



TENNESSEE LOCAL DEVELOPMENT AUTHORITY
MARCH 6, 2020
AGENDA

1. Call Meeting to Order
2. Approval of minutes from the TLDA meeting of January 21, 2020
3. Request from the Bloomingdale Utility District to issue a USDA Waterworks Revenue Bond on parity with its outstanding SRF loan agreements and a bond anticipation note, subordinate to its SRF loans. The proposed debt will be issued in an amount not to exceed \$1,000,000
4. Request from Minor Hill Utility District to issue Waterworks Revenue Bonds in an amount not to exceed \$1,500,000 subordinate to its outstanding SRF loan agreements
5. Report on the notification from the City of Wartburg submitted to comply with TLDA SRF Policy and Guidance for Borrowers
6. Consider for approval the following CWSRF loans:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
Waverly, CW7 2019-436	\$ 666,000	\$ 74,000	\$ 740,000	0.97%	20
Smyrna, SRF 2020-438	\$18,000,000	\$ -	\$18,000,000	1.30%	30
Humboldt, SRF 2019-433-01	\$ 4,800,000	\$ -	\$ 4,800,000	0.48%	20

7. Consider for approval the following DWSRF loans:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
Erwin Utilities Authority, DG7 2020-222	\$ 2,000,000	\$ -	\$ 2,000,000	0.07%	20
Humboldt, DWF 2019-215-01	\$ 510,000	\$ -	\$ 510,000	0.48%	20

8. Update on the DWSRF priority ranking list
9. Report on SRF borrowers that have not submitted requests for project expense reimbursement
10. Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
January 21, 2020

The Tennessee Local Development Authority (the Authority or TLDA) met on Tuesday, January 21, 2020, at 10:15 a.m. in Senate Hearing Room II, First Floor, Cordell Hull Building, Nashville, Tennessee. The Honorable Tre Hargett, Secretary of State, was present and presided over the meeting.

The following members were also present:

William Wood, Proxy for the Honorable Justin P. Wilson, Comptroller of the Treasury
The Honorable David H. Lillard, Jr., State Treasurer
Angela Scott, Proxy for Commissioner Stuart C. McWhorter, Department of Finance and Administration

The following members participated telephonically as authorized by Tennessee Code Annotated Section 8-44-108 and included in the meeting notice:

Dr. Kenneth L. Moore, House Appointee
Mr. Pat Wolfe, Senate Appointee

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a physical quorum present, Mr. Hargett called the meeting to order, and then proceeded to perform a roll-call:

Dr. Moore—Present
Mr. Wolfe—Present
Ms. Scott—Present
Mr. Wood—Present
Mr. Hargett—Present
Mr. Lillard—Present

Mr. Hargett asked for a motion to approve the minutes of the December 13, 2019, TLDA meeting. Mr. Lillard made a motion to approve the minutes, and Mr. Wood seconded the motion. Mr. Hargett conducted a roll-call vote:

Dr. Moore—Aye
Mr. Wolfe—Aye
Ms. Scott—Aye
Mr. Wood—Aye
Mr. Hargett—Aye
Mr. Lillard—Aye

The minutes were unanimously approved.

Mr. Hargett stated that the next item on the agenda was consideration of approval for a Clean Water State Revolving Fund (CWSRF) loan. He called upon Dr. Leslie Gillespie-Marthaler, Director of the State Revolving Fund (SRF) program for the Tennessee Department of Environment and Conservation (TDEC), to present the loan request. Dr. Gillespie-Marthaler first presented the unobligated fund balance. She stated the balance was \$96,094,569 as of December 13, 2019. Upon approval of the loan request to be presented totaling \$10,671,200, the funds available for loan obligations would be \$85,423,369. She then described the CWSRF loan request.

- **Hamilton County Water and Wastewater Authority (“WWTA”) (SRF 2020-443)** Requesting \$10,671,200 for infiltration and inflow corrections of the East Ridge Rehabilitation Basin 3C and 4B

(rehabilitating/repairing approximately 38,500 linear feet of existing 6-inch through 12-inch diameter gravity sewer lines using cured-in-place pipe, pipe bursting, and open cut replacement methods; repairing 500 connections of service laterals to sewer lines; performing 30 point repairs; replacing 140 manhole frames and covers; and repairing 1,600 vertical feet of manholes in East Ridge Sewer Basins 3C and 4B; recommended interest rate of 1.47% based on the Ability to Pay Index (ATPI); Priority ranking 58, 59 of 73 (FY 2019).

Mr. Hargett made a motion to approve the loan, and Mr. Lillard seconded the motion. Mr. Hargett conducted a roll-call vote:

Ms. Scott—Aye
Mr. Wood— Aye
Mr. Hargett— Aye
Mr. Lillard— Aye
Mr. Wolfe—Aye
Dr. Moore—Aye

The motion was unanimously approved.

Mr. Hargett stated that the next item on the agenda was consideration of approval for a Drinking Water State Revolving Fund (DWSRF) loan. He recognized Dr. Leslie Gillespie-Marthaler to present the loan request. Dr. Gillespie-Marthaler stated the DWSRF unobligated balance was \$73,609,713 as of December 13, 2019. Upon approval of the loan request to be presented totaling \$886,000, the funds available for loan obligations would be \$72,723,713. She then described the DWSRF loan request.

- **Bell Buckle (DW8 2020-221)** Requesting \$886,000 (\$886,000 (100%) principal forgiveness) for a Webb water storage tank replacement (replacing the existing 160,000-gallon water storage tank located at the Webb School with a new 160,000-gallon water storage tank and associated valves and piping.); recommended interest rate of 0.00% based on the ATPI; priority ranking 29 of 43 (FY 2019).

Dr. Gillespie-Marthaler noted that Bell Buckle's mayor was present at today's TLDA meeting and said that the Town was one of three pilot projects (including Oliver Springs and Dyersburg) in the SRF program. She stated that the focus/priority of this pilot was to address water infrastructure for the State, and reported that it would provide templates, demonstrations, and education in regard to asset management plans and planning tools for small communities with drinking water, clean water, storm water, and natural resource infrastructure systems. Dr. Gillespie-Marthaler explained that one of the most pervasive issues in small communities across the state was the development and use of asset management plans that allowed communities to identify and prioritize infrastructure work as an alternative to just moving from one problem to another. Furthermore, she stated that Bell Buckle had excelled in the process of asset management, which made it financially viable, and that TDEC would use it as an example for other small communities. She continued, saying that educational workshops would be provided for Bell Buckle and that other communities would be invited to participate in the workshops as well. She stated that TDEC would be inviting other partners to assist with and promote the educational process of the pilot. Dr. Gillespie-Marthaler continued, saying that the information collected from the three SRF pilots would be used to develop a robust process for future efforts, and that TDEC's Intended Use plans would be brought forward at its next spring meeting; the meeting would be open to the public and subject to public comment for a 30 day period. She said that TDEC would then report back to the TLDA and have open conversation as to the outcome of the pilots and the benefits it may hold going forward for the state of Tennessee and the SRF program. Mr. Hargett stated that he had been apprised of Bell Buckle's forward-thinking in regard to the SRF pilot program and requested that the meeting minutes reflect Dr. Gillespie-Marthaler's positive comments about the Town.

Mr. Hargett inquired if there was any discussion. Hearing none, he made a motion to approve the loan, and Mr. Lillard seconded the motion. Mr. Hargett conducted a roll-call vote:

Ms. Scott—Aye
Mr. Wood— Aye
Mr. Lillard— Aye
Mr. Wolfe—Aye
Dr. Moore—Aye
Mr. Hargett— Aye

The motion was unanimously approved.

Hearing no other business, Mr. Hargett asked for a motion to adjourn. Mr. Wood made a motion to adjourn, and Mr. Lillard seconded the motion. Mr. Hargett conducted a roll-call vote:

Ms. Scott—Aye
Mr. Wood— Aye
Mr. Lillard— Aye
Mr. Wolfe—Aye
Dr. Moore—Aye
Mr. Hargett— Aye

The meeting was adjourned.

Approved on this _____ day of _____, 2019.

Respectfully submitted,

Sandra Thompson
Assistant Secretary



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

February 19, 2020

BLOOMINGDALE UTILITY DISTRICT
Request for TLDA Approval of Additional Debt issuance

The Bloomingdale Utility District (the “District”) has requested approval from the Tennessee Local Development Authority (TLDA) to issue a USDA Waterworks Revenue Bond, on parity with its outstanding State Revolving Fund (SRF) loan agreements, as well as a bond anticipation note, subordinate to its SRF loans, to finance project costs until project completion at which time the USDA Bond will be issued.

Request for approval is required by provisions set forth in the SRF loan agreement and guidelines set forth in the *TLDA/SRF Policy and Guidance for Borrowers*. The proposed debt will be issued in an amount not to exceed \$1,000,000.

1. The requestor is a:

Utility District planning to issue Revenue Debt

Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

Municipality (town/city/county) planning to issue:

General Obligation Debt

Revenue Debt – Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

2. Lien Position:

The borrower is requesting to issue the bonds with a parity lien position to its outstanding SRF loans and a bond anticipation note with a subordinate position.

The borrower is requesting to subordinate its outstanding SRF debt to the refunding debt issuance.

The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.

3. The purpose of the proposed debt issuance is:

- Refunding
- New Money

4. Description and Additional Information:

The District will use the proceeds of the USDA Bond to:

- continue replacing aging galvanized and cast-iron waterline;
- address issues with the East Carter's Valley Tank which is not properly sized for the number of customers served;
- upgrade two of the high service pumps at the water treatment plant along with new meters to help provide more accurate numbers for water loss calculations;

The District is requesting parity lien position to preserve its ability to issue future debt on a parity-senior-lien basis and thereby minimize interest cost to its ratepayers. Per Jeff Oldham, the District's Bond Counsel, if the USDA Bond is issued on a subordinate basis to the SRF Loan Agreements, then any future debt must also be issued on a subordinate basis to the SRF Loan Agreements.

Pursuant to TLDA SRF Policy and Guidance and the loan agreements, the District is required to seek approval to issue additional debt, which will be secured by revenues of the system, and/or modification of lien position. The TLDA considers approval on a case-by-case basis, and approval of this request does not provide a guarantee of parity for subsequent requests because the TLDA cannot preserve the District's ability to issue future debt on a parity senior lien basis.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

Moody's

Standard and Poor's

Fitch

6. The following SRF loans are currently authorized/outstanding:

Borrower	Bloomington Utility District						
Date	2/4/2020						
Loan Type	Loan #	Status	Disbursements	Available to Draw	% Principal Forgiveness	Edison Balance @ 2/4/2020	MADS*
Water	DGA 09-096	Repayment	3,000,000.00	-	40%	1,082,525.60	106,934.00
Water	DG2 14-152 (15-152)	Repayment	2,200,000.00	-	35%	1,214,719.00	78,231.00
Water	DWF 16-171	Repayment	330,000.00	-	0%	285,436.00	18,001.00
							203,166.00
*MADS is an estimate until final expenses have been determined							
*Before funds are disbursed on a loan, a security deposit equal to MADS is required to be deposited with the TLDA							

7. Compliance with SRF Loan Agreement:

a. Timely repayments [4.(a)]

Yes No

b. Security Deposit (UDs and Authorities) [8.]

Yes No

Amount on deposit: \$203,166

c. GAAP Accounting and Audited Annual Financial Statement Requirement [7.(g) and (m)(2)]

The District has timely filed its audited financial statements with the Division of Local Government Audit through the fiscal year ended June 30, 2019. The audit was filed within six months after the District’s fiscal year end.

d. Sufficient Revenues [7.(k)]

Yes No

For the fiscal year ended June 30, 2019, the District’s audited financial statements reflected operating income of \$532,081 and a positive change in net position of \$502,883.

The District’s Statement of Cash Flows for fiscal year 2019 indicated that debt service payments were \$349,264, consisting of principal payments of \$297,951 and interest payments of \$51,313.

As of June 30, 2019, the District reported \$1,126,219 in unrestricted cash and certificates of deposit.

e. Debt Service Coverage Ratios [7.(l) and (m)(3) & (4)]

	AUDITED				FORECAST		
	2016	2017	2018	2019	2020	2021	2022
Debt Service:							
Principal	\$ 191,624	\$ 199,268	/a \$ 283,316	\$ 297,951	\$ 304,165	\$ 318,605	\$ 315,281
Interest	53,605	65,039	52,916	51,313	54,024	66,595	58,106
Total Debt Service	\$ 245,229	\$ 264,307	\$ 336,232	\$ 349,264	\$ 346,721	\$ 343,920	\$ 385,200
Debt Service Coverage Ratio	2.74	2.21	2.16	2.57	2.57	2.53	2.17

/a Excludes \$378,789 principal forgiveness on SRF loan dated 2/26/2015

The current and projected Debt Service Coverage Ratio meets or exceeds 1.2 times.

Yes No

If no, include a schedule of revised rates and fees. Included N/A

Most Recent Fiscal Year (m)(3):

The District's debt service coverage ratio was 2.57x for fiscal year ending June 30, 2019, and therefore, has met the debt service coverage requirement for FY2019.

Next Three Fiscal Years after Debt Issuance (m)(4):

The District projects that it will meet the debt service coverage requirement with the ratio of net revenues to debt service ranging from 2.17x to 2.57x for fiscal years 2020 through 2022.

f. Is the entity currently under the jurisdiction of the Utility Management Review Board (UMRB) or the Water and Wastewater Financing Board (WWFB)?

[7.(n)]

Yes No

If yes, reason for referral: _____ (Financial Distress/Water Loss) N/A

If the reason is for financial distress, include a schedule of revised rates and fees along with a copy of the corrective action order from the respective board. Included N/A

8. State-Shared Taxes (SST): (Towns, Cities, Counties): N/A

\$ _____	Received in prior fiscal year
\$ _____	Total Maximum Annual Debt Service
\$ _____	Unobligated SSTs

9. Conclusion

Based upon our analysis, the District will have sufficient cash and revenues to meet its obligations. The District appears to meet TLDA’s guidelines for approval to issue additional bonds with a parity lien position to its outstanding State Revolving Fund (SRF) loan agreements.

Attachment:

Financial Projections and Debt Service Coverage

Bloomington Utility District
Kingsport, Tennessee
Financial Projections and Debt Service Coverage

	AUDITED				BUDGET	FORECAST	
	2016	2017	2018	2019	2020	2021	2022
Operating Revenue	\$ 2,012,938	\$ 2,061,705	\$ 2,147,310	\$ 2,332,664	\$2,323,650	\$2,324,150	\$2,324,663
Operating Expenses	1,341,914	1,478,498	1,421,526	1,436,481	1,431,350	1,455,730	1,488,417
Net Revenues	\$ 671,024	\$ 583,207	\$ 725,784	\$ 896,183	\$ 892,300	\$ 868,420	\$ 836,246
Other Income	-	-	-	-	-	-	-
Total Net Revenues	\$ 671,024	\$ 583,207	\$ 725,784	\$ 896,183	\$ 892,300	\$ 868,420	\$ 836,246

	AUDITED				BUDGET	FORECAST	
	2016	2017	2018	2019	2020	2021	2022
Debt Service:							
Principal	\$ 191,624	\$ 578,057	/a \$ 283,316	\$ 297,951	\$ 304,165	\$ 318,605	\$ 315,281
Interest	53,605	65,039	52,916	51,313	54,024	66,595	58,106
Total Debt Service	\$ 245,229	\$ 643,096	\$ 336,232	\$ 349,264	\$ 346,721	\$ 343,920	\$ 385,200
Debt Service Coverage Ratio	2.74	0.91	2.16	2.57	2.57	2.53	2.17

/a Excludes \$378,789 principal forgiveness on SRF loan dated 2/26/2015

BLOOMINGDALE UTILITY DISTRICT
3212 Bloomingdale Pike
Kingsport, TN 37660
(423) 288-6551

February 3, 2020

Via Email (sandi.thompson@cot.tn.gov)

Ms. Sandra Thompson, Assistant Secretary
Tennessee Local Development Authority
Cordell Hull Building
425 Fifth Avenue North
Nashville, TN 37243

Re: Bloomingdale Utility District of Sullivan County, Tennessee (the "District") –
Proposed \$1,000,000 Waterworks Revenue Bond

Dear Ms. Thompson:

The United States Department of Agriculture (the "USDA") has offered to loan the District \$1,000,000 at a rate not greater than 2.75%, payable in 480 equal consecutive monthly installments of principal and interest (the "USDA Bond"). The District will use the proceeds of the USDA Bond to continue replacing aging galvanized and cast iron water lines. Secondly, the East Carter's Valley Tank is not properly sized for the number of customers served and needs to be addressed. Finally, two of the high service pumps at the water treatment plant are in need of being upgraded along with new meters to help provide more accurate numbers for water loss calculations.

The District is party to revolving fund loan agreements with the State (the "SRF Loan Agreements") in maximum loan amounts of \$1,500,000 (DGA 09-096), \$1,430,000 (DG2 2015-152) and \$298,835 (DWF 2016-171). Pursuant to Section 7(m) of the Revolving Fund Loan Agreements for Utility Districts entered into among TDEC, the Tennessee Local Development Authority and the District, the District is required to seek prior approval of the Authority before issuing additional debt payable from the revenues of the system. Pursuant to the TLDA's guidelines, we hereby request that the TLDA consent to the issuance of the USDA Bond as well as a bond anticipation note (the "Note") to finance project costs until projection completion, at which time the USDA Bond will be issued.

We also request that the TLDA consent to the USDA Bond being issued on parity with the SRF Loan Agreements. (The Note will be issued on a subordinate basis.) We understand that the USDA is indifferent as to being on parity with the SRF Loan Agreements or subordinate to the SRF Loan Agreements. However, we would like to preserve the District's ability to issue future debt on a parity-senior-lien basis and thereby minimize interest cost to our ratepayers. If the USDA Bond is issued on a subordinate basis to the SRF Loan Agreements, then any future debt must also be issued on a subordinate basis to the SRF Loan Agreements. The District cites the following factors in favor of this request:

1. The District is in compliance with the terms of the SRF Loan Agreements.
2. The amount of authorized and outstanding District SRF debt is attached as Exhibit A.
3. The District has never failed to timely repay its SRF debt.
4. The District has filed its audited financial statements with the Division of Local Government Audit in a timely manner. The District's most recent audited financial statements (through FYE June 30, 2019) are posted to the Comptroller's repository website.
5. A projected debt service schedule for the USDA Bond is attached as Exhibit B.


6. Current and projected debt service coverage is attached as Exhibit C. The District expects its 2020 through 2022 fiscal year results to be consistent with its 2019 results. (I note that the proposed project is expected to produce long-term costs savings for the District through the reduction of the District's water loss.) Based on the foregoing, the District's FY2019 net revenues will cover future debt service requirements by more than 120% in each of the 2020-2022 fiscal years.
7. The rights and lien position of the TLDA relative to the SRF Loan Agreements will not be affected.
8. The capital improvement project being financed with the proceeds of the USDA Bond is a long-term project that is vitally important to the health and welfare of the citizens within the District's service area.
9. A proposed bond resolution is attached as Exhibit D.

I am happy to answer any questions you may have and, if necessary, to attend the TLDA meeting. You may also contact of bond counsel, Jeff Oldham at Bass, Berry & Sims, with any questions. Please let me know when the approval will be considered.

Thanks for your help.

Yours truly,

BLOOMINGDALE UTILITY DISTRICT

By: 

ndj

Attachments

cc: Jeff Oldham, Bass, Berry & Sims (via e-mail – joldham@bassberry.com)

27721914.1

BLOOMINGDALE UTILITY DISTRICT
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
June 30, 2019

<u>Description of Indebtedness</u>	<u>Original Amount Due</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Last Maturity Date</u>	<u>Outstanding July 1, 2018</u>	<u>Issued During Period</u>	<u>Paid and/or Matured During Period</u>	<u>Refunded During Period</u>	<u>Outstanding June 30, 2019</u>
BONDS PAYABLE									
Waterworks Revenue Bond Series 1980	\$ 590,000	5.00%	4/20/1982	4/20/2022	\$ 123,392	\$ -	\$ 29,026	\$ -	\$ 94,366
Waterworks Revenue Bond Series 2005	\$ 1,350,000	3.95%	05/27/05	7/1/2021	395,000	-	100,925	-	294,075
NOTES PAYABLE									
State Revolving Fund 2009	\$ 1,500,000	1.770%	8/14/2019	3/31/2031	1,016,427	-	71,700	-	944,727
ARRA	\$ 330,000	1.770%	8/14/2019	3/31/2031	203,224	-	14,340	-	188,884
State Revolving Loan 2015	\$ 2,200,000	0.910%	2/26/2015	10/30/2036	1,320,528	-	66,588	-	1,253,940
State Revolving Loan 2016	\$ 330,000	0.880%	3/10/2016	6/30/2036	309,859	-	15,372	-	294,487
Total Amounts Payable					<u>\$ 3,368,430</u>	<u>\$ -</u>	<u>\$ 297,951</u>	<u>\$ -</u>	<u>\$ 3,070,479</u>

	Projected 2022	Projected 2021	Budgeted 2020	2019	2018	2017	2016	2015
Operating Revenue	\$ 2,324,663	\$ 2,324,150	\$ 2,323,650	\$ 2,332,664	\$ 2,147,310	\$ 2,061,705	\$ 2,012,938	\$ 1,954,734
Operating Expenses ¹	1,488,417	1,455,730	1,431,350	1,436,481	1,421,526	1,478,498	1,341,914	1,268,061
Net Operating income	\$ 836,246	\$ 868,420	\$ 892,300	\$ 896,183	\$ 725,784	\$ 583,207	\$ 671,024	\$ 686,673
Other income ²						-	-	-
Total net income	\$ 836,246	\$ 868,420	\$ 892,300	\$ 896,183	\$ 725,784	\$ 583,207	\$ 671,024	\$ 686,673
Annual debt service ³	\$ 338,042	\$ 343,920	\$ 347,869	\$ 346,721	\$ 345,375	\$ 299,755	\$ 250,961	\$ 249,219
Coverage	2.47	2.53	2.57	2.58	2.10	1.95	2.67	2.76
Max Debt Service including Proposed 2020 Bonds	\$ 385,200							
Coverage	2.17	2.25	2.32	2.33	1.88			

¹ Excludes depreciation, amortization, and interest. Includes other non-operating expenses.

² Excludes grant income and fees received for taps and line extensions in excess of cost.

³ Debt Service on Waterworks Revenue Refunding and Improvement Bonds, Series 1982,
Waterworks Revenue Refunding Bonds, Series 2005
2009 SRF Loan DGA 09-096 , 2015 SRF Loan DG2 2015-152 and 2016 SRF Loan DWF 2016-171



JUSTIN P. WILSON
Comptroller

JASON E. MUMPOWER
Deputy Comptroller

February 7, 2020

**MINOR HILL UTILITY DISTRICT
Request for TLDA Approval of Additional Debt Issuance**

The Minor Hill Utility District (the “District”) is requesting approval from the Tennessee Local Development Authority (TLDA) to issue approximately \$1,500,000 Waterworks Revenue Bonds, Series 2020 (the “Series 2020 Refunding Bonds”) subordinate to its outstanding State Revolving Fund (SRF) loan agreements.

Request for approval is required by provisions set forth in the SRF loan agreement and guidelines set forth in the *TLDA/SRF Policy and Guidance for Borrowers*.

Because the proposed Refunding Bonds constitute “balloon indebtedness,” the District is required pursuant to Tenn. Code Ann. 9-21-134 to submit a request for approval to the Director of Local Government Finance. The request was received by the Division of Local Government Finance on January 27, 2020, and it was approved in a letter dated January 30, 2020.

1. The requestor is a:

Utility District planning to issue Revenue Refunding Bonds

Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

Municipality (town/city/county) planning to issue:

General Obligation Debt

Revenue Debt – Will the proposed debt be secured by revenues other than revenues of the water/wastewater system (e.g. electric, gas)? Yes No

2. Lien Position:

The borrower is requesting to issue the bonds with a parity lien position to its outstanding SRF loans.

The borrower is requesting to subordinate its outstanding SRF debt to the refunding debt issuance.

X The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.

3. The purpose of the proposed debt issuance is:

- X Refunding
- New Money

4. Description and Additional Information:

The District plans to issue an estimated \$1,500,000 Series 2020 Refunding Bonds. The bond proceeds will be used for the following purpose:

- To refund the District’s outstanding 2003 USDA bonds (the “Outstanding Bonds”);
- Fund a debt service reserve fund; and
- Pay costs of issuance.
 - The District expects a net present value savings of \$249,120.94 or 17.751% of the par amount of the Outstanding Bonds.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

- N/R Moody’s
- N/R Standard and Poor’s
- N/R Fitch

6. The following SRF loans are currently authorized/outstanding:

Borrower	Minor Hill Utility District						
Date	1/28/2020						
Loan Type	Loan #	Status	Disbursements	Available to Draw	% Principal Forgiveness	Edison Balance @1/28/2020	MADS*
Water	DG2 13-136	Repayment	1,100,000.00	-	20%	747,102.00	46,520.00
Water	DWF 16-176	Repayment	600,000.00	-	0%	515,726.00	32,221.00
							<u>78,741.00</u>

*MADS is an estimate until final expenses have been determined

*Before funds are disbursed on a loan, a security deposit equal to MADS is required to be deposited with the TLDA

7. Compliance with SRF Loan Agreement:

a. Timely repayments [4.(a)]

Yes No

b. Security Deposit (UDs and Authorities) [8.]

Yes No

Amount on deposit: \$78,741

c. GAAP Accounting and Audited Annual Financial Statement Requirement [7.(g) and (m)(2)]

The District has timely filed its audited financial statements with the Division of Local Government Audit through the fiscal year ended December 31, 2018. The most recent audit was filed within six months after the District's fiscal year end.

d. Sufficient Revenues [7.(k)]

Yes No

For the fiscal year ended December 31, 2018, the District's audited financial statements reflected operating income of \$98,806, and a positive change in net position of \$409,267; however, the District reported a statutory decrease in net position of \$24,382 (see below section 7.f.).

The District's statement of cash flows reflected debt service payments of \$313,685, consisting of principal payments of \$152,658 and interest payments of \$160,727. At December 31, 2018, the District reported \$990,089 in unrestricted cash.

e. Debt Service Coverage Ratios [7.(l) and (m)(3) & (4)]

The current and projected Debt Service Coverage Ratio meets or exceeds 1.2 times.

Yes No

If no, include a schedule of revised rates and fees. Included N/A

Most Recent Fiscal Year (m)(3):

The District's debt service coverage ratio was 2.44x for fiscal year 2018 and is estimated to be 2.44x for fiscal year 2019 (as projected by the District). The District has met the debt service coverage requirement for fiscal year 2018.

Next Three Fiscal Years After Debt Issuance (m)(4):

The District projects that it will meet the debt service coverage requirement with estimated debt service to net revenues ranging from 2.43x to 2.39x for fiscal years 2020 through 2024.

f. Is the entity currently under the jurisdiction of the Utility Management Review Board (UMRB) or the Water and Wastewater Financing Board (WWFB)?

[7.(n)]

Yes (UMRB) No

If yes, reason for referral: Financial Distress

If the reason is for financial distress, include a schedule of revised rates and fees along with a copy of the corrective action order from the respective board. Included (N/A)

Minor Hill Utility District was referred to the Utility Management Review Board (the “Board”) for financial distress for fiscal years 2017 and 2018. The Board has ordered the District to conduct a rate and fee study. The study is due to the Board by April 30, 2020. A copy of the corrective action order is attached.

It is important to note that the proposed refunding is expected to result in an estimated net present value savings of \$249,120.94 and should have a positive impact on the District’s financial position.

8. State-Shared Taxes (SST): (Towns, Cities, Counties): N/A

\$ _____ Received in prior fiscal year
\$ _____ Total Maximum Annual Debt Service
\$ _____ Unobligated SSTs

9. Conclusion

Based upon our analysis, the District should have sufficient cash and revenues to meet its obligations. The District appears to meet TLDA’s guidelines for approval to issue additional bonds with a subordinate lien position to its outstanding State Revolving Fund (SRF) loan agreements.

Attachments:

Financial Projections and Debt Service Coverage

Savings Report

Corrective Action Order

MINOR HILL UTILITY DISTRICT

**P. O. Box 124
Minor Hill, TN 38473
(931) 565-3436**

January 24, 2020

Via Email (sandi.thompson@cot.tn.gov)

Ms. Sandra Thompson, Assistant Secretary
Tennessee Local Development Authority
Cordell Hull Building
425 Fifth Avenue North
Nashville, TN 37243

Re: Minor Hill Utility District of Giles County, Tennessee (the "District") –
Proposed \$1,500,000 Waterworks Revenue Refunding Bonds, Series 2020 (the "Bonds")

Dear Ms. Thompson:

By separate letter to the Director of Local Finance, a copy of which is enclosed herewith, the District has requested a report on plan of finance for the Bonds.

The District is party to revolving fund loan agreements with the State in maximum loan amounts of \$880,000 (DW2 13-136) and \$600,000 (DWF 16-176). Pursuant to Section 7(m) of the Revolving Fund Loan Agreements for Utility Districts entered into among TDEC, the Tennessee Local Development Authority and the District, the District is required to seek prior approval of the Authority before issuing additional debt payable from the revenues of the system.

On the District's behalf, I am asking that the Tennessee Local Development Authority consider approving the proposed Bonds at its next meeting. I note that the Bonds are proposed to be secured on a subordinate basis to the State's revolving fund loans.

The District's most recent audited financial statements (through FYE December 31, 2018) are posted to the Comptroller's repository website, and the 2019 unaudited financial results are enclosed as part of the Plan of Finance.

Also enclosed as part of the Plan of Finance is a chart detailing the District's annual debt service requirements from 2020 through 2022. Please note the attached chart assumes that the SRF have been fully drawn and are fully amortizing and the Bonds have been issued as proposed.

The District expects its 2020 through 2022 fiscal year results to be consistent with its 2019 results. Based on the foregoing, the District's FY2019 net revenues will cover future debt service requirements by more than 120% in each of the 2020-2022 fiscal years.

I am happy to answer any questions you may have and, if necessary, to attend the Funding Board meeting. You may also contact our bond counsel, Jeff Oldham at Bass, Berry & Sims, with any questions. Please let me know when the approval will be considered.

Thanks for your help.

Yours truly,

MINOR HILL UTILITY DISTRICT

BY: 

24275448.2

	2017	2018	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 Projected
Revenues	1,571,529	1,706,333	1,740,460	1,775,269	1,810,774	1,846,990	1,883,930	1,921,608
Expenses (Excluding Depreciation)	(1,083,106)	(1,166,074)	(1,201,056)	(1,237,088)	(1,274,201)	(1,312,427)	(1,351,799)	(1,392,353)
Available for Debt Service	488,423	540,259	539,403	538,181	536,574	534,563	532,130	529,255
Max Annual Debt Service before Refunding	234,636	234,636	234,636	234,636	234,636	234,636	234,636	234,636
Debt Service Coverage Ratio Before	2.082	2.303	2.299	2.294	2.287	2.278	2.268	2.256
Max Annual Debt Service after Refunding	221,455	221,455	221,455	221,455	221,455	221,455	221,455	221,455
Debt Service Coverage Ratio After	2.206	2.440	2.436	2.430	2.423	2.414	2.403	2.390

MINOR HILL WATER UTILITY DISTRICT
OF GILES COUNTY, TENNESSEE
AA INSURED, BANK QUALIFIED, SERIES 2020
(SAVINGS SCENARIO)

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	Old D/S	Savings
07/01/2020	15,000.00	1.750%	12,728.84	27,728.84	41,310.00	13,581.16
07/01/2021	51,000.00	1.750%	34,191.50	85,191.50	99,144.00	13,952.50
07/01/2022	52,000.00	1.750%	33,299.00	85,299.00	99,144.00	13,845.00
07/01/2023	53,000.00	1.750%	32,389.00	85,389.00	99,144.00	13,755.00
07/01/2024	54,000.00	1.750%	31,461.50	85,461.50	99,144.00	13,682.50
07/01/2025	55,000.00	1.750%	30,516.50	85,516.50	99,144.00	13,627.50
07/01/2026	56,000.00	2.100%	29,554.00	85,554.00	99,144.00	13,590.00
07/01/2027	57,000.00	2.100%	28,378.00	85,378.00	99,144.00	13,766.00
07/01/2028	58,000.00	2.100%	27,181.00	85,181.00	99,144.00	13,963.00
07/01/2029	60,000.00	2.100%	25,963.00	85,963.00	99,144.00	13,181.00
07/01/2030	61,000.00	2.100%	24,703.00	85,703.00	99,144.00	13,441.00
07/01/2031	62,000.00	2.400%	23,422.00	85,422.00	99,144.00	13,722.00
07/01/2032	64,000.00	2.400%	21,934.00	85,934.00	99,144.00	13,210.00
07/01/2033	65,000.00	2.400%	20,398.00	85,398.00	99,144.00	13,746.00
07/01/2034	67,000.00	2.400%	18,838.00	85,838.00	99,144.00	13,306.00
07/01/2035	68,000.00	2.400%	17,230.00	85,230.00	99,144.00	13,914.00
07/01/2036	70,000.00	2.850%	15,598.00	85,598.00	99,144.00	13,546.00
07/01/2037	72,000.00	2.850%	13,603.00	85,603.00	99,144.00	13,541.00
07/01/2038	74,000.00	2.850%	11,551.00	85,551.00	99,144.00	13,593.00
07/01/2039	76,000.00	2.850%	9,442.00	85,442.00	99,144.00	13,702.00
07/01/2040	78,000.00	2.850%	7,276.00	85,276.00	99,144.00	13,868.00
07/01/2041	80,000.00	3.100%	5,053.00	85,053.00	99,144.00	14,091.00
07/01/2042	83,000.00	3.100%	2,573.00	85,573.00	99,144.00	13,571.00
07/01/2043	-	-	-	-	14,208.40	14,208.40
Total	\$1,431,000.00	-	\$477,283.34	\$1,908,283.34	\$2,236,686.40	\$328,403.06

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	262,052.59
Transfers from Prior Issue DSR Fund	(99,144.00)
Amount deposited into new DSR Fund	85,963.00
Contingency or Rounding Amount	249.35
Net Present Value Benefit	\$249,120.94
Net PV Benefit / \$1,403,395 Refunded Principal	17.751%
Net PV Benefit / \$1,431,000 Refunding Principal	17.409%

Refunding Bond Information

Refunding Dated Date	2/18/2020
Refunding Delivery Date	2/18/2020

BEFORE THE TENNESSEE UTILITY MANAGEMENT REVIEW BOARD

IN THE MATTER OF:

**MINOR HILL UTILITY
DISTRICT**

)
)
)
)
)
)
)

**TENN. CODE ANN. § 7-82-401(g) & (h)
FINANCIAL DISTRESS,
& WATER LOSS: NON-
REVENUE WATER**

ORDER

On October 24, 2019, the Tennessee Utility Management Review Board (“the Board”) reviewed the financially distressed status of Minor Hill Utility District (“the District”) pursuant to Tenn. Code Ann. § 7-82-401(g). Board staff informed the Board that the District has not raised rates since 2017. Rather, it has eliminated family coverage on the employee health insurance plan, reduced staff positions, and eliminated outside accounting expenses.

The District is also under the Board’s oversight for water loss pursuant to Tenn. Code Ann. § 7-82-401(h), due to both its non-revenue water and its validity score. Later in the same meeting, the Board reviewed the District’s water loss status pertaining to its non-revenue water. Board staff indicated that the District is now in compliance with the Board’s directives regarding non-revenue water and recommended the District for release from Board oversight regarding its non-revenue water.

Therefore, based on Staff’s statements, recommendations, and all supporting documentation, the Board hereby orders the following:

1. The District shall have the Tennessee Association of Utility Districts, or another qualified expert as approved by Board staff, complete a rate study to include:
 - a. a review of the rate and fee policy, including any recommended modifications;

- b. a review of the credit card transaction fee, including any recommended modifications;
 - c. a review of the capitalization policy, including any recommended modifications;
 - d. a review of the capital asset plan, including any recommended modifications;
and
 - e. a review of the leak adjustment policy, including any recommended modifications.
2. By December 6, 2019, the District shall send Board staff a copy of the contract between the District and the qualified expert who is to perform the tasks in paragraph 1.
 3. By April 30, 2020, the District 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 District.
 5. The District is released from the Board's oversight for the District's non-revenue water referral. Staff and Counsel shall close the non-revenue water case. The Board maintains oversight of the District for its financial distress referral and its validity score referral.

ENTERED this 29th day of October, 2019.





ANN V. BUTTERWORTH, Chair
Utility Management Review 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 29th day of October, 2019:

Rex Miles, President
Minor Hill Utility District
12950 Minor Hill Highway
Minor Hill, TN 38473

Rachel E. Buckley
Assistant General Counsel

CITY OF WARTBURG
Post Office Box 386
WARTBURG, TN 37887
(423) 346-2323

MAYOR
JONATHAN DAGLEY

CITY RECORDER
COURTNEY GRIFFIN

BOARD OF ALDERMAN
BACEL GUNTER
PHIL VESPIE

CHIEF OF POLICE
EARL R. BALES

February 5, 2020

Ms. Sandra Thompson, Assistant Secretary
Tennessee Local Development Authority
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243

RE: City of Wartburg, Tennessee (the "City") – \$1,276,000 Sewer Revenue and Tax Bond,
Series 2020 (the "Bond")

Dear Ms. Thompson:

The City proposes to issue a Bond to the United States Department of Agriculture in order to finance sewer system improvements and extensions. The Bond will be secured by a pledge of sewer revenues subordinate to the pledge of revenues in favor of the City's 2005 (05-182) State Revolving Fund Loan. Please consider this letter notice of the issuance of the Bond, as required by the TLDA's SRF Policy & Guidance for Borrowers.

Sincerely,



Jonathan Dagley
Mayor of Wartburg

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
 DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
 Funds Available for Loan Obligation
 March 06, 2020

Unobligated Balance as of January 21, 2020			\$ 85,423,369
<u>Increases:</u>	<u>Loan Number</u>	<u>Amount</u>	
Trenton Light and Water Department	SRF 2017-392	\$ 126,030	
			\$ 126,030
Unobligated Balance as of March 06, 2020			\$ 85,549,399
<u>Decreases:</u>	<u>Loan Number</u>	<u>Amount</u>	
Requests for Funding			
City of Waverly (subsidized @ \$74,000)	CW7 2019-436	\$ 740,000	
Town of Smyrna	SRF 2020-438	\$ 18,000,000	
City of Humboldt	SRF 2019-433-01	\$ 4,800,000	
			\$ (23,540,000)
Remaining Funds Available for Loan Obligations			\$ 62,009,399

The state match requirement is \$4,616,400. The remaining match of \$2,640,100 will be sought through TDEC's budget expansion.

**FACT SHEET
MARCH 6, 2020**

Borrower: City of Waverly
Project Number: CW7 2019-436
Requested SRF Funding: \$740,000
Term: 20 years
Rate: 0.97% = 1.62 X 60%

Project:

I/I Corrections (Replacement of approximately 2,000 LF of sewer lines and manholes; and rehabilitation of approximately 3,400 LF of sewer lines by method of CIPP).

Total Project Cost:	\$740,000
Project Funding:	
SRF Loan Principal (90%)	\$666,000
Principal Forgiveness (10%)	\$ 74,000
Local Funds	\$ -0-
County:	Humphreys County
Consulting Engineer:	Jacobs Engineering
Priority Ranking List:	FY 2019
Priority Ranking:	40 of 78
Public Meeting:	December 16, 2019

Financial Information:

Operating Revenues:	\$2,692,845
Current Rate:	\$45.04
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	1,536
Audit Report Filed:	04/05/2019 (Late)
Financial Sufficiency Review:	11/21/2019

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

FACT SHEET
MARCH 6, 2020

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$564,961

MADS:	Prior Obligations:	\$12,408
	Proposed loan(s):	<u>\$36,648</u>
		\$49,056
MADS as a percentage of SSTs:	8.68%	

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
FOR TAX REVENUE ENTITIES
CITY OF WAVERLY
CW7 2019-436**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and ad valorem taxes as necessary to meet its obligations under a SRF loan agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$564,961.

2. Prior Obligations

(a.) Prior SRF loans which have been funded or approved for which the Local Government has pledged its SSTs are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Water	DG6 2018-208	\$218,700	\$54,675	\$12,408

* If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total MADS from section 2(a.) having a lien on SSTs is \$12,408.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Principal Forgiveness	MADS
QZAB/QSCB	N/A			
TLDA/Public Health	N/A			
TLDA/Transportation	N/A			

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$12,408.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	CW7 2019-436	0.97%	\$666,000	\$74,000	\$36,648

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$36,648.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$515,905.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 14th day of January, 2020.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Mayor Wallace B. Frazier

**REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, City of Waverly, attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.



Mayor Wallace B. Frazier

January 14, 2020

Date

CITY OF WAVERLY

W. B. (BUDDY) FRAZIER, MAYOR

P.O. BOX 70
WAVERLY, TENNESSEE 37185

PHONE: (931) 296-2101

FAX: (931) 296-1434

December 13, 2019

Ms. Felicia Freeman
Department of Environment and Conservation
State Revolving Fund Loan Program
12th Floor, William R. Snodgrass Tennessee Tower Building
312 Rosa L. Parks Avenue
Nashville, Tennessee 37243

RE: Audit Submission Delay

Dear Ms. Freeman,

Waverly's Fiscal Year 2018 Annual Audit was submitted to the State Comptroller on April 5, 2018, ninety-five (95) days after the date the report was due. Understanding this indicated an issue, I inquired with our auditing firm following submission in an effort to mitigate the problem for the future. The auditors reported difficulty collecting information from our City Recorder. Efforts were made to encourage more thorough practices to avoid significant delays in information collection for the FY 2019 audit.

Our auditors arrived in August 2019 to begin their review. It became apparent that the City Recorder was unprepared again and additional delays were inevitable. As a result, the City Recorder was suspended and has since been terminated. Due to this situation, I regret to report that our auditors will be submitting an extension request to the Comptroller for FY 2019. However, we are making every effort to recover from this set-back. Accounting firm, Alexander Thompson & Arnold, has been hired to collect and prepare our financials so that a proper audit can be conducted by Yeary, Howell & Associates.

My staff and I will continue our commitment to improve our systems and restore the City's previously good rapport with the auditors as well as the Comptroller. Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,



W.B. Frazier
Mayor

**FACT SHEET
MARCH 6, 2020**

Borrower: Town of Smyrna
Project Number: SRF 2020-438
Requested SRF Funding: \$18,000,000
Term: 30 years
Rate: 1.30% = 1.85 X 70%

Project:

WWTP Expansions (Expansion of the existing wastewater treatment plant from 5.85 MGD to 9.0 MGD)

Total Project Cost:	\$38,165,333
Project Funding:	
SRF Loan Principal	\$18,000,000
Local Funds	\$17,165,333
Other Funds (CG7 2019-423)	\$ 3,000,000

County:	Rutherford County
Consulting Engineer:	Dempsey, Dilling & Associates, P.C.
Priority Ranking List:	FY 2017
Priority Ranking:	11 of 67
Public Meeting:	December 11, 2018

Financial Information:

Operating Revenues:	\$21,482,036
Current Rate:	\$29.60
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	14,124
Audit Report Filed:	12/21/2018 (Timely)
Financial Sufficiency Review:	12/11/2019

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

FACT SHEET
MARCH 6, 2020

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$6,522,146

MADS:	Prior Obligations:	\$360,318
	Proposed loan(s):	<u>\$724,907</u>
		\$1,085,225
MADS as a percentage of SSTs:	16	

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
FOR TAX REVENUE ENTITIES
SMYRNA SRF 2020-438**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and ad valorem taxes as necessary to meet its obligations under a SRF loan agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$6,522,146.

2. Prior Obligations

(a.) Prior SRF loans which have been funded or approved for which the Local Government has pledged its SSTs are as follows:

Loan Type	Loan #	Base Loan*	Loan Forgiveness*	MADS**
SRF/Sewer	CGA 2009-234	\$3,450,000	\$2,300,000	\$212,184
SRF/Sewer	CG0 2010-258	\$344,426	\$86,106	\$20,796
SRF/Sewer	CW4 2014-343	\$190,683	\$14,352	\$7,620
SRF/Water	DW4 2015-154	\$83,376	\$27,792	\$4,602
SRF/Sewer	CG7 2019-423	\$2,700,000	\$300,000	\$115,116

* If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total MADS from section 2(a.) having a lien on SSTs is \$360,318.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Loan Forgiveness	MADS
QZAB/QSCB	N/A			
TLDA/Public Health	N/A			
TLDA/Transportation	N/A			

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$360,318.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Loan Forgiveness	Anticipated MADS
SRF/Sewer	SRF 2020-438	1.30%	\$18,000,000	\$0	\$724,907

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$724,907.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$5,436,921.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 7th day of January, 2020.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Marc Adkins, Vice-Mayor

**REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Town of Smyrna, attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.



Marc Adkins, Vice-Mayor

January 7, 2020

Date

**FACT SHEET
MARCH 6, 2020**

Borrower: City of Humboldt
Project Number: SRF 2019-433-01
Requested SRF Funding: \$4,800,000
Term: 20 years
Rate: 0.48% = 1.60 X 30%

Project:

WWTP Expansion (Construction of a new 5 MGD SBR, grit removal system, and disinfection basin; replace influent pumps; conversion of anaerobic digesters to aerobic digesters; and sludge disposal improvements)

Total Project Cost:	\$26,800,000
Project Funding:	
SRF Loan Principal	\$ 4,800,000
Principal Forgiveness	\$ -0-
Other Funds (SRF 2019-433)	\$ 7,900,000
Other Funds (CW7 2019-432)	\$ 3,000,000
Other Funds (EDA grants)	\$ 2,872,000
Other Funds (Fast Track funds)	\$ 7,703,000
Other Funds (CDBG)	\$ 525,000

County:	Gibson County
Consulting Engineer:	J. R. Wauford & Company, Consulting Engineers, Inc.
Priority Ranking List:	FY 2018
Priority Ranking:	55 of 72
Public Meeting:	January 23, 2020

Financial Information:

Operating Revenues:	\$2,997,204
Current Rate:	\$30.25
Effective Rates, if applicable:	\$33.57 (July 1, 2021)
Residential User Charge:	5,000 gal/month
Customer Base:	3,366
Audit Report Filed:	12/31/2019 (timely)
Financial Sufficiency Review:	12/16/2019

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

**FACT SHEET
MARCH 6, 2020**

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$1,115,376

MADS:	Prior Obligations:	\$1,084,044
	Proposed loan(s):	
	SRF 2019-433-01	\$ 251,752
	DWF 2019-215-01	<u>\$ 26,749</u>
		\$1,362,545
MADS as a percentage of SSTs:		122.16%

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
FOR TAX REVENUE ENTITIES
CITY OF HUMBOLDT
SRF 2019-433-01**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and ad valorem taxes as necessary to meet its obligations under a SRF loan agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$1,115,376.

2. Prior Obligations

(a.) Prior SRF loans which have been funded or approved for which the Local Government has pledged its SSTs are as follows:

Loan Type	Loan #	Base Loan*	Loan Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	SRF 2018-411	\$540,000	\$0	\$108,792
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492

* If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total MADS from section 2(a.) having a lien on SSTs is \$1,084,044.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Loan Forgiveness	MADS
QZAB/QSCB	N/A			
TLDA/Public Health	N/A			
TLDA/Transportation	N/A			

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$1,084,044.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Loan Forgiveness	Anticipated MADS
SRF/Sewer	SRF 2019-433-01	0.48%	\$4,800,000	\$0	\$251,752
SRF/Water	DWF 2019-215-01	0.48%	\$510,000	\$0	\$26,749

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$278,501.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$ -247,169.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of January, 2020.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:



Alex Smith, General Manager

**REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

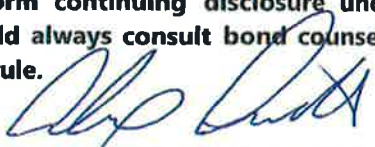
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, City of Humboldt, attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.



Alex Smith, General Manager

January 29, 2020

Date

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
March 06, 2020

Unobligated Balance as of January 21, 2020			\$ 72,723,713
<u>Increases:</u>	<u>Loan Number</u>	<u>Amount</u>	
			\$ -
Unobligated Balance as of March 06, 2020			\$ 72,723,713
<u>Decreases:</u> Requests for Funding	<u>Loan Number</u>	<u>Loan Amount</u>	
Erwin Utilities Authority	DG7 2020-222	\$ 2,000,000	
City of Humboldt	DWF 2019-215-01	\$ 510,000	
			\$ (2,510,000)
Remaining Funds Available for Loan Obligations			\$ 70,213,713

**FACT SHEET
MARCH 6, 2020**

Borrower: Erwin Utilities Authority
Project Number: DG7 2020-222
Requested SRF Funding: \$2,000,000
Term: 20 years
Interest Rate: 0.07% = (1.60 X 20%) - (.25%)

Project:

GREEN-Water Meter Replacement (Installation of AMR meters and leak detection equipment within the Erwin Utilities service area).

Total Project Cost: \$2,000,000

Project Funding:

 SRF Loan Principal \$2,000,000

 Other Funds \$ -0-

County: Unicoi County
Consulting Engineer: Erwin Utilities Water Department
Priority Ranking List: FY 2019
Priority Ranking: 31 of 43
Public Meeting: February 10, 2020

Financial Information:

Operating Revenues: \$2,332,343
Current Rate: \$13.25
Effective Rates, if applicable: N/A
Residential User Charge: 5,000 gal/month
Customer Base: 5,190
Audit Report Filed: 10/15/2019 (Timely)
Financial Sufficiency Review: 12/13/2019

The financial sufficiency review indicates that borrower rates and revenues are sufficient to be able to repay its SRF loan(s).

FACT SHEET
MARCH 6, 2020

Additional Security

A security deposit equal to one year's maximum annual debt service is required to be deposited with the TLDA before any funds are disbursed to the borrower. The anticipated required security deposit for this loan is \$100,705.

**LOANS AND SECURITY DEPOSIT
FOR REVENUE ENTITIES
ERWIN UTILITIES AUTHORITY**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and further pledges such other additional available sources of revenues as are necessary to meet its obligations under a SRF agreement. Prior to the first disbursement on a loan, a local government is required to deposit with the TLDA an amount of funds equal to the maximum annual debt service (MADS) as additional security for such loan.

- a. Prior SRF loans which have been funded or approved for which the Local Government has pledged its revenues are as follows:

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	CG3 2014-341	\$ 2,773,299.84	\$ 145,963.16	\$ 113,112.00
SRF/Water	DW0 2011-114	\$560,000.00	\$ 100,000.00	\$35,352.00
SRF/Water	DG5 2017-186	\$ 1,125,000.00	\$375,000.00	\$ 63,540.00
SRF/Water	DWF 2017-187	\$500,000.00	\$0	\$ 28,236.00
SRF/Water	DW6 2018-206	\$600,000.00	\$150,000.00	\$ 33,432.00

*If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total required security deposit(s) for previously approved SRF loan(s) is \$273,672.00.

- b. The local government is applying for the following State Revolving fund loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Water	DG7 2020-222	0.07%	\$2,000,000.00	\$0	\$100,705.00

The total anticipated security deposit(s) for the proposed loan(s) is \$100,705.00.

- c. The total MADS (a+b) is \$374,377.00.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 24th day of January, 2020.

This is the Comptroller's certificate as required by TCA 4-31-108.

BY:



Lee H. Brown, President

**LOCAL GOVERNMENT
REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

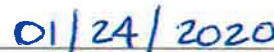
Local governments that issue municipal securities on or after February 27, 2019, should be aware that the Securities and Exchange Commission (SEC) adopted amendments to Rule 15c2-12 of the Securities Exchange Act that require reporting on material financial obligations that could impact an issuer's financial condition or security holder's rights. The amendments add two events to the list of events that must be included in any continuing disclosure agreement that is entered into after the compliance date:

- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, Erwin Utilities Authority (Unicoi County), attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.


Lee H. Brown, President


Date

**FACT SHEET
MARCH 6, 2020**

Borrower: City of Humboldt
Project Number: DWF 2019-215-01
Requested SRF Funding: \$510,000
Term: 20 years
Rate: 0.48% = 1.60 X 30%

Project:

Water Treatment Plant and Water Distribution System Improvements

Total Project Cost: \$6,510,000

Project Funding:

SRF Loan Principal	\$ 510,000
Principal Forgiveness	\$ -0-
Other Funds (DWF 2019-215)	\$4,000,000
Other Funds (DW6 2019-213)	\$1,000,000
Other Funds (DW7 2019-214)	\$1,000,000

County: Gibson County
Consulting Engineer: J. R. Wauford & Company, Consulting Engineers, Inc.
Priority Ranking List: FY 2018
Priority Ranking: 8 of 21
Public Meeting: January 23, 2020

Financial Information:

Operating Revenues: \$2,997,204
Current Rate: \$26.92
Effective Rates: \$29.88 (July 01, 2021)
Residential User Charge: 5,000 gal/month
Customer Base: 4,026
Audit Report Filed: 12/31/2019 (timely)
Financial Sufficiency Review: 12/17/2019

The financial sufficiency review indicates that revenues and rates are sufficient to repay its SRF loan(s).

FACT SHEET
MARCH 6, 2020

Additional Security

The borrower pledges its unobligated state-shared taxes (SSTs) in an amount equal to the maximum annual debt service (MADS) requirements under the loan agreement.

The SSTs received by the borrower from the state in the prior fiscal year: \$1,115,376

MADS:	Prior Obligations	\$1,084,044
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Proposed loan(s):

SRF 2019-433-01	\$ 251,752
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DWF 2019-215-01	<u>\$ 26,749</u>
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\$1,362,545

MADS as a percentage of SSTs:	122.16%
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**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
FOR TAX REVENUE ENTITIES
CITY OF HUMBOLDT
DWF 2019-215-01**

As security for payments due under a SRF loan agreement, a local government pledges user fees and charges and ad valorem taxes as necessary to meet its obligations under a SRF loan agreement. As an additional security for such payments due, a local government pledges and assigns its unobligated state-shared taxes (SSTs) in an amount equal to maximum annual debt service (MADS) requirements.

1. State-Shared Taxes

The total amount of SSTs, as identified pursuant to Tenn. Code Ann. 4-31-105(c)(2), received by the local government in the prior fiscal year of the State is \$1,115,376.

2. Prior Obligations

(a.) Prior SRF loans which have been funded or approved for which the Local Government has pledged its SSTs are as follows:

Loan Type	Loan #	Base Loan*	Loan Forgiveness*	MADS**
SRF/Sewer	SRF 2011-277	\$1,317,794	\$0	\$76,284
SRF/Sewer	SRF 2018-411	\$540,000	\$0	\$108,792
SRF/Sewer	CW7 2019-432	\$2,700,000	\$300,000	\$148,572
SRF/Sewer	SRF 2019-433	\$7,900,000	\$0	\$434,712
SRF/Water	DW6 2019-213	\$800,000	\$200,000	\$45,096
SRF/Water	DW7 2019-214	\$800,000	\$200,000	\$45,096
SRF/Water	DWF 2019-215	\$4,000,000	\$0	\$225,492

* If applicable, the original approved amount is adjusted for decreases and approved increases

**MADS is an estimate until final expenses have been determined

The total MADS from section 2(a.) having a lien on SSTs is \$1,084,044.

(b.) Other prior obligations which have been funded or approved for which the local government has pledged its SSTs are as follows:

Type of Obligation	Identifying #	Loan Amount	Loan Forgiveness	MADS
QZAB/QSCB	N/A			
TLDA/Public Health	N/A			
TLDA/Transportation	N/A			

The total MADS from section 2(b.) having a lien on SSTs is \$0.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$1,084,044.

3. Loan Requests

The loan(s) which have been applied for and for which state-shared taxes will be pledged:

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Loan Forgiveness	Anticipated MADS
SRF/Water	DWF 2019-215-01	0.48%	\$510,000	\$0	\$26,749
SRF/Sewer	SRF 2019-433-01	0.48%	\$4,800,000	\$0	\$251,752

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$278,501.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$ 247,169.

The Local government hereby represents the information presented above is accurate and understands that funding for the loan request(s) presented is contingent upon approval by the TLDA.

Duly signed by an authorized representative of the Local Government on this 29th day of January, 2020.

This is the Comptroller's certificate as required by TCA 4-31-108.

LOCAL GOVERNMENT

BY:

Alex Smith, General Manager

**REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)**

Pursuant to Tenn. Code Ann. § 9-21-151, a Report on Debt Obligation (the "Report") must be prepared for all debt obligations issued or entered into by any public entity and filed with its governing body with a copy sent to the Office of State and Local Finance/Comptroller of the Treasury for the State of Tennessee. The purpose of the Report is to provide clear and concise information to members of the governing or legislative body that authorized and is responsible for the debt issued.

Public entities that fail to comply with the requirements of Tenn. Code Ann. § 9-21-151 are not permitted to enter into any further debt obligations until they have complied with the law. A State Revolving Fund (SRF) loan program applicant that is not in compliance with this law should file the Report as soon as possible and provide notification of filing to the SRF loan program so that they may proceed with the loan application. Instructions on how to file the Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

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- Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and
- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

To learn how to report these new disclosures please refer to the MSRB's Electronic Municipal Market Access EMMA® website (emma.msrb.org).

The applicant, City of Humboldt, attests that it is in compliance with Tenn. Code Ann. § 9-21-151 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved by the Tennessee Local Development Authority and the agreement has been executed by the borrower. The applicant further acknowledges that it may be responsible to perform continuing disclosure undertakings related to SEC Rule 15c2-12. Local governments should always consult bond counsel in order to obtain advice on appropriate disclosures related this rule.



Alex Smith, General Manager

January 29, 2020

Date

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

Total DWSRF \$ 327,731,220

Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Status
Row left blank intentionally									
1	85	20	7,060	Byrdstown*	Pickett	Water Treatment Plant Improvements (Construction of a new sedimentation basin, mixing system, plate settlers, piping, and related appurtenances.)	\$ 1,800,000	\$ 1,800,000	Community was contacted but SRF has not received a returned response.
2	85	30	3,986	Hampton Utility District*	Carter	GREEN - Waterline Replacement (Replacing approximately 25,000 LF of galvanized waterlines.)	\$ 1,250,000	\$ 3,050,000	Currently working with community.
3	85	40	3,843	Clifton+	Wayne	New Water Treatment Plant (Construction of a 1.5MGD WTP.) Planning and Design Loan	\$ 707,500	\$ 3,757,500	To be funded with the EPA WIIN Grant administered by SRF.
4	85	40	5,103	Spencer*	Van Buren	Water Treatment Plant Improvements (Construction of a new sedimentation basin, plate settlers, piping, and related appurtenances.)	\$ 975,000	\$ 4,732,500	To be funded with the EPA WIIN Grant administered by SRF.
5	85	40	15,139	Harriman Utility Board	Roane/Morgan	Water Loss Reduction (Survey the distribution system within the service area for leaks; establish district metering zones; and link monitoring to SCADA to readily detect leaks.) Planning Only	\$ 500,000	\$ 5,232,500	Community was contacted but SRF has not received a returned response.
6	85	60	5,116	Oliver Springs*	Anderson/Roane/Morgan	GREEN - Water Loss Remediation - Planning and Design	\$ 500,000	\$ 5,732,500	Funded.
7	65	30	2,215	Grainger County*	Grainger	Waterline Extension (Extending the Sneedville Utility District's existing waterline at the Hancock County/Grainger County line to the Thorn Hill Community.) Design and Construction	\$ 195,000	\$ 5,927,500	Community was contacted but SRF has not received a returned response.
8	65	40	9,629	Camden*	Benton	Waterline Relocation (Replacing the raw water main along Hwy 70 from the Tennessee River to the WTP and along Hwy 70 to the Birdsong WST.)	\$ 3,700,000	\$ 9,627,500	Interested in proceeding with SRF funding.

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

Total DWSRF \$ 327,731,220

Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Status
9	65	40	32,594	Elizabethton	Carter	Waterline Replacement (Replacing the existing 12-inch and 16-inch diameter cast iron Doe River transmission lines adjacent to Hwy 19E bridge in the Valley Forge Community to provide resiliency against severe flooding.)	\$ 1,050,000	\$ 10,677,500	Interested in proceeding with SRF funding. Anticipated to be funded with SRF in FY2021.
10	65	60	1,391	Rutherford*	Gibson	Water Treatment Plant Improvements (Construction of a new sedimentation basin.)	\$ 442,179	\$ 11,119,679	Did not proceed with SRF Loan. Obtained CDBG and RD funding for this project.
11	65	70	9,036	Hartsville-Trousdale Water and Sewer Utility District*	Trousdale	Distribution System Improvements (Construction of a new 2 MG WST, a booster pumping station, and associated appurtenances.)	\$ 1,750,000	\$ 12,869,679	Interested in proceeding with SRF funding.
12	65	70	637,216	Metropolitan Nashville	Davidson	GREEN - Water Storage Tank Upgrade (Installation of new a new concrete tank in the interior of the existing structure; replacing the western chamber with a 15 MG tank with a baffling system; and replacing the disinfection system at the 8th Ave S WST.)	\$ 17,373,000	\$ 30,242,679	Currently working with community.
14	45	10	6,143	Huntingdon*	Carroll	GREEN - Distribution System Improvements (Replacing existing waterlines on Main Street; extending waterlines to customers along Hwy 77; and replacing existing water meters with AMR meters.)	\$ 2,000,000	\$ 32,242,679	Community was contacted but SRF has not received a returned response.

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

Total DWSRF \$ 327,731,220

Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Status
15	45	20	9,869	Arthur-Shawnee Utility District*	Claiborne	Distribution System Improvements - (Construction of a new 400,000 gal water storage tank in the Powell Valley/Speedwell Area; installation of approximately 7,500 LF of 10-inch diameter PVC supply waterlines; and modifications to the existing pressure reducing station.)	\$ 800,000	\$ 33,042,679	Interested in proceeding with SRF funding.
16	45	20	12,510	Fayetteville	Lincoln	Distribution System Improvements (Improvements to the WTP to include solids management, disinfection byproduct control, and disinfection; WST and booster pumping station improvements; and WL replacements and extensions.)	\$ 11,687,000	\$ 44,729,679	Interested in proceeding with SRF funding.
17	45	20	30,743	Crossville	Cumberland	Waterline Extension (Installation of approximately 6,000 LF of 10-inch diameter waterlines in the Meadow Park Lake Area.)	\$ 585,000	\$ 45,314,679	Interested in proceeding with SRF funding.
18	45	30	19,197	First Utility District of Hawkins County	Hawkins	Distribution System Improvements (Construction of a 560 gpm water booster pumping station; installation of approximately 11,000 LF of 12-inch diameter waterlines; and the decommission of the Hord Creek WTP.)	\$ 950,000	\$ 46,264,679	Currently working with community.
19	45	40	1,922	Collinwood*	Wayne	Distribution System Improvements (Construction of a new WST and upgrading undersized waterlines.)	\$ 1,078,000	\$ 47,342,679	Community was contacted but SRF has not received a returned response.
20	45	40	7,674	Smith Utility District*	Smith/DeKalb	Waterline Replacement (Replacing existing waterlines with 8-inch or 10-inch PVC or HDPE waterlines along Main Street in Gordonsville.)	\$ 2,265,000	\$ 49,607,679	Community does not want to proceed with SRF funding. Utility Board voted against funding this project.

**DRINKING WATER STATE REVOLVING FUND
FY 2019 Priority Ranking List**

Total DWSRF \$ 327,731,220

Rank	Priority Points*	ATPI	Population Served	Local Government	County	Project Description	Total Project Amount	Running Total of Total Project Amount Requested (\$)	Status
21	45	40	10,602	Lewis County	Lewis	Water Line Extension (Installation of approximately 44,480 LF of waterlines in the Indian Creek and Big Swan Creek Road Areas.)	\$ 1,453,340	\$ 51,061,019	Community was contacted but SRF has not received a returned response.
22	45	40	19,704	Lawrenceburg	Lawrence	Waterline Replacement (Replacing approximately 7,500 LF of existing 2-inch diameter galvanized waterlines in the Hood Hills Area; upgrading the Crockett Pump Station; and construction of a 300,000 gal elevated WST.)	\$ 2,850,000	\$ 53,911,019	Community was contacted but SRF has not received a returned response.
23	45	50	18,668	Lafayette	Macon	WTP Expansion (Expanding the existing WTP from 2MGD to 4MGD to include the construction of a flocculation basin, two sedimentation basins, a mixed media filter, and 2MG clear well; and expansion of the existing building.)	\$ 4,500,000	\$ 58,411,019	Community was contacted but SRF has not received a returned response.
24	45	50	36,842	Oak Ridge	Anderson/Roane	GREEN - New Water Treatment Plant (Construction of a 16MGD membrane filtration WTP.)	\$ 18,414,703	\$ 76,825,722	Anticipated to be funded with SRF in FY2021.
25	45	50	36,842	Oak Ridge	Anderson/Roane	Distribution System Improvements	\$ 4,000,000	\$ 80,825,722	Community does not want to proceed with SRF funding.
26	45	50	81,325	Cleveland	Bradley	Pump Station Upgrades (Upgrades to the Dempsey Street Water Booster Pump Station.)	\$ 737,700	\$ 81,563,422	Community was contacted but SRF has not received a returned response.
27	45	50	81,325	Cleveland	Bradley	WTP Improvements (Construction of a new high service pump station adjacent to the Cleveland Filter Plant.)	\$ 6,982,100	\$ 88,545,522	Community was contacted but SRF has not received a returned response.
28	45	60	3,973	Loretto*	Lawrence	Waterline Extension (Installation of approximately 13,200 LF of waterlines.)	\$ 2,325,000	\$ 90,870,522	Community was contacted but SRF has not received a returned response.

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29	45	60	19,262	Ocoee Utility District	Bradley/Polk	New Water Treatment Plant (Construction of a 2.0 MGD WTP and 500,000 gal clearwell to replace existing Wildwood WTP.)	\$ 6,000,000	\$ 96,870,522	Community was contacted but SRF has not received a returned response.
30	45	60	19,262	Ocoee Utility District	Bradley/Polk	WTP Improvements (Construction of a new 200,000 gal clearwell to replace existing clearwell at the Carpenter Springs WTP.)	\$ 800,000	\$ 97,670,522	Community was contacted but SRF has not received a returned response.
31	45	70	637,216	Metropolitan Nashville	Davidson	GREEN - Water Storage Tank Replacement (Construction of a new 2.5MG 38th Ave WST.)	\$ 8,120,000	\$ 105,790,522	Currently working with community.
32	45	70	637,216	Metropolitan Nashville	Davidson	Waterline Replacement (Replacing approximately 14,340 LF of 2-inch thru 8-inch diameter cast iron waterlines with 8-inch diameter waterlines in the 12th Ave S Area.)	\$ 7,000,000	\$ 112,790,522	Currently working with community.
33	45	90	2,336	Bell Buckle*	Bedford	New Water Storage Tank (Webb School Water Storage Tank.)	\$ 886,000	\$ 113,676,522	Funded.
35	25	30	12,630	Erwin Utilities Authority	Unicoi	GREEN - Water Meter Replacement (Installation of AMR meters and leak detection equipment within the Erwin Utilities service area.)	\$ 2,000,000	\$ 115,676,522	Anticipated to be funded on March 6, 2020.
36	25	40	15,139	Harriman Utility Board	Roane/Morgan	Water Meter Replacement (Replacing approximately 2,048 meters that will be compatible with AMI systems.)	\$ 700,000	\$ 116,376,522	Community was contacted but SRF has not received a returned response.
37	25	40	95,501	Jackson Energy Authority	Madison	GREEN - Water Meter Replacement (Replacing approximately 37,000 existing water meters with AMR/AMI meters.)	\$ 3,500,000	\$ 119,876,522	Interested in proceeding with SRF funding. Anticipated to be funded with SRF in FY2021.
38	25	40	95,501	Jackson Energy Authority	Madison	Distribution System Improvements (Construction of a new WST and raw water well.)	\$ 1,600,000	\$ 121,476,522	Interested in proceeding with SRF funding. Anticipated to be funded with SRF in FY2021.

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FY 2019 Priority Ranking List**

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39	25	50	3,130	Alexandria*	DeKalb	GREEN - Water Meter Replacement (Replace approximately 900 water meters with AMR meters.) Planning and Design Only	\$ 20,000	\$ 121,496,522	Interested in proceeding with SRF funding.
40	25	50	81,325	Cleveland	Bradley	New Water Storage Tank (Construction of the new .5MG Cherokee Gateway Boulevard WST.)	\$ 990,000	\$ 122,486,522	Community was contacted but SRF has not received a returned response.
41	25	60	9,039	Atoka*	Tipton	New Water Treatment Plant	\$ 3,600,000	\$ 126,086,522	Interested in proceeding with SRF funding.
42	25	60	35,609	Lebanon	Wilson	New Water Storage Tank (Construction of a 1.0 MG WST at Seay Hill.)	\$ 1,400,000	\$ 127,486,522	Funded.
43	25	70	6,426	Minor Hill Utility District*	Giles	Water Storage Tank Improvements (Improvements to the tank mixing system at the Anthony Hill WST.)	\$ 400,000	\$ 127,886,522	Considering SRF funding but unsure.
44	25	70	6,426	Minor Hill Utility District*	Giles	Water Storage Tank Improvements (Improvements to the tank mixing system at the Kedron WST.)	\$ 400,000	\$ 128,286,522	Considering SRF funding but unsure.
45	25	70	6,426	Minor Hill Utility District*	Giles	Water Storage Tank Improvements (Improvements to the tank mixing system at the Minor Hill WST.)	\$ 400,000	\$ 128,686,522	Considering SRF funding but unsure.
46	25	80	1,536	Huntland*	Franklin	GREEN - Water Meter Replacement (Replacing existing water meters with AMR meters.)	\$ 400,000	\$ 129,086,522	Community does not want to proceed with SRF funding until current loan is complete.
47	25	100	20,435	Water & Wastewater Authority of Wilson County	Wilson/Trousdale	GREEN - Water Meter Replacement (Installation of approximately 7,800 AMI meters with leak detection; pressure sensors, and software integration.)	\$ 3,000,000	\$ 132,086,522	Interested in proceeding with SRF funding.

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FY 2019 Priority Ranking List**

Total DWSRF \$ 327,731,220

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48	65	10	5,366	Jellico*	Campbell	GREEN - Water Treatment Plant Improvements (Replace blowers, intake pumps, and high service pump motors at the existing WTP; and rehabilitate concrete basins and install new equipment, pumps, and misc piping at the old WTP.)	\$ 1,725,000	\$ 133,811,522	Interested in proceeding with SRF funding.
49	65	30	973	Trezevant*	Carroll	WTP Improvements (Rehabilitation of the wells, replace aeration equipment, and installation of new high service pumps, controls, and electrical components.)	\$ 628,000	\$ 134,439,522	Interested in proceeding with SRF funding.
50	65	50	61,926	Columbia	Maury/Williams on	Water Treatment Plant Upgrades and Distribution System Improvements	\$ 170,388,040	\$ 304,827,562	Community was contacted but SRF has not received a returned response.
51	65	60	9,384	Munford*	Tipton	Water Treatment Plant Improvements (Rehabilitation of ground water well #4.)	\$ 110,390	\$ 304,937,952	Interested in proceeding with SRF funding.
52	45	10	6,143	Huntingdon*	Carroll	Distribution System Improvements (Replacing existing waterlines on Main Street; extending waterlines to customers along Hwy 77; and replacing existing water meters with AMR meters.) Planning and Design	\$ 150,000	\$ 305,087,952	Community was contacted but SRF has not received a returned response.
53	45	30	10,602	Hohenwald	Lewis	Water Line Extension (Installation of approximately 44,480 LF of waterlines in the Indian Creek and Big Swan Creek Road Areas.)	\$ 1,500,000	\$ 306,587,952	Community was contacted but SRF has not received a returned response.
54	45	50	98	Hiwassee Utilities Commission	Bradley/McMinn	WTP Improvements (Converting the disinfection system from chlorine to sodium hypochlorite; construction of a new chemical storage building; improvements to the compressed air system; and the installation of new control valves and instrumentation.)	\$ 2,620,000	\$ 309,207,952	Community was contacted but SRF has not received a returned response.

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55	45	50	2,916	Carthage*	Smith	Waterline Replacement (Installation of approximately 1,000 LF of 6-inch diameter waterlines.)	\$ 135,000	\$ 309,342,952	Interested in proceeding with SRF funding; will resubmit project for FY2020 PRL.
56	45	60	9,384	Munford*	Tipton	Water Treatment Plant Improvements (Rehabilitation of the sand filters.)	\$ 79,415	\$ 309,422,367	Interested in proceeding with SRF funding.
57	45	60	35,609	Lebanon	Wilson	Waterline Replacement (Installation of approximately 6,600 LF of 16-inch diameter Williams St/Baddour Pkwy water transmission main.)	\$ 2,100,000	\$ 311,522,367	Community was contacted but SRF has not received a returned response.
58	45	70	50,155	Smyrna	Rutherford	Waterline Relocation (Nissan Drive/Jefferson Pike along SR266 to the 840 Interchange)	\$ 6,500,000	\$ 318,022,367	Currently working with community.
59	45	80	8,229	Walden Ridge Utility District*	Hamilton/Sequatchie	Distribution System Improvements (Construction of a new pump station, repairs to existing pump station, and installation of approximately 4,500 LF of 12-inch DIP water main, and installation of a 16-inch water main to connect to an existing 12-inch waterline.)	\$ 6,000,000	\$ 324,022,367	Interested in proceeding with SRF funding.
60	25	10	13,621	Brownsville Energy Authority	Haywood	Water Treatment Plant Improvements (Renovation of the clearwell at the Powell Street WTP.)	\$ 700,000	\$ 324,722,367	Community was contacted but SRF has not received a returned response.
61	25	30	17,713	Popular Grove Utility District	Tipton	New WST (Construction of a 1.5MG ground WST.)	\$ 2,833,853	\$ 327,556,220	Interested in proceeding with SRF funding.
62	25	70	1,536	Huntland*	Franklin	GREEN - Water Meter Replacement (Installation of AMR meter throughout distribution system.)	\$ 175,000	\$ 327,731,220	Community does not want to proceed with SRF funding.

PROJECT NAME & NUMBER	STATE & LOCAL FINANCE LOAN ACTIVITY at 01/02/2019	DATE LOAN AWARDED	LOAN AMOUNT	TDEC DETAILS/COMMENTS/STATUS	PROJECT SCHEDULE STATUS Compliance Non-compliance (Need explanation or justification)
Cleveland CW7 19-431	No funds have been disbursed to borrower	6/27/2019	\$ 1,771,000	2/21/2020 Per Cleveland Engineer, John Sparkman - There are easement issues and should be resolved in 3 months.	Construction extension date approved through August 2020
Dyersburg CG7 20-439	No funds have been disbursed to borrower	10/24/2019	\$ 2,500,000	A/E approved 2/3/2020.	Submission of engineering plans and specifications on or before July 2022
Franklin SRF 17-398 *	No funds have been disbursed to borrower	9/27/2017	\$ 20,000,000	This is a companion loan to SRF 17-376, which is currently 36% complete. 2/21/2020 - Per Franklin Engineer, Emily Kelly, Franklin intends to submit a large volume of invoices within the next few months and the pace of expending funds should increase.	Construction completion date December 2022
Hamilton County WWTA SRF 19-425 *	No funds have been disbursed to borrower	11/26/2018	\$ 2,474,000	This is a companion loan to CW7 19-424, which is currently 39% complete. 2/21/2020 - Per Alisha Francois, Manager HCWWTA, will submit large volume of invoices over the next several months.	Construction completion date of December 2020
Jasper SRF 18-401	No funds have been disbursed to borrower	11/8/2017	\$ 150,529	2/21/2020 Per Mayor Evans he requested to keep the loan and finish the project. SRF staff informed Mayor Evans that town is in violation of the contract and that he needs to immediately submit a loan decrease letter for the remaining amount of the loan and submit any and all final invoices. SRF team is currently working to draft correspondence requesting return of funds through OGC.	Construction completion date of December 2018
Oak Ridge DWF 19-216	No funds have been disbursed to borrower	5/9/2019	\$ 3,288,000	2/21/2020 - Per Janice McGinnis, Financial Manager, Oakridge will submit the first payment by March 15, 2020.	Submission of engineering plans and specification December 2020