



Tennessee Local Development Authority
April 20, 2026
Agenda

1. Call meeting to order, establish that there is a quorum, and receive public comments on actionable items in accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines
2. Approval of minutes from the March 23, 2026, meeting
3. Consideration and approval of the following State Revolving Clean Water Loan:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term (Years)
Brownsville CWB23 2025-495-01	\$15,725,000.00	\$ -	\$ 15,725,000.00	1.34%	20

4. Consideration and approval of the following State Revolving Drinking Water Loans:

	SRF Base Loan	Principal Forgiveness	Total Request	Interest Rate	Term (Years)
South Pittsburg DW9 2023-256-01	\$ 389,602.50	\$ 166,972.50	\$ 556,575.00	1.99%	20
Maynardville DW20 2026-238	\$ 867,829.20	\$ 578,552.80	\$ 1,446,382.00	1.99%	20

5. Adjourn

The Board meeting will be held in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, 425 Rep. John Lewis Way N., Nashville, TN. Board members are allowed to participate by electronic means. The public may attend in person or virtually by using the following link: <https://www.comptroller.tn.gov/office-functions/sgf/sgf-calendar/2026/4/20/tennessee-local-development-authority-board-meeting.html>

TENNESSEE LOCAL DEVELOPMENT AUTHORITY

March 23, 2026

The Tennessee Local Development Authority (TLDA) met on Monday, March 23, 2026, at 2:19 p.m., CT, in the Volunteer Conference Center, 2nd Floor, Cordell Hull Building, Nashville, Tennessee. Secretary of State Tre Hargett was present and presided over the meeting.

Additional Members Physically Present

The Honorable Jason E. Mumpower, Comptroller of the Treasury
The Honorable David H. Lillard, Jr., State Treasurer
Commissioner Jim Bryson, Department of Finance and Administration
Mayor Paige Brown, House Appointee
Mayor Rollen “Buddy” Bradshaw, Senate Appointee

Absent Members

The Honorable Bill Lee, Governor

Quorum Establishment & Requests for Public Comment

Recognizing a physical quorum present, Secretary Hargett called the meeting to order.

Secretary Hargett, in accordance with Tenn. Code Ann. § 8-44-112 and Board guidelines, asked Ms. Kayla Carr, TLDA Assistant Secretary and the Director of the Division of State Government Finance (SGF) whether any requests for public comment had been received. Ms. Carr responded that no requests for public comment had been received.

Approval of Minutes

Secretary Hargett stated that the first item of business was approval of the minutes from the December 15, 2025, TLDA meeting. Treasurer Lillard moved approval of the minutes, and Mayor Brown seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, he called for a vote. All members responded affirmatively. The minutes were unanimously approved.

Approval of Revisions to Public Comment Policy

Secretary Hargett stated that the next item on the agenda was the consideration and approval of revisions to the TLDA’s Public Comment Policy. Secretary Hargett recognized Ms. Carr to present the item. Ms. Carr reported that the TLDA’s Public Comment Policy, Section II.A (Restrictions for Public Comment at Meetings), had been revised. She noted that the previous version identified the former Assistant Secretary, by name as the designated recipient for requests to provide public comment. She stated that the revised policy now designates the Assistant Secretary as the recipient. Secretary Hargett motioned to approve the revisions to the Policy, and Commissioner Bryson seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, he called for a vote. All members responded affirmatively, and the revisions to the Public Comment Policy were unanimously approved.

Selection of Bond Counsel

Secretary Hargett stated that the next item on the agenda was the consideration of proposals received and approval of the selection of bond counsel. Secretary Hargett recognized Ms. Carr to present the item. Ms. Carr stated that the current contract for bond counsel would expire on April 30, 2026. She reported that staff had completed an analysis,

which was included in the board packet. Ms. Carr stated that staff recommended the selection of Hawkins Delafield & Wood as bond counsel and further recommended authorizing Comptroller to finalize the associated details. Secretary Hargett moved approval of the recommendation, and Comptroller Mumpower seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, he called for a vote. All members responded affirmatively, and staff's recommendation to select Hawkins Delafield & Wood LLP as bond counsel was unanimously approved.

Adjournment

Hearing no further business, Secretary Hargett requested a motion to adjourn the meeting. Mayor Brown made a motion to adjourn the meeting, and Commissioner Bryson seconded the motion. Secretary Hargett asked if there was any discussion. Hearing none, he called for a vote. All members responded affirmatively. The meeting was adjourned.

Approved on this 20th day of April, 2026.

Respectfully submitted,

Kayla Carr
Assistant Secretary

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Clean Water State Revolving Fund (CWSRF) Loan Program
Funds Available for Loan Obligation
April 20, 2026

Unobligated Fund Balance as of December 15, 2025 **\$ 330,029,073**

Increases:

	<u>Loan Number</u>	<u>Amount</u>
City of Oak Ridge	SRF 2021-455	\$ 296,763

Unobligated Fund Balance as of April 20, 2026 **\$ 296,763**
\$ 330,325,836

	<u>Loan Number</u>	<u>Amount</u>
Brownsville Energy Authority *Principal Amount \$15,725,000 *Principal Forgiveness \$0	CWB23 2025-495-01	\$ 15,725,000

Decreases: **\$ (15,725,000)**

Remaining Unobligated Fund Balance as of April 20, 2026 **\$ 314,600,836**

**Clean Water State Revolving Fund (CWSRF) Non-Revolving Funds
Emerging Contaminants Funds Available for Loan Obligation
April 20, 2026**

Unobligated Emerging Contaminants Fund Balance as of December 15, 2025 \$ 4,447,000

Increases:

<u>Loan Number</u>	<u>Amount</u>
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Unobligated Fund Balance as of April 20, 2026

\$ -
\$ 4,447,000

Decreases:

<u>Loan Number</u>	<u>Loan Amount</u>
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Remaining Unobligated Fund Balance as of April 20, 2026

\$ -
\$ 4,447,000

BROWNSVILLE ENERGY AUTHORITY
FACT SHEET
April 20, 2026

Borrower: Brownsville Energy Authority
Project Number: CWB23 2025-495-01
Requested SRF Funding: \$15,725,000
Term: 20 years
ATPI 10
Rate: 3.34% X 40 (Tier 1) = 1.34%
Companion Loan: CWB23 2025-495

Project:

New Wastewater Treatment Plant: Construction of a new 2.0 million gallon per day Sequencing Batch Reactor to replace the existing Trickling Filter Plant.

Project Costs:

Total Project Cost: \$32,725,000

Project Funding:

SRF Loan Principal (100%)	\$15,725,000
Principal Forgiveness (0%)	\$ -0-
Local Funds	\$ -0-
Other Funds (CWB23 2025-495)	\$17,000,000

County: Haywood County
Consulting Engineer: J. R. Wauford & Company,
Consulting Engineers, Inc.

Priority Ranking List: 2023
Priority Ranking: 39 of 57¹
Public Meeting: 09/25/2024

Financial Information:

Operating Revenues: \$4,715,004
Initial Financial Sufficiency Review: 03/03/2025

Initial Financial Review Rates per 5,000 gal:

Residential User Charge (Inside City)	\$33.18
Additional Revenue Recommendation:	No

¹ The project is ranked #39 of 57 on the 2023 Priority Ranking List (PRL).

BROWNSVILLE ENERGY AUTHORITY
FACT SHEET
April 20, 2026

Percentage Rate Increase:	N/A
Updated Financial Sufficiency Review:	1/22/2026
Updated Financial Review Rate:	\$33.18
Customer Base:	4,844
Audit Report Filed:	12/25/2025 (Timely)
Approved Annual Budget:	Yes

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

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 \$896,748

**REPRESENTATION OF
LOANS AND SECURITY DEPOSIT
BROWNSVILLE ENERGY AUTHORITY
CWB23 2025-495-01**

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 2021-452	\$225,000	\$0	\$45,072
SRF/Sewer	CWB22 2024-462	\$700,500	\$700,500	\$39,792
SRF/Sewer	CWB23 2025-495	\$12,000,300	\$4,999,000	\$683,028

*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 \$767,892

- 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	CWB23 2025-495-01	1.34%	\$15,725,000	\$0	\$896,748
SRF/Water					

The total anticipated security deposit(s) for the proposed loan(s) is \$896,748.

- c. The total MADS (a+b) is \$1,664,640.

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 3rd day of February, 2026.

LOCAL GOVERNMENT

BY: _____

Russ Stoots
Russ Stoots, General Manager

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

**DEBT REPORT REQUIREMENT
BROWNSVILLE ENERGY AUTHORITY CWB23 2025-495-01**

Pursuant to Tenn. Code Ann. § 9-21-134, a Debt 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 Division of Local Government Finance in the Office of the Comptroller of the Treasury. The purpose of the Debt 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 this law are not permitted to enter into any further debt obligations until they have complied with the law. A local government that applies for an SRF loan but is not in compliance with this law should file the Debt Report as soon as possible and provide notification of filing to the SRF loan program to proceed with its loan application. Furthermore, a Debt Report is required to be filed once an SRF loan has been approved by the TLDA and the agreement has been executed by the borrower. Instructions on how to file the Debt Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

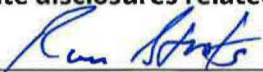
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

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, Brownsville Energy Authority, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that a Debt 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.


Russ Stoots, General Manager

February 3, 2026
Date

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

Drinking Water State Revolving Fund (DWSRF) Loan Program
Funds Available for Loan Obligation
April 20, 2026

Unobligated Fund Balance as of December 15, 2025 **\$ 109,076,970**

Increases:

	<u>Loan Number</u>	<u>Amount</u>
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Unobligated Fund Balance as of April 20, 2026		\$ -
		\$ 109,076,970

Decreases:

	<u>Loan Number</u>	<u>Loan Amount</u>
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South Pittsburg	DW9 2023-256-01	\$556,575
*Principal Amount \$389,602.50		
*Principal Forgiveness \$166,972.50		
 City of Maynardville	 DW20 2026-238	 \$ 1,446,382
*Principal Amount \$867,829.20		
*Principal Forgiveness \$578,552.80		

\$ (2,002,957)

Remaining Funds Available for Loan Obligations as of April 20, 2026		\$ 107,074,013
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DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

**Drinking Water State Revolving Fund (DWSRF) Non-Revolving Funds
Emerging Contaminants Funds Available for Loan Obligation
April 20, 2026**

Unobligated Emerging Contaminants Fund Balance as of December 15, 2025 **\$ 14,374,005**

Increases:

<u>Loan Number</u>	<u>Amount</u>
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Unobligated Emerging Contaminants Fund Balance as of April 20, 2026

\$ -
\$ 14,374,005

Decreases:

<u>Loan Number</u>	<u>Loan Amount</u>
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Remaining Emerging Contaminants Fund Balance as of April 20, 2026

\$ -
\$ 14,374,005

DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF WATER RESOURCES

**Drinking Water State Revolving Fund (DWSRF) Non-Revolving Funds
Lead Service Line Funds Available for Loan Obligation
April 20, 2026**

Unobligated Lead Service Line Fund Balance as of December 15, 2025 **\$ 202,501,082**

Increases:

<u>Loan Number</u>	<u>Amount</u>
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Unobligated Lead Service Line Fund Balance as of April 20, 2026

\$ -
<u>\$ 202,501,082</u>

Decreases:

<u>Loan Number</u>	<u>Loan Amount</u>
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Remaining Lead Service Line Fund Balance as of April 20, 2026

\$ -
<u><u>\$ 202,501,082</u></u>

CITY OF SOUTH PITTSBURG
FACT SHEET
April 20, 2026

Borrower:	City of South Pittsburg
Project Number:	DW9 2023-256-01
Requested SRF Funding:	\$556,575
Term:	20 years
ATPI	40
Rate:	3.31% X 60% (Tier 2) = 1.99%
Companion Loan:	DW9 2023-256

Project:

New Water Storage Tanks (Construction of 150,000 gallon and 285,000-gallon water storage tanks to replace existing Water Storage Tanks) and Water Meter Replacement (Installation of approximately 3,200 Advanced Metering Reading meters.)

Project Costs:

Total Project Cost: \$3,256,575

Project Funding:

SRF Loan Principal (70%)	\$389,602.50
Principal Forgiveness (30%)	\$166,972.50
Local Funds	\$ -0-
Other Funds (DW9 2023-256)	\$2,700,000

County:	Marion County
Consulting Engineer:	Hussey Gay Bell-Nashville, LLC

Priority Ranking List:	2021
Priority Ranking:	36, 67 of 72 ¹
Public Meeting:	March 10, 2026

Financial Information:

Operating Revenues:	\$2,596,138
Initial Financial Sufficiency Review:	12/15/2025

Initial Financial Review Rates per 5,000 gal:

Residential User Charge (Inside City)	\$21.15
Additional Revenue Recommendation:	No

¹ The project is ranked #36 and #67 of 72 on the 2021 Priority Ranking List (PRL).

CITY OF SOUTH PITTSBURG
FACT SHEET
April 20, 2026

Percentage Rate Increase:	N/A
Updated Financial Sufficiency Review:	1/9/2026
Updated Financial Review Rate:	\$21.62
Customer Base:	2,770
Audit Report Filed:	01/27/2026 (Not Timely) ²
Approved Annual Budget:	Yes

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

Additional Security (City/County/Town)

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: \$522,181.

MADS:	Prior Obligations:	\$167,700-
	Proposed loan(s):	
	DW9 2023-256-01	<u>\$23,628</u>
	Totals	<u>\$191,328</u>
MADS as a percentage of SSTs:		36.64%

² Late Audit report explanation letter provided to SRF.

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
City of South Pittsburg
DW9 2023-256-01**

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 \$522,181.00.

2. Prior Obligations

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

Loan Type	Loan #	Base Loan*	Principal Forgiveness*	MADS**
SRF/Water	DW9 2023-256	\$2,160,000.00	\$540,000.00	\$131,244.00
SRF/Sewer	CW8 2023-480	\$600,000.00	\$150,000.00	\$36,456.00

* 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 MADS from section 2(a.) having a lien on SSTs is \$167,700.00.

(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

The total MADS from section 2(b.) having a lien on SSTs is \$0.00.

(c.) The total MADS from prior obligations having a lien on SSTs [subsections 2(a)+2(b)] is \$167,700.00.

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	DW9 2023-256-01	1.99%	\$389,602.50	\$166,972.50	\$23,628.00

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$23,628.00.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$330,853.00.

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 **Seventh day of **April, 2026**.**

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

LOCAL GOVERNMENT

BY:


Shawn Henson, Mayor

**DEBT REPORT REQUIREMENT
CITY OF SOUTH PITTSBURG LOAN
DW9 2023-256-01**

Pursuant to Tenn. Code Ann. § 9-21-134, a Debt 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 Division of Local Government Finance in the Office of the Comptroller of the Treasury. The purpose of the Debt 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 this law are not permitted to enter into any further debt obligations until they have complied with the law. A local government that applies for an SRF loan but is not in compliance with this law should file the Debt Report as soon as possible and provide notification of filing to the SRF loan program to proceed with its loan application. Furthermore, a Debt Report is required to be filed once an SRF loan has been approved by the TLDA and the agreement has been executed by the borrower. Instructions on how to file the Debt Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

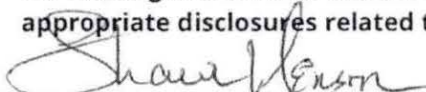
Municipal Securities Rulemaking Board (MSRB) - Required Disclosure

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

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

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

The applicant, City of South Pittsburg, attests that it is in compliance with Tenn. Code Ann. § 9-21-134 for its debt obligations and understands that a Debt 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.


Shawn Henson, Mayor

3/10/26
Date

Waycaster, CPA LLC

March 23, 2026

City of South Pittsburg, Tennessee
204 3rd Street
South Pittsburg, TN 37380

I would like to inform you as to the reason the FY2025 audit report was filed late for the City. In order for us to file our report, we must include the South Pittsburg Board of Water Works and Sewers and Marion Natural Gas report within ours. Their auditors did not finish and upload their report to the comptroller until January 5, 2026. This made it impossible for us to submit our report on time.

Thank you,



Jennifer Waycaster, CPA
Waycaster, CPA LLC



JASON E. MUMPOWER
Comptroller

April 13, 2026

Shawn Henson
Mayor
City of South Pittsburg
204 West Third Street
South Pittsburg, TN 37380

Re: South Pittsburg's SRF Loan Request

Dear Mr. Henson:

During the review of the City of South Pittsburg's State Revolving Fund (SRF) loan application, the Tennessee Department of Environment and Conservation (TDEC) observed that the City had not filed its fiscal year 2025 audit report within the required six-month period following fiscal year end. Our office, which serves as staff to the Tennessee Local Development Authority (TLDA), received correspondence explaining that the delay resulted from the Board of Water Works and Sewers and Marion Natural Gas failing to complete and file their audit on time.

Please note that the audit contract does not permit annual audit reports to be filed later than six months after fiscal year end, and the Division of Local Government Audit (LGA) did not authorize an extension of this deadline. Both the SRF loan agreement and state law require local governments to meet this filing requirement. Untimely audit submissions may delay or result in the disapproval of SRF loan approvals and funding requests. The City's loan application will be presented for consideration and approval at the April 20, 2026, TLDA meeting with the expectation that the City will file its future reports on time.

Information on the SRF program's audit filing requirement is contained in the TLDA's SRF Policy and Guidance for Borrowers which can be obtained online at:

<https://www.comptroller.tn.gov/boards/tennessee-local-development-authority/tlda-information/policies.html>.

Please let me know if you have any questions in this regard.

Sincerely,

A handwritten signature in blue ink that reads "Kayla Carr".

Kayla Carr
Director
Comptroller of the Treasury
Division of State Government Finance
Assistant Secretary to the TLDA

cc: Vena Jones, SRF Program Manager, TDEC
Jean K. Suh, Contract Audit Review Manager, LGA
Jennifer Waycaster, CPA, Waycaster CPA, LLC

CITY OF MAYNARDVILLE
FACT SHEET
April 20, 2026

Borrower: City of Maynardville
Project Number: DW20 2026-238
Requested SRF Funding: \$1,446,382
SRF Base Loan: \$867,829.20
Term: 20 years
ATPI 30
Rate: 3.31% X 60% (Tier 2) = 1.99%
Companion Loan: N/A

Project:

Water Meter Replacement: Installation of approximately 3,000 AMI meters, approximately 40 commercial meters, and 5 district meters.

Project Costs:

Total Project Cost: \$1,446,382

Project Funding:

SRF Loan Principal (60%)	\$867,829.20
Principal Forgiveness (40%)	\$578,552.80
Local Funds	\$ -0-
Other Funds	\$ -0-

County:	Union County
Loan Consultants:	Community Development Partners LLC
Priority Ranking List:	2023
Priority Ranking:	42 of 45 ¹
Public Meeting:	March 10, 2026

Financial Information:

Operating Revenues:	\$3,681,821
Initial Financial Sufficiency Review:	05/12/2025

Initial Financial Review Rates per 5,000 gal:

Residential User Charge (Inside City)	\$47.15
Additional Revenue Recommendation:	No

¹ The project is ranked #42 of 45 on the 2023 Priority Ranking List (PRL).

CITY OF MAYNARDVILLE
FACT SHEET
April 20, 2026

Percentage Rate Increase:	N/A
Customer Base:	2,708
Audit Report Filed:	February 2, 2026 (Not Timely) ²
Approved Annual Budget:	Yes

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

Additional Security (City/County/Town)

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: \$408,864.

MADS:	Prior Obligations:	\$148,128
	Proposed loan(s):	
	DW20 2026-238	<u>\$52,632</u>
	Totals	<u>\$200,760</u>
MADS as a percentage of SSTs:		49.10%

² Late Audit report explanation letter provided to SRF.

**REPRESENTATION OF
LOANS AND STATE-SHARED TAXES
CITY OF MAYNARDVILLE
DW20 2026-238**

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 \$408,864.

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 2009-236	\$792,000	\$528,000	\$45,600
SRF/Water	DWF 2006-066	\$1,770,000	\$0	\$95,700
SRF/Water	DW9 2023-257	\$33,150	\$33,150	\$6,828

* 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 \$148,128.

(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

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 \$148,128.

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	DW20 2026-238	1.99%	\$867,829.20	\$578,552.80	\$52,632

The anticipated total maximum annual pledge of state-shared taxes pursuant to loan request(s) is \$52,632.

4. Unobligated SSTs

The amount set forth in section (1) less the total amounts set forth in sections 2 and 3 is \$208,104.

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 11th day of March, 2026.

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

LOCAL GOVERNMENT

BY: 

DEBT REPORT REQUIREMENT
City of Maynardville
DW20 2026-238

Pursuant to Tenn. Code Ann. § 9-21-134, a Debt 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 Division of Local Government Finance in the Office of the Comptroller of the Treasury. The purpose of the Debt 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 this law are not permitted to enter into any further debt obligations until they have complied with the law. A local government that applies for an SRF loan but is not in compliance with this law should file the Debt Report as soon as possible and provide notification of filing to the SRF loan program to proceed with its loan application. Furthermore, a Debt Report is required to be filed once an SRF loan has been approved by the TLDA and the agreement has been executed by the borrower. Instructions on how to file the Debt Report are located in the "Debt" category for "Local Finance" on the website of the Tennessee Comptroller of the Treasury.

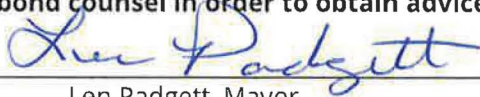
Municipal Securities Rulemaking Board (MSRB) – Required Disclosure

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

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

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

The applicant, City of Maynardville, 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.



Len Padgett, Mayor

March 11, 2026

Date

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



March 20, 2026

Tennessee Local Development Authority and
Tennessee Department of Environment and Conservation
Attention: State Revolving Fund Loan Program
Rosa L Parks Ave, 12th Floor
Nashville, TN 37243

RE: City of Maynardville (Union County)
Loan #:DW20 2026-238

Project Description: Green-Water Meter Replacement (Installation of approximately 2,700 AMI meters throughout the distribution system.)

Dear Madam/Sir:

This letter is to inform you about the status of our June 2025 audit report. This report has been filed and posted on the website for the Tennessee State Comptroller's Office. Unfortunately, the report was filed shortly after December 31, 2025, making it delinquent. Once the City received the audit, we were working through internal reviews which took time.

In the future, the City will do everything possible to assure that audit reports are finalized, approved, and posted no later than December 31st of each year.

Please do not hesitate to reach out with any additional questions or needs.

Sincerely,

CITY OF MAYNARDVILLE

Ty Blakely
City Manager