

This Preliminary Official Statement and the information contained herein are subject to change, completion or amendment without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

**NEW ISSUE**  
**Book-Entry**

**PRELIMINARY OFFICIAL STATEMENT**  
**DATED: JULY 24, 2024**

Ratings: S&P: "AA+"  
(See "Miscellaneous – Rating")

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the City, interest on the Bonds (i) will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax, except as described under the heading "LEGAL MATTERS-Tax Matters" herein. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "LEGAL MATTERS - Tax Matters" herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee. (See "LEGAL MATTERS - Tax Matters" herein).

**\$72,980,000\***  
**CITY OF COLUMBIA, TENNESSEE**  
**GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2024**

Dated: August 22, 2024\*

Due: December 1 (as shown below)

The \$72,980,000\* General Obligation Public Improvement Bonds, Series 2024 (the "Bonds") of the City of Columbia, Tennessee (the "City") shall be issued as fully registered Bonds in denominations of \$5,000 and authorized integral multiples thereof. The Bonds will be issued in book-entry only form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") except as otherwise described herein. DTC will act as securities depository of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as the nominee for DTC, principal and interest with respect to the Bonds shall be payable to Cede & Co., as nominee for DTC, which will, in turn, remit such principal and interest to the DTC participants for subsequent disbursements to the beneficial owners of the Bonds.

The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within corporate limits of the City. For the prompt payment of principal of, premium, if any, and interest on the Bonds, the full faith and credit of the City are irrevocably pledged. The Bonds shall be additionally payable from, but not secured by a pledge of or lien on, the revenues of the City's wastewater system. The Bonds are subject to redemption prior to maturity at any time on or after December 1, 2032\*, at a price of par, as described herein.

The Bonds are offered when, as and if issued, subject to the approval of the legality thereof by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, solely to the City, whose opinion will be delivered with the Bonds. Certain legal matters will be passed upon for the City by its counsel, C. Tim Tisher, Esq., Columbia, Tennessee. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company, New York, New York on or about August 22, 2024\*.

This *Preliminary Official Statement* speaks only as of its date, and the information contained herein is subject to change. It may contain forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this *Preliminary Official Statement*, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this *Preliminary Official Statement*. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the City's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

This *Preliminary Official Statement* and the Appendices hereto contain brief descriptions of, among other matters, the City, the Bonds, the Resolution (as defined herein), the Disclosure Certificate, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions and statutes, the Resolution, the Disclosure Certificate, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents and laws, and references herein to the Bonds are qualified in their entirety to the forms thereof included in the Resolution.

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire *Preliminary Official Statement* to obtain information essential to make an informed investment decision.

No dealer, broker, salesman, or other person has been authorized by the City or the Municipal Advisor to give any information or to make any representations other than those contained in this *Preliminary Official Statement*, and, if given or made, such other information or representations should not be relied upon as having been authorized by the City or Municipal Advisor. Except where otherwise indicated, all information contained in this *Preliminary Official Statement* has been provided by the City. The information set forth herein has been obtained by the City from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation of, the Municipal Advisor. The information contained herein is subject to change without notice, and neither the delivery of this *Preliminary Official Statement* nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the City, or the other matters described herein since the date hereof or the earlier dates set forth herein as of which certain information contained herein is given.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

**RAYMOND JAMES®**

**\$72,980,000\***  
**CITY OF COLUMBIA, TENNESSEE**  
**GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2024**

Individual purchases of the Bonds will be made in book-entry only form, in denominations of \$5,000 or integral multiples thereof and will bear interest at the annual rates as shown below. Interest on the Bonds will be payable semi-annually on June 1 and December 1 beginning on June 1, 2025, by check or draft mailed to the owners thereof as shown on the books and records of U.S. Bank National Association, Nashville, Tennessee the registration, paying and escrow agent (the “Registration Agent”). In the event of discontinuation of the book-entry system, principal of and interest on the Bonds are payable at the designated corporate trust office of the Registration Agent.

<u>12/01</u>	<u>Bonds*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u>	<u>12/01</u>	<u>Bonds*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u>
2026	\$1,255,000				2040	\$2,530,000			
2027	1,320,000				2041	2,645,000			
2028	1,385,000				2042	2,750,000			
2029	1,460,000				2043	2,865,000			
2030	1,535,000				2044	2,985,000			
2031	1,610,000				2045	3,125,000			
2032	1,695,000				2046	3,285,000			
2033	1,780,000				2047	3,455,000			
2034	1,875,000				2048	3,630,000			
2035	1,970,000				2049	3,810,000			
2036	2,070,000				2050	3,985,000			
2037	2,175,000				2051	4,170,000			
2038	2,290,000				2052	4,360,000			
2039	2,405,000				2053	4,560,000			

August 6, 2024\*

\* Subject to adjustment and revision as outlined in the “Official Notice of Sale” which is an integral part hereof and incorporated herein by reference.

Any CUSIP data included in this *Preliminary Official Statement* is subject to Copyright, American Bankers Association (the “ABA”), and is provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Market Intelligence, a division of S&P Global Inc. The CUSIP numbers listed herein are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds, and the City makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

**CITY OF COLUMBIA, TENNESSEE**

**CITY COUNCIL**

Chaz Molder, Mayor  
Randy McBroom, Vice Mayor  
Davena Hardison, Council Member      Debbie Wiles, Council Member  
Tony Greene, Council Member      Kenny Marshall, Council Member  
Danny Coleman, Council Member

**CITY OFFICIALS**

Anthony R. Massey  
*City Manager*

Thad H. Jablonski  
*Assistant City Manager, Finance Director and Recorder*

Jeff DeWire  
*Public Works Director*

Wanda McClain  
*Human Resources Director*

Paul Keltner  
*Development Services Director*

Mackel Reagan  
*Parks & Recreation Director*

Jonathon Stoltler  
*Management Information Systems Director*

Jeremy T. Alsup  
*Police Chief*

Chris Cummins  
*Interim Fire Chief*

Donnie Boshers  
*Wastewater Director*

**REGISTRATION, PAYING AND ESCROW AGENT**

U.S. Bank National Association  
Nashville, Tennessee

**COUNSEL TO THE CITY**

C. Tim Tisher, Esq.  
Columbia, Tennessee

**BOND COUNSEL**

Bass, Berry & Sims PLC  
Nashville, Tennessee

**MUNICIPAL ADVISOR**

Raymond James & Associates, Inc.  
Nashville, Tennessee

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**City of Columbia, Tennessee**

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## SUMMARY STATEMENT

The information set forth below is provided for convenient reference and does not purport to be complete and is qualified in its entirety by the information and financial statements appearing elsewhere in this *Preliminary Official Statement*. This Summary Statement shall not be reproduced, distributed or otherwise used except in conjunction with the remainder of this *Preliminary Official Statement*.

- The Issuer ..... City of Columbia, Tennessee (the “City” or the “Issuer”). See the section entitled “Supplemental Information Statement” (APPENDIX B) for more information.
- Securities Offered..... \$72,980,000\* General Obligation Public Improvement Bonds, Series 2024 (the “Bonds”) of the City, dated August 22, 2024\*. The Bonds will mature each December 1 beginning December 1, 2026 through December 1, 2053, inclusive\*. See the section entitled “SECURITIES OFFERED – Authority and Purpose”.
- Security ..... The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within corporate limits of the City. For the prompt payment of principal of, premium, if any, and interest on the Bonds, the full faith and credit of the City are irrevocably pledged. The Bonds shall be additionally payable from, but not secured by a pledge of or lien on, the revenues of the City’s wastewater system. See the section entitled “SECURITIES OFFERED – Security”.
- Purpose..... The Bonds are being issued for the purpose of providing funds for (i) the construction and equipping of a new wastewater treatment plant and other wastewater system improvements; (ii) the acquisition of all property real and personal appurtenant to any of the foregoing; (iii) payment of all legal, fiscal, administrative, planning, architectural and engineering costs incident thereto. See the section entitled “SECURITIES OFFERED – Authority and Purpose” for additional information.
- Optional Redemption..... The Bonds are subject to optional redemption prior to maturity on and after December 1, 2032\* at the redemption price of par and accrued interest. See the section entitled “SECURITIES OFFERED - Optional Redemption”.
- Tax Matters ..... In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the City, as hereafter defined, interest on the Bonds (i) is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax, except as described under the heading “LEGAL MATTERS-Tax Matters” herein. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading “LEGAL MATTERS – Tax Matters” herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, county and municipal

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\* Subject to adjustment and revision as outlined in the “Official Notice of Sale” which is an integral part hereof and incorporated herein by reference.

taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See “LEGAL MATTERS -Tax Matters” herein.)

- Rating.....S&P Global Ratings, Inc. (“S&P”) – “AA+”. See the section entitled “MISCELLANEOUS – Rating” for more information.
- Underwriter ..... \_\_\_\_\_ (the “Underwriter”). Also see the section entitled “MISCELLANEOUS –Financial Professionals”.
- Municipal Advisor .....Raymond James & Associates, Inc., Nashville, Tennessee (“Raymond James”). Also see the section entitled “MISCELLANEOUS – Financial Professionals”.
- Bond Counsel ..... Bass, Berry & Sims PLC, Nashville, Tennessee (the “Bond Counsel”). Also see the section entitled “MISCELLANEOUS – Financial Professionals”.
- Registration Agent ..... U.S. Bank National Association, Nashville, Tennessee (the “Registration Agent”). Also see the section entitled “MISCELLANEOUS – Financial Professionals”.
- Book Entry Only ..... The Bonds will be issued under the Book Entry System except as otherwise described herein. For additional information, see the section entitled “BASIC DOCUMENTATION – Book Entry System”.
- General.....The Bonds are being issued in full compliance with Title 9, Chapter 21, Parts 1 and 2, Tennessee Code Annotated, as supplemented and revised. The Bonds will be issued with CUSIP numbers through the facilities of The Depository Trust Company, New York, New York. See the section entitled “SECURITIES OFFERED – Authority and Purpose” for more information.
- Disclosure .....In accordance with Rule 15c2-12 of the Securities and Exchange Commission as amended (the “Rule”), the City will provide the Municipal Securities Rulemaking Board (“MSRB”) through the operation of the Electronic Municipal Market Access system (“EMMA”) and the State information depository (“SID”), if any, annual financial statements and other pertinent credit or event information, including the Annual Financial Reports, see the section entitled “MISCELLANEOUS - Continuing Disclosure”
- Other Information ..... The information in the *Preliminary Official Statement* is deemed "final" within the meaning of Rule 15c2-12(b)(5) of the SEC (the “Rule”) as of the date which appears on the cover except for the omission of information permitted by the Rule. For more information concerning the City or the *Preliminary Official Statement*, contact Mr. Anthony R. Massey, City Manager or Mr. Thad Jablonski, Assistant City Manager, Finance Director and Recorder; City Hall, 700 North Garden Street, Columbia, Tennessee 38401, Telephone: 931-560-1505 or the Municipal Advisor, Raymond James & Associates, Inc., One Burton Hills Blvd. - Suite 225, Nashville, Tennessee 37215, Telephone: 615-665-6920 or 800-764-1002



**\$72,980,000\***  
**CITY OF COLUMBIA, TENNESSEE**  
**General Obligation Public Improvement Bonds, Series 2024**

**SECURITIES OFFERED**

**AUTHORITY AND PURPOSE**

This “Preliminary Official Statement” which includes the Summary Statement and appendices is furnished in connection with the offering by the City of Columbia, Tennessee (the “City”) of its \$72,980,000\* General Obligation Public Improvement Bonds, Series 2024 (the “Bonds”).

The Bonds are authorized to be issued pursuant to the provisions of Title 9, Chapter 21, Parts 1 and 2, Tennessee Code Annotated, as supplemented and amended, and other applicable provisions of law. The Bonds were authorized by the City Council of the City (the “Governing Body”) pursuant to a resolution duly adopted on June 20, 2024 (the “Resolution”).

The Bonds are being issued for the purpose of providing funds for (i) the construction and equipping of a new wastewater treatment plant and other wastewater system improvements; (ii) the acquisition of all property real and personal appurtenant to any of the foregoing; (iii) payment of all legal, fiscal, administrative, planning, architectural and engineering costs incident thereto.

**DESCRIPTION OF THE BONDS**

The Bonds initially will be dated the date of their issuance estimated to be August 22, 2024\*. Interest on the Bonds will be payable semiannually on June 1 and December 1, commencing June 1, 2025. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds.

See the section entitled “BASIC DOCUMENTATION - The Book-Entry System” and the “Registration Agent” for additional information.

**SECURITY**

The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within corporate limits of the City. For the prompt payment of principal of, premium, if any, and interest on the Bonds, the full faith and credit of the City are irrevocably pledged. The Bonds shall be additionally payable from, but not secured by a pledge of or lien on, the revenues of the City’s wastewater system.

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\* Subject to adjustment and revision as outlined in the “Official Notice of Sale”

## REDEMPTION

*Optional Redemption.* The Bonds shall be subject to redemption prior to maturity at the option of the City on December 1, 2032\* and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Governing Body of the City, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

- (i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or
- (ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

*[Mandatory Redemption.]* Subject to the credit hereinafter provided, the City shall redeem Bonds maturing \_\_\_\_\_ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds Redeemed</u>
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\*Final Maturity

At its option, to be exercised on or before the forty-fifth (45<sup>th</sup>) day next preceding any such redemption date, the City may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under

this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the City on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The City shall on or before the forty-fifth (45<sup>th</sup>) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

*Notice of Redemption.* Notice of call for redemption[, whether optional or mandatory,] shall be given by the Registration Agent on behalf of the City not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the City nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the City pursuant to written instructions from an authorized representative of the City (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. On or before the date fixed for redemption, moneys shall be deposited with the Registration Agent to pay the principal of, redemption premium, if any, and interest accrued to the redemption date on the Bonds called for redemption. In the case of a Conditional Redemption, the failure of the City to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

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## BASIC DOCUMENTATION

### BOOK ENTRY-ONLY SYSTEM

The Registration Agent, U.S. Bank National Association, its successor or the City will make all interest payments with respect to the Bonds on each interest payment date directly to Cede & Co., as nominee of DTC, the registered owner as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the “Regular Record Date”) by check or draft mailed to such owner at its address shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the City in respect of such Bonds to the extent of the payments so made, except as described above. Payment of principal of the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable.

So long as Cede & Co. is the Registered Owner of the Bonds, as nominee of DTC, references herein to the Bondholders, Holders or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds. For additional information, see the following section.

The Bonds, when issued, will be registered in the name of Cede & Co., DTC’s partnership nominee, except as described above. When the Bonds are issued, ownership interests will be available to purchasers only through a book entry system maintained by DTC (the “Book-Entry-Only System”). One or more fully registered bond certificates will be issued for each maturity, in the entire aggregate principal amount of the Bonds and will be deposited with DTC.

*DTC and Its Participants.* DTC is a limited purpose trust company organized under the New York Bank Law, a “**banking organization**” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “**clearing corporation**” within the meaning of the New York Uniform Commercial Code, and a “**clearing agency**” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for securities that its participants (the “**Direct Participants**”) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry-only changes in DTC Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of its Direct Participants and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (the “NSCC”, “GSCC”, “MBSCC”, and “EMCC”, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc. (the “NYSE”), the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct DTC Participant, either directly or indirectly (the “**Indirect Participants**” and, together with the Direct Participants, the “**Participants**”). DTC has S&P’s rating of “AA+.” The rules

applicable to DTC and its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtc.com](http://www.dtc.com).

*Purchase of Ownership Interests.* Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "**beneficial owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through whom such beneficial owners entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the Bonds, except as specifically provided in the Bonds in the event that use of the book-entry-only system is discontinued.

*Payments of Principal and Interest.* Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Registration Agent on the payable date in accordance with their respective holdings shown on DTC's records, unless DTC has reason to believe it will not receive payment on such date. Payments by Direct and Indirect Participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with municipal securities held for the accounts of customers in bearer form or registered in "**street name**", and will be the responsibility of such Participant and not of DTC, the City or the Registration Agent subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal, tender price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Registration Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the beneficial owners shall be the responsibility of Direct and Indirect Participants.

*Notices.* Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. Beneficial owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to beneficial owners, or in the alternative, beneficial owners may wish to provide their names and addresses to the Registration Agent and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant

in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as practicable after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

NONE OF THE CITY, THE MUNICIPAL ADVISOR, THE BOND COUNSEL OR THE REGISTRATION AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENT TO, OR THE PROVIDING OF NOTICE FOR, SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES.

*Transfers of Bonds.* To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the beneficial owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

None of the City, the Bond Counsel, the Registration Agent or the Underwriter will have any responsibility or obligation, legal or otherwise, to any party other than to the registered owners of any Bond on the registration books of the Registration Agent.

*Discontinuance of Book-Entry-Only System.* In the event that (i) DTC determines not to continue to act as securities depository for the Bonds or (ii) to the extent permitted by the rules of DTC, the City determines to discontinue the Book-Entry System; the Book-Entry System shall be discontinued. Upon the occurrence of the event described above, the City will attempt to locate another qualified securities depository, and if no qualified securities depository is available, Bond certificates will be printed and delivered to beneficial owners.

*No Assurance Regarding DTC Practices.* The foregoing information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City, the Bond Counsel, the Registration Agent and the Underwriter do not take any responsibility for the accuracy thereof. So long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, references herein to the holders or registered owners of the Bonds will mean Cede & Co. and will not mean the beneficial owners of the Bonds. None of the City, the Bond Counsel, the Registration Agent or the Underwriter will have any responsibility or obligation to the Participants, DTC or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or by any Direct or Indirect Participant of DTC, (ii) payments or the providing of notice to Direct Participants, the Indirect Participants or the beneficial owners or (iii) any other action taken by DTC or its partnership nominee as owner of the Bonds.

## **TRANSFERS AND EXCHANGES**

The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or its legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the City to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the City nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

For more information on the duties of the Registration Agent, please refer to the Resolution. Also, please see the section entitled “SECURITIES OFFERED – Redemption.”

## **SOURCES AND USES OF FUNDS**

The following table sets forth the estimated sources and uses of funds relating to the proceeds from the Bonds:

### **Sources of Funds:**

Par Amount  
[Plus: Net Original Issue Premium]  
TOTAL SOURCES:

### **Uses of Funds:**

Deposit to the Project Fund  
Underwriter’s Discount  
Costs of Issuance  
TOTAL USES:

## **DISCHARGE AND SATISFACTION OF BONDS**

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Federal Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds, respectively, and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds, respectively, are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds, to the Registration Agent, for cancellation by it; and if the City shall also pay or cause to be paid all other sums payable hereunder by the City with respect to such Bonds or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on the Bonds, when due, then and in that case the indebtedness evidenced by the Bonds, respectively, shall be discharged and satisfied and all covenants, agreements and obligations of the City to the holders of the Bonds, shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the City shall pay and discharge the indebtedness evidenced by any of the Bonds, in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Federal Obligations deposited as aforesaid.

Except as otherwise provided, neither Federal Obligations nor moneys deposited with the Registration Agent nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the City as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on the Bonds, respectively, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Registration Agent. Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.



## **BONDHOLDERS' RISKS**

### **GENERAL**

Set forth below are certain risks purchasers of the Bonds should consider when making an investment decision. All potential risks are not included and the discussion is not intended to be exhaustive.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions, which are often subject to discretion and delay. The enforceability of remedies or rights with respect to the Bonds may be limited by state and federal laws, rulings and decisions affecting remedies and by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. Under existing constitutional and statutory law and judicial decisions, certain remedies specified by the Resolution may not be readily available or may be limited. The legal opinion to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

### **ADDITIONAL BONDS**

The City may issue additional bonds in accordance with the provisions of the Act. The issuance of additional bonds would increase the debt service requirements and could adversely affect the sources of funds available to service the Bonds.

### **COVID-19 PANDEMIC**

The Issuer has not experienced any negative material effects to property tax collections or sales tax collections as a result of the COVID-19 pandemic.

The Issuer's liquidity position remains strong. As of June 30, 2023, it is estimated that the Issuer had over \$49.2 million in General Fund reserves which represents 115.3% of fiscal year 2023 actual expenditures including transfers out in the General Fund. The Issuer's current liquidity position is expected to be adequate to fund essential services and make timely debt service payments on debt of the Issuer.

### **CLIMATE CHANGE**

Planning for climate change in the State and its impact on the City's operation is an unknown challenge. The State's climate is exceedingly variable and projections of future conditions range significantly. While projections in the State indicate rising average temperatures, precipitation projections are much less clear and often contradictory. Other potential impacts include changes in the length, intensity, and frequency of droughts and floods. The financial impact of climate change is not yet known, and therefore, its future impact on the City cannot be quantified reliably at this time.

## **CYBER-SECURITY**

Computer networks and data transmission and collection are vital to the efficient operations of the City. Despite security measures, information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored there could be disrupted, accessed, publicly disclosed, lost or stolen. Any such disruption, access, disclosure or other loss of information could result in disruptions in operations and the services provided by the City, legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties and the services provided, and cause a loss of confidence in the City's operations, which could materially affect the City and its operations.

## **OTHER RISK FACTORS**

In the future, the following additional factors, among others, may adversely affect the operations of the City to an extent that cannot be determined at this time:

(1) The ability of the City to insure or otherwise protect itself against property damage and general liability claims due to cost or other unknown factors.

(2) Proposals that impact the tax status of debt instruments issued by the City or limit the use of tax-exempt bonds, which have been made in the past, and which may be made again in the future. The adoption of such proposals would increase the cost to the City of financing future capital needs.

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## LEGAL MATTERS

### LITIGATION

*General.* There are no suits threatened or pending challenging the legality or validity of the Bonds or the right of the City to sell or issue the Bonds or to collect its ad valorem taxes or its fees for wastewater services to pay principal of and interest on the Bonds.

At the time of delivery of and payment for the Bonds, the City will deliver, or cause to be delivered, a certificate of the City stating that there is no controversy or litigation of any nature then pending or threatened, restraining or enjoining the issuance, sale execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the authorization, issuance or sale thereof or the pledge or application of any moneys or security provided for the payment of the Bonds or the existence, boundaries or powers of the City, or the title of its officials to their respective offices. See the subsection in this section entitled “Closing Certificates” for additional information.

The City, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. After reviewing the current status of all pending and threatened litigation, the City believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits that have been filed and of any actions or claims presently pending or threatened against the City or its officials in such capacity are adequately covered by insurance or by sovereign immunity or will not have a material adverse effect upon the City’s financial condition.

### REMEDIES OF BONDHOLDERS

Under Tennessee law, any Bondholder has the right, in addition to all other rights:

(1) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce its rights against the City, including, but not limited to, the right to require the City to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the City to carry out any other covenants and agreements, or

(2) By action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Bondholder.

### TAX MATTERS

TAX MATTERS Federal General. Bass, Berry & Sims PLC is Bond Counsel for the Bonds. Their opinion under existing law, relying on certain statements by the City and assuming compliance by the City with certain covenants, is that interest on the Bonds:

- is excluded from a bondholder's federal gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and
- is not a preference item for a bondholder under the federal alternative minimum tax on individuals under the Code; however, such interest is taken into account in

determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2023.

The Code imposes requirements on the Bonds that the City must continue to meet after the Bonds are issued. These requirements generally involve the way that Bond proceeds must be invested and ultimately used. If the City does not meet these requirements, it is possible that a bondholder may have to include interest on the Bonds in its federal gross income on a retroactive basis to the date of issue. The City has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder who is a particular kind of taxpayer may also have additional tax consequences from owning the Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit
- a borrower of money to purchase or carry the Bonds, or
- an “applicable corporation” as defined in Section 59(k) of the Code

If a bondholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the 11 Bonds or affect the market price of the Bonds. See also section "CHANGES IN FEDERAL AND STATE TAX LAW" below.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Bonds, or under State, local or foreign tax law.

*Bond Premium.* If a bondholder purchases a Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder's tax basis in that Bond will be reduced. The holder of a Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Bond with bond premium, even though the Bond is sold for an amount less than or equal to the owner's original cost. If a bondholder owns any Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

*Original Issue Discount.* A Bond will have "original issue discount" if the price paid by the original purchaser of such Bond is less than the principal amount of such Bond. Bond Counsel's

opinion is that any original issue discount on these Bonds as it accrues is excluded from a bondholder's federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder's tax basis in these Bonds will be increased. If a bondholder owns one of these Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

*Information Reporting and Backup Withholding.* Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup 12 withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

## **STATE TAXES**

Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bonds during the period the Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

## **CHANGES IN FEDERAL AND STATE TAX LAW**

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further, such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be

predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters. Miscellaneous

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

The form of the opinion of Bond Counsel is attached as “APPENDIX A: Proposed Form of Opinion”. Copies of the opinion will be available at the time of the initial delivery of the Bonds.

## **CLOSING CERTIFICATES**

Upon delivery of the Bonds, the City will execute in a form satisfactory to Bond Counsel, certain closing certificates including the following: (i) A certificate as to the “Official Statement”, in final form (as defined herein), signed by the Mayor and the City Recorder acting in their official capacities to the effect that to the best of their knowledge and belief, and after reasonable investigation, (a) neither the “Official Statement”, in final form, nor any amendment or supplement thereto, contains any untrue statements of material fact or omits to state any material fact necessary to make statements therein, in light of the circumstances in which they are made, not misleading, (b) since the date of the “Official Statement”, in final form, no event has occurred which should have been set forth in such a memo or supplement, and (c) there is no litigation of any nature pending or threatened seeking to restrain the issuance, sale, execution and delivery of the Bonds, or contesting the validity of the Bonds or any proceeding taken pursuant to which the Bonds were authorized; (ii) a non-arbitrage certificate which supports the conclusions that based upon facts, estimates and circumstances in effect, upon delivery of the Bonds, the proceeds of the Bonds will not be used in a manner which would cause the Bonds to be arbitrage bonds; (iii) certificates as to the delivery and payment, signed by the City Recorder acting in her official capacity evidencing delivery of and payment for the Bonds; (iv) a signature identification and incumbency certificate, signed by the Mayor and City Recorder acting in their official capacities certifying as to the due execution of the Bonds; and (v) a Continuing Disclosure Certificate regarding certain covenants of the City concerning the preparation and distribution of certain annual financial information and notification of certain material events, if any.

For additional information, see the section entitled “MISCELLANEOUS – Underwriting”, “MISCELLANEOUS - Additional Information” and MISCELLANEOUS - Continuing Disclosure”.

## **APPROVAL OF LEGAL PROCEEDINGS**

Certain legal matters relating to the authorization and the validity of the Bonds are subject to the approval of Bass, Berry & Sims PLC, Nashville, Tennessee, bond counsel solely to the City

(“Bond Counsel”). Bond Counsel did not prepare the *Preliminary Official Statement* or the *Official Statement*, in final form, or verified their accuracy, completeness or fairness. Accordingly, Bond Counsel expresses no opinion of any kind concerning the *Preliminary Official Statement* or *Official Statement*, in final form, except for the information under the section entitled “TAX MATTERS”. The opinion of Bond Counsel will be limited to matters relating to authorization and validity of the Bonds, as described above. The legal opinion will be delivered with the Bonds and the proposed form of the opinion is included in APPENDIX A.

Certain legal matters will be passed upon for the City by its counsel, C. Tim Tisher, Esq., Columbia, Tennessee.

## MISCELLANEOUS

### RATING

S&P Global Ratings, Inc. (“S&P”) has assigned the Bonds the credit rating of “AA+” which appears on the cover of this “Preliminary Official Statement”.

The City furnished S&P certain information and materials and had “due diligence” meetings concerning the Bonds and the City. Generally, S&P bases their ratings on such information and materials and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that any rating will be maintained for any given period of time or that it will not be revised downward or withdrawn entirely by S&P if, in their judgment, circumstances so warrant. The City undertakes no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of the ratings or other actions by a rating agency may have an adverse effect on the market price of the Bonds.

Any explanation of the significance of the ratings may be obtained only from S&P.

### COMPETITIVE PUBLIC SALE

The Bonds were offered for sale at competitive public bidding on August 6, 2024\*. Details concerning the public sale were provided to potential bidders and others through the “Preliminary Official Statement” that was dated July \_\_, 2024.

Through IHS Markit’s IPREO BiDCOMP®/Parity® system, \_\_ of the original \_\_ firms which indicated an interest in bidding for the Bonds submitted proposals ranging from the best bid of \_\_\_\_\_% on a true interest cost basis (“TIC”) to \_\_\_\_\_%.

The successful bidder for the Bonds was an account led by \_\_\_\_\_ (the “Underwriter”) who contracted with the City, subject to the conditions set forth in the “Official Notice of Sale” including permitted adjustments, to purchase the Bonds at an adjusted purchase price of \$ \_\_\_\_\_ (consisting of the par amount of the Bonds of \$ \_\_\_\_\_, plus a premium of \$ \_\_\_\_\_, less an underwriter’s discount of \$ \_\_\_\_\_) or a bid price of \_\_\_\_\_% of par.

## **FINANCIAL PROFESSIONALS**

*Municipal Advisor.* Raymond James & Associates, Inc. (“Raymond James”), Nashville, Tennessee has served as Municipal Advisor to the City in connection with the Bonds and will receive compensation for duties performed in that role conditioned upon the sale and issuance of the Bonds. Any information contained in the *Preliminary Official Statement* and *Official Statement* concerning the City, any of its affiliates or contractors and any outside parties has not been independently verified by the Municipal Advisor, and inclusion of such information is not, and should not be construed as, a representation by the Municipal Advisor as to its accuracy or completeness or otherwise. The Municipal Advisor is not a public accounting firm and has not been engaged by the City to review or audit any information in the *Preliminary Official Statement* in accordance with accounting standards.

*Bond Counsel.* Bass, Berry & Sims PLC represents Raymond James on legal matters unrelated to the City.

*Investments.* Among other services, Raymond James also assists local jurisdictions in the investment of idle funds and may serve in various other capacities. To the extent other related Raymond James personnel assist with and provide investment services to the Issuer, it is acknowledged that separate compensation will be paid for any such services and that up to one-half of any such fees paid to Raymond James may be shared internally with representatives of the Municipal Advisor acting as a solicitor and that any such fees charged will be the same regardless of whether a solicitor was used or not. Raymond James currently provides investment services to the City and will continue to do so in the future.

## **DEBT LIMITATIONS**

Under the legal authority under which the Bonds are sold and issued, there is no limit on the amount of debt obligations that may be issued by the City. (See DEBT STRUCTURE - Indebtedness and Debt Ratios for more information.)

## **ADDITIONAL DEBT OBLIGATIONS**

The City has not authorized the sale or issuance of any additional debt obligations at this time. On an annual basis, the City considers and adopts a five year formal capital improvement plan (the “CIP”) which includes certain projects that may be funded with debt obligations.

## **OFFICIAL STATEMENT**

Certain information relative to the location, economy and finances of the City is found in the *Preliminary Official Statement* and the *Official Statement*. While not guaranteed as to completeness or accuracy, the *Preliminary Official Statement* and the *Official Statement* are believed to be correct as of their respective dates based on information supplied by the City and other reliable sources and by the certification by the City as to the *Official Statement*.

Raymond James has not been engaged by City to provide or validate any information in this *Official Statement* relating to City, including (without limitation) any of City’s financial and operating data, whether historical or projected. Raymond James is not a public accounting or



auditing firm and has not been engaged by City to review or audit any information in this *Official Statement* in accordance with accounting standards.

## **CONTINUING DISCLOSURE**

The City will at the time the Bonds are delivered execute a Continuing Disclosure Certificate under which it will covenant for the benefit of holders and Beneficial Owners of the Bonds to provide certain financial information relating to the City by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2024 (the "Annual Report"), and to provide notice of the occurrence of certain significant events not later than ten business days after the occurrence of the events and notice of failure to provide any required financial information of the City. The issuer will provide notice in a timely manner to the MSRB of a failure by the City to provide the annual financial information on or before the date specified in the continuing disclosure agreement. The Annual Report (and audited financial statements if filed separately) and notices described above will be filed by the City with the Municipal Securities Rulemaking Board ("MSRB") at [www.emma.msrb.org](http://www.emma.msrb.org) and with any State Information Depository which may be established in Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events is summarized below. These covenants have been made in order to assist the Underwriters in complying with Securities Exchange Act Rule 15c2-12(b), as it may be amended from time to time (the "Rule 15c2-12"). See "APPENDIX C: Form of Continuing Disclosure Certificate" for additional information.

In evaluating its compliance with its continuing disclosure obligations during the previous five years, the City made the following findings: (1) the City's audited financial statements and supplemental disclosure report for the fiscal year ended June 30, 2022 were filed on EMMA but not within the time frame required by the Municipality's continuing disclosure agreements. (2) The supplemental disclosure report for the fiscal year ended June 30, 2021 was originally filed with only the cover page available. The supplemental report has since been re-filed with all requested information included. Other than the described above, the City has not failed to comply, in any material respect, in the last five years with any previous undertakings with regard to said Rule to provide Annual Reports or notices of events.

See "APPENDIX C: Form of Continuing Disclosure Certificate" for additional information.

Pursuant to the amendment to the Rule which became effective on February 27, 2019, the City Manager and the Assistant City Manager, Finance Director and City Recorder were briefed on the additional notice requirements and the importance of compliance with the Rule. The Assistant City Manager, Finance Director and City Recorder is the designated official responsible for the City's continuing disclosure obligations.

See "APPENDIX C: Form of Continuing Disclosure Certificate" for additional information.

## **ADDITIONAL INFORMATION**

References, excerpts and summaries contained herein of certain provisions of the laws of the State and any documents referred to herein do not purport to be complete statements of the provisions for such laws or documents, and reference should be made to the complete provisions thereof for a full and complete statement of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the holders thereof. The *Preliminary Official Statement* and the *Official Statement* in final forms, and any advertisement of the Bonds are not to be construed as a contract or agreement between the City and the purchasers of any of the Bonds. Any statements or information printed in the *Preliminary Official Statement* and the *Official Statement*, in final forms, involving matters of opinion or of estimates, whether or not expressly so identified, is intended merely as such and not representations of fact.

The City has deemed this *Preliminary Official Statement* as "final" as of its date within the meaning of Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC") (the "Rule") except for certain information allowed to be omitted by the Rule.

### **CERTIFICATION OF THE CITY**

At the time of payment for and delivery of the Bonds, the City will furnish the purchaser a certificate, signed by the Mayor and the Assistant City Manager, Finance Director and City Recorder, to the effect that (a) the descriptions and statements of or pertaining to the City contained in its *Official Statement* and any addendum thereto, for its Bonds, on the date of such *Official Statement*, on the date of sale of the Bonds and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the City and its affairs, including its financial affairs, are concerned, such *Official Statement* did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data of or pertaining to entities other than the City, and their activities contained in such *Official Statement* are concerned, such statements and data have been obtained from sources which the City believes to be reliable and that the City has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the City since June 30, 2023, the date of the last audited financial statements of the County, the electronic link to which appears in "APPENDIX D: Annual Financial Report".

/s/ \_\_\_\_\_  
Mayor

ATTEST:

/s/ \_\_\_\_\_  
Assistant City Manager,  
Finance Director and City Recorder

**APPENDIX A**

**PROPOSED FORM OF LEGAL OPINION**

(Proposed Form of Opinion of Bond Counsel)

Bass, Berry & Sims PLC  
150 Third Avenue South, Suite 2800  
Nashville, Tennessee 37201

(Closing Date)

City Council  
of the City of Columbia, Tennessee

[Underwriter]

Ladies and Gentlemen:

We have acted as bond counsel to the City of Columbia, Tennessee (the "Issuer") in connection with the issuance of \$ \_\_\_\_\_ General Obligation Refunding Bonds, Series 2020 (Federally Taxable), dated the date hereof (the "Bonds"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.
2. The resolution of the City Council of the Issuer authorizing the Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer enforceable in accordance with its terms.
3. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the Issuer. The Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit.
4. Interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2023. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Bonds to be so included in

gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements. Except as set forth in this Paragraph 4, we express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on all or a portion of the interest on any of the Bonds during the period such Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolution authorizing the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

**APPENDIX B**

**SUPPLEMENTAL INFORMATION STATEMENT**

## GENERAL INFORMATION

### GENERAL

*Location.* The City of Columbia (the “City”) is located in Middle Tennessee at the center of Maury County, the county seat for county government. Columbia was first settled in 1807 and incorporated on November 18, 1817. Located approximately 40 miles southwest of Nashville, today Columbia is one of the fastest growing cities in the South Central and Middle Tennessee regions. The incorporated area of the City covers approximately 33.1 square miles and has an estimated 2024 population of 47,445 estimated using US Census Bureau population statistics.



Source: US Census Bureau

The City is a 10-minute drive from the Maury Regional Airport and a 50-minute drive from the Nashville International Airport, a multi-air carrier commercial aviation facility. Interstate 65 extends parallel to the City’s major north-south corridor, U.S. Highway 31. Interstates 24 and 40 and 840 are located nearby. Other land transportation is served by U.S. Highways 31, 43 and 412, and State Highways 7, 50, 243, 245, and 246. Rail transportation is provided by CSX and Tennessee Southern.

*Population Trends.* Columbia is a rapidly growing, bedrock community, known for its historic town square, easy access to the Duck River and high quality of life. Columbia’s downtown historic commercial district is also home to a federal courthouse and state offices, as well as a growing number of retail and entertainment venues and shops.

Columbia and Maury County have benefited from some of the lowest unemployment rates in the State and historically high levels of residential and commercial development. In FY 2023, the City issued 2,588 building permits valued at \$290 million, compared to 2,309 valued at \$205 million in FY 2022 or a 41.5% year-over-year increase for the last three years.

<b>Other Key Demographic Statistics</b>	
Fire and Rescue Dept. rating – ISO 1 (1 or 2 cities in the State)	Diversity: 73% white; 17% black; 9.7%
Median Age: 36.7 Years	Hispanic; 2.6% multi-race; 0.4% Asian
High School Diploma or higher – 87.2% vs. 86.5% for State	County ranked 2 <sup>nd</sup> for most investment in State

Columbia is part of the 14 county Nashville-Davidson-Murfreesboro-Franklin, Tennessee Metropolitan Statistical Area (“Nashville MSA”).

<u>Census Population</u>	<u>Columbia</u>	<u>% Increase</u>	<u>Maury County</u>	<u>% Increase</u>	<u>Nashville MSA</u>	<u>% Increase</u>	<u>Tennessee</u>	<u>% Increase</u>
2024*	41,724	9.10%	113,524	12.43%	2,102,573	5.68%	7,126,489	3.10%
2020	41,690	20.20%	100,974	24.70%	1,989,519	19.10%	6,910,840	8.90%
2010	34,681	4.90%	80,956	16.50%	1,670,890	27.40%	6,346,105	11.50%
2000	33,055	15.60%	69,498	26.70%	1,311,789	33.20%	5,689,283	16.70%
1990	28,583	14.30%	54,812	21.80%	985,026	15.80%	4,877,185	6.20%
1980	25,000	13.60%	45,000	18.40%	850,505	21.50%	4,591,120	16.90%
1970	22,000	-	38,000	-	700,000	-	3,926,018	-

Source: US Census Bureau

\*Estimated

## GOVERNMENTAL STRUCTURE

*General.* Incorporated on November 18, 1817 pursuant to a Private Act Charter, Chapter 143, as supplemented and amended, the governing body, the City Council, consists of seven members. Non-partisan elections for Mayor, Vice Mayor and Council Members are held on a staggered basis every other even year. The Mayor and Councilman at Large (Vice Mayor) are elected at-large, staggered two-year terms from the election of Council members. Five City Council members are elected by ward. The Mayor is the presiding officer of the Council. The Council is responsible for passing ordinances and resolutions, adopting the budget, appointing committees and appointing the City Manager who is the chief executive officer of the City. The City Manager is responsible for carrying out the policies, ordinances and resolutions of the Council, for overseeing day-to-day operations of the government and for appointing the heads of City departments. The City Council also appoints the City Attorney.

The City provides a wide range of municipal services including public safety (police, fire protection and emergency management), highway and street maintenance, public works, parks and recreation, development services (engineering, planning and code administration), solid waste collection and general administrative support services. For fiscal year 2021, there are 435 positions authorized.

*Utilities.* The City also operates a sewerage collection system through the Wastewater Fund, which is managed as a department within general government.



Electric power, water and broadband telecommunication services are provided by the Columbia Power & Water Systems, which are owned by the City, but operated by the City of Columbia Board of Public Utilities (“CPWS”). The Wastewater Fund and all CPWS activities are business-type activity funds. Atmos Energy provides natural gas service to the City and area.

For additional information regarding the City, see the website: <http://www.columbiatn.com/>

#### **LOCAL ECONOMY**

Business activity during the last year continues to show improvement from growth in the city’s historic downtown commercial district, the larger Columbia service area and the region.

General Motors (“GM”) Spring Hill plant is located approximately 10 miles from Columbia’s town center. The Spring Hill facility is GM’s largest factory in North America and currently employs around 3,800.

A regional leader in the Health Care industry, Columbia hosts the headquarters of the Maury Regional Health Care System. Maury Regional and Tri-Star Health entered into a joint venture to open a \$24.4 million behavioral health care facility with 60 beds, which opened in early 2020.

Serving residents of the community and region, the downtown commercial district also serves a growing number of tourists each year. In April 2019, the City was noted on Southern Living’s “The South’s Best Small Towns 2019” list. New businesses include retail and entertainment venues such as Briarworks (pipe manufacturer with lounge), Taps on Main (entertainment), Bad Idea Brewing Company, Ollie & Finn’s sandwich counter, West 7th Company (photography/art) and Flags World (retail), Smith and York (home/retail) and Prime and Pint, among others. Other businesses that opened during the last year include a new Thai restraint, South Ahan, Ace Hardware Store, Tractor Supply Store, Sleep Inn, Starbucks, McCallister Deli, the relocation/expansion of Benton Nissan dealership and the Columbia Culinary Arts Center.

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## EMPLOYMENT INFORMATION

The chart below depicts the average annual employment and unemployment trends in the City, Maury County and State (on a seasonally adjusted basis) for the last five years:

### ANNUAL AVERAGE

<u>Location</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>United States</b>	3.8%	3.6%	5.4%	6.9%	3.5%
<b>Tennessee</b>	3.3%	3.4%	4.5%	7.4%	3.3%
<b>Maury County</b>	2.8%	3.0%	5.0%	8.1%	3.1%
✓ <b>Workforce</b>	53,782	53,113	52,036	51,065	50,402
✓ <b>Employment</b>	52,302	41,496	49,440	46,948	48,822
✓ <b>Unemployment</b>	1,480	1,617	2,596	4,117	1,580

Source: Tennessee Department of Employment Security, Annual Averages: Labor Force and Nonfarm Employment Estimates; Bureau of Labor Statistics 2015 – 2019, dated May 2020

## LARGEST EMPLOYERS

### PRINCIPAL EMPLOYERS FOR THE FISCAL YEARS NOTED

<u>Employer</u>	<u>Fiscal Year 2023</u>			<u>Fiscal Year 2014</u>		
	<u>Total Employees</u>	<u>Rank</u>	<u>% of Total City Employment</u>	<u>Total Employees</u>	<u>Rank</u>	<u>% of Total City Employment</u>
Maury Regional Hospital	3,200		15.24%	2,135		15.33%
Maury County School System	1,886	2	8.98%	1,580	2	11.35%
Tennessee Fann Bureau & Affiliates	698	3	3.32%	625	3	4.49
Columbia State Community College	636	4	3.03%	250	9	1.80%
Maury County Government	510	5	2.43%	266	7	1.91%
City of Columbia	400	6	1.91%	373	5	2.68
Wiremasters Inc.	228	7	1.09%			
Kings Daughters School	220	8	1.05%	180	10	1.29%
NHC Healthcare	133	9	0.63%	255	8	1.83%
Sleep Solutions & Services LLC	123	10	0.59%			
Walmart				500	4	3.59%
First Fanners & Merchants National Bank				266	6	1.91%
<b>Total</b>	<b>8,034</b>		<b>38.26%</b>	<b>6,43</b>		<b>46.18%</b>
<b>Total Employment</b>	<b>20,996</b>			<b>13,925</b>		

Source: City of Columbia

## ECONOMIC DATA

### ANNUAL AVERAGE PER CAPITA PERSONAL INCOME

<u>Location</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>National</b>	\$65,470	\$64,430	\$59,153	\$56,490	\$54,446	\$51,640	\$49,831	\$48,940	\$46,049	\$44,438
<b>Tennessee</b>	\$58,292	\$56,970	\$41,928	\$48,684	\$46,900	\$45,517	\$43,932	\$42,810	\$40,457	\$39,312
<b>Maury County</b>	\$52,957	\$51,733	\$47,663	\$44,501	\$42,871	\$41,302	\$40,047	\$38,208	\$36,947	\$36,397
<b>County vs. U.S</b>	80.88%	80.29%	80.58%	78.78%	78.74%	79.98%	80.37%	78.07%	80.23%	81.91%
<b>County vs. TN</b>	90.85%	90.81%	91.79%	91.41%	91.41%	90.74%	91.16%	89.25%	91.32%	92.58%

Source: U.S. Department of Commerce, Bureau of Economic Analysis – CA1-3 and SA1 Personal Income Summary

**BUILDING PERMITS**

This chart depicts building permits for all purposes issued for the last 5 years.

Fiscal Year:	2023		2022		2021		2020		2019
Number of permits / Change prior yr.	2,588	12.10%	2,309	32.00%	1,749	18.00%	1,482	-5.20%	1,563
Permit Value in Millions / Change prior yr.	\$290.50	41.50%	\$205.30	29.80%	\$158.20	81.00%	\$87.40	28.60%	\$122.40

Source: City of Columbia, Tennessee Comprehensive Annual Financial Reports

**EDUCATIONAL OPPORTUNITIES**

*Maury County School System.* Public education is provided to residents by the Maury County School System. Within the City limits, the County operates 8 elementary schools, 2 middle schools and Columbia Central High School. Average daily membership (“ADM”) for the 2016 – 2017 school year was 12,247.

*Private Schools.* Private schools in the area include Agathos Classical School, Columbia Academy, Magnolia Academy, The Kings Daughters’ School and Zion Christian Academy.

*Higher Education.* Columbia State Community College is a two-year college located in the City. The college was founded in 1966 as the State’s first community college. It serves 9 counties in southern Middle Tennessee through 5 campuses. Columbia State offers several associate degrees and technical certificates and is accredited by the Southern Association of Colleges and Schools Commission on Colleges.

Columbia is within a 45-minute drive of 15 colleges and universities, including Vanderbilt University, Belmont University, Lipscomb University, Middle Tennessee State University, Tennessee State University and Fisk University, among others.

**HEALTH CARE**

*Maury Regional Medical Center.* Comprehensive medical facilities are provided by Maury Regional Medical Center, the largest hospital between Nashville and Huntsville, Alabama. The Medical Center is licensed for 275 beds and is staffed by more than 200 physicians and 2,000 employees. The Medical Center serves not only the City and the County, but also thousands in southern Middle Tennessee and offers a wide range of advanced services. Additional associated facilities include Marshall Medical Center in Lewisburg, Wayne Health Center in Hohenwald and Maury Regional Spring Hill.

For additional information, see the website: <http://www.mauryregional.com/>

*Nashville Area.* Additionally, there are many other top quality facilities in the nearby Nashville area including Vanderbilt Medical Center and related facilities, St. Thomas West, St. Thomas Mid-town and related facilities and Midtown Hospitals and the TriStar Health (HCA) family of hospitals. Numerous medical professionals provide a full range of health care services to residents.

## **RECENT DEVELOPMENTS**

On October 20, 2020, GM announced plans to expand and overhaul its Spring Hill facility to produce its new Cadillac Lyriq, the company's first electric SUV. The expansion and changes at Spring Hill will make this facility GM's third production facility to manufacture electric vehicles. The renovations will include significant changes to the general assembly area and expansions of the paint and body shops. The projected investment is approximately \$2 billion and nearly equals all of GM's investments in the Spring Hill facility over the past decade. According to news accounts, this new investment by GM is the largest investment in State history.

GM will continue to produce the Cadillac XT5 and XT6 vehicles, but production of GMC's Acadia will shift to Michigan to allow room for the Lyriq and future electric vehicles. Sources: Tennessean, October 21, 2020 and the Nashville Business Journal, October 20 and 21, 2020.

In January 2019, General Motors (GM) announced a \$22 million investment into the Spring Hill GPS facility. This investment is to build 6.2 V8 engines with advanced fuel technology. In June 2019, the GM plant added a third vehicle, the Cadillac XT6 to its production lineup. Since 2010, GM has invested more than \$2 billion in the local plant, the largest GM manufacturing facility in North America.

OPmobility (formerly Plastic Omnium) announced a \$3 million expansion at its Spring Hill plant. Headquartered in France, OPmobility is a global family-led group with 152 plants across 28 countries. The company has operated in Tennessee since 2015 with locations in Chattanooga, Smyrna, Spring Hill and Hendersonville. The project expands production to further support electric vehicle production lines. The expansion will create 186 new jobs in Maury County, a 30% increase.

Since 2018, Maury Regional has announced several projects with investments valued at more than \$25 million within the city limits. During FY 2018, the health system demolished and remodeled the main Columbia hospital's ER (\$480,000) and completed an expansion of the Oncology Center (\$600,000).

In June 2023, Maury Regional Health launched \$115 million in facility improvements at the hospital's main Columbia campus due to continued growth in the community. Plans include the renovation and expansion of the emergency department with 10 additional treatment areas for a total of 48. The main inpatient surgical unit will also feature renovations adding at least four new

outpatient surgical suites and a new central sterile processing department. The childbirth floor will expand to accommodate a growing number of births. The cafeteria on the ground floor and café on the first floor will undergo full renovations. Exterior upgrades include the creation of a new drive-through lane separating traffic from the drop-off area at the main entrance to enhance safety.

In October 2018, Maury Regional broke ground on a 60-bed behavioral health hospital. A joint venture between Maury Regional Health and TriStar Health, the behavioral health facility represents a \$24.4 million investment with plans to employ approximately 150 once operational. The behavioral health facility is slated to open in spring 2020.

With the City and County's manufacturing base expending and Columbia's North Point Industrial Park mostly full with only a few small available spaces remaining, the City began to work towards acquiring and developing a new industrial park within the City limits. Beginning in 2017, the City worked with site selection consultants and the Tennessee Department of Economic and Community Development ("TNECD") to pursue the most desirable prospective site in the County or one of the most notable prospective sites in the State. TNECD awarded a \$1 million grant towards the purchase of \$2.2 million in land for Columbia's new Oakland Rail Site. Located in Columbia, it will have more than 200 acres and include rail service. The City closed on the first of three parcels in July 2019 with the other two under option.

Fuel Total Systems, a Japanese company, is investing about \$60.9 million and creating 150 jobs at its new manufacturing facility in the Cherry Glen Industrial Park in Mt. Pleasant, 10 miles from downtown Columbia. The company is on the leading edge of suppliers that are expected to arrive in the region to provide parts for Toyota and Mazda in Huntsville, Alabama.

Doug Jeffords Co., a family-owned seasoning and spice manufacturer, announced the investment of \$4 million and creation of 35 new jobs at Cherry Glen.

Smalticeram USA Inc. announced the investment of \$4 million and creation of 26 jobs at its new operations in Cherry Glen. The company produces and distributes glazes, frits, pigments and inks for ceramic tiles.

Armada Nutrition announced a \$5 million production expansion in Spring Hill. The leading contract manufacturer will create 50 new jobs in Maury County to support the company's increased demand in nutraceuticals.

SGB Enterprises is investing \$1.7 million to relocate its headquarters and expand its design and manufacturing operations in Columbia. SGB manufactures commercial and military simulation training software and hardware. The expansion will create 41 new jobs in Columbia, more than doubling its employment in the City of Columbia.

The City of Columbia Industrial Development Board (IDB) was awarded \$1,687,239 for a utility relocation project at the Columbia Tennessee Rail Site (CTRS). CTRS was acquired in 2019 for the purpose of industrial recruitment.

Ceramics production is one of the county's industry targets. Italy's Landmark Ceramics has a production facility and its North American headquarters in Mt. Pleasant. Landmark Ceramics announced a \$71.9 million expansion to its tile production plant in Mt. Pleasant. The expansion will create 78 new jobs in Maury County. Other targeted manufacturing sectors include auto production, metals, plastics and medical devices.

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**CITY OF COLUMBIA**  
**DEBT STRUCTURE - SUMMARY OF INDEBTEDNESS\***  
**As of June 30, 2024 Plus the Bonds**

Amount Issued <sup>(1)</sup>	Issue	General	Sewer	Broadband	Sanitation	Water	Due Date
9,100,000	Broadband Revenue and Tax Refunding Bonds, Series 2014/2015 <sup>(2)</sup>	-	-	985,000	-	-	December 2025
7,535,000	General Obligation Refunding Bonds, Series 2016 <sup>(2)</sup>	585,000	2,500,000	-	-	-	December 2028
8,970,000	General Obligation Public Improvement Bonds, Series 2017	6,140,000	-	-	-	-	June 2036
4,875,000	General Obligation Refunding Bonds, Series 2019	3,145,000	-	-	-	-	December 2029
350,000	Sanitation Capital Outlay Notes, Series 2019	-	-	-	74,267	-	September 2024
4,195,000	General Obligation Refunding Bonds, Series 2020 (Federally Taxable)*	-	3,390,000	-	-	-	December 2031
6,770,000	Water System Revenue Refunding Bonds, Series 2021	-	-	-	-	5,520,000	December 2032
<u>\$ 41,795,000</u>	<b>Total Existing Debt</b>	<u>\$ 9,870,000</u>	<u>\$ 5,890,000</u>	<u>\$ 985,000</u>	<u>\$ 74,267</u>	<u>\$ 5,520,000</u>	
\$ 4,135,000	General Obligation Capital Improvement Bonds, Series 2024*	-	72,980,000	-	-	-	
<u>\$ 45,930,000</u>	<b>Total Existing / Proposed Debt (Net)</b>	<u>\$ 9,870,000</u>	<u>\$ 78,870,000</u>	<u>\$ 985,000</u>	<u>\$ 74,267</u>	<u>\$ 5,520,000</u>	
	Less: General Debt Service Fund Balance	(271,323)					
	<b>Net Direct Debt</b>	<u>\$ 9,598,677</u>					

(1) Does not include capitalized leases, inter-fund loans or compensated absences, if any. Also does not include unamortized premium.

(2) Sold to a commercial bank.

(3) For additional information on the Bonds, see the section entitled "SECURITIES OFFERED" herein.

\* Subject to revision and adjustment as outlined in the "Official Notice of Sale"

**CITY OF COLUMBIA**  
**INDEBTEDNESS AND DEBT RATIOS**  
**As of June 30, 2024 Plus the Bonds**

INDEBTEDNESS <sup>(1)</sup>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>After Issuance</u>
<b>TAX SUPPORTED</b>											
General Obligation Bonds and Notes	\$ 10,302,557	\$ 11,410,757	\$ 10,714,554	\$ 18,832,667	\$ 13,258,136	\$ 16,129,501	\$ 14,766,292	\$ 13,879,425	\$ 12,595,075	\$ 10,915,000	\$ 9,870,000
<b>TOTAL TAX SUPPORTED</b>	<u>\$ 10,302,557</u>	<u>\$ 11,410,757</u>	<u>\$ 10,714,554</u>	<u>\$ 18,832,667</u>	<u>\$ 13,258,136</u>	<u>\$ 16,129,501</u>	<u>\$ 14,766,292</u>	<u>\$ 13,879,425</u>	<u>\$ 12,595,075</u>	<u>\$ 10,915,000</u>	<u>\$ 9,870,000</u>
<b>REVENUE SUPPORTED<sup>(2)</sup></b>											
Sewer Bonds	\$ 18,985,000	\$ 17,770,000	\$ 16,865,000	\$ 15,450,000	\$ 13,997,100	\$ 12,512,100	\$ 11,000,000	\$9,915,000	\$8,630,000	\$ 7,275,000	\$ 78,870,000
Sanitation Notes	48,517	-	718,339	468,888	450,858	189,630	143,458	\$380,252	\$264,876	146,200	74,267
Broadband Bonds	9,655,000	9,080,000	8,240,000	7,385,000	6,520,000	5,640,000	4,740,000	\$3,830,000	\$2,900,000	1,950,000	985,000
Electric System Bonds	5,705,000	5,420,000	5,120,000	-	-	-	-	-	-	-	-
Water System Bonds	18,265,000	17,290,000	16,280,000	15,230,000	14,145,000	13,020,000	11,855,000	10,640,000	6,770,000	6,770,000	5,520,000
<b>TOTAL REVENUE SUPPORTED</b>	<u>\$ 52,658,517</u>	<u>\$ 49,560,000</u>	<u>\$ 47,223,339</u>	<u>\$ 38,533,888</u>	<u>\$ 35,112,958</u>	<u>\$ 31,361,730</u>	<u>\$ 27,738,458</u>	<u>\$24,765,252</u>	<u>\$ 18,564,876</u>	<u>\$ 16,141,200</u>	<u>\$ 85,449,267</u>
<b>TOTAL DEBT</b>	\$ 62,961,074	\$ 60,970,757	\$ 57,937,893	\$ 57,366,555	\$ 48,371,094	\$ 47,491,231	\$ 42,504,750	\$ 38,644,677	\$ 31,159,951	\$ 27,056,200	\$ 95,319,267
Less: Revenue Supported Debt	(52,658,517)	(49,560,000)	(47,223,339)	(38,533,888)	(35,112,958)	(31,361,730)	(27,738,458)	(24,765,252)	(18,564,876)	(16,141,200)	(85,449,267)
Less: Debt Service Fund Balance <sup>(1)</sup>	<u>(29,475)</u>	<u>(61,633)</u>	<u>(81,521)</u>	<u>(70,030)</u>	<u>(73,105)</u>	<u>(88,505)</u>	<u>(143,407)</u>	<u>(229,390)</u>	<u>(229,390)</u>	<u>(271,323)</u>	<u>(271,323)</u>
<b>NET DIRECT DEBT</b>	\$ 10,273,082	\$ 11,349,124	\$ 10,633,033	\$ 18,762,637	\$ 13,185,031	\$ 16,040,996	\$ 14,622,885	\$ 13,650,035	\$ 12,365,685	\$ 10,643,677	\$ 9,598,677
<b>OVERLAPPING DEBT<sup>(3)</sup></b>	\$ 23,441,648	\$ 43,473,880	\$ 41,230,046	\$ 50,531,857	\$ 54,231,627	\$ 56,227,282	\$ 65,430,819	\$ 113,307,652	\$ 113,307,652	\$ 128,720,356	\$ 128,720,356
<b>NET DIRECT &amp; OVERLAPPING DEBT</b>	\$ 33,714,730	\$ 54,823,004	\$ 51,863,079	\$ 69,294,494	\$ 67,416,658	\$ 72,268,278	\$ 80,053,704	\$ 126,957,687	\$ 125,673,337	\$ 139,364,033	\$ 138,319,033
<b>PROPERTY TAX BASE<sup>(4)</sup></b>											
Estimated Actual Value	\$ 2,337,118,253	\$ 2,327,323,570	\$ 2,383,080,923	\$2,697,104,471	\$ 2,823,397,392	\$ 3,313,974,513	\$ 3,433,275,891	\$3,389,917,855	\$3,549,402,815	\$ 5,212,151,725	\$ 5,639,883,347
Appraised Value	2,337,118,253	2,327,323,570	2,383,080,923	2,425,775,761	2,539,363,614	3,313,974,513	3,433,275,891	3,389,917,855	3,549,402,815	5,212,151,725	5,639,883,347
Assessed Value	730,080,402	726,853,242	745,500,540	762,976,301	798,074,381	1,019,292,802	1,051,808,763	\$1,011,747,638	\$1,054,472,630	1,523,175,566	1,656,961,817
Source: Tax Aggregate Reports of the State of Tennessee											

\* Subject to adjustment and revision as outlined in the "Official Notice of Sale".

<sup>(1)</sup> Does not include compensated absences, capitalized leases or unamortized premiums. See the Notes to the Annual Financial Statements of the City referenced herein for additional details. The "After Issuance Column" contains estimates. Based on best available information.

<sup>(2)</sup> Enterprise activities supported by system revenues although secured by the City's General Obligation pledge except debt of the Electric System and Water System which solely is secured with the net revenues of each system, respectively.

<sup>(3)</sup> OVERLAPPING DEBT Includes the City's estimated portion of Maury County's debt. Source: City of Columbia Comprehensive Annual Financial Reports. Estimated for FYE 2023 and thereafter.

<sup>(4)</sup> The most recent reappraisal of property was effective January 1, 2022 (FY 2022). The next reappraisal of property is underway for Tax Year 2027.



**CITY OF COLUMBIA**  
**INDEBTEDNESS AND DEBT RATIOS**  
**As of June 30, 2024 Plus the Bonds**

DEBT RATIOS	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	After Issuance *
TOTAL DEBT to Estimated Actual Value	0.83%	2.69%	2.62%	2.43%	2.13%	1.71%	1.43%	1.24%	1.14%	0.88%	0.52%	1.72%
TOTAL DEBT to Appraised Value	0.83%	2.69%	2.62%	2.43%	2.36%	1.90%	1.43%	1.24%	1.14%	0.88%	0.52%	1.72%
TOTAL DEBT to Assessed Value	2.85%	8.62%	8.39%	7.77%	7.52%	6.06%	4.66%	4.04%	3.82%	2.96%	1.78%	5.87%
NET DIRECT DEBT to Estimated Actual Value	0.47%	0.44%	0.49%	0.45%	0.70%	0.47%	0.48%	0.43%	0.40%	0.35%	0.20%	0.17%
NET DIRECT DEBT to Appraised Value	0.47%	0.44%	0.49%	0.45%	0.77%	0.52%	0.48%	0.43%	0.40%	0.35%	0.20%	0.17%
NET DIRECT DEBT to Assessed Value	1.61%	1.41%	1.56%	1.43%	2.46%	1.65%	1.57%	1.39%	1.35%	1.17%	0.70%	0.58%
OVERLAPPING DEBT to Estimated Actual Value	2.54%	1.00%	1.87%	1.73%	1.87%	1.92%	1.70%	1.91%	3.34%	3.19%	2.47%	2.28%
OVERLAPPING DEBT to Appraised value	2.54%	1.00%	1.87%	1.73%	2.08%	2.14%	1.70%	1.91%	3.34%	3.19%	2.47%	2.28%
OVERLAPPING DEBT to Assessed Value	8.72%	3.21%	5.98%	5.53%	6.62%	6.80%	5.52%	6.22%	11.20%	10.75%	8.45%	7.77%
NET DIRECT & OVERLAPPING DEBT to Estimated Actual Value	3.01%	1.44%	2.36%	2.18%	2.57%	2.39%	2.18%	2.33%	3.75%	3.54%	2.67%	2.45%
NET DIRECT & OVERLAPPING DEBT to Appraised Value	3.01%	1.44%	2.36%	2.18%	2.86%	2.65%	2.18%	2.33%	3.75%	3.54%	2.67%	2.45%
NET DIRECT & OVERLAPPING DEBT to Assessed Value	10.33%	4.62%	7.54%	6.96%	9.08%	8.45%	7.09%	7.61%	12.5%	11.9%	9.1%	8.35%
<b>PER CAPITA RATIOS</b>												
<b>POPULATION (1)</b>	\$26,743	\$35,935	\$36,569	\$37,316	\$38,407	\$37,475	\$40,494	\$41,960	\$43,340	\$45,792	\$45,792	\$45,792
PER CAPITA PERSONAL INCOME (2)	42,261	36,947	22,674	22,944	23,509	24,437	26,159	27,852	\$25,685	\$28,083	\$31,873	37,625
Estimated Actual Value to POPULATION	\$172,194	\$65,037	\$63,642	\$63,862	\$70,224	\$75,341	\$81,839	\$81,823	\$78,217	\$77,511	\$113,822	\$123,163
Assessed Value to POPULATION	\$50,185	\$65,037	\$63,642	\$63,862	\$63,160	\$67,762	\$81,839	\$81,823	\$78,217	\$77,511	\$113,822	\$123,163
Total Debt to POPULATION	\$1,430	\$1,752	\$1,667	\$1,553	\$1,494	\$1,291	\$1,173	\$1,013	\$892	\$680	\$591	\$2,124
Net Direct Debt to POPULATION	\$809	\$286	\$310	\$285	\$489	\$352	\$396	\$348	\$315	\$270	\$232	\$210
Overlapping Debt to POPULATION	\$4,375	\$652	\$1,189	\$1,105	\$1,316	\$1,447	\$1,389	\$1,559	\$2,614	\$2,474	\$2,811	\$2,811
Net Direct & Overlapping Debt to POPULATION	\$5,184	\$938	\$1,499	\$1,390	\$1,804	\$1,799	\$1,785	\$1,908	\$2,929	\$2,744	\$3,043	\$3,021
Total Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	3.38%	4.88%	4.56%	4.16%	3.89%	3.44%	2.90%	2.41%	2.06%	1.49%	1.29%	4.64%
Net Direct Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	1.91%	0.80%	0.85%	0.76%	1.27%	0.94%	0.98%	0.83%	0.73%	0.59%	0.51%	0.46%
Overlapping Debt Per Capita as a % of PER CAPITA PERSONAL INCOME	10.35%	1.82%	3.25%	2.96%	3.43%	3.86%	3.43%	3.72%	6.03%	5.40%	6.14%	6.14%
Net Direct & Overlapping Debt Per Capita as a % of PER CAPITA PERSONAL INCOME	12.27%	2.61%	4.10%	3.72%	4.70%	4.80%	4.41%	4.55%	6.76%	5.99%	6.65%	6.60%

\* Subject to change

(1) POPULATION data according to the Comprehensive Annual Financial Report of the City.

(2) PER CAPITA PERSONAL INCOME is based upon the most current data available from the City's Comprehensive Annual Financial Report

**DEBT SERVICE REQUIREMENTS - TAX SUPPORTED**

**CITY OF COLUMBIA  
DEBT SERVICE REQUIREMENTS - Tax Supported  
As of June 30, 2024**

Year Ending June 30	Principal - General Obligation Bonds*		Percent Total Debt Retired	Interest - General Obligation Bonds*		Total Debt Service Requirements
	Outstanding Debt <sup>(1)</sup>	Total Principal		Outstanding Debt <sup>(1)</sup>	Total Interest	
2025	1,080,000	1,080,000		239,981	239,981	1,319,981
2026	1,110,000	1,110,000		207,919	207,919	1,317,919
2027	1,145,000	1,145,000		180,050	180,050	1,325,050
2028	1,155,000	1,155,000		156,781	156,781	1,311,781
2029	1,035,000	1,035,000	55.98%	133,600	133,600	1,168,600
2030	1,055,000	1,055,000		111,575	111,575	1,166,575
2031	510,000	510,000		93,525	93,525	603,525
2032	525,000	525,000		80,775	80,775	605,775
2033	540,000	540,000		67,650	67,650	607,650
2034	555,000	555,000	88.25%	51,450	51,450	606,450
2035	570,000	570,000		34,800	34,800	604,800
2036	590,000	590,000	100.00%	17,700	17,700	607,700
	<u>\$ 9,870,000</u>	<u>\$ 9,870,000</u>		<u>\$1,375,806</u>	<u>\$ 1,375,806</u>	<u>\$ 153,494,443</u>

(1) Does not include capitalized leases, compensated absences, if any, or unamortized premiums. For more information, see the Summary of Bonded Indebtedness and the Notes to the Financial Statements referenced herein.

\* Subject to adjustment and revision as outlined in the "Official Notice of Sale".

**CITY OF COLUMBIA**  
**DEBT SERVICE REQUIREMENTS - Sewer Revenue Supported\***  
**As of June 30, 2024 Plus the Bonds**

Year Ending June 30	PRINCIPAL REQUIREMENTS SEWER SYSTEM				INTEREST REQUIREMENTS SEWER SYSTEM*			Total Debt Service Requirements
	Outstanding Debt <sup>(1)</sup>	*Current Issue(2)	Total Principal	Percent Total Debt Retired	Outstanding Debt	*Current Issue(2)	Total Interest	
2025	1,420,000	-	1,420,000		90,359	2,665,564	2,755,923	4,175,923
2026	765,000	-	765,000		66,778	3,439,438	3,506,216	4,271,216
2027	780,000	1,255,000	2,035,000	5.35%	50,422	3,408,063	3,458,485	5,493,485
2028	800,000	1,320,000	2,120,000		35,822	3,343,688	3,379,510	5,499,510
2029	800,000	1,385,000	2,185,000		23,028	3,276,063	3,299,091	5,484,091
2030	435,000	1,460,000	1,895,000		14,076	3,204,938	3,219,014	5,114,014
2031	440,000	1,535,000	1,975,000		8,825	3,130,063	3,138,888	5,113,888
2032	450,000	1,610,000	2,060,000	18.33%	3,038	3,051,438	3,054,476	5,114,476
2033	-	1,695,000	1,695,000		-	2,968,813	2,968,813	4,663,813
2034	-	1,780,000	1,780,000		-	2,881,938	2,881,938	4,661,938
2035	-	1,875,000	1,875,000		-	2,790,563	2,790,563	4,665,563
2036	-	1,970,000	1,970,000		-	2,694,438	2,694,438	4,664,438
2037	-	2,070,000	2,070,000	30.23%	-	2,593,438	2,593,438	4,663,438
2038	-	2,175,000	2,175,000		-	2,487,313	2,487,313	4,662,313
2039	-	2,290,000	2,290,000		-	2,375,688	2,375,688	4,665,688
2040	-	2,405,000	2,405,000		-	2,258,313	2,258,313	4,663,313
2041	-	2,530,000	2,530,000		-	2,134,938	2,134,938	4,664,938
2042	-	2,645,000	2,645,000	45.51%	-	2,018,788	2,018,788	4,663,788
2043	-	2,750,000	2,750,000		-	1,910,888	1,910,888	4,660,888
2044	-	2,865,000	2,865,000		-	1,796,797	1,796,797	4,661,797
2045	-	2,985,000	2,985,000		-	1,676,141	1,676,141	4,661,141
2046	-	3,125,000	3,125,000		-	1,536,450	1,536,450	4,661,450
2047	-	3,285,000	3,285,000	64.54%	-	1,376,200	1,376,200	4,661,200
2048	-	3,455,000	3,455,000		-	1,207,700	1,207,700	4,662,700
2049	-	3,630,000	3,630,000		-	1,030,575	1,030,575	4,660,575
2050	-	3,810,000	3,810,000		-	854,100	854,100	4,664,100
2051	-	3,985,000	3,985,000		-	678,713	678,713	4,663,713
2052	-	4,170,000	4,170,000	88.69%	-	495,225	495,225	4,665,225
2053	-	4,360,000	4,360,000		-	303,300	303,300	4,663,300
2054	-	4,560,000	4,560,000	100.00%	-	102,600	102,600	4,662,600
	<u>\$ 5,890,000</u>	<u>\$ 72,980,000</u>	<u>\$ 78,870,000</u>		<u>\$ 292,348</u>	<u>\$ 63,692,164</u>	<u>\$ 63,984,512</u>	<u>\$ 142,854,512</u>

(1) The City's Sewer System is an enterprise activity operated by the City. This debt is secured by the general obligation pledge of the City, but it is supported solely from the net revenues generated from the Sewer System. This table does not include capitalized leases, compensated absences, if any, or unamortized premiums. For more information, see the Summary of Bonded Indebtedness and the Notes to the Financial Statements referenced herein.

(2) For more information on the Bonds, see the section entitled "SECURITIES OFFERED - Authority and Purpose".

\* Subject to adjustment and revision as outlined in the "Official Notice of Sale".

**DEBT SERVICE REQUIREMENTS - BROADBAND SUPPORTED**

**CITY OF COLUMBIA  
DEBT SERVICE REQUIREMENTS - Broadband System Revenue Supported  
As of June 30, 2024**

Year Ending June 30	PRINCIPAL REQUIREMENTS BROADBAND SYSTEM <sup>(1)</sup>			Percent Total Debt Retired	INTEREST REQUIREMENTS BROADBAND SYSTEM			Total Debt Service Requirements
	Outstanding Debt <sup>(1)</sup>	Total Principal			Outstanding Debt	Total Interest		
2025	985,000	985,000		100.00%	17,632	17,632		1,002,632
	\$ 985,000	\$ 985,000			\$ 17,632	\$ 17,632		\$ 1,002,632

(1) The Broadband System is an enterprise activity operated by the City's utility system, Columbia Power and Water System ("CPWS"). Although this debt is secured by the general obligation pledge of the City, it is supported solely from the net revenues generated from the Broadband System. This table does not include capitalized leases, compensated absences, if any, or unamortized premiums. For more information, see the Summary of Bonded Indebtedness and the Notes to the Financial Statements referenced herein.

**DEBT SERVICE REQUIREMENTS - WATER SUPPORTED**

**CITY OF COLUMBIA  
DEBT SERVICE REQUIREMENTS - Water System Revenue Supported  
As of June 30, 2024**

Year Ending June 30	PRINCIPAL REQUIREMENTS WATER SYSTEM <sup>(1)</sup>		Percent Total Debt Retired	INTEREST REQUIREMENTS WATER SYSTEM		Total Debt Service Requirements
	Outstanding Debt <sup>(1)</sup>	Total Principal		Outstanding Debt	Total Interest	
2025	780,000	780,000		207,900	207,900	987,900
2026	820,000	820,000		167,900	167,900	987,900
2027	860,000	860,000	44.57%	125,900	125,900	985,900
2028	455,000	455,000		93,025	93,025	548,025
2029	480,000	480,000		69,650	69,650	549,650
2030	505,000	505,000		45,025	45,025	550,025
2031	530,000	530,000		27,100	27,100	557,100
2032	540,000	540,000	90.04%	16,400	16,400	556,400
2033	550,000	550,000		5,500	5,500	555,500
	<u>\$ 5,520,000</u>	<u>\$ 5,520,000</u>	100.00%	<u>\$ 758,400</u>	<u>\$ 758,400</u>	<u>\$ 6,278,400</u>

(1) The City's Water System is an enterprise activity operated by the City's utility system, Columbia Power and Water System ("CPWS"). This debt is supported solely from the net revenues generated from the Water System. This table does not include capitalized leases, compensated absences, if any, or unamortized premiums. For more information, see the Summary of Bonded Indebtedness and the Notes to the Financial Statements referenced herein.

**SUMMARY OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES - GENERAL FUND**

**CITY OF COLUMBIA**  
**Summary of Revenues, Expenditures and Changes In Fund Balances - General Fund**

	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>
<b>Revenues</b>										
Taxes	\$ 21,252,380	\$ 21,993,026	\$ 23,813,515	\$ 24,944,326	\$ 25,425,553	\$ 26,448,519	\$ 27,763,948	\$ 31,574,594	\$ 35,074,465	\$ 36,783,726
Intergovernmental	3,645,660	3,810,729	3,796,963	3,820,728	3,835,209	3,957,888	4,127,318	5,103,373	6,358,557	5,844,283
Licenses & Permits	307,459	318,425	621,717	817,389	866,191	930,837	1,189,603	1,737,096	2,604,458	2,241,184
Fines and Forfeits	370,689	363,284	273,211	280,228	275,642	422,013	409,919	208,107	164,270	198,101
Charges for Services	322,036	332,865	346,464	462,830	401,340	308,507	244,260	305,080	415,613	438,465
Miscellaneous	343,260	339,053	403,398	369,144	374,446	721,481	692,055	743,002	(95,462)	1,667,558
Debt Issuance	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 26,241,484</b>	<b>\$ 27,157,382</b>	<b>\$ 29,255,268</b>	<b>\$ 30,694,645</b>	<b>\$ 31,178,381</b>	<b>\$ 32,789,245</b>	<b>\$ 34,427,103</b>	<b>\$ 39,671,252</b>	<b>\$ 44,521,901</b>	<b>\$ 47,173,317</b>
<b>Expenditures</b>										
General government	\$ 4,634,131	\$ 4,881,980	\$ 4,793,680	\$ 5,456,600	\$ 6,378,699	\$ 8,708,490	\$ 7,457,881	\$ 6,030,151	\$ 7,541,557	\$ 10,513,265
Public Works	3,357,247	3,628,254	3,714,700	4,025,821	2,961,276	3,376,592	3,174,978	3,043,873	4,013,512	3,709,562
Public Safety	14,114,370	14,618,819	14,704,229	15,054,621	17,410,452	16,591,753	16,572,595	17,265,038	17,944,442	19,443,759
Parks and Recreation	1,731,306	1,741,159	1,790,542	1,975,918	2,170,239	2,527,934	2,398,037	2,425,763	2,758,457	3,015,535
Development Services	-	-	-	-	-	1,376,561	1,512,299	1,696,532	1,704,448	1,642,138
Community Support/Other	215,500	197,500	196,000	196,000	-	-	-	-	-	-
Capital Outlay	<u>421,649</u>	<u>854,913</u>	<u>919,548</u>	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 24,474,203</b>	<b>\$ 25,922,625</b>	<b>\$ 26,118,699</b>	<b>\$ 26,708,960</b>	<b>\$ 28,920,666</b>	<b>\$ 32,581,330</b>	<b>\$ 31,115,790</b>	<b>\$ 30,461,357</b>	<b>\$ 33,962,416</b>	<b>\$ 38,324,259</b>
<b>Excess of Revenues</b>										
<b>Over (Under) Expenditures</b>	<b>\$ 1,767,281</b>	<b>\$ 1,234,757</b>	<b>\$ 3,136,569</b>	<b>\$ 3,985,685</b>	<b>\$ 2,257,715</b>	<b>\$ 207,915</b>	<b>\$ 3,311,313</b>	<b>\$ 9,209,895</b>	<b>\$ 10,559,485</b>	<b>\$ 8,849,058</b>
<b>Other Financing Sources</b>										
<b>(Uses)</b>										
Sale of Capital Assets	\$ -	\$ -	\$ 314,000	\$ -	\$ -	\$ -	\$ -	\$ 325,000	\$ -	\$ -
Transfers In	1,832,459	1,948,656	1,935,171	1,862,142	1,898,899	2,030,758	1,580,070	1,695,015	1,770,978	1,676,108
Transfers Out	<u>(967,588)</u>	<u>(1,262,333)</u>	<u>(2,421,962)</u>	<u>(2,235,233)</u>	<u>(1,809,821)</u>	<u>(4,058,538)</u>	<u>(1,822,688)</u>	<u>(5,040,357)</u>	<u>(4,417,019)</u>	<u>(4,356,753)</u>
<b>Total</b>	<b>\$ 864,871</b>	<b>\$ 686,323</b>	<b>\$ (172,791)</b>	<b>\$ (373,091)</b>	<b>\$ 89,078</b>	<b>\$ (2,027,780)</b>	<b>\$ (242,618)</b>	<b>\$ (3,020,342)</b>	<b>\$ (2,646,041)</b>	<b>\$ (2,680,645)</b>
<b>Excess of Revenues</b>										
<b>Over (Under) Expenditures</b>	<b>\$ 2,632,152</b>	<b>\$ 1,921,080</b>	<b>\$ 2,963,778</b>	<b>\$ 3,612,594</b>	<b>\$ 2,346,793</b>	<b>\$ (1,819,865)</b>	<b>\$ 3,068,695</b>	<b>\$ 6,189,553</b>	<b>\$ 7,913,444</b>	<b>\$ 6,168,413</b>
<b>&amp; Other Uses</b>	<b>\$ 14,638,776</b>	<b>\$ 17,270,928</b>	<b>\$ 19,192,008</b>	<b>\$ 22,155,786</b>	<b>\$ 25,768,380</b>	<b>\$ 28,115,173</b>	<b>\$ 26,295,308</b>	<b>\$ 29,364,003</b>	<b>\$ 35,553,556</b>	<b>\$ 43,467,000</b>
<b>Fund Balance July 1</b>	<b><u>14,638,776</u></b>	<b><u>17,270,928</u></b>	<b><u>19,192,008</u></b>	<b><u>22,155,786</u></b>	<b><u>25,768,380</u></b>	<b><u>28,115,173</u></b>	<b><u>26,295,308</u></b>	<b><u>29,364,003</u></b>	<b><u>35,553,556</u></b>	<b><u>43,467,000</u></b>
<b>Fund Balance June 30</b>	<b><u>\$ 17,270,928</u></b>	<b><u>\$ 19,192,008</u></b>	<b><u>\$ 22,155,786</u></b>	<b><u>\$ 25,768,380</u></b>	<b><u>\$ 28,115,173</u></b>	<b><u>\$ 26,295,308</u></b>	<b><u>\$ 29,364,003</u></b>	<b><u>\$ 35,553,556</u></b>	<b><u>\$ 43,467,000</u></b>	<b><u>\$ 49,635,413</u></b>

Source: Comprehensive Annual Financial Reports of the City of Columbia, Tennessee and the City of Columbia.

**SUMMARY OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES - SEWER FUND**

**CITY OF COLUMBIA**  
**Summary of Operating Revenues, Expenses and Changes in Net Position - Sewer System**

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
<b>Operating Revenues</b>										
Services	\$ 9,152,609	\$ 8,978,396	\$ 9,590,452	\$ 10,764,359	\$ 11,045,039	\$ 11,218,683	\$ 10,819,190	\$ 12,070,520	\$ 13,268,444	\$ 14,259,966
Other Revenues	10,439	12,197	31,890	-	-	-	-	-	1,967,937	-
<b>Total Operating Revenues</b>	<u>\$ 9,163,048</u>	<u>\$ 8,990,593</u>	<u>\$ 9,622,342</u>	<u>\$ 10,764,359</u>	<u>\$ 11,045,039</u>	<u>\$ 11,218,683</u>	<u>\$ 10,819,190</u>	<u>\$ 12,070,520</u>	<u>\$ 15,236,381</u>	<u>\$ 14,259,966</u>
<b>Operating Expenses</b>										
Production/Treatment	\$ 2,477,104	\$ 2,506,623	\$ 2,463,365	\$ 3,147,678	\$ 3,111,124	\$ 3,135,159	\$ 3,030,741	\$ 3,060,621	\$ 3,362,704	\$ 3,795,584
Distribution	942,631	964,236	947,418	952,499	946,686	1,066,142	1,271,497	1,065,151	1,168,482	1,084,085
Other Direct Costs/Expense	995,202	1,497,941	1,445,387	1,965,032	1,191,317	1,320,233	1,297,085	1,176,315	1,537,327	1,400,765
Administration & General	522,497	607,927	555,097	-	-	-	-	-	-	-
Depreciation	2,328,732	2,391,356	2,403,607	2,432,116	2,519,793	2,534,583	2,487,346	2,454,273	2,637,221	2,654,142
<b>Total Operating Expenses</b>	<u>\$ 7,266,166</u>	<u>\$ 7,968,083</u>	<u>\$ 7,814,874</u>	<u>\$ 8,497,325</u>	<u>\$ 7,768,920</u>	<u>\$ 8,056,117</u>	<u>\$ 8,086,669</u>	<u>\$ 7,756,360</u>	<u>\$ 8,705,734</u>	<u>\$ 8,934,576</u>
<b>Operating Income</b>	<u>\$ 1,896,882</u>	<u>\$ 1,022,510</u>	<u>\$ 1,807,468</u>	<u>\$ 2,267,034</u>	<u>\$ 3,276,119</u>	<u>\$ 3,162,566</u>	<u>\$ 2,732,521</u>	<u>\$ 4,314,160</u>	<u>\$ 6,530,647</u>	<u>\$ 5,325,390</u>
<b>Non-Operating Revenues (Expenses)</b>										
Other Non-Operating Expenses	\$ 77,240	\$ 159,443	\$ 55,530	\$ 81,916	\$ 191,490	\$ 371,623	\$ 396,445	\$ 464,186	\$ 114,302	\$ 1,232,127
Interest Expense	(687,373)	(754,214)	(522,181)	(468,016)	(385,448)	(345,634)	(306,097)	(235,849)	(178,104)	(214,307)
Amortization Expense/Other (Net)	-	-	(23,917)	-	-	-	(65,940)	(82,108)	(209,792)	-
<b>Total Non-Operating Rev. (Exp.)</b>	<u>\$ (610,133)</u>	<u>\$ (594,771)</u>	<u>\$ (490,568)</u>	<u>\$ (386,100)</u>	<u>\$ (193,958)</u>	<u>\$ 25,989</u>	<u>\$ 24,408</u>	<u>\$ 146,229</u>	<u>\$ (273,594)</u>	<u>\$ 1,017,820</u>
<b>Net Operating Income Before Other</b>	<u>\$ 1,286,749</u>	<u>\$ 427,739</u>	<u>\$ 1,316,900</u>	<u>\$ 1,880,934</u>	<u>\$ 3,082,161</u>	<u>\$ 3,188,555</u>	<u>\$ 2,756,929</u>	<u>\$ 4,460,389</u>	<u>\$ 6,257,053</u>	<u>\$ 6,343,210</u>
<b>Other</b>										
Transfers Out (PILOT)	\$ (483,585)	\$ (531,714)	\$ (513,575)	\$ (500,532)	\$ (498,361)	\$ (493,186)	\$ (388,994)	\$ (378,498)	\$ (381,357)	\$ (276,930)
Special Item - Loss on Abandonment	(624,445)	-	-	-	-	-	-	-	-	-
Capital Contributions - Utility Plant	-	32,598	283,140	465,621	948,560	651,780	608,760	485,010	501,790	2,091,510
<b>Total Other</b>	<u>\$ (1,108,030)</u>	<u>\$ (499,116)</u>	<u>\$ (230,435)</u>	<u>\$ (34,911)</u>	<u>\$ 450,199</u>	<u>\$ 158,594</u>	<u>\$ 219,766</u>	<u>\$ 106,512</u>	<u>\$ 120,433</u>	<u>\$ 1,814,580</u>
<b>Change in Net Position</b>	\$ 178,719	\$ (71,377)	\$ 1,086,465	\$ 1,846,023	\$ 3,532,360	\$ 3,347,149	\$ 2,976,695	\$ 4,566,901	\$ 6,377,486	\$ 8,157,790
<b>Adjustment - Con. of Internal Service</b>								268,223	-	-
<b>Net Assets - Beginning of Year</b>	58,350,275	58,237,806	55,627,098	56,713,563	58,559,586	61,771,190	65,118,339	68,095,034	72,930,158	79,307,644
<b>Adjustment</b>	(291,188)	(2,539,331)	-	-	(320,756)	-	-	-	-	-
<b>Net Assets - End of Year</b>	<u>\$ 58,237,806</u>	<u>\$ 55,627,098</u>	<u>\$ 56,713,563</u>	<u>\$ 58,559,586</u>	<u>\$ 61,771,190</u>	<u>\$ 65,118,339</u>	<u>\$ 68,095,034</u>	<u>\$ 72,930,158</u>	<u>\$ 79,307,644</u>	<u>\$ 87,465,434</u>

Source: Comprehensive Annual Financial Reports of the City and the City of Columbia.

**RATE STRUCTURE - SEWER CUSTOMERS**

Note: For the complete rate structure for sewer residential and commercial customers, see the Comprehensive Annual Financial Report of the City.

**SUMMARY OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES - BROADBAND FUND**

**CITY OF COLUMBIA**  
**Summary of Operating Revenues, Expenses and Changes in Net Position - Broadband System**

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
<b>Operating Revenues</b>										
Broadband Sales	\$ 5,768,886	\$ 6,450,220	\$ 7,002,942	\$ 7,651,955	\$ 8,413,822	\$ 8,477,298	\$ 8,460,614	\$ 8,829,847	\$ 9,194,349	\$ 9,254,730
Forfeited Discounts	68,642	76,587	81,903	93,179	99,034	94,974	68,390	83,539	83,891	73,388
Miscellaneous Rev.	<u>20,762</u>	<u>17,393</u>	<u>14,395</u>	<u>13,783</u>	<u>19,440</u>	<u>13,866</u>	<u>10,507</u>	<u>8,067</u>	<u>9,626</u>	<u>4,748</u>
<b>Total Operating Revenues</b>	<u>\$ 5,858,290</u>	<u>\$ 6,544,200</u>	<u>\$ 7,099,240</u>	<u>\$ 7,758,917</u>	<u>\$ 8,532,296</u>	<u>\$ 8,586,138</u>	<u>\$ 8,539,511</u>	<u>\$ 8,921,453</u>	<u>\$ 9,287,866</u>	<u>\$ 9,332,866</u>
<b>Operating Expenses</b>										
Programing and Circuits Purchased	\$ 2,097,744	\$ 2,479,337	\$ 2,774,718	\$ 3,000,028	\$ 3,200,430	\$ 3,651,702	\$ 3,619,748	\$ 3,539,195	\$ 3,304,400	\$ 2,994,769
Distribution	1,409,657	1,364,090	1,632,137	1,876,027	1,879,888	1,615,084	1,726,529	1,695,995	1,809,302	1,998,898
Customer Accounts	180,887	207,645	233,213	290,224	233,581	226,105	226,324	186,881	250,185	355,678
Customer Services	64,243	54,416	50,862	95,294	63,042	72,731	102,657	79,968	79,615	74,827
General and Administrative	528,281	506,155	589,039	663,706	667,519	950,768	952,468	955,191	1,054,414	1,292,464
Depreciation	710,373	670,857	738,614	803,508	940,439	1,079,134	932,656	851,932	986,365	943,669
<b>Total Operating Expenses</b>	<u>\$ 4,991,185</u>	<u>\$ 5,282,500</u>	<u>\$ 6,018,583</u>	<u>\$ 6,728,787</u>	<u>\$ 6,984,899</u>	<u>\$ 7,595,524</u>	<u>\$ 7,560,382</u>	<u>\$ 7,309,162</u>	<u>\$ 7,484,281</u>	<u>\$ 7,660,305</u>
<b>Operating Income</b>	<u>\$ 867,105</u>	<u>\$ 1,261,700</u>	<u>\$ 1,080,657</u>	<u>\$ 1,030,130</u>	<u>\$ 1,547,397</u>	<u>\$ 990,614</u>	<u>\$ 979,129</u>	<u>\$ 1,612,291</u>	<u>\$ 1,803,585</u>	<u>\$ 1,672,561</u>
<b>Non-Operating Revenues (Expenses)</b>										
Interest Income	\$ 773	\$ 596	\$ 805	\$ 1,419	\$ 2,288	\$ 2,628	\$ 1,824	\$ 516	\$ 448	\$ 442
Interest Expense	(495,789)	(403,738)	(152,809)	(141,446)	(130,247)	(120,201)	(80,934)	(56,080)	(65,599)	(46,879)
Amortization - Bond Issue Exp./Other	<u>(10,511)</u>	<u>(13,149)</u>	<u>(15,786)</u>	<u>(15,787)</u>	<u>(15,787)</u>	<u>(15,786)</u>	<u>(15,787)</u>	<u>(15,787)</u>	<u>17,632</u>	<u>17,632</u>
<b>Total Non-Operating Rev. (Exp.) - Net</b>	<u>\$ (505,527)</u>	<u>\$ (416,291)</u>	<u>\$ (167,790)</u>	<u>\$ (155,814)</u>	<u>\$ (143,746)</u>	<u>\$ (133,359)</u>	<u>\$ (94,897)</u>	<u>\$ (71,351)</u>	<u>\$ (47,519)</u>	<u>\$ (28,805)</u>
<b>Income Before Transfer/Cap. Cont.</b>	<u>\$ 361,578</u>	<u>\$ 845,409</u>	<u>\$ 912,867</u>	<u>\$ 874,316</u>	<u>\$ 1,403,651</u>	<u>\$ 857,255</u>	<u>\$ 884,232</u>	<u>\$ 1,540,940</u>	<u>\$ 1,756,066</u>	<u>\$ 1,643,756</u>
Capital Contributions - Utility Plant	\$ 1,635	\$ 6,000	\$ 5,724	\$ 140,421	\$ -	\$ 12,080	\$ 1,863	\$ 10,372	\$ 38,027	\$ 4,468
<b>Tot. Income Before Transfer/Cap. Cont.</b>	<u>\$ 1,635</u>	<u>\$ 6,000</u>	<u>\$ 5,724</u>	<u>\$ 140,421</u>	<u>\$ -</u>	<u>\$ 12,080</u>	<u>\$ 1,863</u>	<u>\$ 10,372</u>	<u>\$ 38,027</u>	<u>\$ 4,468</u>
<b>Change in Net Position</b>	\$ 363,213	\$ 851,409	\$ 918,591	\$ 1,014,737	\$ 1,403,651	\$ 869,335	\$ 886,095	\$ 1,551,312	\$ 1,794,093	\$ 1,648,224
<b>Net Position - Beg. of Year</b>	<u>(4,234,521)</u>	<u>(3,871,308)</u>	<u>(3,019,899)</u>	<u>(2,101,308)</u>	<u>(1,086,571)</u>	<u>317,080</u>	<u>1,186,415</u>	<u>2,072,510</u>	<u>3,623,822</u>	<u>5,417,915</u>
<b>Net Position - End of Year</b>	<u>\$ (3,871,308)</u>	<u>\$ (3,019,899)</u>	<u>\$ (2,101,308)</u>	<u>\$ (1,086,571)</u>	<u>\$ 317,080</u>	<u>\$ 1,186,415</u>	<u>\$ 2,072,510</u>	<u>\$ 3,623,822</u>	<u>\$ 5,417,915</u>	<u>\$ 7,066,139</u>



## FINANCIAL INFORMATION

### BUDGETARY PROCESS

*Operating Budget.* The City Manager is required to submit to the City Council a proposed operating budget for the fiscal year which begins on the following July 1. Prior to June 30 of each year, the budget is legally enacted through passage of a budget ordinance. As part of the budget process and review by City Council, a public hearing is held in order to obtain comments and input from residents and taxpayers in the community. Annual appropriated budgets for the general, sanitation, special revenue, capital projects and debt service funds are adopted on a basis consistent with generally accepted accounting principles (“GAAP”). Total expenditures for these funds may not exceed total appropriations during the succeeding fiscal year. The City Manager is authorized to transfer budgeted amounts within and between departmental activities. Any revisions that alter the total appropriations for any department or fund must be approved through the passage of an ordinance by the City Council. Capital expenditures within the governmental funds are budgeted within the appropriate department. All annual appropriations lapse at the end of the fiscal year.

*Capital Improvement Program.* The FY 2025-2029 Capital Improvements Program calls for the investment of \$138,859,340 from a variety of sources to upgrade and expand infrastructure in the major program areas of transportation, parks and recreation, general facilities, wastewater and storm drainage.

For additional information on the Operating Budget and the Capital Improvement Program, see the Columbia website and specifically this location:

<http://www.columbiatn.com/government/finance/budgets/>

### INVESTMENT AND CASH MANAGEMENT PRACTICES

The City has adopted a formal investment policy which is consistent with Tennessee law and meets daily cash flow demands with the primary objectives, in priority order, being a) safety of principal, b) liquidity, and c) yield.

Investment of idle operating funds is controlled by State statute. Generally, such policies limit investment instruments to direct U.S. Government obligations, those issued by U.S. Agencies or Certificates of Deposit. Unless deposited in a financial institution participating in the State Consolidated Collateral Pool, all demand deposits or Certificates of Deposit must be secured by similar grade collateral (i.e., to direct U.S. Government obligations, those issued by U.S. Agencies or Certificates of Deposit) pledged at 105% of market value for amounts in excess of that guaranteed through federally sponsored insurance programs. The Pension Trust Fund is authorized to invest in certain corporate bonds and marketable securities under terms of the pension trust instrument. For reporting purposes, most investments are stated at cost although certain investments other than certificates of deposit including those for the Pension Trust Fund are reported at fair value.

For additional information, see the Investment Policy and other financial policies of the City located on the Columbia website and specifically in this section:

[https://www.columbiatn.com/government/finance/city\\_financial\\_policies](https://www.columbiatn.com/government/finance/city_financial_policies)

## **REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES**

*General.* Under the Constitution and laws of the State, all real and personal property is subject to taxation, except to the extent that the General Assembly of the State of Tennessee (the "General Assembly") exempts certain constitutionally permitted categories of property from taxation. Property exempt from taxation includes federal, state and local government property, property of housing authorities, certain low cost housing for elderly persons, property owned and used exclusively for certain religious, charitable, scientific and educational purposes and certain other property as provided under Tennessee law.

Property is classified into three separate classes for purposes of taxation: Real Property; Tangible Personal Property; and Intangible Personal Property.

Real Property includes lands, structures, improvements, machinery and equipment affixed to realty and related rights and interests. Real Property is required to be classified into four sub-classifications and assessed at the rates as follows:

- (a) Public Utility Property - includes all property of every kind used or held for use in the operation of a public utility, such as railroad companies, freight and private car companies, street car companies, power companies, express companies and other public utility companies, to be assessed at 55% of its value;
- (b) Industrial and Commercial Property - includes all property of every kind used or held for use for any commercial, mining, industrial, manufacturing, business or similar purpose, to be assessed at 40% of its value;
- (c) Residential Property - includes all property which is used or held for use for dwelling purposes and contains no more than one rental unit, to be assessed at 25% of its value; and
- (d) Farm Property - includes all real property used or held for use in agriculture, to be assessed at 25% of its value.

Tangible Personal Property includes personal property such as goods, chattels and other articles of value, which are capable of manual or physical possession and certain machinery and equipment. Tangible Personal Property is required to be classified into three sub-classifications and assessed at the rates as follows:

- (a) Public Utility Property - assessed at 55% of its value;
- (b) Industrial and Commercial Property - assessed at 30% of its value; and

- (c) All other Tangible Personal Property - assessed at 5% of its value, subject to an exemption of \$7,500 worth of Tangible Personal Property for personal household goods and furnishings, wearing apparel and other tangible personal property in the hands of a taxpayer.

Intangible Personal Property includes personal property, such as money, any evidence of debt owed to a taxpayer, any evidence of ownership in a corporation or other business organization having multiple owners and all other forms of property, the value of which is expressed in terms of what the property represents rather than its own intrinsic value. The Constitution of the State of Tennessee (the "Constitution") empowers the General Assembly to classify Intangible Personal Property into sub-classifications and to establish a ratio of assessment to value in each class or subclass and to provide fair and equitable methods of apportionment of the value to the State for purposes of taxation.

The Constitution requires that the ratio of assessment to value of property in each class or subclass be equal and uniform throughout the State and that the General Assembly direct the method to ascertain the value and definition of property in each class or subclass. Each respective taxing authority is constitutionally required to apply the same tax rate to all property within its jurisdiction.

*Taxation of Property.* The Constitution empowers the General Assembly to authorize the several counties and incorporated towns in the State to impose taxes for county and municipal purposes in the manner prescribed by law. Under Tennessee Code Annotated, the General Assembly has authorized the counties and incorporated municipalities to levy an ad valorem tax on all taxable property within their respective jurisdictions, the amount of which is required to be fixed by the legislative body of each jurisdiction based upon tax rates to be established on the first Monday of July of each year or as soon thereafter as practicable.

*Assessment of Property.* All assessments of real and personal property are required to be made annually and as of January 1 for the year to which the assessment applies. Not later than May 20 of each year, the assessor of property in each county is required to (a) make an assessment of all property in the county and (b) note upon the assessor's records the current classification and assessed value of all taxable property within the assessor's jurisdiction.

The assessor is required to notify each taxpayer of any change in the classification or assessed value of the taxpayer's property and to cause a notice to be published in a newspaper of general circulation stating where and when such records may be inspected and describing certain information concerning the convening of the board of equalization. The notice to taxpayers and such published notice are required to be provided and published at least 10 days before the local boards of equalization begin their annual sessions.

The boards of equalization are required (among other things) to carefully examine, compare and equalize the county assessments; assure that all taxable properties are included on the assessments lists and that exempt properties are eliminated from the assessment lists; hear

and act upon taxpayer complaints; and correct errors and assure conformity to State law and regulations.

*State Assessments of Public Utility Property.* The State Comptroller of the Treasury (the “Comptroller”) is authorized and directed under State law to assess for taxation, for State, county and municipal purposes, all public utility properties of every description, tangible and intangible, within the State. Such assessment is required to be made annually as of the same day as other properties are assessed by law (as described above) and takes into account such factors as are prescribed by law.

On or before the first Monday in August of each year, the assessments are required to be completed and the Comptroller is required to send a notice of assessment to each company assessable. Within ten days after the first Monday in August of each year, any owner or user of property so assessed may file an exception to such assessment together with supporting evidence to the Comptroller, who may change or affirm the valuation. On or before the first Monday in September of each year, the Comptroller is required to file with the State Board of Equalization (“State Board”) assessments so made. The State Board is required to examine such assessments and is authorized to increase or diminish the valuation placed upon any property valued by the Comptroller.

The State Board has jurisdiction over the valuation, classification and assessment of all properties in the State. The State Board is authorized to create an assessment appeals commission to hear and act upon taxpayer complaints. The action of the State Board is final and conclusive as to all matters passed upon by the State Board, subject to judicial review consisting of a new hearing in chancery court.

*Periodic Reappraisal and Equalization.* Tennessee law requires reappraisal in each county by a continuous six-year cycle comprised of an on-site review of each parcel of real property over a five-year period, or, upon approval of the State Board, by a continuous four-year cycle comprised of an on-site review of each parcel of real property over a three-year period, followed by revaluation of all such property in the year following completion of the review period. Alternatively, if approved by the assessor and adopted by a majority vote of the county legislative body, the reappraisal program may be completed by a continuous five-year cycle comprised of an on-site review of each parcel of real property over a four-year period followed by revaluation of all such property in the year following completion of the review period.

After a reappraisal program has been completed and approved by the Director of Property Assessments, the value so determined must be used as the basis of assessments and taxation for property that has been reappraised. The State Board is responsible to determine whether or not property within each county of the State has been valued and assessed in accordance with the Constitution and laws of the State.

*Certified Tax Rate.* Upon a general reappraisal of property as determined by the State Board, the county assessor of property is required to (1) certify to the governing bodies of the county and each Town within the county the total assessed value of taxable property within the jurisdiction of each governing body and (2) furnish to each governing body an estimate of the total

assessed value of all new construction and improvements not included on the previous assessment roll and the assessed value of deletions from the previous assessment roll. Exclusive of such new construction, improvements and deletions, each governing body is required to determine and certify a tax rate ("Certified Tax Rate") which will provide the same ad valorem revenue for that jurisdiction as was levied during the previous year. The governing body of a county or Town may adjust the Certified Tax Rate to reflect extraordinary assessment changes or to recapture excessive adjustments.

No tax rate in excess of the Certified Tax Rate may be levied by the governing body of any county or of any Town until a resolution or ordinance has been adopted by the governing body after publication of a notice of the governing body's intent to exceed the Certified Tax Rate in a newspaper of general circulation and the holding of a public hearing.

*Tax Freeze for the Elderly Homeowner.* The Constitution was amended in November, 2006 to authorize the General Assembly to enact legislation providing property tax relief for homeowners age 65 and older. The General Assembly subsequently adopted the Property Tax Freeze Act permitting local governments to implement a program for "freezing" the property taxes of eligible taxpayers at an amount equal to the taxes for the year the taxpayer becomes eligible.

*Tax Collection and Tax Lien.* County Property taxes are payable the first Monday in October of each year although cities and towns may follow different calendars based on their Charter requirements. Unless a city or town collects its own taxes as it is permitted to do, the county trustee of each county acts as the collector of all county property taxes.

The taxes assessed by the State, a county, a Town, a taxing district or other local governmental entity, upon any property of whatever kind, and all penalties, interest and costs accruing thereon become and remain a first lien on such property from January 1 of the year for which such taxes are assessed. In addition, property taxes are a personal debt of the property owner as of January and, when delinquent, may be collected by suit as any other personal debt. Tennessee law prescribes the procedures to be followed to foreclose tax liens and to pursue legal proceedings against property owners whose property taxes are delinquent.

*The City.* All property taxes in the City are due on November 1 of each year based upon appraisals as of January 1 of the same calendar year and are delinquent on December 16 of each tax year.

According to the current State of Tennessee Real Estate Appraisal Report, property in the County and the City reflected a ratio of appraised value to true market value of 1.0000. The County is on a four year appraisal cycle. A ration adjustment was conducted in 2022. The next County - wide appraisal is scheduled for 2026.

For the most recent information on taxes levied, tax collections, State and City tax relief, see the Columbia website and specifically this location relating to the City Recorder.

[http://www.columbiatn.com/government/city\\_recorder/](http://www.columbiatn.com/government/city_recorder/)

		<u>Real Property</u>							
<u>FY</u>	<u>Tax Year</u>	<u>Industrial/ Commercial<sup>(1)</sup></u>	<u>Residential</u>	<u>Farm/ Other Property</u>	<u>Tangible/ Intangible Personal Property</u>	<u>Public Utility Property</u>	<u>Total Assessed Value</u>	<u>Estimated Actual Value</u>	<u>City Tax Rate</u>
2024	2023	\$540,341,505	\$942,839,135	\$13,970,550	\$129,933,993	\$29,876,634	\$1,627,381,523	5,639,883,347	\$0.8251
2023	2022*	505,619,225	883,071,725	12,697,425	121,490,851	27,843,865	1,550,723,091	5,275,340,385	0.8251
2022	2021	399,915,680	545,633,775	7,088,450	101,553,840	23,682,753	1,077,874,498	4,073,537,936	1.1597
2021	2020	389,625,920	518,717,475	7,344,825	95,778,533	20,846,667	1,032,313,420	3,888,160,854	1.1597
2020	2019	365,003,320	498,272,100	7,982,600	157,330,375	23,220,368	1,051,808,763	3,433,275,891	1.1597
2019	2018*	353,146,680	474,843,150	8,141,100	160,923,370	22,519,387	1,019,292,802	3,313,974,513	1.1597
2018	2017	303,627,360	342,066,275	5,904,075	125,442,840	21,320,821	798,074,381	2,823,397,392	1.4400
2017	2016	293,904,045	325,777,650	6,315,450	114,404,013	22,288,153	762,976,301	2,697,104,471	1.4400
2016	2015	289,635,360	319,834,575	6,357,675	106,231,477	23,441,453	745,500,540	2,383,080,923	1.4400
2015	2014*	287,525,720	315,848,675	6,362,275	95,698,578	21,417,994	726,853,242	2,327,323,570	1.4400
2014	2013	289,861,080	317,660,200	6,143,100	97,323,065	19,092,957	730,080,402	2,337,118,253	1.4400
	<b>Rate</b>	<b>40%</b>	<b>25%</b>	<b>25%</b>	<b>30%/40%</b>	<b>55%</b>			

\* Reappraisal occurred in tax year 2014, 2018 and 2022. The effect of the State reappraisal and reassessment statutes is to adjust the property tax rate downward to prevent a taxing unit from collecting additional property tax revenues as a result of reappraisal. See the discussion in the preceding section entitled "FINANCIAL INFORMATION – Real Property Assessment, Tax Levy and Collection Procedures – Certified Tax Rate". In Tax Year 2014, the Certified Rate was \$1.4673, but the City Council reduced the rate by \$0.0273 to \$1.4400. For Tax Year 2018, the rate was rolled back to \$1.1597 reflected the Certified Rate. For Tax Year 2022, the rate was rolled back to \$0.8251 reflected the Certified Rate.

<sup>(1)</sup> Includes mineral assessments, if any.

Source: Tax Aggregate Report of Tennessee published by the State Board of Equalization

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*Property Tax Rates and Collections.* The following table shows the property tax rates and collections of the City for the 10 most recent fiscal years as well as the aggregate uncollected balances for each fiscal year ending June 30.

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>City Tax Rates</b>	<b>Co. Tax Rates</b>	<b>Fiscal Year Collections</b>			<b>Total Collections To Date</b>		
				<b>Taxes Levied</b>	<b>Fiscal Year Collections</b>	<b>Percent of Levy</b>	<b>Subsequent Collections</b>	<b>Amount</b>	<b>Percent of Levy</b>
2023	2022	\$0.8251	\$1.9100	\$12,795,025	\$12,398,395	96.90%	-	\$12,398,395	96.90%
2022	2021	0.8251	2.2364	12,500,116	12,242,770	97.94%	244,176	12,486,946	99.89%
2021	2020	1.1597	2.2364	11,971,756	11,628,707	97.13%	330,272	11,958,979	99.89%
2020	2019	1.1597	2.2364	12,198,049	11,826,303	96.95%	365,038	12,191,341	99.95%
2019	2018*	1.1597	2.2364	11,820,739	11,426,730	96.67%	392,039	11,818,769	99.98%
2018	2017	1.4400	2.8150	11,492,343	11,107,015	96.65%	456,930	11,563,945	100.62%
2017	2016	1.4400	2.8150	10,986,884	10,603,511	96.51%	393,854	10,997,365	100.10%
2016	2015	1.4400	2.6200	10,735,192	10,322,672	96.16%	334,185	10,656,857	99.27%
2015	2014*	1.4400	2.6200	10,466,717	9,977,660	95.33%	484,030	10,461,690	99.95%
2014	2013	1.4400	2.5970	10,513,084	9,980,984	94.94%	516,887	10,497,891	99.86%

\* Reappraisal occurred in tax year 2010, 2014 and 2018. The effect of the State reappraisal and reassessment statutes is to adjust the property tax rate downward to prevent a taxing unit from collecting additional property tax revenues as a result of reappraisal. See the discussion in the preceding section entitled "FINANCIAL INFORMATION – Real Property Assessment, Tax Levy and Collection Procedures – Certified Tax Rate". In Tax Year 2014, the Certified Rate was \$1.4673, but the City Council reduced the rate by \$0.0273 to \$1.4400. For Tax Year 2018, the rate was rolled back to \$1.1597 reflected the Certified Rate. For Tax Year 2018, the rate was rolled back to \$0.8251 reflected the Certified Rate.

Source: City of Columbia Annual Comprehensive Financial Reports and the City of Columbia.

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*Largest Taxpayers.* The largest taxpayers in the City during fiscal year 2023 were as follows:

Name	Assessed Value	% of Total Value FY		% of Total Value FY	
		2023	2023 Rank	2014	2014 Rank
<b>Private Entities</b>					
TN Farmers Life Ins. Co.	38,476,304	2.50%	1	4%	2
TRH Health Insurance	9,568,826	0.60%	2	1%	5
Arden Village Apartments	8,682,360	0.60%	3	-	
TN Farm Bureau Fed Inc.	7,441,400	0.50%	4	1%	4
Ergh Investors LLC	7,265,240	0.50%	5	-	
Wal-Mart Real Estate	6,100,000	0.40%	6	1%	3
Nhc-Maury Regional Healthcare LLC	6,043,640	0.40%	7	-	
Burchell Properties	5,625,070	0.40%	8	-	
Bostelman Realty LLC	5,490,470	0.40%	9	-	
Tristar Behavioral Health Care LLC	5,441,360	0.40%	10		
<b>Public Utilities</b>					
Atmos Energy Corporation	11,945,848				
<b>Total</b>	<b>112,080,518</b>	<b>7.40%</b>		<b>15%</b>	

Source: 2023 CAFR of the City.

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*Largest Sewer Customers.* The largest sewer customers during fiscal year 2024 were as follows:

TOP TEN SEWER CUSTOMERS

<u>Customer Name</u>	<u>Type of Business</u>	<u>Consumption</u>	<u>Billed Amount</u>
The Ashley Apartments	Housing	10,349,700	\$50,878
Boing US Holdco, Ross Adkison	Automotive	9,288,200	\$44,801
Columbia Housing Authority	Housing	8,220,900	\$40,447
Fresenius Medical Care Of	Medical	8,122,700	\$40,060
Maury County Government	County	7,728,000	\$38,047
Graymere Apartments	Housing	7,107,300	\$34,991
Columbia State Community College	Education	6,790,300	\$33,437
Jacph Properties of Tn, LLC	Housing	6,592,800	\$32,485
SREIT Columbia Hills, LLC	Housing	6,528,600	\$32,155
Shreejientapriz, LLC	Housing	6,023,200	\$29,679

Source: City of Columbia ACFR. See page E-19 of the City's ACFR referenced in APPENDIX D for current rates and customers.

**LOCAL OPTION SALES AND USE TAX**

Pursuant to applicable provisions of Title 67, Chapter 6, Part 7 of Tennessee Code Annotated as amended, (the "Local Tax Act"), the City levies a county - wide local option sales tax. Under the Act, counties and incorporated cities may levy a sales tax on the same privileges on which the State levies its sales tax. The rate of any sales tax levied by a county or city is limited to 2.75%.

Pursuant to the Local Tax Act, the levy of a sales tax by a county precludes any city from within the county from levying a sales tax. A city may levy a sales tax in addition to the county's sales tax at a rate not exceeding the difference between the county sales tax rate and the maximum local option sales tax rate of 2.75%. If a city is located in more than one county, each portion of the city that is located in a separate county is treated as a separate city for purposes of determining the maximum sales tax rate.

The revenues from the county-wide sales taxes are distributed pursuant to the provisions of the Local Tax Act and other provisions of the Tennessee Code Annotated. Fifty percent (50.0%) of the revenues raised through the county-wide sales taxes are directed to educational purposes and are distributed to all organized school systems, in the county in which the taxes are collected based upon the average daily attendance of each school system. The balance of the sales tax collections are divided between the general fund of the county in which the taxes are collected and all incorporated cities or towns in such county based upon the situs of collection.

As permitted by the Local Tax Act, a County-wide referendum was held and approved on March 3, 2020. The referendum increased the rate from 2.25% to the maximum amount authorized

of 2.75%. The collection of the new tax began in May 2020. Historical collections of the 2.25% rate through fiscal year 2020 are depicted in the following chart.

<b><u>Fiscal Year</u></b>	<b><u>Collections</u></b>	<b><u>% Change Prior Year</u></b>
2023	\$18,900,208	7.90%
2022	17,516,135	12.14%
2021	15,620,379	32.54%
2020	11,785,162	8.45%
2019	10,867,058	9.62%
2018	9,913,746	1.36%
2017	9,780,603	6.75%
2016	9,161,806	9.98%
2015	8,330,399	8.45%
2014	7,681,171	4.98%

Source: Annual Comprehensive Financial Reports of the City of Columbia, Tennessee and the City of Columbia

The Local Tax Act authorizes a local jurisdiction, by resolution of its governing body, to pledge proceeds raised by the power and authority granted by the Act to the punctual payment of principal of and interest on bonds, notes or other evidence of indebtedness issued for purposes for which such proceeds were intended to be spent. The Governing Body has not pledged any local option sales tax proceeds to bonded indebtedness of the City.

## **HOTEL – MOTEL TAX**

Pursuant to State law, enabling legislation was adopted by the City Council in July 2015 to impose a 5.0% Hotel/Motel tax. Within General Government, the City has incorporated proceeds from this tax earmarked for Tourism Enhancement – related expenditures. Since August 2015, collections have averaged around \$600,000 on an annualized basis. Approximately, two-thirds of the annual collections of these dedicated revenues are used to pay a portion of the debt service on the City’s outstanding \$8,970,000 General Obligation Public Improvement Bonds, Series 2017 attributable to recreation projects.

## **PENSION PLANS**

For information on the City’s retirement programs including, but not limited to, funding status, trend information and actuarial status of the City’s retirement programs, please refer to the appropriate Notes to Financial Statements located in the Annual Comprehensive Financial Report of the City accessed electronically via the link depicted in APPENDIX D.

## **OTHER POST-EMPLOYMENT BENEFITS**

The City provides post-retirement health care benefits, in accordance with policies established by its resolutions, to employees who retire from the City.

For additional information on post-employment benefits provided by the City including, but not limited to, funding status, trend information and actuarial status, please refer to the appropriate Notes to Financial Statements located in the Annual Comprehensive Financial Report of the City accessed electronically via the link depicted in APPENDIX D.

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**FORM OF CONTINUING DISCLOSURE  
AGREEMENT**

CITY OF COLUMBIA, TENNESSEE

\$ \_\_\_\_\_ GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2024

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this \_\_\_\_ day of August 2024 by City of Columbia, Tennessee (the “Issuer”) in connection with the issuance of its \$ \_\_\_\_\_ General Obligation Public Improvement Bonds, Series 2024 (the “Bonds”). The Issuer hereby covenants and agrees as follows:

SECTION 1. Purpose of and Authority for the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Registered Owners and the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12(b)(5) (the “Rule”) of the Securities and Exchange Commission (the “SEC”). This Disclosure Agreement is being executed and delivered by the Issuer under the authority of the Resolution.

SECTION 2. Definitions. In addition to the terms otherwise defined herein, the following capitalized terms shall have the following meanings:

“Beneficial Owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Fiscal Year” shall mean any period of twelve consecutive months adopted by the Issuer as its fiscal year for financial reporting purposes, and shall initially mean the period beginning on July of each calendar year and ending June 30 of the following calendar year.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Official Statement” shall mean the Official Statement of the Issuer, dated August \_\_, 2024 relating to the Bonds.

“Participating Underwriters” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Registered Owner” means any person who is identified as a holder of Bonds on the registration records maintained by or on behalf of the Issuer with respect to the Bonds.

“Resolution” shall mean the bond resolution adopted by the City Council of the Issuer on June 20, 2024.

“State” shall mean the State of Tennessee.

“State Repository” shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule.

SECTION 3. Continuing Disclosure. The Issuer hereby agrees to provide or cause to be provided the information set forth below:

(a) *Annual Financial Information*. For Fiscal Years ending on or after June 30, 2024, the Issuer shall provide annual financial information and operating data within 12 months after the end of the Fiscal Year. The annual financial information and operating data shall include:

(i) The Issuer’s audited financial statements, prepared in accordance with generally accepted accounting principles, or, if the Issuer’s audited financial statements are not available, then the Issuer’s unaudited financial statements; and

(ii) Operating data of the type included under the following headings of the Official Statement, which data may be presented in a manner other than as set in the Official Statement:

1. Summary of bonded indebtedness as of the end of such fiscal year;
2. The indebtedness and debt ratios as of the end of such fiscal year, together with information about the property tax base;
3. Information regarding tax backed debt service requirements;
4. Information about the sewer revenue and tax backed debt service requirements as of the end of such fiscal year;
5. Information about the broadband revenue and tax backed debt service requirements as of the end of such fiscal year;
7. Summary of operating revenues, expenditures and changes in fund balances - general fund for the fiscal year;
8. Summary of operating revenues, expenses and changes in net assets - sewer fund for the fiscal year;

9. Summary of revenues, expenses and changes in net assets - broadband fund for the fiscal year;
10. The estimated assessed value of property in the City for the tax year ending in such fiscal year and the total estimated actual value of all taxable property for such year;
11. Property tax rates and tax collections of the City for the tax year ending in such fiscal year as well as the uncollected balance for such fiscal year;
12. The largest taxpayers;
13. The ten largest sewer system customers; and
14. Local Option Sales and Use Tax Collections

(b) *Audited Financial Statements.* For Fiscal Years ending on or after June 30, 2024, the Issuer shall provide audited financial statements, prepared in accordance with generally accepted accounting principles, if and when available, if such audited financial statements are not included with the annual financial information described in subsection (a) above.

(c) *Event Notices.* The Issuer will provide notice of the following events relating to the Bonds in a timely manner, not in excess of ten business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances (including disclosure as to whether the Bonds have been defeased to their maturity or to a preceding call date);
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;

- (xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation\* of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

\* As used in subsections (xv) and (xvi), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(d) *Notice of Failure to File Annual Financial Information.* The Issuer will provide timely notice of its failure to provide the annual financial information described in subsection (a) above within the time frame prescribed by subsection (a).

(e) *Notice of Amendment of Disclosure Agreement.* The Issuer will provide timely notice of an amendment to this Disclosure Agreement pursuant to the terms of Section 5(a) below.

#### SECTION 4. Methods of Providing Information.

(a) All disclosures required by Section 3 shall be transmitted to the MSRB using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated dissemination agent.

(c) All transmissions to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.



(d) Any required disclosure may be incorporated by reference to other documents filed with the MSRB in the manner required by subsection (a) above. The Issuer shall clearly identify each such other document so incorporated by reference.

(e) All disclosures transmitted to the MSRB hereunder shall be simultaneously transmitted to any State Repository.

#### SECTION 5. Amendment.

(a) This Disclosure Agreement may be amended or modified so long as: (i) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body; (ii) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted; (iii) this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iv) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the Issuer (such as bond counsel), or by approving vote of the Beneficial Owners and Registered Owners pursuant to the terms of the Resolution at the time of the amendment.

(b) In the event of any amendment or modification to the financial information or operating data required to be filed pursuant to Section 3(a) above, the Issuer shall describe such amendment in the next filing pursuant to Section 3(a), and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, the next filing pursuant to Section 3(a) or 3(b), as applicable, shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include

any information in any disclosure required hereunder, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure.

SECTION 8. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Registered Owners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Registered Owner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of any party to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Dissemination Agent. The Issuer may, from time to time, appoint a dissemination agent to assist it in carrying out its obligations under this Disclosure Agreement, and the Issuer may, from time to time, discharge the dissemination agent, with or without appointing a successor dissemination agent. If at any time there is not a designated dissemination agent, the Issuer shall be the dissemination agent.

SECTION 11. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 12. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Date: August \_\_, 2024.

CITY OF COLUMBIA, TENNESSEE

By: \_\_\_\_\_  
Mayor



## APPENDIX D

### **CITY OF COLUMBIA, TENNESSEE ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2023**

#### **ELECTRONIC LINK**

The Annual Comprehensive Financial Report for the City of Columbia, Tennessee, as of and for the fiscal year ending June 30, 2023, together with the independent auditors' report is available through the City of Columbia, Tennessee's official website at:

<http://www.columbiatn.com/government/finance/>

This document is hereby incorporated by reference as APPENDIX D.

To the extent there are any differences between the electronically posted Annual Comprehensive Financial Report of the City of Columbia and the printed Annual Comprehensive Financial Report of the City of Columbia, the printed version shall control.

The City's current independent external auditor has not been engaged to perform and has not performed any procedures on the financial statements addressed in that report since the date of its report referenced herein nor have they performed any procedures relating to this "Official Statement".

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