

**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**ENTITIES IDENTIFIED BELOW**

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**TENN. CODE ANN. § 68-221-1010  
- EXCESSIVE WATER LOSS**

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the utility systems of the following entities (“the Entities”) for excessive water loss, pursuant to Tenn. Code Ann. § 68-221-1010:

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|--------------------|---------------------|
| Town of Bruceton   | City of Rockwood    |
| City of Celina     | Town of Rogersville |
| City of Henry      | City of Trenton     |
| City of LaFollette | Town of Troy        |
| City of McEwen     | Town of White Pine  |
| Town of Obion      |                     |

Based on information provided by Board staff, the Board orders as follows:

1. Each Entity shall send Board staff an update by February 28<sup>th</sup>, 2023, that details their plan to improve their non-revenue water and validity score. This plan should include any capital improvements that are to be made.
2. The Entity shall remain under Board supervision until released by the Board.

ENTERED this 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
BRIGHTON**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Brighton’s utilities pursuant to Tenn. Code Ann. § 68-221-1010. The Town of Brighton (“the Entity”) has been referred to the Board for financial distress since its fiscal year 2018 audit. The Entity has had delinquent audits for several years which has caused difficulties in trying to work with the Entity. The Entity is now current with their audit submissions. The Entity should work with a third-party to verify its rates are set in a manner to remedy its financial distress. The Entity also reported that members of the governing body have failed to meet their training requirements.

Based on Board staff’s statements and recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. A review of the capitalization policy, including any recommended modifications;
  - b. A review of the debt management policy, including any recommended modifications;
  - c. The creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;

- d. A review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - e. Verification that all governing body members of the utility are in compliance with all relevant training requirements; and,
  - f. A review of the leak adjustment policy, including any recommended modifications or adoption of such policy should one not exist.
2. By January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementations.
  4. Board staff is given the authority to grant one extension of up to three (3) months of the foregoing deadlines upon a showing of good cause by the Entity.
  5. Should the Entity fail to comply with any directive in this order, Board staff and Counsel shall, with the full authority of the Board, issue subpoenas for the Entity's governing body and Manager to appear in-person before the Board during its next meeting following noncompliance of this order.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
BULLS GAP**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Bulls Gap’s utilities (“the Utility”) pursuant to Tenn. Code Ann. § 68-221-1010. The Entity has been referred to the Board for financial distress since its fiscal year 2021 audit. The Entity is currently undergoing a large capital project that should add more customers to its customer base. The increased revenue from these potential customers may be enough to offset the financial distress the Entity is under. Furthermore, the increased costs from the project they are doing may also contribute to their financial distress. Board staff believe that a third party should evaluate the current and future rates necessary to ensure the financial health of the Entity.

Based on Staff’s statements and recommendations the Board orders the following:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. A review of the capitalization policy, including any recommended modifications;
  - b. A review of the debt management policy, including any recommended modifications;
  - c. The creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;

- d. A review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - e. A review of anticipated changes to the Entity's customer base and ongoing capital projects, including any recommended modifications or considerations for future rate modifications; and,
  - f. Confirming that all members of the utility system's governing body have complied with the applicable training requirements.
2. By January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementations.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board





**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
CUMBERLAND GAP**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Cumberland Gap’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010.

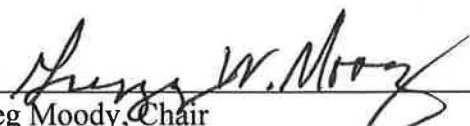
The Entity has been referred to the Board for financial distress since its fiscal year 2021 audit. Board staff briefed for the Board the Entity’s financial distress questionnaire and financial condition.

Based on staff’s statements and recommendations the Board orders the following:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. A review of the capitalization policy, including any recommended modifications;
  - b. A review of the debt management policy, including any recommended modifications;
  - c. The creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - d. A review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;

- e. A review of the leak adjustment policy, including any recommended modifications or adoption of such policy should one not exist;
  - f. A justification for having unbilled sewer customers, including any recommendations to bill all customers if needed;
  - g. Verification that all governing body members the utility are in compliance with all relevant training requirements; and,
  - h. A review of any possible mergers with surrounding utilities, including a preliminary judgement on whether merger with a surrounding utility is financially feasible and should be explored further.
2. By January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementations.
  4. Board staff is given the authority to grant on extension of up to six months of the foregoing deadlines upon a showing of goof cause by the Entity.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:** )  
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**CITY OF** ) **TENN. CODE ANN. § 68-221-1010**  
**FRIENDSHIP** ) **-FINANCIAL DISTRESS**  
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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (the “Board”) reviewed the financially distressed status of the city of Friendship’s utilities (“Friendship”) pursuant to Tenn. Code Ann. § 68-221-1010.

Friendship has been financially distressed since its 2018 audit. Friendship is currently involved in litigation with the Friendship Water Company regarding a contract dispute. Friendship alleges the water purchased from the Company is unsafe and unusable, which has resulted in Friendship seeking other water sources.


Under the circumstances, it is advisable that the Board enter a new order and withdraw any previous orders, to the extent those orders are still in effect. The Board and Friendship must make progress in addressing the financial distress of Friendship’s utility system while acknowledging Friendship’s current position.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. All previous Board orders relating to Friendship, to the extent that they remain in effect, are hereby rescinded.
2. Friendship shall not enter into any capital projects or take on any new debt without express consent of Board staff.
3. Board staff shall determine if capital projects are feasible and in the best interest of Friendship. Staff’s determination will consider financial information, engineering plans and opinions, coordination with TDEC, and other sources of information as necessary.
4. Friendship shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:

- a. the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - b. a review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - c. a review of any capital improvements Friendship wishes to pursue, or that TAUD (or other expert retained by Friendship and approved by Board staff) finds necessary or advisable, including the result on future rates; and,
  - d. confirmation that all members of the utility system's governing body have complied with the applicable training requirements.
5. By January 31, 2023, Friendship shall send Board staff a copy of the contract between Friendship and the qualified expert who is to perform the tasks in paragraph 4.
  6. By July 31, 2023, Friendship shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
  7. Friendship shall not lower its water and sewer rates without approval of Board staff.
  8. Friendship shall continue its meter replacement program.
  9. Friendship shall provide monthly updates in a form prescribed by Board staff regarding its current litigation with the Friendship Water Company, status of current and proposed capital projects, and other information as necessary and requested by Board staff.

ENTERED on this, the 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**CITY OF  
GALLAWAY**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the City of Gallaway’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010.


The Entity has been referred to the Board for financial distress since its fiscal year 2021 audit. The Entity has shown a negative change in net position for the two previous audits.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. A review of the capitalization policy, including any recommended modifications;
  - b. A review of the debt management policy, including any recommended modifications;
  - c. The creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - d. A review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;

- e. Verification that all governing body members of the utility are in compliance with all relevant training requirements;
  - f. And a review of the leak adjustment policy, including recommended modifications or adoption of such policy should one not exist.
2. By January 31, 2023, the entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study either proof of implementation of the resulting recommendations or a proposed plan of implementation.
  4. Board staff is given the authority to grant one extension of up to six months of the foregoing deadline upon a showing of good cause by the Entity.

ENTERED this 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board





**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**CITY OF  
GLEASON**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the City of Gleason’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010. The Entity has been referred to the Board for financial distress since its fiscal year 2015 audit. The Entity has had a series of delinquent audits that has made it extremely difficult to assess the current state of the utility. It is not in the best interest of the public to wait for up-to-date audits before the Board takes actions to remedy the Entity’s financial distress.


The Entity has been proactive in rectifying their current situation, and Board staff believes they will comply with the Board’s directives.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. A review of the capitalization policy, including any recommended modifications;
  - b. A review of the debt management policy, including any recommend modifications;

- c. The creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - d. A review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - e. Verification that all governing body members of the utility are in compliance with all relevant training requirements;
  - f. A review of the leak adjustment policy, including any recommended modifications or adoption of such policy should one not exist;
  - g. A justification of the inside and outside the city limit rates, including any recommended modifications to the rate structure.
2. By January 31, 2023, the Entity shall update Board staff as to the status of their delinquent audits. Additionally, by January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
  4. Board staff is given the authority to grant two extensions of up to six months of the foregoing deadlines upon a showing of good cause by the Entity.

ENTERED this 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
GORDONSVILLE**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Gordonsville’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010. The “Entity” has been referred to the Board for financial distress since its fiscal year 2021 audit. Board staff advised the Board as to their findings.

Based on Board staff’s review and recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. A review of the capitalization policy, including any recommended modifications;
  - b. A review of the debt management policy, including any recommend modifications;
  - c. The creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - d. A review of relevant utility fees including bot not limited to connection or tap fees, including any recommended modifications;

- e. Verification that all governing body members of the utility are in compliance with all relevant training requirements;
  - f. A review of the leak adjustment policy, including any recommended modifications or adoption of such policy should one not exist; and,
  - g. A justification of the inside and outside the city limit rates, including any recommended modifications to the rate structure.
2. By January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
  4. Board staff is given the authority to grant two extensions of up to six months of the foregoing deadlines upon a showing of good cause by the Entity.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**CITY OF  
GRAND JUNCTION**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the City of Grand Junction’s utilities (“the Utility”) pursuant to Tenn. Code Ann. § 68-221-1010.

The Entity has been referred to the Board for financial distress since its fiscal year 2020 audit. The Entity has not filed its 2021 audit which was due to the Comptroller's Office by December 31, 2021. The Entity should work with a third-party to verify its rates are set in a manner to remedy its financial distress. The Entity has reported water loss of 53.94% in its Annual Information Report. The Entity is working with the Tennessee Association of Utility Districts (“TAUD”) to complete the AWWA 6.0 Water Loss Tool to submit to Board staff.

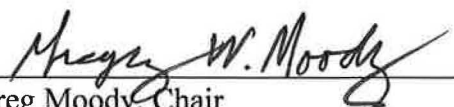
For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. a review of the capitalization policy, including any recommended modifications;
  - b. a review of the debt management policy, including any recommended modifications;



- c. the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - d. a review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - e. verification that all governing body members of the utility are in compliance with all relevant training requirements;
  - f. review of the leak adjustment policy, including any recommended modifications or adoption of such policy should one not exist;
  - g. and a justification of the inside and outside the city limit rates, including any recommended modifications to the rate structure.
2. By January 31, 2023, the Entity shall update Board staff as to the status of their delinquent audits. Additionally, by January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
4. Board staff is given the authority to grant one extension of up to six months of the foregoing deadlines upon a showing of good cause by the Entity.

ENTERED this 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

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| <b>IN THE MATTER OF:</b> | ) |                                      |
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| <b>TOWN OF</b>           | ) | <b>TENN. CODE ANN. § 68-221-1010</b> |
| <b>HENNING</b>           | ) | <b>-FINANCIAL DISTRESS</b>           |
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**ORDER**

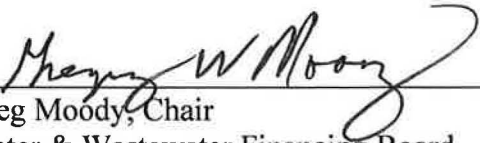
On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Henning’s utilities (“the Utility”) pursuant to Tenn. Code Ann. § 68-221-1010. The Entity has been referred to the Board for financial distress since its fiscal year 2020 audit. The Entity has not filed its 2021 audit which was due to the Comptroller’s Office by December 31, 2021. The Entity should work with a third-party to verify its rates are set in a manner to remedy its financial distress. The Entity has not returned its financial distress questionnaire.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. A review of the capitalization policy, including any recommended modifications;
  - b. A review of the debt management policy, including any recommended modifications;
  - c. The creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;

- d. A review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - e. Verification that all governing body members of the utility are in compliance with all relevant training requirements
  - f. Review of the leak adjustment policy, including any recommended modifications or adoption of such policy should one not exist;
  - g. And a justification of the inside and outside the city limit rates, including any recommended modifications to the rate structure.
2. By January 31, 2023, the Entity shall update Board staff as to the status of their delinquent audit(s). Additionally, by January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
  4. Board staff is given the authority to grant two extensions of up to six months of the foregoing deadlines upon a showing of good cause by the Entity.
  5. Should the Entity fail to comply with any directive in this order, Board staff and Counsel, acting on the Board's authority, shall issue subpoenas for the Entity's governing body and Manager to appear in-person before the Board during its next meeting following non-compliance of this order.

ENTERED this 6 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
HOLLOW ROCK**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Hollow Rock’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010.


The Entity was referred to the Board for financial distress as a result of its fiscal year 2021 Audit. The Entity has completed the prior directive of the board by completing its financial questionnaire, which is included in the supplemental packet. The Entity has shown negative change in net position for the two previous audits; additionally, the Annual Information Report filed by the Entity indicates that they are currently experiencing a water loss of roughly 58%. The Entity has completed its AWWA water loss worksheet.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. a review of the capitalization policy, including any recommended modifications;
  - b. a review of the debt management policy, including any recommended modifications;

- c. the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - d. a review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - e. verification that all governing body members of the utility are in compliance with all relevant training requirements;
  - f. and a review of the leak adjustment policy, including any recommended modifications or adoption of such policy should one not exist;
2. By January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
  3. By February 28, 2023, the Entity shall send Board staff a proposed plan of action to improve its non-revenue water which may include proposed capital projects or any engagements with third parties to address water loss.
  4. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
  5. Board staff is given the authority to grant one extension of up to six months of the foregoing deadlines upon a showing of good cause by the Entity.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board





**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
LYNNVILLE**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Lynnville’s utilities (“the Utility”) pursuant to Tenn. Code Ann. § 68-221-1010.


The Entity has been referred to the Board for financial distress since its fiscal year 2020 audit. The Tennessee Association of Utility Districts has been contracted to complete the ordered requirements from the Board, but given the lack of adequate recordkeeping, there have been delays in the completion of the order requirements. Board staff is confident in TAUD's commitment to helping the Entity and recommends an extension of the requirements as set forth in the most recent Board order.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. Paragraph 3 of the September 2021 order shall be amended to: By March 31, 2023, the Town shall send Board staff proof the utility system's governing body have complied with the training requirements as set out in Tenn. Code Ann. 7-34-115(j).

2. Paragraph 4 of the September 2021 order shall be amended to: By June 30, 2023, the Town shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a plan of implementation.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
TOONE**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Town of Toone’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010.


The Entity has been referred to the Board for financial distress since its fiscal year 2022, based on the Entity's late-filed fiscal year 2019 audit. The Entity returned its financial distress questionnaire to Board staff. Board staff is concerned that, among other things, the Entity has not changed its rates in six months or changed its fees in five years, and does not have a capitalization policy, asset management plan, or capital asset list.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following:
  - a. the creation of a capitalization policy, including any recommended modifications;
  - b. the creation of a debt management policy, including any recommended modifications;

- c. the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs;
  - d. a review of relevant utility fees including but not limited to connection or tap fees, including any recommended modifications;
  - e. a review of the leak adjustment policy, including any recommended modifications or adoption of such policy if one does not exist;
  - f. a justification of the inside and outside the city limit rates, including any recommended modifications to the rate structure; and,
  - g. verification that all governing body members of the utility are in compliance with all relevant training requirements.
2. By January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.
3. By July 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
4. Board staff is given the authority to grant one extension of up to six months of the foregoing deadlines upon a showing of good cause by the Entity.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:** )  
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**TULLAHOMA UTILITIES** ) **TENN. CODE ANN. § 68-221-1010**  
**AUTHORITY** ) **-FINANCIAL DISTRESS**  
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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Tullahoma Utilities Authority (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010. The Entity has been referred to the Board for financial distress since its fiscal year 2021 audit. The Entity has returned its financial distress questionnaire to Board staff. Board staff identified the following three items of note:

1. The Entity's plan to remedy its financial distress is premised on the Entity's implementing a rate increase based on an in-house determination. This is a positive step for the Entity but a formal rate study by a qualified expert should be conducted to ensure fair and reasonable rates to customers.
2. The Entity should reexamine or adopt the following policies and plans: a capitalization policy, debt management policy, and asset management plan.
3. The Entity has differing inside and outside the city limit rates for customers. These should be evaluated to ensure they are reasonable and justifiable, and reviewed in any outside rate study performed.

For the above reasons and based on Board staff’s recommendations, the Board orders as follows:

1. The Entity shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, perform a rate study that includes the following;

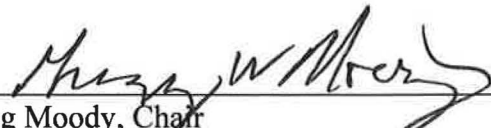
- a. a review of the capitalization policy, including any recommended modifications;
- b. a review of the debt management policy, including any recommended modifications;
- c. the creation of a five-year capital asset budget, to be taken from the current capital asset list and to include future anticipated needs; and,
- d. a justification of the inside and outside the city limit rates, including any recommended modifications to the rate structure;
- e. and verification that all governing body members of the utility are in compliance with all relevant training requirements.

2. By January 31, 2023, the Entity shall send Board staff a copy of the contract between the Entity and the qualified expert who is to perform the tasks in paragraph 1.

3. By July 31, 2023, the Entity shall send the completed rate study and proof of implementation or proposed plan of implementation to Board staff.

4. Board staff is given the authority to grant one extension of up to six months of the foregoing deadlines upon a showing of good cause by the Entity.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board





**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**CITY OF  
SPENCER**

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

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**ORDER**

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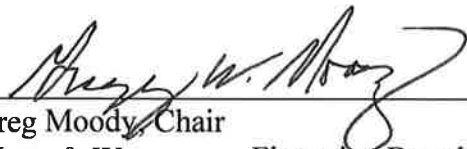
On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the City of Spencer’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010.

The Entity remains under Board supervision, and all previous orders remain in effect.

Based on staff’s statements and recommendations the Board orders the following:

1. The City shall send Board staff an update by February 28th, 2023, the Town shall send Board staff an update regarding any efforts made to work with any surrounding utilities to ensure the financial, technical, and managerial health of the utility.
2. The City shall send Board staff an update by February 28th, 2023, that details their plan to improve their non-revenue water and validity score. This plan should include any capital improvements that are to be made.

ENTERED this 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF  
MASON**

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**TENN. CODE ANN. § 68-221-1010**

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**ORDER**

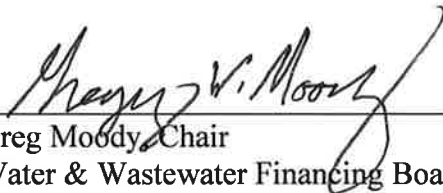
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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the status of the Town of Mason’s utilities (“the Entity”) pursuant to Tenn. Code Ann. § 68-221-1010.

The Entity remains under supervision of the Board, and all previous orders remain in effect. Based on updates by Board staff, the Board orders as follows:

1. By March 31, 2023, the Town shall send an update to Board staff regarding the capital project for which the Community Development Block Grant was awarded.

ENTERED this 8 day of December 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**ENTITIES IDENTIFIED BELOW**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the utility systems of the following entities (“the Entities”) for financial distress, pursuant to Tenn. Code Ann. § 68-221-1010:


City of Collinwood  
Town of Rutledge  
Town of Vanleer

The entities have complied with board directives and improved their financial position.

Accordingly, the Board orders as follows:

1. By January 31, 2023, the Entity shall provide Board staff with proof of implementation of the rate study recommendations.
2. The Entity shall send financial updates to Board staff by March 1st and September 1st of each year beginning March 1, 2023, until the Board releases the Entity from its oversight.

ENTERED this 6 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**CITY OF LOBELVILLE**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the utility system of the City of Lobelville (“the Entity”) for financial distress, pursuant to Tenn. Code Ann. § 68-221-1010.

The Entity has complied with board directives and improved its financial position.

Accordingly, the Board orders as follows:

1. The Entity shall send financial updates to Board staff by March 1st and September 1st of each year beginning March 1, 2023, until the Board releases the Entity from its oversight.
2. By February 28, 2023, the Entity shall send Board staff a proposed plan of action to improve its non-revenue water which may include proposed capital projects or any engagements with third parties to address water loss.

ENTERED on this, the 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board





**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**CITY OF PURYEAR**

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

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**ORDER**

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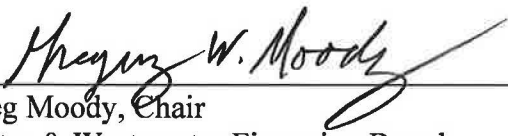
On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the utility system of the City of Puryear (“the Entity”) for financial distress, pursuant to Tenn. Code Ann. § 68-221-1010.

The Entity has complied with board directives and improved its financial position.

Accordingly, the Board orders as follows:

1. The Entity shall send financial updates to Board staff by March 1st and September 1st of each year beginning March 1st, 2023, until the Board releases the Entity from its oversight.

ENTERED on this, the 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board



**BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD**

**IN THE MATTER OF:**

**TOWN OF TRIMBLE**

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

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**ORDER**

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On November 17, 2022, the Tennessee Water & Wastewater Financing Board (“the Board”) reviewed the utility system of the Town of Trimble (“the Entity”) for financial distress, pursuant to Tenn. Code Ann. § 68-221-1010.

The Entity has complied with board directives and improved its financial position.

Accordingly, the Board orders as follows:

1. By January 31, 2023, the Entity shall provide Board staff with the completed rate study and either proof of implementation of the resulting recommendations or a proposed plan of implementation.
2. The Entity shall send financial updates to Board staff by March 1st and September 1st of each year beginning March 1, 2023, until the Board releases the Entity from its oversight.

ENTERED on this 8 day of December, 2022.

  
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Greg Moody, Chair  
Water & Wastewater Financing Board