, City Recorder
222 North Front St.
Greenfield, TN 38230



Rachel E. Buckley
Counsel to the Board



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

WWFB Financial Questionnaire

Utility: City of Greenfield

Instructions: Please submit the following information

1. Five year history of your rates (all rate classes and types)
2. Five year history of all utility fees (include records of how you rationalized charges for: tap fees, reconnection fees, etc.)
3. The current customer contract used for new service accounts
4. Most current balance sheet and income statement (accounts must be broken out by water and sewer **if applicable**; you may need to estimate or use a percentage for each)
5. A copy of your debt management policy
6. A copy of your capitalization policy (by which you decide whether you capitalize versus expense items)

Instructions: Please respond to each question below with detailed answers

1. Do you have a plan to remedy your financially distressed position?
 - a. If so, please provide a detailed copy.
2. Who has the authority to set rates and fees? Do you have a board or committee separate from your local legislative body (board of mayor and aldermen, etc.)?
3. How many customers do you have currently? Please break out by metered, non-metered, billed and un-billed, and class (residential, commercial, etc.).
4. What percentage of your sales do the largest ten (10) customers (by volume and by revenue) represent on a yearly basis?
5. Do you have plans for a rate increase or decrease?
 - a. If yes, has your board voted on it?
 - i. Please attach the relevant minutes that show all discussion and votes.
 - b. If no, please attach the minutes where the relevant discussion and vote took place to not change the current rate structure.
6. What is the justification for the current structure of your rates?
7. Do you have written policies for rates and fees (how they are implemented and billed, including adjustments)?
 - a. If so, please provide a list of the applicable policies.
 - b. How often do you review these policies?
8. How do you make customers aware of the rates and fees you have in place?
 - a. Is this done at least annually? If not, please explain.
9. Do you have a capital asset plan/budget?
 - a. If so, how long does it forecast (5 year, 10 year, etc.)?
 - b. If you do not have a capital asset plan, please justify why you do not.

10. Do you review your capital asset list?
 - a. If so, please indicate the frequency it is reviewed (annually, semi-annually, etc.) and who reviews this list.
 - b. If you do not review your capital asset list, please justify why you do not.
11. Do you have any environmental issues currently or forthcoming that will put a financial burden on the system?
12. Do you have a leak adjustment policy?
 - a. If so, what is the average yearly amount adjusted in gallons, cost to produce (or purchase), and lost revenue?
 - b. Please attach a copy of the policy.
13. Have you already, or do you plan to incur any new debt during the current fiscal year?
 - a. If so, please provide a detailed explanation.
14. Have you already, or do you plan to receive any grants or capital contributions during the current fiscal year?
 - a. If so, please provide a detailed explanation.
15. Have you applied for grants that will be received over the next two years?
 - a. If so, please provide a detailed explanation.
16. Do you produce or purchase your water supply?
 - a. If you produce your own water,
 - i. What is the cost per thousand to produce?
 - b. If you buy your water,
 - i. What is the cost per thousand?
 - ii. Do you have a long-term purchase contract in place?
17. Do you have any wholesale customers?
 - a. Do you have written contracts with those customers?
18. What is your current non-revenue water percentage?
 - a. Do you have any plans for improving your non-revenue water percentage?
 - b. If so, please provide a detailed explanation.
19. With respect to your governing board, how frequently do you meet and what is your practice of providing notice of your meetings?
20. Has your governing body met the applicable training requirements?
 - a. Please provide a list of Board members and their election/appointment dates.
 - b. Please review the training requirements at <https://www.comptroller.tn.gov/WWFB/>

I hereby certify that the information provided is true and correct to the best of my knowledge.

Signature: Callie Johnson Title: City Recorder Date: 2/4/2019

Please mail, e-mail, or fax copies of any documentation to:

Water & Wastewater Financing Board
ATTN: John Greer
Fourth Floor Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243
Phone: (615) 747-5260
Fax: (615) 741-1551
utilities@cot.tn.gov

WWFB Financial Questionnaire

1. Yes, the Board of Mayor and Aldermen approved of an ordinance that will replace in entirety the current Water rates for the City of Greenfield. This will include a flat rate for a Water customer's base bill that shall be set at \$6.00 per month without any minimum volumes for Water sales included on a Water customer's monthly Water bill. The City of Greenfield, Tennessee Water billing rates shall be revised to provide that customers shall be charged \$3.00 per 1,000 gallons of Water used above and beyond their base bill (or \$0.30 per hundred gallons used). The Board of Mayor and Aldermen also approved of a one percent COLA increase to be effective at the beginning of every fiscal year (July 1). Please see Attachments C1 and C2.
- 2.) The Board of Mayor and Aldermen has the authority to set the rates and fees. The City of Greenfield does not have a board or committee separate from the Board of Mayor and Aldermen that sets rates and fees.
- 3.) See Attachment A.
- 4.) See Attachment B.
- 5.) Yes, the City of Greenfield Board of Mayor and Aldermen approved a rate increase on the third reading of an ordinance on January 22, 2019. Please find Attachment C1 and C2 for the appropriate ordinances and minutes.
- 6.) At this time The City of Greenfield is unsure of the justification for the current structure of rates since the prior City Recorder retired in March of 2018.
- 7.) Yes, the Board of Mayor and Alderman passed an ordinance on its third reading on January 15, 2019 that included all of the current fees and leak adjustment policy. Please find Attachment E and F. These policies and fees will be reviewed yearly by the Board of Mayor and Aldermen.
- 8.) In the past the City of Greenfield has not made customers aware of rate changes. The Board of Mayor and Aldermen voted on January 22, 2019 to begin informing the customers of any rate or fee changes in the newspaper, the City website, post it in City Hall, and a note placed on water bills. The City of Greenfield plans to inform the customers of any changes annually.
- 9.) Yes, the City of Greenfield's Capital Asset Plan is forecasted for five years. The current Capital Asset Plan was presented to the Board of Mayor and Aldermen on January 8, 2019. Please see Attachment G.
- 10.) Yes, the Capital Asset list is reviewed annually by department heads and turned in to the auditors yearly. See Attachment H.
- 11.) No, the City of Greenfield does not have any environmental issues that will put a financial burden on the City's water system.

- 12.) Yes, the Board of Mayor and Aldermen passed an ordinance on the third reading on January 15, 2019 that includes a current leak adjustment policy. Please see Attachment I. Please see Attachment J for the average yearly amount adjusted in revenue. The City of Greenfield will begin to keep a log of the gallons adjusted as well as the revenue adjusted.
- 13.) No, the City of Greenfield does not plan to incur any new debt during this current fiscal year.
- 14.) Yes, the City of Greenfield received the 2016 CDBG Water Line System improvement grant that will cost out in January 2019. This grant assisted in replacing approximately 4,000 feet of old cast iron water lines with 6 inch plastic lines. It also added 4 new fire hydrants and will help with water loss.
- 15.) The City of Greenfield has not applied for grants that will be received over the next two years. However, the City of Greenfield is applying for a pump station replacement through the 2019 CDBG grant.
- 16.) The City of Greenfield produces its own water supply. The cost per 1,000 gallons of water to produce is \$3.
- 17.) The City of Greenfield does not have any whole sale customers.
- 18.) At the end of fiscal year 2017/2018, our current non-revenue water percentage was 9.6%. The City of Greenfield does not have a lot of non-revenue water, but the City does meter any water used by the Highway Department or paving companies.
- 19.) Our governing board meets once a month on the second Tuesday of every month. The dates of the monthly meetings are published on the city's website at www.greenfieldtn.com
- 20.) Please see Attachment K for a list of the Greenfield Board of Mayor and Aldermen, their addresses, phone numbers, and next election dates. The Greenfield Board of Mayor and Aldermen will be attending a utility board training on February 28, 2019 and a training session in the spring that will be instructed by John Greer.

1.

2013-2014

Service	Inside	Outside
Water (0 - 3,000 gallons)		
Residential	\$ 6.00	\$ 10.00
Commerical	\$ 6.00	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	
Sewer (0 - 3,000 gallons)		
Residential	\$ 19.70	\$ 23.70
Commerical	\$ 19.70	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	

2014-2015

Service	Inside	Outside
Water (0 - 3,000 gallons)		
Residential	\$ 6.00	\$ 10.00
Commerical	\$ 6.00	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	
Sewer (0 - 3,000 gallons)		
Residential	\$ 23.70	\$ 27.70
Commerical	\$ 23.70	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	

2015-2016

Service	Inside	Outside
Water (0 - 3,000 gallons)		
Residential	\$ 6.00	\$ 10.00
Commerical	\$ 6.00	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	
Sewer (0 - 3,000 gallons)		
Residential	\$ 23.70	\$ 27.70
Commerical	\$ 23.70	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	

2016-2017

Service	Inside	Outside
Water (0 - 3,000 gallons)		
Residential	\$ 6.00	\$ 10.00
Commerical	\$ 6.00	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	
Sewer (0 - 3,000 gallons)		
Residential	\$ 23.70	\$ 27.70
Commerical	\$ 23.70	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	

2017-2018

<u>Service</u>	<u>Inside</u>	<u>Outside</u>
Water (0 - 3,000 gallons)		
Residential	\$ 6.00	\$ 10.00
Commerical	\$ 6.00	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	
Sewer (0 - 3,000 gallons)		
Residential	\$ 23.70	\$ 27.70
Commerical	\$ 23.70	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	

2018-2019

<u>Service</u>	<u>Inside</u>	<u>Outside</u>
Water (0 - 3,000 gallons)		
Residential	\$ 6.00	\$ 10.00
Commerical	\$ 6.00	N/A
More than 3,000 gallons	\$3.00 per 1,000 gallons	
Sewer (0 - 3,000 gallons)		
Residential	\$ 23.70	\$ 27.70
Commerical	\$ 23.70	N/A
More than 3,000 gallons	\$5.00 per 1,000 gallons	

Greenfield Water Rate Potential Income-Estimate

December 12, 2018

As of 11/26, Greenfield has 961 water customers.

The projection below is based upon the assumption that Greenfield will not sell all the water that was removed from the base bill. MTAS used an increase of 66.7% of the total potential increase as a means to be conservative in the estimate. Actual revenue change could be more or less.

1,000 gallons \$3.00

No volumes on base bill *

If the city council passes an ordinance which removes all the volumes from the base bill it could generate a potential annual revenue increase of:

Monthly gain	Yearly gain
\$5,766.00	\$69,192.00

With 1,000 gallons on base bill \$A

If the city council passes an ordinance which left 1,000 gallons on the base bill it could generate a potential annual revenue increase of:

Monthly gain	Yearly gain
\$2,883.00	\$34,596.00

With 2,000 gallons on base bill

If the city council passes an ordinance which left 2,000 gallons on the base bill it could generate a potential annual revenue increase of:

Monthly gain	Yearly gain
\$1,441.50	\$17,298.00

Greenfield Water Rate Comparision

December 12, 2018

Current Rates	per month
Base bill including 3,000 Gallons	\$6.00
Every 1,000 gallons above 3,000	\$3.00

Customer monthly bill under current rates

Base bill with 3,000 gallons or less	\$6.00
4,000 gallons	\$9.00
5,000 gallons	\$12.00
6,000 gallons	\$15.00
7,000 gallons	\$18.00

Proposed new rates (3 examples)

<i>Base bill with no volumes included</i> *	\$6.00
1,00 gallons	\$9.00
2,000 gallons	\$12.00
3,000 gallons	\$15.00
4,000 gallons	\$18.00
5,000 gallons	\$21.00
6,000 gallons	\$24.00
7,000 gallons	\$27.00

<i>Base bill 1,000 gallons included</i>	\$6.00
2,000 gallons	\$9.00
3,000 gallons	\$12.00
4,000 gallons	\$15.00
5,000 gallons	\$18.00
6,000 gallons	\$21.00
7,000 gallons	\$24.00

<i>Base bill 2,000 gallons included</i>	\$6.00
3,000 gallons	\$9.00
4,000 gallons	\$12.00
5,000 gallons	\$15.00
6,000 gallons	\$18.00
7,000 gallons	\$21.00

Grundy County Wastewater

Grundy County Wastewater

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$63,784.00	\$52,474.00	\$57,619.00
Other Revenue	\$0.00	\$0.00	\$0.00
Operating Revenue	\$63,784.00	\$52,474.00	\$57,619.00
Operating Expenses	\$111,085.00	\$113,140.00	\$127,254.00
Operating Income	(\$47,301.00)	(\$60,666.00)	(\$69,635.00)
Non-Operating Revenue(Expenses)	(\$11.00)	\$26.00	\$24.00
Net Change In Position	(\$47,312.00)	(\$60,640.00)	(\$69,611.00)
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Grundy County Wastewater

Staff Summary:

On November 15, 2018, the Board ordered Grundy County to complete the following:

1. The County shall have the County Technical Assistance Service, the Tennessee Association of Utility Districts, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The County shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

Grundy County has submitted the required information. The County believes the wastewater fund is not financially distressed, but the 2018 audit showed a negative change in net position of \$69,611.

Staff Recommendation:

Order the following:

1. By April 15, 2019, the County shall contract with the County Technical Assistance Service, the Tennessee Association of Utility Districts or another qualified expert approved by Board staff to:
 - a. complete a rate analysis of the wastewater system with recommendations to correct the County's financial deficiencies;
 - b. create a customer contract;
 - c. create a rate and fee policy; and
 - d. create a five-year capital asset budget.
2. The County shall implement the recommendations, customer contract, rate and fee policy, and five-year capital asset budget as developed by the qualified expert by July 15, 2019.
3. The County shall send the completed rate analysis and accompanying recommendations, the customer contract, the rate and fee policy, the five-year capital asset budget, and all supporting documentation to Board staff by July 31, 2019.
4. Board staff is given the authority to grant one extension of the foregoing deadlines upon a showing of good cause by the County.

BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD

IN THE MATTER OF:

GRUNDY COUNTY

)
)
)
)
)
)
)

**TENN. CODE ANN. § 68-221-1010
-FINANCIAL DISTRESS**

ORDER

On November 15, 2018, the Tennessee Water and Wastewater Financing Board (“the Board”) reviewed the financially distressed status of Grundy County (“the County”) pursuant to Tenn. Code Ann. § 68-221-1010. Based on the County’s financial deficiencies and its failure to respond to Board staff, the Board hereby orders the following:

1. The County shall have the County Technical Assistance Service, the Tennessee Association of Utility Districts, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The County shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

ENTERED this 20th day of November, 2018.

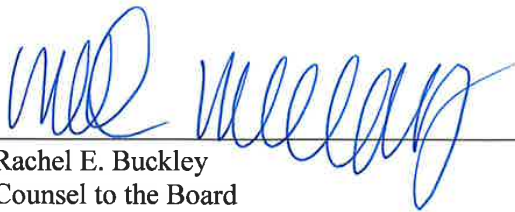


ANN V. BUTTERWORTH, Chair
Water and Wastewater Financing Board

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served via certified mail return receipt requested to the following on this 28th day of November, 2018:

Mayor Michael Brady
Grundy County
P.O. Box 177
Altamont, TN 37301



Rachel E. Buckley
Counsel to the Board



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

WWFB Financial Questionnaire

Utility: Grundy Co. Sewer Dept.

Instructions: Please submit the following information

1. Five-year history of your rates (all rate classes and types)
2. Five-year history of all utility fees (include records of how you rationalized charges for: tap fees, reconnection fees, etc.)
3. The current customer contract used for new service accounts
4. Most current three-months of balance sheets and income statements (accounts must be broken out by water and sewer **if applicable**; you may need to estimate or use a percentage for each)
5. A copy of your debt management policy
6. A copy of your capitalization policy (by which you decide whether you capitalize versus expense items)

Instructions: Please respond to each question below with detailed answers

1. **Do you have a plan to remedy your financially distressed position?**
 - a. **If so, please provide a detailed copy.**
 - b. **If not, please provide a detailed explanation.**
2. Who has the authority to set rates and fees? Do you have a board or committee separate from your local legislative body (board of mayor and aldermen, etc.)?
3. How many customers do you have currently? Please break out by metered, non-metered, billed and un-billed, and class (residential, commercial, etc.).
4. What percentage of your sales do the largest ten (10) customers (by volume and by revenue) represent on a yearly basis?
5. Do you have plans for a rate increase or decrease?
 - a. If yes, has your board voted on it?
 - i. Please attach the relevant minutes that show all discussion and votes.
 - b. If no, please attach the minutes where the relevant discussion and vote took place to not change the current rate structure.
6. What is the justification for the current structure of your rates?
7. Do you have written policies for rates and fees (how they are implemented and billed, including adjustments)?
 - a. If so, please provide a list of the applicable policies.
 - b. How often do you review these policies?
8. How do you make customers aware of the rates and fees you have in place?
 - a. Is this done at least annually? If not, please explain.
9. Do you have a capital asset plan/budget?
 - a. If so, how long does it forecast (5-year, 10-year, etc.)?
 - b. If you do not have a capital asset plan/budget, please justify why you do not.

10. Do you review your capital asset list?
 - a. If so, please indicate the frequency it is reviewed (annually, semi-annually, etc.) and who reviews this list.
 - b. If you do not review your capital asset list, please justify why you do not.
11. Do you have any environmental issues currently or forthcoming that will put a financial burden on the system?
12. Do you have a leak adjustment policy?
 - a. If so, what is the average yearly amount adjusted in gallons, cost to produce (or purchase), and lost revenue?
 - b. Please attach a copy of the policy.
13. Have you already, or do you plan to incur any new debt during the current fiscal year?
 - a. If so, please provide a detailed explanation.
14. Have you already, or do you plan to receive any grants or capital contributions during the current fiscal year?
 - a. If so, please provide a detailed explanation.
15. Have you applied for grants that will be received over the next two years?
 - a. If so, please provide a detailed explanation.
16. Do you produce or purchase your water supply?
 - a. If you produce your own water,
 - i. What is the cost per thousand to produce?
 - b. If you purchase your water,
 - i. What is the cost per thousand?
 - ii. Do you have a long-term purchase contract in place?
17. Do you have any wholesale customers?
 - a. Do you have written contracts with those customers?
18. What is your current non-revenue water percentage?
 - a. Do you have any plans for improving your non-revenue water percentage?
 - b. If so, please provide a detailed explanation.
19. With respect to your governing board, how frequently do you meet and what is your practice of providing notice of your meetings?
20. Has your governing body met the applicable training requirements?
 - a. Please provide a list of Board members and their election/appointment dates.
 - b. Please review the training requirements at <https://www.comptroller.tn.gov/WWFB/>

I hereby certify that the information provided is true and correct to the best of my knowledge.

Signature: _____ Title: _____ Date: _____

Please mail, e-mail(preferred), or fax copies of any documentation to:

**Water & Wastewater Financing Board
 ATTN: John Greer
 Fourth Floor Cordell Hull Building
 425 Fifth Avenue North
 Nashville, Tennessee 37243
 Phone: (615) 747-5260
 Fax: (615) 741-1551
 utilities@cot.tn.gov**

MEMORANDUM

TO: John Greer, Water & Wastewater Financing Board

FROM: Michael Bradley, Grundy County Mayor

DATE: February 15, 2019

SUBJECT: WWFB Financial Questionnaire

Our responses to your questionnaire are below.

Information

1. The 5-year history of rates (Big Creek Utility) is attached
2. Grundy County Sewer Department only has a tap fee, therefore there is no history.
3. Grundy County does not use a customer contract
4. Current balance sheets are attached
5. A copy of the debt management policy is attached
6. A copy of the fixed assets policy is attached

Questions

1. As you can see from our balance sheets, we are not presently in a financially distressed condition. Our Waste Water Sewer Fund is in the black with positive cash flows and sustaining its own expenses.
2. At the present time the county's sewer rate is 100% of the water rate as set forth by Big Creek Utility. The Grundy County Legislative body is solely responsible for determining the sewer rate
3. Grundy County has the following number of customers:
 - Metered – 42
 - Non-metered – 4
 - Billed – 46
 - Un-billed – 0
 - Residential – 16
 - Commercial – 29
 - Industrial –
 - Government – 1
4. Top Ten Customer Percentages
 - Grundy County Government (29.7%)
 - Methodist Assembly (17.0%)
 - Grundy County High School (10.9%)
 - Elk Meadow Apartments (7.6%)
 - Toyo Seat (7.4%)
 - Elk Meadow Apartments (6.8%)
 - Scruggs Car Wash (6.7%)
 - Elk Meadow Apartments (6.3%)
 - North Elementary (4.6%)
 - L & L Mart (3%)

MEMORANDUM

TO: John Greer, Water & Wastewater Financing Board

FROM: Michael Bradley, Grundy County Mayor

DATE: February 15, 2019

Page 2

5. At the present time there are no plans to increase rates.
6. The county adopted the policy of the sewer bill being 100% of the water bill
7. The county does not have a written policy for rates and fees
8. The customer is notified when they come in to pay their tap fee.
9. The county does not have a capital improvements plan or budget
10. The county reviews the capital asset list annually.
11. The county is unaware of any environmental issues
12. Big Creek Utility has a leak adjustment policy. When the utility identifies a leak they send the information to the county and the county makes the adjustment to the customer's sewer bill
13. There are no plans to incur any sewer debt in FY 2019
14. There are no plans to receive any sewer related grants or capital contributions in FY 2019
15. The county has not applied for any sewer related grants
16. The county does not own the water supply. That source is owned by Big Creek Utility
17. Non-applicable
18. Non-applicable
19. The Grundy County Legislative Body meets the 4th Monday of every month. All meetings are advertised in the Grundy County Herald paper
20. Presently, Grundy County has not met the applicable training requirements.

I hereby certify that the information provided is true and correct to the best of my knowledge.

Signature:  Title: **County Mayor** Date: 2/13/19

Rates & Charges
For
Big Creek Utility District
Office Phone: 931 / 692-2505
FAX: 931 / 692-2508

Home owners - Meter fee

(¾")	\$50.00
(1")	\$80.00
(1½")	\$180.00
(2")	\$255.00
(3")	\$355.00
(4")	\$505.00

Renters - Meter Fee \$80.00

Reactivation Fee \$50.00

Delinquent Fee (subject to disconnection) \$30.00
(Additional Charge for Overtime)

Tap Fees:

¾" inch tap fee	\$1000.00, plus \$250.00 System Capacity Fee
¾" inch commercial tap fee	\$1100.00, plus \$250.00 System Capacity Fee
1 inch tap fee	\$1400.00, plus \$250.00 System Capacity Fee
(Any additional cost incurred over the tap fee, shall be paid by the customer for whom the tap is being installed)	
2 inch tap fee	cost of labor and material + 20%, plus \$250.00 Capacity Fee

"All trailers, houses and businesses must have their own tap and meter fee."

NOTE: Duplexes require two (2) water taps.
Trailer Parks - Call Office

Fire Hydrant Rentals: \$100.00

Water Rates:**Residential**

First 1,000 gallons (minimum)	\$14.65
1,001 – 7,999 gallons	\$5.50 per 1,000 gallons
8,000 – 14,999 gallons	\$6.00 per 1,000 gallons
Over 15,000 gallons	\$6.75 per 1,000 gallons

Commercial

First 1,500 gallons (minimum)	\$23.80
Over 1,500 gallons	\$5.50 per 1,000 gallons

(\$15.00 Service Charge for each returned check)

Commercial Classification

Any establishment in existence to make a profit whether publicly or privately, and any customer with a meter over ¾" in size shall be subject to commercial rates as defined in the commercial rate schedule.

NEW RATES EFFECTIVE March 15, 2013

Rates & Charges
For
Big Creek Utility District
Office Phone: 931 / 692-2505
FAX: 931 / 692-2508

Home owners - Meter fee

(¾")	\$50.00
(1")	\$80.00
(1½")	\$180.00
(2")	\$255.00
(3")	\$355.00
(4")	\$505.00

Renters - Meter Fee \$80.00

Reactivation Fee \$50.00

Delinquent Fee (subject to disconnection) \$30.00
(Additional Charge for Overtime)

Tap Fees:

¾" inch tap fee	\$1000.00, plus \$250.00 System Capacity Fee
¾" inch commercial tap fee	\$1100.00, plus \$250.00 System Capacity Fee
1 inch tap fee	\$1400.00, plus \$250.00 System Capacity Fee
(Any additional cost incurred over the tap fee, shall be paid by the customer for whom the tap is being installed)	
2 inch tap fee	cost of labor and material + 20%, plus \$250.00 Capacity Fee

"All trailers, houses and businesses must have their own tap and meter fee."

NOTE: Duplexes require two (2) water taps.
Trailer Parks - Call Office

Fire Hydrant Rentals: \$100.00

Water Rates:**Residential**

First 1,000 gallons (minimum)	\$14.65
1,001 – 7,999 gallons	\$5.75 per 1,000 gallons
8,000 – 14,999 gallons	\$6.25 per 1,000 gallons
Over 15,000 gallons	\$7.00 per 1,000 gallons

Commercial

First 1,500 gallons (minimum)	\$23.80
Over 1,500 gallons	\$5.75 per 1,000 gallons

(\$15.00 Service Charge for each returned check)

Commercial Classification

Any establishment in existence to make a profit whether publicly or privately, and any customer with a meter over ¾" in size shall be subject to commercial rates as defined in the commercial rate schedule.

NEW RATES EFFECTIVE April 15, 2015

Rates & Charges
For
Big Creek Utility District
Office Phone: 931 / 692-2505 FAX: 931 / 692-2508

Home owners - Meter fee	
	(3/4") \$50.00
	(1") \$80.00
	(1 1/2") \$180.00
	(2") \$255.00
	(3") \$355.00
	(4") \$505.00

Renters - Meter Fee \$80.00

Reactivation Fee \$50.00

Delinquent Fee (subject to disconnection) \$30.00

(Additional Charge for Overtime)

Tap Fees:

3/4" inch tap fee	\$1000.00, plus \$250.00 System Capacity Fee
3/4" inch commercial tap fee	\$1100.00, plus \$250.00 System Capacity Fee
1 inch tap fee	\$1400.00, plus \$250.00 System Capacity Fee
(Any additional cost incurred over the tap fee, shall be paid by the customer for whom the tap is being installed)	
2 inch tap fee	cost of labor and material + 20%, plus \$250.00 Capacity Fee

"All trailers, houses and businesses must have their own tap and meter fee."

NOTE: Duplexes require two (2) water taps.
Trailer Parks - Call Office

Fire Hydrant Rentals: \$100.00

Water Rates:

Residential

First 1,000 gallons (minimum)	\$15.25
1,001 – 7,999 gallons	\$6.25 per 1,000 gallons
8,000 – 14,999 gallons	\$6.75 per 1,000 gallons
Over 15,000 gallons	\$7.50 per 1,000 gallons

Commercial

First 1,500 gallons (minimum)	\$24.25
Over 1,500 gallons	\$6.25 per 1,000 gallons

Wholesale

\$4.75 per 1,000 gallons

(\$15.00 Service Charge for each returned check)

Commercial Classification

Any establishment in existence to make a profit whether publicly or privately, and any customer with a meter over 3/4" in size shall be subject to commercial rates as defined in the commercial rate schedule.

NEW RATES EFFECTIVE April 15, 2017

City of Harrogate

Harrogate

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$429,187.00	\$496,916.00	\$0.00
Other Revenue	\$98,181.00	\$132,164.00	\$0.00
Operating Revenue	\$527,368.00	\$629,080.00	\$0.00
Operating Expenses	\$581,570.00	\$635,738.00	\$0.00
Operating Income	(\$54,202.00)	(\$6,658.00)	\$0.00
Non-Operating Revenue(Expenses)	\$0.00	\$1,450.00	\$0.00
Net Change In Position	(\$54,202.00)	(\$5,208.00)	\$0.00
Grant/Capital Contribution	\$414,699.00	\$83,752.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Harrogate

Staff Summary:

The City of Harrogate has been referred for financial distress. The City is a sewer only system.

Staff Recommendation:

Order the following:

1. By April 15, 2019, the City shall contract with the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert approved by Board staff to:
 - a. complete a rate analysis of the wastewater system with recommendations to correct the City's financial deficiencies;
 - b. create a capitalization policy; and
 - c. create a five-year capital asset budget.
2. The City shall implement the recommendations, customer contract, rate and fee policy, and five-year capital asset budget as developed by the qualified expert by July 15, 2019.
3. The City shall send the completed rate analysis and accompanying recommendations, the customer contract, the rate and fee policy, the five-year capital asset budget, and all supporting documentation to Board staff by July 31, 2019.
4. Board staff is given the authority to grant one extension of the foregoing deadlines upon a showing of good cause by the City.

DETAILED QUESTIONS

1. Do you have a plan to remedy your financially distressed position?
 - a. If so, please provide a detailed copy.
 - b. If not, please provide a detailed explanation.

Recent adjustments in charges, fees, and overall spending in the sewer department, have made substantial improvements bringing down the “loss from operations” in 2016 from \$54,203, to only \$6658 in 2017. This was significant since the City began replacement of the main lift station on Patterson Road in October 2016 and finished in May 2017, at the total cost of \$466,668, paid totally with reserved funds.

The Utility Department carries no debt. The City has been fortunate in having grants that supply funding for extension projects, therefore limiting the City’s cost of providing sewer to our community. With new requirements for utilities, the BMA will make adjustments as needed to offset rising costs in order to be self-supporting and plan for future improvements. One suggestion has been a small percentage increase each year to build funds for future needs. The Board relies heavily on the engineers who designed the system, our certified sewer operating tech, and the maintenance department staff to inform them when improvements and/or maintenance is or will be required, then plan accordingly.

2. Who has the authority to set rates and fees? Do you have a board or committee separate from your local legislative body (board of mayor and aldermen, etc.)?

The Board of Mayor and Aldermen set the rates/ fees and also serve as the Utility Board.

3. How many customers do you have currently?

732 Customers billed last month

Please break out by metered, non-metered, billed and un-billed, and class (residential, commercial, etc.).

7 Unmetered, 725 Metered; All are billed; 679 Residential, 53 Commercial

- 4. What percentage of your sales do the largest ten (10) customers (by volume and by revenue) represent on a yearly basis?**

Currently the top 10 customers make up 68% of our sales in revenue and volume

- 5. Do you have plans for a rate increase or decrease?**

- a. If yes, has your board voted on it?**

i. Please attach the relevant minutes that show all discussion and votes.

- b. If no, please attach the minutes where the relevant discussion and vote took place to not change the current rate structure.**

The BMA has approved increases in fees yearly since 2012, and will continue to adjust as needed.

SEE FOLLOWING DOCUMENTS

- 6. What is the justification for the current structure of your rates?**
To keep up with costs for transport and treatment to Claiborne Utility District, to offset potential loss from operations, to fund general utility maintenance and other projects as needed.
- 7. Do you have written policies for rates and fees (how they are implemented and billed, including adjustments)?**
Yes
- a. If so, please provide a list of the applicable policies.**
PLEASE SEE FOLLOWING DOCUMENTS
- b. How often do you review these policies?**
As needed

8. How do you make customers aware of the rates and fees you have in place?

On the invoice, during public meetings, minutes posted on our website

a. Is this done at least annually? Yes; If not, please explain.

9. Do you have a capital asset plan/budget?

No

a. If so, how long does it forecast (5-year, 10-year, etc.)?

b. If you do not have a capital asset plan/budget, please justify why you do not.

The Board plans according to advice from staff and engineers for future needs, budgeting as needed depending on the project. Funds are set aside for future expenditures.

10. Do you review your capital asset list?

Yes

a. If so, please indicate the frequency it is reviewed (annually, semi-annually, etc.) and who reviews this list.

An asset list is kept and provided by our auditors and reviewed annually by the BMA

b. If you do not review your capital asset list, please justify why you do not.

N/A

11. Do you have any environmental issues currently or forthcoming that will put a financial burden on the system?

No

12. Do you have a leak adjustment policy?

Yes

Arthur-Shawanee Utility District provides readings of water consumption for our sewer customers and lets us know when they have over read the meter, swimming pool credits, or the customer had a leak. If it is inside the home and goes into the sewer system, we don't adjust.

a. If so, what is the average yearly amount adjusted in gallons, cost to produce (or purchase), and lost revenue?

Last year ASUD advised us of 477,800 gallons of water adjustments, totaling \$6087.60. Included in that total, the local nursing home had an outside leak one month of 257,000 gallons of water, with an adjustment cost of \$3212.50. Since these were erroneous readings, outside leaks, or swimming pool credits, there was no loss to us in revenue from sales.

b. Please attach a copy of the policy.

ATTACHMENTS PROVIDED BELOW

13. Have you already, or do you plan to incur any new debt during the current fiscal year?

No

a. If so, please provide a detailed explanation.

No major needs have been identified

14. Have you already, or do you plan to receive any grants or capital contributions during the current fiscal year?

We just received A CDBG grant for a sewer extension

a. If so, please provide a detailed explanation.

See grant info provided

15. Have you applied for grants that will be received over the next two years? No

a. If so, please provide a detailed explanation. N/A

16. Do you produce or purchase your water supply?

We only provide sewer utility

a. If you produce your own water, N/A

i. What is the cost per thousand to produce?

b. If you purchase your water, N/A

i. What is the cost per thousand?

ii. Do you have a long-term purchase contract in place?

17. Do you have any wholesale customers? N/A

a. Do you have written contracts with those customers? N/A

18. What is your current non-revenue water percentage? N/A

a. Do you have any plans for improving your non-revenue water percentage?

b. If so, please provide a detailed explanation.

19. With respect to your governing board, how frequently do you meet and what is your practice of providing notice of your meetings?

The Board meets twice monthly. Meetings are advertised in the local newspaper and on our website.

20. Has your governing body met the applicable training requirements?

Only the Mayor has completed the training, even though she technically didn't have to until 12 months after the November 2018 election.

- a. Please provide a list of Board members and their election/appointment dates.

Gary Burchett –Alderman – Elected November 2016 for 4-year term
 Lieven Cox –Alderman – Elected November 2018 for 4-year term
 Linda Fultz – Mayor - Elected November 2018 for 4-year term
 Allen Hurst –Alderman – Elected November 2018 for 4 -year term
 Troy Poore –Alderman – Elected November 2018 for 4-year term

Please review the training requirements at [https://www.comptroller.tn.gov/ WWFB/](https://www.comptroller.tn.gov/WWFB/)

I hereby certify that the information provided is true and correct to the best of my knowledge.

Signature: Debra England Title: CMFO/Recorder Date: 11/9/18

Please mail, e-mail(preferred), or fax copies of any documentation to:

Water & Wastewater Financing Board
 ATTN: John Greer
 Fourth Floor Cordell Hull Building
 425 Fifth Avenue North
 Nashville, Tennessee 37243
 Phone: (615) 747-5260
 Fax: (615) 741-1551
utilities@cot.tn.gov

This was used by the BMA for consideration of increasing sewer fees, July 2017

Need to Recover Monthly		Need to Recover Yearly										
\$3,136		\$37,632.00										
	No. Customers			Current Rates	Possible Increase	Proposed Rate	Monthly Revenue		Yearly Revenue			
OPTION A												
For All Usage	650	Minimum		\$ 18.00	\$ 2.00	\$ 20.00	\$ 1,300.00	12	\$ 15,600.00			
Types	281	Over Minimum		\$ 10.50	\$ 3.60	\$ 14.10	\$ 1,011.60	12	\$ 12,139.20			
	275	Maintenance fees		\$ 5.00	\$ 3.00	\$ 8.00	\$ 825.00	12	\$ 9,900.00			
	2	Dual Pump Maint. Fe		\$ 10.00	\$ 6.00	\$ 16.00	\$ 12.00	12	\$ 144.00			
									\$ 37,783.20			
<i>Someone who has all three rates will have an increase of \$8.60 or \$11.60 depending on the maintenance fee they're charged</i>												
									\$ 37,783.20	Proposed yearly recovered amount		
									\$ (37,632.00)	(Yearly amount needed to recover)		
									\$ 151.20	Overage		
OPTION B												
For Minimum Only	650			\$ 18.00	\$ 5.00	\$ 23.00	\$ 3,250.00	12	\$ 39,000.00			
									\$ 39,000.00	Proposed yearly recovered amount		
									\$ (37,632.00)	(Yearly amount needed to recover)		
									\$ 1,368.00	Overage		
OPTION C												
For Above Minimum only												
	Monthly Average/Over Minimum Gallons				per 1000 gallons		Monthly Revenue		Yearly Revenue			
	*2795983 Gallons			Currently @ \$ 10.50			\$ 29,357.82					
* Take into consideration that this amount may fluctuate significantly				Proposed @ \$12.50			\$ 34,949.78	\$5,591.96	\$67,103.52	Proposed yearly recovered amount		
									\$ (37,632.00)	(Yearly amount needed to recover)		
									\$29,471.52	Overage*		
										*This can be used to offset contract work by Sam Reed @\$12,000 Annually		

1. Five-year history of your rates (all rate classes and types)

FIVE YEAR HISTORY OF RATES	CURRENT	2017	2016	2015	2014
FIRST 2,000 GALLONS (minimum)	\$18.00	\$18.00	\$17.50	\$16.00	\$16.00
OVER 2,000 GALLONS (per 1,000 gallons)	\$12.50	\$10.50	\$10.30	\$9.80	\$9.80
NUMBER OF METERED CUSTOMERS	725	643	620	509	509
NUMBER OF UNMETERED CUSTOMERS (charged at minimum)	7	7	7	7	7
TOTAL CUSTOMERS	732	650	627	516	516

2. Five-year history of all utility fees (include records of how you rationalized charges for: tap fees, reconnection fees, etc.)

FEES	CURRENT	2017	2016	2015	2014
APPLICATION FEE	\$25.00	\$0	\$0	\$0	\$0
SINGLE E-1 PUMP MAINTENANCE (per month)	\$10.00	\$5.00	\$5.00	\$5.00	\$5.00
DUAL E-1 PUMP MAINTENANCE FEE (per month)	\$20.00	\$10.00	\$10.00	\$10.00	\$10.00
RESIDENTIAL TAP FEES	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
COMMERCIAL TAP FEES	Based on a set fee schedule for the appropriate business type				
E-1 PUMPS AND INSTALLATION FEE	\$5,000	\$3,500	\$3,500	\$3,500	\$3,500
DUAL PUMP AND INSTALLATION FEE	\$15,000	\$10,000	\$10,000	\$10,000	\$10,000
RECONNECTION FEE	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00

3. The current customer contract used for new service accounts SEE ATTACHED APPLICATION BELOW

Town of Jasper

Jasper

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,566,646.00	\$1,671,671.00	\$0.00
Other Revenue	\$217,212.00	\$256,732.00	\$0.00
Operating Revenue	\$1,783,858.00	\$1,928,403.00	\$0.00
Operating Expenses	\$1,753,187.00	\$2,071,615.00	\$0.00
Operating Income	\$30,671.00	(\$143,212.00)	\$0.00
Non-Operating Revenue(Expenses)	(\$66,404.00)	(\$34,406.00)	\$0.00
Net Change In Position	(\$35,733.00)	(\$177,618.00)	\$0.00
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Town of Jasper

Staff Summary:

The Town of Jasper has been referred for financial distress. The Town will show a profit in its 2018 audit (not yet received) according to the auditor. The outside minimum bill for water and sewer is over two times higher than the inside minimum bill.

Staff Recommendation:

Order the following:

1. By April 15, 2019, the Town shall contract with the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff to:
 - a. complete a rate analysis;
 - b. justify the disparity between the inside and outside minimum water and sewer rates;
and
 - c. create a five-year capital asset budget.
2. The Town shall send the completed rate analysis, the justification for the differing rates, the five-year capital asset budget, and all supporting documentation to Board staff by July 31, 2019.
3. Board staff is given the authority to grant one extension of the foregoing deadlines upon a showing of good cause by the Town.
4. The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2020, until the Board releases the Town from its oversight.



Certified Public
Accountants

301 N. Market
Chattanooga, TN
37405

Office: 423-756-1170
Fax: 423-756-1436
www.jmw-cpa.com

Members
American Institute
of Certified
Public Accountants

Paul Johnson, III, CPA

Brian T. Wright, CPA

Karen Hutcherson, CPA

Marianne Greene, CPA

Jennifer Waycaster, CPA

December 14, 2018

Water & Wastewater Financing Board
ATTN: John Greer
Fourth Floor Cordell Hull Building
425 Fifth Avenue North
Nashville, TN 37243

Dear Mr. Greer:

In addition to the information requested in the WWFB Financial Questionnaire, I would like to point out certain facts.

1. The Town substantially increased the water rates June 1st, 2017, which did not help June 30, 2017, which had a loss of \$152,692 but did help June 30, 2018, which had a **PROFIT** of \$229,253 (after audit adjustments but before pension adjustment; not yet available).
2. Cash balances (in the water fund) at June 30, 2017 was \$2,033,398 and \$2,373,036 at June 30 2018, an increase in cash of \$339,638.
3. The June 30, 2018 Water fund debt of \$1,481,227 was on total fixed assets of \$12,202,588 (cost), \$7,043,885 (net of depreciation).

Based on these facts, it is my opinion that the water fund is not a financial distress and the town council takes their financial responsibilities seriously.

Yours truly,

Paul Johnson, III, CPA
Johnson, Murphey & Wright, P.C.



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

WWFB Financial Questionnaire

Utility: JASPER

Instructions: Please submit the following information

- x 1. Five-year history of your rates (all rate classes and types)
- x 2. Five-year history of all utility fees (include records of how you rationalized charges for: tap fees, reconnection fees, etc.)
- x 3. The current customer contract used for new service accounts
- 4. Most current three-months of balance sheets and income statements (accounts must be broken out by water and sewer if applicable; you may need to estimate or use a percentage for each)
- x 5. A copy of your debt management policy
- x 6. A copy of your capitalization policy (by which you decide whether you capitalize versus expense items)

Instructions: Please respond to each question below with detailed answers

- x 1. **Do you have a plan to remedy your financially distressed position?**
 - a. If so, please provide a detailed copy. See 4 above. Already profitable.
 - b. If not, please provide a detailed explanation.
- Board 2. Who has the authority to set rates and fees? Do you have a board or committee separate from your local legislative body (board of mayor and aldermen, etc.)? No
- 3. How many customers do you have currently? Please break out by metered, non-metered, billed and un-billed, and class (residential, commercial, etc.).
- See 3 4. What percentage of your sales do the largest ten (10) customers (by volume and by revenue) represent on a yearly basis?
- 5. Do you have plans for a rate increase or decrease? No - already done
 - a. If yes, has your board voted on it? Yes - June 1, 2017
 - i. Please attach the relevant minutes that show all discussion and votes.
 - b. If no, please attach the minutes where the relevant discussion and vote took place to not change the current rate structure.
- 6. What is the justification for the current structure of your rates? We are profitable 6-30-2018
- Yes 7. Do you have written policies for rates and fees (how they are implemented and billed, including adjustments)?
 - See (5) a. If so, please provide a list of the applicable policies.
 - Annually b. How often do you review these policies?
- 8. How do you make customers aware of the rates and fees you have in place? Public notice
 - a. Is this done at least annually? If not, please explain. Customers notified of any increases.
- No major capital assets planned except if paid for by independent funding (grants) 9. Do you have a capital asset plan/budget?
 - a. If so, how long does it forecast (5-year, 10-year, etc.)?
 - b. If you do not have a capital asset plan/budget, please justify why you do not.

- N/A 10. Do you review your capital asset list?
 a. If so, please indicate the frequency it is reviewed (annually, semi-annually, etc.) and who reviews this list.
 b. If you do not review your capital asset list, please justify why you do not.
- No 11. Do you have any environmental issues currently or forthcoming that will put a financial burden on the system?
- Yes 12. Do you have a leak adjustment policy?
 See (12) a. If so, what is the average yearly amount adjusted in gallons, cost to produce (or purchase), and lost revenue?
 b. Please attach a copy of the policy.
- No 13. Have you already, or do you plan to incur any new debt during the current fiscal year?
 a. If so, please provide a detailed explanation.
- No 14. Have you already, or do you plan to receive any grants or capital contributions during the current fiscal year?
 a. If so, please provide a detailed explanation.
- No 15. Have you applied for grants that will be received over the next two years?
 a. If so, please provide a detailed explanation.
- Product 16. Do you produce or purchase your water supply?
 (See 12) a. If you produce your own water,
 i. What is the cost per thousand to produce?
 N/A b. If you purchase your water,
 i. What is the cost per thousand?
 ii. Do you have a long-term purchase contract in place?
- (See 3) 17. Do you have any wholesale customers?
 Yes a. Do you have written contracts with those customers?
 18. What is your current non-revenue water percentage? 5%
 No a. Do you have any plans for improving your non-revenue water percentage?
 b. If so, please provide a detailed explanation.
19. With respect to your governing board, how frequently do you meet and what is your practice of providing notice of your meetings? Monthly - public notice
- Yes 20. Has your governing body met the applicable training requirements?
 (14) a. Please provide a list of Board members and their election/appointment dates.
 b. Please review the training requirements at <https://www.comptroller.tn.gov/WWFB/>

I hereby certify that the information provided is true and correct to the best of my knowledge.

Signature: Paul Johnson III Title: CPA Date: 12/14/18

Please mail, e-mail (preferred), or fax copies of any documentation to:

Water & Wastewater Financing Board
ATTN: John Greer
Fourth Floor Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243
Phone: (615) 747-5260
Fax: (615) 741-1551
utilities@cot.tn.gov

①
②

TOWN OF JASPER, TENNESSEE
Schedule of Municipal Utility Rates and Number of Customers
June 30, 2017

Sanitation system

Rate: \$15.00 per month

Number of customers: 1,520

Water works system

Rate inside Town: \$7.00 for 1-2,000 gallons

\$3.00 for each 1,000 gallons over 2,000

Rate outside Town: \$15.50 for 1-2,000 gallons

\$4.25 for each 1,000 gallons over 2,000

Number of customers: 3,748

Waste water system

Rate: minimum \$9.00 for 1-1,000 gallons

\$5.00 for each 1,000 gallons over 1,000

Rate for Whitwell and Shellmound areas: minimum \$17.00 for 1-1,000 gallons

\$9.00 for each 1,000 gallons over 1,000

Number of customers: 1,273

TOWN OF JASPER, TENNESSEE
Schedule of Municipal Utility Rates and Number of Customers
June 30, 2016

Sanitation system

Rate: \$15.00 per month

Number of customers: 1,503

Water works system

Rate inside Town: \$6.00 for 1-2,000 gallons

\$3.00 for each 1,000 gallons over 2,000

Rate outside Town: \$11.50 for 1-2,000 gallons

\$4.25 for each 1,000 gallons over 2,000

Number of customers: 3,731

Waste water system

Rate: minimum \$9.00 for 1-1,000 gallons

\$5.00 for each 1,000 gallons over 1,000

Rate for Whitwell and Shellmound areas: minimum \$17.00 for 1-1,000 gallons

\$9.00 for each 1,000 gallons over 1,000

Number of customers: 1,275

TOWN OF JASPER, TENNESSEE
Schedule of Municipal Utility Rates and Number of Customers
June 30, 2015

Sanitation system

Rate: \$15.00 per month

Number of customers: 1,503

Water works system

Rate inside Town: \$5.60 for 1-2,000 gallons

\$2.50 for each 1,000 gallons over 2,000

Rate outside Town: \$11.00 for 1-2,000 gallons

\$3.75 for each 1,000 gallons over 2,000

Number of customers: 3,752

Waste water system

Rate: minimum \$9.00 for 1-1,000 gallons

\$5.00 for each 1,000 gallons over 1,000

Rate for Whitwell and Shellmound areas: minimum \$17.00 for 1-1,000 gallons

\$9.00 for each 1,000 gallons over 1,000

Number of customers: 1,340

TOWN OF JASPER, TENNESSEE
Schedule of Municipal Utility Rates and Number of Customers
June 30, 2014

Sanitation system

Rate: \$15.00 per month

Number of customers: 1,476

Water works system

Rate inside Town: \$5.60 for 1-2,000 gallons

\$2.50 for each 1,000 gallons over 2,000

Rate outside Town: \$11.00 for 1-2,000 gallons

\$4.00 for each 1,000 gallons over 2,000

Number of customers: 3,736

Waste water system

Rate: minimum \$5.00 for 1-1,000 gallons

\$9.00 for each 1,000 gallons over 1,000

Rate for Whitwell and Shellmound areas: minimum \$9.00 for 1-1,000 gallons

\$5.00 for each 1,000 gallons over 1,000

Number of customers: 1,301

TOWN OF JASPER, TENNESSEE
Schedule of Municipal Utility Rates and Number of Customers
June 30, 2013

Sanitation system

Rate: \$15.00 per month

Number of customers: 2,500

Water works system

Rate: \$5.60 for 1-2,000 gallons

\$2.50 for each 1,000 gallons over 2,000

Number of customers: 3,800

Waste water system

Rate: minimum \$9.00 for 1-1,000 gallons

\$5.00 for each 1,000 gallons over 1,000

Number of customers: 1,300

Town of Kenton

Kenton

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$269,890.00	\$260,344.00	\$258,725.00
Other Revenue	\$46,589.00	\$15,442.00	\$69,738.00
Operating Revenue	\$316,479.00	\$275,786.00	\$328,463.00
Operating Expenses	\$323,682.00	\$313,125.00	\$338,980.00
Operating Income	(\$7,203.00)	(\$37,339.00)	(\$10,517.00)
Non-Operating Revenue(Expenses)	(\$21,604.00)	(\$19,402.00)	(\$19,015.00)
Net Change In Position	(\$28,807.00)	(\$56,741.00)	(\$29,532.00)
Grant/Capital Contribution	\$539,708.00	\$92,195.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Town of Kenton

Staff Summary:

On November 15, 2018, the Board ordered Kenton to complete the following:

1. By December 31, 2018, Town shall have MTAS, TAUD, or another qualified expert perform a rate study to include:
 - a. a review of all water rates, including a justification for differing rate classes;
 - b. a review of all sewer rates, including a justification for the differing rate classes; and
 - c. a proposed plan of action to remedy the Town's financially distressed condition.
2. The Town shall send the completed rate study, the proposed or implemented plan of action, and all supporting documentation to Board staff by February 15, 2019

The Town has not completed the directives of the November Board order. The Mayor informed staff that he would not be willing to spend \$1,000 on a rate study from TAUD, and that the Town's auditor would be handling it. The Town's auditor has submitted a letter to the Board with hypothetical rate increases, but stated:

"Note that the information provided above has not be audited by our firm. This letter was generated to provide information only and not to attest to the future profitability of the City of Kenton's water department."

The Town discovered that all commercial accounts were not being billed for any usage over 2,000 gallons. Staff does not know if the Town is planning on billing for the past usage.

Staff Recommendation:

Order the following:

1. By April 15, 2019, the Town shall contract with the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff to:
 - a. complete a rate analysis; and
 - b. justify the disparity between the commercial and residential water and sewer rates.
2. The Town shall send the completed rate analysis, the justification for the differing rates and all supporting documentation to Board staff by July 31, 2019.
3. The Town shall recover legally available revenue not billed due to statement errors in consult with its attorney. The Town shall submit to Board staff an update of these efforts by July 31, 2019.
4. Board staff is given the authority to grant one extension of the foregoing deadlines upon a showing of good cause by the Town.



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

5. The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning March 1, 2020, until the Board releases the Town from its oversight.

DANNY JOWERS, MAYOR
CHARLES CROUSON, CITY JUDGE
SHAYNA JACKSON, RECORDER

CITY OF KENTON
KENTON, TENNESSEE 38233
(731) 749-5767

ALDERPERSONS:
DELORES AGEE
JOHN MAUGHAN
WADE SIMPSON
LISA SKINNER
SARAH SKINNER
GLENN ZARECOR

March 4, 2019

Water and Wastewater Financing Board
Attn: John Greer
Cordell Hill Building
425 Fifth Avenue North
Nashville, Tennessee 37243

Dear Mr. Greer,

After reviewing and auditing our current water accounts, we have found an error in our Local Government billing software for the commercial accounts. The software glitch was only billing the commercial accounts for 2000 gallons (minimum amount) and not billing water over the 2000 gallon minimum. The software was billing the correct amount for sewer. After auditing fourteen commercial accounts, we have determined that those accounts were underbilled approximately \$5,000.00 for a twelve month period. It appears this glitch in the billing software has existed for many years. We do not know how this occurred but as of the March billing cycle we hopefully have corrected the error.

We have underbilled at least \$5,000.00 for periods that are now under review by the Water and Wastewater Financing Board. Great strides will be taken to assure this will not happen again.

Sincerely,



Danny Jowers
Mayor



Members: American Institute of Certified Public Accountants | Tennessee Society of Certified Public Accountants
 Governmental Audit Quality Center | Private Companies Practice Section
www.crscpa.com

Water and Wastewater Financing Board
 Atten: John Green
 Cordell Hill Building
 425 Fifth Avenue North
 Nashville, Tennessee 37243

To whom it may concern:

Cowart Reese Sargent, CPAs, P.C. serve as the auditors for the City of Kenton, Tennessee. We have been asked to prepare this letter to evidence our knowledge of various efforts that the City of Kenton has made to improve the profitability of the Water and Sewer Fund in the next year and years to follow.

- 1) In recent years, the City has been liable for a large payment for water tank maintenance. The contract for the maintenance agreement has an increased amount for the first five years of the contract which began in 2016. The last large payment is scheduled to occur in December, 2019 in the amount of \$49,340. The payments will then drop to approximately \$24,000 through 2024.
 At the time that the City entered into the contract, they attempted to cover the cost by passing it along to the customers through a "Water Tank Maintenance Fee". For the year ended June 30, 2018 the fee was \$5.50 per customer. During the year the revenue from the maintenance fee totaled \$38,050.
 Although the payment for the contract will decrease, the income from the maintenance fee will continue perpetually. The effects of the increase in the fee and the decrease in the cost to the City should increase profits by approximately \$14,050 beginning in 2020.
- 2) City management has indicated that a proposal of a sewer rate increase of approximately \$1.50 per minimum will be presented to the board to affect the fiscal year ending June 30, 2019. If approved by the board, this would generate additional revenue of approximately \$10,530.
- 3) The City has also voted to include an "Equipment Fee" on each bill at a rate of \$2 per month. This will generate additional revenue for the year ended June 30, 2019, of approximately \$13,920.

64 Lynoak Cv
 Jackson, TN 38305
 (731)668-1806
 Fax (731)668-9543

309 N. Market St.
 Paris, TN 38242
 (731)642-1755
 Fax (731)644-0413

304 Broadway St
 Martin, TN 38237
 (731)587-4221
 Fax (731)587-9474

11 N. Court Square
 Brownsville, TN 38012
 (731)772-2273
 Fax (731)772-2275

110 West Court
 Dyersburg, TN 38024
 (731)286-6080
 Fax (731)285-8975

- 4) According to City management, an analysis of sales at the midpoint of the June 30, 2019, fiscal year, indicates a projected 8% increase in overall department sales over the year ended June 30, 2018. This increase will approximate \$21,334 in additional revenue.

The references above could generate additional revenue for the year ending June 30, 2019, totaling \$45,784, which would allow the City to operate at a profitable level.

Note that the information provided above has not be audited by our firm. This letter was generated to provide information only and not to attest to the future profitability of the City of Kenton's water department.

Sincerely,



Cowart Reese Sargent, CPAs, P.C.

February 19, 2019

Dyersburg, Tennessee

WATER & SEWER RATES

RESIDENTIAL

WATER: First 2000 gallons for \$15.94
 2001 gallons and above at \$4.92 per 1000 gallons
SEWER: First 2000 gallons for \$9.45
 2001 gallons and above at \$1.87 per 1000 gallons

COMMERCIAL

WATER: First 2000 gallons for \$23.10
 2001 gallons and above at \$4.50 per 1000 gallons
SEWER: First 2000 gallons for \$15.40
 2001 gallons and above at \$2.37 per 1000 gallons

LIGHT INDUSTRIAL

WATER: First 2000 gallons for \$225.00
 2001 gallons and above at \$4.97 per 1000 gallons
SEWER: First 2000 gallons for \$150.00
 2001 gallons and above at \$2.03 per 1000 gallons

HEAVY INDUSTRIAL

WATER: First 2000 gallons for \$450.00
 2001 gallons and above at \$4.97 per 1000 gallons
SEWER: First 2000 gallons for \$300.00
 2001 gallons and above at \$2.03 per 1000 gallons

SAMPLE MINIMUM BILL 2000 GALLONS

RESIDENTIAL	OLD RATE	NEW RATE
WATER	\$13.66	\$15.94
SEWER	\$ 8.10	\$ 9.45
GARBAGE	\$13.50	\$11.50
WRM	\$ 4.50	\$ 5.50
EQUIP		\$ 2.00
TAX	\$ 1.53	\$ 1.75
TOTAL	\$38.59	\$46.14

COMMERCIAL	OLD RATE	NEW RATE
WATER	\$19.80	\$23.10
SEWER	\$13.20	\$15.40
GARBAGE	\$13.50	\$11.50
WRM	\$ 4.50	\$ 5.50
EQUIP		\$ 2.00
TAX	\$ 1.93	\$ 2.25
TOTAL	\$50.43	\$59.75

City of Luttrell

Luttrell

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$362,261.00	\$319,751.00	\$415,442.00
Other Revenue	\$17,741.00	\$32,276.00	\$33,764.00
Operating Revenue	\$380,002.00	\$352,027.00	\$449,206.00
Operating Expenses	\$573,500.00	\$515,304.00	\$560,333.00
Operating Income	(\$193,498.00)	(\$163,277.00)	(\$111,127.00)
Non-Operating Revenue(Expenses)	(\$10,300.00)	(\$5,473.00)	(\$9,354.00)
Net Change In Position	(\$203,798.00)	(\$168,750.00)	(\$120,481.00)
Grant/Capital Contribution	\$35,600.00	\$360,129.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Luttrell

Staff Summary:

On November 15, 2018, the Board ordered Luttrell to complete the following:

1. The City shall require that all vendors contracted with the City's water and sewer system shall provide true documentation of their costs of services and transactions, including invoices and other proofs of payment.
2. The City shall hire a qualified expert to complete a comprehensive cost of service study of the City's water and sewer system. The qualified expert shall be pre-approved by Board staff. The City shall be under contract for said cost of service study by December 31, 2018.
3. The City shall provide an update to Board staff on the City's compliance with this order, including providing all supporting documentation provided in the cost of service study, by March 1, 2019.

Staff has received no documentation. Buddy Petty of Rate Studies Inc. was hired well after the December 31 deadline, but has not finished his cost of service study.

Staff Recommendation:

Order the following:

1. The City shall perform all requirements of the Board's November 28, 2018 order, by June 15, 2019.
2. The City shall provide an update to Board staff on the City's compliance with this order, including submitting all supporting documentation provided in the cost of service study by June 30, 2019.

City of Mountain City

Mountain City

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$2,710,285.00	\$3,029,833.00	\$0.00
Other Revenue	\$59,143.00	\$41,722.00	\$0.00
Operating Revenue	\$2,769,428.00	\$3,071,555.00	\$0.00
Operating Expenses	\$2,848,075.00	\$3,120,464.00	\$0.00
Operating Income	(\$78,647.00)	(\$48,909.00)	\$0.00
Non-Operating Revenue(Expenses)	(\$22,802.00)	(\$24,118.00)	\$0.00
Net Change In Position	(\$101,449.00)	(\$73,027.00)	\$0.00
Grant/Capital Contribution	\$596,629.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Town of Mountain City

Staff Summary:

On November 15, 2018, the Board ordered Mountain City to complete the following:

1. The Town shall hire a qualified expert to complete a comprehensive cost of service study of the Town's water and sewer system. The qualified expert shall be pre-approved by Board staff. The Town shall be under contract for said cost of service study by December 31, 2018, and shall notify Board staff of the contract by January 15, 2019.
2. If the Town does not provide Board staff with the information required in paragraph 1 by January 15, 2019, Counsel shall issue a subpoena for the attendance of the Town's Board of Mayor and Aldermen at the Board's March 14, 2019, meeting.
3. The Town shall submit the completed cost of service study and supporting documentation to Board staff by May 31, 2019.

Mountain City did not hire a qualified expert to complete a comprehensive cost of service study. The Town did pass the MTAS recommended rates in full. Counsel issued subpoenas for the Town's Board of Mayor and Aldermen on January 24, 2019 per the order.

Staff Recommendation:

Order the following:

1. The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning September 1, 2019, until the Board releases the Town from its oversight.

ORDINANCE #1613

**AN ORDINANCE AMENDING ORDINANCE #1603, AN ORDINANCE AMENDING
ORDINANCE #1588, AN ORDINANCE OF THE TOWN OF MOUNTAIN CITY,
TENNESSEE ADOPTING THE ANNUAL BUDGET, TAX RATE AND WATER AND
SEWER RATES FOR THE FISCAL YEAR BEGINNING JULY 1, 2018 AND ENDING
JUNE 30, 2019**

**BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF
MOUNTAIN CITY, TENNESSEE AS FOLLOWS:**

SECTION 9: AMENDED

The operation of the water and sewer fund is maintained through the levy of rates and charges imposed for the use of services rendered by such water works and/or sewage system to be paid by the beneficiary of the services. The water and sewer rates required to operate the water and sewer fund for the fiscal year are as follows:

WATER RATES: Amended as follows effective upon second and final reading of this amended ordinance:

CITY WATER RATES

First	2,000 gallons (minimum bill)	\$11.00
All over	Per Thousand	\$5.00

PLEASANT VALLEY WATER RATES

First	2,500 gallons (minimum bill)	\$22.00
All over	Per Thousand	\$7.00

DRY RUN WATER RATES

First	2,500 gallons (minimum bill)	\$22.00
All over	Per Thousand	\$7.00

WHOLESALE WATER RATES

NECC – At Cost	\$4.38 per 1,000 Gallons
Utility Districts	\$4.38 per 1,000 Gallons

Minimum: The minimum bill shall be stated above of a standard meter for all water funds. All others shall be determined by the size of the meter servicing the account. The flat rate charge for large meters is as follows:

Small Commercial Inside 5/8" (including 2,000 min)	\$13.00
Small Commercial Outside 5/8" (including 2,500 min)	\$24.00
Large Commercial Inside/Outside 1" (flat rate)	\$25.00
Large Commercial Inside/Outside 2" (flat rate)	\$50.00
Large Commercial Inside/Outside 3" (flat rate)	\$75.00
Large Commercial Inside/Outside 4" (flat rate)	\$100.00
Large Commercial Inside/Outside 6" (flat rate)	\$150.00
Large Commercial Inside/Outside 8" (flat rate)	\$200.00
Large Commercial Inside/Outside 10" (flat rate)	\$250.00
Large Commercial Inside/Outside 12" (flat rate)	\$300.00
Above 12"	\$500.00

Footnote: All 1" and above taps will be considered commercial.

SEWER RATES: Amended as follows effective upon second and final reading of this amended ordinance:

CITY SEWER RATES

First 2,000 gallons (minimum)	\$8.00
All Over (per thousand)	\$4.00

PLEASANT VALLEY SEWER RATES

First 2,500 gallons (minimum)	\$16.00
All Over (per thousand)	\$7.00

WHOLESALE SEWER RATES

NECC – At Cost	\$5.47 per thousand Gallons
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SECTION 10: All other fees including water and sewer tap fees, subdivision fees, solid waste fees, building and sign permit fees, and any other additional miscellaneous fees for the fiscal year are listed in the detailed financial plan that is attached to the original Budget Ordinance #1588.

SECTION 11: Any other charges not set forth in this budget or by standard city policy for the fiscal year shall remain the same with the exception of budget amendments by city ordinance, or policies as approved by the Board of Mayor and Aldermen through due process of the Town of Mountain City, Tennessee.

SECTION 12: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 13: This ordinance shall take effect February 1, 2019, the public welfare requiring it.

12-10-18

Passed First Reading

1-8-19

Passed Second and Final Reading
vice mayor
Kevin Parsons

Kevin Parsons, Mayor

ATTESTED:

Sheila Shaw

Sheila Shaw, City Recorder

George T. Wright

George T. Wright, City Attorney

MINUTES OF A REGULAR MEETING OF THE TOWN OF MOUNTAIN CITY BOARD OF MAYOR AND ALDERMEN, TUESDAY, DECEMBER 4, 2018

CALL TO ORDER 6:30 p.m. in the City Council Room by Mayor Kevin Parsons

ROLL CALL

Mayor Kevin Parsons - Present
 Vice Mayor Jerry Jordan - Present
 Alderman Bud Crosswhite - Not Present
 Alderman Lawrence Keeble - Present
 Alderman Bob Morrison - Present

INVOCATION

Vice Mayor Jerry Jordan

PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG

Alderman Bob Morrison

PRESENTATIONS

None

PUBLIC HEARINGS

None

STATEMENT OF ORAL COMMUNICATIONS

Robert Wills was present to speak on behalf of the Johnson County Softball Boosters. He requested permission to hold a roadblock. Motion was made by Mayor Parsons to approve the roadblock. Alderman Morrison seconded the motion. The motion passed with all present members voting "aye".

Harvey Burniston was present to ask permission to take out a traffic island that he believes is hazardous to people when exiting his business. He advised he had purchased the lots to the right of the Garden Barn, and there is an island at the exit of the property that is not visible when exiting. He requested permission to remove the island at his own expense. Mayor Parsons instructed Mr. Burniston to get with Public Works Director Gary Phillips and make sure to check with TDOT since it may be on the right of way. Mr. Phillips advised that he had spoken with them and he believes it is acceptable for Mr. Burniston to remove the island. Mayor Parsons made a motion to approve Mr. Burniston's request to remove the island. Vice Mayor Jerry Jordan seconded the motion. The motion passed with all present members voting "aye".

CONSENT CALENDAR

All matters listed on the consent calendar to be approved with one motion unless a member of council requests separate action on a specific item.

1. Approval of minutes: November 13, 2018 City Council Meeting
2. Second and Final Reading of the following Budget Amendment Ordinance:

# 1608	\$4,388.00	43100-400	STR/Red Light Maintenance
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Alderman Bob Morrison made a motion to approve the Consent Calendar. Mayor Parsons seconded the motion. The motion passed with all present members voting "yes" on roll call vote.

COUNCIL MEMBER ITEMS OF CONCERN/COMMENTS

ALDERMAN LAWRENCE KEEBLE

Alderman Keeble thanked the people for his election to the City Council.

Alderman Keeble asked about an old policy to prohibit trucks on North Church Street. He would like for the Town to do all it can to enforce this policy. He advised that he had had some complaints and had not made any promises, but told the complainant he would check into it. He advised that the trucks cause damage to the road and that paving the road and future maintenance is not cheap.

Alderman Keeble also asked about the possibility of an inter-local agreement with the county regarding the hiring of police officers.

ALDERMAN BOB MORRISON

**City Council Meeting
December 4, 2018
Page 2**

Alderman Morrison wanted to thank all employees who have been working during the holidays to keep everyone safe.

VICE MAYOR JERRY JORDAN

Vice Mayor Jordan stated he appreciated all the employees and wanted to wish everyone a Blessed and Merry Christmas.

Vice Mayor Jordan also stated the camper trailer on Fairview Avenue has been moved.

MAYOR KEVIN PARSONS

Mayor Parsons stated that he had to appoint an alderman to the planning commission and would like to have this as an item on next month's agenda.

CITY RECORDER SHEILA SHAW

City Recorder Shaw asked the Board to change the January City Council Meeting to Tuesday January 8, 2019 due to the first Tuesday of the month being New Year's Day. Vice Mayor Jerry Jordan made the motion to move the meeting to the second Tuesday January 8, 2019. Alderman Bob Morrison seconded the motion. The motion passed with all present Board members voting "aye".

City Recorder Shaw reminded everyone the employee Christmas dinner will be December 12, 2018 at the Community Center at 12:00 p.m.

City Recorder Shaw advised the Board the Town had received a response from the Water and Wastewater Financing Board regarding their order from earlier in the year. Ms. Shaw stated the Water and Wastewater Financing Board did not accept the Town's steps being taken as a result of the order and have now issued the Town a new order. This order states the Town must have a cost of service study done by a qualified expert and there must be a contract for this study in place by December 31, 2018. If this study is not completed, the Board of Mayor and Aldermen will be subpoenaed to appear before the Water and Wastewater Financing Board in March of 2019.

After a lengthy discussion, Mayor Parsons suggested sending a letter to State Representative Timothy Hill and State Senator Jon Lundberg and explain our situation to them and see if they could help in any way. Mayor Parsons also suggested recessing this meeting and reconvening on December 18, 2018 and ask Representative Hill and Senator Lundberg to attend the meeting. The Board agreed to make a decision concerning the new order when this meeting reconvenes.

CITY ATTORNEY GEORGE WRIGHT

City Attorney George Wright advised he had nothing at this time, but was working on the ordinances to allow liquor and beer inside the city.

COLLECTION-DISTRIBUTION SUPERINTENDENT CHRIS HOOK

Collection-Distribution Superintendent Chris Hook had nothing at this time.

CHIEF OF POLICE DENVER CHURCH

Chief of Police Denver Church advised the Board that the Police Department was short one officer. He stated he had three applications he would like to consider before advertising for an officer. Vice Mayor Jerry Jordan expressed concern about looking at past records of applicants. He stated the Town does not need to hire officers who are going back and forth between departments.

BUILDING INSPECTOR JESSE COMPTON

Building Inspector Jesse Compton advised he has issued certificates of occupancy to Taco Bell and KFC. He also stated that he had received a complaint about a shed on Fairground Lane. City Recorder Shaw advised him that would need to go to the Planning Commission for review.

PARKS AND RECREATION DIRECTOR FLO BELLAMY

Parks and Recreation Director Flo Bellamy had nothing at this time.

PUBLIC WORKS DIRECTOR GARY PHILLIPS

Public Works Director Gary Phillips had nothing at this time.

**City Council Meeting
December 4, 2018
Page 3**

At this time, Mayor Parsons asked everyone to visit the water plants.

NEW BUSINESS

- 1. Election/Selection of Vice Mayor for the Town of Mountain City for the next two years.

Mayor Parsons asked to table this item until the next meeting, due to Alderman Bud Crosswhite not being present.

- 2. Approve the hiring of Justin Johnson as Patrolman.

Mayor Parsons introduced Justin Johnson. Officer Johnson gave some background. Mayor Parsons congratulated him on doing a good job. Alderman Morrison made the motion to accept the hiring of Officer Johnson. Vice Mayor Jordan seconded the motion. The motion passed with all present members voting "aye".

- 3. Accept the resignation of Patrolman Richard Norris and discussion concerning his employment contract.

Mayor Parsons explained that Mr. Norris had resigned from his position as patrolman not even one year into his two year contract. Mayor Parsons stated that Mr. Norris should receive a bill for the school, travel pay, and pay while at the school. City Attorney George Wright advised that his wages could not be included, but uniforms and other expenses could be. City Recorder Shaw said that she had spoken with Mr. Norris and that he said he would pay if he had the money. City Attorney Wright advised that the city could sue and get a judgement and garnish his wages. There was a lengthy discussion about the option of payments and how long he should be given to pay. All Board members agreed to have City Recorder Shaw send Mr. Norris a bill for the amount owed to the Town. Vice Mayor Jordan then made a motion to add to the Town's employment contract with non-certified officers that they will also reimburse the Town for any attorney fees and court costs. Mayor Parsons seconded the motion. The motion passed with all members present voting "aye".

- 4. Approve the filing of a Hazard Mitigation Flood Grant through FEMA in conjunction with the Johnson County EMA.

Public Works Director Gary Phillips spoke of a \$200,000 grant to repair drainage issues in the Homar Subdivision. He stated it is a 75/25 grant. He also advised that the grant had been in the works for almost two years. He said he appreciated the Johnson County EMA for helping with the grant. Vice Mayor Jerry Jordan made the motion to approve the filing of a Hazard Mitigation Flood Grant. Mayor Parsons seconded the motion. The motion passed with all present members voting "yes" on roll call vote.


- 5. First Reading of the following Budget Amendment Ordinances:

#1609	\$398.00	44420-340	CC/Repairs to Ice Machine
#1610	\$52,300.00	52100-338	WP/Telemetry
#1611	\$44,800.00	52200-340	WWTP/Sludge Spill
#1612	\$1,250.00	41520-252	CA/Ethics Complaint

Alderman Bob Morrison made a motion to approve Budget Amendment Ordinances #1609, #1610, #1611, and #1612. Mayor Parsons seconded the motion. Roll call vote was Mayor Parsons, yes; Vice Mayor Jordan, abstained due to the fact #1612 pertained to him; Alderman Keeble, yes; Alderman Morrison, yes. Motion carried.

ADJOURNMENT

At this time, Alderman Morrison made a motion to recess the meeting until Tuesday, December 18, 2018 at 5:00 p.m. Mayor Parsons seconded the motion. The meeting recessed at 7:43 p.m.



City Recorder Sheila Shaw

MINUTES OF THE RECONVENED MEETING OF THE TOWN OF MOUNTAIN CITY BOARD OF MAYOR AND ALDERMEN, TUESDAY, DECEMBER 18, 2018 AT 5:00 P.M.

CALL TO ORDER Mayor Kevin Parsons

ROLL CALL

Mayor Kevin Parsons – Present
 Vice Mayor Jerry Jordan – Present
 Alderman Bud Crosswhite – Present
 Alderman Lawrence Keeble – Present
 Alderman Bob Morrison – Present

Trish Burchette, Director of the ACTION Coalition, was present to address the Board concerning a grant. She had information about a grant called the HRSA Grant. She was requesting a letter from the City showing support for the ACTION Coalition. Mayor Parsons said that the ACTION Coalition could provide training to businesses on subjects such as liquor by the drink. Mayor Parsons made a motion to help the ACTION Coalition by sending the letter of support. Alderman Bob Morrison seconded the motion. The motion passed with all present Board members voting “aye”.

At this time, the meeting was joined by State Comptroller Chief of Staff Jason Mumpower by telephone, along with State Senator Jon Lundberg. Also present by phone was John Greer, Utility Specialist, and John Dunn and Rachel Buckley with the Comptroller’s Office. Mr. Mumpower explained that the Water and Wastewater Financing Board (WWFB) considered the Town non-compliant with the order they had issued in April of this year. Mr. Mumpower stated the Town had a couple of options. The first option was for the Town to comply with the WWFB’s second order, that being to have a cost of service study done and a contract in place by December 31, 2018. The other option would be for the Town to adjust water and sewer rates at this meeting.

Mr. Mumpower suggested that the Town show a real meaningful and robust effort to comply with the rate changes and it might go a long way to correct the issue with the WWFB. He advised if the cost of service study isn’t done, the Town will be non-compliant with the second order and the Board will be subpoenaed to appear before the WWFB in Nashville on March 14, 2019. Mr. Mumpower said that if the Town could show increase in revenue and sufficient rates that the WWFB might be more understanding. He advised the Town not to “tinker around the edges”. Mayor Parsons asked Mr. Mumpower if the Town were to adjust the rates according to what MTAS recommended if the Board would still have to go to Nashville in March. Mr. Mumpower said yes. He said the WWFB can’t rescind the order but it would give the Town a chance to explain and prove their efforts to remedy the situation. He said if the Town spent money on a rate study they would just end up raising the rates anyway.

Vice Mayor Jordan asked if the Town goes ahead and uses the rates from MTAS’ recommendation, would it please the WWFB? John Greer, Utility Specialist, told Mr. Jordan that it would help if the Town of Mountain City had a couple of months proof to show the WWFB. City Recorder Shaw advised the Board changing the water and sewer rates would require two readings and a public hearing. She continued that if the Board approved the water and sewer rates changes on first reading at this meeting and the second and final at the January meeting, there would only be one month revenue to present to the WWFB in March. Mr. Mumpower also stated that if the Town went forward with the cost of service study as per the order then the Town would be compliant with the order and would not have to appear before the WWFB in Nashville in March.

Alderman Lawrence Keeble asked if the Town agreed to change the water and sewer rates according to MTAS’ recommendation, would the WWFB be satisfied. Mr. Mumpower stated he believes they would be.

Alderman Keeble then made a motion to accept the MTAS water and sewer rate study and change water and sewer rates as recommended in that study and approve on first reading. Vice Mayor Jerry Jordan seconded the motion. The motion passed with all members voting “yes” on roll call vote.

Mr. Mumpower stated that the decision would be positive for both the business and residential customers and will help with the WWFB’s actions. He advised the Board of Mayor and Aldermen to bring documented proof of rates and improvement to Nashville. Vice Mayor Jordan asked for confirmation that the Town can charge what they are presently charging until the second reading. John Greer confirmed that the rates from the MTAS study would go into effect after the second reading.

ADJOURNMENT

There being nothing further to discuss, Alderman Bob Morrison made the motion to adjourn, seconded by Mayor Parsons. The meeting adjourned at 5:31 p.m.



City Recorder Sheila Shaw

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MINUTES OF A REGULAR, BUT RESCHEDULED, MEETING OF THE TOWN OF MOUNTAIN CITY BOARD OF MAYOR AND ALDERMEN HELD, TUESDAY, JANUARY 8, 2019.

A regular, but rescheduled, meeting of the Town of Mountain City, City Council was called to order at 6:30 pm, by Vice Mayor Jerry Jordan, held in the city council room at the Town of Mountain City, 210 South Church Street, Mountain City, Tennessee.

Members present:

Vice Mayor Jerry Jordan
Alderman Bud Crosswhite
Alderman Lawrence Keeble
Alderman Bob Morrison

INVOCATION

The invocation was given by Vice Mayor Jerry Jordan.

PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG:

The Pledge of Allegiance was led by Alderman Bob Morrison.

PRESENTATIONS

Memorial Proclamation to the family of Mr. Bill Brookshire, who was a prominent figure in the business and civic community.

The Memorial Proclamation was presented by Alderman Bob Morrison.

PUBLIC HEARINGS

Public Hearing and Second and Final Reading of Ordinance #1613, an ordinance amending Ordinance #1603, an ordinance amending Ordinance #1588, an ordinance of the Town of Mountain City, Tennessee adopting the annual budget, tax rate and water and sewer rates for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Vice Mayor Jerry Jordan opened the floor for comments. None were put forth. Alderman Bob Morrison then made a motion to approve Ordinance #1613 on second and final reading. Alderman Bud Crosswhite seconded the motion. All members present voted yes on a roll call vote.

STATEMENT OF ORAL COMMUNICATION

The public may address the members of the City Council on any matters within the jurisdiction of the City Council. Speakers are requested to limit their comments to five minutes each. Speaker cards must be completed and are located at entrance to council room.

None

CONSENT CALENDAR

All matters listed on the consent calendar to be approved with one motion unless a member of council requests separate action on a specific item.

1. Approval of minutes: December 3, 2018 City Council Organizational Meeting
December 4, 2018 City Council Recessed Meeting
December 18, 2018 City Council Reconvened Meeting
2. Second and Final Reading of the following Budget Amendment Ordinances:

#1609	\$398.00	44420-340	CC/Repairs to Ice Machine
#1610	\$52,300.00	52100-338	WP/Telemetry
#1611	\$44,800.00	52200-340	WWTP/Sludge Spill
#1612	\$1,250.00	41520-252	CA/Ethics Complaint

Alderman Lawrence Keeble made a motion to approve the consent calendar. Alderman Bud Crosswhite seconded the motion. All present members voted yes on a roll call vote.

END OF CONSENT CALENDAR

**City Council Meeting
January 8, 2019
Page 2**

COUNCIL MEMBER ITEMS OF CONCERN/COMMENTS

1. Vice Mayor Jerry Jordan stated Larry Hutchinson has asked for gravel for his driveway. He stated he let the City run a water line through it to service the house behind him. City Attorney George Wright suggested Mr. Hutchinson ask his neighbor to provide the gravel since his driveway is not a City street. Vice Mayor Jordan stated he would let Mr. Hutchinson know.

Vice Mayor Jordan asked about the AVL's for the police vehicles. City Recorder Sheila Shaw stated the AVL's had been installed and were working, but not able to go to 911 yet.

Vice Mayor Jordan stated the Mountain City Animal Shelter has a new 911 address.

2. Alderman Lawrence Keeble thanked all the Town employees.
3. Alderman Bob Morrison stated he was impressed with all the police have been doing around the City lately. Alderman Morrison stated he was thankful and appreciative to all the Town employees.
4. Alderman Bud Crosswhite
None
5. Mayor Kevin Parsons
Not present

CITY RECORDER- SHEILA SHAW

City Recorder Sheila Shaw asked the Board about the possibility of putting a crosswalk across Main Street at the red light on Murphey and Main because so many children walk to the community center after school. Alderman Bob Morrison asked if there needed to be a crosswalk on College Street as well. Public Works Director Gary Phillips stated he would look into it and check with TDOT. Alderman Lawrence Keeble then made a motion to authorize the crosswalks. Alderman Bud Crosswhite seconded the motion. All members present voted yes by raising their right hands.

City Recorder Shaw informed the Board there would be a ribbon cutting at the Johnson County Library on January 25, 2019 at 1 pm.

CITY ATTORNEY- GEORGE WRIGHT

City Attorney George Wright stated he is still working on the alcohol and package store ordinances and will eventually need to have a work session.

City Attorney Wright stated he filed an objection to the Attorney General's Lawsuit on the opioid crisis.

DEPARTMENT SUPERVISOR REPORTS/COMMENTS

PUBLIC WORKS DIRECTOR-GARY PHILLIPS

Public Works Director Gary Phillips stated the main drainage ditch near John Icenhour's property has become a major issue for the entire Willow Circle area. The drainage ditch is on Sterling Carroll's property and he has agreed to purchase a new tile if the City will install it. Public Works Director Phillips stated the only issue is it is on private property, but by fixing the problem it would repair the issue for that entire area.

Alderman Bob Morrison stated he thought fixing the issue would be a good thing to do. Alderman Morrison made a motion to authorize the repair. City Attorney George Wright stated he felt it would not be a problem as long as it benefitted more residents other than the property owner. Alderman Bud Crosswhite seconded the motion. All members present voted yes by raising their right hands.

Public Works Director Gary Phillips stated there were multiple drainage problems on Shoun Street. His crews have used the jet rodder to try to clear the tiles but have been unable to do so. Mr. Phillips stated the tiles were operating on one-third capacity and that renting a sewer vac might help. Collection-Distribution Superintendent Chris Hook stated it would be better in the long run to purchase the piece

City Council Meeting
January 8, 2019
Page 3

of equipment instead of renting it. Mr. Hook stated it could be used in multi departments. Mr. Hook asked the Board for permission to look into buying versus renting. Vice Mayor Jordan asked to see the different options and prices. Alderman Morrison asked for options and to table the subject until the next meeting.

Public Works Director Gary Phillips stated Bennie Campbell had slipped on ice and broken his hip. Mr. Phillips asked the Board for permission to hire a temporary employee until Mr. Campbell is able to return to work. City Recorder Sheila Shaw stated Mr. Campbell would be out of work at least six months.

Alderman Bob Morrison made a motion to authorize hiring a temporary employee. Alderman Bud Crosswhite seconded the motion. Motion carried with all members present saying "aye."

COLLECTION-DISTRIBUTION SUPERINTENDENT- CHRIS HOOK

Collection-Distribution Superintendent Chris Hook asked the Board to declare his old dump truck surplus so that it could be sold on Govdeals. Alderman Morrison made a motion to proceed. Alderman Bud Crosswhite seconded the motion. Motion carried with all members present saying "aye".

Vice Mayor Jerry Jordan asked for an update on the Pedro Shoun construction. Mr. Hook stated the water would be turned off on Thursday, January 10, 2019 so they could do the tie-ins.

PARKS AND RECREATION DIRECTOR- FLO BELLAMY

Parks and Recreation Director Flo Bellamy stated she would be having a prison crew coming to paint the Community Center, but they will be gone by the time the children get to the Center after school.

Parks and Recreation Director Flo Bellamy thanked the Board for agreeing to put in a crosswalk for the children walking to the center from the elementary school.

POLICE CHIEF- DENVER CHURCH

Police Chief Denver Church asked the Board for permission to use different lettering on the new patrol cars. Chief Church provided the Board members a copy of the new proposed lettering. Alderman Bob Morrison made a motion to change the lettering. Vice Mayor Jerry Jordan seconded the motion. Motion carried with all present members saying "aye."

FIRE CHIEF- GARY STOUT

None

BUILDING INSPECTOR- JESSE COMPTON

Building Inspector Jesse Compton informed the Board of the projects he had recently completed. Mr. Compton also stated he was working full time with another employer, but would still be able to fulfill his inspector duties.

NEW BUSINESS

1. Election/Selection of Vice Mayor for the Town of Mountain City for the next two years as tabled from last month's meeting.

Alderman Lawrence Keeble made a motion to have Bud Crosswhite the new Vice Mayor. Alderman Bob Morrison seconded the motion. Motion carried with all present members saying "aye."

2. Appoint a member to fill the alderman vacancy on the Mountain City Planning Commission.

Table item until next month.

3. Discussion concerning a "No Thru Trucks" Policy for North Church Street and Divide Road.

Alderman Keeble asked about the possibility of adopting an ordinance to this affect. City Attorney George Wright stated an ordinance would have to be very specific. He felt the "No Thru Trucks" just needed to be enforced by law enforcement. After much

**City Council Meeting
January 8, 2019
Page 4**

discussion, City Attorney George Wright stated he would look into the issue and get the specific information for the next meeting.

4. Discussion from Bethany Anderson concerning the Johnson County Farmer’s Market.

Bethany Anderson stated the Farmer’s Market is now in its winter session and that it meets at the Welcome Center. Mrs. Anderson stated she hoped they would be able to come back to Ralph Stout Park in the spring and summer.

Mrs. Anderson formally asked to be able to use Ralph Stout Park starting in May and going through October. Alderman Bud Crosswhite stated the Farmer’s Market could not rope off the parking lot like they had the previous year. Mrs. Anderson stated this year there would be no Tuesday market. It will be on Saturday mornings only. Alderman Bud Crosswhite also stated it would be a good idea for Mrs. Anderson to contact Dan Taylor at TNT Outdoors so the free fishing day in June wouldn’t conflict with the Farmer’s Market as it did last year.

Alderman Bob Morrison made a motion to allow the Farmer’s Market to use Ralph Stout Park and for them to work with City Recorder Sheila Shaw and other events held at the park. Alderman Bud Crosswhite seconded the motion. Motion carried with all present members saying “aye.”

5. First Reading of the following Budget Amendment Ordinances:

#1614	\$5,000.00	44420-329	CC/Donation
#1615	\$4,050.00	42100-332	PD/Vehicle Parts (Ins Pass Thru)
#1616	\$14,384.00	52100-338	WP/Telemetry
#1617	\$890.00	42200-340	FD/Other Repairs/Maint
#1618	\$518.00	43100-340	STR/Other Repairs/Maint
#1619	\$436.00	52100-340	WP/Other Repairs/Maint
#1620	\$588.00	52200-340	WWTP/Other Repairs/Maint
#1621	\$500.00	44143-251	AC/Donation
#1622	\$270.00	44143-300	AC/Donation
#1623	\$3,385.00	41990-146	OGGE/WC Insurance
	\$1,997.00	41990-511	OGGE/Insurance Buildings
#1624	\$317.00	44420-146	CC/WC Insurance
#1625	\$2,534.00	52100-146	WP/WC Insurance
#1626	\$534.00	52300-146	CD/WC Insurance

Alderman Bob Morrison made a motion to approve. Alderman Bud Crosswhite seconded the motion. All present members voted yes on a roll call vote.

ADJOURNMENT

Alderman Bob Morrison made a motion to adjourn the meeting at 7:36 pm. Vice Mayor Jerry Jordan seconded the motion. Meeting adjourned.



City Recorder Sheila Shaw

Town of Oneida

Oneida

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$2,514,835.00	\$2,598,815.00	\$2,659,093.00
Other Revenue	\$197,954.00	\$208,092.00	(\$172,548.00)
Operating Revenue	\$2,712,789.00	\$2,806,907.00	\$2,831,641.00
Operating Expenses	\$2,618,865.00	\$2,362,923.00	\$2,593,825.00
Operating Income	\$93,924.00	(\$94,470.00)	\$237,816.00
Non-Operating Revenue(Expenses)	(\$96,343.00)	(\$82,763.00)	(\$82,247.00)
Net Change In Position	(\$2,419.00)	(\$177,233.00)	\$155,569.00
Grant/Capital Contribution	\$152,856.00	\$426,631.00	\$43,766.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Town of Oneida

Staff Summary:

On March 29, 2018, the Board ordered Oneida to complete the following:

1. The Town shall bring in the Municipal Technical Advisory Service, Tennessee Association of Utility Districts or another qualified expert to complete a rate study or analysis and assist with the following:
 - a. Review of tap fees and the actual cost of installation;
 - b. Creating a new customer contract;
 - c. Creating/implementing a 5-year capital asset budget (to be taken from the current capital asset list and include future anticipated needs);
 - d. Review of inside/outside rates and the cost of serving outside of the corporate boundaries;
2. The Town shall provide an update to Board staff with the completed rate study and an implemented or proposed plan of action by August 31, 2018.

On November 15, 2018, the Board ordered Oneida to complete the following:

1. The Town shall comply with all the directives of the Board's April 17, 2018 order by January 31, 2019.
2. If the Town fails to comply with this order, Board staff shall refer the Town to the Attorney General's Office to pursue enforcement proceedings.

The Town has complied with all directives of the Board.

Staff Recommendation:

1. The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning September 1, 2019, until the Board releases the Town from its oversight.

Aldermen

**Jeff Tibbals
Linda Lay
Mark Byrd
Allison Mays**

Town of Oneida

ONEIDA, TENNESSEE 37841

Jack E. Lay, Mayor



Gateway to the

Big South Fork

P. O. Box 4237

**423-569-8300
423-569-4295
FAX 423-569-2990**

January 14, 2019

Office of State and Local Finance/COT

Water and Wastewater Financing Board
Attn: John Greer
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

FEB 04 2019

Time Received _____

Dear John Greer:

This letter is a follow up to the request from Anna V. Butterworth, Chair Water and Wastewater Financing Board concerning deficiencies in the Town's Water and Wastewater fund.

- A. Please find attached is the towns review of Tap Fees and actual cost of installation.
- B. The Utility answered the question incorrectly in the letter dated February 28, 2018, concerning the use of new customer contracts. The Water and Sewer department has been using new customer contracts since 1995. Please see attached copy of an agreement signed 6-27-1995. The customer does get a copy of said contract.
- C. Please find attached is a copy of the five year capital asset budget plan.
- D. Please find attached is a review of inside / outside rates and cost of serving outside of corporate boundaries. Also attached is a copy of the response to Director order and LARR returning Oneida back into compliance with THM and Haa5. DBP reduction study, General System Assessment and more.

If you have any question, please feel free to contact me at (423) 569-4295 or Dennis E. Jeffers CPA, PC or Stephen T. Owens at (423) 569-4008.

Sincerely,

Jack E. Lay, Mayor
Town Of Oneida

McCREARY COUNTY WATER DISTRICT

P.O. Box 488
Whitley City, KY 42653
(606) 376-2540

December 18, 2017

RE: Stephen T. Owens

To whom it may concern:

It is with great pleasure that I give recommendation for Stephen T. Owens. Stephen has always displayed a high degree of integrity, responsibility, and ambition. He is definitely a leader rather than a follower. In addition to his excellent management skills and accomplishments, he has proven his quick ability to excel in any job he has held in his thirty eight years of employment with McCreary County Water District. The District accredits over fifty two million dollars in construction projects to Stephen's leadership, along with the day to day responsibilities as Manager/Superintendent. He is recognized by his peers as an excellent Manager/Superintendent.

Stephen T. Owens was employed by the McCreary County Water District from 1979 to September 2017. His duties have included Line Foreman; Service Manager; and Assistant Manager from 1988 through January of 1990 when he became General Manager. Stephen holds Class IV A Water Treatment Plant; Class IV Distribution; and Class III Wastewater Operator licenses. He also holds a Land Farm Operators license, Equipment Operators license; is a Certified Meter Tester; and is a graduate of the Utility Management Institute. In 2008 Stephen was nominated for the Meritorious Operator of the Year Award for the Ky/Tn Section of the American Water Works Association. He was elected to the KRWA Board of Directors in August 2007 and has served as President from 2014-2015 and continues to be active in various state and local activities.

He would be a good example for any water profession and I am happy to give him my wholehearted endorsement.

If you have any question, please feel free to call me at (606) 376-2540.

Sincerely,



Randy Kidd, Chairman
McCreary County Water District

RK/kt

Executive summary

The following report details Old and New proposed rates for inside and outside rates and justification using several supporting documents including our water treatment study, specific Hydraulic issues with aged water combined with TOC concentrations and CL2 causing TTHM, HAA5 formation. A breakdown in customer inside and outside percentages, customer per mile and average distance between services in feet. Raw Water needs caused by added outside customers. Oneida has requested funding for a new raw water source. we are currently working with NRCS on a study funded by them to research our request and options. Ralph Smith with NRCS is in charge of the program and research.

This study is not to be considered a detailed rate study, but a general system assessment and recommendations to justify inside and outside rates with explanations in the General System Assessment. We are aware of discussions and opinions on inside and outside rates and have concluded in our case warrants different rate structures. The cost to produce our water is \$1.58 per thousand gallons and the cost to deliver to the outside areas is 45.4% higher cost. "Many of the Cities across the state have similar rates out of 228 cities with sewer systems, 87 of 89 that provide both water and sewer service charge a different rate to outside customers for one or both services. However, the most common markups are 40% to 50% more than the inside rate". This quote was taken from the January 2014 report on House bill 600.

Note: A Rate Increase that went into Effect June 30, 2018 provided a 7.4 % increase on the existing water and sewer rate structure.

YEAR	From	2017	To	2018
Water Inside - (2000 gal Min) Per 1000		\$13.38 \$ 5.03		\$14.45 \$ 5.43
Water Outside - (2000 gal Min) Per 1000		\$19.64 \$ 7.73		\$21.21 \$ 8.35
Sewer Inside - (2000 gal Min) Per 1000		\$18.56 \$ 9.28		\$20.04 \$10.02
Sewer Outside - (2000 gal Min) Per 1000		\$19.66 \$ 9.83		\$21.24 \$ 10.62

Proposed New Water and Sewer Rate Increase Effective June 30, 2019

The Rate study showed a June 30, 2019 Proposed New Water increase of \$.42 cents per month minimum bill (2000 gal) for both Inside and Outside areas and a \$.25 cent per 1000 gal after the minimum for inside and outside customers.

A June 30, 2019 Proposed New Sewer increase of \$.42 cents per minimum bill (2000 gal) for both inside and outside areas and a \$.21 cent per 1000 gal after the minimum for inside and outside customers.

YEAR	From	2018	To	2019
Water Inside - (2000 gal Min) Per 1000		\$14.45 \$ 5.43		\$14.87 \$ 5.68
Water Outside - (2000 gal Min) Per 1000		\$21.21 \$ 8.35		\$21.63 \$ 8.60
Sewer Inside - (2000 gal Min) Per 1000		\$20.04 \$10.02		\$20.46 \$10.23
Sewer Outside - (2000 gal Min) Per 1000		\$21.24 \$10.62		\$21.66 \$10.83

**TOWN OF ONEIDA, TENNESSEE
WATER AND SEWER DEPARTMENT
STATEMENT OF NET POSITION
For the Year Ended June**

	Audit 2015	Audit 2016	Audit 2017	Audit 2018	Projected 2019
ASSETS					
Current Assets					
Cash on Hand and in Banks	\$ 1,182,901	\$ 1,326,829	\$ 1,459,851	\$ 1,645,129	\$ 2,130,219
Accounts Receivable					
Net of Allowance for Doubtful Accounts	451,977	572,177	448,789	561,861	697,564
Utility Deposits	1,665	1,665	1,665	1,665	1,665
Inventory	202,104	171,707	169,200	176,622	160,000
Total Current Asset	<u>1,838,647</u>	<u>2,072,378</u>	<u>2,079,505</u>	<u>2,385,277</u>	<u>2,989,448</u>
Capital Assets					
Capital Assets Costs	29,384,707	29,633,301	30,207,207	30,409,093	30,439,093
Less: Accumulated Depreciation	(11,689,100)	(12,227,388)	(12,765,842)	(13,273,072)	(13,781,808)
Total Capital Assets Net Depreciation	<u>17,695,607</u>	<u>17,405,913</u>	<u>17,441,365</u>	<u>17,136,021</u>	<u>16,657,285</u>
Total Assets	<u>19,534,254</u>	<u>19,478,291</u>	<u>19,520,870</u>	<u>19,521,298</u>	<u>19,646,733</u>
LIABILITIES					
Current Liabilities (AP, Accrued, Current LTD)	310,579	317,200	327,251	349,058	350,000
Long Term Liabilities	3,335,000	3,140,000	2,940,000	2,735,000	2,525,000
Total Liabilities	<u>3,645,579</u>	<u>3,457,200</u>	<u>3,267,251</u>	<u>3,084,058</u>	<u>2,875,000</u>
Deferred inflow on bonds premium	150,299	132,278	115,408	99,688	99,688
Net Position					
Investment in Capital Assets					
Net of Related Debt	\$ 14,170,607	\$ 14,070,913	\$ 14,301,365	\$ 14,196,021	\$ 14,132,285
Unrestricted	1,567,769	1,817,900	1,836,846	2,141,531	2,539,760
Total New Position	<u>15,738,376</u>	<u>15,888,813</u>	<u>16,138,211</u>	<u>16,337,552</u>	<u>16,672,045</u>
Total Liabilities and Net Position	<u>19,534,254</u>	<u>19,478,291</u>	<u>19,520,870</u>	<u>19,521,298</u>	<u>19,646,733</u>

WATER AND SEWER DEPARTMENT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended June 30

	Audit 2015	Audit 2016	Audit 2017	Audit 2018	Projected 2019	Water Projected 2019	Sewer Projected 2019
OPERATING REVENUES							
Water usage charges	\$ 1,525,821	\$ 1,581,502	\$ 1,646,408	\$ 1,664,625	\$ 1,845,135	1,845,135	-
Sewer usage charges	955,937	933,333	952,407	994,468	976,899	-	976,899
Water tap fees	15,400	15,050	15,000	19,050	15,000	15,000	-
Sewer tap fees	3,350	3,400	4,425	4,399	4,000	-	4,000
Installation charges	22,483	26,977	16,471	19,538	18,000	11,520	6,480
Water Testing	-	-	8,225	12,215	12,000	12,000	-
Insurance Recoveries	-	35,590	33,005	19,113	-	-	-
Sale of materials and supplies	23,495	-	-	54,415	50,000	32,000	18,000
Miscellaneous income	50,791	76,857	90,257	-	-	-	-
Penalties	37,763	40,080	40,709	43,818	44,000	28,160	15,840
TOTAL OPERATING REVENUES	2,635,040	2,712,789	2,806,907	2,831,641	2,965,034	1,943,815	1,021,219
OPERATING EXPENSES							
Procurement, Treatment and Supply							
Chemicals	\$ 104,325	\$ 85,849	\$ 69,842	\$ 90,547	\$ 91,000	\$ 91,000	-
Power	138,579	158,250	143,391	145,454	145,454	145,454	-
Labor	109,092	125,778	121,915	156,182	156,182	156,182	-
Repairs	23,961	55,054	49,395	6,077	6,077	6,077	-
Equipment maintenance and repair	12,611	36,521	45,749	21,733	21,733	21,733	-
State maintenance	2,826	2,826	3,202	37,424	37,424	37,424	-
Materials and Supplies	22,131	2,263	24,256	2,852	2,852	2,852	-
Purchase Water	-	-	39,830	-	-	-	-
Water samples and testing	6,737	8,515	12,725	17,639	17,639	17,639	-
Schools	1,308	1,910	1,565	2,559	2,559	2,559	-
Utilities	9,964	9,081	9,923	10,787	10,787	10,787	-
Sludge Disposal	-	-	9,433	5,899	5,899	5,899	-
Miscellaneous	10,800	16,428	15,651	8,323	8,323	8,323	-
Total Procurement, Treatment and Supply	442,334	502,475	546,877	505,476	505,929	505,929	-
Transmission and distribution							
Power	\$ 17,616	\$ 18,625	\$ 25,659	\$ 22,621	\$ 22,621	\$ 22,621	-
Materials and supplies	75,569	70,691	109,486	76,555	76,555	76,555	-
Labor	284,889	287,326	272,298	290,830	290,830	290,830	-
Repairs	3,694	11,622	37,872	11,304	11,304	11,304	-
Meter Exchange Program	-	-	22,617	103	103	103	-
Miscellaneous	3,392	5,475	7,738	2,536	2,536	2,536	-
State Maintenance Fees	2,827	2,826	2,852	2,852	2,852	2,852	-
Total Transmission and distribution	387,987	396,565	478,522	406,801	406,801	406,801	\$ -
Sewer Treatment							
Chemicals	\$ 36,388	\$ 36,748	\$ 36,303	\$ 36,584	\$ 36,584	-	36,584
Materials and Supplies	7,822	16,673	12,891	12,340	12,340	-	12,340
Labor	103,813	103,353	108,118	110,669	110,669	-	110,669
Repairs and Maintenance	14,868	26,333	71,866	63,190	63,190	-	63,190
State maintenance fees	3,610	3,285	3,110	16,518	16,518	-	16,518
Sludge Disposal	4,889	-	-	3,610	3,610	-	3,610
Lab testing	515	8,749	8,381	9,384	9,384	-	9,384
Other	10,091	5,169	2,871	10,497	10,497	-	10,497
School	-	-	-	-	-	-	-
Utilities	85,494	85,222	77,715	1,208	1,208	-	1,208
Total Sewer Treatment	267,490	285,532	321,255	264,000	264,000	-	264,000
Sewer Collection							
Power	\$ 34,878	\$ 34,626	\$ 33,172	\$ 35,912	\$ 35,912	-	35,912
Materials and Supplies	21,081	50,567	24,877	17,097	17,097	-	17,097
Labor	-	-	-	-	-	-	-
Other Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	44,653	62,966	54,574	18,657	18,657	-	18,657
State Maintenance Fee	3,111	3,285	3,110	3,110	3,110	-	3,110
Total Sewer Collections	103,723	151,444	115,733	74,776	74,776	-	74,776

Administrative and general							
Salary	\$ 125,080	\$ 166,984	\$ 205,093	\$ 209,419	\$ 209,419	134,028	75,391
Telephone	14,407	13,560	15,241	14,250	14,250	9,120	5,130
Insurance Casualty, theft, liability	76,869	84,492	68,499	64,411	64,411	41,223	23,188
Insurance Life and Employee	284,910	298,057	365,563	335,860	335,860	214,950	120,910
Office Supplies	9,230	7,606	16,869	10,406	10,406	6,660	3,746
Postage	18,089	20,521	17,960	18,537	18,537	11,864	6,673
Meter Reading	2,941	4,484	4,110	-	-	-	-
Repairs and Maintenance	-	-	63,313	261	261	167	94
Dues and subscriptions	5,063	5,010	4,819	4,903	4,903	3,138	1,765
Payroll tax	47,861	57,831	45,346	58,248	58,248	37,279	20,969
Bank Charges	1,097	1,309	-	14,920	14,920	9,549	5,371
Retirement	20,159	17,735	18,306	20,582	20,582	13,172	7,410
Legal	-	6,555	1,000	-	-	-	-
Administrative expense	120	3,747	14,184	-	-	-	-
Computer Software	4,650	4,970	-	14,565	14,565	9,322	5,243
Travel	4,696	-	-	-	-	-	-
Other	2,861	-	-	5,538	5,538	3,544	1,994
Audit	8,000	10,000	20,000	23,520	23,520	15,053	8,467
Employee relations	3,294	2,336	2,931	1,887	1,887	1,208	679
Total Administrative and General	629,327	\$ 705,197	863,234	797,307	797,307	510,276	287,031
Motor pool							
Gas, oil and diesel	\$ 24,836	\$ 15,278	\$ 16,864	\$ 20,152	\$ 20,152	12,897	7,255
Repairs & Maintenance	20,280	24,085	20,438	18,083	18,083	11,573	6,510
Total Motor Pool	\$ 45,116	\$ 39,363	\$ 37,302	\$ 38,235	\$ 38,235	\$ 24,470	\$ 13,765
TOTAL OPERATING EXPENSE	1,875,977	2,080,576	2,362,923	2,086,595	2,087,048	1,447,477	639,571
Operating income before depreciation	759,063	632,213	443,984	745,046	877,986	496,338	381,648
DEPRECIATION							
Depreciation expense	540,021	538,289	538,454	507,230	508,736	227,078	281,658
Net Income from operating activities	219,042	93,924	(94,470)	237,816	369,250	269,260	99,990
Capital Grants	-	152,856	426,631	43,766	100,000	-	100,000
Interest Income	501	706	17,199	172	2,000	1,280	720
Interest Expense	(113,277)	(115,070)	(116,832)	(98,313)	(88,741)	(88,741)	-
Bond Costs	-	-	-	-	-	-	-
Amortization	19,171	18,021	16,870	15,894	15,720	15,720	-
Change in Net Position	125,437	150,437	249,398	199,335	398,229	197,519	200,710

Cost and Expenses that are not assigned directly are allocated 64% to Water and 36% to Sewer
 Depreciation is assigned to either water and sewer by identification the remaining amount is allocated to water.

**TOWN OF ONEIDA, TENNESSEE
WATER AND SEWER DEPARTMENT
STATEMENT OF CASH FLOWS
For the Year Ended June 30**

	Audit 2015	Audit 2016	Audit 2017	Audit 2018	Projected 2019
INCOME FROM OPERATING INCOME	219,042	93,924	(94,470)	237,816	369,250
Adjustments to Reconcile Net Net Operating Income					
To Net Cash provided by Operating Activities	\$ 540,021	\$ 538,289	\$ 538,454	\$ 507,230	\$ 508,736
Depreciation	-	18,021	16,870	15,894	15,720
Amortization	-	-	-	-	-
Increase (Decrease) in current Liabilities	(15,059)	4,718	6,290	18,737	18,737
(Increase) Decrease in Inventories	(9,791)	30,394	2,508	(7,422)	(7,422)
(Increase) Decrease in Grants Receivable	-	-	-	-	-
(Increase) Decrease in Accounts Receivable	(30,425)	(30,835)	5,982	(113,072)	(113,072)
	<u>703,788</u>	<u>654,511</u>	<u>475,634</u>	<u>659,183</u>	<u>791,949</u>
Net Cash Provided by Operating Activities					
Increase (Decrease) in Customer Deposits	(1,800)	(1,720)	(1,240)	(1,360)	(1,200)
Cash Flows from Non-Capital & Related Financing Activities					
Principal Increase (Decrease) in Bonds and Notes Payable	(120,000)	(190,000)	(195,000)	(200,000)	(205,000)
Interest Paid	(113,277)	(106,425)	(116,832)	(114,607)	(114,607)
Bond Costs					
Cash Flows from Investing Activities					
Capital Grants		35,449	544,037	43,776	43,776
Interest Income	502	706	329	172	172
Investment in General Fixed Assets	(806,033)	(248,593)	(573,906)	(201,886)	(30,000)
Net Increase (Decrease) in Cash	(336,820)	143,928	133,022	185,278	485,090
Cash - Beginning	<u>1,519,721</u>	<u>1,182,901</u>	<u>1,326,829</u>	<u>1,459,851</u>	<u>1,645,129</u>
Cash - Ending	<u>\$ 1,182,901</u>	<u>\$ 1,326,829</u>	<u>\$ 1,459,851</u>	<u>\$ 1,645,129</u>	<u>\$ 2,130,219</u>

The accompanying notes are an integral part of these financial statements.

Town of Oneida Water and Wastewater Finance Board Response Report

BY

Stephen T. Owens
Work (423) 569-4008
Cell (606) 310-9520
90sowens@gmail.com

Section 1. A review of Tap Fees and actual cost of installation.

Section 2. Proof of Existing Customer Contract dated 6-26-1995 , The question was answered incorrectly to WWFB. System does have and uses New customer contract since 1995 and continues to use same contract. please note the contract is a legal size document all on one page and has a carbon copy so the customer receives a copy. It is reduced in size for this report only.

Section 3. Asset Management Guide/ Reserve budget, system inventory work sheets / Book Asset Detail Depreciation schedule.

Section 4. Review of inside / outside rates and cost of serving outside corporate boundaries.

Supporting Documents : General System Assessment report, DBP reduction study and Accomplishments through 12-31-2018.

Oneida Water Department DBP Report that shows water age effects compliance levels because outside water age is proven to add cost to utility treatment and system delivery cost to protect the consumer and maintain compliance.

General Assessment Report discusses system cost for outside Rates. Customer inside and outside percentages and distance between connections. Outside fire department, dedicated 1,200,000 gallon storage, added flushing dead end lines and more.

Billing Information Usage, Demand Usage water and sewer inside and outside. Existing Rates Water and Sewer based on Test Year 1-1-2018 through 12-31-2018 report. Proposed New Rates Water and Sewer based on Test Year 1-1-2018 through 12-31-2018 report.

Five Year comparison Annual financial information. Proposed New Rate projection.

Section 5. USDA, NRCS New Raw Water study.

Final discussion, Oneida has made major improvements on its water system in the past year and will continue to improve, including assets management and planning. Rate analysis will be reviewed every year and a high priority will be given to reducing water loss as stated in the general system assessment.

Section 4.

A review of Inside / Outside rates and cost of serving outside of the corporate boundaries.

General System Assessment

DBP reduction Accomplishments Letter.

DBP Reduction Report, Carbon (PAC) study.

General System Assessment

WATER TREATMENT PLANT

The water treatment plant serves both inside and outside City limits at a ratio of 37.09% inside to 62.91% outside for the fiscal year ending June 30, 2018. 348,336,000 gallons was produced in 2017- 2018 year. It is fair to assume the line leakage and meter water loss through the meter inaccuracies is split equally based on the percentages served. Oneida water treatment plant is in full compliance with TDEC (see Accomplish letter dated January 15, 2019)

A DBP study using carbon to reduce TOC, TTHM and HAA5 is attached something important to note: Time study shows the water age is critical to the formation of both THM and HAA5. Water passing through storage tanks and extended lines adds to the formation. Serving water in rural areas is more difficult and cost more per 1,000 gallons to serve outline areas. Our water system experienced increased treatment cost and distribution cost from further distances to each meter including more water for line flushing and tank turn over and more treatment and source expense to maintain compliance for DBP removal. Also increased raw water needs have caused Oneida to experience water shortages do to the higher demand for extending outside the City limits, again causing increased cost to its customers.

Tools

The water plant has the required tools for its operations. No deficiency

Pumps

Total of 3 High service pumps. 3 Raw basin pumps. Raw water pumps, 2- (Baker Lake) and 3- (Recreation park Lake). Backwash Pump 2. All pumps listed are in good working condition and routine maintenance are preformed as manufactures recommends.

Computer-hardware/software (SCADA, telemetry)

Is in good condition we have a service tech routine maintain system. The wonder ware operating program system needs up graded in the next few years. \$2,500

Generator (power)

Is in good working condition. Stowers (Cat Dealer) maintains generator

General structure (mechanics and building)

Treatment plant and appurtenances are now maintained in good condition

everyday when break downs occur problems are fixed in a timely manner. Including inspection and cleaning Basin, Clear well, Filters, clarifiers, Pumps, chemical fed pumps and lines ect... beginning December 2017.

Storage (chemicals & supplies)

Plant chemicals & supplies are all maintained in good order to provide adequate storage without interruptions.

Valves

The treatment plant has many inside air operated control valves and Two 4-20 milliamp electric control valves. Oneida had replaced several valves and plan to replace two more in the next 5 years, the estimated cost is less than \$10,000 and is considered O&M. Outside valves are operated and all are functioning in good condition.

DISTRIBUTION SYSTEM

Water loss

Oneida needs to aggressively reduce water loss. Items needing attention are as follows:

Meters age & replacement policy

Oneida in an effort to reduce water loss and upgrade Aging water meters chose to complete a (AMR) meter replacement project with new meters around 4 years ago. One problem was, NOT every account received a brand new meter. Accounts that had a existing Badger meter in place was retrofitted with a new top AMR dial. The issue with retrofitting and old meter is the old meter displacement chamber that measures the actual amount of water can be aged as much as 15 + years.

By using the old meter chambers water loss is suspected causing water loss and effecting both water and sewer revenue, because the sewer derives from the water meter readings. It is recommended to develop a replacement policy that replaces or test all meter every 10 years to insure accuracy, to better protect the utility from water loss due to slow meters not registering actual amount used by customer.

Leak detection devices & assessment

The system has 2 listening devices, 2 metal detector and pressure chart recorder are all in working condition.

Pressure sensors: 4 pressure sensors all working condition.

Pump Stations

Terry Hill - 1 hp Red Jacket installed 1988 replaced 4 years ago
 Strawberry Flats - 10 hp Aquavar installed 1989 replaced 5 year ago
 Keeton Lane - 1 hp Goulds installed 1992 replaced 5 years ago
 Eco point - .75 hp Hydrovar installed 2006 replaced 5 year ago
 Skyline - 1 hp Red Jacket installed 1989 replaced 4 year ago
 Juelda - 1 hp Goulds installed 1999 replaced 2 years ago
 Johnny King 1 hp Goulds installed 2001 replaced 8 months ago
 Adkins Trail 5 hp Aquavar installed 2004 replaced 6 years ago
 Cook's 1 hp Goulds installed 1989 replaced 6 months ago
 Gum fork 1 hp Goulds installed 1988 replaced 2 years ago
 Grape Rough 7.5 hp Aquavar installed 2000 replaced 1.5 years ago
 Ross Cemetery 1 hp Aquavar installed 1990 replaced 4 years ago
 Bear Mt. 1 hp Red Jacket installed 2003 replaced 2 years ago
 Brewster Mt. 7.5 hp Goulds installed 1988 replaced 4 years ago
 Sand Cut 15 hp Goulds installed 1988 replaced 5 years ago
 Pine Hill 10 hp Goulds installed 1988 replaced 2 years ago

General hydraulics / Inside, Outside

Due to the topography within Oneida's service area all three water tanks are at different run over elevations. The city has one zone lower than the other two areas. The inside city is served by Eli 1,000,000 gal concrete ground tank. The outside areas are served by Grape Rough 1,000,000 gal concrete tank that is inside city limits. Pine hill 200,000 gal steel tank is outside city limits and is scheduled to be renovated this year using ARC grant monies \$400,000 dollars. Oneida maintains 16 booster pump stations to serve the outside city areas. 322 miles of lines ranging from 3/4" to 16"
 80.7 miles of large diameter lines ranging 3/4" to 16" in the City Limits these lines also carry water to the outside areas with 4,425 total active customers.

Inside customers	1,641 = 37.09%
Outside customers	2,784 = 62.91%

Winfield customers are included in outside.

Oneida has estimated the cost to serve the outside City areas is equal to 45.4% higher cost to the utility compared to Inside City rates. The miles of lines outside is 75% of the service area of 243.5 mile or 457.77 feet average per outside customer. The service area for inside is 80.7 miles or 259.6 feet average per customer. Also 1,200,000 gallons of storage is dedicated to the outside service area

Valves & Fire Hydrants

Oneida has 283 main line valves and 231 fire Hydrants. The outside area has its own fire department that uses water to provide fire protection to the outside area with no benefit to the inside City limits customers and the water used and lost by this department for fighting fire and flushing and training are and expense to the utility and are considered

GIS/GPS mapping

Oneida is planning on digital mapping in the next 5 years estimated cost \$15,000

OFFICE

Building structure (HVAC, roof, windows, appearance, etc.)

Good condition

Furniture

Good condition

Computers (age of software and hardware/general integration with system)

All in good condition. Computers are upgraded as needed software is maintained and keep up to date by Modern Systems.

MAINTENANCE

All maintenance is performed by the servicemen distribution crews

Service vehicles

Appear in good working order

Equipment

Appear in good working order

Inventory

All inventory is managed by the Distribution supervisor. An adequate amount materials are keep in inventory and safeguarded from unauthorized use.

EMPLOYEES

Age of employees

Supervisors have more than 20 years service and are nearing retirement age.

Redundancy of workforce

Supervisors and Employees are encouraged to cross train and have redundancy in critical job positions.

It is estimated the increased cost to serve the outside areas are fair in comparison with the inside rate due to the general system assessment and in consideration that the City residents are also required to pay a city tax.

The information provided in this report was obtained from Staff: Juelda Boyatt Office Manager, Stacy Chambers Office staff, Danny Douglas Distribution / Collection System Supervisor, Steve Boyatt assistant Distribution / Collection System operator and Stephen T. Owens Water Plant Manager.

Section 6.

Proposed New Raw Water source project.

Currently in planning stages.

Oneida Water Department

Mayor Jack Lay
965 West Third Avenue
Oneida, Tennessee 37841
(423) 569-4008

July 23, 2018

USDA, NRCS Staff

Ralph Smith, James Sims, Jenny Adkins, Andy Hartman, Carol Chandler

Re: New Reservoir site visit for the Town of Oneida, Tn.

This letter is a follow up to our meeting on July 12, 2018 and site visit for a possible new reservoir location.

Oneida has struggled for years to provide water to the Town due to the lack of Raw water, It currently has Baker Lake that was built in the 60's and most recently the Recreation Lake was built. Both lakes are shallow reservoirs that do not have enough water storage and are high in organics and have iron and manganese problems making the water harder to treat and maintain EPA/TDEC compliance. The town has tried for years to gain access to the free flowing river that flows through Scott County in the Big South Fork river with no success due to the BSFRRRA creation that limited access to the river recreation area. The congressional creation of the BSFRRRA act had unintentional consequences that limited this areas free flowing water and caused a real hardship on this area and especially to the Town by not having a good dependable Raw water source that would normally be available to them.

The Town has two neighboring utilities that are not adequate to provide Oneida with enough water to maintain service to its customers and would cost 8 to 10 million dollars to upgrade infrastructure to the nearest water system to be able to help Oneida's water reliably. This option is not practical.

Efforts to seek out a new Raw water source that has a big water shed area with good feeding streams or springs with a year around flow and within a reasonable distance from the Towns water treatment plant is challenging.

We have identified 3 possible locations Cordell creek, Phillips creek and West creek area. After our meeting and site visit West creek has been eliminated as a choice.

Preliminary basic water samples were pulled on July 23, 2018 after a rain event:

	Cordell	Phillips A	Phillips C
PH	7.09	7.24	6.98
ALK	19	32	28
Hardness	22	36	36
FE	2.65	1.01	2.16
FE D	0.34	0.14	0.26
Mn	0.353	0.171	0.379
Mn D	0.071	0.086	0.133
TOC	5.24	6.88	16
Turbidity	204	34.3	134
Conductivity	95.5	103.9	81.3

We plan on running another set of samples during normal flow. Also if a site looks positive we want to run a full set of Water analysis as required by TDEC as a new source requires.

I hope this information is helpful and look forward to working with all of you. If you have any questions, please feel free to contact me at (606) 310-9520 or (423) 569-4008.

Sincerely



Stephen T. Owens
Water Treatment Plant Mgr.

Cc: Mayor Jack Lay, Town Of Oneida

City of South Fulton

South Fulton

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,151,893.00	\$1,222,688.00	\$0.00
Other Revenue	\$80,189.00	\$79,316.00	\$0.00
Operating Revenue	\$1,232,082.00	\$1,302,004.00	\$0.00
Operating Expenses	\$1,315,211.00	\$1,273,100.00	\$0.00
Operating Income	(\$83,129.00)	\$28,904.00	\$0.00
Non-Operating Revenue(Expenses)	(\$68,519.00)	(\$66,301.00)	\$0.00
Net Change In Position	(\$151,648.00)	(\$37,397.00)	\$0.00
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of South Fulton

Staff Summary:

South Fulton has been referred for financial distress. The City raised rates 3.7% in January 2019. The City has consulted with MTAS, but it does not appear they have had a rate study performed.

Staff Recommendation:

1. The Town shall have the Municipal Technical Advisory Service, Tennessee Association of Utility Districts or another qualified expert, as approved by Board staff, perform a rate study and assist with creating a leak adjustment policy.
2. The Town shall provide an update to Board staff with the completed rate study and an implemented or proposed plan of action by June 30, 2019.



Water and Wastewater Financing Board
Attn. John Greer
Fourth Floor Cordell Hull Building
425 Fifth Ave North
Nashville, TN 37243

RE: South Fulton/WWFB Financial Questionnaire

Mr. Greer,

Please find the financial information requested in the WWFB financial questionnaire below.

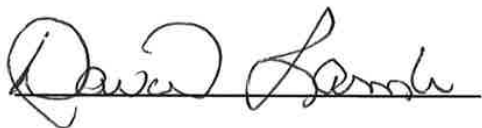
1. The water and sewer rates have been increased by 3.7% by ordinance (attached). The ordinance also provides for an annual cost of living adjustment, in addition to the approved rates, to be made annually. The increase was determined, in cooperation with MTAS, with data supplied on the AWWA Water Audit Reporting Software.
2. All utility rates would be set by the city Board of Mayor and Commissioners.
3. We currently have 1,005 residential, and 637 commercial water and sewer customers and 757 residential, 78 commercial and 9 industrial gas customers. All are metered and billed.
4. The percentage of our sales to the top 10 customers, by volume and revenue comprises.....63%..... Percent of our total per year.
5. This discussion will be on the agenda for the December 2018 meeting of the board. A rate change was agreed upon as voted in favor unanimously on Ordinance #2018-09. This ordinance also calls for an annual adjustment of the water and sewer rates as well as the addition of a cost of living adjustment, also annually.
6. The previous rates were established by ordinance March 24, 2016 and August 28, 2014 prior to that. Our new rates were also accepted by ordinance, with public discussion and two readings.
7. We currently have no written policies other than our rate setting ordinances set by the Board of Mayor and Commissioners.
8. Customers receive an orientation on rates and fees when they begin, stop or change services. This is done by our business office clerks.
9. We provide a capital asset budget every fiscal year with the annual budget.

THE CITY OF SOUTH FULTON
700 MILTON COUNCE ROAD
SOUTH FULTON, TN 38527

WWW. SOUTHFULTONTN.ORG
PH: 731-479-2151
FAX: 731-479-2144

10. The City Manager, our insurance agent and The Pool review our capital assets annually with the renewal of our property insurance.
11. We do have an environmental issue with wastewater collection after heavy rains. We are currently in the process of a wastewater rehabilitation program that has been provided to TDEC. Please let me know if you need additional information on this project.
12. Leak adjustment policy- There is no formal leak adjustment policy in effect currently. A new policy is being drafted to include a new shut-off policy that follows TCA.
13. We are financing two vehicles this year for a total of \$61,759.00. Form CT-0253 *Report on debt Obligation* was filed and accepted. The city is also paying grant expense on a CDBG for a current wastewater rehabilitation project already underway and will pay the "City Share" for a USDA/RD Grant for wastewater rehabilitation as well beginning in 2019.
14. We have received a CDBG for wastewater rehabilitation and was awarded the CDBG for wastewater rehab from Union City for a total of \$1,000,250.00. We do not anticipate any capital contributions.
15. Yes, we have received approval of a USDA grant mentioned in item 13. Our USDA representative has received closing instructions from their attorneys. Our plans and specs have been assigned for review to their engineers. Our initial Bond Resolution determining to issue \$1,101,000 in Sewer Revenue and Tax Bonds has bond counsel approval. However all action on this grant award is being delayed by the current "Government Shut-down".
16. The city produces its own water supply. The cost per thousand to produce is \$12.60.
17. +
18. The city does not have any wholesale customers currently.
19. Our current non-revenue water is 38.090 per MG/Yr.
20. Our governing board meets once a month. We publish our notice in the local papers along with the agenda a week ahead of time.
21. I have been advised by our Mayor that none of our commissioners have received the required training or maintained their continuing education. We will make this a priority.

I hereby certify that the information provided is true and correct to the best of my knowledge.



Mayor

February 22, 2019

ORDINANCE 2018-09

**AN ORDINANCE TO AMEND ORDINANCE 2016-01 SCHEDULE OF CHARGES, FEES
AND RATES FOR WATER AND WASTEWATER SERVICES WITH A NEW
SCHEDULE OF RATES**

**BE IT ORDAINED BY THE MAYOR AND BOARD OF COMMISSIONERS OF THE
CITY OF SOUTH FULTON, TENNESSEE:**

Section 1: Ordinance 2016-01 is amended by placement of the following new water and wastewater (sewer) rate schedule as follows;

<u>Water Rates</u>	<u>City</u>	<u>Rural</u>
Base Charge	\$19.60	\$23.95
Usage Charge <i>per 1,000 gal.</i>	\$2.35	\$3.53

Sewer Rates

Base Charge	\$19.60
Per 1,000 Gals.	\$6.26

Section 2: Rates and charges are to be readjusted annually and include the Federal Cost of Living Adjustment (COLA) by amendment to this ordinance.

First Reading: December 20, 2018

Second Reading: January 17, 2019

ATTEST:

Jaclyn Potter
City Recorder

APPROVED BY:

David Lamb
Mayor

SEAL:



ORDINANCE 2016-01

AN ORDINANCE TO AMEND ORDINANCE 2014-05 SCHEDULE OF CHARGES, FEES AND RATES FOR WATER AND WASTEWATER SERVICES WITH A NEW SCHEDULE OF RATES

NOW THEREFORE BE IT ORDAINED BY THE MAYOR AND BOARD OF COMMISSIONERS OF THE CITY OF SOUTH FULTON, TENNESSEE:

Section 1: Ordinance 2014-05 is hereby amended by placement of a new water and wastewater rate schedule as follows:

<u>Water Rates</u>	<u>City</u>	<u>Rural</u>
Base charge	\$18.90	\$23.10
Usage charge per 1000 gal	2.27	3.40
 <u>Sewer Rates</u>		
Base charge	\$18.90	
Per 1000 gallon metered water	6.04	

Section 2: Rates and charges are to be readjusted as necessary from time to time by amendment to the ordinance.

This amended ordinance shall be effective immediately upon its passage.

First Reading: 18 Feb 2016

APPROVED AS TO FORM:

Second Reading: 24 MAR 2016

[Signature] City Atty

ATTEST: _____
RECORDER

APPROVED BY: _____
MAYOR

In computer
4-19-16

RESOLUTION NO. 2013-09

**A RESOLUTION OF THE SOUTH FULTON, TENNESSEE, CITY COMMISSION
ADOPTING UTILITY BILLING POLICIES AND PROCEDURES**

WHEREAS, consistent functions of the City of South Fulton water, wastewater and gas billing department ensures a better, more reliable service for customers.

WHEREAS, accurate accounting, billing, operational, and other records help city officials make sound operating decisions.

WHEREAS, The City of South Fulton has determined that the following policy is in the best interest of the municipality and its citizens.

NOW, THEREFORE, BE IT RESOLVED by the City of South Fulton that the following is hereby approved:

UTILITY BILLING POLICY

Requirement for new service:

1. A completed application
2. One (1) form of identification (must be a picture ID)
3. Owners must provide proof of ownership and renters must provide a lease agreement
4. Connection fee of \$15 per trip
5. Deposits: Homeowner – Water...\$50, Gas...\$100
Renter – Water...\$100, Gas...\$200

Billing and collection procedures:

1. The utility bill includes charges for water, sewer, gas and refuse (garbage)
2. The water and gas meters are read and the utility account is billed **once** a month. The timing of your bill will be determined by the service location, either Rural or City:

	Mailing Date	Payment Due Date	Cut-off Date	If weekend or holiday
Rural	25 th of each month	5 th of following month	12 th of month	Next business day
City	30 th of each month	12 th of following month	19 th of month	Next business day

3. Garbage collection service is billed by the City and provided by the waste management company contracted with the City.
4. All customary water customers are required to have garbage collection service.

Delinquency processing:

1. Non-receipt of the bill or delinquent notice does not release or diminish the customer's obligation to make payment for service rendered.
2. 10% penalty is assessed if payment is not received by the Payment Due Date.
3. If payment is not received, water service will be disconnected.

4. If meter reading changes after meter reading is documented and service is disconnected then the meter will be locked.
5. To restore service on disconnect day payment must be received by 3:00 pm. An additional charge of \$25.00 will be charged for reconnection after 3:00 pm.
6. Payment of past due bill and \$15.00 fee required to re-instate service after disconnection.

Methods of payment:

1. In person – at City Hall
2. By mail – Please allow 7-10 days for delivery by due date
3. Drop Box
 - Opened Monday – Friday at 8:00 am only
 - Located by the drive thru window at City Hall
 - Any payment dropped on the due date is accepted as payment on the due date
4. ACH (Bank draft) – the payment is drafted from your account on the day prior to the due date.

Additional information:

- To verify accuracy of the bill a customer may request to have the meter re-read. If it is determined that the reading is incorrect the bill will be corrected. If it is determined that the reading is correct a fee of \$15.00 will be charged to the customer's utility account.
- A payment extension on a bill may be allowed if the request is made prior to cut-off date. Request forms are available at City Hall.
- A customer who deems his account to have had an extraordinary increase may provide documented proof of a repaired leak.
- City gas department employees will not light pilot lights. Gas customers should contact a qualified expert to light the pilot light before using the gas appliance each season.

This resolution will take effect immediately upon its passage, the public welfare requiring it.

Approved this 19th day of September, 2013.


Mayor Ed Cassetty


Commissioner Tony Perry


Commissioner Thomas Pettigrew


Commissioner Beatrice Wilcox


Commissioner Scott Ellegood

Attest: 
City Recorder

City of Spencer

Spencer

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,057,347.00	\$1,126,969.00	\$1,266,140.00
Other Revenue	\$52,320.00	\$58,793.00	\$92,527.00
Operating Revenue	\$1,109,667.00	\$1,185,762.00	\$1,358,667.00
Operating Expenses	\$1,372,224.00	\$1,460,805.00	\$1,366,327.00
Operating Income	(\$262,557.00)	(\$275,043.00)	(\$7,660.00)
Non-Operating Revenue(Expenses)	(\$77,768.00)	(\$81,199.00)	(\$97,617.00)
Net Change In Position	(\$340,325.00)	(\$356,242.00)	(\$105,277.00)
Grant/Capital Contribution	\$524,403.00	\$25,726.00	\$493,504.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Spencer

Staff Summary:

On November 15, 2018, the Board ordered Spencer to complete the following:

1. The City shall have MTAS, TAUD, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

The City contracted with James C. Hailey and Co. and completed the required questionnaire. The City raised rates in 2017 and 2018 based on a study from its consulting engineer.

Staff Recommendation:

Order the following:

1. The Town shall send financial updates to Board staff by March 1 and September 1 of each year, beginning September 1, 2019, until the Board releases the Town from its oversight.

WWFB Financial Questionnaire

Utility: Spencer Utility Department

Instructions: Please submit the following information

1. Five-year history of your rates (all rate classes and types)

Please see attached "Ordinance 2006-5".

2. Five-year history of all utility fees (include records of how you rationalized charges for: tap fees, reconnection fees, etc.)

Please see attached "Ordinance 2006-5".

3. The current customer contract used for new service accounts

Please see attached "Customer Contract – Residential Service".

4. Most current three-months of balance sheets and income statements (accounts must be broken out by water and sewer **if applicable**; you may need to estimate or use a percentage for each)

Please see attached "Trial Balance".

5. A copy of your debt management policy

Please see attached "Debt Policy".

6. A copy of your capitalization policy (by which you decide whether you capitalize versus expense items)

Included in Annual Financial Audit (Please see attached.)

Instructions: Please respond to each question below with detailed answers

1. **Do you have a plan to remedy your financially distressed position?**
 - a. **If so, please provide a detailed copy.**

Yes, rate increases were approved for FY 2017 and FY 2018 that are projected to remedy the financially distressed position currently faced. A copy of these rates are included in the attached "ORDINANCE 2006-5".

- b. **If not, please provide a detailed explanation.**

2. Who has the authority to set rates and fees? Do you have a board or committee separate from your local legislative body (board of mayor and aldermen, etc.)?

The Board of Mayor and Aldermen. There is no separate committee from the local legislative body.

3. How many customers do you have currently? Please break out by metered, non-metered, billed and un-billed, and class (residential, commercial, etc.).

Water - Inside City Residential: 614

Water - Outside City Residential: 1,176

Water - Inside City Commercial: 30

Water - Outside City Commercial:	7
Water - Tax-exempt Inside City:	42
Water - Tax-exempt Outside City:	25
Total Sewer:	652

4. What percentage of your sales do the largest ten (10) customers (by volume and by revenue) represent on a yearly basis?

Water

By Volume: 8,972,219 gallons of 82,183,000 (approx..) = 10.9%

By Revenue: \$78,202.32 of \$948,955.40 (from 2018 Audit) = 8.2%

Sewer

By Volume: 8,628,356 gallons of 29,244,763 (approx.) = 29.5%

By Revenue: \$74,301.03 of \$317,185.04 (from 2018 Audit) = 23.4%

5. Do you have plans for a rate increase or decrease?
- If yes, has your board voted on it?
 - Please attach the relevant minutes that show all discussion and votes.

City of Spencer's last rate increase was in 2018, as part of a two (2) – year plan to increase rates to remedy our financial deficiencies. This documentation is provided as an attachment to this questionnaire. Another rate increase is not yet planned for.

- If no, please attach the minutes where the relevant discussion and vote took place to not change the current rate structure.
6. What is the justification for the current structure of your rates?

Our consulting engineer, James C. Hailey & Company, assisted in reviewing our Operating Expenses. The most recent rate increases (2017 and 2018) were based on achieving a positive increase in net position without capital contributions.

7. Do you have written policies for rates and fees (how they are implemented and billed, including adjustments)?
- If so, please provide a list of the applicable policies.

Yes. Our Customer Service Policy is provided an attachment.

- How often do you review these policies?

These policies are reviewed yearly, or when problems/questions arise with respect to the intention of the policy.

8. How do you make customers aware of the rates and fees you have in place?
- Is this done at least annually? If not, please explain.

When they are reviewed, rate and fee discussions take place during the monthly meeting of the Board of Mayor and Aldermen. In the past two (2) years (2017 and 2018), these were discussed each year.

9. Do you have a capital asset plan/budget?
 - a. If so, how long does it forecast (5-year, 10-year, etc.)?
 - b. If you do not have a capital asset plan/budget, please justify why you do not.

We are currently working with our consulting engineer, James C. Hailey and Company to establish a Capital Improvements Plan (CIP) as a part of a larger water study. This CIP is slated to improve sourcewater, treatment plant, and distribution system enhancements.

Do you review your capital asset list?

- c. If so, please indicate the frequency it is reviewed (annually, semi-annually, etc.) and who reviews this list.

Yes. Our capital asset list is also our Depreciation Schedule. This list was recently reviewed by our engineering consultant, and we plan to review it again in 2019 with our financial auditor as well.

- d. If you do not review your capital asset list, please justify why you do not.
10. Do you have any environmental issues currently or forthcoming that will put a financial burden on the system?

Yes. We are having problems with disinfection byproducts in our system. As a part of our planning study, we are considering the implementation of pre-treatment measures at the Water Treatment Plant that will be costly.

11. Do you have a leak adjustment policy?
 - a. If so, what is the average yearly amount adjusted in gallons, cost to produce (or purchase), and lost revenue?

Our Leak Adjustment Policy is included in the Customer Service Policy attached (section 2.4 "Leak List"). We do not adjust water leaks, but allow customers with bills of \$1,500 or less a period of 12 months, and customers in excess of \$1,500 a period of 18 months to pay off their bill.

- b. Please attach a copy of the policy.

See attached Customer Service Policy.

12. Have you already, or do you plan to incur any new debt during the current fiscal year?
 - a. If so, please provide a detailed explanation.

It is unknown at this time, but not anticipated within the current fiscal year.

13. Have you already, or do you plan to receive any grants or capital contributions during the current fiscal year?
 - a. If so, please provide a detailed explanation.

We anticipate receiving a grant of \$30,000 for the water planning study through USDA's Special Evaluation and Assistance for Rural Communities and Households (SEARCH) Grant.

14. Have you applied for grants that will be received over the next two years?
 - a. If so, please provide a detailed explanation.

We anticipate receiving a grant of \$30,000 for the water planning study through USDA's Special Evaluation and Assistance for Rural Communities and Households (SEARCH) Grant.

15. Do you produce or purchase your water supply?

- a. If you produce your own water,
i. What is the cost per thousand to produce?

Yes. Approximately \$1.41 per 1,000 gallons.

- b. If you purchase your water,
i. What is the cost per thousand?

We have an emergency connection with Warren County Utility District and purchase water for \$5.00 per 1,000 gallons. This is only used in an emergency.

- ii. Do you have a long-term purchase contract in place?

No.

16. Do you have any wholesale customers?

- a. Do you have written contracts with those customers?

No.

17. What is your current non-revenue water percentage?

- a. Do you have any plans for improving your non-revenue water percentage?

By Volume: 54.7%

By Cost of Operating System: 11.9%

- b. If so, please provide a detailed explanation.

Yes, the City continues its efforts to reduce water loss. Over the next few months we will be installing new water meters at the water plant to ensure we accurately measure water leaving the plant, and in order to ensure that any water used at the plant is accounted for. Additionally, we have instituted zone meters in our system and monitor them regularly.

18. With respect to your governing board, how frequently do you meet and what is your practice of providing notice of your meetings?

Monthly meetings same time every month by Charter, unless other notice is given. Notice is typically given via news sources and posted at city hall.

19. Has your governing body met the applicable training requirements?

The governing body has not yet taken the training, but they are not out of compliance due to their election date being recent (November 2018). Spencer is currently seeking available training near the Town working with the Council's schedule.

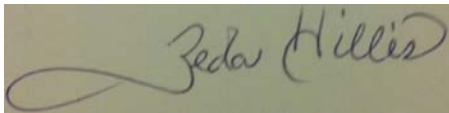
- a. Please provide a list of Board members and their election/appointment dates.

Mickey Robinson – Mayor (November 2018)

- Bonnie Adcock – Alderman (November 2018)
- Jerry Blankenship – Alderman (November 2018)
- Drew Guy – Alderman (November 2016)
- Jody Hensley – Alderman (November 2018)
- Jeff Walling – Alderman (November 2016)

b. Please review the training requirements at <https://www.comptroller.tn.gov/WWFB/>

I hereby certify that the information provided is true and correct to the best of my knowledge.



Signature: _____ Title: City Recorder Date: 2-13-2019

I hereby certify that the information provided is true and correct to the best of my knowledge.



Signature: _____ Title: Engineer Date: 2-13-2019

Please mail, e-mail(preferred), or fax copies of any documentation to:

**Water & Wastewater Financing Board
 ATTN: John Greer
 Fourth Floor Cordell Hull Building
 425 Fifth Avenue North
 Nashville, Tennessee 37243
 Phone: (615) 747-5260
 Fax: (615) 741-1551
 utilities@cot.tn.gov**

ORDINANCE 2006-5

AMENDED SEPTEMBER 25, 2008

AMENDED MARCH 26, 2009

AMENDED SEPTEMBER 13, 2010

AMENDED JULY 26, 2012

AMENDED JULY 1, 2013

AMENDED DECEMBER 17, 2015

AMENDED APRIL 28, 2016

AMENDED 2-24-17 VETO

OVERRIDE OF VETO 4-27-17 RATE INCREASE

AN ORDINANCE OF THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF SPENCER, TENNESSEE, SETTING WATER AND SEWER RATES, AND RELATED SERVICES PROVIDED AND/OR FURNISHED BY THE SPENCER UTILITY DISTRICT TO CUSTOMERS OF THE SPENCER UTILITY DISTRICT.

WHEREAS, the Board of Mayor and Alderman of the City of Spencer find it necessary to the financial future of the Spencer Utility District, and

WHEREAS, from time to time the Board is required to adjust the rates charged for water, sewer, and related services to reflect the costs of operation of the water department and sewer department, and capital improvements needed to keep the systems in proper working order; and

NOW THEREFORE, BE IT ORDAINED by Board of Mayor and Alderman of the City of Spencer that water and sewer rates, and related fees and service charges are established as follows:

TITLE 18, WATER AND SEWER, CHAPTER 2, OF THE CITY OF SPENCER MUNICIPAL CODE IS HEREBY ADOPTED.

CHAPTER 2

WATER AND SEWER RATES

SECTION

18-201. Purpose

18-202. Water Rates.

18-203. Sewer Rate

18-204. Service and Tap Fee

18-201. Purpose. The following rate and fee structures are adopted so that safe and efficient water and sewer services may be provided to Spencer Utility District, and in other circumstances where services may be provided as have been or will be approved by the Spencer Board of Mayor and Aldermen.

18-202. Water Rates. The following water rates shall apply for all user classification for the fiscal years indicated below:

		FY 06/07	Effective 09-13-10	Effective 08-1-12	Effective 7- 2-13	Effective 12-18-15	Effective 4-27-17	Effective 4-27-18
Inside City	Flat rate per meter	\$5.00	\$7.50	\$7.50	7.00	7.00	8.00	9.00
	Rate @100 gls	\$0.55	\$0.55	\$0.60	0.65	0.75	0.85	0.95
Outside City	Flat rate per meter	\$5.50	\$10.00	\$10.00	10.00	10.00	11.50	13.00
	Rate @100 gls	\$0.60	\$0.60	\$0.70	\$0.75	0.86	0.95	1.05

18-203. Sewer Rates. The SEWER RATE shall be one hundred percent (100%) of the water bill.

18-204. Service and Tap Fees. The **ACTUAL** cost of road bore (if required) will be added to the cost Of water & sewer tap fee. The footage and cost will be determined by the utility department.

(1)	Water Service	Non-refundable Service Fee	\$ 50.00
	¾ inch water service		
	Inside City Limits		\$ 950.00
	Outside City Limits		\$1100.00
	1 inch water service		
	Inside City Limits		\$1200.00
	Outside City Limits		\$1350.00
	2 inch water service		
	Inside City Limits		\$2200.00
	Outside City Limits		\$2400.00
	Over 2 inch		Determine by Utility Manager

Water customers will be billed the flat rate for **each** active multiple connection to one meter, plus consumption.

(2)	Sewer Service	
	Residential	\$4200.00
	Commercial (other than single family residential)	\$8500.00

(3) Water and sewer service (if available) will be provided to the customer's property line, or in the case of force main (grinder pump) to a suitable location on customer's property. The customer will be responsible from that point or from the meter (for water service).

(4) Tape fees for apartment buildings

(a) Individual Meters

Water tap \$950.00 per unit – ¾ inch line

Sewer tap \$4200.00 per unit.

Meters and service line to meters provided and install by utility department. Plans must be approved by utility manager. Customer will be billed a flat rate for each unit, plus consumption. (Ex: Apartment complex with 4 units will be charged \$3800.00 for water taps, and \$16800.00 for sewer taps.)

(b) Master Meter

Water Tap \$2200.00 plus \$50.00 per unit (6 inch line)

Meter is to be provided and installed by owner.

(Ex: Apartment complex with 4 units will be charged \$2400.00 for water taps.

Sewer Tap Minimum \$5500.00 plus \$50.00 per unit

Collection system to be provided and installed by the owner. Plans must be approved by utility manager. Customer will be billed the flat rate for each unit, plus consumption. (Ex: Apartment complex will be charged a minimum \$5700.00 for a single commercial sewer tap. Capacity requirements beyond, plus additional costs based on capacity requirements)

This ordinance shall take effect upon final passage by the Board and Mayor of Aldermen, the public welfare requiring it.

PASSED 1ST READING: July 27, 2006

YEA 3 NAY 2

PASSED 2nd READING August 10, 2006

YEA 4 NAY 0

Mayor

Recorder

AMENDMENTS :

PASSED 1ST READING : September 11, 2008
 PASSED 2ND READING : September 25, 2008 Increased Tap Fees

PASSED 1ST READING: October 30, 2008
 PASSED 2ND READING: November 24, 2008
 Effective Date : November 25, 2008 Landlord/Renter Agreement

PASSED 1ST READING : February 26,2009
 PASSED 2ND READING: March 26, 2009 Multiple Connections

PASSED 1ST READING: August 26,2010
 PASSED 2ND READING: September 13, 2010 Flat Rate Increase

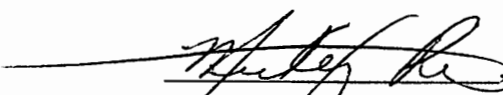
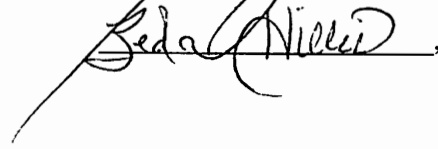
PASSED 1ST READING: June 29, 2012
 PASSED 2ND READING: July 26, 2012 Increased Consumption Rate

PASSED 1ST READING June 27, 2013
 PASSED 2ND READING July 1, 2013
 Reduced flat rate inside by .50 (water & sewer /total 1.00) & added .05 to usage
 Inside and Outside.

PASSED 1ST READING November 19th, 2015
 PASSED 2ND READING December 17th 2015 15% Increase on water & sewer
 Consumption only. Flat rate to
 Remain the same.

PASSED 1ST READING March 31, 2016
 PASSED 2ND READING April 28, 2016 To add the actual cost of a road
 Bore to the tap fee for water and/
 Or sewer tap. Footage & cost to to
 determined by the utility dept.

PASSED 1 ST READING January 26 th , 2017	Option "B" rate increase	2017	&	2018
PASSED 2 ND READING February 24 th , 2017	inside flat rate	8.00		9.00
	consumption	.85		.95
VETO BY MAYOR 3-30-17	outside flat rate	11.50		13.00
VETO OVERRIDDEN BY BOARD 4-27-17	consumption	.95		1.05
RATE INCREASED PASSED				

 Mayor
 Recorder

Town of Spring City

Spring City

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,396,054.00	\$1,421,623.00	\$1,430,175.00
Other Revenue	\$1,632.00	\$2,251.00	\$4,705.00
Operating Revenue	\$1,397,686.00	\$1,423,874.00	\$1,434,880.00
Operating Expenses	\$1,309,346.00	\$1,351,775.00	\$1,205,212.00
Operating Income	\$88,340.00	\$72,099.00	\$229,668.00
Non-Operating Revenue(Expenses)	(\$171,959.00)	(\$167,944.00)	(\$163,562.00)
Net Change In Position	(\$83,619.00)	(\$95,845.00)	\$66,106.00
Grant/Capital Contribution	\$351,484.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: Town of Spring City

Staff Summary:

Spring City has been referred for financial distress in the 2016 and 2017 fiscal years. The Town had a rate study performed by TAUD in 2017, but did not implement any of the recommendations. The Town showed a profit in 2018, but staff would like a rate study to confirm that it was not a one-time gain.

Staff Recommendation:

1. The Town shall have the Municipal Technical Advisory Service, Tennessee Association of Utility Districts or another qualified expert, as approved by Board staff, perform a rate study to include:
 - a. recommendations to remedy the Town's financially distressed position; and
 - b. justification for the higher rates on outside customers.
2. The Town shall provide an update to Board staff with the completed rate study and an implemented or proposed plan of action by June 30, 2019.

Town of Spring City

Mayor – Billy Ray Patton
 Vice Mayor – Reba Murphy
 Commissioner – Jody Bauer
 Commissioner – Max Douglas
 Commissioner – Bradley Collins

City Mngr. – Stephania Motes
 City Recorder – Brenda Dodson
 Public Works – Jason Yuhas
 Police Chief – Jason Lawson
 Fire Chief – Jim Bolen

December 13, 2018

Water & Wastewater Financing Board
 Attn: John Greer
 Fourth Floor Cordell Hull Building
 425 Fifth Avenue North
 Nashville, Tennessee 37243

RE: WWFB Financial Questionnaire for the Town of Spring City, Tennessee

Dear Mr. Greer:

Enclosed herein you will find the following requested documents for the Town of Spring City in relation to the WWFB Financial Questionnaire.

1. Five-year history of our rates (all rate classes and types). (see attachment)
2. Five-year history of all utility fees (include records of how you rationalized charges for: tap fees, reconnection fees, etc.) (see Municipal Code)
3. The current customer contract used for new service accounts. (see attachment)
4. Most current three-months of balance sheets and income statements (accounts must be broken out by water and sewer if applicable; you may need to use a percentage for each). (Water represents approx. 44%; Sewer represents approx. 56%)
5. A copy of your debt management policy. (see attachment)
6. A copy of your capitalization policy (by which you decide whether you capitalize versus expense items). N/A – City does not have a capitalization policy.

Also included are our responses to the questions, with detailed answers, that you sent for us to provide information for. Our responses are listed below in red.

Sincerely,

Stephania Motes
 City Manager

Town of Spring City

Mayor – Billy Ray Patton
 Vice Mayor – Reba Murphy
 Commissioner – Jody Bauer
 Commissioner – Max Douglas
 Commissioner – Bradley Collins

City Mngr. – Stephania Motes
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1. Do you have a plan to remedy your financially stressed position?
 - a. If so, please provide a detailed copy.

Currently, we are reviewing our water and sewer rates. Revenues have gone down since losing North Rhea Utility District. We currently are in negotiations to try and get them back as a customer again. The city is also working to recruit both industrial and other commercial businesses to Spring City in order to generate additional revenue. We are re-assessing all fees to include the below items. It has been a long time since the fees were re-evaluated and are in need of updating. We are also working to put a policy in place for a standard fee structure for equipment being used to quantify those charges.

 - New service connection fees
 - Water and sewer tap fees
 - Meter test charges
 - Water leak and pool adjustments
 - Meter tampering fees
 - b. If not, please provide a detailed explanation.
2. Who has the authority to set rates and fees? Do you have a board or committee separate from your local legislative body (board of mayor and alderman, etc.)?

Spring City Board of Commissioners has the authority to set the rates.
3. How many customers do you have currently? 1033 water customers and 801 sewer customers. Please break out by metered, non-metered, billed and unbilled, and class (residential water – 908; sewer – 697, commercial water – 119; sewer - 98, etc.) (see enclosed)
4. What percentage of your sales do the largest ten (10) customers (by volume and by revenue) represent on a yearly basis? Revenue = 8-11%; Volume = 14-20%
5. Do you have plans for a rate increase or decrease? Yes, 3% every year by City Ordinance 2010-10 (see enclosed copy of ordinance and minutes)
 - a. If yes, has your board voted on it?
 - i. Please attach the minutes where the relevant discussion and vote took place to not change the current rate structure. (see enclosed)
6. What is the justification for the current structure of your rates? Ordinance 2010-10
7. Do you have written policies for rates and fees (how they are implemented and billed, including adjustments? (see Municipal Code)

Town of Spring City

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- a. If so, please provide a list of applicable policies.
- b. How often do you review these policies?
8. How do you make customers aware of the rates and fees you have in place?
 - a. Is this done at least annually? **Yes, we communicate it both in our monthly newsletter and on their bill.** If not, please explain.
9. Do you have a capital asset plan/budget?
 - a. If so, how long does it forecast (year, 10-year, etc.)? **We have a 5-year capital asset plan.** If you do not have a capital asset plan/budget, please justify why you do not.
10. Do you review your capital asset list?
 - a. If so, please indicate the frequency it is reviewed (annually, semi-annually, etc.) and who reviews the list. **We update the city's 5-year plan during budget preparation for the upcoming year. We do individual workshops per department with the Mayor and Board of Commissioners to review the city's current and future needs. The Mayor and Board of Commissioners then vote to approve the updates before we start to prepare our budget for the upcoming year.**
 - b. If you do not review your capital asset list, please justify why you do not.
11. Do you have any environmental issues currently or forthcoming that will put a financial burden on the system? **Not that we are aware of.**
12. Do you have a leak adjustment policy? **See Municipal Code.**
 - a. If so, what is the average yearly amount adjusted in gallons **we cannot pull this data. Our system only tracks dollar amounts due to hour our adjustments work. Attached our AWWA report that will provide this information, cost to produce (or purchase) see attached cost per thousand to produce water attachment), and lost revenue \$8,832.06?**
 - b. Please attach a copy of the policy.
13. Have you already, or do you plan to incur any new debt during the current fiscal year? **We have no plans to incur debt.**
 - a. If so, please provide a detailed explanation.
14. Have you already, or do you plan to receive any grants or capital contributions during the current fiscal year?
 - a. If so, please provide a detailed explanation. **We have applied the past two years for a CDBG grant but was not awarded. We are applying for the 2019 CDBG grant. See attached document for details of what we are applying for.**
15. Have you applied for grants that will be received over the next two years? **No.**
 - a. If so, please provide a detailed explanation.

Town of Spring City

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16. Do you produce or purchase your water supply? **Yes**
- a. If you produce your own water,
 - i. What is the cost per thousand to produce? **(see attached)**
 - b. If you purchase your water,
 - i. What is the cost per thousand?
 - ii. Do you have a long-term purchase contract in place?
17. Do you have any wholesale customers? **No**
- a. Do you have written contracts with those customers?
18. What is your current non-revenue water percentage?
- a. Do you have any plans for improving your non-revenue water percentage?
Yes
 - b. If so, please provide a detailed explanation. **We have GIS software that will help us in long-term planning regarding problem line locations that may need repairing. Currently, we are utilizing the software to verify waterline locations and to make corrections as we repair water lines. For future use, we plan to include specific water and sewer line data such as type of pipe, size of pipe, etc. We also will include data regarding any repairs that have been made so we can look at potential problem areas that may need to be replaced. We currently have alarms at both of our water tanks to prevent overflows and are better tracking water usage from internal source uses such as the Fire Department, line flushing, etc.**
19. With respect to your governing body, how frequently do you meet and what is the practice of providing notice of your meetings? **We have a workshop once per month and a commission meeting once per month. We post it on the front door at City Hall and the Audrey Pack Memorial Library, add the agenda to the city website, and include it on our monthly newsletter. We advertise it in the local paper if needed.**
20. Has your governing body met the applicable training requirements?
 Commissioners Jody Bauer and Mac Douglas completed theirs in 2017.
 Mayor Billy Ray Patton, Vice-Mayor Reba Murphy, and Commissioner Brad Collins is in process of finding nearby training.
- a. Please provide a list of Board members and their election dates.
**Mayor Billy Ray Patton – August 2016 election
 Vice Mayor Reba Murphy – August 2018 election
 Commissioner Max Douglas – August 2016 election
 Commissioner Jody Bauer – August 2018 election
 Commissioner Brad Collins – August 2018 election (seat is for 2 years and will end August 2020 before next election).**

Town of Spring City

Mayor – Billy Ray Patton
 Vice Mayor – Reba Murphy
 Commissioner – Max Douglas
 Commissioner – Brad Collins
 Commissioner – Jody Bauer

City Mngr. – Stephania Motes
 City Recorder – Missie Lytle
 Public Works – Jason Yuhas
 Police Chief – BJ Neal
 Fire Chief – Jim Bolen

WATER/SEWER RATE SCHEDULE

	Rate 7/2017	Rate 7/2018(3%)
Water Rates for Inside City Residential 3/4" Meter		CURRENT
First 2000 gallons	\$22.15	\$22.81
Per 1000 over	\$8.28	\$8.52
1" to 2" Meter Commercial		
First 2000 gallons	\$30.08	\$30.98
Per 1000 over	\$8.28	\$8.52
3" and Above Commercial		
First 2000 gallons	\$39.43	\$40.61
Per 1000 over	\$8.28	\$8.52
Water Rates for Outside City Residential 3/4" Meter		
First 2000	\$30.08	\$30.98
Per 1000 over	\$10.50	\$10.81
Sprinkler Water Rates In & Out-Res/Comm		
First 2000	\$37.60	\$38.72
Per 1000 over	\$8.28	\$8.52
Per Sprinkler Head	\$0.44	\$0.45
Watering and Irrigation		
First 2000	\$22.15	\$22.81
Per 1000 over	\$8.28	\$8.52
Mutual Aid for Neighboring Utilities		
Cost per 1000 Gallons	\$2.24	\$2.30
Cost per 1000 Gallons over 4.5 Million	\$2.73	\$2.81

Town of Spring City

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TVA Sewer Contract(Doesn't Change with Increase)	Rate 7/2017	Rate 7/2018(3%)
Per 1000 for first 500,000	\$4.00	\$4.00
Per 1000 over 500,000	\$3.00	\$3.00
Gravity Sewer Inside City Residential		
First 3000 gallons	\$37.60	\$38.72
Per 1000 over	\$7.07	\$7.28
Gravity Metered Sewer Commercial (SSM)		
First 2000 gallons	\$27.06	\$27.87
Per 1000 from 3000-498,000	\$5.94	\$6.11
Per 1000 for all metered sewer over 500,000	\$3.80	\$3.91
Force Main Sewer Inside City Residential		
First 3000 Gallons	\$37.60	\$38.72
Per 1000 over	\$7.07	\$7.28
Force Main Sewer Outside City Residential		
First 3000 gallons	\$43.87	\$45.18
Per 1000 over	\$5.63	\$5.79
Force Main Sewer Commercial Inside		
First 10,000 Gallons	\$66.43	\$68.42
Per 1000 over	\$5.63	\$5.79
Force Main Sewer Commercial Outside		
First 10000 Gallons	\$75.22	\$77.47
Per 1000 over	\$5.63	\$5.79
UNMETERED WATER	\$1.03	\$1.06

Town of Spring City

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 Commissioner – Jody Bauer

City Mngr. – Stephanie Motes
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 Public Works – Jason Yuhas
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 Fire Chief – Jim Bolen

WATER/SEWER RATE SCHEDULE

	Rate 7/2016	Rate 7/2017(3%)
Water Rates for Inside City Residential 3/4" Meter		CURRENT
First 2000 gallons	\$21.51	\$22.15
Per 1000 over	\$8.04	\$8.28
1" to 2" Meter Commercial		
First 2000 gallons	\$29.21	\$30.08
Per 1000 over	\$8.04	\$8.28
3" and Above Commercial		
First 2000 gallons	\$36.51	\$39.43
Per 1000 over	\$8.04	\$8.28
Water Rates for Outside City Residential 3/4" Meter		
First 2000	\$29.21	\$30.08
Per 1000 over	\$10.20	\$10.50
Sprinkler Water Rates In & Out-Res/Comm		
First 2000	\$36.51	\$37.60
Per 1000 over	\$8.04	\$8.28
Per Sprinkler Head	\$0.43	\$0.44
Watering and Irrigation		
First 2000	\$21.51	\$22.15
Per 1000 over	\$8.04	\$8.28
Mutual Aid for Neighboring Utilities		
Cost per 1000 Gallons	\$2.18	\$2.24
Cost per 1000 Gallons over 4.5 Million	\$2.66	\$2.73

Town of Spring City

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 Public Works - Jason Yuhus
 Police Chief - BJ Neal
 Fire Chief - Jim Bolen

TVA Sewer Contract(Doesn't Change with Increase)	Rate 7/2016	Rate 7/2017(3%)
Per 1000 for first 500,000	\$4.00	\$4.00
Per 1000 over 500,000	\$3.00	\$3.00
Gravity Sewer Inside City Residential		
First 3000 gallons	\$36.51	\$37.60
Per 1000 over	\$6.87	\$7.07
Gravity Metered Sewer Commercial (SSM)		
First 2000 gallons	\$26.28	\$27.06
Per 1000 from 3000-498,000	\$5.77	\$5.94
Per 1000 for all metered sewer over 500,000	\$3.69	\$3.80
Force Main Sewer Inside City Residential		
First 3000 Gallons	\$36.51	\$37.60
Per 1000 over	\$6.87	\$7.07
Force Main Sewer Outside City Residential		
First 3000 gallons	\$42.60	\$43.87
Per 1000 over	\$5.47	\$5.63
Force Main Sewer Commercial Inside		
First 10,000 Gallons	\$64.50	\$66.43
Per 1000 over	\$5.47	\$5.63
Force Main Sewer Commercial Outside		
First 10000 Gallons	\$73.03	\$75.22
Per 1000 over	\$5.47	\$5.63
UNMETERED WATER	\$1.00	\$1.03

Town of Spring City

Mayor – Billy Ray Patton
 Vice Mayor – Reba Murphy
 Commissioner – Max Douglas
 Commissioner – Jody Bauer
 Commissioner – Brad Collins

City Manager – Stephanie Motes
 City Recorder – Melissa Lytle
 Public Works – Vernon Armstrong
 Police Chief – Jason Yuhas

WATER/SEWER RATE SCHEDULE

	Rate 7/2015	Rate 7/2016(3%)
Water Rates for Inside City Residential 3/4" Meter		CURRENT
First 2000 gallons	\$20.89	\$21.51
Per 1000 over	\$7.81	\$8.04
1" to 2" Meter Commercial		
First 2000 gallons	\$28.36	\$29.21
Per 1000 over	\$7.81	\$8.04
3" and Above Commercial		
First 2000 gallons	\$35.45	\$36.51
Per 1000 over	\$7.81	\$8.04
Water Rates for Outside City Residential 3/4" Meter		
First 2000	\$28.36	\$29.21
Per 1000 over	\$9.91	\$10.20
Sprinkler Water Rates In & Out-Res/Comm		
First 2000	\$35.45	\$36.51
Per 1000 over	\$7.81	\$8.04
Per Sprinkler Head	\$0.42	\$0.43
Watering and Irrigation		
First 2000	\$20.89	\$21.51
Per 1000 over	\$7.81	\$8.04
Mutual Aid for Neighboring Utilities		
Cost per 1000 Gallons	\$2.12	\$2.18
Cost per 1000 Gallons over 4.5 Million	\$2.59	\$2.66
TVA Sewer Contract(Doesn't Change with Increase)		
Per 1000 for first 500,000	\$4.00	\$4.00
Per 1000 over 500,000	\$3.00	\$3.00

Town of Spring City

Mayor – Billy Ray Patton
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 Commissioner - Brad Collins

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 Police Chief – Jason Yuhas

Gravity Sewer Inside City Residential		
First 3000 gallons	\$35.45	\$36.51
Per 1000 over	\$6.67	\$6.87
Gravity Metered Sewer Commercial (SSM)		
First 2000 gallons	\$25.52	\$26.28
Per 1000 from 3000-498,000	\$5.61	\$5.77
Per 1000 for all metered sewer over 500,000	\$3.59	\$3.69
Force Main Sewer Inside City Residential		
First 3000 Gallons	\$35.45	\$36.51
Per 1000 over	\$6.67	\$6.87
Force Main Sewer Outside City Residential		
First 3000 gallons	\$41.36	\$42.60
Per 1000 over	\$5.32	\$5.47
Force Main Sewer Commercial Inside		
First 10,000 Gallons	\$62.63	\$64.50
Per 1000 over	\$5.32	\$5.47
Force Main Sewer Commercial Outside		
First 10000 Gallons	\$70.91	\$73.03
Per 1000 over	\$5.32	\$5.47

Town of Spring City

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 Commissioner – Brad Collins

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WATER/SEWER RATE SCHEDULE

	Rate 7/2014	Rate 7/2015(3%)
Water Rates for Inside City Residential 3/4" Meter		CURRENT
First 2000 gallons	\$19.70	\$20.89
Per 1000 over	\$7.59	\$7.81
1" to 2" Meter Commercial		
First 2000 gallons	\$27.54	\$28.36
Per 1000 over	\$7.59	\$7.81
3" and Above Commercial		
First 2000 gallons	\$34.42	\$35.45
Per 1000 over	\$7.59	\$7.81
Water Rates for Outside City Residential 3/4" Meter		
First 2000	\$28.36	\$28.36
Per 1000 over	\$9.91	\$9.91
Sprinkler Water Rates In & Out-Res/Comm		
First 2000	\$34.42	\$35.45
Per 1000 over	\$7.59	\$7.81
Per Sprinkler Head	\$0.35	\$0.42
Watering and Irrigation		
First 2000	\$20.29	\$20.89
Per 1000 over	\$7.59	\$7.81
Mutual Aid for Neighboring Utilities		
Cost per 1000 Gallons	\$2.06	\$2.12
Cost per 1000 Gallons over 4.5 Million	\$2.52	\$2.59
TVA Sewer Contract(Doesn't Change with Increase)		
Per 1000 for first 500,000	\$4.00	\$4.00
Per 1000 over 500,000	\$3.00	\$3.00

Town of Spring City

Mayor – Billy Ray Patton
 Vice Mayor – Reba Murphy
 Commissioner – Max Douglas
 Commissioner – Jody Bauer
 Commissioner – Brad Collins

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 City Recorder – Melissa Lytle
 Public Works – Vernon Armstrong
 Police Chief – Jason Yuhus

Gravity Sewer Inside City Residential		
First 3000 gallons	\$33.42	\$35.45
Per 1000 over	\$6.47	\$6.67
Gravity Metered Sewer Commercial (SSM)		
First 2000 gallons	\$24.78	\$25.52
Per 1000 from 3000-498,000	\$5.44	\$5.61
Per 1000 for all metered sewer over 500,000	\$3.49	\$3.59
Force Main Sewer Inside City Residential		
First 3000 Gallons	\$34.42	\$35.45
Per 1000 over	\$6.47	\$6.67
Force Main Sewer Outside City Residential		
First 3000 gallons	\$40.15	\$41.36
Per 1000 over	\$5.17	\$5.32
Force Main Sewer Commercial Inside		
First 10,000 Gallons	\$60.81	\$62.63
Per 1000 over	\$5.17	\$5.32
Force Main Sewer Commercial Outside		
First 10000 Gallons	\$68.84	\$70.91
Per 1000 over	\$5.17	\$5.32

City of Watertown

Watertown

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$520,736.00	\$524,384.00	\$521,795.00
Other Revenue	\$47,598.00	\$44,504.00	\$54,289.00
Operating Revenue	\$568,334.00	\$568,888.00	\$576,084.00
Operating Expenses	\$568,735.00	\$579,003.00	\$503,643.00
Operating Income	(\$401.00)	(\$10,115.00)	\$72,441.00
Non-Operating Revenue(Expenses)	(\$7,096.00)	\$4,331.00	\$946.00
Net Change In Position	(\$7,497.00)	(\$5,784.00)	\$73,387.00
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Watertown

Staff Summary:

The City of Watertown has been referred for financial distress. Staff requested the City fill out a financial questionnaire, but no information has been received.

Staff Recommendation:

Order the following:

1. The City shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts or another qualified expert, as approved by Board staff, assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by May 31, 2019.



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

September 14, 2018

The Honorable Mike Jennings
City of Watertown
8630 Sparta Pike
Watertown, TN 37184

Dear Mayor Jennings,

The Tennessee Comptroller of the Treasury has referred City of Watertown to the Water & Wastewater Financing Board (hereinafter "Board") pursuant to Tennessee Code Annotated § 68-221-1010(a).

Please fill out the enclosed questionnaire and return it and all supporting documentation to our office no later than December 14, 2018. Please submit this to either utilities@cot.tn.gov, and/or the following mailing address:

Water & Wastewater Financing Board
ATTN: John Greer
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

While we recognize that this questionnaire may be difficult to fill out, it is necessary to determine how we can help you achieve long-term financial success. After we receive your information, we will decide whether it is necessary for the City to (1) meet with our staff or (2) go directly before the Board.

If you need further assistance or have any questions, please feel free to contact me at (615) 747-5260 or utilities@cot.tn.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Greer".

John Greer
Technical Secretary

enclosure

cc (w/out encl.): Mr. Randy Gwaltney

cc (w/out encl.): Ms. April Lamberson

City of Woodland Mills

Woodland Mills

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$42,290.00	\$33,446.00	\$44,682.00
Other Revenue	\$158,367.00	\$174,473.00	\$188,603.00
Operating Revenue	\$200,657.00	\$207,919.00	\$233,285.00
Operating Expenses	\$205,127.00	\$208,356.00	\$236,002.00
Operating Income	(\$4,470.00)	(\$437.00)	(\$2,717.00)
Non-Operating Revenue(Expenses)	(\$3,755.00)	(\$4,891.00)	(\$2,717.00)
Net Change In Position	(\$8,225.00)	(\$5,328.00)	(\$5,434.00)
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

Case: City of Woodland Mills

Staff Summary:

On November 15, 2018, the Board ordered Woodland Mills to complete the following:

1. The City shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

No information has been received.

Staff Recommendation:

Order the following:

1. The City shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts or another qualified expert, as approved by Board staff, assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by May 31, 2019.

BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD

IN THE MATTER OF:)	
)	
)	
CITY OF WOODLAND MILLS)	TENN. CODE ANN. § 68-221-1010
)	-FINANCIAL DISTRESS
)	
)	

ORDER

On November 15, 2018, the Tennessee Water and Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the City of Woodland Mills (“the City”) pursuant to Tenn. Code Ann. § 68-221-1010. Based on the City’s financial deficiencies, the Board hereby orders the following:

1. The City shall have the Municipal Technical Advisory Service, the Tennessee Association of Utility Districts, or another qualified expert assist in completing the financial questionnaire previously sent by Board staff.
2. The City shall send the completed financial questionnaire and all supporting documentation to Board staff by February 15, 2019.

ENTERED this 28th day of November, 2018.

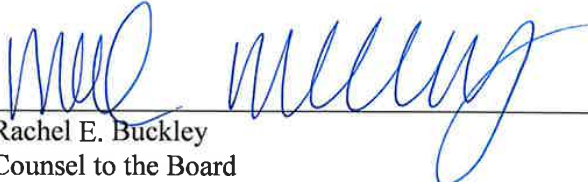


 ANN V. BUTTERWORTH, Chair
 Water and Wastewater Financing Board

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served via certified mail return receipt requested to the following on this 28th day of November, 2018:

Mayor Wade Carrington
Ms. Norma Fowler, City Recorder
City of Woodland Mills
201 Cannon Moore Dr.
P.O. Box 153
Woodland Mills, TN 38271



Rachel E. Buckley
Counsel to the Board

Recommended
for Release

I. Recommended for Release

a. Financial

- i. Town of Cumberland Gap
- ii. Town of Englewood
- iii. Town of Gainesboro
- iv. Town of Gleason
- v. Town of Mitchellville
- vi. Town of Monterey
- vii. City of Munford
- viii. City of Westmoreland

b. Water Loss

i. Non-Revenue Water

1. City of Bluff City
2. City of Brentwood
3. Town of Byrdstown
4. City of Cowan
5. Dowelltown-Liberty Waterworks
6. Town of Kenton
7. City of La Vergne
8. City of Lebanon
9. Town of Maury City
10. City of Red Boiling Springs
11. Town of Signal Mountain
12. Town of Smyrna

ii. Validity Score

1. City of Bluff City
2. Town of Estill Springs
3. Lauderdale County Water System
4. City of Loudon
5. Town of Maynardville
6. Town of McMoresville
7. City of Millington
8. City of Smithville
9. Town of Tiptonville

Financial Release

Bluff City

Bluff City

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$761,294.00	\$837,707.00	\$870,506.00
Other Revenue	\$16,218.00	\$1,580.00	\$2,365.00
Operating Revenue	\$777,512.00	\$839,287.00	\$872,871.00
Operating Expenses	\$622,422.00	\$566,493.00	\$645,530.00
Operating Income	\$155,090.00	\$272,794.00	\$227,341.00
Non-Operating Revenue(Expenses)	\$0.00	(\$44,896.00)	(\$46,996.00)
Net Change In Position	\$155,090.00	\$227,898.00	\$180,345.00
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1606	Bluff City				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2015	Water and Sewer	4/7/2016	5/3/2016	MEF	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2015	(\$64,233.00)
6/30/2014	(\$116,182.00)

C Is in default on certain outstanding debt.

Holder of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score [75]

Excessive non-revenue water % as established by the board Non-Rev Water % [5.8]
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:
[]



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name					<input type="checkbox"/> Component Unit
1606	Bluff City					
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status	
6/30/2016	Water and Sewer	9/20/2017	9/25/2017	irh	Not Yet Reviewed	

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. _____

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
_____	_____
_____	_____

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status _____ AWWA Excel File _____

Validity score below the amount established by the board Validity Score 70

Excessive non-revenue water % as established by the board Non-Rev Water % 22.5
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

Town of Cumberland Gap

Cumberland Gap

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$253,463.00	\$299,228.00	\$278,265.00
Other Revenue	\$6,635.00	\$7,860.00	\$9,256.00
Operating Revenue	\$260,098.00	\$307,088.00	\$287,521.00
Operating Expenses	\$291,660.00	\$254,428.00	\$260,842.00
Operating Income	(\$31,562.00)	\$52,660.00	\$26,679.00
Non-Operating Revenue(Expenses)	(\$16,128.00)	(\$13,153.00)	(\$12,972.00)
Net Change In Position	(\$47,690.00)	\$39,507.00	\$13,707.00
Grant/Capital Contribution	\$0.00	\$0.00	\$166,993.00



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a) & (d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				
1651	Cumberland Gap	<input type="checkbox"/>	Component Unit		
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	3/1/2017	3/6/2017	irh	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2016	(\$47,691.00)
6/30/2015	(\$73,241.00)

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

[] []

Validity score below the amount established by the board Validity Score

79

Excessive non-revenue water % as established by the board Non-Rev Water %

(Non-Revenue Water as Percent by Cost of Operating System)

20.7

Comments:

Town of Englewood

Englewood

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$899,276.00	\$959,186.00	\$0.00
Other Revenue	\$37,959.00	\$14,321.00	\$0.00
Operating Revenue	\$937,235.00	\$973,507.00	\$0.00
Operating Expenses	\$809,184.00	\$905,174.00	\$0.00
Operating Income	\$128,051.00	\$68,333.00	\$0.00
Non-Operating Revenue(Expenses)	(\$22,247.00)	(\$22,285.00)	\$0.00
Net Change In Position	\$105,804.00	\$46,048.00	\$0.00
Grant/Capital Contribution	\$0.00	\$232,500.00	\$0.00



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a) & (d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number: 1671 Vendor Name: Englewood Component Unit

Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2015	Water and Sewer	4/11/2016	5/3/2016	MEF	Not Yet Reviewed

FINANCIAL DISTRESS

- A** Has deficit net position for the fiscal year ended.
- B** Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2015	(\$1,874.00)
6/30/2014	(\$82,688.00)
- C** Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

- D** Water Loss Referral
 - AWWA water audit info**
 - Water Loss Schedule - Status: AWWA Excel File:
 - Validity score below the amount established by the board Validity Score:
 - Excessive non-revenue water % as established by the board Non-Rev Water %:
(Non-Revenue Water as Percent by Cost of Operating System)
 - Comments:

Town of Gainesboro

Gainesboro

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$784,216.00	\$920,292.00	\$899,141.00
Other Revenue	\$6,730.00	\$12,723.00	\$14,016.00
Operating Revenue	\$790,946.00	\$933,015.00	\$913,157.00
Operating Expenses	\$794,956.00	\$779,022.00	\$788,550.00
Operating Income	(\$4,010.00)	\$153,993.00	\$124,607.00
Non-Operating Revenue(Expenses)	(\$51,920.00)	(\$51,402.00)	(\$51,008.00)
Net Change In Position	(\$55,930.00)	\$102,591.00	\$73,599.00
Grant/Capital Contribution	\$0.00	\$45,106.00	\$376,621.00



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Uni	
1687	Gainesboro				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	12/29/2016	1/4/2017	TMH	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2016	(\$55,930.00)
6/30/2015	(\$51,955.00)

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score **84**

Excessive non-revenue water % as established by the board Non-Rev Water % **19.6**
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:
[]

Town of Mitchellville

Mitchellville

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$41,398.00	\$55,913.00	\$64,665.00
Other Revenue	\$0.00	\$0.00	\$0.00
Operating Revenue	\$41,398.00	\$55,913.00	\$64,665.00
Operating Expenses	\$71,976.00	\$69,014.00	\$60,902.00
Operating Income	(\$30,578.00)	(\$13,101.00)	\$3,763.00
Non-Operating Revenue(Expenses)	(\$3,811.00)	(\$3,736.00)	(\$3,639.00)
Net Change In Position	(\$34,389.00)	(\$16,837.00)	\$124.00
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1782	Mitchellville				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Sewer	12/27/2017	1/4/2018	TMH	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2017	(\$16,837.00)
6/30/2016	(\$34,389.00)

C Is in default on certain outstanding debt.

Holder of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

Town of Monterey

Monterey

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,985,008.00	\$1,980,247.00	\$2,198,077.00
Other Revenue	\$29,191.00	\$35,218.00	\$35,718.00
Operating Revenue	\$2,014,199.00	\$2,015,465.00	\$2,233,795.00
Operating Expenses	\$1,938,684.00	\$1,829,940.00	\$1,831,650.00
Operating Income	\$75,515.00	\$185,525.00	\$402,145.00
Non-Operating Revenue(Expenses)	(\$122,346.00)	(\$120,323.00)	(\$123,860.00)
Net Change In Position	(\$46,831.00)	\$65,202.00	\$278,285.00
Grant/Capital Contribution	\$0.00	\$0.00	\$0.00



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Uni
1784	Monterey				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	12/28/2016	12/29/2016	TMH	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2016	(\$46,831.00)
6/30/2015	(\$197,661.00)

C Is in default on certain outstanding debt.

Holder of the Bonds, etc.	Principal	Interest

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score: 82

Excessive non-revenue water % as established by the board Non-Rev Water %: 19.8
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:
[]

City of Munford

Munford

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,634,970.00	\$1,662,810.00	\$1,929,462.00
Other Revenue	\$162,020.00	\$174,358.00	\$186,190.00
Operating Revenue	\$1,796,990.00	\$1,837,168.00	\$2,115,652.00
Operating Expenses	\$1,907,910.00	\$1,899,020.00	\$1,878,777.00
Operating Income	(\$110,920.00)	(\$61,852.00)	\$236,875.00
Non-Operating Revenue(Expenses)	(\$65,842.00)	(\$52,360.00)	(\$59,172.00)
Net Change In Position	(\$176,762.00)	(\$114,212.00)	\$177,703.00
Grant/Capital Contribution	\$0.00	\$19,060.00	\$0.00



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/>	Component Unit
1793	Munford				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	3/2/2018	3/6/2018	SRW	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
6/30/2017	(\$155,799.00)
6/30/2016	(\$176,762.00)

C Is in default on certain outstanding debt.

Holder of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score: 82

Excessive non-revenue water % as established by the board Non-Rev Water %: 4.0
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:
 []

City of Westmoreland

Westmoreland

	2016 Audit	2017 Audit	2018 Audit
Water/Sewer Revenue	\$1,537,701.00	\$1,808,688.00	\$2,005,261.00
Other Revenue	\$76,587.00	\$46,693.00	\$78,555.00
Operating Revenue	\$1,614,288.00	\$1,855,381.00	\$2,083,816.00
Operating Expenses	\$1,528,475.00	\$1,603,633.00	\$1,790,951.00
Operating Income	\$85,813.00	\$251,748.00	\$292,865.00
Non-Operating Revenue(Expenses)	(\$45,425.00)	(\$61,101.00)	(\$47,303.00)
Net Change In Position	\$40,388.00	\$190,647.00	\$245,562.00
Grant/Capital Contribution	\$0.00	\$268,120.00	\$90,739.00

Non-Revenue Water Release

City of Bluff City



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1606	Bluff City				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	9/20/2017	9/25/2017	irh	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. _____

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
_____	_____
_____	_____

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status _____ AWWA Excel File _____

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

CITY OF BLUFF CITY, TENNESSEE
 Schedule of Unaccounted for Water (Unaudited)
 June 30, 2018

AWWA

WAS v5.0
American Water Works Association
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Reporting Worksheet

Water Audit Report for: **City of Bluff City (00000061)**
 Reporting Year: **2017** / 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

----- Enter grading in column 'E' and 'J' ----->

Volume from own sources:	9	68,300	MG/Yr		
Water imported:	7	33,000	MG/Yr		
Water exported:	n/a		MG/Yr		
WATER SUPPLIED:		101,300	MG/Yr		

Master Meter and Supply Error Adjustments

Pcnt:	3			Value:	
	2				
	1				

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	9	64,100	MG/Yr		
Billed unmetered:	n/a		MG/Yr		
Unbilled metered:	9	5,350	MG/Yr		
Unbilled unmetered:	8	1,266	MG/Yr		
AUTHORIZED CONSUMPTION:		70,716	MG/Yr		

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

WATER LOSSES (Water Supplied - Authorized Consumption)

30,584 MG/Yr

Apparent Losses

Unauthorized consumption:	5	0.253	MG/Yr		
Customer metering inaccuracies:	8	1,058	MG/Yr		
Systematic data handling errors:	7	0.160	MG/Yr		
Apparent Losses:		1,471	MG/Yr		

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Real Losses (Current Annual Real Losses or CARL)

29,113 MG/Yr

WATER LOSSES: 30,584 MG/Yr

NON-REVENUE WATER

37,200 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	7	34.1	miles		
Number of active AND inactive service connections:	8	1,159			
Service connection density:	34		conn./mile main		

Are customer meters typically located at the curbstops or property line? Yes (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: 70.0 psi

COST DATA

Total annual cost of operating water system:	9	\$667,739	\$/Year		
Customer retail unit cost (applied to Apparent Losses):	9	\$25.29	\$/1000 gallons (US)		
Variable production cost (applied to Real Losses):	8	\$1,258.21	\$/Million gallons	<input type="checkbox"/>	Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 81 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Water imported
- 2: Unauthorized consumption
- 3: Systematic data handling errors

CITY OF BLUFF CITY, TENNESSEE
 Schedule of Unaccounted for Water (Unaudited) (Continued)



Water Audit Report for: **City of Bluff City (00000061)**
 Reporting Year: **2017** - **7/2017 - 6/2018**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 81 out of 100 *****

System Attributes:

Apparent Losses:	1.471	MG/Yr
+ Real Losses:	29.113	MG/Yr
= Water Losses:	30.584	MG/Yr
? Unavoidable Annual Real Losses (UARL):	See limits in definition	MG/Yr
Annual cost of Apparent Losses:	\$37,204	
Annual cost of Real Losses:	\$36,630	

Valued at **Variable Production Cost**
 Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	Non-revenue water as percent by volume of Water Supplied:	36.7%
	Non-revenue water as percent by cost of operating system:	12.3%
Operational Efficiency:	Apparent Losses per service connection per day:	3.48 gallons/connection/day
	Real Losses per service connection per day:	68.82 gallons/connection/day
	Real Losses per length of main per day*:	N/A
	Real Losses per service connection per day per psi pressure:	0.98 gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		29.11 million gallons/year
? Infrastructure Leakage Index (ILI) [CARL/UARL]:		

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

City of Brentwood



JUSTIN P. WILSON
Comptroller

JASON E. MUMFORD
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1137	Brentwood				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	12/29/2017	1/5/2018	TMH	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board

Validity Score	76
----------------	----

Excessive non-revenue water % as established by the board
(Non-Revenue Water as Percent by Cost of Operating System)

Non-Rev Water %	24.4
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Comments:

CITY OF BRENTWOOD, TENNESSEE
AWWA WATER SCHEDULE - UNAUDITED
JUNE 30, 2018

AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0
 American Water Works Association
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Water Audit Report for: **Brentwood Water Services (TN0000069)**
 Reporting Year: **2018** 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources:	0.000	MG/yr
Water imported:	1,996.091	MG/yr
Water exported:	0.000	MG/yr
WATER SUPPLIED:	1,996.091	MG/yr

Master Meter and Supply Error Adjustments

Pcnt:	Value:	MG/yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	1,427.100	MG/yr
Billed unmetered:	0.000	MG/yr
Unbilled metered:	14.350	MG/yr
Unbilled unmetered:	24.951	MG/yr
AUTHORIZED CONSUMPTION:	1,466.401	MG/yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

WATER LOSSES (Water Supplied - Authorized Consumption)

	529.690	MG/yr
--	---------	-------

Apparent Losses

Unauthorized consumption:	4.990	MG/yr
Customer metering inaccuracies:	58.500	MG/yr
Systematic data handling errors:	3.568	MG/yr
Apparent Losses:	67.058	MG/yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses:	462.632	MG/yr
WATER LOSSES:	529.690	MG/yr

NON-REVENUE WATER

NON-REVENUE WATER:	568.991	MG/yr
---------------------------	----------------	--------------

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	225.8	miles
Number of active AND inactive service connections:	9,904	
Service connection density:	44	conn./mile main

Are customer meters typically located at the curbside or property line? Yes (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: (Average length of customer service line)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: 87.0 psi

COST DATA

Total annual cost of operating water system:	\$10,753,338	\$/Year
Customer retail unit cost (applied to Apparent Losses):	\$6.83	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	\$2,614.00	\$/Million gallons <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 84 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Water imported
- 2: Customer metering inaccuracies
- 3: Unauthorized consumption

CITY OF BRENTWOOD, TENNESSEE
 AWWA WATER SCHEDULE - CONTINUED - UNAUDITED
 JUNE 30, 2018

🏠

AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WAS v5.0
American Water Works Association
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Water Audit Report for: **Brentwood Water Services (TN0000069)**

Reporting Year: **2018** | **7/2017 - 6/2018**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 84 out of 100 ***

System Attributes:

Apparent Losses:	67.058	MG/Yr	
+ Real Losses:	462.632	MG/Yr	
= Water Losses:	529.690	MG/Yr	
? Unavoidable Annual Real Losses (UARL): 85.97 MG/Yr			
Annual cost of Apparent Losses:		\$458,006	
Annual cost of Real Losses:		\$1,209,320	Valued at Variable Production Cost Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	28.5%	
		Non-revenue water as percent by cost of operating system:	16.5%	Real Losses valued at Variable Production Cost
Operational Efficiency:	{	Apparent Losses per service connection per day:	18.55	gallons/connection/day
		Real Losses per service connection per day:	127.98	gallons/connection/day
		Real Losses per length of main per day*:	N/A	
		Real Losses per service connection per day per psi pressure:	1.47	gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		462.63	million gallons/year	
		? Infrastructure Leakage Index (ILI) [CARL/UARL]:	5.38	

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Town of Byrdstown



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1618	Byrdstown				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	2/1/2018	2/13/2018	TMH	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board

Excessive non-revenue water % as established by the board
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

Form Revised March 2017

AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0
American Water Works Association
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Click to access definition

Click to add a comment

Water Audit Report for: Town of Byrdstown (0000088)

Reporting Year: 2018 | 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources:	+	?	8	276.200	MG/Yr
Water imported:	+	?	n/a		MG/Yr
Water exported:	+	?	9	35.500	MG/Yr
WATER SUPPLIED:				240.700	MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	Value:
+	?
+	?
+	?

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	+	?	8	123.200	MG/Yr
Billed unmetered:	+	?	8		MG/Yr
Unbilled metered:	+	?	9	4.800	MG/Yr
Unbilled unmetered:	+	?	8	0.800	MG/Yr
AUTHORIZED CONSUMPTION:				128.800	MG/Yr

Click here: ? for help using option buttons below

Pcnt:	Value:
+	?
+	0.800

Use buttons to select percentage of water supplied OR value

Pcnt:	Value:
+	?
+	0.25%
+	6.00%
+	0.010

WATER LOSSES (Water Supplied - Authorized Consumption)

111.900 MG/Yr

Apparent Losses

Unauthorized consumption:	+	?	8	0.602	MG/Yr
Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed					
Customer metering inaccuracies:	+	?	5	8.170	MG/Yr
Systematic data handling errors:	+	?	7	0.010	MG/Yr
Apparent Losses:				8.782	MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: ? 103.118 MG/Yr

WATER LOSSES: ? 111.900 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: ? 117.500 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+	?	8	200.0	miles
Number of <u>active AND inactive</u> service connections:	+	?	8	3,000	
Service connection density:	+	?	?	15	conn./mile main
Are customer meters typically located at the curbstop or property line?					
Average length of customer service line:	+	?	8	15.0	ft (length of service line, beyond the property boundary, that is the responsibility of the utility)
Average operating pressure:	+	?	8	100.0	psi

COST DATA

Total annual cost of operating water system:	+	?	8	\$1,353,030	\$/Year
Customer retail unit cost (applied to Apparent Losses):	+	?	8	\$10.94	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+	?	8	\$552.00	\$/Million gallons

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 80 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Customer metering inaccuracies
- 2: Volume from own sources
- 3: Unauthorized consumption

AWWA Free Water Audit Software v5.0

Reporting Worksheet 1

Water Audit Report for: **Town of Byrds town (0000088)**
 Reporting Year: **2018** - **7/2017 - 6/2018**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 80 out of 100 ***

System Attributes:

Apparent Losses:	8.782	MG/Yr
+	103.118	MG/Yr
=	111.900	MG/Yr
Unavoidable Annual Real Losses (UARL):	58.25	MG/Yr
Annual cost of Apparent Losses:	\$86,075	
Annual cost of Real Losses:	\$56,921	

Valued at Variable Production Cost

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	Non-revenue water as percent by volume of Water Supplied:	48.8%
	Non-revenue water as percent by cost of operating system:	11.5%
Operational Efficiency:	Apparent Losses per service connection per day:	8.02 gallons/connection/day
	Real Losses per service connection per day:	N/A gallons/connection/day
	Real Losses per length of main per day*:	1,412.58 gallons/mile/day
	Real Losses per service connection per day per psi pressure:	N/A gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		103.12 million gallons/year
Infrastructure Leakage Index (ILI) [CARL/UARL]:		1.77

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

City of Cowan



JUSTIN P. WILSON
Comptroller

JASON E. MUMFORD
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1646	Cowan				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	2/21/2018	2/23/2018	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board

Excessive non-revenue water % as established by the board
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

CITY OF COWAN
OTHER SUPPLEMENTARY INFORMATION
 June 30, 2018

REPORTING WORKSHEET - UNAUDITED

AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0
 American Water Works Association
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Water Audit Report for: **COWAN BOARD OF PUBLIC UTILITY**
 Reporting Year: 2018 | 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades.

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below.

Meter, Meter and Supply Error Adjustments

WATER SUPPLIED

Volume from own sources	<input type="text" value="73.845"/>	MGYr	<input type="text" value=""/>	Perct:	<input type="text" value=""/>	Value:	<input type="text" value=""/>	MGYr
Water imported	<input type="text" value="0.000"/>	MGYr	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	MGYr
Water exported	<input type="text" value="0.000"/>	MGYr	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	MGYr

WATER SUPPLIED: MGYr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered	<input type="text" value="43.761"/>	MGYr	<input type="text" value=""/>	Perct:	<input type="text" value="1.25%"/>	Value:	<input type="text" value=""/>	MGYr
Billed unmetered	<input type="text" value=""/>	MGYr	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	MGYr
Unbilled metered	<input type="text" value=""/>	MGYr	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	MGYr
Unbilled unmetered	<input type="text" value="0.923"/>	MGYr	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	MGYr

AUTHORIZED CONSUMPTION: MGYr

Check here for help using option buttons below
 Use buttons to select percentage of water supplied OR value

WATER LOSSES (Water Supplied - Authorized Consumption) MGYr

Apparent Losses

Unauthorized consumption	<input type="text" value="0.185"/>	MGYr	<input type="text" value=""/>	Perct:	<input type="text" value="0.25%"/>	Value:	<input type="text" value=""/>	MGYr
Customer metering inaccuracies	<input type="text" value="0.000"/>	MGYr	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	MGYr
Systematic data handling errors	<input type="text" value="0.109"/>	MGYr	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	<input type="text" value=""/>	MGYr

Apparent Losses: MGYr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MGYr

WATER LOSSES: MGYr

NON-REVENUE WATER

NON-REVENUE WATER: MGYr

Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains	<input type="text" value="35.0"/>	miles	<input type="text" value=""/>
Number of active AND inactive service connections	<input type="text" value="1,255"/>		<input type="text" value=""/>
Service connection density	<input type="text" value="36"/>	conn/mile main	<input type="text" value=""/>
Ave customer meters typically located at the curbside or property line?	<input type="text" value="Yes"/>		
Average length of customer service line	<input type="text" value=""/>		(length of service line beyond the property boundary, that is the responsibility of the utility)
Average operating pressure	<input type="text" value="60.0"/>	psi	

COST DATA

Total annual cost of operating water system	<input type="text" value="\$374,154"/>	\$/Year	<input type="text" value=""/>
Customer retail unit cost (applied to Apparent Losses)	<input type="text" value="\$7.19"/>	\$/1000 gallons (US)	<input type="text" value=""/>
Variable production cost (applied to Real Losses)	<input type="text" value="\$2,126.15"/>	\$/MGYr	<input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 78 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score.

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Billed metered
- 3: Unauthorized consumption

CITY OF COWAN
 OTHER SUPPLEMENTARY INFORMATION
 June 30, 2018

PERFORMANCE INDICATORS - UNAUDITED

🏠

AWWA Free Water Audit Software:

System Attributes and Performance Indicators

WAS v5.0
 American Water Works Association
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Water Audit Report for: **COWAN BOARD OF PUBLIC UTILITY**

Reporting Year: **2018** | **7/2017 - 6/2018**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 78 out of 100 *****

System Attributes:

Apparent Losses:	0.294	MG/Yr
+ Real Losses:	28.847	MG/Yr
= Water Losses:	29.141	MG/Yr
? Unavoidable Annual Real Losses (UARL): See limits in definition MG/Yr		
Annual cost of Apparent Losses: \$2,114		
Annual cost of Real Losses: \$61,333 Valued at Variable Production Cost <small>Return to Reporting Worksheet to change this assumption</small>		

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	40.7%	
		Non-revenue water as percent by cost of operating system:	17.5%	Real Losses valued at Variable Production Cost
Operational Efficiency:	{	Apparent Losses per service connection per day:	0.64	gallons/connection/day
		Real Losses per service connection per day:	62.97	gallons/connection/day
		Real Losses per length of main per day*:	N/A	
		Real Losses per service connection per day per psi pressure:	1.05	gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		28.85	million gallons/year	
? Infrastructure Leakage Index (ILI) (CARL/UARL):				

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Downtown-Liberty Waterworks



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name	<input type="checkbox"/> Component Unit			
2878	Dowelltown-Liberty Waterworks				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water	12/26/2017	1/3/2018	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board

Validity Score	81
----------------	----

Excessive non-revenue water % as established by the board
 (Non-Revenue Water as Percent by Cost of Operating System)

Non-Rev Water %	20.6
-----------------	------

Comments:

AWWA Free Water Audit Software: Reporting Worksheet

WAS 650
American Water Works Association
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Water Audit Report for: **Downtown-Liberty Waterworks System ()**
Reporting Year: **2018** | **7/2017 - 6/2018**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: **MILLION GALLONS (US) PER YEAR**

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

Master Meter and Supply Error Adjustments

WATER SUPPLIED

←----- Enter grading in column 'E' and 'J' ----->

Volume from own sources:	+ ? 8	20.635	MG/Yr	+ ?	0	0	MG/Yr
Water Imported:	+ ? n/a		MG/Yr	+ ?	0	0	MG/Yr
Water exported:	+ ? n/a		MG/Yr	+ ?	0	0	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

WATER SUPPLIED: MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	+ ? 8	14.389	MG/Yr	+ ?	0	0	MG/Yr
Billed unmetered:	+ ? n/a		MG/Yr	+ ?	0	0	MG/Yr
Unbilled metered:	+ ? 8	0.500	MG/Yr	+ ?	0	0	MG/Yr
Unbilled unmetered:	+ ? 8	0.548	MG/Yr	+ ?	0	0	MG/Yr

Unbilled Unmetered volume entered is greater than the recommended default value

AUTHORIZED CONSUMPTION: MG/Yr

Click here: for help using option buttons below

Pcnt: Value: MG/Yr

Use buttons to select percentage of water supplied OR value

WATER LOSSES (Water Supplied - Authorized Consumption)

MG/Yr

Apparent Losses

Unauthorized consumption: MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: MG/Yr
Systematic data handling errors: MG/Yr

Apparent Losses: MG/Yr

Pcnt: Value: MG/Yr

MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/Yr

WATER LOSSES: MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: miles
Number of active AND inactive service connections:
Service connection density: conn./mile main

Are customer meters typically located at the curbstop or property line?

(length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

COST DATA

Total annual cost of operating water system: \$/Year
Customer retail unit cost (applied to Apparent Losses): \$/1000 gallons (US)
Variable production cost (applied to Real Losses): \$/Million gallons Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 81 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Unauthorized consumption
- 3: Billed metered



AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WAS v5.0
American Water Works Association
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Water Audit Report for: **Downtown-Liberty Waterworks System ()**
Reporting Year: **2018** **7/2017 - 6/2018**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 81 out of 100 ***

System Attributes:

Apparent Losses:	0.673	MGYr
+ Real Losses:	4.525	MGYr
= Water Losses:	5.198	MGYr
? Unavoidable Annual Real Losses (UARL):	See limits in definition	
Annual cost of Apparent Losses:	\$5,693	
Annual cost of Real Losses:	\$11,765	

Valued at **Variable Production Cost**
Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	Non-revenue water as percent by volume of Water Supplied:	30.3%
	Non-revenue water as percent by cost of operating system:	17.0%
Operational Efficiency:	Apparent Losses per service connection per day:	4.05 gallons/connection/day
	Real Losses per service connection per day:	N/A gallons/connection/day
	Real Losses per length of main per day*:	826.49 gallons/mile/day
	Real Losses per service connection per day per psi pressure:	N/A gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		4.53 million gallons/year
? Infrastructure Leakage Index (ILI) [CARL/UARL]:		

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Town of Kenton



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name	<input type="checkbox"/> Component Unit			
1732	Kenton				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	1/26/2017	1/30/2017	SRW	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years. Fiscal Year End Decrease in NP

[]	[]
[]	[]

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

[] []

Validity Score 74

Validity score below the amount established by the board

Excessive non-revenue water % as established by the board
(Non-Revenue Water as Percent by Cost of Operating System) Non-Rev Water %

23.3

Comments:
[]

CITY OF KENTON, TENNESSEE AWWA SCHEDULE - UNAUDITED June 30, 2018

WAS v5.0
American Water Works Association
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Water Audit Report for: **City of Kenton (0000347)**
 Reporting Year: **2017** / 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources:	8	30.387	MG/Yr
Water Imported:	n/a	0.000	MG/Yr
Water exported:	n/a	0.000	MG/Yr

WATER SUPPLIED: 35.749 MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	-15.00%	Value:		MG/Yr
				MG/Yr
				MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	8	25.491	MG/Yr
Billed unmetered:	n/a	0.000	MG/Yr
Unbilled metered:	10	1.153	MG/Yr
Unbilled unmetered:	5	0.447	MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: 27.091 MG/Yr

Click here: ? for help using option buttons below

Pcnt:	1.25%	Value:		MG/Yr
				MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt:	0.25%	Value:		MG/Yr
				MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption)

8.658 MG/Yr

Apparent Losses

Unauthorized consumption: **0.000** MG/Yr

FALSE

Customer metering inaccuracies:	8	0.824	MG/Yr
Systematic data handling errors:	7	0.064	MG/Yr

Default option selected for Systematic data handling errors - a grading of 6 is applied but not displayed

Apparent Losses: 0.888 MG/Yr

Pcnt:	3.00%	Value:		MG/Yr
				MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **7.770** MG/Yr

WATER LOSSES: 8.658 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **10.258** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	5	15.4	miles
Number of active AND inactive service connections:	7	717	
Service connection density:	?	47	conn./mile main

Are customer meters typically located at the curbside or property line? **Yes**

Average length of customer service line: **0** (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure:	3	48.0	psi
-----------------------------	---	------	-----

COST DATA

Total annual cost of operating water system:	10	\$65,146	\$/Year
Customer retail unit cost (applied to Apparent Losses):	0	\$3.44	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	10	\$466.45	\$/Million gallons U

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 79 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:
 Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Master meter error adjustment
- 3: Unauthorized consumption

See Independent Auditor's Report.

CITY OF KENTON, TENNESSEE AWWA SCHEDULE - UNAUDITED June 30, 2018

AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WAS v5.0
American Water Works Association

Water Audit Report for: City of Kenton (0000347)

Reporting Year: 2017 - 7/2017 - 6/2018

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 79 out of 100 ***

System Attributes:

	Apparent Losses:	0.977	MG/Yr	
	+ Real Losses:	7.681	MG/Yr	
	= Water Losses:	8.659	MG/Yr	
	7 Unavoidable Annual Real Losses (UARL):	See limits in definition	MG/Yr	
	Annual cost of Apparent Losses:	\$3,361		
	Annual cost of Real Losses:	\$3,583		Valued at Variable Production Cost
				Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	28.7%	
		Non-revenue water as percent by cost of operating system:	11.8%	Real Losses valued at Variable Production Cost
Operational Efficiency:	{	Apparent Losses per service connection per day:	3.73	gallons/connection/day
		Real Losses per service connection per day:	29.35	gallons/connection/day
		Real Losses per length of main per day*:	N/A	
		Real Losses per service connection per day per psi pressure:	0.61	gallons/connection/day/psi
		From Above, Real Losses = Current Annual Real Losses (CARL):	7.68	million gallons/year
		7 Infrastructure Leakage Index (ILI) [CARL/UARL]:		

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

See Independent Auditor's Report.

City of La Vergne



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)
 In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Uni
1745	LaVergne				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	12/21/2016	1/4/2017	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info


Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

AWWA Reporting Worksheet
(Unaudited)



**AWWA Free Water Audit Software:
Reporting Worksheet**

WAS v5.0
American Water Works Association
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Water Audit Report for: **City Of La Vergne**
 Reporting Year: **2018** 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources:	+ ? 8	1,256.980	MG/Yr		
Water imported:	+ ? 1	10.500	MG/Yr		
Water exported:	+ ? n/a	0.000	MG/Yr		

WATER SUPPLIED: **1,295.856** MG/Yr

Master Meter and Supply Error Adjustments

Pcnt: Value:

+ ? 8	-3.00%	0	10.500	MG/Yr
+ ? 1	0	0	0	MG/Yr
+ ? 1	0	0	0	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	+ ? 9	857.320	MG/Yr		
Billed unmetered:	+ ? n/a	0.000	MG/Yr		
Unbilled metered:	+ ? 7	18.935	MG/Yr		
Unbilled unmetered:	+ ? ?	16.198	MG/Yr		

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: **892.453** MG/Yr

Click here: ?
for help using option buttons below

Pcnt: Value:

1.25%	0	0	0	MG/Yr
-------	---	---	---	-------

Use buttons to select percentage of water supplied
QB value

WATER LOSSES (Water Supplied - Authorized Consumption) **403.402** MG/Yr

Apparent Losses

Unauthorized consumption:	+ ? ?	3.240	MG/Yr		
Customer metering inaccuracies:	+ ? 7	91.983	MG/Yr		
Systematic data handling errors:	+ ? ?	2.143	MG/Yr		

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: **97.366** MG/Yr

Pcnt: Value:

0.25%	0	0	0	MG/Yr
9.50%	0	0	0	MG/Yr
0.25%	0	0	0	MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **306.037** MG/Yr

WATER LOSSES: **403.402** MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **438.536** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+ ? 9	184.0	miles		
Number of active AND inactive service connections:	+ ? 9	12,020			
Service connection density:	? ?	65	conn./mile main		

Are customer meters typically located at the curbside or property line? Yes (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: + ? ?

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: + ? 9 110.0 psi

COST DATA

Total annual cost of operating water system:	+ ? 9	\$7,474,472	\$/Year		
Customer retail unit cost (applied to Apparent Losses):	+ ? 8	\$5.53	\$/1000 gallons (US)		
Variable production cost (applied to Real Losses):	+ ? 9	\$476.33	\$/Million gallons		<input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 78 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Volume from own sources

2: Unauthorized consumption

3: Systematic data handling errors



AWWA Free Water Audit Software:
System Attributes and Performance Indicators

Water Audit Report for: **City Of La Vergne**
Reporting Year: **2018** - **7/2017 - 6/2018**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 78 out of 100 *****

System Attributes:

Apparent Losses:	97.366	MGYr
+ Real Losses:	306.037	MGYr
= Water Losses:	403.402	MGYr
? Unavoidable Annual Real Losses (UARL):	112.36	MGYr
Annual cost of Apparent Losses:	\$538,431	
Annual cost of Real Losses:	\$145,775	

Valued at **Variable Production Cost**

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:

Non-revenue water as percent by volume of Water Supplied:	33.8%
Non-revenue water as percent by cost of operating system:	9.4%

Operational Efficiency:

Apparent Losses per service connection per day:	22.19	gallons/connection/day
Real Losses per service connection per day:	69.76	gallons/connection/day
Real Losses per length of main per day*:	N/A	
Real Losses per service connection per day per psi pressure:	0.63	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 306.04 million gallons/year

? Infrastructure Leakage Index (ILI) [CARL/UARL]: 2.72

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

City of Lebanon



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Unit
1747	Lebanon				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	3/25/2017	3/28/2017	TMH	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

AWWA Free Water Audit Software: Reporting Worksheet

WIAS v5.0
American Water Works Association
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Water Audit Report for: **City of Lebanon**
Reporting Year: **2018** **7/2017 - 6/2018**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades.

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

← Enter grading in column 'E' and 'J' →

WATER SUPPLIED

Volume from own sources:	9	2,194.204	MG/Yr		
Water imported:	n/a	0.000	MG/Yr		
Water exported:	8	459.373	MG/Yr		
WATER SUPPLIED:			1,893.810	MG/Yr	

Master Meter and Supply Error Adjustments

Pct:	5	2.00%	MG/Yr
Pct:	5	2.003	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	7	1,157.639	MG/Yr		
Billed unmetered:	7	0.000	MG/Yr		
Unbilled metered:	n/a	0.000	MG/Yr		
Unbilled unmetered:	6	23.943	MG/Yr		
AUTHORIZED CONSUMPTION:			1,181.582	MG/Yr	

Unbilled Unmetered volume entered is greater than the recommended default value

Click here: for help using option buttons below

Pct:	0.25%	23.943	MG/Yr
------	-------	--------	-------

Use buttons to select percentage of water supplied OR value

Pct:	3.00%	31.897	MG/Yr
------	-------	--------	-------

WATER LOSSES (Water Supplied - Authorized Consumption)

512.228 MG/Yr

Apparent Losses

Unauthorized consumption:	5	4.235	MG/Yr		
Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed					
Customer metering inaccuracies:	8	35.803	MG/Yr		
Systematic data handling errors:	5	31.897	MG/Yr		
Apparent Losses:			71.935	MG/Yr	

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **440.294** MG/Yr

WATER LOSSES: **512.228** MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: **536.171** MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	8	256.2	miles		
Number of active AND inactive service connections:	8	11,460			
Service connection density:	7	45	conn./mile main		

Are customer meters typically located at the curbside or property line? **Yes** (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: **0** (Average length of customer service line has been set to zero and a data grading score of 10 has been applied)

Average operating pressure: **5** **60.0** psi

COST DATA

Total annual cost of operating water system:	9	\$7,128,625	\$/Year		
Customer retail unit cost (applied to Apparent Losses):	6	\$14.42	\$/1000 gallons (US)		
Variable production cost (applied to Real Losses):	10	\$652.10	\$/Million gallons	<input type="checkbox"/> Use Customer Retail Unit Cost to value real losses	

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 79 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Billed metered
- 2: Customer retail unit cost (applied to Apparent Losses)
- 3: Unauthorized consumption

Water Audit Report for: City of Lebanon
Reporting Year: 2018 7/2017 - 6/2018

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 79 out of 100 ***

System Attributes:

Apparent Losses:	71,935	MG/Yr
+ Real Losses:	440,294	MG/Yr
= Water Losses:	512,228	MG/Yr
? Unavoidable Annual Real Losses (UARL):	68,000	MG/Yr
Annual cost of Apparent Losses:	\$1,037,300	
Annual cost of Real Losses:	\$287,115	

Valued at **Variable Production Cost**
Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	Non-revenue water as percent by volume of Water Supplied:	31.7%
	Non-revenue water as percent by cost of operating system:	18.8%
Operational Efficiency:	Apparent Losses per service connection per day:	17.20 gallons/connection/day
	Real Losses per service connection per day:	105.26 gallons/connection/day
	Real Losses per length of main per day*:	N/A
	Real Losses per service connection per day per psi pressure:	1.75 gallons/connection/day/psi
	From Above, Real Losses = Current Annual Real Losses (CARL):	440.29 million gallons/year
	? Infrastructure Leakage Index (ILI) [CARL/UARL]:	6.47

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Town of Maury City



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)
 In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Uni	
1766	Maury City				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2013	Water and Sewer	5/24/2016	6/6/2016	SRW	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the

MEMORANDUM

TO:

FROM: Division of Local Government Audit - Municipalities and Utility Districts

SUBJECT: Division of Local Government Audit Referral Pursuant to

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Uni	
1766	Maury City				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2014	Water and Sewer	6/22/2016	6/27/2016	SRW	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

TOWN OF MAURY CITY, TENNESSEE
SCHEDULE OF UNACCOUNTED FOR WATER - UNAUDITED
 June 30, 2018

AWWA Free Water Audit Software:
 Reporting Worksheet

Water Audit Report for: **Town of Maury City (0000441)**
 Reporting Year: **2018** 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used, if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades.

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below

Master Meter and Supply Error Adjustments

WATER SUPPLIED

Volume from own sources:	9	27.154	MG/yr	Pcnt:	7	3.00%	Value:		MG/yr
Water imported:	n/a	0.000	MG/yr						MG/yr
Water exported:	n/a	0.000	MG/yr						MG/yr

WATER SUPPLIED: 26.363 MG/yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	9	18.418	MG/yr	Pcnt:			Value:		MG/yr
Billed unmetered:	n/a	0.000	MG/yr						MG/yr
Unbilled metered:	n/a	0.000	MG/yr						MG/yr
Unbilled unmetered:	7	0.699	MG/yr						MG/yr

Unbilled Unmetered volume entered is greater than the recommended default value

AUTHORIZED CONSUMPTION: 19.117 MG/yr

Click here for help using option buttons below

Use buttons to select percentage of water supplied OR value

WATER LOSSES (Water Supplied - Authorized Consumption) 7.246 MG/yr

Apparent Losses

Unauthorized consumption:	7	0.006	MG/yr	Pcnt:	0.25%	Value:		MG/yr
Customer metering inaccuracies:	7	0.570	MG/yr		3.00%			MG/yr
Systematic data handling errors:	7	0.046	MG/yr		0.25%			MG/yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: 0.682 MG/yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: 6.565 MG/yr

WATER LOSSES: 7.246 MG/yr

NON-REVENUE WATER

NON-REVENUE WATER: 7.945 MG/yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	7	50.0	miles
Number of active AND inactive service connections:	7	480	
Service connection density:	7	10	conn./mile main
Are customer meters typically located at the curbstop or property line?		Yes	
Average length of customer service line:	7		(length of service line, beyond the property boundary, that is the responsibility of the utility)
Average operating pressure:	7	50.0	psi

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

COST DATA

Total annual cost of operating water system:	7	\$281,082	\$/Year
Customer retail unit cost (applied to Apparent Losses):	9	\$10.00	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	9	\$825.40	\$/Million gallons

Use Customer Retail Unit Cost to value real

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 81 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Unauthorized consumption
- 3: Systematic data handling errors

TOWN OF MAURY CITY, TENNESSEE
SCHEDULE OF UNACCOUNTED FOR WATER - UNAUDITED
 June 30, 2018

AWWA Free Water Audit Software:
System Attributes and Performance Indicators

AWWA v1.1.0
Microsoft Excel 2007 or later required. All rights reserved.

Water Audit Report for:
 Reporting Year:

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 81 out of 100 ***

System Attributes:

	Apparent Losses:	0.682	MG/Yr	
	+ Real Losses:	6.565	MG/Yr	
	= Water Losses:	7.246	MG/Yr	
<input checked="" type="checkbox"/> Unavoidable Annual Real Losses (UARL): <input type="text" value="See limits in definition"/> MG/Yr				
	Annual cost of Apparent Losses:	\$0.818		
	Annual cost of Real Losses:	\$5.418		Valued at Variable Production Cost Return to Reporting Worksheet to change this assumption

Performance Indicators:

	Financial:	Non-revenue water as percent by volume of Water Supplied:	30.1%	
		Non-revenue water as percent by cost of operating system:	4.6%	Real Losses valued at Variable Production Cost
Operational Efficiency:				
Apparent Losses per service connection per day:	3.89	gallons/connection/day		
Real Losses per service connection per day:	N/A	gallons/connection/day		
Real Losses per length of main per day*:	359.70	gallons/mile/day		
Real Losses per service connection per day per psi pressure:	N/A	gallons/connection/day/psi		
From Above, Real Losses = Current Annual Real Losses (CARL):		6.56	million gallons/year	
	<input checked="" type="checkbox"/> Infrastructure Leakage Index (ILI) [CARL/UARL]:			

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

The accompanying notes are an integral part of the financial statements.

City of Red Boiling Springs



JUSTIN P. WILSON
Comptroller

JASON E. MUMFORD
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1804	Red Boiling Springs				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	1/23/2018	2/1/2018	TMH	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board

Excessive non-revenue water % as established by the board
(Non-Revenue Water as Percent by Cost of Operating System)

Validity Score	84
Non-Rev Water %	22.2

Comments:

Form Revised March 2017



AWWA Free Water Audit Software
Reporting Worksheet

[Click to access definition](#)

[Click to add a comment](#)

Water Audit Report for: **City Red Boiling Springs**

Reporting Year: **2018** | **7/2017 - 6/2018**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources: 238.107 MG/yr
 Water imported: 1.693 MG/yr
 Water exported: 36.943 MG/yr

Master Meter and Supply Error Adjustments

Enter grading in column 'E' and 'J' → Pcnt: Value: MG/yr
 Pcnt: Value: MG/yr
 Pcnt: Value: MG/yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

WATER SUPPLIED: MG/yr

AUTHORIZED CONSUMPTION

Billed metered: 137.052 MG/yr
 Billed unmetered: 0.000 MG/yr
 Unbilled metered: 5.912 MG/yr
 Unbilled unmetered: 0.033 MG/yr

Click here: for help using option buttons below

Pcnt: Value: MG/yr

Use buttons to select percentage of water supplied OR value

AUTHORIZED CONSUMPTION: MG/yr

WATER LOSSES (Water Supplied - Authorized Consumption)

MG/yr

Apparent Losses

Unauthorized consumption: 0.507 MG/yr
 Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: 1.444 MG/yr
 Systematic data handling errors: 0.343 MG/yr

Default option selected for Systematic data handling errors - a grading of 6 is applied but not displayed

Apparent Losses: MG/yr

Pcnt: Value: MG/yr

MG/yr
 MG/yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/yr

WATER LOSSES: MG/yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: 60.0 miles
 Number of active AND inactive service connections: 1,775
 Service connection density: 36 conn./mile main

Are customer meters typically located at the curbside or property line? (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: 55.0 psi

COST DATA

Total annual cost of operating water system: \$725,000 \$/Year
 Customer retail unit cost (applied to Apparent Losses): \$5.51 \$/1000 gallons (US)
 Variable production cost (applied to Real Losses): \$2,050.00 \$/Million gallons Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 83 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Unauthorized consumption
- 3: Systematic data handling errors



Water Audit Report for: **City Red Boiling Springs**
 Reporting Year: **2018** **7/2017 - 6/2018**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 83 out of 100 ***

System Attributes:

Apparent Losses:	2.294	MGYr
+ Real Losses:	57.566	MGYr
= Water Losses:	59.860	MGYr
Unavoidable Annual Real Losses (UARL):	10.78	MGYr
Annual cost of Apparent Losses:	\$12,639	
Annual cost of Real Losses:	\$118,011	

Valued at **Variable Production Cost**

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	Non-revenue water as percent by volume of Water Supplied:	32.4%
	Non-revenue water as percent by cost of operating system:	19.7%
Operational Efficiency:	Apparent Losses per service connection per day:	3.54 gallons/connection/day
	Real Losses per service connection per day:	88.85 gallons/connection/day
	Real Losses per length of main per day*:	N/A
	Real Losses per service connection per day per psi pressure:	1.62 gallons/connection/day/psi
	From Above, Real Losses = Current Annual Real Losses (CARL):	57.57 million gallons/year
	Infrastructure Leakage Index (ILI) [CARL/UARL]:	5.34

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Town of Signal Mountain



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)
 In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1855	Signal Mountain				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water	12/12/2017	12/13/2017	MEF	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

TOWN OF SIGNAL MOUNTAIN, TENNESSEE
 Schedule of Unaccounted for Water
 June 30, 2018

**AWWA Free Water Audit Software:
Reporting Worksheet**

Water Audit Report for: Town of Signal Mountain (0000634)
 Reporting Year: 2018 7/2017 - 6/2018

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

WATER SUPPLIED

Volume from own sources: MG/Yr
 Water imported: MG/Yr
 Water exported: MG/Yr

Master Meter and Supply Error Adjustments
 Pcnt: Value: MG/Yr
 MG/Yr
 MG/Yr
 Enter negative % or value for under-registration
 Enter positive % or value for over-registration

WATER SUPPLIED: MG/Yr

AUTHORIZED CONSUMPTION

Billed metered: MG/Yr
 Billed unmetered: MG/Yr
 Unbilled metered: MG/Yr
 Unbilled unmetered: MG/Yr

Pcnt: Value: MG/Yr

AUTHORIZED CONSUMPTION: MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption) MG/Yr

Apparent Losses

Unauthorized consumption: MG/Yr
 Customer metering inaccuracies: MG/Yr
 Systematic data handling errors: MG/Yr

Pcnt: Value: MG/Yr
 5.00% MG/Yr

Apparent Losses: MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/Yr

WATER LOSSES: MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/Yr
 = Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: miles
 Number of active AND inactive service connections:
 Service connection density: conn./mile main

Are customer meters typically located at the curbside or property line? Yes

Average length of customer service line: Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

COST DATA

Total annual cost of operating water system: \$/Year
 Customer retail unit cost (applied to Apparent Losses): \$/1000 gallons (US)
 Variable production cost (applied to Real Losses): \$/Million gallons

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 84 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

1: Unbilled metered

2: Water imported

3: Billed metered

TOWN OF SIGNAL MOUNTAIN, TENNESSEE
 Schedule of Unaccounted for Water
 June 30, 2018

AWWA Free Water Audit Software: WAS v5.0

Water Audit Report for: **Town of Signal Mountain (0000634)**
 Reporting Year: **2018** **7/2017 - 6/2018**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 84 out of 100 *****

System Attributes:

Apparent Losses:					
			11,397	MG/Yr	
+	Real Losses:		79,087	MG/Yr	
=	<u>Water Losses:</u>		90,484	MG/Yr	
Unavoidable Annual Real Losses (UARL):			50,694	MG/Yr	
Annual cost of Apparent Losses:			\$76,930		
Annual cost of Real Losses:			\$166,712		Valued at Variable Production Cost
					Return to Reporting Worksheet to change this assumption

Performance Indicators:

Non-revenue water as percent by volume of Water Supplied:				
			31.5%	
Non-revenue water as percent by cost of operating system:			18.1%	Real Losses valued at Variable Production Cost
Operational	Apparent Losses per service connection per day:		8.31	gallons/connection/day
	Real Losses per service connection per day:		57.69	gallons/connection/day
	Real Losses per length of main per day*:		N/A	
	Real Losses per service connection per day per psi pressure:		0.38	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 79,087 million gallons/year

Infrastructure Leakage Index (ILI) (CARL/UARL): 1.56

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Town of Smyrna



JUSTIN P. WILSON
Comptroller

JASON E. MUMFORD
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				
1860	Smyrna	<input type="checkbox"/> Component Unit			
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	12/21/2017	1/2/2018	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info


Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board

Excessive non-revenue water % as established by the board
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

AWWA Reporting Worksheet
(Unaudited)



**AWWA Free Water Audit Software:
Reporting Worksheet**

WAS v5.0
American Water Works Association
Copyright © 2014. All Rights Reserved.

Water Audit Report for: **Town of Smyrna Water System (0000639)**

Reporting Year: **2018** 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

	Grade	Value	Unit
Volume from own sources:	10	3,772.384	MG/Yr
Water imported:	9	0.000	MG/Yr
Water exported:	9	990.765	MG/Yr
WATER SUPPLIED:		2,781.624	MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	9	1,946.358	MG/Yr
Billed unmetered:	10	0.000	MG/Yr
Unbilled metered:	10	25.167	MG/Yr
Unbilled unmetered:	8	178.913	MG/Yr
AUTHORIZED CONSUMPTION:		2,150.438	MG/Yr

Unbilled Unmetered volume entered is greater than the recommended default value

WATER LOSSES (Water Supplied - Authorized Consumption) **631.186** MG/Yr

Apparent Losses

Unauthorized consumption: 6.954 MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: 9.907 MG/Yr

Systematic data handling errors: 3.100 MG/Yr

Apparent Losses: 19.961 MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: 611.224 MG/Yr

WATER LOSSES: 631.186 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: 835.266 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

Master Meter and Supply Error Adjustments

Grade	Pcnt:	Value:	Unit
9	0.00%		MG/Yr
9	0.00%		MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

Click here: ? for help using option buttons below

Pcnt: Value: 178.913 MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt: 0.25% Value: MG/Yr

0.50% Value: 3.100 MG/Yr

SYSTEM DATA

Length of mains: 249.0 miles

Number of active AND inactive service connections: 10,957

Service connection density: 44 conn./mile main

Are customer meters typically located at the curbside or property line? Yes (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: 65.0 psi

COST DATA

Total annual cost of operating water system: \$9,401,261 \$/Year

Customer retail unit cost (applied to Apparent Losses): \$4.83 \$/1000 gallons (US)

Variable production cost (applied to Real Losses): \$2,004.44 \$/Million gallons Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 93 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Unauthorized consumption
- 2: Billed metered
- 3: Customer metering inaccuracies

AWWA REPORTING WORKSHEET
(Unaudited)



AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WAS v5.0
American Water Works Association.
Copyright © 2014, All Rights Reserved.

Water Audit Report for: **Town of Smyrna Water System (0000639)**
Reporting Year: **2018** - **7/2017 - 6/2018**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 93 out of 100 ***

System Attributes:

Apparent Losses:	19.961	MG/Yr
+ Real Losses:	611.224	MG/Yr
= Water Losses:	631.186	MG/Yr
? Unavoidable Annual Real Losses (UARL):	70.95	MG/Yr
Annual cost of Apparent Losses:	\$96,413	
Annual cost of Real Losses:	\$1,225,163	

Valued at Variable Production Cost

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial: {

Non-revenue water as percent by volume of Water Supplied: 30.0%
Non-revenue water as percent by cost of operating system: 18.4%

Real Losses valued at Variable Production Cost

Operational Efficiency: {

Apparent Losses per service connection per day: 4.99 gallons/connection/day
Real Losses per service connection per day: 152.83 gallons/connection/day
Real Losses per length of main per day*: N/A
Real Losses per service connection per day per psi pressure: 2.35 gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 611.22 million gallons/year

? Infrastructure Leakage Index (ILI) [CARL/UARL]: 8.61

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Validity Score Release

City of Bluff City



JUSTIN P. WILSON
Comptroller

JASON E. MUMFORD
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1606	Bluff City				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2017	Water and Sewer	2/1/2018	2/6/2018	irh	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board

Excessive non-revenue water % as established by the board
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

CITY OF BLUFF CITY, TENNESSEE
 Schedule of Unaccounted for Water (Unaudited)
 June 30, 2018

AWWA Free Water Audit Software: Reporting Worksheet
WAS v5.0
American Water Works Association
Copyright © 2014, All Rights Reserved.

Water Audit Report for: **City of Bluff City (00000061)**
 Reporting Year: **2017** **7/2017 - 6/2018**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources:	9	88.300	MG/yr		
Water imported:	7	33.000	MG/yr		
Water exported:	n/a		MG/yr		

WATER SUPPLIED: **101.300** MG/yr

Master Meter and Supply Error Adjustments

Pcnt:		Value:	
	3		MG/yr
	2		MG/yr
	n/a		MG/yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	9	64.100	MG/yr		
Billed unmetered:	n/a		MG/yr		
Unbilled metered:	9	5.350	MG/yr		
Unbilled unmetered:	8	1.268	MG/yr		

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: **70.716** MG/yr

Click here: **?** for help using option buttons below

Pcnt:		Value:	
	1.25%		MG/yr

Use buttons to select percentage of water supplied OR value

Pcnt:		Value:	
	0.25%		MG/yr

Pcnt:		Value:	
	1.50%		MG/yr
	0.25%		MG/yr

WATER LOSSES (Water Supplied - Authorized Consumption)

30.584 MG/yr

Apparent Losses

Unauthorized consumption:	2	0.253	MG/yr		
---------------------------	---	-------	-------	--	--

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies:	8	1.058	MG/yr		
Systematic data handling errors:	7	0.160	MG/yr		

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: **1.471** MG/yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: **29.113** MG/yr

WATER LOSSES: **30.584** MG/yr

NON-REVENUE WATER

NON-REVENUE WATER: **37.200** MG/yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	7	34.1	miles		
Number of active AND inactive service connections:	8	1,159			
Service connection density:	7	34	conn./mile main		

Are customer meters typically located at the curbside or property line? **Yes** (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure:	7	70.0	psi		
-----------------------------	---	------	-----	--	--

COST DATA

Total annual cost of operating water system:	9	\$667,739	\$/Year		
Customer retail unit cost (applied to Apparent Losses):	9	\$25.29	\$/1000 gallons (US)		
Variable production cost (applied to Real Losses):	8	\$1,258.21	\$/Million gallons		<input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 81 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Water imported
- 2: Unauthorized consumption
- 3: Systematic data handling errors

AWWA Free Water Audit Software v5.0

55

CITY OF BLUFF CITY, TENNESSEE
 Schedule of Unaccounted for Water (Unaudited) (Continued)

WAS v5.0
 American Water Works Association.
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**AWWA Free Water Audit Software:
 System Attributes and Performance Indicators**

Water Audit Report for: Reporting Year:

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 81 out of 100 ***

System Attributes:

Apparent Losses:	1.471	MG/yr	
+ Real Losses:	29.113	MG/yr	
= Water Losses:	30.584	MG/yr	

Unavoidable Annual Real Losses (UARL): MG/yr
 Annual cost of Apparent Losses:
 Annual cost of Real Losses:

Valued at Variable Production Cost
 Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial: { Non-revenue water as percent by volume of Water Supplied: <input type="text" value="36.7%"/> Non-revenue water as percent by cost of operating system: <input type="text" value="12.3%"/>	Real Losses valued at Variable Production Cost Apparent Losses per service connection per day: <input type="text" value="3.48"/> gallons/connection/day Real Losses per service connection per day: <input type="text" value="68.82"/> gallons/connection/day Real Losses per length of main per day*: <input type="text" value="N/A"/> Real Losses per service connection per day per psi pressure: <input type="text" value="0.98"/> gallons/connection/day/psi
--	---

From Above, Real Losses = Current Annual Real Losses (CARL): million gallons/year

Infrastructure Leakage Index (ILI) [CARL/UARL]:

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Town of Estill Springs



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)
 In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1675	Estill Springs				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water	12/20/2016	1/5/2017	mlb	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0
American Water Works Association
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Click to access definition

Click to add a comment

Water Audit Report for: Town of Estill Springs Water Department (0000232)

Reporting Year: 2018 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

----- Enter grading in column 'E' and 'J' ----->

Volume from own sources:	+ ? 9	123.365	MG/Yr
Water imported:	+ ? n/a	0.000	MG/Yr
Water exported:	+ ? n/a	0.000	MG/Yr
WATER SUPPLIED:		123.365	MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	+ ? n/a	0.00%	MG/Yr
Value:	+ ?	0.187	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	+ ? 7	103.641	MG/Yr
Billed unmetered:	+ ? n/a	0.000	MG/Yr
Unbilled metered:	+ ? n/a	0.000	MG/Yr
Unbilled unmetered:	+ ? 9	0.187	MG/Yr
AUTHORIZED CONSUMPTION:		103.828	MG/Yr

Click here: ? for help using option buttons below

Pcnt: Value: 0.187 MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt: Value: 0.25% MG/Yr

9.00% Value: 0.010 MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption)

19.537 MG/Yr

Apparent Losses

Unauthorized consumption: + ? 0.308 MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: + ? 7 10.250 MG/Yr

Systematic data handling errors: + ? 8 0.010 MG/Yr

Apparent Losses: ? 10.569 MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: ? 8.968 MG/Yr

WATER LOSSES: 19.537 MG/Yr

Pcnt: Value: 0.25% MG/Yr

9.00% Value: 0.010 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: ? 19.724 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+ ? 7	68.2	miles
Number of active AND inactive service connections:	+ ? 8	1,726	
Service connection density:	+ ?	25	conn./mile main

Are customer meters typically located at the curbstop or property line? Yes (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line: + ? Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: + ? 7 54.0 psi

COST DATA

Total annual cost of operating water system:	+ ? 10	\$471,937	\$/Year
Customer retail unit cost (applied to Apparent Losses):	+ ? 9	\$4.57	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+ ? 10	\$458.36	\$/Million gallons <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 84 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Billed metered
- 3: Unauthorized consumption



AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WAS v5.0
 American Water Works Association.
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Water Audit Report for: **Town of Estill Springs Water Department (0000232)**
 Reporting Year: **2018** **7/2017 - 6/2018**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 84 out of 100 *****

System Attributes:

Apparent Losses:	10,569	MG/Yr
+ Real Losses:	8,968	MG/Yr
= Water Losses:	19,537	MG/Yr
? Unavoidable Annual Real Losses (UARL):	12.38	MG/Yr
Annual cost of Apparent Losses:	\$48,299	
Annual cost of Real Losses:	\$4,111	

Valued at **Variable Production Cost**

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:

Non-revenue water as percent by volume of Water Supplied:	16.0%
Non-revenue water as percent by cost of operating system:	11.1%

Operational Efficiency:

Apparent Losses per service connection per day:	16.78	gallons/connection/day
Real Losses per service connection per day:	N/A	gallons/connection/day
Real Losses per length of main per day*:	360.27	gallons/mile/day
Real Losses per service connection per day per psi pressure:	N/A	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL):

? Infrastructure Leakage Index (ILI) [CARL/UARL]:	8.97	million gallons/year
	0.72	

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Lauderdale County Water System



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - County Entities
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Uni
9098	Lauderdale County Water System				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water	12/9/2016	12/15/2016	LWB	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board **Validity Score**

Excessive non-revenue water % as established by the board **Non-Rev Water %**
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

AWWA Free Water Audit Software: Reporting Worksheet

WAS v5.0

Water Audit Report for: **Lauderdale County Water System (0000581)**
 Reporting Year: **2018** **7/2017 - 6/2018**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

← Enter grading in column 'E' and 'J' →

Volume from own sources:	<input type="text" value="9"/>	<input type="text" value="241.418"/>	MG/Yr
Water imported:	<input type="text" value="9"/>	<input type="text" value="39.361"/>	MG/Yr
Water exported:	<input type="text" value="n/a"/>	<input type="text" value="0.000"/>	MG/Yr

WATER SUPPLIED: MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	<input type="text" value="0.00%"/>	<input type="text" value=""/>	MG/Yr
Value:	<input type="text" value="-1.00%"/>	<input type="text" value=""/>	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	<input type="text" value="9"/>	<input type="text" value="187.986"/>	MG/Yr
Billed unmetered:	<input type="text" value="n/a"/>	<input type="text" value="0.000"/>	MG/Yr
Unbilled metered:	<input type="text" value="9"/>	<input type="text" value="0.114"/>	MG/Yr
Unbilled unmetered:	<input type="text" value="7"/>	<input type="text" value="1.998"/>	MG/Yr

AUTHORIZED CONSUMPTION: MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption)

91.079 MG/Yr

Apparent Losses

Unauthorized consumption: MG/Yr
 Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: MG/Yr
 Systematic data handling errors: MG/Yr
 Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/Yr

WATER LOSSES: MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: miles
 Number of active AND inactive service connections:
 Service connection density: conn./mile main

Are customer meters typically located at the curbstops or property line? (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

COST DATA

Total annual cost of operating water system: \$/Year
 Customer retail unit cost (applied to Apparent Losses): \$/1000 gallons (US)
 Variable production cost (applied to Real Losses): \$/Million gallons Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 83 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Unauthorized consumption
- 3: Systematic data handling errors

UNAUDITED

25

Water Audit Report for: **Lauderdale County Water System (0000581)**
Reporting Year: **2018** | **7/2017 - 6/2018**

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: **83 out of 100** ***

System Attributes:

Apparent Losses:	2.118	MG/Yr
+ Real Losses:	88.960	MG/Yr
= Water Losses:	91.079	MG/Yr
Unavoidable Annual Real Losses (UARL):	85.08	MG/Yr
Annual cost of Apparent Losses:	\$12,709	
Annual cost of Real Losses:	\$79,313	

Valued at Variable Production Cost

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	Non-revenue water as percent by volume of Water Supplied:	33.1%
	Non-revenue water as percent by cost of operating system:	6.4%
Operational Efficiency:	Apparent Losses per service connection per day:	1.21 gallons/connection/day
	Real Losses per service connection per day:	N/A gallons/connection/day
	Real Losses per length of main per day*:	374.97 gallons/mile/day
	Real Losses per service connection per day per psi pressure:	N/A gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		88.96 million gallons/year
Infrastructure Leakage Index (ILI) [CARL/UARL]:		1.05

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

City of Loudon



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Both Water and Wastewater and Utility Mgt Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(a), 7-82-401(h)
 In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Unit
1757	Loudon				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	3/31/2017	4/5/2017	MEF	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

CITY OF LOUDON, TENNESSEE
AWWA FREE WATER AUDIT SOFTWARE
REPORTING WORKSHEET
JUNE 30, 2018

AWWA Free Water Audit Software: Reporting Worksheet										WAS v5.0 American Water Works Association Copyright © 2014. All Rights Reserved.			
Water Audit Report for: Loudon Utilities		Reporting Year: 2018		7/2017 - 6/2018									
Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades.													
All volumes to be entered as: MILLION GALLONS (US) PER YEAR													
To select the correct data grading for each input, determine the highest grade where the										Master Meter and Supply Error Adjustments			
WATER SUPPLIED										Pcnt		Value	
Volume from own sources: 3,793,426 MG/Yr										0.25%			
Water imported: 0,000 MG/Yr													
Water exported: 364,911 MG/Yr										0.12%			
WATER SUPPLIED: 3,438,460 MG/Yr													
AUTHORIZED CONSUMPTION													
Billed metered: 2,777,890 MG/Yr													
Billed unmetered: MG/Yr													
Unbilled metered: MG/Yr													
Unbilled unmetered: 1,440 MG/Yr										1.25%		1,440 MG/Yr	
AUTHORIZED CONSUMPTION: 2,779,330 MG/Yr													
WATER LOSSES (Water Supplied - Authorized Consumption)													
Apparent Losses													
Unauthorized consumption: 8,596 MG/Yr										0.25%		8,500 MG/Yr	
Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed													
Customer metering inaccuracies: 28,059 MG/Yr										1.00%			
Systematic data handling errors: 5,000 MG/Yr										0.25%		5,000 MG/Yr	
Apparent Losses: 41,656 MG/Yr													
Real Losses (Current Annual Real Losses or CARL)													
Real Losses = Water Losses - Apparent Losses: 617,475 MG/Yr													
WATER LOSSES: 659,130 MG/Yr													
NON-REVENUE WATER													
NON-REVENUE WATER: 660,570 MG/Yr													
= Water Losses + Unbilled Metered + Unbilled Unmetered													
SYSTEM DATA													
Length of mains: 201.0 miles													
Number of active AND inactive service connections: 5,184													
Service connection density: 26 conn./mile main													
Are customer meters typically located at the curbside or property line? Yes													
Average length of customer service line: 3 ft													
Average length of customer service line has been set to zero and a data grading score of 10 has been applied													
Average operating pressure: 45.0 psi													
COST DATA													
Total annual cost of operating water system: \$5,985,087 /Year													
Customer retail unit cost (applied to Apparent Losses): \$2.92 /1000 gallons (US)													
Variable production cost (applied to Real Losses): \$1,017.00 /Million gallons													
WATER AUDIT DATA VALIDITY SCORE:													
*** YOUR SCORE IS: 85 out of 100 ***													
A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score													
PRIORITY AREAS FOR ATTENTION:													
Based on the information provided, audit accuracy can be improved by addressing the following components:													
1: Unauthorized consumption													
2: Customer metering inaccuracies													
3: Billed metered													

CITY OF LOUDON, TENNESSEE
SYSTEM ATTRIBUTES AND PERFORMANCE INDICATORS
 JUNE 30, 2018

AWWA Free Water Audit Software:		WAS v5.0
System Attributes and Performance Indicators		American Water Works Association
Water Audit Report for: <input type="text" value="Loudon Utilities"/>		
Reporting Year: <input type="text" value="2017"/> <input type="text" value="7/2016 - 6/2017"/>		
*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 78 out of 100 ***		
System Attributes:		
	Apparent Losses:	<input type="text" value="42,622"/> MG/yr
	+ Real Losses:	<input type="text" value="823,428"/> MG/yr
	= Water Losses:	<input type="text" value="866,050"/> MG/yr
?	Unavoidable Annual Real Losses (UARL):	<input type="text" value="30,711"/> MG/yr
	Annual cost of Apparent Losses:	<input type="text" value="\$124,457"/>
	Annual cost of Real Losses:	<input type="text" value="\$837,428"/> Valued at Variable Production Cost
		<small>Return to Reporting Worksheet to change this assumption</small>
Performance Indicators:		
Financial:	Non-revenue water as percent by volume of Water Supplied:	<input type="text" value="24.1%"/>
	Non-revenue water as percent by cost of operating system:	<input type="text" value="16.9%"/> Real Losses valued at Variable Production Cost
Operational Efficiency:	Apparent Losses per service connection per day:	<input type="text" value="22.53"/> gallons/connection/day
	Real Losses per service connection per day:	<input type="text" value="N/A"/> gallons/connection/day
	Real Losses per length of main per day*:	<input type="text" value="11,173.68"/> gallons/mile/day
	Real Losses per service connection per day per psi pressure:	<input type="text" value="N/A"/> gallons/connection/day/psi
	From Above, Real Losses = Current Annual Real Losses (CARL):	<input type="text" value="823,428"/> million gallons/year
?	Infrastructure Leakage Index (ILI) [CARL/UARL]:	<input type="text" value="26.81"/>
<small>* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline</small>		

Town of Maynardville



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Utility Management Review Board

FROM: Division of Local Government Audit - Municipalities and Utility Districts

SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name			<input type="checkbox"/> Component Unit	
1767	Maynardville				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	1/25/2017		irh	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

AWWA Free Water Audit Software: Reporting Worksheet
WASv5.0
American Water Works Association
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Water Audit Report for: **City of Maynardville (TN0000442)**
 Reporting Year: **2018** / 7/2017 - 8/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable, please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover them mouse over the cell to obtain a description of the grades.

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

	Enter grading in column 'E' and 'J'	Value:	MG/Yr
Volume from own sources:	9	149.592	MG/Yr
Water Imported:	9	15.145	MG/Yr
Water exported:	10	5.294	MG/Yr
WATER SUPPLIED:		159.443	MG/Yr

Master Meter and Supply Error Adjustments

Pcnt:	Value:	MG/Yr
1.25%	0	MG/Yr
0.25%	0.100	MG/Yr

Enter negative % or value for under-registration
Enter positive % or value for over-registration

AUTHORIZED CONSUMPTION

Billed metered:	7	121.807	MG/Yr
Billed unmetered:	n/a	0.000	MG/Yr
Unbilled metered:	10	4.362	MG/Yr
Unbilled unmetered:	5	1.993	MG/Yr
AUTHORIZED CONSUMPTION:		128.162	MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

WATER LOSSES (Water Supplied - Authorized Consumption) 31.281 MG/Yr

Apparent Losses

Unauthorized consumption:	5	0.399	MG/Yr
Customer metering inaccuracies:	7	0.100	MG/Yr
Systematic data handling errors:	5	0.305	MG/Yr
Apparent Losses:		0.803	MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses:	5	30.478	MG/Yr
WATER LOSSES:		31.281	MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER:	5	37.636	MG/Yr
---------------------------	---	---------------	-------

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	8	141.0	miles
Number of active AND inactive service connections:	5	2,400	
Service connection density:	7	17	conn./mile main

Are customer meters typically located at the curbstop or property line? No Yes

Average length of customer service line: (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

COST DATA

Total annual cost of operating water system:	10	\$1,179,538	\$/Year
Customer retail unit cost (applied to Apparent Losses):	9	\$10.87	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	10	\$775.00	\$/Million gallons <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 83 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Billed metered
- 3: Unauthorized consumption

See the accompanying independent accountants' audit report.

AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WASV5.0
American Water Works Association
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Water Audit Report for: City of Maynardville (TN0000442)

Reporting Year: 2018 | 7/2017 - 6/2018

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 83 out of 100 ***

System Attributes:

	Apparent Losses:	0.803	MG/Yr	
	+	30.478	MG/Yr	
	=	31.281	MG/Yr	
	?	38.93	MG/Yr	Unavoidable Annual Real Losses (UARL):
	Annual cost of Apparent Losses:	\$8,730		
	Annual cost of Real Losses:	\$23,620		Valued at Variable Production Cost

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	{	Non-revenue water as percent by volume of Water Supplied:	23.6%	
		Non-revenue water as percent by cost of operating system:	3.2%	Real Losses valued at Variable Production Cost
Operational Efficiency:	{	Apparent Losses per service connection per day:	0.92	gallons/connection/day
		Real Losses per service connection per day:	N/A	gallons/connection/day
		Real Losses per length of main per day*:	592.21	gallons/mile/day
		Real Losses per service connection per day per psi pressure:	N/A	gallons/connection/day/psi
		From Above, Real Losses = Current Annual Real Losses (CARL):	30.48	million gallons/year
		?	0.78	Infrastructure Leakage Index (ILI) [CARL/UARL]:

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

See the accompanying independent accountants' audit report.

Town of McLemoresville



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the Treasury

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)
 In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name				<input type="checkbox"/> Component Unit
1770	McLemoresville				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water	2/15/2017	2/15/2017	SRW	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended.

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status AWWA Excel File

Validity score below the amount established by the board Validity Score

Excessive non-revenue water % as established by the board Non-Rev Water %
 (Non-Revenue Water as Percent by Cost of Operating System)

Comments:

CITY OF MCLEMORESVILLE, TENNESSEE WATER LOSS SCHEDULES - UNAUDITED For the Year Ended June 30, 2018

**AWWA Free Water Audit Software:
Reporting Worksheet**

WAS v5.0
American Water Works Association
Copyright © 2014, All Rights Reserved.

Water Audit Report for: **McLemoresville Water Dp. (422)**

Reporting Year: **2018** | **7/2017 - 6/2018**

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources:	+	?	9	8.474	MG/Yr
Water imported:	+	?	n/a	0.000	MG/Yr
Water exported:	+	?	n/a	0.000	MG/Yr

WATER SUPPLIED: 8.247 MG/Yr

AUTHORIZED CONSUMPTION

Billed metered:	+	?	9	7.173	MG/Yr
Billed unmetered:	+	?	n/a	0.000	MG/Yr
Unbilled metered:	+	?	n/a	0.000	MG/Yr
Unbilled unmetered:	+	?	9	0.103	MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: 7.276 MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption)

0.971 MG/Yr

Apparent Losses

Unauthorized consumption:	+	?	?	0.021	MG/Yr
---------------------------	---	---	---	-------	-------

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies:	+	?	7	0.072	MG/Yr
Systematic data handling errors:	+	?	?	0.018	MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: 0.111 MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: 0.860 MG/Yr

WATER LOSSES: 0.971 MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: 1.074 MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains:	+	?	7	7.5	miles
Number of active AND inactive service connections:	+	?	9	158	
Service connection density:	?	?	?	21	conn./mile main

Are customer meters typically located at the curbside or property line? Yes

Average length of customer service line: ft (length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

Master Meter and Supply Error Adjustments

Pcnt: Value:

Enter negative % or value for under-registration
Enter positive % or value for over-registration

Click here: ? for help using option buttons below

Pcnt: Value:

Use buttons to select percentage of water supplied OR value

Pcnt: Value:

Value:

Value:

COST DATA

Total annual cost of operating water system:	+	?	9	\$42,307	\$/Year
Customer retail unit cost (applied to Apparent Losses):	+	?	8	\$2.00	\$/1000 gallons (US)
Variable production cost (applied to Real Losses):	+	?	10	\$1,113.99	\$/Million gallons <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 83 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Volume from own sources
- 2: Unauthorized consumption
- 3: Systematic data handling errors

See independent auditor's report

CITY OF MCLEMORESVILLE, TENNESSEE WATER LOSS SCHEDULES - UNAUDITED For the Year Ended June 30, 2018

AWWA Free Water Audit Software: System Attributes and Performance Indicators		WAS v5.0 American Water Works Association. Copyright © 2014, All Rights Reserved.
Water Audit Report for: <input type="text" value="McLemoresville Water Dp. (422)"/>		
Reporting Year: <input type="text" value="2018"/> <input type="text" value="7/2017 - 6/2018"/>		
*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 83 out of 100 ***		
System Attributes:		
	Apparent Losses:	<input type="text" value="0.111"/> MG/Yr
	+ Real Losses:	<input type="text" value="0.860"/> MG/Yr
	= Water Losses:	<input type="text" value="0.971"/> MG/Yr
	? Unavoidable Annual Real Losses (UARL):	<input type="text" value="See limits in definition"/> MG/Yr
	Annual cost of Apparent Losses:	<input type="text" value="\$222"/>
	Annual cost of Real Losses:	<input type="text" value="\$956"/> Valued at Variable Production Cost
		Return to Reporting Worksheet to change this assumption
Performance Indicators:		
Financial:	{	Non-revenue water as percent by volume of Water Supplied: <input type="text" value="13.0%"/>
		Non-revenue water as percent by cost of operating system: <input type="text" value="3.1%"/> Real Losses valued at Variable Production Cost
Operational Efficiency:	{	Apparent Losses per service connection per day: <input type="text" value="1.92"/> gallons/connection/day
		Real Losses per service connection per day: <input type="text" value="N/A"/> gallons/connection/day
		Real Losses per length of main per day*: <input type="text" value="314.19"/> gallons/mile/day
		Real Losses per service connection per day per psi pressure: <input type="text" value="N/A"/> gallons/connection/day/psi
		From Above, Real Losses = Current Annual Real Losses (CARL): <input type="text" value="0.86"/> million gallons/year
		? Infrastructure Leakage Index (ILI) [CARL/UARL]: <input type="text"/>
* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline		

See independent auditor's report

City of Millington



JUVEN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name					<input type="checkbox"/> Component Unit
1780	Millington					
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status	
6/30/2017	Water	12/27/2017	1/4/2018	SRW	Not Yet Reviewed	

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years. Fiscal Year End Decrease in NP

[]	[]
[]	[]

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score **65**

Excessive non-revenue water % as established by the board Non-Rev Water % **6.6**

(Non-Revenue Water as Percent by Cost of Operating System)

Comments:
[]

Form Revised March 2017

CITY OF MILLINGTON, TENNESSEE
SCHEDULE OF UNACCOUNTED FOR WATER
 For the Year Ended June 30, 2018

AWWA Free Water Audit Software: Reporting Worksheet

WAS v6.0
 American Water Works Association
 Copyright © 2014. All Rights Reserved.

Water Audit Report for: **City of Millington**
 Reporting Year: **2018** | 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below

----- Enter grading in column 'E' and 'J' ----->

WATER SUPPLIED

Volume from own sources: <input type="text" value="9"/> 348,482 MG/yr Water imported: <input type="text" value="0"/> 0.000 MG/yr Water exported: <input type="text" value="n/a"/> 0.000 MG/yr	Master Meter and Supply Error Adjustments Pcnt: <input type="text" value="3"/> Value: <input type="text" value="-6.000"/> MG/yr <input type="text" value="0"/> MG/yr <input type="text" value="0"/> MG/yr Enter negative % or value for under-registration Enter positive % or value for over-registration
---	---

WATER SUPPLIED: MG/yr

AUTHORIZED CONSUMPTION

Billed metered: <input type="text" value="7"/> 303,394 MG/yr Billed unmetered: <input type="text" value="n/a"/> MG/yr Unbilled metered: <input type="text" value="n/a"/> MG/yr Unbilled unmetered: <input type="text" value="9"/> 21,595 MG/yr	Click here: <input type="text" value="9"/> for help using option buttons below Pcnt: <input type="text" value="0"/> Value: <input type="text" value="21.595"/> MG/yr Use buttons to select percentage of water supplied OR value
---	--

Unbilled Unmetered volume entered is greater than the recommended default value

AUTHORIZED CONSUMPTION: MG/yr

WATER LOSSES (Water Supplied - Authorized Consumption) MG/yr

Apparent Losses

Unauthorized consumption: <input type="text" value="5"/> 0.886 MG/yr Customer metering inaccuracies: <input type="text" value="8"/> 15,968 MG/yr Systematic data handling errors: <input type="text" value="9"/> 0.758 MG/yr	Pcnt: <input type="text" value="0.25%"/> Value: <input type="text" value="0"/> MG/yr <input type="text" value="5.00%"/> MG/yr <input type="text" value="0.25%"/> MG/yr
--	--

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Default option selected for systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: MG/yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/yr

WATER LOSSES: MG/yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: <input type="text" value="6"/> 55.8 miles Number of active AND inactive service connections: <input type="text" value="7"/> 4,318 Service connection density: <input type="text" value="9"/> 77 conn./mile main Are customer meters typically located at the curbside or property line? <input type="text" value="Yes"/> (length of service line, beyond the property boundary, that is the responsibility of the utility) Average length of customer service line: <input type="text" value="0"/> (Average length of customer service line has been set to zero and a data grading score of 10 has been applied) Average operating pressure: <input type="text" value="2"/> 55.0 psi	
---	--

COST DATA

Total annual cost of operating water system: <input type="text" value="9"/> \$1,124,348 \$/Year Customer retail unit cost (applied to Apparent Losses): <input type="text" value="10"/> \$3.97 \$/1000 gallons (US) Variable production cost (applied to Real Losses): <input type="text" value="10"/> \$499.29 \$/Million gallons	<input type="checkbox"/> Use Customer Retail Unit Cost to value real losses
--	---

WATER AUDIT DATA VALIDITY SCORE:

***** YOUR SCORE IS: 82 out of 100 *****

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

- 1: Billed metered
- 2: Volume from own sources
- 3: Unauthorized consumption

(CONTINUED ON NEXT PAGE)

CITY OF MILLINGTON, TENNESSEE
SCHEDULE OF UNACCOUNTED FOR WATER
 For the Year Ended June 30, 2018

AWWA Free Water Audit Software:		WAS v5.0	
System Attributes and Performance Indicators			
Water Audit Report for:		City of Millington	
Reporting Year:		2018	7/2017 - 6/2018
*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 82 out of 100 ***			
System Attributes:			
	Apparent Losses:	17.613	MG/Yr
	+ Real Losses:	11.880	MG/Yr
	= Water Losses:	29.493	MG/Yr
	Unavoidable Annual Real Losses (UARL):	22.53	MG/Yr
	Annual cost of Apparent Losses:	\$69,923	
	Annual cost of Real Losses:	\$5,932	Valued at Variable Production Cost
<small>Return to Reporting Worksheet to change this assumption</small>			
Performance Indicators:			
Financial:	Non-revenue water as percent by volume of Water Supplied:	14.4%	
	Non-revenue water as percent by cost of operating system:	7.7%	Real Losses valued at Variable Production Cost
Operational Efficiency:	Apparent Losses per service connection per day:	11.18	gallons/connection/day
	Real Losses per service connection per day:	7.54	gallons/connection/day
	Real Losses per length of main per day*:	N/A	
	Real Losses per service connection per day per psi pressure:	0.12	gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		11.88	million gallons/year
	Infrastructure Leakage Index (ILI) [CARL/UARL]:	0.53	
<small>* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline</small>			

City of Smithville



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name					<input type="checkbox"/> Component Unit
1859	Smithville					
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status	
6/30/2017	Water and Sewer	12/27/2017	1/4/2018	mlb	Not Yet Reviewed	

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years.

	Fiscal Year End	Decrease in NP
	[]	[]
	[]	[]

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score [71]

Excessive non-revenue water % as established by the board Non-Rev Water % [11.9]
(Non-Revenue Water as Percent by Cost of Operating System)

Comments:

Form Revised March 2017

AWWA Free Water Audit Software: Reporting Worksheet

AWWA Free Water Audit Software
 American Water Works Association
 675 N. ZEEB RD., GAITHERSBURG, MD 20878

Water Audit Report for: City of Smithville (0009637)
 Reporting Year: 2018 | 7/2017 - 6/2018

Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades

All volumes to be entered as: MILLION GALLONS (US) PER YEAR

To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.

WATER SUPPLIED

Volume from own sources: MG/Yr
 Water imported: MG/Yr
 Water exported: MG/Yr

Master Meter and Supply Error Adjustments

Enter grading in column 'E' and 'J' -----> Pcnt: -2.00% Value: MG/Yr
 MG/Yr
 MG/Yr

Enter negative % or value for under-registration
 Enter positive % or value for over-registration

WATER SUPPLIED: MG/Yr

AUTHORIZED CONSUMPTION

Billed metered: MG/Yr
 Billed unmetered: MG/Yr
 Unbilled metered: MG/Yr
 Unbilled unmetered: MG/Yr

Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed

AUTHORIZED CONSUMPTION: MG/Yr

Click here: for help using option buttons below

Pcnt: Value: MG/Yr

Use buttons to select percentage of water supplied OR value

Pcnt: Value: MG/Yr

MG/Yr
 MG/Yr

WATER LOSSES (Water Supplied - Authorized Consumption)

MG/Yr

Apparent Losses

Unauthorized consumption: MG/Yr

Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed

Customer metering inaccuracies: MG/Yr
 Systematic data handling errors: MG/Yr

Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed

Apparent Losses: MG/Yr

Real Losses (Current Annual Real Losses or CARL)

Real Losses = Water Losses - Apparent Losses: MG/Yr

WATER LOSSES: MG/Yr

NON-REVENUE WATER

NON-REVENUE WATER: MG/Yr

= Water Losses + Unbilled Metered + Unbilled Unmetered

SYSTEM DATA

Length of mains: miles
 Number of active AND inactive service connections:
 Service connection density: conn./mile main

Are customer meters typically located at the curbside or property line?

(length of service line, beyond the property boundary, that is the responsibility of the utility)

Average length of customer service line has been set to zero and a data grading score of 10 has been applied

Average operating pressure: psi

COST DATA

Total annual cost of operating water system: \$/Year
 Customer retail unit cost (applied to Apparent Losses): \$/1000 gallons (US)
 Variable production cost (applied to Real Losses): \$/Million gallons Use Customer Retail Unit Cost to value real losses

WATER AUDIT DATA VALIDITY SCORE:

*** YOUR SCORE IS: 81 out of 100 ***

A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score

PRIORITY AREAS FOR ATTENTION:

Based on the information provided, audit accuracy can be improved by addressing the following components:

-
-
-



**AWWA Free Water Audit Software:
System Attributes and Performance Indicators**

IWAS v5.0
American Water Works Association
Copyright © 2014. All Rights Reserved

Water Audit Report for: **City of Smithville (0000637)**
Reporting Year: **2018** **7/2017 - 6/2018**

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 81 out of 100 *****

System Attributes:

Apparent Losses:	3.357	MG/yr
+ Real Losses:	129.561	MG/yr
= Water Losses:	132.917	MG/yr
Unavoidable Annual Real Losses (UARL):	16.64	MG/yr
Annual cost of Apparent Losses:	\$12,034	
Annual cost of Real Losses:	\$93,932	

Valued at **Variable Production Cost**

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial:	Non-revenue water as percent by volume of Water Supplied:	47.3%
	Non-revenue water as percent by cost of operating system:	13.3%
Operational Efficiency:	Apparent Losses per service connection per day:	3.73 gallons/connection/day
	Real Losses per service connection per day:	143.94 gallons/connection/day
	Real Losses per length of main per day*:	N/A
	Real Losses per service connection per day per psi pressure:	2.06 gallons/connection/day/psi
From Above, Real Losses = Current Annual Real Losses (CARL):		129.56 million gallons/year
Infrastructure Leakage Index (ILI) [CARL/UARL]:		7.79

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Town of Tiptonville



**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF LOCAL GOVERNMENT AUDIT**

Justin P. Wilson
Comptroller of the

MEMORANDUM

TO: Water and Wastewater Financing Board
FROM: Division of Local Government Audit - Municipalities and Utility Districts
SUBJECT: Division of Local Government Audit Referral Pursuant to TCA 68-221-1010(d)

In accordance with the requirements of Tennessee Code Annotated, we are hereby filing the following vendor with the board(s) noted above.

Record Number	Vendor Name	<input type="checkbox"/> Component Uni			
1879	Tiptonville				
Report Year	Utility Type	Date Received	Date Referred	Reviewer	Report Status
6/30/2016	Water and Sewer	12/13/2016	12/14/2016	SRW	Not Yet Reviewed

FINANCIAL DISTRESS

A Has deficit net position for the fiscal year ended. []

B Decrease in net position for two consecutive years.

Fiscal Year End	Decrease in NP
[]	[]
[]	[]

C Is in default on certain outstanding debt.

Holders of the Bonds, etc.	Principal	Interest
[]	[]	[]
[]	[]	[]
[]	[]	[]

WATER LOSS

D Water Loss Referral

AWWA water audit info

Water Loss Schedule - Status [] AWWA Excel File []

Validity score below the amount established by the board Validity Score 58

Excessive non-revenue water % as established by the board Non-Rev Water % 8.1

(Non-Revenue Water as Percent by Cost of Operating System)

Comments:
[]

TOWN OF TIPTONVILLE, TENNESSEE
UNAUDITED WATER LOSS SCHEDULE - AWWA REPORTING MODEL
For the Year Ended June 30, 2018

AWWA Free Water Audit Software: Reporting Worksheet				WAS v5.0 American Water Works Association, © Copyright © 2014, All Rights Reserved.
? C link to access definition + C link to add a comment		Water Audit Report for: <u>Tiptonville Water System (0000700)</u> Reporting Year: <u>2018</u> <u>7/2017 - 6/2018</u>		
Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades <b style="color: red;">All volumes to be entered as: MILLION GALLONS (US) PER YEAR				
To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds all criteria for that grade and all grades below it.				
WATER SUPPLIED		Master Meter and Supply Error Adjustments		
		----- Enter grading in column 'E' and 'J' ----->		
Volume from own sources:	+ ? 9	232.149	MG/Yr	
Water imported:	+ ? n/a	0.000	MG/Yr	
Water exported:	+ ? n/a	0.000	MG/Yr	
WATER SUPPLIED:		236.525	MG/Yr	
AUTHORIZED CONSUMPTION				
Billed metered:	+ ? 9	187.673	MG/Yr	
Billed unmetered:	+ ? n/a	0.000	MG/Yr	
Unbilled metered:	+ ? n/a	0.000	MG/Yr	
Unbilled unmetered:	+ ? ?	2.957	MG/Yr	
Default option selected for Unbilled unmetered - a grading of 5 is applied but not displayed				
AUTHORIZED CONSUMPTION:		190.630	MG/Yr	
WATER LOSSES (Water Supplied - Authorized Consumption)		45.895	MG/Yr	
Apparent Losses				
Unauthorized consumption:	+ ? ?	0.591	MG/Yr	
Default option selected for unauthorized consumption - a grading of 5 is applied but not displayed				
Customer metering inaccuracies:	+ ? ? 7	2.858	MG/Yr	
Systematic data handling errors:	+ ? ? ?	0.469	MG/Yr	
Default option selected for Systematic data handling errors - a grading of 5 is applied but not displayed				
Apparent Losses:		3.918	MG/Yr	
Real Losses (Current Annual Real Losses or CARL)				
Real Losses = Water Losses - Apparent Losses:		41.977	MG/Yr	
WATER LOSSES:		45.895	MG/Yr	
NON-REVENUE WATER				
NON-REVENUE WATER:		48.852	MG/Yr	
= Water Losses + Unbilled Metered + Unbilled Unmetered				
SYSTEM DATA				
Length of mains:	+ ? ? 7	50.0	miles	
Number of active AND inactive service connections:	+ ? ? 7	1,028		
Service connection density:	+ ? ? ?	21	conn./mile main	
Are customer meters typically located at the curbside or property line? Yes (length of service line, beyond the property boundary, that is the responsibility of the utility)				
Average length of customer service line: + ? ? ?				
Average length of customer service line has been set to zero and a data grading score of 10 has been applied				
Average operating pressure:	+ ? ? ? 7	50.0	psi	
COST DATA				
Total annual cost of operating water system:	+ ? ? ? 9	\$1,019,020	\$/Year	
Customer retail unit cost (applied to Apparent Losses):	+ ? ? ? 9	\$5.95	\$/1000 gallons (US)	
Variable production cost (applied to Real Losses):	+ ? ? ? 9	\$907.26	\$/Million gallons <input type="checkbox"/> Use Customer Retail Unit Cost to value real losses	
WATER AUDIT DATA VALIDITY SCORE:				
*** YOUR SCORE IS: 82 out of 100 ***				
A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score				
PRIORITY AREAS FOR ATTENTION:				
Based on the information provided, audit accuracy can be improved by addressing the following components:				
1: Volume from own sources				
2: Unauthorized consumption				
3: Systematic data handling errors				

TOWN OF TIPTONVILLE, TENNESSEE
UNAUDITED WATER LOSS SCHEDULE - AWWA REPORTING MODEL
 For the Year Ended June 30, 2018



AWWA Free Water Audit Software:
System Attributes and Performance Indicators

WAS v5.0
 American Water Works Association.
 Copyright © 2014. All Rights Reserved.

Water Audit Report for: **Tiptonville Water System (0000700)**
 Reporting Year: **2018** 7/2017 - 6/2018

***** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 82 out of 100 *****

System Attributes:

Apparent Losses:	3.918	MG/Yr
+ Real Losses:	41.977	MG/Yr
= Water Losses:	45.895	MG/Yr
Unavoidable Annual Real Losses (UARL):	See limits in definition	MG/Yr
Annual cost of Apparent Losses:	\$23,315	
Annual cost of Real Losses:	\$38,084	Valued at Variable Production Cost

Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial: {

Non-revenue water as percent by volume of Water Supplied:	20.7%
Non-revenue water as percent by cost of operating system:	6.3%

Real Losses valued at Variable Production Cost

Operational Efficiency: {

Apparent Losses per service connection per day:	10.44	gallons/connection/day
Real Losses per service connection per day:	N/A	gallons/connection/day
Real Losses per length of main per day*:	2,300.09	gallons/mile/day
Real Losses per service connection per day per psi pressure:	N/A	gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): **41.98** million gallons/year

Infrastructure Leakage Index (ILI) [CARL/UARL]:

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

Miscellaneous

Missed Training Referrals



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

The following entities have been referred for officials failing to meet training requirements. All officials have now completed the required training, and Board staff recommends no action.

1. Henning
2. Murfreesboro
3. Winchester



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

July 19, 2018

Doug Swann
Assistant Director- Finance & Administration
Murfreesboro Water Resources Department
300 NW Broad St.
Murfreesboro, TN 37130

Dear Mr. Swann:

Thank you for submitting Ms. Kathy Nobles' request for an extension to receive her utility training, required by Tenn. Code Ann. § 7-34-115(j). The statute requires that such an extension can only "be granted upon a reasonable showing of substantial compliance" with the training requirements. Tenn. Code Ann. § 7-34-115(j)(6). Ms. Nobles completed zero out of twelve required training hours, and she has not indicated that she attempted to receive such training. Because the foregoing does not amount to "a reasonable showing of substantial compliance" as required by law, we cannot grant Ms. Nobles' request for an extension of her training.

As such, Ms. Nobles has not met the training and continuing education requirements before the end of the continuing education period. Therefore, please be aware that pursuant to Tenn. Code Ann. § 7-34-115(k), the Water and Wastewater Financing Board "shall have full discretion to order reasonable sanctions against the municipality, including, but not limited to, the municipality being ineligible to receive assistance from the Tennessee local development authority under § 68-221-1206(a)(3)."

Please do not hesitate to contact John Greer or me should you have further questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rachel E. Buckley".

Rachel E. Buckley
Counsel to the Water and Wastewater Financing Board



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

October 8, 2018

Jeff Mathews
Human Resources Manager
Winchester Utilities
219 2nd Ave. NW
Winchester, TN 37398

Dear Mr. Mathews:

Thank you for submitting Ms. Jennifer Kilgore's and Mr. Bruce Spencer's requests for an extension to receive their utility training, which is required by Tenn. Code Ann. § 7-34-115(j). The statute requires that such an extension can only "be granted upon a reasonable showing of substantial compliance" with the training requirements. Tenn. Code Ann. § 7-34-115(j)(6). Ms. Kilgore and Mr. Spencer each completed zero out of twelve required training hours, and generally cite travel and coordination with employers as reasons for not receiving such training, without further detail. Because the foregoing does not amount to "a reasonable showing of substantial compliance" as required by law, we cannot grant Mr. Spencer's or Ms. Kilgore's requests for an extension of their training.

As such, Mr. Spencer and Ms. Kilgore have not met the training and continuing education requirements before the end of the continuing education period. Therefore, please be aware that pursuant to Tenn. Code Ann. § 7-34-115(k), the Water and Wastewater Financing Board "shall have full discretion to order reasonable sanctions against the municipality, including, but not limited to, the municipality being ineligible to receive assistance from the Tennessee local development authority under § 68-221-1206(a)(3)."

Please do not hesitate to contact John Greer or me should you have further questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rachel Buckley".

Rachel E. Buckley
Counsel to the Water and Wastewater Financing Board



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Chief of Staff

October 31, 2018

Baris Douglas
Mayor, Town of Henning
260 N. Main Street
Henning, TN 38041

Dear Mr. Douglas:

Thank you for submitting your request, along with the requests of all the members of the Henning Board of Alderman, for an extension to receive utility training, required by Tenn. Code Ann. § 7-34-115(j). The statute requires that such an extension can only “be granted upon a reasonable showing of substantial compliance” with the training requirements. Tenn. Code Ann. § 7-34-115(j)(6). Each extension request indicates that the Town attempted to coordinate a training with other municipalities, but you later abandoned such efforts, believing that classes would be online in the future. Ultimately, each member of the Board and you completed zero out of twelve required training hours. Because the foregoing does not amount to “a reasonable showing of substantial compliance” as required by law, we cannot grant your request for an extension of your training, nor can we grant the requests of the other members of the Board of Aldermen.

As such, the Board has not met the training and continuing education requirements before the end of the continuing education period. Therefore, please be aware that pursuant to Tenn. Code Ann. § 7-34-115(k), the Water and Wastewater Financing Board “shall have full discretion to order reasonable sanctions against the municipality, including, but not limited to, the municipality being ineligible to receive assistance from the Tennessee local development authority under § 68-221-1206(a)(3).”

Please do not hesitate to contact John Greer or me should you have further questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rachel E. Buckley".

Rachel E. Buckley
Counsel to the Water and Wastewater Financing Board

Resolution



TENNESSEE WATER AND WASTEWATER FINANCING BOARD RESOLUTION

A RESOLUTION to honor and to thank Kenneth D. Wiggins.

WHEREAS, it is fitting that members of this Board should honor and commend those persons who have served the Board, this State, and local utilities; and

WHEREAS, Kenneth D. Wiggins served for twenty years as a member of this Tennessee Water and Wastewater Financing Board; and

WHEREAS, Board members, staff, and entities appearing before the Board benefitted from his insight, wisdom and sense of humor; now, therefore,

BE IT RESOLVED BY THE WATER AND WASTEWATER FINANCING BOARD OF THE STATE OF TENNESSEE, that we hereby honor and thank Kenneth D. Wiggins for his twenty years of service on the Board and extend to him our best wishes.

APPROVED this _____ day of _____, 2019

ANN BUTTERWORTH, Chair

TOM MOSS, Vice Chair

RICK GRAHAM

EUGENE S. HAMPTON, II

DREXEL HEIDEL

NICK NEWMAN

JIM REDWINE

RANDY WILKINS

2019 WWFB Meeting Schedule



BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD

IN RE:

CALENDAR YEAR 2019 REGULAR MEETING SCHEDULE

RESOLUTION

The Tennessee Water and Wastewater Financing Board ("WWFB") met on November 15, 2018, and unanimously endorsed by resolution the following regular meeting schedule for calendar year 2019, with all meetings to begin at 10 a.m. CT:

March 14

September 19

November 21

Entered this 4th day of January 2019.

A handwritten signature in blue ink, appearing to read "Ann V. Butterworth".

Ann V. Butterworth, Chair
Water and Wastewater Financing Board