



POLICY #

ADOPTED _____, 2024

DEBT MANAGEMENT POLICY

Debt management policies are written guidelines that affect the amount and type of debt issued by a state or local government, the issuance process, and management of a debt portfolio. A debt management policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a debt management policy signals to rating agencies and the capital markets that a government is well managed and should meet its obligations in a timely manner.

Pursuant to TCA Section 9-21-151(b)(1), the State Funding Board is authorized to develop model financial transaction policies for the State, State Agencies, local governments and local government instrumentalities. The State Funding Board on December 15, 2010, adopted a statement on debt management that reflects four principles for strong financial management in the public sector to include 1) understand the transaction; 2) explain to citizens what is being considered; 3) avoid conflicts of interest; and 4) disclose costs and risks.

State and local governments and government entities that borrow money are directed to draft their own debt management policies by Jan. 1, 2012, using this model policy as a guideline. The statement includes certain mandatory language providing for public accountability and transparency which must be included in debt policies of governmental debt issuers. To further assist issuers there is a list of recommended sources and resources as well as a glossary included herein. The City debt management policy was revised and updated on _____, 2024. The following amends and revises the debt management policy of the City.

Adopted _____, 2024

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I. INTRODUCTION:

Debt management policies are written guidelines incorporated by state or local governmental entities that establish the parameters for the issuance of debt and management of the total debt portfolio. Adherence to debt management policy asserts the priority of sound financial position and commitment to protect and strengthen underlying credit position and rating. Debt management policy improves the quality of decisions made by governing boards and enhances operational efficiency through implementation of discipline and boundaries to guide the actions of public administration management and staff professionals. The City of Crossville, Tennessee (the “City”) recognizes the development and revision of stated debt management policy as fundamental to the efficient operations and management of the City and essential to the achievement of the lowest possible costs for the tax payors of the City and rate payers of the System. The City has undertaken to review and consider the Model Debt Policy provided by the Office of the Comptroller of the State of Tennessee and related attachments A-C (which are incorporated hereto) and the Best Practices Model Debt Policy of the Government Finance Officers Association (“GFOA”) as most recently amended in 2012.

The debt management policy obligates the City to full and appropriate repayment of debt service requirements and requisite fulfillment of continuing disclosure obligations; open and full public transparency of actions related to indebtedness; legal authority for the issuance of debt; basis for issuer credit management and improvement; amount and types of permissible debt which may be issued; methodology for the sale of debt; justification for structure and timing of debt transactions; and basis for hiring professional services firms. Debt management policy should be utilized in conjunction with the annual operating budget, capital expenditures budget, and capital improvement plan (“CIP”) to effectuate more connective and synergistic long term financial approaches and methodologies. It is the intent of the City that operational, financial, and credit initiatives and policies represent to the credit rating agencies and capital markets that the City is well managed and structured to provide for timely repayment of existing and proposed debt obligations.

II. THE CITY OF CROSSVILLE, TENNESSEE:

City of Crossville (the “City”) is the county seat of Cumberland County, Tennessee (the “County”) which is situated on the Cumberland Plateau region of the State and located along U.S. Interstate 40 approximately 71 miles West of Knoxville, 114 miles east of Nashville, and 79 miles north of Chattanooga. The County is at the heart of the Appalachian Plateau Province which stretches from the southern border of New York to central Alabama and is the largest timbered plateau in America. Cumberland County has an approximate land area of 679 square miles and has a mean elevation of approximately 1,980 feet above sea level. It enjoys a temperate climate with an average annual temperature of 56 degrees, average July temperature of 86 degrees, average January low temperature of 25 degrees, average annual precipitation of 55 inches, and prevailing winds are from the Southwest.

The City of Crossville is known as the Golf Capital of Tennessee. Fairfield Glade, Lake Tansi Village, Cumberland Cove, and Deer Creek represent a few of the resorts and private communities which offer world class golf, leisure activities and other recreational amenities. The County is home to twelve championship golf courses, which include approximately 90 holes at Fairfield Glade and the Jack Nicklaus Bear Trace Course at Cumberland Mountain State Park. Each course offers a unique golfing experience and incorporates a variety of rolling hills, mountain streams and rock formations in design layout which includes blue grass fairways and bent grass greens.

The United States Chess Federation (“USCF”) was established in 1939 and was headquartered in New York City and Newburgh, New York. In 2004, the USCF chose to establish its new home in Crossville and construction of a new national headquarters building was completed in 2006. The U.S. Chess Federation reports over 93,000 members across the nation.

The County is a rural cultural destination center for visitors from across the country and is home to The Cumberland County Playhouse, the only major non-profit professional performing arts center in rural Tennessee. The Cumberland County Playhouse serves more than 145,000 visitors annually with two indoor and two outdoor stages, young audience productions, a comprehensive dance program, a concert series and touring shows. Outdoor activities are enjoyed by County residents and visitors. Cumberland Mountain State Park, Lake Tansi Village, Fairfield Glade, Mariner’s Pointe, Cumberland Cove, Crossville Recreation Park, Caryonah Hunting Lodge and Preserve and the Catoosa Wildlife Management Area provide an abundance of swimming, skiing, hiking, fishing, hunting, and other sporting opportunities.

III. SCOPE, INTENT, AND ADMINISTRATION OF DEBT MANAGEMENT POLICY:

The scope of this Policy shall apply to all debt obligations of the City whether issued for the purpose of acquisition, construction, or purchase of capital assets or equipment or the refinancing or restructuring of existing indebtedness. The intent of this Policy is to ensure the City Council understand proposed debt transactions; and provide for the disclosure of the costs and associated risks of debt transactions. The Finance Director of the City of Crossville, Tennessee (the “City”) is charged with overseeing and implementing the provisions of this Policy.

It shall be the responsibility of the Finance Director or Designee to review and recommend to the City Council specific plans for debt financing, refinancing, or restructuring approval; participate as a member of the financing team in the issuance of any debt obligations of the City; the selection of outside professionals (i.e. municipal advisors, underwriters, arbitrage rebate consultants, registration and paying agents, escrow agents, trustees, verification agents, feasibility or rate consultants, etc.); and preparation of proposed annual operating plans and budgets, capital expenditures policies and budgets, retained earnings plans and policies, capital improvement plans and policies, post issuance compliance policies and procedures, and continuing and material events policies and procedures .

IV. PURPOSE AND OBJECTIVE OF DEBT MANAGEMENT POLICY:

The purpose of debt management policy is to provide written guidelines incorporated by state or local governmental entities that establish the parameters for the issuance of debt and management of the total debt portfolio. In order to maximize total business efficiency, it is essential for debt management policy to be utilized in coordination with the annual operating plan and budget, capital expenditures budget, capital improvement plans and policies, retained earnings plans and policies of the City. In these boundaries debt is recognized as component of multiple revenue sources and expenditures outflows. The objectives of debt management policy are to:

- Establish debt as a component of total operational management strategy;
- Strengthen financial position and underlying credit ratings;
- Establish methodologies designed to ensure the lowest cost of capital;
- Establish methodologies to ensure issuance of valid, legal, and binding obligations;
- Establish competition to preserve and enhance access to the capital markets;

- Incorporate financial structures that provide for maximum financial flexibility;
- Eliminate or limit exposure to interest rate or other types of debt risk;
- Eliminate all conflicts of interest.

Additionally, the debt management policy of the City serves to:

- Clarify the objectives, nature, and purpose of debt to public officials and citizens;
- Provide clear objectives for issuer management and staff professionals;
- Distinguish debt management policy decisions from transaction decisions;
- Establish debt affordability limitations with respect to debt issued;
- Establish how debt obligations will be structured, priced, and sold;
- Establish the costs of debt issuance to include extraordinary and ongoing costs;
- Provide for transparency for customers, investors, and the public trust;
- Provide for timely continuing disclosure and reporting of notices of material events;

V. EXCEPTIONS TO DEBT MANAGEMENT POLICY:

Exceptions to the policy shall be approved by the Crossville City Council.

VI. PUBLIC TRANSPARENCY AND COST DISCLOSURE:

The Office of the Comptroller of the State of Tennessee has mandated Tennessee governmental entities and their instrumentalities that issue municipal securities to provide transparency of actions associated with the issuance of debt to the tax payers, rate payers, customers, investors, and public trust. The City shall comply with the legal requirements for notice and for public meetings related to the issuance of debt. In the interest of transparency, all costs (including interest, issuance, continuing, and one time) shall be disclosed to the citizens/customers, governing body, and other citizens in a timely manner.

The City shall comply with the policy of the State and the City will at the direction of the Council cause for the following actions to occur:

- In accordance with Title 8 Chapter 44 Section 101 Et. Seq., Tennessee Code Annotated, as amended, all regular and special meetings of the City Council of the City will be published and the attendance of rate payers encouraged.
- In accordance with the Title 9 Section 21 Section 101 Et. Seq., Tennessee Code Annotated, as amended, Reports of the State Director of Bond Finance will be published in a newspaper of general circulation in areas where the City serves tax payors and rate payors of the System.
- The City will submit in accordance with the Code State Form CT-0253 will be filed with the Office of the Comptroller within 45 days of the closing date of debt issues.

VII. CONFLICTS OF INTEREST:

The City recognizes financial firms have been engaged to serve in multiple capacities such as financial advisor, underwriter, remarketing agent, liquidity agent, credit enhancement provider, swap advisor, swap broker, or swap counterparty where issuer or transaction interests were not aligned and gain to firms was at the direct or indirect expense of tax and rate payers. It is the policy of the City that any participant to any debt transaction shall not be permitted to engage in any activity where any actual or potential conflict of interest to those of the City may exist. The City does not deem for there to be a conflict of interest associated with debt transactions where

payment of professionals is on a contingent basis. The City does not deem compensation of professionals for services provided to the City in the absence of conflict to the interests of the City to be a conflict of interest.

VIII. ACCOUNTING, BUDGETING, AND CAPITAL PLANNING:

The Office of the Comptroller of the State of Tennessee Division of Bond Finance has established guidance providing for enhanced transparency in connection with municipal debt transactions. Additionally, the Securities and Exchange Commission has issued guidance pertaining to the need for issuers of municipal securities to disclose financial statements and material events notices in a timely manner. The City directs practices to fully comply with State and Federal regulations to include:

Certified Audited Financial Statements: The City of Crossville, Tennessee (the “City”) was incorporated under Chapter 362 of the Acts of Tennessee for the year 1901. Executive and administrative authority resides with the Mayor, who is elected at-large, and the City Council, composed of five members, including the Mayor.

- A. In order to meet the requirements of Tennessee Code Annotated Title 9 Chapter 3 Section 201 Et. Seq., Tennessee Code Annotated, as amended, the City is required to submit annual Certified Audited Financial Statements to the Office of the Comptroller of the State of Tennessee Division of Municipal Audit. The Annual Financial Statements of the City are prepared in accordance with the Standards of the Governmental Accounting Standards Board utilizing Generally Accepted Accounting Procedures.
- B. Quarterly Financial Statements: In accordance with Tennessee Code Annotated Title 6 Chapter 35 Section 310 Et. Seq., at the beginning of each quarterly period during the fiscal year, and more often if required by the council, the manager shall submit to the council data showing the relation between the estimated and actual revenues and expenditures to date. If it shall appear that the revenues are less than anticipated, the council may reduce the appropriations, as prescribed in § 6-35-308, except amounts required for debt and interest charges, and with the further exception that reductions in appropriation shall be as to total amount only, to such a degree as may be necessary to keep expenditures within the receipts. The manager may provide for monthly or quarterly allotments of appropriations to all departments, agencies or activities within the manager's jurisdiction under such rules as the manager shall prescribe, and make transfers between departments, agencies, or activities within each fund, and when authorized by the City Council, from one (1) fund to another; provided, that any transfer of moneys from the Fund to any other Fund shall be made only with the concurrence of the City Council.
- C. Annual Operating Budget: In accordance with Tennessee Code Annotated Title 6 Chapter 22 Section 130 – Annual Operating Budget – Publication – Budgetary Comparison;
 - (a) Notwithstanding any other law to the contrary, the governing body shall publish the annual operating budget and budgetary comparisons of the proposed budget with the prior year's actual figures and the current year's estimated figures, which information shall include the following:

(1) Revenues and expenditures for the following governmental funds: general, streets/public works, general purpose school and debt service;

(2) Revenues for each fund shall be listed separately by local taxes, state of Tennessee, federal government and other sources;

(3) Expenditures for each fund shall be listed separately by salaries and other costs;

(4) Beginning and ending fund balances shall be shown for each fund; and

(5) The number of full-time equivalent employee positions shall be shown for each fund.

(b) The publication shall be in a newspaper of general circulation and shall be published not less than ten (10) days prior to the meeting where the governing body will consider final passage of the budget.

D. **Capital Expenditures Budgets:** In accordance with Tennessee Code Annotated Title 6 Chapter 35 Section 305 – Capital Budget Program; As a part of the annual Budget, the City shall include a statement of pending capital projects and proposed new capital projects, relating the respective amounts proposed to be raised therefor by appropriations in the Budget and the respective amounts, if any, proposed to be raised therefor by the issuance of bonds during the fiscal year. The City manager shall also include in the message, or attach thereto, a program of proposed capital projects for the five (5) fiscal years next succeeding the Budget year, prepared by the planning commission, together with the City manager's comments thereon and any estimate of costs. The Capital Improvement Expenditures Budget shall be presented annually with or subsequent to the Annual Operating Budget for approval by the City Council of the City in accordance with the City's Capital Improvement Policy.

C. **Long Term Capital Improvement Plan:** The City advocates long term capital improvement planning in accordance with Government Finance Officers Association best practices. The Finance Director of the City shall prepare a long-term capital improvement plan to incorporate five, ten, and twenty year forecasts. The Capital Improvement Plan shall be updated annually. The Long Term Capital Improvement Plan shall include a listing of infrastructure needs taking into consideration the useful life of all existing capital assets of the City, timeline to replace or upgrade existing assets, expansion to new service areas, need to comply with new Environmental Protection Agency rules and regulations, need to comply with new State of Tennessee rules and regulations, planned changes in highway infrastructure, advances or changes in technology, and need to perfect state of the art improvements to encourage and facilitate economic development and jobs initiatives in accordance with the City's Capital Improvement Policy.

IX. CREDIT RATINGS AND ENHANCEMENT:

Access to the capital markets at reasonable interest rates and credit terms is important to the efficient operations of the City. Moody's Investors Service, Standard & Poor's Corporation, and Fitch Investors Service represent the nation's three leading providers of public finance credit ratings. Underlying and issue-based debt ratings are released by the agencies upon receipt of application by the Issuer. The City presently maintains an "AA-(Stable)" underlying credit rating as issued by Standard & Poor's Corporation.

The Finance Director or Chief Financial Officer of the City will be responsible for maintaining relationships and communicating with the rating agencies. Annual financial statements, continuing disclosure submissions, and material events notices will be provided to the rating agencies and open lines of communication will be continued as required by the City.

It is the intent of the City to structure operations so as to provide the most thorough, cost-effective services through as stable manner as possible. The City should and does utilize a number of guidelines. With the development of the next year's operating and capital budgets, rates are evaluated in the City's Cost-of-Service model and publication.

The City shall actively engage in forecasting activities designed to provide for prudent and conservative estimates to assist in the establishment of revenue and expenditure structures. The City should provide for the following with respect to forecast revenues and expenditures:

FORECASTING REVENUES:

- The City will target user rates to fund a budget to produce debt service coverage ratios at the level of 1.75 times annual debt service;
- The City will target a balance of unrestricted/undesignated retained earnings at the minimum level of 365 days of annually budgeted operating expenditures;
- The City will investigate and implement any new and expanded revenue sources that can be legitimately developed within the context of the City mission and purpose.
- The City will maintain aggressive policies and practices with respect to revenue collections.
- The City will budget and estimate revenues at reasonable levels.
- The City will forecast revenues taking into consideration micro and macro-economic conditions and historical trends.
- In combination with each budget cycle, the City will regularly review and analyze tax, rate and fee structures to ensure cost of service coverage.
- The City will develop proforma forecasts utilizing tax and revenue increases which do not exceed the most recent five-year average year of year percentage rates of increase and/or decrease in annual City tax and System rate revenues unless it is anticipated new service areas or entities will be served and the amount of revenues projected to be received resulting therefrom may be incorporated into proforma estimates.
- The City will develop and annually review five, ten, and twenty-year projections to better anticipate long-term trends to advantage tax and rate payors.

FORECASTING EXPENDITURES:

- The City will develop proforma forecasts utilizing expense increases which are not less than the most recent five-year average year of year percentage rates of increase and/or decrease in annual General or System expenses unless it is anticipated new service areas or entities will be served and the amount of expenses projected to be incurred resulting therefrom must be incorporated into proforma estimates.
- The City will develop, investigate, and implement new approaches to reduce the cost of services provided to the tax payors of the City and customers of the water and sewer (the "System") System.
- The City will maintain aggressive policies with respect to reduction of expenditures to lower cost to tax and rate payors.
- The City will budget expenditures increases at reasonable levels.

- The City will forecast expenditures taking into consideration micro and macro-economic conditions and historical trends.
- The City will budget forecast expenditures to include all non-cash expenditures such as depreciation and debt service coverage ratios.
- The City will develop five, ten, and twenty-year projections to better anticipate long term trends.

CREDIT ENHANCEMENT:

The City may perform a cost/benefit analysis with the assistance of an independent public finance advisor on a per transaction basis with respect to the purchase of municipal bond credit enhancement to achieve issue specific credit ratings at a level higher than the City's underlying credit rating. The following types of credit enhancement shall be considered in the evaluation process:

- Municipal Bond Insurance: The City may purchase municipal bond insurance when deemed cost effective as determined when the cost of insurance is less than the present value of the differential in interest between insured versus uninsured debt obligations.
- Letters of Credit: The City may consider purchase of direct pay or stand-by letters of credit ("LOC") when utilization of such agreement is deemed cost effective as determined when the present value of the initial and ongoing costs of the letter of credit are less than the present value of the differential in interest cost between the letter of credit versus non-letter of credit backed debt obligations.
- Federal and State Guarantees: The City may choose to purchase credit enhancement instruments or guarantees of the United States or Agencies thereof or the State if deemed cost effective utilizing the present value methodologies under bond insurance or LOC'S.

X. AUTHORITY FOR AND PURPOSES OF DEBT:

The authority for the issuance of debt is derived from the provisions of the Local Government Public Obligations Law of 1986, Title 9, Chapter 21, Tennessee Code Annotated (the "Code"), and other applicable provisions of law. The law vests the City Council of the City with full, absolute and complete responsibility for the operation, management, conduct and control of the business and affairs of the City; including the power and City to contract debts, borrow money, effect capital leases, enter into notes and loan agreements, and issue bonds and notes, including revenue bonds and revenue refunding bonds, and to secure such bonds and notes, all for the construction of any treatment works.

The City's issuance of its general obligation, revenue bonds and general obligation or revenue refunding bonds authorized by the Tennessee Code Annotated shall be issued pursuant to the procedures set forth in and shall be governed by the applicable provisions of the Code, including provisions dealing with covenants permitted in bond resolutions, security and remedies of bondholders. The City may determine to refinance or restructure outstanding obligations or debt service requirements from time to time to accomplish one (1) or more of the following: cost savings to the public; (2) removal or modification of one, or more, restrictive covenants; or (3) payment or discharge of all or any part of an issue or series of outstanding obligations, including any interest thereon, in arrears or to become due and for the payment of which sufficient funds are not available, pursuant to the procedures set forth in and governed by the applicable provisions of the Code.

Removal or modification of restrictive covenants should provide for one (1) of several benefits to the City, including, providing for more effective City operations; restructuring transactions to lower annual debt service payments, achieving a more efficient total debt structure, or minimizing future interest rate risk; providing for increased City and System liquidity, operating margins, and debt service coverage ratios; enhancing opportunity to maintain or upgrade underlying credit ratings; or minimizing need for future customer rate increases.

XI. STATEMENT OF FINANCIAL AND CREDIT OBJECTIVES:

The City establishes the following as primary financial and credit objectives which should be addressed in plans submitted for the consideration of the City Council with respect to the issuance of debt:

1. Statement of legal authority and purpose of debt;
2. Statement of operational, financial, and credit objectives to be accomplished by a proposed debt transaction;
3. Statement that transactions shall be structured to protect the credit position of the City and to enhance operating margins and debt service coverage ratios to strengthen underlying operational, financial and credit position;
4. Statement of purpose of principal amortization structure and effect to operational, financial, credit, and total debt structure and burden objectives;
5. Statement that transactions shall be structured to reduce or eliminate future interest rate, derivatives, market, and/or other types of financial risk to the City;
6. Statement that transactions shall be structured to provide for maximum financial flexibility, efficiency, and opportunity for the City in future years.
7. Statement that debt transaction will promote the interests of investors and customers of the City and System.

XII. CITY DEBT ISSUANCE GUIDELINES

The City clarifies and augments the guidelines for the issuance of debt provided by the State of Tennessee by establishing directives and policy substantially as prescribed by the Government Finance Officers Association Best Practice Debt Management Policy (1995 and 2003) as follows:

Debt limits;

1. Use of derivatives;
2. Debt structuring practices;
3. Debt issuance practices; and
4. Debt management practices.

1. DEBT LIMITS:

The Policy defines specific limits or acceptable ranges for each type of debt permitted for issuance by the City.

A. TOTAL DEBT LIMITS:

The City is not limited by the Tennessee Code Annotated in the amount of total debt which may be issued. The City does acknowledge the following recommended limitations in the amount of total debt which may be issued.

- (1) Total debt should not exceed a ratio of 75% of the total assets of the City;
- (2) Total debt should not exceed a ratio of \$7,500 per tax payor or customer of the City;

B. DEBT POLICY LIMITS:

The City herewith adopts policy limits with respect the purposes for which debt may be issued; types of debt that may be issued; requirement for integration with capital improvement plan; and policy related to economic development efforts.

(1) PURPOSES OF DEBT ISSUANCE:

- (a) Constructing, acquiring, reconstructing, improving, bettering or extending any facility or system authorized;
- (b) Refunding or restructuring debt service requirements to effectuate cost savings to the public; removal or modification of one or more restrictive covenants; payment or discharge of all or any part of an issue or series of outstanding obligations, including any interest thereon, in arrears or to become due and for the payment of which sufficient funds are not available;
- (c) Capitalized interest during a construction period limited to six months following the estimated completion date of projects financed;
- (d) Reimbursement of preliminary expenses associated with a project in accordance with the provisions of the reimbursement resolutions adopted annually as included in the notes or appendix to the Annual Operating Budget; and
- (e) Reasonable costs for legal, engineering, fiscal, or other professional services rendered in association with the issuance of debt or projects financed.

(2) TYPES OF DEBT:

(a) SHORT TERM DEBT:

The City limits short term borrowing to include utilization of variable rate obligations to only those instances where such funding is of an interim nature and in anticipation of cash repayment, grant funding, or long term fixed rate debt; or there exists an extreme state of national economic instability beyond the City's control or ability to forecast when it becomes evident source revenues will be received subsequent to the time of funds need, provided the following:

- (i) BOND ANTICIPATION NOTES: To be utilized to fund capital improvements on an interim basis prior to the issuance of long term fixed rate debt when 1) fixed rates do not appear appropriate in comparison to historical annual average long term fixed debt rates; 2) cash is required in order for capital projects or improvements to be initiated prior to the issuance of long term fixed rate debt; 3) funding is required in connection with loans provided by state or federal governmental agencies; 4) the term of the bond anticipation note does not exceed two years; and 5) the bond anticipation note is not rolled over for more than two additional two years periods following initial issuance.

- (ii) REVENUE ANTICIPATION NOTES: It is the policy of the City NOT to borrow to finance operating expenses. The City may issue revenue anticipation notes to provide for a source of revenues in advance of the receipt of operating revenues only when there has been deemed by the City Council that there exists an extreme state of national economic instability beyond the City's control or ability to forecast and only when it becomes evident operating revenues will be received subsequent to the need for funds.
- (iii) VARIABLE RATE DEMAND OBLIGATIONS: The City may issue variable rate demand obligations in the form of bond anticipation notes or revenue anticipations notes for the stipulated purposes and within stipulated limits.

(b) LONG TERM DEBT:

The City may on a fixed rate basis contract debt; borrow money; issue revenue, and revenue refunding, bonds; and undertake capital leases for the purposes provided this Policy in accordance with the applicable provisions of the 1990 Private Acts of the State of Tennessee Chapter 124 as amended by Chapter 51 and Title 9 Chapter 21 Section 101 Et. Seq., Tennessee Code Annotated, as amended.

- (i) REVENUE IMPROVEMENT BONDS: The City may issue revenue bonds to fund capital projects or improvements in accordance with Chapter 124 of 1990 Private Acts of Tennessee, as amended, and Section 9-21-301 et. seq. of the Tennessee Code Annotated, as amended and applicable covenants of existing bond resolutions. The costs associated with capital projects or improvements are eligible for reimbursement from bond proceeds. Costs of issuance, debt service reserve funds, capitalized interest, or other costs incurred with debt funding may be included in the debt to finance capital projects and improvement costs and are fully eligible for reimbursement from bond proceeds.
- (ii) REVENUE REFUNDING BONDS: Section 9-21-1001(b) of the Code states no revenue refunding bonds shall be issued unless the governing body of the City shall make a finding that one (1) or more of the following purposes may be accomplished including cost savings to the public; removal or modification of one or more restrictive covenants; or payment or discharge of all or any part of an issue or series of outstanding obligations, including any interest thereon, in arrears or to become due and for the payment of which sufficient funds are not available. Section 9-21-1002 of the Code provides a determination by the governing body shall be conclusive on whether any refunding is advantageous or necessary to the local government.
- (c) FEDERAL AND STATE LOAN FUNDS: The City may from time to time choose to borrow funds from the United States Department of Agriculture or State of Tennessee Revolving Funds. Determination of utilization of such funds shall be directed to ensure the protections under 7 USC Section 1926 (b); reduced interest rates; reduced costs of issuance; and effect to operational, financial, and credit objectives.
- (d) CAPITAL AND OPERATING LEASES: The City may from time to time choose to enter capital or operating leases to achieve enhanced operating or financial efficiencies. The City shall consider use of such products in comparison to the costs and rates associated with other financial instruments and such product shall

only be utilized if mathematically proven to provide a cost benefit and only to the extent such products assist the City to achieve stated operational, financial, and credit objectives.

- (e) CONDUIT AND HYBRID DEBT: The City shall not issue debt through conduit issuers excepting in such instances when there is a definitive positive mathematical verification of any cost benefit to be derived from such activity. The City shall not undertake to issue debt that is hybrid in nature and is not listed or considered in this Policy.
- (f) Public Building Authority Debt: Pursuant to Tennessee Code Annotated Title 12 – Chapter – 10 – Section 101 Et. Seq., the City has established a public building authority (PBA). The Authority is a public, non-profit corporation that can build and operate buildings used by one government, several governments, government organizations, and private businesses that lease space in such buildings. The Authority’s powers include any undertaking that can be financed by bonds, other municipal obligations, the State, or any agency that enters into an agreement with the Authority.

The Authority may issue revenue bonds to raise money to construct a building, or other assets related to the City. Revenue from long term loans or leases of infrastructure may pay the bonds. If the bonds or notes are issued in registered form, such must meet the requirements established by the Tennessee Public Obligations Registration Act (the “Act” Title 9 Chapter 19 Section 101, Et. Seq.,

Any municipality may, by resolution, enter into leases, loan agreements, sales contracts, or operating agreements or contracts for financing certain projects. Such leases, loan agreements, sales contracts, or operating contracts with an authority are payable only from revenues from one or more city projects. After a city makes a commitment to lease space in an authority’s building, it must make the necessary tax levies to meet the lease’s payment terms, including the project’s operating and maintenance expenses. Such a tax must be by resolution and is in addition to other taxes authorized by charter. Cities with taxing power that enter into any lease, loan agreement, or sales contract with a public building authority must comply with the same resolution, notice, and election provisions the municipality must comply with in issuing general obligation bonds unless the lease, loan agreement, or sales contract retires or refunds existing debt. T.C.A. §§ 12-10-101, *et seq.*

T.C.A. § 12-10-124(c) requires PBAs to advertise publicly and receive competitive bids for the construction of buildings or improvements costing more than \$10,000 but less than \$1 million. For buildings or improvements costing \$1 million or more, the authority must use public advertisement or competitive sealed bids, a request for proposals with minimum required qualifications, or a request for qualifications, including minimum qualification requirements, in which multiple proposers are selected and prequalified to submit bids.

Municipalities, counties, and metropolitan governments may invest loan proceeds from public building authorities in guaranteed investment contracts chosen or established by the authority under restrictions set out in T.C.A. § 12-10-111.

- (g) Crossville Sports Authority Debt: Pursuant to Tennessee Code Annotated Title 7 – Chapter – 67 – Section 101 Et. Seq. (the “Code”), the City has established the Crossville Sports Authority (the “Authority” or “CSA”). Reference is herewith made to the full text of the Code for additional details. The purpose of sports authorities is to plan, promote, finance, construct, acquire, renovate, equip and enlarge buildings, sports complexes, stadiums, arenas, structures and facilities for public participation and enjoyment of professional and amateur sports, fitness, health and recreational activities. Pursuant to Title 7 – 67 - 109 of the Code the Authority is a public nonprofit corporation and a public instrumentality of the City with respect to which the Authority is organized possessing the powers as stated therein.

Pursuant to Title 7 – 67 - 112 of the Code bonds issued by the Authority shall be issued in accordance with the applicable provisions of title 9, chapter 21, and shall be payable solely out of the revenue and receipts derived from any projects, or of any portion of projects owned, operated or leased to or from the Authority, as may be designated by the board of directors of the Authority, when the bonds shall be authorized to be issued or from any revenues to be derived directly or indirectly by the Authority from such projects, including revenues from concessions, endorsements, ticket sales and souvenir sales, or from any revenues derived directly or indirectly by the authority from the allocation, transfer, contribution or pledge of tax revenues of any nature by a municipality having taxing power, other than tax revenues derived from ad valorem property taxes that shall not be contributed or pledged by a municipality in payment of or collateral for any revenue bonds of the authority.

Any bonds of the Authority shall be executed in the name of the Authority by such officers of the authority and in such manner as the board of directors may direct, and shall be sealed with the corporate seal of the Authority. If so provided in the proceedings authorizing the bonds, the facsimile signature of any of the officers executing such bonds and a facsimile of the corporate seal of the authority may appear on the bonds in lieu of the manual signature of such officer and the manual impress of such seal.

Any bonds of the Authority may be sold at public or private sale, for such price and in such manner and from time to time as may be determined by the board of directors of the Authority to be most advantageous, and the authority may pay all expenses, premiums and commissions that its board of directors may deem necessary or advantageous in connection with the issuance of the bonds.

Any bonds of the Authority, at any time outstanding, may, at any time and from time to time, be refunded by the Authority by the issuance of its refunding bonds in such amount as the board of directors may deem necessary, which may include amounts sufficient to refund the principal of the bonds so to be refunded, any unpaid interest necessary or incidental and any premiums, commissions or other expenses or charges.

Interim certificates or notes or other temporary obligations issued by the Authority pending the issuance of its revenue bonds shall be payable out of revenues and receipts in like manner as such revenue bonds and shall be retired from the proceeds of such bonds upon the issuance of the revenue bonds and shall be in such form and contain such terms, conditions and provisions consistent with this chapter as the board of directors may determine.

- (h) INTEGRATION OF CAPITAL IMPROVEMENT PLAN: The City shall make a determination prior to the issuance of any debt that such undertaking is in compliance with this Policy; sets forth the statement of financial and credit objectives; and is a fully integrated component of annually updated capital expenditures budgets and capital improvement plans.
- (i) ECONOMIC DEVELOPMENT DEBT: The City should interact on a regular basis with agencies of the County of Cumberland, Regional Economic Development Authorities; State of Tennessee, and United States to facilitate the growth of the economy and service area to the extent the quality of life of the residents of the service area is deemed to be enhanced and enriched. The City shall integrate economic development planning and initiatives into annually updated capital expenditures budgets and capital improvement plans. The City shall dutifully consider any need to issue debt in connection with economic development efforts to recruit more and better paying jobs to the service area in full consideration of the limits constructed by the operational, financial, and credit objectives of the City and resulting rate structure to its customers.
- (j) OTHER DEBT INSTRUCTIONS AND RESTRICTIONS: The City will not borrow to finance operating expenses except under extraordinary circumstances as described herein; will adopt resolutions authorizing the reimbursement of operating funds expended for capital projects or improvements from the proceeds of debt prior to such expenditure of funds annually to be included in the notes of each Annual Operating Budget; will utilize long term fixed rate debt which will not exceed a term of 40 years in compliance with the Code; and the maturity of debt will not exceed 120% of the average weighted useful life of the projects or improvements for which the debt is issued in compliance with the requirements of the U.S. Internal Revenue Service; and each project proposed for financing through debt issuance will have an analysis performed for review of rate impact and future operating costs as described herein.

C. DEBT FINANCIAL AND AFFORDABILITY LIMITS:

The Tennessee Code Annotated, as amended, does not provide for the limitation of indebtedness for the State or local government entities or instrumentalities. The City though this Policy implements limitations regarding the amount and affordability of debt issued.

- (1) Net Tax or Rate Revenues for the fiscal year prior to the issuance of debt shall equal 125% of the maximum annual debt service requirement taking into consideration the issuance of additional parity indebtedness; or

- (2) Net Tax or Rate Revenues for successive fiscal years after the issuance of debt shall equal 120% of the annual debt service taking into consideration the issuance of additional parity indebtedness.
- (3) The City will target tax payor or user rates to fund a budget to produce debt service coverage ratios at the level of 1.75 times annual debt service;
- (4) The City will investigate, and implement any new and expanded revenue sources that can be legitimately developed within the context of the City mission and purpose; and target a balance of unrestricted/undesignated retained earnings at the minimum level of 365 days of annually budgeted operating expenditures;
- (5) The City will forecast revenues and expenditures taking into consideration micro and macro-economic conditions and historical trends.
- (6) The City will regularly review and analyze rate and fee structures to ensure cost of service and debt coverage.
- (7) The City will develop proforma forecasts utilizing revenue increases which do not exceed the most recent five year average year over year percentage rates of increase and/or decrease in annual tax or rate payor revenues unless it is 1) anticipated new service areas or entities will be served and the amount of revenues projected to be received resulting therefrom may be incorporated into proforma estimates or 2) specific and planned tax and/or rate increases are implemented and revenues received resulting therefrom may be incorporated into proforma estimates.
- (8) The City will develop proforma forecasts utilizing expense increases which are not less than the most recent five-year average year over year percentage rates of increase and/or decrease in annual tax or rate payor expenses unless it is anticipated existing service areas or entities will not be served and the amount of expenses projected to be incurred resulting therefrom must be incorporated into proforma estimates.
- (9) The City will budget revenue increases at a level of not to exceed the lowest year of the most recent five annual average percentage rates of the United States Consumer Price Index unless it is anticipated new service areas will be served and then by only the amount of tax payor or rate payor connections to existing residential, commercial, or industrial establishments which will be served.
- (10) The City will update ratio analysis on an annual basis.
- (11) All ratios will be calculated each year in conjunction with the Annual Operating Budget and Certified Annual Financial Statements and included in the notes thereto.

2. USE OF DERIVATIVES:

The City recognizes that use of credit derivatives has increased dramatically over the last two decades. The City understands there are many Tennessee municipalities which remain in loss positions due to the utilization of OTC derivatives. The City is aware the OTC derivatives market is unregulated and little is known about the actual downside risk associated with the market for such products. The City shall not engage in transactions that incorporate any derivative products or products which could be deemed to be derivative products.

3. DEBT STRUCTURING PRACTICES:

The City shall adhere to the following practices with respect to the structuring of debt for all types of debt issued or borrowed with respect to maximum term; capitalized interest; debt service structure; optional redemption provisions; mandatory sinking fund redemption provisions; interest rate classes; original issue discounts and premiums; capital appreciation or zero-coupon bonds; synthetic products; escrow structuring or restructuring; and arbitrage compliance. All debt structures shall be subject to the public transparency and cost disclosure guidelines as established in this Policy.

A. TERM OF DEBT:

All debt of the City will be structured to mature in a term not to exceed 40 years in compliance with the Code. This Policy requires clear disclosure of the terms and life of each debt issue to include principal and interest payments and such disclosure must include a debt service schedule outlining the rate of retirement for the principal amount. This policy provides for deferral of payment of principal; requires specific justification for each deferral; and does not provide for blanket approval for the deferral of principal payments. In establishing the term of debt the City shall consider the following:

- (1) The useful life of assets financed and the weighted average maturity of tax-exempt bonds shall not exceed 120% of the weighted average useful life of the capital assets financed by debt;
- (2) Effect of debt term to the stated operating, financial and credit objectives;
- (3) The level and term structure of interest rates at the time of debt financing;
- (4) Effect of debt term to debt affordability guidelines provided in this Policy;
- (5) Issues of fundamental fairness in the setting of generational customer rates;

B. CAPITALIZED INTEREST:

The City may choose to add to the amount of debt issued capitalized interest during a construction period limited to six months following the estimated completion date of projects financed in accordance with the provisions of the Tennessee Code Annotated, as amended.

C. DEBT SERVICE STRUCTURE:

The debt of the City shall be structured to promote operational, financial, and credit strength. Appropriate debt service structure shall provide for debt affordability as defined in this Policy. Suitable debt structure shall consider existing, contemplated debt restructuring, and need to incorporate debt to achieve capital expenditure and improvement plans. The weighted average life, weighted average interest cost, legal term of indebtedness, proposed optional and mandatory sinking fund redemption provisions, shall be taken into consideration in the determination of selected debt structure alternatives. The City may choose to defer principal amortization in consideration of existing level and term structure of interest rates and total aggregate debt structure. If the City should choose to defer principal amortization for a period of greater than five

years deposits to unrestricted/undesignated accounts shall be deposited to such accounts in an amount equal to the differential between actual debt service requirements and level debt service payments in years five (5) and thereafter as calculated utilizing rates provided at the time of debt issuance.

D. OPTIONAL REDEMPTION PROVISIONS:

The City shall include optional redemption provisions in association with debt issued to generally not exceed ten (5) years for the dated date of the issue. The City shall include an optional redemption price that does not exceed 102% of the par value of bonds outstanding at the time of optional redemption. The City shall undertake to achieve redemption dates of as close to the dated date of issuance as possible at the lowest redemption price possible in consideration of rates and yields bid or offered in connection with issues of debt.

E. MANDATORY SINKING FUND REDEMPTION PROVISIONS:

The City shall allow for the issuance of term bonds with mandatory sinking fund redemption provisions in accordance with the Debt Service Structure provisions of this Policy.

F. ORIGINAL ISSUE DISCOUNT AND PREMIUM:

The City shall allow for original issue discounts ("OID") and premiums ("OIP") to be bid or offered in connection with debt issues. The City anticipates market conditions shall vary and efficiencies may exist in certain maturities where OID and OIP result in net OID or OIP. The City requires for yield to call and yield to maturity to be calculated in connection with each debt issue maturity and presented in a conspicuous side by side comparison for all maturities with accompanying explanation in layman terms of the financial effect to the City.

G. INTEREST RATE CLASSES:

Interest rate classes consist of fixed, variable, zero coupon, and synthetic structures. The City has stated a predisposition against the utilization of zero coupon and synthetic structures.

(1) FIXED RATE DEBT:

The City shall utilize fixed rate debt to finance and refinance debt obligations except under certain circumstances as heretofore detailed under Short Term Debt in this Policy.

(2) VARIABLE RATE DEBT:

The City should not utilize variable rate debt that exceeds a level of 20% of the amount of total indebtedness of the City. The City may from time to time utilize variable rate debt under certain circumstances as heretofore detailed under Short Term Debt in this Policy.

(3) ZERO INTEREST AND CAPITAL APPRECIATION BONDS:

It is possible that the issuance of zero coupon or capital appreciation bonds may provide for efficiency in certain market conditions. The City shall only consider utilization of zero coupon or capital appreciation bonds where there exists clear and present benefit versus cost as proved mathematically and contrasted to par, OID, and OIP structures.

(4) SYNTHETIC (OTC DERIVATIVE) STRUCTURES:

The City shall not engage in the use of synthetic or derivative products.

H. ESCROW STRUCTURING, RESTRUCTURING, AND ARBITRAGE ANALYSIS:

The City shall consider utilization of State and Local Government Series (SLGS) securities of the United State Treasury and appropriately rated Open Market Securities (OMS) in the structuring or restructuring of refunding or defeasance escrows in consultation with its municipal advisor. Optimization analysis shall be performed to ensure refunding escrow portfolios avoid as much negative arbitrage as possible. If an OMS portfolio of securities provides for the low cost alternative for the City certification shall be obtained by the municipal advisor to the City stating such securities were selected through a competitive bid process , selection of OMS portfolio has been mathematically demonstrated to be more cost effective than a SLGS portfolio, that at least three firms were provided opportunity to submit OMS portfolio bids, and that the price paid for the OMS portfolio is deemed reasonable under the provisions of applicable Internal Revenue Service requirements.

The City is aware of actions by Standard & Poor's to change the sovereign credit rating of the United States from AAA Stable to AA+. The City is aware the sovereign credit rating of the United States is downgraded escrow requirements for investment of such funds in obligations of entities rated in the Aaa/AAA/AAA categories by the major credit rating agencies may cause need for escrows across the nation to be considered for potential replacement of portfolio securities. The City is aware that the State of Tennessee has responded to the downgrade of the US Credit rating, by providing for permitted investment by municipal entities that aligns with such actions.

4. DEBT ISSUANCE PRACTICES:

The City shall adhere to the following debt issuance practices in determination of method of sale.

A. METHOD OF SALE:

The Mayor of the City or Designee shall determine the method of debt issuance on a per issue basis in consideration of benefits under existing market conditions at the time of debt issuance and may consult with a municipal advisor that is a Certified Independent Public Finance Advisor ("CIPFA") by the National Association of Independent Public Finance Advisors as revised National Association of Municipal Advisors ("NAMA"). CIPFA'S solely represent the interests of issuers and are required by law to function in fiduciary capacity to serve the interest of clients placing such interests in front of all others to

include those of the firms. The City may utilize the negotiated sale of debt under any circumstances under applicable provisions of the Tennessee Code Annotated, as amended.

In competitive sale of securities municipal advisors shall not be permitted to bid on debt issues of the City for which advisory services are or have been provided as the City would consider bank and broker dealer firms to be in positions of conflict to the interests of the City. Furthermore, a municipal advisor to the City shall not be granted authority in writing to submit bids for the securities of the City regardless of how widely or publically advertised the competitive sale, the hours such sale will be scheduled to occur, the industry standard electronic bidding platform utilized regardless of requirement for verification by the municipal advisor, and any fee to be paid to any professional services firm shall be billed separately and disclosed fully or such fees shall not be paid.

In negotiated sale of securities, the City's municipal advisor shall not be permitted to resign as municipal advisor in order to underwrite an issue for which they are or have been providing advisory services as the City would consider such action to be in direct conflict with the interests of the City. Furthermore, the City shall not make allowance for a municipal advisor to resign in advance of negotiations in order to underwrite a debt issue for which the firm is or has been providing advisory services as the City would consider such action to be in direct conflict with the interests of the City.

(1) COMPETITIVE SALE: The City recognizes there may exist from time to time market conditions where the competitive sale of debt is in the best interests of the City and its customers. In a competitive sale of debt, the City, in accordance with confirmation and recommendation of municipal advisor, shall award debt to the bidder providing the lowest true interest cost provided the bid submitted is consistent with the terms set forth in the official notice of sale issued in connection with a debt issue. The market rationale the City shall follow in the selection of a competitive sale method is generally as follows:

- (a) A competitive sale is deemed to provide for a reduced level of underwriter's discount, rates of interest, and true interest cost;
- (b) A period of market stability exists where rates are trending downward and underwriters may be expected to bid lower than current market rates in anticipation rates will continue to a downward trend;
- (c) The supply of municipal bonds in the market is substantially lower than traditional averages and underwriters may have orders to fill at rates below those otherwise available to offset volatility of risk interest rates may rise between the time of bid submitted and sale of bonds;
- (d) The underlying credit rating of the City continues to increase making debt issued attractive to a broader scope of the municipal marketplace; and
- (e) The par amount of debt issued is deemed to be appropriate for competitive sale.

(2) NEGOTIATED SALE: The City recognizes that there may exist market conditions where the sale of debt through negotiation is in the best interests of the City and

its customers. In a negotiated sale of debt, the City will distribute an RFP for underwriter services that requests information. The responses to RFP shall be reviewed by the municipal advisor and Mayor of the City or Designee and one or more underwriting firms shall be selected to negotiate the debt issue. The market rationale the City shall follow in the selection of a negotiated sale method is generally as follows:

- (a) A negotiated sale is deemed to provide for a reduced level of underwriter's discount, rates or interest, and true interest cost;
 - (b) A period of market instability exists where rates are volatile or trending upward and underwriters require greater flexibility to react that is provided through negotiated sale method;
 - (c) The supply of municipal bonds in the market is at average or higher than average levels and underwriters need the ability to have access to product to fill the client orders on an immediate basis;
 - (d) The underlying credit rating of the City is lowered making debt issued attractive to a reduced scope of the municipal marketplace; and
 - (e) The par amount of debt issued is deemed to be inappropriate for competitive sale.
- (3) PRIVATE PLACEMENT: The City may elect to privately place debt. The City will not act to privately place an issue of debt unless it has established this method of sale will result in a clear, public, and uncontestable cost savings to tax and rate payors.

B. SELECTION OF TRANSACTION PROFESSIONALS:

The City shall from time to time enlist the services of financial, legal, engineering, and other professional services providers to assist their efforts to issue debt. The City shall require all professionals engaged in the process of issuing debt to clearly disclose in contracts or letters of engagement all compensation and consideration to be received by professional service providers, lenders, conduit issuers, and other transaction participants to include soft costs, compensations in lieu of direct payments, and ongoing costs.

- (1) MUNICIPAL/FINANCIAL ADVISOR: The first participant selected in any debt management or transaction process shall be an certified independent registered municipal advisor, duly registered with the Municipal Securities Rulemaking Board ("MSRB") and United States Securities and Exchange Commission ("SEC"), and regulated by the SEC. Independent Registered Municipal Advisors (IRMA) are required by law to have met the requirements, and passed the examinations, to be Series 50 Municipal Advisor Representatives and Series 54 Municipal Advisor Principals. IRMA are independent municipal advisor firms that are not bank or broker dealer firms and do not engage in the underwriting of municipals securities or lending to municipal entities. A municipal advisor shall be professionally qualified as a Certified Public Independent Finance Advisor ("CIPFA") and shall not be a bank or broker dealer of municipal securities. A municipal advisor shall enter into a contract with the City stipulating the municipal advisor shall represent the interests of the City and only the City in fiduciary capacity in compliance with the provisions of the Dodd-Frank Act; represent the interests of the City in the

absence of any undisclosed real or potentially perceived conflict of interest to those of the City; setting forth the scope of services to be provided by the firm; and setting forth and clearly defining all forms of compensation.

- (2) BOND COUNSEL: The municipal advisor shall prepare and issue upon the instruction of the Mayor of the City Council a Request for Proposal (“RFP”) for bond counsel services which shall be distributed to firms conducting such business in state, regionally, and nationally. Bond counsel shall demonstrate ability and experience within the municipal securities industry in connection with issues of utility debt. The bond counsel must be a member firm of the National Association of Bond Lawyers and be considered to be a “Red Book” firm. The City shall enter into an engagement letter agreement with each lawyer or law firm participating in a debt transaction. No engagement letter shall be required for any lawyer who is an employee of the City or lawyer or law firm under general appointment or contract to serve as counsel to the City. The City shall consider industry experience, legal experience, scope of firm services, transaction experience, bond counsel biographies, and cost of services in the determination and selection process.
- (3) UNDERWRITER SELECTION (NEGOTIATED TRANSACTION): The City’s municipal advisor shall prepare and issue upon the instruction of the Mayor of the City Council or Designee RFP for Underwriter Services which shall be distributed to firms making market in municipal securities and loans in state, regionally, and nationally. The underwriter shall demonstrate ability and experience within the municipal securities industry in connection with issues of utility debt. The Underwriter must be regulated by the Office of the Comptroller of the Currency; Securities and Exchange Commission; Financial Industry Regulatory City; or other national Self-Regulatory Organization. The City shall consider industry experience, market experience, scope of services, transaction experience, distribution capability, underwriting team biographies, and cost of services among other factors in the determination and selection process. The City may choose to select transaction co-managers utilizing the criteria outlined in the RFP. Co-managers may be added to specific transactions to maximize demand for and distribution of the obligations of the City to effectuate the lowest possible interest costs. Additionally, the City may appoint underwriting firms to selling groups to further enhance demand for the obligations of the City.
 - (a) UNDERWRITER’S COUNSEL: In a negotiated sale where legal counsel is required to represent the interests of the underwriter the appointment will be made by the senior manager subject to the approval of the City.
 - (b) PRESALE ACTIVITIES: The Mayor or Designee shall review with the municipal advisor proposed underwriter rates and yields. The municipal advisor shall conduct analysis, make determination, and report to the Mayor or Designee opinion regarding pricing fairness and competitiveness. The City recognizes the markets are in perpetual motion and reserves the right to pull transactions should market factors move against the interests of the City.
 - (c) UNDERWRITER’S DISCOUNT: The Mayor or Designee, with the assistance of the municipal advisor, will evaluate the proposed underwriter’s discount

established in response to the RFP for Underwriter Services. Where there are several underwriters the Mayor or Designee may choose to determine allocation of management fee.

- (d) UNDERWRITER EVALUATION: The Mayor or Designee working with the municipal advisor shall provide for written evaluation of each debt issue taking into consideration final underwriters compensation, debt rate and yield structure, total interest cost, true interest cost, bond distribution, and sales commissions. The evaluation shall compare and contrast performance in connection with a debt issue versus other debt issues in the market at and near the time of final debt pricing.
 - (e) UNDERWRITER POLICIES: The Mayor or Designee may prepare policies that provide for designation of debt sales and commissions. In underwriting syndicates presale orders shall be group net designated and the City shall require the senior manager to provide for equitable allocation of bonds to other managers and selling group members; comply with MSRB regulations concerning order priority; and submit in a timely manner to the Mayor or Designee and municipal advisor the final details of orders, allocations, and such information as the Mayor or Designee or municipal advisor shall request.
- (4) REGISTRATION, PAYING, OR ESCROW AGENT: The City's municipal advisor shall prepare and issue upon the instruction of the Mayor of the City Council an RFP for Registration, Paying Agent, or Escrow Agent ("Registration Agent") which shall be distributed to firms making market in corporate trust business for state and local government entities and their instrumentalities in state, regionally, and nationally. The Registration Agent shall have demonstrated ability and experience within the municipal securities industry in connection with issues of utility debt. The Registration agent shall be a national or state-chartered banking institution and regulated by the Office of the Comptroller of the Currency or State Banking Commission. The City shall consider industry experience, market experience, scope of services, transaction experience, corporate trust team biographies, and cost of services among other factors in the determination and selection process.
- (5) VERIFICATION AGENT: The City's municipal advisor shall prepare and issue upon the instruction of the Mayor of the City Council an RFP for Verification Agent services in connection with current or advance refunding issues or other transactions involving debt defeasance. This RFP shall be distributed to firms making market in such business for state and local government entities and their instrumentalities in state, regionally, and nationally. The Verification Agent shall have demonstrated ability and experience within the municipal securities industry in connection with issues of utility debt. The Verification Agent shall be a Certified Public Accountant or firm of Certified Public Accountants having passed the Uniform Certified Public Accountant Examination of the American Institute of Certified Public Accountants as administered by the National Association of State Boards of Accountancy. The City shall consider the industry experience, market experience, scope of services, transaction experience, firm biographies, and cost of services among other factors in the determination and selection process.

- (6) OTHER PROFESSIONAL SERVICES: The City recognizes the engagement of other professional service providers in connection with debt transactions may from time to time be required or cost effective. Upon such requirement or estimation of cost effectiveness the City's municipal advisor shall prepare and issue upon the instruction of the Mayor of the City Council and RFP for the types of services deemed requisite or appropriate which will be distributed to firms making market in such business for state and local government entities and their instrumentalities in state, regionally, and nationally. Professional service providers shall be required to be duly licensed and certified in their particular fields of expertise. The City shall consider the industry experience, scope of services, transaction experience, firm biographies, and costs of services among other factors in the determination and selection process.
- (7) OTHER COSTS: The City may incur costs of advertising notices of sale and detailed notices of sale in connection with the competitive sale of debt. Additionally, the City may incur costs associated with printing, engraving, copying, reimbursement of out-of-pocket travel expenses, or other costs which may be specific to a particular financing. The City shall incorporate competition where appropriate in efforts to reduce such costs of issuance which shall be fully disclosed and subject to the Public Transparency and Disclosure provisions of this Policy.

C. COMPARISON AND BENCHMARKING OF BOND PRICING:

The Mayor of the City Council or Designee shall instruct the municipal advisor to provide written evidence of competitive pricing of debt issued. The municipal advisor shall utilize information collected from the senior manager; Bloomberg Information Services; Bond Buyer; Standard & Poor's Corporation; Securities Industry Financial Markets Association; MSRB EMMA, among other sources to benchmark and contrast rates and yields associated with debt issued by the City and rates established in connection with of issuers of like type, credit rating, principal amortization structure, rate and yield structure, optional redemption provisions, term of debt, among other factors to make determination and report to the Mayor or Designee with respect to pricing fairness and competitiveness.

D. UTILIZATION OF CREDIT RATINGS:

The City currently maintains an underlying credit rating at the level of "AA-(Stable)" as issued by Standard & Poor's Corporation. The City has not requested to be rated by either Moody's Investors Service or Fitch Investors Service and is not presently considering additional credit ratings.

XIII. CONTINUING AND MATERIAL EVENTS DISCLOSURE:

The City is aware that Rule 15c2-12 of the Securities and Exchange Act of 1934 sets forth certain obligations of (i) underwriters to receive, review and disseminate official statements prepared by issuers of most primary offerings of municipal securities, (ii) underwriters to obtain continuing disclosure agreements from issuers and other obligated persons to provide material event disclosures and annual financial information on a continuing basis, and (iii) broker-dealers to have access to such continuing disclosure in order to make recommendations of municipal

securities in the secondary market. The City shall undertake to make available such information to the bank or broker dealer community as is requested and comply with the terms of Continuing Disclosure Agreements executed in connection with all bonded indebtedness. The City shall promptly disclose any and all deemed Material Events in accordance with applicable law.

A. CONTINUING DISCLOSURE AGREEMENTS:

In order to meet the obligations of the Continuing Disclosure Agreement executed by the City in association with all capital markets transactions will upload annual Certified Audited Financial Statements of the City in searchable Adobe PDF format to the MSRB Electronic Municipal Market Access website not later than the requirements of Continuing Disclosure Agreements associated with municipal securities issues following the final day of each fiscal year. The same information must be uploaded, along with Annual Operating Reports, in compliance with Continuing Disclosure Agreements executed in connection with the closing of municipal securities transactions. The City is aware the timeline for reporting as are detailed in related Continuing Disclosure Agreements, or Undertakings. The City will monitor such discussions and disclose information as appropriate to comply with the terms of Continuing Disclosure Agreements and make changes to this Policy accordingly. The Chief Financial Officer and Finance Director of the City shall make such disclosures upon approval and acceptance of Certified Audited Financial Statements by the City Council at the direction of the Mayor of the Board.

B. MATERIAL EVENTS DISCLOSURE:

The Continuing Disclosure Agreements of the City require for the reporting of events which may be deemed to materially affect the ability of the City to make timely payment of periodic debt service requirements. Such event are required to be reported within 10 days of occurrence through upload of Material Events Notice in searchable PDF format to the MSRB Electronic Municipal Market Access website ("EMMA") and to the NRMSIRS listed in securities Continuing Disclosure Agreements. The Finance Director, Chief Financial Officer, or Controller of the City shall make such disclosures of Material Events upon notification of the City Council of the City in writing at the direction of the Mayor of the Board after consultation with legal counsel. See Attachment D hereto. Federal regulatory authorities deem material events which may occur from time to time for which such notices in accordance with the law are be issued are as follows:

- 1) Principal and Interest delinquencies;
- 2) Non-payment-related defaults;
- 3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- 4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- 5) Substitution of credit or liquidity providers or their failure to perform;
- 6) Adverse tax opinions or events affecting the tax-exempt status of issuer security;
- 7) Modifications to rights of security holders;
- 8) Bond Calls, redemption, or tender offers;
- 9) Defeasances;
- 10) Release, substitution, or sales of property securing repayment of the securities
- 11) Credit rating or outlook changes;
- 12) Bankruptcy, insolvency, or receivership;
- 13) Merger, acquisition, or sale of all issuer assets;
- 14) Appointment of successor trustee;

- 15) Financial obligation¹ incurrence or agreement;
- 16) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties;
- 17) Failure to provide annual financial information is required
- 18) Other material event notice (specify) _____

¹The term “financial obligation” is defined as a debt obligation, derivative instrument entered into in connection with, or (ii) Pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) Guarantee of (i) or (iii) The term financial obligation shall not include municipal securities as to which a final official statement.

XIV. ADOPTION OF REIMBURSEMENT RESOLUTIONS:

The City shall from time to time adopt reimbursement resolutions stating intent to reimburse operating accounts from proceeds generated through the sale of tax-exempt or taxable debt to include operating funds disbursed for the purpose of 1) constructing additions or improvements to the infrastructure of the City or System; 2) purchasing equipment; 3) defeasing or retiring any outstanding indebtedness; 4) paying the costs associated with engineering, architectural, or other professional services associated with any additions or improvement to City or City or System infrastructure or other incident thereto; or 5) paying the costs associated with the issuance of tax-exempt or taxable debt. Reimbursement resolutions shall be adopted by the City Council 60 days prior to the expenditure of operating funds for capital projects or equipment. The adoption of the reimbursement resolution will not require the City to issue debt to reimburse capital expenditures. The adoption of the reimbursement resolution is intended to provide financial flexibility to assist the City to achieve financial efficiencies that may exist from time to time.

XV. DEBT MANAGEMENT PRACTICES:

The City’s debt management policy provides guidance for ongoing administrative activities including:

- A. **INVESTMENT OF BOND PROCEEDS:** The proceeds resulting from the issuance of bonds shall be invested in accordance with the provisions stated within the bond covenants and as authorized as permitted investments under the laws of the State.
- B. **PRIMARY AND SECONDARY MARKET DISCLOSURE PRACTICES:** The City directs practices to fully comply with State and Federal regulations as are fully outlined in Section VII of this Policy. Additionally, the City directs an approach to market and investor relations as outlined in this Policy.
- C. **POST ISSUANCE COMPLIANCE POLICY:** The City sets forth policies designed to monitor post issuance compliance matters for debt issued to conform with applicable provisions of the Internal Revenue Code of 1986 (the “IRS Code”) and underlying regulations (the “Treasury Regulations”). The Policy documents existing practices and describes procedures and systems to demonstrate compliance with the IRS Code and Treasury Regulations following the issuance of tax-exempt obligations (the “Obligations”) so that associated interest on the Obligations shall continue to be excludable from gross income for federal income tax purposes.

The City recognizes post issuance compliance is a continuing process under the IRS Code and Treasury Regulations while tax-exempt debt is outstanding and such compliance is necessary to the Debt Management Policy. The City will require continuing analysis and execution of Post Issuance Compliance Policy and may require from time to time consultation with the City's municipal advisor, bond counsel, accounting firm, or other professionals beyond the scope of engagement associated with the issuance one or more issues of bonds.

- D. **ARBITRAGE REBATE AND MONITORING:** Section 148 of the Internal Revenue Code sets forth general arbitrage and rebate requirements for issuers of tax-exempt bonds. The general rule is that any non-excepted arbitrage earned must be returned to the federal government at least every five years and at final maturity. There are several exceptions to the rebate requirement. If any one of these exceptions is met, all or a portion of the bond proceeds are not subject to rebate. Please see Attachment E hereto for a copy of requirements of Title 26 Section 148 of the U.S. Internal Revenue Code as related to arbitrage rules. The City shall monitor rebate requirements as may exist in connection with tax-exempt debt issues and confirming calculations shall be performed annually by a Certified Public Accountant or Certified Independent Public Finance Advisor. Arbitrage rebate calculations shall be performed prior to the closing of each fiscal year and the results reported in the notes of the Certified Annual Financial Reports of the City. The City is in compliance with the arbitrage rebate requirements in association with outstanding tax-exempt indebtedness.
- E. **FEDERAL AND STATE LAW COMPLIANCE PRACTICES:** The City shall fully comply with all local, state, and federal statutes and laws. The City undertakes internal due diligence practices designed to locate potentially problematic areas and provide corrective response. The City shall continue to be proactive in efforts to comply with the law and disclose to appropriate agencies instances where non-compliance shall exist. To the best of its knowledge the City is in full compliance with all local, state, and federal statutes and laws.
- F. **MARKET AND INVESTOR RELATIONS:** The Office of the Comptroller of the State of Tennessee Division of Bond Finance has established guidelines providing for enhanced transparency in connection with municipal debt transactions. The Securities and Exchange Commission has issued guidance pertaining to the need for issuers of municipal securities to disclose financial statements and material events notices in accordance with the law. The City encourages the scrutiny of the market, credit rating agencies, and prioritizes the importance of good relations with the citizens and institutions that have invested in its debt obligations. The City understand those who have invested in its debt obligations have a vested interest in the operational, financial, and credit fundamentals of the organization and shall treat investors as stakeholders in the affairs of the City. The City shall continue institute measures to foster good relations with market professionals and investors through commitment to the achievement of excellence in association with all parties of interest to its continued successful operations. The City shall strive to achieve the highest standards of professionalism in the timely reporting of information to comply with continuing disclosure agreements and material events notices and continue to assist market professionals and investors to obtain requested information.

XVI. CHANGES TO DEBT POLICY:

It is stipulated by the City that any change to this Policy may adversely impact operating, financial, or credit strength and position. It is contemplated that the City may from time to time amend or modify this Policy to enhance the ability to achieve the objectives stated herein or incorporate new policies that fundamentally strengthen its underlying financial position and credit strength. The Policy shall be reviewed annually, and any amendments or modifications will be incorporated only after consultation with the City municipal advisor; one or more municipal credit rating agencies; and vote of the City Council constituting a three fourth majority. Any such amendments or modifications shall be made only after the City has received written independent opinion from its municipal advisor that such amendment or modification shall be credit neutral to positive.

ADOPTED AND APPROVED, THIS ____ DAY OF _____, 2024

Mayor,

ATTEST:

City Clerk

SEAL OF THE CITY

ATTACHMENT A -- MINIMUM LANGUAGE

(State of Tennessee Comptroller Release Dated June 2023)

COMPLIANCE - TENNESSEE DEBT MANUAL FOR LOCAL GOVERNMENT:

- The Tennessee Comptroller of the Treasury Tennessee Debt Manual for Local Governments (the “TCOT Debt Manual” was most recently approved by the State Funding Board in June 2023. The City shall at all times conduct actions to comply with all federal and state regulations. The TCOT Debt Manual is herewith incorporated in full to the Debt Management Policy of the City and may be found at the following web address:

<https://comptroller.tn.gov/content/dam/cot/lgf/documents/manuals/LocalGovernmentDebtManualFinal.pdf>

2. **TRANSPARENCY:** The Entity shall comply with legal requirements for notice and for public meetings related to debt issuance. In the interest of transparency, all costs (including interest, issuance, continuing, and one-time) shall be disclosed to the citizens/members, governing body, and other stakeholders in a timely manner.
3. **PROFESSIONALS:** The City shall require all professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the Entity and the lender or conduit issuer, if any. This includes “soft” costs or compensations in lieu of direct payments.
 - **Bond/Disclosure/Other Counsel ⁱ:** The City shall enter into an engagement letter agreement with each lawyer or law firm representing the City in a debt transaction. *(No engagement letter is required for any lawyer who is an employee of the City or lawyer or law firm which is under a general appointment or contract to serve as counsel to the City. The City does not need an engagement letter with counsel not representing the City, such as underwriters’ counsel.)*
 - **Municipal Advisor ⁱⁱ:** If the City chooses to hire a Municipal Advisor, the City shall enter into a written agreement with the firm serving as Municipal Advisor for debt management and transactions.
 - **Underwriter:** If there is an underwriter, the City shall require the Underwriter to clearly identify itself in writing (*e.g.*, in a response to a request for proposals or in promotional materials provided to an issuer) as an underwriter and not as a Municipal Advisor from the earliest stages of its relationship with the City with respect to that issue. The Underwriter must clarify its primary role as a purchaser of securities in an arm’s-length commercial transaction and that it has financial and other interests that differ from those of the Entity. The Underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the governing body (*or its designated official*) in advance of the pricing of the debt.
4. **CONFLICTS:** Professionals involved in a debt transaction hired or compensated by the District must disclose existing client and business relationships between and among the professionals to a transaction that may be in conflict, or may be perceived as a conflict of interest in accordance with rules and regulations of the Municipal Securities Rulemaking Board (MSRB); United States Securities and Exchange Commission (SEC); and the State of Tennessee (including but not limited to municipal advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, underwriter, counter-party, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the Entity to appreciate the significance of the relationships.

ATTACHMENT B - GLOSSARY

Conflicts of Interest occur in situations where parties in a transaction have multiple interests or relationships that could possibly corrupt the motivation to act. The presence of a conflict of interest indicates the potential for divided loyalty and does not automatically indicate wrongdoing.

Costs means fees and expenses of professionals and service providers and other similar fees and expenses, whether or not payable at the time the debt is incurred. “Costs” also means recurring and nonrecurring fees and expenses during the life of the debt.

Debt means indebtedness lawfully issued, executed or assumed by a public entity. Debt is created when a public entity agrees to pay over-time to someone else, in exchange for receiving an upfront payment or loan or for acquiring an asset. “Security” refers both to debt that can be transferred or delivered to another party, as well to property or assets pledged as collateral for a debt. Common instruments or evidence of debt are:

Bonds are debt instruments issued for a period of one year or longer, usually for permanent financing.

Notes are debt instruments issued for a short period of time, often for interim financing. Notes may be rolled to bonds. Examples are Capital Outlay Notes, Tax and Revenue Anticipation Notes, Bond Anticipation Notes, and Grant Anticipation Notes.

Capital leases or a lease purchase are written agreements allowing the use of property in exchange for payment of funds.

Loans are debt agreements usually with a financial institution such as a local bank or an organized loan program such as the Tennessee Municipal Bond Fund or the State Revolving Loan Program. Loans are also internal loans between funds within the entity or **seller financed loans**.

Debt service means a series of payments including **interest** (the amount or fee earned or paid for use of money or credit, calculated on the amount of principal) and **principal** (the amount of money borrowed or credit provided) required on a debt over time. The rate of interest can be **variable** or **fixed**.

Schedule means the plan listing the amount and when debt service will be paid.

Backloading refers to delaying repayment of principal until the end of the financing term. A standard or default structure for debt service is level debt service payments, similar to a standard home mortgage. Backloading should be considered only when beneficial to the overall amortization of debt, upon the occurrence of natural disasters, or when project revenues are not available during the early years of a project.

Maximum total level of debt means the maximum principal amount of debt a public entity will have outstanding at any time, usually for each type of debt issued.

Federal compliance issues means the ongoing responsibilities of a public entity after issuing debt. If the debt is sold as being “federally tax-exempt,” then the entity will have to comply with federal tax law. If the debt is a “security” for federal securities laws, then the public entity is subject to anti-fraud provisions and possibly is subject to continuing disclosure obligations.

Finance transaction means both debt obligations and derivatives. A derivative is a financial product deriving value from a separate security. This term refers to many different products.

“Derivative” includes an Interest Rate Agreement as defined in Tennessee Code Annotated Section 9-22-103 and other transactions as identified by the State Funding Board.

Guidelines means the document adopted by the Tennessee State Funding Board providing statutorily required guidance on Interest Rate and Forward Purchase Agreements. The current version became effective November 1, 2009. The Guidelines are available on the internet at <http://tn.gov/comptroller/lf/pdf/SFB%20Guidelines%2010-9%20Final.pdf>

Professionals means individuals or firms advising or offering to provide professional services to a public entity with respect to a finance transaction. Examples of professionals are:

- **Municipal Advisor** means an independent or municipal securities dealer firm registered with the Municipal Securities Rulemaking Board (MSRB) and United States Securities and Exchange Commission (SEC), and regulated with the SEC. A Municipal Advisor must possess the MSRB Series 50 and 54 certifications. It can include a Financial, Swap, or Program Administrator.
- **Counsel** means a legal advisor or attorney, whether an individual or a firm, representing a client. It can include Bond, Disclosure, Issuer, Swap, Tax, or Underwriters Counsel.
- **Counterparty** means the other party or participant in an agreement or contract; usually it refers to the other party in an Interest Rate (or swap) Agreement.
- **Lender** means an individual or firm who loans a borrower money.
- **Paying Agent** means an individual or firm that transfers the periodic interest and principal payments from the public entity to the investors.
- **Registrar** means the individual or firm responsible for maintaining a record or list of owners or investors in debt (sometimes referred to as holders of the debt).
- **Remarketing Agent** means the firm responsible for reselling to new investors debt instruments that have been “tendered” for purchase by their holders. The remarketing agent is also usually responsible for resetting the interest rate for variable rate debt instruments.
- **Underwriter** means the firm that buys new debt for reselling to the public for a profit. The underwriter may acquire the debt either through negotiation or by award on the basis of competitive bidding.
- **Verification Agent** usually means a certified public accountant or other independent third party that determines that the cash flow from investments purchased with proceeds of a refunding debt issue, along with other money, will be sufficient to pay the refunded bonds.

Public Entity is a governmental organization or unit that has a legal existence and is authorized to borrow money or enter into debt. It includes the State, state agencies, local governments, local government instrumentalities, and any other authority, board, City, instrumentality, or entity created by the State, a state agency, local government, a local government instrumentality, or any combination of the above. It does not include legal entities without debt authority, such as a county school board; however, a special school City with debt authority is included.

Governing Body means the group of individuals with the authority to make decisions for a public entity, often referred to as the “legislative body.” Governing bodies are subject to the Tennessee Open Meetings Law (requiring public notice and recording of minutes). **Members** are the individuals serving on the governing body.

Conduit Entity means a governmental entity or agency that borrows money to lend to another entity, and not to finance a project for itself. Examples of conduit issuers are health and education boards, economic development boards, and public building authorities.

Risk refers to the uncertainty (downside) involved in a debt transaction, including investment, business, credit, market, liquidity, operations, tax, and basis risks.

State Agency Loan Program refers to programs offered by the state or state agencies, such as the State Revolving Loan Program offered by the Tennessee Local Development City or the Qualified School Construction Bond program offered by the Tennessee State School Bond Authority.

State Funding Board means the state entity whose members are the Governor, the Commissioner of Finance and Administration, the Comptroller, the State Treasurer, and the Secretary of State. The State Funding Board is created by Tennessee Code Annotated Section 9-9-101.

ATTACHMENT C

FORM MATERIAL EVENTS NOTICE COVERSHEET

This coversheet and material events notice should be sent to the Municipal Securities Rulemaking Board or to all Nationally Recognized Municipal Securities Information Repositories, and the State Information Depository, of applicable, pursuant to the Securities and Exchange Commission Rule 15c2-12(b)(5)(I)(C) and (D).

Issuer's and/or Other Obligated Person Name _____

Issuer's Six-Digit CUSIP Number(s): _____

Or Nine-Digit CUSIP Number(s) to which this material relates: _____

Number of Pages of Attached Material Event Notice: _____

Description of Material Events Notice (Check One):

1. ☐ Principal and Interest delinquencies;
2. ☐ Non-payment-related defaults;
3. ☐ Unscheduled draws on debt service reserves reflecting financial difficulties;
4. ☐ Unscheduled draws on credit enhancements reflecting financial difficulties;
5. ☐ Substitution of credit or liquidity providers or their failure to perform;
6. ☐ Adverse tax opinions or events affecting the tax-exempt status of issuer security;
7. ☐ Modifications to rights of security holders;
8. ☐ Bond Calls, redemption, or tender offers;
9. ☐ Defeasances;
10. ☐ Release, substitution, or sales of property securing repayment of the securities
11. ☐ Credit rating or outlook changes;
12. ☐ Bankruptcy, insolvency, or receivership;
13. ☐ Merger, acquisition, or sale of all issuer assets;
14. ☐ Appointment of successor trustee;
15. ☐ Financial obligation¹ incurrence or agreement;
16. ☐ Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties;
17. ☐ Failure to provide annual financial information is required
18. ☐ Other material event notice (specify) _____

¹The term "financial obligation" is defined as a debt obligation, derivative instrument entered into in connection with, or (ii) Pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) Guarantee of (i) or (iii) The term financial obligation shall not include municipal securities as to which a final official statement.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: _____

Name: _____

Employer: _____

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: (____) _____

Please print the material event notice attached to this debt management policy in 10-point type or larger. The coversheet and notice may be faxed to the MSRB at (703) 683-1930. Contact the MSRB at (202) 223-9503 with questions regarding this form or dissemination of this notice.

ATTACHMENT D

2020 CITY OF CROSSVILLE STANDARD & POOR'S CREDIT RATING RATIONALE

