



TENNESSEE LOCAL DEVELOPMENT AUTHORITY
JUNE 15, 2022
AGENDA

1. Call meeting to order
2. Approval of minutes from the TLDA meeting of April 26, 2022
3. Consideration of a request from the Metropolitan Government of Nashville and Davidson County to issue an EPA WIFIA loan in an amount not to exceed \$315,000,000 on parity with its outstanding SRF loan agreements
4. Consideration of a request from the Castalian Springs-Bethpage Utility District to issue Waterworks Revenue and Refunding and Improvement Bonds in an amount not to exceed \$4,240,000 on parity with its outstanding SRF loan agreements
5. Consider for approval the following Clean Water Loans:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
Town of Smyrna, SRF 2022-472	\$ 1,760,000	\$ -	\$ 1,760,000	1.21%	5
Hamilton County WWTa, SRF 2022-464	\$ 500,000	\$ -	\$ 500,000	0.79%	5
Hamilton County WWTa, SRF 2022-465	\$ 350,000	\$ -	\$ 350,000	0.79%	5
Hamilton County WWTa, SRF 2022-466	\$ 150,000	\$ -	\$ 150,000	0.79%	5
Hamilton County WWTa, SRF 2022-467	\$ 587,000	\$ -	\$ 587,000	0.79%	5
Hamilton County WWTa, SRF 2022-468	\$ 276,670	\$ -	\$ 276,670	0.79%	5

6. Consider for approval the following Drinking Water Loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term
Town of Trezevant, DW7 2021-235	\$ 44,250	\$ 44,250	\$ 88,500	0.10%	5

7. Adjourn

TENNESSEE LOCAL DEVELOPMENT AUTHORITY
April 26, 2022

The Tennessee Local Development Authority (the “TLDA”) met on Tuesday, April 26, 2022, at 2:14 p.m. in the Executive Conference Room, Ground Floor, State Capitol, Nashville, Tennessee. The Honorable Tre Hargett, Secretary of State, was present and presided over the meeting.

The following members were also present:

Sandra Thompson, Proxy for the Honorable Jason E. Mumpower, Comptroller of the Treasury
Kevin Bradley, Proxy for the Honorable David H. Lillard, Jr., State Treasurer
Commissioner Butch Eley, 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:

Mayor Paige Brown, House Appointee
Mayor Gary Cordell, Senate Appointee

The following member was absent:

The Honorable Bill Lee, Governor

Recognizing a quorum present, Mr. Hargett called the meeting to order, and asked Ms. Alicia West, Program Accountant with the Division of State Government Finance, to conduct a roll-call:

Mayor Brown—Present
Mayor Cordell—Present
Ms. Thompson—Present
Mr. Hargett—Present
Mr. Bradley—Present
Mr. Eley—Present

Mr. Hargett stated that the first item on the agenda was approval of the minutes from the March 28, 2022, TLDA meeting. Mr. Eley made a motion to approve the minutes, and Mr. Bradley seconded the motion. Mr. Hargett asked Ms. West to conduct a roll-call vote:

Mayor Brown—Aye
Mayor Cordell—Aye
Ms. Thompson—Aye
Mr. Hargett—Aye
Mr. Bradley—Aye
Mr. Eley—Aye

The minutes were unanimously approved.

Mr. Hargett stated that the next item on the agenda was consideration and approval of Drinking Water State Revolving Fund (DWSRF) loans and said that, unless there was any objection, the TLDA would hear the two loan requests prior to asking for a motion to approve. Hearing none, he recognized Mr. Adeniyi Bakare, SRF Program Manager for the Tennessee Department of Environment and Conservation, to present the loan requests. Mr. Bakare first presented the Report on Funds Available for Loan Obligation for the DWSRF Loan Program. He stated the unobligated fund balance was \$108,986,167 as of March 28, 2022. Upon approval of the loan requests to be

presented totaling \$20,000,000, the remaining funds available for loan obligations would be \$88,986,167. He then presented the DWSRF loan requests.

- **Cookeville (DWF 2022-244)** Requesting \$17,500,000 for Water Treatment Plant (WTP) expansion (expansion of the existing WTP's capacity from 15 million gallons per day (MGD) to 22.5 MGD); recommended interest rate of 1.07% based on the Ability to Pay Index (ATPI); Priority ranking 18 of 72 (FY2021); Term: 20 years
- **Smyrna (DWF 2022-246)** Requesting \$2,500,000 for waterline replacement (replacing approximately 7,800 Linear Feet of 8-inch thru 24-inch diameter waterlines by methods of open cut and pipe bursting); recommended interest rate of 1.60% based on the ATPI; Priority ranking 27 of 72 (FY2021); Term 20 years

Mr. Hargett inquired if there were any questions or comments. Hearing none, he asked for a motion to approve the loans. Mr. Eley made a motion to approve the loans, and Ms. Thompson seconded the motion. Mr. Hargett asked Ms. West to conduct a roll-call vote:

Mayor Brown—Aye
Mayor Cordell—Aye
Ms. Thompson—Aye
Mr. Hargett—Aye
Mr. Bradley—Aye
Mr. Eley—Aye

The loans were unanimously approved.

Hearing no other business, Mr. Hargett asked for a motion to adjourn the meeting. Mr. Eley made a motion to adjourn, and Mr. Bradley seconded the motion. Mr. Hargett asked Ms. West to conduct a roll-call vote:

Mayor Brown - Aye
Mayor Cordell—Aye
Ms. Thompson—Aye
Mr. Hargett—Aye
Mr. Bradley—Aye
Mr. Eley—Aye

The meeting was adjourned.

Approved on this ____ day of _____, 2022.

Respectfully submitted,

Sandra Thompson
Assistant Secretary



JASON E. MUMPOWER
Comptroller

June 8, 2022

**Metropolitan Government of Nashville and Davidson County
Request for TLDA Approval to Issue Additional Debt**

The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) is requesting approval from the Tennessee Local Development Authority (the “TLDA”) to issue a United States Environmental Protection Agency (EPA) Water Infrastructure Finance and Innovation Act (WIFIA) loan on parity with its outstanding State Revolving Fund (SRF) loan agreements. Request for approval is required by provisions set forth in the SRF loan agreements and guidelines set forth in the TLDA/SRF Policy and Guidance for Borrowers. The proposed loan transaction will be in an amount not to exceed \$315,000,000.

The following provides details about the transaction:

1. The requestor is a:

- ☐ Utility District or Water/Wastewater Authority 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 loan 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 loan on parity with its outstanding SRF loan(s).
- ☐ The borrower is requesting to subordinate the lien position of its outstanding SRF debt to the lien position of its new debt issuance.
- ☐ The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.



JASON E. MUMPOWER
Comptroller

3. The purpose of the proposed debt issuance is:

 Refunding
 X New Money

4. Description and Additional Information:

The Metropolitan Government has applied for funding from the EPA's WIFIA program. WIFIA loans are allowed to cover up to 49% of a project cost, and supported projects are required to be "co-financed" with another source of funding. Therefore, the project will be financed in two tranches. The Metropolitan Government is currently requesting approval to issue the first tranche (a WIFIA loan) and will submit a separate request to the TLDA, at a later date, prior to issuing the second tranche (Water and Sewer Revenue Bonds). An executive summary provided by the Metropolitan Government is attached with additional financing details.

Loan Proceeds:

- Approximately \$315,000,000 in loan proceeds from the first tranche would be used to fund capital improvements consisting of the Process Advancements at Omohundro and K.R. Harrington Water Treatment Plants Project, various improvements to upgrade and replace equipment at the existing, active water treatment plant sites, including a new raw water pump station, new post-filtration facilities at both sites, clearwell storage improvements and replacement, filter underdrain improvements and flood risk mitigation upgrades.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

<u> Aa2 </u>	Moody's
<u> AA </u>	Standard and Poor's
<u> N/R </u>	Fitch



JASON E. MUMPOWER
Comptroller

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

Borrower	Metropolitan Governemnt of Nashville & Davidson County						
Date	6/2/2022						
Loan Type	Loan #	Status	Disbursements	Available to Draw	% Principal Forgiveness	Edison Balance @6/2/22	MADS*
Water	DG8 20-223	Construction	\$ 3,150,156	\$ 1,849,844	0%	\$ 3,150,156	\$ 266,670
Water	DWF 20-224	Construction	1,916,802	25,576,198	0%	1,916,802	1,509,917
Sewer	SRF 20-446	Construction	1,201,217	10,398,783	0%	1,201,217	637,073
			\$ 6,268,175	\$ 37,824,825		\$ 6,268,175	\$ 2,413,660
*MADS is an estimate until final expenses have been determined							

7. Compliance with SRF Loan Agreement:

a. Timely repayments [4.(a)]

☒ Yes ☐ No

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

☐ Yes ☐ No

Amount on deposit:

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

The Metropolitan Government timely filed its audit report for FY 2021.

☒ Yes ☐ No

d. Sufficient Revenues [7.(k)]

☒ Yes ☐ No



JASON E. MUMPOWER
Comptroller

For the fiscal year ended June 30, 2021, the Metropolitan Government's audited financial statements reflected operating income of \$113,503,872, and a positive change in net position of \$111,264,834, for the Department of Water and Sewerage Services Fund (the "Fund"). As reported on the cash flow statement, debt service payments for fiscal year 2021 were \$72,268,477 consisting of principal payments of \$25,080,000 and interest payments of \$47,188,477.

As of the fiscal year ended June 30, 2021, the Fund reported \$86,815,945 in unrestricted cash and cash equivalents and \$422,619,762 in restricted cash and cash equivalents.

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

The current and projected Debt Service Coverage Ratio is equal to 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 debt service coverage ratio is projected by the Metropolitan Government at 3.02x for the fiscal year ended June 30, 2021 and estimated at 2.67x for fiscal year ending June 30, 2022 for the Water and Sewerage Services Fund.

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

The Metropolitan Government's prepared forecasted debt service coverage ratios for its Water and Sewerage Services Fund and projects that it will meet the debt service coverage requirement with estimated debt service to net revenues ranging from 2.32x to 1.87x for fiscal years 2023 through 2025.

The Metropolitan Government has met the debt service coverage requirements.

Source of debt service coverage ratios provided by the Metropolitan Government.



JASON E. MUMPOWER
Comptroller

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)]

 X Yes No

If yes, reason for referral: Water Loss X 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.

 X Included N/A

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

<u>\$100,314,701</u>	Received in prior fiscal year
<u>\$ 2,413,660</u>	Total Maximum Annual Debt Service
<u>\$ 97,901,041</u>	Unobligated SSTs

9. Conclusion

Based on our analysis, it appears the Metropolitan Government meets the TLDA's criteria to issue the WIFIA loan on parity with its SRF loans.

Attachment:

Debt Service Coverage Ratios (provided by the Metropolitan Government)
Executive Summary (provided by the Metropolitan Government)

City of Nashville | Metro Water Service

Financial Planning Model

Pro-forma Includes Hilltop Projected Debt Service for WIFIA Series 2022 and Bonds Series 2023

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
	<i>Unaudited</i>	<i>Estimated YTD</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
Enterprise System Revenues								
Operating Revenues (1)	\$ 260,131,975	\$ 271,871,673	\$ 282,531,446	\$ 293,618,464	\$ 303,898,017	\$ 312,756,267	\$ 321,872,630	\$ 331,262,780
Non-Operating Revenues	52,675,200	59,190,427	57,774,807	58,840,785	59,949,486	60,977,442	61,863,267	62,774,903
Total Revenues	\$ 312,807,176	\$ 331,062,100	\$ 340,306,253	\$ 352,459,249	\$ 363,847,503	\$ 373,733,708	\$ 383,735,896	\$ 394,037,683
			2.8%	3.6%	3.2%	2.7%	2.7%	2.7%
Operating Expenses: Excludes PILOT	111,809,213	130,175,733	142,532,992	146,446,314	150,457,471	154,568,908	158,783,132	163,102,713
			9.5%	2.7%	2.7%	2.7%	2.7%	2.7%
Net Revenues (2)	\$ 200,997,963	\$ 200,886,367	\$ 197,773,261	\$ 206,012,935	\$ 213,390,032	\$ 219,164,800	\$ 224,952,764	\$ 230,934,970
Debt Service:								
<u>Prior Second</u>								
Existing Debt Service - Revenue Bonds	\$ 46,811,224	\$ 56,831,513	\$ 80,835,232	\$ 80,825,766	\$ 80,827,136	\$ 80,811,878	\$ 80,790,358	\$ 80,800,410
Existing Debt Service - SRF Loans		36,715	674,390	2,423,805	2,784,803	2,761,043	2,737,282	2,713,521
Proposed - WIFIA Loan Series 2022						1,566,726	8,912,526	11,025,000
Proposed - Bond Series 2023				4,755,455	25,922,500	25,923,375	25,923,625	25,922,500
	\$ 46,811,224	\$ 56,868,228	\$ 81,509,622	\$ 88,005,025	\$ 109,534,439	\$ 111,063,022	\$ 118,363,791	\$ 120,461,431
<u>Subordinate</u>								
Bond Series 2012 (3)	\$ 19,844,125	\$ 18,260,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Commercial Paper Interest		79,995	5,349,997	956,110	4,339,162	6,571,777	9,523,667	1,787,110
	\$ 19,844,125	\$ 18,340,495	\$ 5,349,997	\$ 956,110	\$ 4,339,162	\$ 6,571,777	\$ 9,523,667	\$ 1,787,110
Total Debt Service	\$ 66,655,349	\$ 75,208,723	\$ 86,859,619	\$ 88,961,135	\$ 113,873,601	\$ 117,634,798	\$ 127,887,458	\$ 122,248,542
Extension and Replacement Fund Balance (4)		\$ 330,604,154	\$ 353,160,796	\$ 364,714,614	\$ 354,002,768	\$ 338,112,356	\$ 346,528,265	\$ 339,027,430
Debt Service Coverage Ratio for Second Lien Bonds (5)	4.29	3.53	2.43	2.34	1.95	1.97	1.90	1.92
Total Debt Service Coverage (6)	3.02	2.67	2.28	2.32	1.87	1.86	1.76	1.89

1) Includes retail user charge revenue from water and sewer customers. FY23 & FY24 revenues include 3% mid-year rate increases. FY25 through FY28 include 2% mid-year rate increases.

Accounts are projected to grow at 1% annually.

2) Other Revenues include WIR & SIR surcharge revenue, wholesale revenues, high-strength surcharges, customer service revenues, and all other miscellaneous revenue.

3) The Subordinate Series 2012 Bonds were defeased in 2021.

4) Represents fiscal year ending balance

5) Net Revenue divided by debt service on the Prior Second Bonds

6) Net Revenue divided by the debt service on all debt



BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD

IN THE MATTER OF:

**T.C.A. § 68-221-1010—FINANCIAL DISTRESS
METRO NASHVILLE – DAVIDSON COUNTY WATER SERVICES DEPARTMENT**

ORDER

Pursuant to T.C.A. § 68-221-1010, the Tennessee Water and Wastewater Financing Board (the "Board") on March 29, 2018 reviewed the financially distressed status of the Metro Nashville – Davidson County water and sewer ("Metro Nashville") fund. Based on the deficiencies in Metro Nashville's water and sewer fund, the Board directs Metro Nashville to comply with the following:

1. Metro Nashville shall provide an update to Water and Wastewater Financing Board staff with the completed Raftelis rate study, and the implemented or proposed plan of action on or before August 31, 2019.
2. Metro Nashville shall provide an interim update to Water and Wastewater Financing Board staff on the Raftelis rate study on or before August 31, 2018.

Entered this 17th day of April 2018.

Ann V. Butterworth, Chair
Water and Wastewater Financing Board

BEFORE THE TENNESSEE WATER AND WASTEWATER FINANCING BOARD

IN THE MATTER OF:

**METROPOLITAN GOVERNMENT
OF NASHVILLE AND
DAVIDSON COUNTY**

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

ORDER

On November 21, 2019, the Tennessee Water and Wastewater Financing Board (“the Board”) reviewed the financially distressed status of the Metropolitan Government of Nashville and Davidson County (“Metro Nashville”) pursuant to Tenn. Code Ann. § 68-221-1010. Staff informed the Board that Metro Nashville has complied with the Board’s previous order. Raftelis Financial Consultants, Inc. completed a cost of service study. As of the Board’s meeting, Metro Nashville had passed the resulting recommended rates on second reading of Ordinance BL-19-45. Staff informed the Board that since April 2018, the water and sewer funds were being used to pay general fund debt, forcing the water and sewer department to cut much-needed maintenance and capital projects. Metro Nashville Water Services Director Scott Potter and Assistant Director for Finance Amanda Deaton-Moyer addressed the Board, expressing gratitude to Staff and the Board and indicating that they were pleased with the rate study. Therefore, based on Staff’s statements, recommendations, and all supporting documentation, the Board hereby orders the following:

1. Metro Nashville shall enact Ordinance BL-19-45, as amended, to go into effect no later than January 1, 2020.
2. Metro Nashville shall not adopt rates or fees lower than those listed in the amendment to Ordinance BL-19-45 as of second reading.

3. Metro Nashville shall ensure that all funds, restricted and unrestricted, held or maintained for use in connection with the water and sewerage systems, are available for their intended and required purposes at all times.
4. Metro Nashville shall send financial updates to Board staff by March 1st and September 1st of each year, beginning March 1, 2020, until the Board releases Metro Nashville from its oversight.

ENTERED this 4th day of December, 2019.



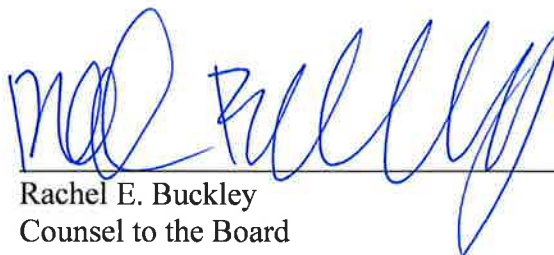
ANN V. BUTTERWORTH, Chair
Water and Wastewater Financing Board

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served via certified mail return receipt requested to the following on this 4th day of December, 2019:

Mayor John Cooper
1 Public Square
Nashville, TN 37201

Mr. Scott Potter
Director
Metro Water Services
1600 2nd Ave. North
Nashville, TN 37208



Rachel E. Buckley
Counsel to the Board

JOHN COOPER, MAYOR

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

May 26, 2022

DEPARTMENT OF FINANCE
OFFICE OF THE TREASURER
P. O. Box 196300
NASHVILLE, TN 37219-6300
615-880-2819

**VIA E-MAIL (sandi.thompson@cot.tn.gov and
alicia.west@cot.tn.gov)**

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

RE: The Metropolitan Government of Nashville and Davidson County – SRF Loans Nos. 2020 223, 2020-224 and 2020-446 (the “SRF Loans”) – Request for Consent to Issue Additional Water and Sewer Revenue Bonds on Parity with the SRF Loans

Dear Ms. Thompson:

The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) intends to issue approximately \$717,815,000 of water and sewer revenue bonds (the “Bonds”) in two tranches for the purposes set forth below. The Bonds would be payable solely from and secured solely by a senior lien on the net revenues of the Metropolitan Government’s water and sewer system (the “System”), on parity with the SRF Loans referenced above, as well as the Metropolitan Government’s Series 2010, 2013, 2017, 2020 and 2021 Water and Sewer Revenue Bonds. Pursuant to the TLDA’s guidelines, we hereby request that the TLDA consent to the issuance of the first tranche of Bonds on parity with the SRF Loans. We plan to revisit the TLDA for a separate request that the TLDA consent to the issuance of the second tranche of Bonds.

The first tranche will be issued in the form of a secured loan, pursuant to the Water Infrastructure Finance and Innovation Act (“WIFIA”), with the United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “EPA”). The second tranche is expected to be issued through the public bond market in calendar year 2023. The Bonds would be structured as set forth in the financial reports included herewith as Exhibit B. It is expected that \$315,000,000 in bond proceeds from the first tranche and approximately \$316,027,743 in bond proceeds from the second tranche will be used to fund capital projects for the System, consisting of the Process Advancements at Omohundro and K.R. Harrington Water Treatment Plants Project, various improvements to upgrade and replace equipment at the existing, active water treatment plant sites, including a new raw water pump station, new post-filtration facilities at both sites, clearwell storage improvements and replacement, filter underdrain improvements and flood risk mitigation upgrades (the “Project”), located in Nashville, Tennessee. It is expected that \$2,814,075 will be delivery date expenses and the remaining \$83,972,257 in bond proceeds from the second tranche will be used to retire commercial paper issued to fund other Metropolitan Government water and sewer projects unrelated to the Project. An anticipated sources and uses table is included in Exhibit A.

Neither tranche of Bonds will be general obligations of the Metropolitan Government. As such, it is important that the second tranche of Bonds, which will be sold in the public markets, be issued on a senior lien basis relative to System revenues – on parity with the SRF Loans and other outstanding debt. The Metropolitan Government believes that the additional interest expense payable on subordinate lien debt obligations would be cost-prohibitive. With respect to the WIFIA loan, the EPA's regulations require that the WIFIA loan be secured in the same manner as all other debt issued to fund the local government share of the WIFIA-funded project. As such, the EPA is requiring the WIFIA loan also be secured on a senior lien basis.

The Metropolitan Government cites the following factors in favor of this request:

1. The Metropolitan Government is in compliance with the terms of the SRF Loan Agreements.
2. The Metropolitan Government's authorized and outstanding SRF debt is attached as Exhibit C.
3. The Metropolitan Government has never failed to timely repay its SRF Loans.
4. The Metropolitan Government has filed its audited financial statements with the Division of Local Government Audit in a timely manner.
5. Current and pro forma debt service coverage is attached as Exhibit C.
6. The rights and lien position of the TLDA relative to the SRF Loans will not be affected.

If you have additional questions or require further information, please do not hesitate to contact any of the following individuals who have assisted the Metropolitan Government in connection with the preparation of this request.

Thank you for considering our request.

Yours truly,



Kelly Flannery
Director of Finance

Presented to:



The State of Tennessee
Tennessee Local Development Authority

By:

The Metropolitan Government of
Nashville and Davidson County

May 2022

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Executive Summary

Tab A

Executive Summary

Structuring Goals

- Metro intends to issue two series of water and sewer revenue bonds, and is requesting consent to issue the first series of bonds on parity with the SRF loans. Metro will make a separate request for consent to issue the second series of bonds at a later time.
- There will be two Series:
 1. Water & Sewer Revenue Loan, Series 2022 (WIFIA Project) via a secured loan with the United States Environmental Protection Agency pursuant to the Water Infrastructure Finance and Innovation Act (WIFIA)
 2. Water & Sewer Revenue Bonds, Series 2023 via public bond market to finance the remaining WIFIA project amount, and potentially include a commercial paper retirement portion
- First Series: Water & Sewer Revenue, Series 2022 (WIFIA Project) Loan Overview
 - Par Amount: Not to exceed \$315,000,000
 - Maturity Structure:
 - Interest only through completion of Project, expected 2028
 - Level annual debt service after interest only period
 - Final Maturity: Earliest of (a) July 1, 2058, (b) date of redemption or prepayment, or (c) thirty-five (35) years after completion of Project
 - DSRF: Funded as Metro Nashville draws down on the WIFIA Loan, attributable to the amount drawn
 - Security: Senior Lien Pledge Net Revenues of Metro Nashville's Water & Sewer System, on parity with outstanding bonds and SRF Loans
 - Balloon Debt: While the WIFIA Loan is scheduled to amortize over a period of over 30 years from project completion, Metro will consult with the Comptroller's Office to determine whether the WIFIA Loan will constitute balloon indebtedness under TCA 9-21-133, and obtain any required consents.
- Second Series: Water & Sewer Revenue, Series 2023 Bonds Overview
 - Par Amount: Not to exceed \$450,000,000
 - Maturity Structure:
 - Level 30-year debt service
 - Final Maturity: July 1, 2053
 - Security: Senior Lien Pledge Net Revenues of Metro Nashville's Water & Sewer System, on parity with outstanding bonds and SRF Loans

Executive Summary

WIFIA Project Summary - Process Advancements at Omohundro and KR Harrington Water Treatment Plants Project

- In 2018, Metro Water Services (MWS) initiated a water treatment pilot plant research project to explore emerging technologies to best provide safe and reliable drinking water to our customers. Piloting possible new treatment processes prior to full scale integration provides critical data on water quality results and operational expectations.
- The pilot plant project was a two-year endeavor; 18 months of operating and collecting data and 6 months of data evaluation for final recommendation. Throughout the course of pilot operations over 44 thousand samples were collected and analyzed and one piloted option emerged as the clear leader and the best suited for the future water treatment at MWS.
- The GAC post filter adsorbers piloted option provided excellent results in all water quality categories. In addition, process implementation considerations for the GAC post filter adsorbers demonstrated that the ability to execute the proposed improvements would be successful. The pilot plant research project concluded with a final recommendation for full scale implementation at both water treatment plants of GAC post filter adsorbers.

Executive Summary

WIFIA Project Summary - Process Advancements at Omohundro and KR Harrington Water Treatment Plants Project

- In addition to the GAC post filter adsorbers, other identified improvements needed at both water treatment plants are included as part of this project to address aging infrastructure, reduce flood risk, and attain firm capacity based on water master planning goals. Complete lists of total project improvements at both WTPs are as follows:

Omohundro WTP:

- Upgrade from 90 MGD to 120 MGD
- New 120 MGD Raw Water Pumping Station
- New and/or Improvements to the Dedicated High Service Pump Station
- New 6 MG (minimum) Clearwell Storage
- Piping and Process Replacements – Piping/Valves/Actuators
- Plate Settler Installation & possible Basin Cover
- GAC Post Filter Adsorbers (including intermediate pumping station)

K.R. Harrington WTP

- Filter Underdrain and Media Replacement
- Plate Settler Installation & possible Basin Cover
- Clarifier 1 through 4 Improvements
- GAC Post Filter Adsorbers (including intermediate pumping station)
- An exhibit showing the existing plant layout with project improvements at K.R. Harrington WTP and at Omohundro WTP is shown on the subsequent pages.

Exhibit A to Request Letter

Tab B

Exhibit A to Request Letter

Sources and Uses

Series 2022 WIFIA Loan	
Sources of Funds	
Loan Amount	\$ 315,000,000
Metro Contribution for DSR	16,812,306
Metro Contribution for Costs of Issuance	810,880
Total Sources of Funds	<u>\$ 332,623,186</u>
Uses of Funds	
Deposit for Water Treatment Plants	\$ 315,000,000
Debt Service Reserve Fund Deposit	16,812,306
Costs of Issuance	810,880
Total Uses of Funds	<u>\$ 332,623,186</u>

Series 2023 Bonds	
Sources of Funds	
Par Amount	\$ 402,815,000
Total Sources of Funds	<u>\$ 402,815,000</u>
Uses of Funds	
Deposit for Water Treatment Plants	\$ 316,027,743
CP Retirement	83,972,257
Costs of Issuance	800,925
Underwriters Discount	2,014,075
Total Uses of Funds	<u>\$ 402,815,000</u>

Exhibit A to Request Letter

Aggregate Cash Flow Summary – Water and Sewer Revenue Bonds ⁽¹⁾

Fiscal Year End (June 30)	Outstanding Debt Service (2)	WIFIA Loan Series 2022 (3)			Total Debt Service Post 2022 (2)(3)	Bonds Series 2023 (3)			Total Debt Service Post 2023 (2)(3)
		Principal	Interest	Debt Service		Principal	Interest	Debt Service	
2023	\$ 80,835,232	\$ -	\$ -	\$ -	\$ 80,835,232	\$ -	\$ -	\$ -	\$ 80,835,232
2024	80,825,766	-	-	-	80,825,766	-	4,755,455	4,755,455	85,581,221
2025	80,827,136	-	-	-	80,827,136	5,930,000	19,992,500	25,922,500	106,749,636
2026	80,811,878	-	1,566,726	1,566,726	82,378,604	6,235,000	19,688,375	25,923,375	108,301,979
2027	80,790,358	-	8,912,526	8,912,526	89,702,884	6,555,000	19,368,625	25,923,625	115,626,509
2028	80,800,410	-	11,025,000	11,025,000	91,825,410	6,890,000	19,032,500	25,922,500	117,747,910
2029	81,609,209	5,787,306	10,923,722	16,711,028	98,320,237	7,245,000	18,679,125	25,924,125	124,244,362
2030	81,587,432	5,989,862	10,717,622	16,707,483	98,294,915	7,615,000	18,307,625	25,922,625	124,217,540
2031	81,556,909	6,199,507	10,504,308	16,703,815	98,260,724	8,005,000	17,917,125	25,922,125	124,182,849
2032	81,527,036	6,416,490	10,283,528	16,700,017	98,227,053	8,415,000	17,506,625	25,921,625	124,148,678
2033	81,501,215	6,641,067	10,055,021	16,696,087	98,197,302	8,850,000	17,075,000	25,925,000	124,122,302
2034	81,477,283	6,873,504	9,818,516	16,692,020	98,169,302	9,300,000	16,621,250	25,921,250	124,090,552
2035	81,485,473	7,114,077	9,573,733	16,687,810	98,173,282	9,780,000	16,144,250	25,924,250	124,097,532
2036	81,523,677	7,363,069	9,320,383	16,683,452	98,207,129	10,280,000	15,642,750	25,922,750	124,129,879
2037	81,563,076	7,620,777	9,058,166	16,678,942	98,242,018	10,810,000	15,115,500	25,925,500	124,167,518
2038	81,585,821	7,887,504	8,786,771	16,674,275	98,260,095	11,360,000	14,561,250	25,921,250	124,181,345
2039	81,611,573	8,163,567	8,505,877	16,669,444	98,281,016	11,945,000	13,978,625	25,923,625	124,204,641
2040	81,625,221	8,449,291	8,215,152	16,664,443	98,289,665	12,560,000	13,366,000	25,926,000	124,215,665
2041	81,614,794	8,745,017	7,914,252	16,659,268	98,274,062	13,200,000	12,722,000	25,922,000	124,196,062
2042	81,624,539	9,051,092	7,602,820	16,653,912	98,278,450	13,880,000	12,045,000	25,925,000	124,203,450
2043	62,897,539	9,367,880	7,280,488	16,648,368	79,545,907	14,590,000	11,333,250	25,923,250	105,469,157
2044	62,898,200	9,695,756	6,946,874	16,642,630	79,540,830	15,340,000	10,585,000	25,925,000	105,465,830
2045	48,371,300	10,035,108	6,601,584	16,636,692	65,007,992	16,125,000	9,798,375	25,923,375	90,931,367
2046	48,379,975	10,386,336	6,244,209	16,630,545	65,010,520	16,950,000	8,971,500	25,921,500	90,932,020
2047	37,109,950	10,749,858	5,874,325	16,624,183	53,734,133	17,820,000	8,102,250	25,922,250	79,656,383
2048	20,333,931	11,126,103	5,491,496	16,617,599	36,951,530	18,735,000	7,188,375	25,923,375	62,874,905
2049	20,333,294	11,515,517	5,095,268	16,610,784	36,944,078	19,695,000	6,227,625	25,922,625	62,866,703
2050	20,329,925	11,918,560	4,685,171	16,603,731	36,933,656	20,705,000	5,217,625	25,922,625	62,856,281
2051	20,333,431	12,335,710	4,260,721	16,596,431	36,929,862	21,770,000	4,155,750	25,925,750	62,855,612
2052	20,333,419	12,767,459	3,821,416	16,588,875	36,922,294	22,885,000	3,039,375	25,924,375	62,846,669
2053	-	13,214,320	3,366,735	16,581,055	16,581,055	24,055,000	1,865,875	25,920,875	42,501,930
2054	-	13,676,822	2,896,140	16,572,962	16,572,962	25,290,000	632,250	25,922,250	42,495,212
2055	-	14,155,510	2,409,074	16,564,585	16,564,585	-	-	-	16,564,585
2056	-	14,650,953	1,904,961	16,555,914	16,555,914	-	-	-	16,555,914
2057	-	15,163,737	1,383,204	16,546,941	16,546,941	-	-	-	16,546,941
2058	-	15,694,467	843,185	16,537,653	16,537,653	-	-	-	16,537,653
2059	-	16,243,774	284,266	16,528,040	16,528,040	-	-	-	16,528,040
Total	\$ 1,988,105,000	\$315,000,000	\$222,173,236	\$537,173,236	\$ 2,525,278,236	\$402,815,000	\$379,636,830	\$782,451,830	\$ 3,307,730,066

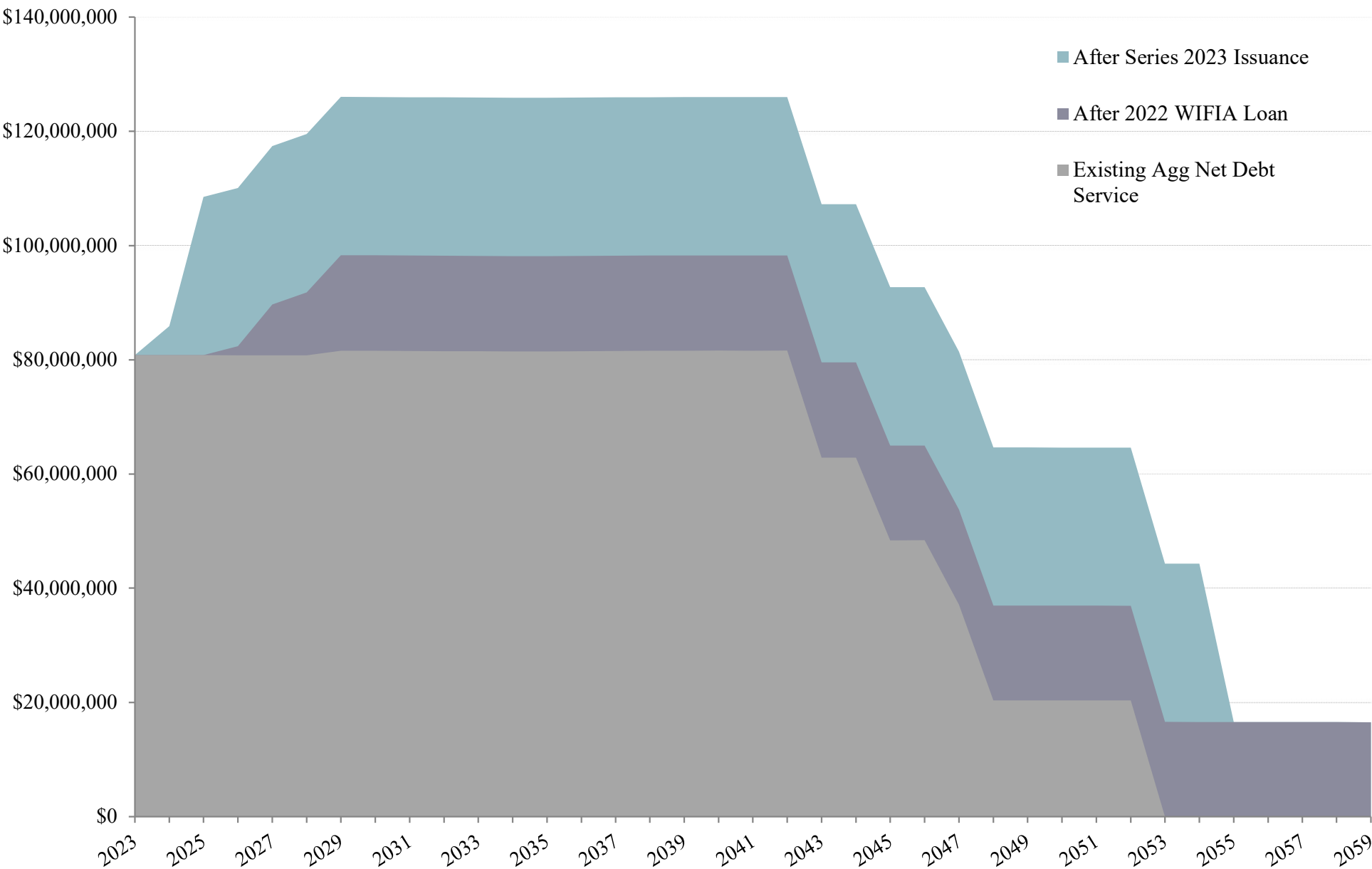
(1) All of Fiscal Year 2022 principal and interest has been paid.

(2) Net of Federal Subsidy payments (after accounting for 5.7% Sequestration effect) associated with the outstanding Build America Bonds and Recovery Zone Economic Development Bonds.

(3) Preliminary, subject to change.

Exhibit A to Request Letter

Aggregate W&S Debt Impact (1)(2)(3)



(1) All of Fiscal Year 2022 principal and interest has been paid.
(2) Net of Federal Subsidy payments (after accounting for 5.7% Sequestration effect) associated with the outstanding Build America Bonds and Recovery Zone Economic Development Bonds.
(3) Preliminary, subject to change..

Exhibit B to Request Letter

Tab C



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W&S Bonds for WIFIA & CP Takeout
Water and Sewer Revenue Refunding Bonds, Series 2023

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SOURCES AND USES OF FUNDS

W&S Bonds for WIFIA & CP Takeout Water and Sewer Revenue Refunding Bonds, Series 2023

Dated Date	10/06/2023
Delivery Date	10/06/2023

Sources:

Bond Proceeds:

Par Amount	402,815,000.00
------------	----------------

402,815,000.00

Uses:

Project Fund Deposits:

WIFIA Project	316,027,743.00
---------------	----------------

CP Retirement	83,972,257.00
---------------	---------------

400,000,000.00

Delivery Date Expenses:

Cost of Issuance	800,000.00
------------------	------------

Underwriter's Discount	2,014,075.00
------------------------	--------------

2,814,075.00

Other Uses of Funds:

Additional Proceeds	925.00
---------------------	--------

402,815,000.00

BOND DEBT SERVICE

**W&S Bonds for WIFIA & CP Takeout
Water and Sewer Revenue Refunding Bonds, Series 2023**

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2024			4,755,454.86	4,755,454.86
06/30/2025	5,930,000	5.000%	19,992,500.00	25,922,500.00
06/30/2026	6,235,000	5.000%	19,688,375.00	25,923,375.00
06/30/2027	6,555,000	5.000%	19,368,625.00	25,923,625.00
06/30/2028	6,890,000	5.000%	19,032,500.00	25,922,500.00
06/30/2029	7,245,000	5.000%	18,679,125.00	25,924,125.00
06/30/2030	7,615,000	5.000%	18,307,625.00	25,922,625.00
06/30/2031	8,005,000	5.000%	17,917,125.00	25,922,125.00
06/30/2032	8,415,000	5.000%	17,506,625.00	25,921,625.00
06/30/2033	8,850,000	5.000%	17,075,000.00	25,925,000.00
06/30/2034	9,300,000	5.000%	16,621,250.00	25,921,250.00
06/30/2035	9,780,000	5.000%	16,144,250.00	25,924,250.00
06/30/2036	10,280,000	5.000%	15,642,750.00	25,922,750.00
06/30/2037	10,810,000	5.000%	15,115,500.00	25,925,500.00
06/30/2038	11,360,000	5.000%	14,561,250.00	25,921,250.00
06/30/2039	11,945,000	5.000%	13,978,625.00	25,923,625.00
06/30/2040	12,560,000	5.000%	13,366,000.00	25,926,000.00
06/30/2041	13,200,000	5.000%	12,722,000.00	25,922,000.00
06/30/2042	13,880,000	5.000%	12,045,000.00	25,925,000.00
06/30/2043	14,590,000	5.000%	11,333,250.00	25,923,250.00
06/30/2044	15,340,000	5.000%	10,585,000.00	25,925,000.00
06/30/2045	16,125,000	5.000%	9,798,375.00	25,923,375.00
06/30/2046	16,950,000	5.000%	8,971,500.00	25,921,500.00
06/30/2047	17,820,000	5.000%	8,102,250.00	25,922,250.00
06/30/2048	18,735,000	5.000%	7,188,375.00	25,923,375.00
06/30/2049	19,695,000	5.000%	6,227,625.00	25,922,625.00
06/30/2050	20,705,000	5.000%	5,217,625.00	25,922,625.00
06/30/2051	21,770,000	5.000%	4,155,750.00	25,925,750.00
06/30/2052	22,885,000	5.000%	3,039,375.00	25,924,375.00
06/30/2053	24,055,000	5.000%	1,865,875.00	25,920,875.00
06/30/2054	25,290,000	5.000%	632,250.00	25,922,250.00
	402,815,000		379,636,829.86	782,451,829.86

BOND DEBT SERVICE

W&S Bonds for WIFIA & CP Takeout
Water and Sewer Revenue Refunding Bonds, Series 2023

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
01/01/2024			4,755,454.86	4,755,454.86	
06/30/2024					4,755,454.86
07/01/2024	5,930,000	5.000%	10,070,375.00	16,000,375.00	
01/01/2025			9,922,125.00	9,922,125.00	
06/30/2025					25,922,500.00
07/01/2025	6,235,000	5.000%	9,922,125.00	16,157,125.00	
01/01/2026			9,766,250.00	9,766,250.00	
06/30/2026					25,923,375.00
07/01/2026	6,555,000	5.000%	9,766,250.00	16,321,250.00	
01/01/2027			9,602,375.00	9,602,375.00	
06/30/2027					25,923,625.00
07/01/2027	6,890,000	5.000%	9,602,375.00	16,492,375.00	
01/01/2028			9,430,125.00	9,430,125.00	
06/30/2028					25,922,500.00
07/01/2028	7,245,000	5.000%	9,430,125.00	16,675,125.00	
01/01/2029			9,249,000.00	9,249,000.00	
06/30/2029					25,924,125.00
07/01/2029	7,615,000	5.000%	9,249,000.00	16,864,000.00	
01/01/2030			9,058,625.00	9,058,625.00	
06/30/2030					25,922,625.00
07/01/2030	8,005,000	5.000%	9,058,625.00	17,063,625.00	
01/01/2031			8,858,500.00	8,858,500.00	
06/30/2031					25,922,125.00
07/01/2031	8,415,000	5.000%	8,858,500.00	17,273,500.00	
01/01/2032			8,648,125.00	8,648,125.00	
06/30/2032					25,921,625.00
07/01/2032	8,850,000	5.000%	8,648,125.00	17,498,125.00	
01/01/2033			8,426,875.00	8,426,875.00	
06/30/2033					25,925,000.00
07/01/2033	9,300,000	5.000%	8,426,875.00	17,726,875.00	
01/01/2034			8,194,375.00	8,194,375.00	
06/30/2034					25,921,250.00
07/01/2034	9,780,000	5.000%	8,194,375.00	17,974,375.00	
01/01/2035			7,949,875.00	7,949,875.00	
06/30/2035					25,924,250.00
07/01/2035	10,280,000	5.000%	7,949,875.00	18,229,875.00	
01/01/2036			7,692,875.00	7,692,875.00	
06/30/2036					25,922,750.00
07/01/2036	10,810,000	5.000%	7,692,875.00	18,502,875.00	
01/01/2037			7,422,625.00	7,422,625.00	
06/30/2037					25,925,500.00
07/01/2037	11,360,000	5.000%	7,422,625.00	18,782,625.00	
01/01/2038			7,138,625.00	7,138,625.00	
06/30/2038					25,921,250.00
07/01/2038	11,945,000	5.000%	7,138,625.00	19,083,625.00	
01/01/2039			6,840,000.00	6,840,000.00	
06/30/2039					25,923,625.00
07/01/2039	12,560,000	5.000%	6,840,000.00	19,400,000.00	
01/01/2040			6,526,000.00	6,526,000.00	
06/30/2040					25,926,000.00
07/01/2040	13,200,000	5.000%	6,526,000.00	19,726,000.00	
01/01/2041			6,196,000.00	6,196,000.00	
06/30/2041					25,922,000.00
07/01/2041	13,880,000	5.000%	6,196,000.00	20,076,000.00	
01/01/2042			5,849,000.00	5,849,000.00	
06/30/2042					25,925,000.00
07/01/2042	14,590,000	5.000%	5,849,000.00	20,439,000.00	
01/01/2043			5,484,250.00	5,484,250.00	
06/30/2043					25,923,250.00
07/01/2043	15,340,000	5.000%	5,484,250.00	20,824,250.00	
01/01/2044			5,100,750.00	5,100,750.00	
06/30/2044					25,925,000.00
07/01/2044	16,125,000	5.000%	5,100,750.00	21,225,750.00	
01/01/2045			4,697,625.00	4,697,625.00	

BOND DEBT SERVICE

**W&S Bonds for WIFIA & CP Takeout
Water and Sewer Revenue Refunding Bonds, Series 2023**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/30/2045					25,923,375.00
07/01/2045	16,950,000	5.000%	4,697,625.00	21,647,625.00	
01/01/2046			4,273,875.00	4,273,875.00	
06/30/2046					25,921,500.00
07/01/2046	17,820,000	5.000%	4,273,875.00	22,093,875.00	
01/01/2047			3,828,375.00	3,828,375.00	
06/30/2047					25,922,250.00
07/01/2047	18,735,000	5.000%	3,828,375.00	22,563,375.00	
01/01/2048			3,360,000.00	3,360,000.00	
06/30/2048					25,923,375.00
07/01/2048	19,695,000	5.000%	3,360,000.00	23,055,000.00	
01/01/2049			2,867,625.00	2,867,625.00	
06/30/2049					25,922,625.00
07/01/2049	20,705,000	5.000%	2,867,625.00	23,572,625.00	
01/01/2050			2,350,000.00	2,350,000.00	
06/30/2050					25,922,625.00
07/01/2050	21,770,000	5.000%	2,350,000.00	24,120,000.00	
01/01/2051			1,805,750.00	1,805,750.00	
06/30/2051					25,925,750.00
07/01/2051	22,885,000	5.000%	1,805,750.00	24,690,750.00	
01/01/2052			1,233,625.00	1,233,625.00	
06/30/2052					25,924,375.00
07/01/2052	24,055,000	5.000%	1,233,625.00	25,288,625.00	
01/01/2053			632,250.00	632,250.00	
06/30/2053					25,920,875.00
07/01/2053	25,290,000	5.000%	632,250.00	25,922,250.00	
06/30/2054					25,922,250.00
	402,815,000		379,636,829.86	782,451,829.86	782,451,829.86



JASON E. MUMPOWER
Comptroller

June 02, 2022

**Castalian Springs-Bethpage Water Utility District
Request for TLDA Approval to Issue Additional Debt**

The Castalian Springs-Bethpage Utility District (the “District”) is requesting approval from the Tennessee Local Development Authority (the “TLDA”) to issue Waterworks Revenue and Refunding and Improvement Bonds (the “Bonds”) on parity with its outstanding State Revolving Fund (SRF) loan agreements. Request for approval is required by provisions set forth in the SRF loan agreements 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 \$4,240,000.

The following provides details about the transaction:

1. The requestor is a:

- ☒ Utility District or Water/Wastewater Authority 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 on parity with its outstanding SRF loan(s).
- ☐ The borrower is requesting to subordinate the lien position of its outstanding SRF debt to the lien position of its new debt issuance.
- ☐ The borrower is not requesting a modification of lien position and the proposed debt will be issued subordinate to the SRF debt.
- .



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Comptroller

3. The purpose of the proposed debt issuance is:

- X Refunding
X New Money

4. Description and Additional Information:

The District proposes to issue the Bonds to provide funding for the following purposes:

The proceeds of the Bonds would be used to:

- construct capital improvements to the District's waterworks system;
- refund for debt service savings and improvement of lien status for the District's outstanding Series 2012 Bonds; and
- pay costs of issuing the Bonds.

The District proposes to issue the refunding component of the Bonds to achieve a cost savings to the public. The anticipated net present value savings is \$145,032, achieved by reducing the average interest rate on the debt.

The Bonds will not constitute balloon indebtedness for purposes of TCA 9-21-134, because the refunding component and the new money component will both be structured with level debt service.

The Bonds will be secured solely by a pledge of System revenues. The District stated in its letter that it is important that the Bonds be issued with the highest possible lien basis relative to System revenues—on parity with the SRF Loans. The District believes that the additional interest expense payable on subordinate lien debt obligations would be cost-prohibitive.

5. The debt rating of the borrower is:

Please indicate N/R if not rated.

- N/R Moody's
A+ Standard and Poor's
N/R Fitch



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

Borrower	Castalian Springs Bethpage Water Utility District						
Date	4/28/2022						
Loan Type	Loan #	Status	Disbursements	Available to Draw	% Principal Forgiveness	Edison Balance @4/28/2022	MADS
Water	DW5 17-190	Repayment	1,245,980.00	-	25%	770,593.00	49,303.00
Water	DWF 16-174	Repayment	354,020.00	-	0%	294,780.00	18,678.00
							67,981.00

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: \$67,981

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

The District timely filed its audit report for FY 2021.

☒ Yes ☐ No

d. Sufficient Revenues [7.(k)]

☒ Yes ☐ No

For fiscal year 2021, the District increased its total net position by \$347,037 and reported current assets sufficient to pay its current liabilities.



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Comptroller

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

The current and projected Debt Service Coverage Ratio is equal to 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):

For fiscal year 2021, the District reported a debt service coverage ratio of 3.42x and estimates coverage of 4.17x for fiscal year 2022 prior to the issuance of the Series 2022 Bonds.

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

The District estimates debt service coverage of 2.16x, 2.08x, and 1.99x for fiscal years 2023-2025 respectively.

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: ☐ Water Loss ☐ 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

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

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



JASON E. MUMPOWER
Comptroller

9. Conclusion

Based on our analysis, it appears the District meets the TLDA's criteria to issue the Bonds on parity with its SRF loans.

Attachment:

Debt Service Coverage Ratios (provided by the District)

CASTALIAN SPRINGS-BETHPAGE WATER UTILITY DISTRICT
HISTORIC AND PRO FORMA DEBT SERVICE COVERAGE
For the Fiscal Year Ended June 30

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u> ¹	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
	Pro Forma									
Operating Revenues: [^]										
Metered Water Sales	\$2,498,017	\$2,548,835	\$2,607,372	\$2,566,305	\$2,864,333	\$2,921,619	\$2,980,052	\$3,039,653	\$3,100,446	\$3,162,455
Service and Maintenance Fees	26,788	10,515	176,708	301,521	147,168	150,111	153,113	156,176	159,299	162,485
Tap Fees	326,120	313,907	260,118	329,975	397,464	405,413	413,521	421,792	430,228	438,832
Interest Earned	10,936	12,908	25,011	19,739	4,219	4,303	4,389	4,477	4,566	4,658
Total Operating Revenue	<u>\$2,861,861</u>	<u>\$2,886,165</u>	<u>\$3,069,209</u>	<u>\$3,217,540</u>	<u>\$3,413,183</u>	<u>\$3,481,447</u>	<u>\$3,551,076</u>	<u>\$3,622,097</u>	<u>\$3,694,539</u>	<u>\$3,768,430</u>
Operating Expenses less Depreciation	<u>(2,153,098)</u>	<u>(2,169,947)</u>	<u>(2,324,257)</u>	<u>(2,395,722)</u>	<u>(2,483,591)</u>	<u>(2,582,935)</u>	<u>(2,686,252)</u>	<u>(2,793,702)</u>	<u>(2,905,450)</u>	<u>(3,021,668)</u>
Revenues Available for Debt Service	<u>\$708,763</u>	<u>\$716,218</u>	<u>\$744,952</u>	<u>\$821,818</u>	<u>\$929,592</u>	<u>\$898,512</u>	<u>\$864,824</u>	<u>\$828,395</u>	<u>\$789,089</u>	<u>\$746,762</u>
Annual Debt Service Requirement	\$169,646	\$172,021	\$242,594	\$240,338	\$223,151	\$215,882	\$213,872	\$216,547	\$214,147	\$214,147
Debt Service Coverage (x)	4.1779	4.1635	3.0708	3.4194	4.1658	4.1621	4.0437	3.8255	3.6848	3.4871
Estimated Maximum Annual Debt Service After Issuance of Series 2022						\$416,111	\$416,111	\$416,111	\$416,111	\$416,111
Debt Service Coverage (x) After Issuance of Series 2022						2.1593	2.0783	1.9908	1.8963	1.7946

¹ FY2022 figures based on System reports through March 31, 2022 and extrapolated for a full fiscal year.

Assumptions for pro forma years 2023-2027:

*2% increase in operating revenues annually

*4% increase in operating expenses annually

[^]Also includes interest income and tap fees in excess of costs.

Castalian Springs-Bethpage Water Utility District
1010 Hinton Road, Bethpage, TN 37022

May 2, 2022

VIA E-MAIL (sandi.thompson@cot.tn.gov and alicia.west@cot.tn.gov)

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

RE: Castalian Springs-Bethpage Water Utility District of Sumner County and
Trousdale County, Tennessee

Dear Sandi:

The Castalian Springs-Bethpage Water Utility District of Sumner County and Trousdale County, Tennessee (the "District") wishes to consider to the issuance of up to \$4,240,000 of waterworks revenue refunding and improvement bonds (the "Bonds") for the purposes set forth below. The Bonds would be payable solely from and secured by a lien on the net revenues of the District's waterworks system (the "System"), on parity with the District's outstanding SRF Loans, DWF 2016-174 and DW5 2017-190 (the "SRF Loans"), and subject to prior pledges of such revenues in favor of the Series 2005 Bonds. Pursuant to the TLDA's guidelines, we hereby request that the TLDA consent to the issuance of the Bonds on parity with the District's SRF Loans.

The Bonds would be sold by either competitive sale or negotiated sale. The Municipal Advisor would work with the District to determine the method that would be most beneficial to the District. The Bonds would be structured as set forth in the financial reports included herewith as Exhibit A. The proceeds of the Bonds would be used to (a) construct capital improvements to the District's waterworks system, (b) refund for debt service savings and improvement of lien status the District's outstanding Series 2012 Bonds, and (c) pay costs of issuing the Bonds. An anticipated sources and uses table is included in Exhibit A.

The Bonds will be secured solely by a pledge of System revenues. As such, it is important that the Bonds be issued on the highest possible lien basis relative to System revenues – on parity with the SRF Loans. The District believes that the additional interest expense payable on subordinate lien debt obligations would be cost-prohibitive.

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 outstanding amount of both of the SRF Loans as of June 30, 2021 was \$1,117,133.
3. The District has never failed to timely repay the SRF Loans.

615-841-3724
Website: csbwater.com

fax 615-841-3794
email: csbwud@nctc.com

This institution is an equal opportunity provider.

Castalian Springs-Bethpage Water Utility District
1010 Hinton Road, Bethpage, TN 37022

4. The District has filed its audited financial statements with the Division of Local Government Audit in a timely manner.
5. Current and pro forma debt service coverage is attached as Exhibit B.
6. The rights and lien position of the TLDA relative to the SRF Loans will not be affected.
7. The capital improvement project being financed with the proceeds of the Bonds is a long-term project that is vitally important to the health and welfare of the citizens within the District's service area. The District is currently unable to provide new water service in a sizable portion of its service area because of insufficient water pressure. This project will provide the additional infrastructure necessary to deliver water at the requisite pressure to these areas.
8. The refunding will reduce debt service requirements for the District's customers and retire bonds that currently benefit from a senior pledge of System revenues, relative to the SRF Loan Agreements.

The Bonds will not constitute balloon indebtedness for purposes of TCA 9-21-134, because the refunding component and the new money component will both be structured with level debt service.

We are simultaneously preparing a request for report on plan of finance for the Bonds and will submit it to the Division of Local Government Finance.

I am happy to answer any questions you may have. Please also feel free to contact our bond counsel, Jeff Oldham of Bass, Berry & Sims.

Thanks for your help.

Yours truly,



615-841-3724
Website: csbwater.com

fax 615-841-3794
email: csbwud@nctc.com

This institution is an equal opportunity provider.

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
June 15, 2022

Unobligated Balance as of February 23, 2022			\$	140,574,352
<u>Increases:</u>	<u>Loan Number</u>	<u>Amount</u>		
			\$	-
Unobligated Balance as of June 15, 2022			\$	140,574,352
<u>Decreases:</u>	<u>Loan Number</u>	<u>Amount</u>		
Town of Smyrna	SRF 2022-472	\$ 1,760,000		
Hamilton County Water & Wastewater Treatment Authority	SRF 2022-464	\$ 500,000		
Hamilton County Water & Wastewater Treatment Authority	SRF 2022-465	\$ 350,000		
Hamilton County Water & Wastewater Treatment Authority	SRF 2022-466	\$ 150,000		
Hamilton County Water & Wastewater Treatment Authority	SRF 2022-467	\$ 587,000		
Hamilton County Water & Wastewater Treatment Authority	SRF 2022-468	\$ 276,670		
			\$	(3,623,670)
Remaining Funds Available for Loan Obligations as of June 15, 2022			\$	136,950,682

FACT SHEET

JUNE 15, 2022

Borrower: Town of Smyrna
Project Number: SRF 2022-472
Requested SRF Funding: \$1,760,000
Term: 5 years
Rate: 1.21% = 1.21% x 100% (Tier 4)

Project:

Collection System Expansion (Installation of approximately 41,400 LF of 12-inch, 18-inch, 20-inch, and 24-inch diameter sewer lines and 101 manholes in the Almadillo Road/Stewart Creek Area) Planning and Design loan only.

Total Project Cost: \$1,760,000

Project Funding:

SRF Loan Principal	\$1,760,000
Local Funds	\$ -0-
Other Funds	\$ -0-

County:	Rutherford County
Consulting Engineer:	Thomas & Hutton
Priority Ranking List:	FY 2020
Priority Ranking:	17 of 64 ¹
Public Meeting:	04/12/2022

Financial Information:

Operating Revenues:	\$22,920,501
Current Rate:	\$31.42
Financial Review Rate:	\$31.42
Effective Rates, if applicable:	\$32.36 (7/01/2022)
Residential User Charge:	5,000 gal/month
Customer Base:	17,355
Audit Report Filed:	12/16/2021 (Timely)
Initial Financial Sufficiency Review:	02/07/2022
Updated Financial Sufficiency Review:	N/A

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

¹ The Project ranked #17 of 64 on the Fiscal Year 2020 Priority Ranking List (PRL).

FACT SHEET

JUNE 15, 2022

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: \$7,044,268

MADS:	Prior Obligations:	\$2,046,280
	Proposed loan(s):	
	SRF 2022-472	<u>\$ 362,933</u>
	Totals	<u><u>\$2,409,213</u></u>

MADS as a percentage of SSTs: 34.20%

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
TOWN OF SMYRNA
SRF 2022-472**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees, 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 \$7,044,268.

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/Sewer	CGA 2009-234	\$3,450,000	\$2,300,000	\$212,191
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
SRF/Sewer	SRF 2020-438	\$18,000,000	\$0	\$724,908
SRF/Water	DG9 2021-231	\$3,000,000	\$0	\$160,474
SRF/Sewer	SRF 2020-438-01	\$17,200,000	\$0	\$654,426
SRF/Water	DWF 2022-246	\$2,500,000	\$0	\$146,147

* 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 \$2,046,280.

(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				
TLDA/Public Health				
TLDA/Transportation				

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 \$2,046,280.

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	SRF 2022-472	1.21%	\$1,760,000	\$0	\$362,933

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$362,933.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$4,635,055.

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 12th day of April, 2022.

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

LOCAL GOVERNMENT

BY:



Mary Esther Reed, Mayor

REQUIREMENT FOR REPORT ON DEBT OBLIGATION

(FORM CT-0253)

TOWN OF SMYRNA

SRF 2022-472

Pursuant to Tenn. Code Ann. § 9-21-134, 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. § 9-21-134 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 it 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.

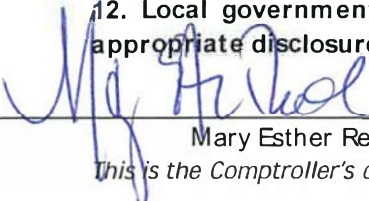
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

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. § 9-21-134 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 to this rule.


Mary Esther Reed, Mayor

4/12/2022
Date

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

FACT SHEET

June 15, 2022

Borrower: Hamilton County Water & Wastewater Treatment Authority
Project Number: SRF 2022-464
Requested SRF Funding: \$500,000
Term: 5 years
Rate: 0.79% = 0.79% x 100% (Tier 4)

Project:

New Pump Station/Force Main (Construction/Installation of a pump station and force main to eliminate the Signal Mountain (Suck Creek) Wastewater Treatment Plant discharge and connect to the City of Chattanooga's sewer system.) Planning Only.

Total Project Cost:	\$500,000
Project Funding:	
SRF Loan Principal	\$500,000
Local Funds	\$ -0-
Other Funds	\$ -0-
County:	Hamilton County
Consulting Engineer:	LJA Engineering
Priority Ranking List:	FY 2021
Priority Ranking:	3 of 53 ¹
Public Meeting:	01/13/2022

Financial Information:

Operating Revenues:	\$26,895,468
Current Rate:	\$73.75
Financial Review Rate:	\$73.75
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	33,697
Audit Report Filed:	01/31/2022 (Late) ²
Initial Financial Sufficiency Review:	12/08/2021
Updated Financial Sufficiency Review:	02/23/2022

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

¹ The Project ranked #3 of 53 on the Fiscal Year 2021 Priority Ranking List (PRL).

² The Hamilton County WWTa submitted a late audit report justification letter to the Comptroller's office and is included in the loan documents.

FACT SHEET

June 15, 2022

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 \$102,021.



May 20, 2022

Hamilton County Water & Wastewater Authority
1250 Market Street, Suite 3050
Chattanooga, Tennessee 37402

Attn: Michael Patrick, Executive Director

At the request of Peggy Eagle, we are writing a response to the inquiry of the submission of the 2020 and 2021 audit submissions and the anticipated submission timeline of the 2022 report.

The June 30, 2020 submission deadline was moved up one month from the historical December 31st deadline the Authority had previously used for many years (back to 2014 in CARS). In that same year, M&J experience significant turnover in key positions with the sudden and unexpected departure of the previous engagement partner and engagement manager. As the new engagement partner for the Authority, I did not shift the start date for the 2020 audit to account for the deadline change. As a result the testing and reviews for the 2020 audit were concluded in November and reports were issued in December 2020.

The June 30, 2021 audit start date was moved up on the calendar to account for the submission deadline, however, due to personnel issues on the engagement the audit reviews were not completed until December. As a result the audit was submitted in January.

While I do not have specifics to address prior deadlines, we have worked very diligently this past year to address the turnover we have experienced on the audit side and now have incorporated additional resources to ensure all of our governments are timely served. The 2022 audit is scheduled to start in early September. With the Authority's commitment to the audit deadline, this timeline and additional resources assigned to the audit, will allow for all testing to be completed and reports finalized before the deadline. We will work with the Authority's finance team to ensure periodic timelines are met on both sides and reports are completed and available by all deadlines.

If you have any additional questions, please feel free to contact me directly at 423-756-6133 or jbence@mjcpa.com.

Respectfully,

A handwritten signature in blue ink that reads 'James W. Bence'. Below the signature, the name 'James Bence' is printed in a black, sans-serif font.

James Bence

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-464**

As security for payments due under a State Revolving Fund (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 Loan 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	CW0 2012-298	\$3,146,531.20	\$786,632.80	\$185,496.00
SRF/Sewer	CG1 2013-323	\$ 1,511,812.80	\$ 167,979.20	\$ 84,240.00
SRF/Sewer	SRF 2017-393	\$ 7,310,000.00	\$0.00	\$ 411,408.00
SRF/Sewer	SRF 2018-413	\$ 1,560,000.00	\$0.00	\$ 318,552.00
SRF/Sewer	CW7 2019-424	\$ 2,700,000.00	\$ 300,000.00	\$ 161,184.00
SRF/Sewer	SRF 2019-425	\$ 2,474,000.00	\$0.00	\$ 155,160.00
SRF/Sewer	SRF 2020-443	\$10,671,200.00	\$0.00	\$616,152.00

*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 \$1,932,192.00.

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

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	SRF 2022-464	0.79%	\$500,000.00	\$0.00	\$102,021.00
SRF/Sewer	SRF 2022-465	0.79%	\$350,000.00	\$0.00	\$71,415.00
SRF/Sewer	SRF 2022-466	0.79%	\$150,000.00	\$0.00	\$30,606.00
SRF/Sewer	SRF 2022-467	0.79%	\$587,000.00	\$0.00	\$119,773.00
SRF/Sewer	SRF 2022-468	0.79%	\$276,670.00	\$0.00	\$56,452.00

The total anticipated security deposit(s) for the proposed loan(s) is \$380,267.00

- c. The total MADS (a+b) is \$2,312,459.00

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 28th day of April, 2022.

LOCAL GOVERNMENT

BY:

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

Michael Patrick, Executive Director

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

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-464

Pursuant to Tenn. Code Ann. § 9-21-134, 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. § 9-21-134 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 it 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, Hamilton County Water & Wastewater Treatment Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 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 to this rule.


Michael Patrick, Executive Director

4/29/22
Date

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

FACT SHEET

June 15, 2022

Borrower: Hamilton County Water & Wastewater Treatment Authority
Project Number: SRF 2022-465
Requested SRF Funding: \$350,000
Term: 5 years
Rate: 0.79% = 0.79% x 100% (Tier 4)

Project:

Collection System Rehabilitation (A feasibility study of installing a low pressure sewer system to replace gravity sewers located along streams/ravines within several sub-basins in the Signal Mountain Service Area). Planning Only.

Total Project Cost:	\$350,000
Project Funding:	
SRF Loan Principal	\$350,000
Local Funds	\$ -0-
Other Funds	\$ -0-
County:	Hamilton County
Consulting Engineer:	Jacobs
Priority Ranking List:	FY 2021
Priority Ranking:	26 of 53 ¹
Public Meeting:	01/13/2022

Financial Information:

Operating Revenues:	\$26,895,468
Current Rate:	\$73.75
Financial Review Rate:	\$73.75
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	33,697
Audit Report Filed:	01/31/2022 (Late) ²
Initial Financial Sufficiency Review:	12/08/2021
Updated Financial Sufficiency Review:	02/23/2022

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

¹ The Project ranked #26 of 53 on the Fiscal Year 2021 Priority Ranking List (PRL).

² The Hamilton County WWTa submitted a late audit report justification letter to the Comptroller's office and is included in the loan documents.

FACT SHEET
June 15, 2022

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 \$71,415.

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-465**

As security for payments due under a State Revolving Fund (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 Loan 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				
SRF/Sewer	CW0 2012-298	\$3,146,531.20	\$786,632.80	\$185,496.00
SRF/Sewer	CG1 2013-323	\$ 1,511,812.80	\$ 167,979.20	\$ 84,240.00
SRF/Sewer	SRF 2017-393	\$ 7,310,000.00	\$0.00	\$ 411,408.00
SRF/Sewer	SRF 2018-413	\$ 1,560,000.00	\$0.00	\$ 318,552.00
SRF/Sewer	CW7 2019-424	\$ 2,700,000.00	\$ 300,000.00	\$ 161,184.00
SRF/Sewer	SRF 2019-425	\$ 2,474,000.00	\$0.00	\$ 155,160.00
SRF/Sewer	SRF 2020-443	\$10,671,200.00	\$0.00	\$616,152.00

*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 \$1,932,192.00.

b. The local government is applying for the following SRF loan(s):

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	SRF 2022-465	0.79%	\$350,000.00	\$0.00	\$71,415.00
SRF/Sewer	SRF 2022-466	0.79%	\$150,000.00	\$0.00	\$30,606.00
SRF/Sewer	SRF 2022-467	0.79%	\$587,000.00	\$0.00	\$119,773.00
SRF/Sewer	SRF 2022-468	0.79%	\$276,670.00	\$0.00	\$56,452.00
SRF/Sewer	SRF 2022-464	0.79%	\$500,000.00	\$0.00	\$102,021.00

The total anticipated security deposit(s) for the proposed loan(s) is \$ 380,267.00

c. The total MADS (a+b) is \$2,312,459.00

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 28th day of April, 2022.

LOCAL GOVERNMENT

BY:

A handwritten signature in blue ink, appearing to read 'Michael Patrick', is written over a horizontal line.

Michael Patrick, Executive Director

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

REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-465

Pursuant to Tenn. Code Ann. § 9-21-134, 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. § 9-21-134 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 it 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, Hamilton County Water & Wastewater Treatment Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 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 to this rule.



Michael Patrick, Executive Director

4/29/22
Date

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FACT SHEET

June 15, 2022

Borrower: Hamilton County Water & Wastewater Treatment Authority
Project Number: SRF 2022-466
Requested SRF Funding: \$150,000
Term: 5 years
Rate: 0.79% = 0.79% x 100% (Tier 4)

Project:

Collection System Rehabilitation (A feasibility study of installing a new pump station and associated appurtenances near Alexian Village to transport sewer to the Signal Mountain WWTP to eliminate chronic SSOs.) Planning Only.

Total Project Cost:	\$150,000
Project Funding:	
SRF Loan Principal	\$150,000
Local Funds	\$ -0-
Other Funds	\$ -0-
County:	Hamilton County
Consulting Engineer:	Jacobs
Priority Ranking List:	FY 2021
Priority Ranking:	27 of 53 ¹
Public Meeting:	01/13/2022

Financial Information:

Operating Revenues:	\$26,895,468
Current Rate:	\$73.75
Financial Review Rate:	\$73.75
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	33,697
Audit Report Filed:	01/31/2022 (Late) ²
Initial Financial Sufficiency Review:	12/08/2021
Updated Financial Sufficiency Review:	02/23/2022

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

¹ The Project ranked #27 of 53 on the Fiscal Year 2021 Priority Ranking List (PRL).

² The Hamilton County WWTA submitted a late audit report justification letter to the Comptroller's office and is included in the loan documents.

FACT SHEET

June 15, 2022

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 \$30,606.

REPRESENTATION OF LOANS AND SECURITY DEPOSIT

HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY SRF 2022-466

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- 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				
SRF/Sewer	CW0 2012-298	\$3,146,531.20	\$786,632.80	\$185,496.00
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*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 \$1,932,192.00.

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

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	SRF 2022-466	0.79%	\$150,000.00	\$0.00	\$30,606.00
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SRF/Sewer	SRF 2022-465	0.79%	\$350,000.00	\$0.00	\$71,415.00

The total anticipated security deposit(s) for the proposed loan(s) is \$ 380,267.00.

- c. The total MADS (a+b) is \$ 2,312,459.00.

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 28th day of April, 2022.

LOCAL GOVERNMENT

BY:

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Michael Patrick, Executive Director

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REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-466

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The applicant, Hamilton County Water & Wastewater Treatment Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 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 to this rule.



Michael Patrick, Executive Director

4/29/22
Date

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FACT SHEET

June 15, 2022

Borrower: Hamilton County Water & Wastewater Treatment Authority
Project Number: SRF 2022-467
Requested SRF Funding: \$587,000
Term: 5 years
Rate: 0.79% = 0.79% x 100% (Tier 4)

Project:

I/I Correction (Rehabilitation of the sewer lines in Sewer Basin 1,2, 3, and 4A to reduce I/I, improve hydraulic capacity, and eliminate SSOs in the Soddy Daisy Area.) Planning and Design.

Total Project Cost: \$587,000

Project Funding:

SRF Loan Principal	\$587,000
Local Funds	\$ -0-
Other Funds	\$ -0-

County:	Hamilton County
Consulting Engineer:	Cannon & Cannon Inc.
Priority Ranking List:	FY 2021
Priority Ranking:	28 of 53 ¹
Public Meeting:	12/21/2021

Financial Information:

Operating Revenues:	\$26,895,468
Current Rate:	\$73.75
Financial Review Rate:	\$73.75
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	33,697
Audit Report Filed:	01/31/2022 (Late) ²
Initial Financial Sufficiency Review:	12/08/2021
Updated Financial Sufficiency Review:	02/09/2022

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

¹ The Project ranked #28 of 53 on the Fiscal Year 2021 Priority Ranking List (PRL).

² The Hamilton County WWTa submitted a late audit report justification letter to the Comptroller's office and is included in the loan documents.

FACT SHEET
June 15, 2022

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 \$119,773.

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-467**

As security for payments due under a State Revolving Fund (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 Loan 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.

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Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Sewer	CW0 2012-298	\$3,146,531.20	\$786,632.80	\$185,496.00
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**MADS is an estimate until final expenses have been determined.

The total required security deposit(s) for previously approved SRF loan(s) is \$1,932,192.00.

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

Loan Type	Loan #	Anticipated Interest Rate	Base Loan	Principal Forgiveness	Anticipated MADS
SRF/Sewer	SRF 2022-467	0.79%	\$587,000.00	\$0.00	\$119,773.00
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SRF/Sewer	SRF 2022-465	0.79%	\$350,000.00	\$0.00	\$71,415.00
SRF/Sewer	SRF 2022-466	0.79%	\$150,000.00	\$0.00	\$30,606.00

The total anticipated security deposit(s) for the proposed loan(s) is \$380,267.00

- c. The total MADS (a+b) is \$2,312,459.00

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 28th day of April, 2022.

LOCAL GOVERNMENT

BY:

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Michael Patrick, Executive Director

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REQUIREMENT FOR REPORT ON DEBT OBLIGATION
(FORM CT-0253)
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-467

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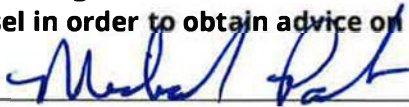
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The applicant, Hamilton County Water & Wastewater Treatment Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that the Report is required to be filed once the SRF loan has been approved 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 to this rule.


Michael Patrick, Executive Director

4/29/22
Date

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FACT SHEET

June 15, 2022

Borrower: Hamilton County Water & Wastewater Treatment Authority
Project Number: SRF 2022-468
Requested SRF Funding: \$276,670
Term: 5 years
Rate: 0.79% = 0.79% x 100% (Tier 4)

Project:

I/I Correction (Rehabilitation of the sewer lines in Sewer Basins 5,6, and 7 that will improve hydraulic capacity and eliminate SSOs in the Red Bank Area.) Planning and Design.

Total Project Cost:	\$276,670
Project Funding:	
SRF Loan Principal	\$276,670
Local Funds	\$ -0-
Other Funds	\$ -0-
County:	Hamilton County
Consulting Engineer:	LJA Engineering
Priority Ranking List:	FY 2021
Priority Ranking:	29, 30, and 49 of 53 ¹
Public Meeting:	12/20/2021

Financial Information:

Operating Revenues:	\$26,895,468
Current Rate:	\$73.75
Financial Review Rate:	\$73.75
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	33,697
Audit Report Filed:	01/31/2022 (Late) ²
Initial Financial Sufficiency Review:	12/08/2021
Updated Financial Sufficiency Review:	02/23/2022

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

¹ The Project ranked #29, 30, and 49 of 53 on the Fiscal Year 2021 Priority Ranking List (PRL).

² The Hamilton County WWTa submitted a late audit report justification letter to the Comptroller's office and is included in the loan documents.

FACT SHEET

June 15, 2022

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 \$56,452.

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-468**

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The total required security deposit(s) for previously approved SRF loan(s) is \$1,932,192.00.

b. The local government is applying for the following SRF loan(s):

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The total anticipated security deposit(s) for the proposed loan(s) is \$380,267.00

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LOCAL GOVERNMENT

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HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY
SRF 2022-468

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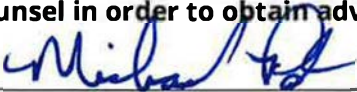
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4/29/22
Date

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DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
June 15, 2022

Unobligated Balance as of April 26, 2022			\$ 88,986,167
<u>Increases:</u>	<u>Loan Number</u>	<u>Amount</u>	
			\$ -
Unobligated Balance as of June 15, 2022			\$ 88,986,167
<u>Decreases:</u>	<u>Loan Number</u>	<u>Loan Amount</u>	
Town of Trezevant (Principal)	DW7 2021-235	\$ 44,250	
Town of Trezevant (Loan Forgiveness)	DW7 2021-235	\$ 44,250	
			\$ (88,500)
Remaining Funds Available for Loan Obligations as of June 15, 2022			\$ 88,897,667

FACT SHEET

June 15, 2022

Borrower: Town of Trezevant
Project Number: DW7 2021-235
Requested SRF Funding: \$ 88,500
Term: 5 years
Rate: 0.10% = 0.17% x 60% (Tier 2)

Project:

WTP Improvements (Rehabilitation of the clear wells; replace aeration equipment; and the installation of new high service pumps, controls, and electrical components.) Planning and Design.

Total Project Cost:	\$ 88,500
Project Funding:	
SRF Loan Principal (50%)	\$ 44,250
Principal Forgiveness (50%)	\$ 44,250
Local Funds	\$ 0
Other Funds	\$ 0
County:	Carroll County
Consulting Engineer:	A2H, Inc.
Priority Ranking List:	FY 2020
Priority Ranking:	3 of 48 ¹
Public Meeting:	05/11/2021

Financial Information:

Operating Revenues:	\$ 254,687
Current Rate:	\$ 33.06
Financial Review Rate:	\$ 33.06
Effective Rates, if applicable:	N/A
Residential User Charge:	5,000 gal/month
Customer Base:	387
Audit Report Filed:	02/04/2022(Late) ²
Initial Financial Sufficiency Review:	02/11/2021
Updated Financial Sufficiency Review:	02/18/2022

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

¹ The Project ranked #3 of 48 on the Fiscal Year 2020 Priority Ranking List (PRL).

² The Town of Trezevant submitted a late audit report justification letter to the Comptroller's office and is included in the loan documents.

FACT SHEET

June 15, 2022

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: \$111,822

MADS:	Prior Obligations:	\$ -0-
	Proposed loan(s):	
	DW7 2021-235	<u>\$ 8,866</u>
	Totals	<u>\$ 8,866</u>

MADS as a percentage of SSTs:	7.93%
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MAYOR
Bobby Blaylock
VICE MAYOR
Pam Joyner
RECORDER
Kathy Edwards

5560 North Broad St
PO Box 100
Trezevant, TN 38258

Phone: (731) 669-4831
Fax: (731) 330-1448

ALDERMAN
Christy Creyssels
Eddie Granger
Mark Argo
Leon Lyell

TOWN OF TREZEVANT

February 3, 2022

Sandi Thompson
Director
Comptroller of the Treasury
Division of State Government Finance
425 Rep. John Lewis Way, N.
Nashville, Tennessee 37243
Sandi.Thompson@cot.tn.gov

RE: Audit Submission Delay – Plan of Action

Dear Ms. Thompson,

In response to your letter and request February 2, 2022, the Town of Trezevant understands the importance of annual auditing. Our Auditors, Cowart Reese Sargent, CPA, PC do audits and reporting for many communities. There have been two primary barriers to the timely submission of our annual audits: (1) Cowart Reese Sargent, CPA, PC schedules Trezevant's audit late in the year—typically sometime between late November early December. We understand that although proper procedures for extension requests were filed through the Comptroller's Office, TLDA and LGA do not grant these permissions. Until notification of TLDA's concerns, the Town was not aware of the untimely submissions' potential effect on SRF funding.

The Town works diligently with the auditors, providing proper quiet and clean space for their reviews, supplying all requested information promptly, and presenting all information in an organized fashion. We will continue to work with our auditors to improve our systems in an effort to submit our annual audit reports to the Comptroller on time. In response to the concerns of your letter, we will contact Cowart Reese Sargent, CPA, PC in an attempt to schedule future audits earlier. The importance of timely submission this year, and in years to follow has been thoroughly communicated to Cowart Reese Sargent, CPA, PC and they have pledged their effort to do so.

We hope this letter provides the additional clarification and commitment you, TLDA, and the are seeking. However, please do not hesitate to contact me if you have any questions, concerns, or need additional information.

Sincerely,



Bobby Blaylock
Mayor

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
TOWN OF TREZEVANT
DW7 2021-235**

As security for payments due under a State Revolving Fund (SRF) Loan Agreement, a local government pledges user fees, 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 \$111,822.

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/Sewer				
SRF/Water				

* 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 \$0.

(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				
TLDA/Public Health				
TLDA/Transportation				

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 \$0.

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/Water	DW7 2021-235	0.10%	\$44,250	\$44,250	\$8.866

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$8,866.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$102,956.

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 (12th) day of (October), 2021.

LOCAL GOVERNMENT

BY:


Bobby Blaylock, Mayor

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

REQUIREMENT FOR REPORT ON DEBT OBLIGATION

(FORM CT-0253)

TOWN OF TREZEVENT

DW7 2021-235

Pursuant to Tenn. Code Ann. § 9-21-134, 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. § 9-21-134 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 it 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.

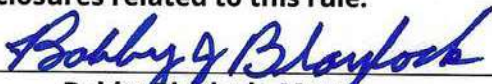
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

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 Trezevant, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 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 to this rule.


Bobby Blaylock, Mayor

10/13/2021
Date

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