



Jason E. Mumpower  
*Comptroller*

March 1, 2022

Mr. Danny Bledsoe, P.E., General Manager  
and Board of Commissioners  
Gladeville Utility District  
3826 Vesta Road  
Lebanon, TN 37090

Dear Mr. Bledsoe, P.E. and Board of Commissioners:

Thank you for your recent correspondence. We acknowledge receipt on March 25, 2022, of a request from the General Manager of the Gladeville Utility District (the "District") for a report on a plan of finance (the "Plan") for the District's proposed issuance of a maximum of \$7,300,000 Waterworks Revenue Refunding Bonds, Series 2022.

Pursuant to the provisions of Tenn. Code Ann. Title 7 Chapter 82, enclosed is a report based upon our review of the District's Plan. The Plan, this letter, and the enclosed report should be made available on the District's website and must be presented to each member of the Commission for review prior to the adoption of the bond authorizing resolution.

This report does not address compliance with federal tax regulations and is not to be relied upon for that purpose. The District should discuss these issues with bond counsel.

**Publication Requirement**

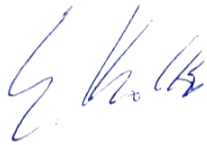
The enclosed report must be published once during the week following its receipt in a newspaper of general circulation in the counties served by the District.

**After Issuance**

Our website contains specific compliance requirements your local government will be responsible for once the bonds are issued: <http://tncot.cc/debt>. The listing is not all inclusive and you should work with your financial advisor and bond counsel to ensure compliance with legal and regulatory requirements related to the proposed indebtedness.

If you should have questions or need assistance, please refer to our online resources on our website or feel free to contact your financial analyst, Steve Osborne, at 615-747-5343 or [Steve.Osborne@cot.tn.gov](mailto:Steve.Osborne@cot.tn.gov).

Very truly yours,



Betsy Knotts

Director of the Division of Local Government Finance

cc:

Ms. Jean Suh, Audit Review Manager, Local Government Audit, COT

Ms. Beth Granstaff, Financial Officer, Gladeville Utility District

Mr. Alex Buchanan, Waller Lansden Dortch & Davis, LLP

Mr. Scott Bamman, Thornton Farish, Inc.

Enclosure: Report of the Director of the Division of Local Government Finance

BK:so



**Report on Waterworks Revenue Refunding Bonds, Series 2022  
The Gladeville Utility District**

This report is being issued pursuant to Tenn. Code Ann. §§ 7-82-501 and 9-21-1003 and is based upon information as presented in a plan of refunding (the “Plan”) received by our office on February 25, 2022 from the Gladeville Utility District, Tennessee (the “District”). Our report provides information to assist the governing body in its responsibility to understand the nature of the refunding transaction, including the costs and benefits, prior to approving the issuance of the refunding bonds and is designed to provide consistent and comparable information for all local governments in Tennessee. This report does not constitute approval or disapproval of the Plan or a determination that a refunding is advantageous or necessary. This report and the District’s Plan must be presented to the governing body prior to the adoption of a resolution authorizing the refunding bonds.

**COSTS:**

Estimated costs of issuance are summarized below and based upon the principal amount of \$7,145,000 of the Series 2022 Refunding Bonds:

	<b>Amount</b>	<b>Price per \$1,000 Bond</b>
Estimated Underwriter's Discount (Thornton Farish)	\$ 60,733	\$ 8.50
Bond Counsel (Waller Lansden Dortch & Davis)	15,000	2.10
Rating Agency	21,000	2.94
Miscellaneous Fees	11,150	1.56
<b>Total Cost of Issuance</b>	<b>\$ 107,883</b>	<b>\$ 15.10</b>

The District plans to contribute \$230,963 from its debt service fund to help fund the refunding transaction.

**BENEFITS:**

The District's stated objective for the refunding is to achieve savings. The anticipated net present value savings are \$695,612.

**FINANCIAL POSITION:**

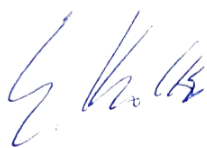
The District is currently not under the oversight of the Utility Management Review Board. For fiscal year 2021, the District increased its total net position by \$4,549,922 and reported current assets sufficient to pay its current liabilities.

**Balloon Indebtedness**

The proposed structure of the Series 2022 Bonds is not balloon indebtedness as defined in Tenn. Code Ann. § 9-21-133. If the structure is revised, the District should determine if the new structure complies with state law balloon indebtedness. If it is determined that the revised bond structure constitutes balloon indebtedness, the District must submit a Plan of Balloon Indebtedness to our office for approval prior to the District adopting the resolution authorizing the issuance of the debt.

**Effective Date for this Report**

This report is effective for a period of ninety (90) days from the date of the report. If the refunding transaction has not been priced during this ninety (90) day period, a new plan of refunding, with new analysis and estimates based on market conditions at that time, must be submitted to our office. We will then issue a report on the new plan for the District's governing body to review prior to adopting a new authorizing resolution for the refunding bonds.



Betsy Knotts

Director of the Division of Local Government Finance

Date: March 1, 2022