

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 19, 2025
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS TO BE SOLD TUESDAY, SEPTEMBER 30, 2025, AT 9:15 A.M. C.D.T.
WATER AND SEWER REVENUE AND TAX BONDS TO BE SOLD TUESDAY, SEPTEMBER 30, 2025, AT 9:45 A.M. C.D.T.

New Issues
 Book-Entry Only

Ratings: S&P “___” – Public Improvement Bonds
 S&P “___” – Water and Sewer Bonds
 (See “RATINGS” herein)

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the Municipality, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Under existing law and subject to certain exceptions, the Bonds and the income therefrom will be exempt from state, county and municipal taxation in the State of Tennessee. (See “Tax Matters” herein).

CITY OF LA VERGNE, TENNESSEE
\$25,000,000* GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2025A (ULT)
\$20,000,000* WATER AND SEWER REVENUE AND TAX BONDS, SERIES 2025B (ULT)

Dated: Date of Issuance (projected to be October 16, 2025)

Due: April 1, as shown below

The City of La Vergne, Tennessee (the “Municipality” or the “Issuer”) will issue its \$25,000,000* General Obligation Public Improvement Bonds, Series 2025A (the “Public Improvement Bonds”) and its \$20,000,000* Water and Sewer Revenue and Tax Bonds, Series 2025B (the “Water and Sewer Bonds”) and together with the Public Improvement Bonds, the “Bonds”) in fully registered form, without coupons, and, when issued, the Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. Individual purchases of beneficial ownership interest in the Bonds will be made in book-entry form only, in denominations of \$5,000 or multiples thereof through DTC Participants. Interest on the Bonds will be payable semiannually on April 1 and October 1 of each year, commencing on April 1, 2026, calculated on the basis of a 360-day year consisting of twelve 30-day months.

Payments of principal of and interest on the Bonds are to be made to purchasers by DTC through the Participants (as such term is herein defined). Purchasers will not receive physical delivery of Bonds purchased by them. See “The Bonds-Book-Entry-Only System.” Principal of and interest on the Bonds are payable by the Municipality to the corporate trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the “Registration Agent”).

The Bonds are subject to redemption prior to their stated maturities as more fully set forth herein. The Bonds are payable on April 1 of each year as follows:

PUBLIC IMPROVEMENT BONDS									
Maturity (April 1)*	Principal*	Interest Rate	Price or Yield	CUSIP Number**	Maturity (April 1)*	Principal*	Interest Rate	Price or Yield	CUSIP Number**
2026	\$850,000				2037	\$1,175,000			
2027	900,000				2038	1,225,000			
2028	900,000				2039	1,250,000			
2029	925,000				2040	1,325,000			
2030	950,000				2041	1,375,000			
2031	975,000				2042	1,450,000			
2032	990,000				2043	1,500,000			
2033	1,020,000				2044	1,550,000			
2034	1,075,000				2045	1,620,000			
2035	1,100,000				2046	1,695,000			
2036	1,150,000								

WATER AND SEWER BONDS									
Maturity (April 1)*	Principal*	Interest Rate	Price or Yield	CUSIP Number**	Maturity (April 1)*	Principal*	Interest Rate	Price or Yield	CUSIP Number**
2026	\$700,000				2037	\$950,000			
2027	700,000				2038	950,000			
2028	700,000				2039	1,015,000			
2029	750,000				2040	1,060,000			
2030	750,000				2041	1,105,000			
2031	775,000				2042	1,150,000			
2032	800,000				2043	1,200,000			
2033	825,000				2044	1,250,000			
2034	850,000				2045	1,305,000			
2035	875,000				2046	1,365,000			
2036	925,000								

The Public Improvement Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Public Improvement Bonds, the full faith and credit of the Municipality are irrevocably pledged. The Water and Sewer Bonds are payable from and secured by the Net Revenues (as such term is defined herein) of the System (as such term is defined herein), subject to prior pledges of such Net Revenues in favor of the Prior Lien Bonds (as such term is defined herein). In the event of a deficiency in such Net Revenues, the Water and Sewer Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Water and Sewer Bonds, the full faith and credit of the Municipality are irrevocably pledged.

The Bonds are offered when, as and if issued, subject to the approval of the legality by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose opinions will be delivered with the Bonds. Certain legal matters will be passed upon for the Municipality by E. Evan Cope, PLLC, Murfreesboro, Tennessee, counsel to the Municipality. Stephens Inc. is serving as Municipal Advisor to the Municipality. The Bonds, in book-entry form, are expected to be available for delivery through The Depository Trust Company in New York, New York, on or about October 16, 2025.*

_____, 2025

*Preliminary, subject to change as provided in the Detailed Notice of Sale.

**Copyright, American Bankers Association (the “ABA”). CUSIP data herein are 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 above are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds, and the Issuer 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.

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.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended (collectively, the "Official Statement") by the City of La Vergne, Tennessee (the "Municipality"), is an Official Statement with respect to the Bonds described herein that is deemed final by the Municipality as of the date hereof (or of any such supplement or amendment). It is subject to completion with certain information to be established at the time of the sale of the Bonds as permitted by Rule 15c2-12 of the Securities and Exchange Commission.

No dealer, broker, salesman or other person has been authorized by the Municipality or by Stephens Inc. (the "Municipal Advisor") to give any information or make any representations other than those contained in this Official Statement and, if given or made, such information or representations with respect to the Municipality or the Bonds must not be relied upon as having been authorized by the Municipality or the Municipal Advisor. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities other than the securities offered hereby to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

This Official Statement should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, reports or other documents are referred to herein, reference should be made to such statutes, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Municipality since the date as of which information is given in this Official Statement.

In making an investment decision, investors must rely on their own examination of the Municipality and the terms of the offering, including the merits and risks involved. No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

The material contained herein has been obtained from sources believed to be current and reliable, but the accuracy thereof is not guaranteed. The Official Statement contains statements which are based upon estimates, forecasts, and matters of opinion, whether or not expressly so described, and such statements are intended solely as such and not as representations of fact. All summaries of statutes, resolutions, and reports contained herein are made subject to all the provisions of said documents. The Official Statement is not to be construed as a contract with the purchasers of any of the City of La Vergne, Tennessee General Obligation Public Improvement Bonds, Series 2025A or Water and Sewer Revenue and Tax Bonds, Series 2025B.

Table of Contents

Notice of Saleii

Detailed Notice of Saleiii

Summary Statementxxi

Official Statement1

Introduction1

The Bonds1

 Description1

 Optional Redemption3

 Mandatory Redemption.....3

 Notice of Redemption4

 Security and Sources of Payment.....5

 Levy of Tax.....5

 Additional Parity Bonds6

 Discharge and Satisfaction of Bonds.....6

 Remedies of Bondholders7

 Book-Entry-Only System.....7

Plan of Finance.....9

 Sources and Uses of Funds10

Ratings10

Continuing Disclosure.....10

 General.....10

 Annual Report.....11

 Reporting of Significant Events12

 Termination of Reporting Obligation.....13

 Amendment.....13

 Default.....14

Investment Considerations14

 General.....14

 Enforceability of Remedies.....14

 Secondary Market Prices.....14

 Adverse Weather and Other Catastrophic Events15

 Cyber Security.....15

 Public Health Emergencies15

Future Issues.....16

Litigation16

Approval of Legal Proceedings.....16

Tax Matters16

 Federal.....16

 State Taxes18

 Changes in Federal and State Tax Law18

 Miscellaneous.....19

Financial Statements19

Municipal Advisor.....19

Underwriting19

Forward Looking Statements19

Miscellaneous.....20

Certificate of Mayor21

Proposed Forms of Legal Opinions..... Appendix A

Demographics and Financial Information Related to the Municipality..... Appendix B

Annual Comprehensive Financial Report of the Municipality for the
Fiscal Year Ended June 30, 2024 Appendix C

[This page is intentionally left blank]

CITY OF LA VERGNE, TENNESSEE

MAYOR
Jason Cole

BOARD OF MAYOR AND ALDERMEN

Steve Noe
Graeme Coates
Carol Haas
Kara Hobbs

ADMINISTRATION

City Administrator/City Recorder	Bruce E. Richardson
Finance Director	Danielle Brown
Police Chief	Christopher Moews
Public Works Director	Michael Dietz
Codes Director	Joe White
Human Resources Director	Andrew Patton

ISSUER ATTORNEY
E. Evan Cope, PLLC
Murfreesboro, Tennessee

BOND COUNSEL
Bass, Berry & Sims PLC
Nashville, Tennessee

REGISTRATION AND PAYING AGENT
U.S. Bank Trust Company, National Association
Nashville, Tennessee

MUNICIPAL ADVISOR
Stephens Inc.
Nashville, Tennessee

UNDERWRITER
Public Improvement Bonds

Water and Sewer Bonds

[This page is intentionally left blank]

NOTICE OF SALE

CITY OF LA VERGNE, TENNESSEE

\$25,000,000* GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2025A (ULT)

\$20,000,000* WATER AND SEWER REVENUE AND TAX BONDS, SERIES 2025B (ULT)

Notice is hereby given that the Mayor of the City of La Vergne, Tennessee (the "Municipality"), will accept written bids or electronic bids for the purchase of all, but not less than all, of the Municipality's **\$25,000,000* General Obligation Public Improvement Bonds, Series 2025A** (the "Public Improvement Bonds") until:

9:15 A.M. C.D.T. on Tuesday, September 30, 2025

and separate written bids or electronic bids for the purchase of all, but not less than all, of the Municipality's **\$20,000,000* Water and Sewer Revenue and Tax Bonds, Series 2025B** (the "Water and Sewer Bonds") until:

9:45 A.M. C.D.T. on Tuesday, September 30, 2025

The Public Improvement Bonds and the Water and Sewer Bonds are collectively referred to herein as the "Bonds". Any bidders for the Public Improvement Bonds may, but are not required to, bid on the Water and Sewer Bonds. Any bidders for the Water and Sewer Bonds may, but are not required to, bid on the Public Improvement Bonds.

Written bids for each series of the Bonds must be addressed and delivered to the Municipality to the attention of the Mayor, c/o office of the Finance Director, La Vergne City Hall, 5093 Murfreesboro Road, La Vergne, Tennessee 37086. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. *The sale of both or either series of the Bonds on Tuesday, September 30, 2025, may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale for both or either series of Bonds may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours' notice.*

The Bonds will be dated the date of delivery. The interest rate or rates on the Bonds shall not exceed 5.00% per annum and shall be payable semi-annually on April 1 and October 1, commencing April 1, 2026. No bid for the Bonds will be considered for less than 99.00% of the par amount nor greater than 120.00% of the par amount, as described in the Detailed Notice of Sale. In addition, each maturity of Bonds must be reoffered at a price of not less than 98.00% of the par amount of such maturity. The Bonds will mature on April 1 in the years of 2026 through 2046, inclusive, with term bonds optional and will be awarded on the sale date by the Mayor to the bidder(s) whose bid(s) results in the lowest true interest cost on the applicable series of Bonds. The Bonds are subject to redemption as described in the Detailed Notice of Sale.

After opening the bids, the Municipality reserves the right to adjust the principal amount of each maturity of either series of the Bonds as described in the Detailed Notice of Sale.

In the event that the competitive sale requirements of applicable Treasury Regulations are not met, the Municipality will require bidders to comply with the "hold-the-offering-price" rule for purposes of determining the issue price of each series of the Bonds. Bids will not be subject to cancellation in the event that the competitive sale requirements of applicable Treasury Regulations are not satisfied.

The Bonds in book-entry only form (except as otherwise set forth in the Detailed Notice of Sale) and approving opinions of Bass, Berry & Sims PLC, Nashville, Tennessee, will be furnished at the expense of the Municipality. Additional information, including the Official Statement and Detailed Notice of Sale, may be obtained from the undersigned at the office of the Finance Director, La Vergne City Hall, 5093 Murfreesboro Road, La Vergne, Tennessee 37086 or from Stephens Inc. Attention: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351.

Jason Cole
Mayor

* Preliminary, subject to change as provided in the Detailed Notice of Sale.

[This page is intentionally left blank]

DETAILED NOTICE OF SALE

CITY OF LA VERGNE, TENNESSEE

**\$25,000,000* GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2025A
(ULT)**

**\$20,000,000* WATER AND SEWER REVENUE AND TAX BONDS, SERIES 2025B
(ULT)**

Time and Place of Sale

Notice is hereby given that the Mayor of the City of La Vergne, Tennessee (the “Municipality”) will accept written bids or electronic bids for the purchase of all, but not less than all, of the Municipality's **\$25,000,000* General Obligation Public Improvement Bonds, Series 2025A** (the “Public Improvement Bonds”) until:

9:15 A.M. C.D.T. on Tuesday, September 30, 2025

and separate written bids or electronic bids for the purchase of all, but not less than all, of the Municipality's **\$20,000,000* Water and Sewer Revenue and Tax Bonds, Series 2025B** (the “Water and Sewer Bonds”) until:

9:45 A.M. C.D.T. on Tuesday, September 30, 2025

The Public Improvement Bonds and the Water and Sewer Bonds are collectively referred to herein as the “Bonds”. Any bidders for the Public Improvement Bonds may, but are not required to, bid on the Water and Sewer Bonds. Any bidders for the Water and Sewer Bonds may, but are not required to, bid on the Public Improvement Bonds.

The written bids must be addressed and delivered to the Municipality to the attention of the Mayor, c/o office of Finance Director, La Vergne City Hall, 5093 Murfreesboro Road, La Vergne, Tennessee 37086. Electronic bids must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. No other form of bid or provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. For the purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by BiDCOMP/PARITY® shall constitute the official time with respect to all bids submitted. If any provisions of this Notice of Sale conflict with information provided by BiDCOMP/PARITY® as the approved provider of electronic bidding services, this Notice of Sale shall control. *The sale of both or either series of the Bonds on Tuesday, September 30, 2025, may be postponed prior to the time bids are to be received and as published on I-dealProspectus.com. If such postponement occurs, a later public sale may be held at the hour and place and on such date as communicated via I-dealProspectus.com upon forty-eight hours’ notice.* The Bonds will be awarded on such date by the Mayor of the Municipality.

Description of Bonds

The Bonds will be issued in fully registered, book-entry form (except as otherwise provided herein), without coupons, be dated the date of delivery, be issued, or reissued upon transfer, in \$5,000 denominations or multiples thereof, as shall be requested by the purchaser or transferor thereof, as appropriate, and will mature and be payable on April 1 of each year as follows:

* Preliminary, subject to change.

<u>Year (April 1)</u>	<u>Public Improvement</u> <u>Bonds*</u>	<u>Water and Sewer</u> <u>Bonds*</u>
2026	\$850,000	\$700,000
2027	900,000	700,000
2028	900,000	700,000
2029	925,000	750,000
2030	950,000	750,000
2031	975,000	775,000
2032	990,000	800,000
2033	1,020,000	825,000
2034	1,075,000	850,000
2035	1,100,000	875,000
2036	1,150,000	925,000
2037	1,175,000	950,000
2038	1,225,000	950,000
2039	1,250,000	1,015,000
2040	1,325,000	1,060,000
2041	1,375,000	1,105,000
2042	1,450,000	1,150,000
2043	1,500,000	1,200,000
2044	1,550,000	1,250,000
2045	1,620,000	1,305,000
2046	1,695,000	1,365,000

Registration and Depository Participation

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One Bond certificate for each maturity of each series of Bonds will be issued to the Depository Trust Company, New York, New York (“DTC”), and immobilized in its custody. The book-entry system will evidence beneficial ownership interests of the Bonds in the principal amount of \$5,000 and any integral multiple of \$5,000, with transfers of beneficial ownership interest effected on the records of DTC participants and, if necessary, in turn by DTC pursuant to rules and procedures established by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, shall be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co., nominee of DTC. Interest on the Bonds will be payable semiannually on April 1 and October 1, beginning April 1, 2026, and principal of the Bonds will be payable, at maturity or upon redemption, to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by Participants of DTC, will be the responsibility of such participants and of the nominees of beneficial owners. The Municipality will not be responsible or liable for such transfer of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that the book-entry only system for the Bonds is discontinued and a successor securities depository is not appointed by the Municipality, Bond Certificates in fully registered form will be delivered to, and registered in the names of, the DTC Participants or such other persons as such DTC participants may specify (which may be the indirect participants or beneficial owners), in authorized denominations of \$5,000 or integral multiples thereof. In addition, if the successful bidder for the Bonds certifies that it has no present intent to reoffer the Bonds, the Bonds may be issued in fully registered form

* Preliminary, subject to change as provided in the Detailed Notice of Sale.

only. The ownership of Bonds so delivered shall be registered in registration books to be kept by U.S. Bank Trust Company, National Association, Nashville, Tennessee, as registration and paying agent (the “Registration Agent”), at its principal corporate office, and the Municipality and the Registration Agent shall be entitled to treat the registered owners of the Bonds, as their names appear in such registration books as of the appropriate dates, as the owners thereof for all purposes described herein and in the resolutions authorizing the Bonds (the “Resolutions”).

Optional Redemption

Bonds maturing April 1, 2026, through April 1, 2035, shall mature without option of prior redemption. Bonds maturing on April 1, 2036, and thereafter shall be subject to redemption prior to maturity at the option of the Municipality on and after April 1, 2035, as a whole or in part, at any time, at the redemption price of par, plus interest accrued to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Board of Mayor and Alderman of the Municipality in its discretion. If less than all of the Bonds within a single 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 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

The successful bidder for each series of Bonds shall have the option to designate certain consecutive serial maturities of such Bonds as one or more Term Bonds, each Term Bond bearing a single interest rate. If a successful bidder designates certain consecutive serial maturities to be combined into one or more Term Bonds, each Term Bond shall be subject to mandatory sinking fund redemption by the Municipality at a redemption price equal to 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption at the rate stated in the Term Bonds to be redeemed. Each such mandatory sinking fund redemption shall be made on the date on which a consecutive maturity included as part of a Term Bond is payable in accordance with the proposal of the successful bidder for the Bonds and in the amount of the maturing principal installment for the Bonds listed above for such principal payment date. Term Bonds to be redeemed within a single maturity shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, 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.

Security and Sources of Payment

The Public Improvement Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Public Improvement Bonds, the full faith and credit of the Municipality are irrevocably pledged. The Water and Sewer Bonds are payable primarily from and secured by the Net Revenues (as such term is defined in the Official Statement) of the System (as such term is defined in the Official Statement), subject to prior pledges of such Net Revenues in favor of the Prior Lien Bonds (as such term is defined in the Official Statement). In the event of a deficiency in such Net Revenues, the Water and Sewer Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Water and Sewer Bonds, the full faith and credit of the Municipality are irrevocably pledged.

Levy of Tax

Pursuant to the Resolutions, the Municipality has covenanted to annually levy and collect a tax upon all taxable property within the corporate limits of the Municipality, in addition to all other taxes authorized by law, sufficient to pay principal of and interest on the Bonds when due, and levy a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds on hand from this tax levy will be paid from the current funds of the Municipality and reimbursement therefor will be made out of the taxes provided for under the Resolutions to be levied when collected. Such tax may be reduced to the extent of any appropriations from other legally available funds, taxes and revenues of the Municipality, to the payment of debt service on the Bonds.

Under Tennessee law, the Municipality's legislative body is authorized to levy a tax on all taxable property within the Municipality, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more complete statement of the general covenants and provisions to which the Bonds are issued, reference is hereby made to the Resolutions.

Purpose and Authority of Bonds

The Public Improvement Bonds are being issued for the purpose of providing funds to (a) finance, in whole or in part, the (i) construction and improvement of streets, roads and bridges, including but not limited to sidewalks, signage, signalization, related facilities, lighting and drainage improvements; (ii) acquisition of all property, real and personal, related to the foregoing; (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing (collectively, the "Public Improvement Projects"); and (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Public Improvement Projects, if applicable; and (b) pay costs incident to the issuance and sale of the Public Improvement Bonds.

The Water and Sewer Bonds are being issued for the purpose of providing funds to (a) finance, in whole or in part, the (i) improvement and extension of the water and sewer system (the "System") of the Municipality; (ii) acquisition of all property, real and personal, related to the foregoing; (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing (collectively, the "Water and Sewer Projects"); and (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Water and Sewer Projects, if applicable; and (b) pay costs incident to the issuance and sale of the Water and Sewer Bonds.

The Bonds are being issued under the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., Tennessee Code Annotated, and pursuant to the Resolutions duly adopted by the Board of Mayor and Aldermen of the Municipality on August 7, 2025.

Submission of Bid

All bids submitted, electronic or otherwise, must be submitted as set forth under the heading “**Time and Place of Sale**”, set forth above.

A written bid for either series of the Bonds must be enclosed in a sealed envelope bearing the name and address of the bidder, clearly and legibly marked on the outside “Bid for Public Improvement Bonds” or “Bid for Water and Sewer Bonds”, as applicable, and addressed and delivered to the attention of the Mayor at the following address:

Office of the Finance Director
La Vergne City Hall
5093 Murfreesboro Road
La Vergne, Tennessee 37086

Written bids must be submitted on the applicable Bid Form included with the Preliminary Official Statement or on a reasonable facsimile thereof. Electronic bids for either series of Bonds must be submitted to PARITY® via the BiDCOMP Competitive Bidding System. An electronic bid made through the facilities of BiDCOMP/PARITY® shall be deemed an offer to purchase in response to the Notice of Sale and shall be binding upon the bidder as if made by a signed sealed written bid made to the Municipality. To the extent any instructions or directions set forth in BiDCOMP/PARITY® conflict with the terms of the Detailed Notice of Sale, the Detailed Notice of Sale shall prevail. The Municipality shall not be responsible for any malfunction or mistake made by or as a result of the use of electronic bidding facilities. The use of such facilities is at the sole risk of the bidders. Subscription to I-Deal's BiDCOMP/PARITY® Competitive Bidding System by a bidder is required in order to submit an electronic bid. The Municipality will not confirm any subscription or be responsible for the failure of any prospective bidder to subscribe. Both written bids and electronic bids must be unconditional and received by the office of the Mayor and/or BiDCOMP/PARITY®, respectively, before the time stated above. Bidders shall be required to comply with the provisions regarding a Good Faith Deposit as described below in the section entitled “Good Faith Deposit”. The Municipality is not liable for any costs incurred in the preparation, delivery, acceptance or rejection of any bid, including, without limitation, the providing of a bid security deposit.

Bidders may submit bids for both the Public Improvement Bonds and the Water and Sewer Bonds, but bids for the Public Improvement Bonds and the Water and Sewer Bonds must be submitted separately and will be evaluated and awarded separately.

Form of Bids

All bids for each series of the Bonds must be for not less than all of the respective series of Bonds. Bidders must bid not less than 99.00% of par nor greater than 120.00% of par plus accrued interest (the “Purchase Price”) for each series of the Bonds. Bidders must specify the interest rate or rates the respective Bonds are to bear in multiples of one-hundredth (1/100th) or one-eighth (1/8th) of one percent (1%), but no rate specified for the Bonds shall be in excess of 5.00% per annum. There will be no limitation on the number of rates of interest which may be specified for the respective Bonds, but one rate of interest shall apply to all the respective Bonds of a maturity. In addition, each maturity of the Bonds

must be reoffered at a price of not less than 98.00% of the par amount of such maturity. Bidders may designate two or more consecutive serial maturities as one or more Term Bond maturities equal in aggregate principal amount to, and with mandatory redemption requirements corresponding to, such designated serial maturities. Bidders must specify the reoffering prices or yields of each maturity.

Revised Maturity Schedule and/or Bid Parameters

The aggregate principal amount of each series of the Bonds (the “Preliminary Aggregate Principal Amount”) and the annual principal amounts of each series of the Bonds (the “Preliminary Annual Principal Amounts” and collectively, with reference to the Preliminary Aggregate Principal Amounts, the “Preliminary Amounts”) set forth in this Detailed Notice of Sale may be revised before the viewing of bids for the purchase of such Bonds, as may the bid parameters set forth herein. In addition, the Municipality may withdraw either the Public Improvement Bonds or the Water and Sewer Bonds from the proposed sale, as well as any proposed maturity. Any such revisions (in case of revised principal amounts, the “Revised Aggregate Principal Amount”, the “Revised Annual Principal Amounts” and the “Revised Amounts”) WILL BE GIVEN BY NOTIFICATION PUBLISHED ON www.I-dealProspectus.com NOT LATER THAN 4:00 P.M., CENTRAL DAYLIGHT TIME ON THE DAY PRECEDING THE RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts and will remain as stated in this Detailed Notice of Sale, and the bid parameters shall remain as set forth herein. BIDDERS SHALL SUBMIT BIDS BASED ON THE REVISED AMOUNTS AND BID PARAMETERS, IF ANY. Prospective bidders may request notification by facsimile transmission of any revisions in the Preliminary Amounts and bid parameters by so advising and faxing their telecopier number(s) to Stephens Inc., Municipal Advisor to the Municipality, at (615) 279-4351 by 12:00 Noon, Central Daylight Time, at least one day prior to the date for receipt of the bids.

Changes to Maturity Schedule

The Municipality reserves the right to change the Revised Aggregate Principal Amount of either series of Bonds and the Revised Annual Principal Amounts of either series of Bonds after determination of the winning bidder(s), by increasing or decreasing the Revised Aggregate Principal Amount and the Revised Annual Principal Amount of each maturity of the applicable series of Bonds by up to 30%; provided, however, that the aggregate principal amount of the Public Improvement Bonds shall not exceed \$25,000,000 and the aggregate principal amount of the Water and Sewer Bonds shall not exceed \$20,000,000. No changes beyond these amounts will be made without the consent of the successful bidder(s). Such changes, if any, will determine the final annual principal amount of each series of the Bonds (the “Final Annual Principal Amounts”) and the final aggregate principal amount of each series of the Bonds (the “Final Aggregate Principal Amount”).

The dollar amount bid by the successful bidder of each series of the Bonds will be adjusted to reflect any adjustments in the Final Aggregate Principal Amount of the applicable series of Bonds. The interest rates specified by the successful bidder(s) for the various maturities at the initial reoffering prices will not change. THE RESPECTIVE SUCCESSFUL BIDDERS MAY NOT WITHDRAW THEIR BIDS OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS. The Municipality anticipates that the Final Annual Principal Amounts of each series of the Bonds and the Final Aggregate Principal Amount of each series of the Bonds will be communicated to the successful bidder(s) prior to the award of the respective series of Bonds. THE DOLLAR AMOUNT BID BY THE SUCCESSFUL BIDDER(S) FOR THE PURCHASE OF A SERIES OF BONDS WILL BE ADJUSTED TO REFLECT ANY CHANGE IN THE ANNUAL PRINCIPAL AMOUNTS BASED UPON THE ASSUMPTION THAT THE COUPON RATES, REOFFERING PRICES, AND THE

UNDERWRITER'S DISCOUNT (EXCLUDING ORIGINAL ISSUE DISCOUNT/PREMIUM) STATED AS A PERCENTAGE OF THE AGGREGATE PRINCIPAL AMOUNT, AS SPECIFIED BY THE SUCCESSFUL BIDDER(S) WILL NOT CHANGE.

Basis of Award

If an award is made of a series of Bonds, such series of Bonds will be awarded to the bidder whose bid results in the lowest true interest cost to the Municipality for such series of Bonds as determined by reference to the Revised Aggregate Principal Amounts as discussed in the paragraph above. The lowest true interest cost on each series of Bonds will be calculated as that rate which when used in computing the present worth of all payments of principal and interest on such series of Bonds (compounded semi-annually from the dated date of such Bonds) produces a value equal to the purchase price of such series of Bonds. For the purpose of calculating the true interest cost, the principal amount of Term Bonds scheduled for mandatory sinking fund redemption as part of a Term Bond shall be treated as a serial maturity in each year. Each bidder is required to specify its calculation of the true interest cost resulting from its bid, but such information shall not be treated as part of its proposal.

In the event that two or more of the bidders offer to purchase a series of Bonds at the same lowest true interest cost, the Mayor shall determine in his sole discretion which of the bidders shall be awarded such series of Bonds.

The Mayor reserves the right to waive any irregularity or informality in any bid, and to reject any or all bids, and notice of rejection of any bid will be made promptly. Unless all bids are rejected for a series of Bonds, award of such series of Bonds will be made by the Mayor on the sale date.

Good Faith Deposit

The successful bidder for a series of Bonds is required to submit, in the manner described below, a good faith deposit (a "Deposit"), in the amount of \$500,000.00 for the Public Improvement Bonds and \$400,000.00 for the Water and Sewer Bonds, to secure the faithful performance of the terms of the bid to purchase the applicable series of the Bonds. Each Deposit will be delivered to the Municipality by wire transfer or certified check for the prescribed amount. Each Deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the Municipality or the Municipality's Municipal Advisor by the successful bidder by 2:00 p.m. C.D.T. on the day of the sale provided the Municipality awards the bid by 12:00 noon C.D.T.; otherwise, the wire shall be received not later than 11:00 a.m. C.D.T. on the next business day following the award. The Mayor reserves the right to adjust the time each Deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier's check or a treasurer's check drawn upon an incorporated bank or trust company payable unconditionally to the order of the Municipality. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder's Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from Stephens Inc., Attn: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351. In the event the successful bidder of a series of Bonds fails to timely submit the Deposit, the award may be terminated by the Mayor, and the Mayor in his discretion may award the applicable series of Bonds to the bidder whose bid results in the next lowest true interest

cost to the Municipality as the lowest complying bidder or hold a subsequent sale of such series of Bonds. The Municipality shall have no liability to any bidder who fails to properly submit a Deposit.

Each Deposit of the successful bidder(s) will be deposited by the Municipality and the proceeds thereof credited with no interest allowed thereon against the total purchase price to be paid for the applicable series of Bonds upon their delivery or retained as and for full liquidated damages if the successful bidder fails to accept delivery of and pay for such series of Bonds. Checks of unsuccessful bidders will be returned promptly upon the award of the applicable series of Bonds. If a successful bidder fails to timely make the Deposit for a series of Bonds, the award may be terminated in the discretion of the Mayor, and the Municipality shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of the applicable series of Bonds.

Establishment of Issue Price

General. The winning bidder(s) shall assist the Municipality in establishing the issue price of each series of Bonds as more fully described herein. All actions to be taken by the Municipality under this Notice of Sale to establish the issue price of each series of the Bonds may be taken on behalf of the Municipality by the Municipal Advisor identified herein and any notice or report to be provided to the Municipality may be provided to the Municipal Advisor.

Anticipated Compliance with Competitive Sale Requirements. The Municipality anticipates that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of each series of Bonds (the “competitive sale requirements”) because:

- the Municipality shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- all bidders shall have an equal opportunity to bid;
- the Municipality expects to receive bids for each series of Bonds from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- the Municipality anticipates awarding the sale of each series of Bonds to the bidder who submits a firm offer to purchase such series of Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Intention to Apply the Hold-the-Offering-Price Rule if Competitive Sale Requirements are not Met. In the event that the competitive sale requirements are not satisfied with respect to a series of Bonds, the Municipality intends to treat the initial offering prices of such series of Bonds to the public as the issue price of such Bonds (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).

Application of the Hold-the-Offering-Price Rule. If the competitive sale requirements are not satisfied with respect to a series of Bonds, then the winning bidder shall (i) confirm that the underwriters have offered or will offer such series of Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of such series of Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity of such series to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- the close of the fifth (5th) business day after the sale date; or
- the date on which the underwriters have sold at least 10% of that maturity of the series of Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the Municipality when the underwriters have sold 10% of that maturity of the series of Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the series of Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the series of Bonds of that maturity or all such series of Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the series of Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the series of Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the series of Bonds of that maturity or all series of Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

The Municipality acknowledges that, in making the agreements and representations set forth above, the winning bidder(s) will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the series of Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the series of Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The Municipality further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the series of Bonds.

Definitions. Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- “public” means any person other than an underwriter or a related party,
- “underwriter” means (A) any person that agrees pursuant to a written contract with the Municipality (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of a series of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the

initial sale of a series of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of a series of the Bonds to the public),

- a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- “sale date” means the date that the applicable series of Bonds is awarded by the Municipality to the winning bidder.

Issue Price Certificate. The winning bidder will be required to provide the Municipality, at closing, with an issue price certificate consistent with the foregoing. A form of the issue price certificate is set forth below.

**[\$[PRINCIPAL AMOUNT] [BOND CAPTION]
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER] (“_____”), hereby certifies as set forth below with respect to the sale of the above-captioned obligation (the “Bonds”).

[Assuming the Qualified Competitive Sale Requirements Are Satisfied]

1. Reasonably Expected Initial Offering Price.

(a) I am familiar with the facts herein certified, and I am duly authorized to execute and deliver this certificate on behalf of _____ and any underwriting syndicate.

(b) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by _____ are the prices listed below (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by _____ in formulating its bid to purchase the Bonds. Attached as Exhibit A is a true and correct copy of the bid provided by _____ to purchase the Bonds.

(c) _____ was not given the opportunity to review other bids prior to submitting its bid.

(d) The bid submitted by _____ constituted a firm offer to purchase the Bonds.

[End]

***[Assuming the Qualified Competitive Sale Requirements Are Not Satisfied
and the Hold-the-Offering-Price Rule Applies to Certain Maturities of the Bonds]***

2. Initial Offering Price of the Hold-the-Offering-Price-Maturities.

(a) _____ offered the following maturities of the Bonds (the “Hold-the-Offering-Price Maturities”) to the Public for purchase at the respective initial offering prices listed below (the

“Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Exhibit A.

(b) As set forth in the Detailed Notice of Sale for the Bonds, _____ has agreed in writing that, for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period (as defined below) for such Maturity, nor would it permit a related party to do so. Pursuant to such agreement, _____ has neither offered nor sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. As used in this paragraph, the term “Holding Period” means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which at least 10% of such Hold-the-Offering-Price Maturity has been sold to the Public at a price that is no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

[End]

2. Defined Terms.

(a) “Municipality” means the City of La Vergne, Tennessee.

(b) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) “Sale Date” means the first day on which there is a binding contract in writing for the sale or exchange the Bonds. The Sale Date of the Bonds is _____, 2025.

(e) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Municipality (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents _____’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Municipality with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by bass, Berry & Sims PLC in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Municipality from time to time relating to the Bonds.

Dated: [Issue Date]

[UNDERWRITER], as Underwriter

By: _____

Name: _____

Provision of Information for the Official Statement

The successful bidder(s) must furnish the following information to the Municipality to complete the *Official Statement* in final form within 2 hours after receipt and award of the bids for the Bonds:

1. The initial offering prices or yields for the applicable series of Bonds (expressed as a price or yield per maturity, exclusive of any accrued interest, if applicable);
2. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars, based on the expectation that all of the applicable series of Bonds are sold at the prices or yields as provided above).
3. The identity of the underwriters if the successful bidders are part of a group or syndicate; and
4. Any other material information necessary to complete the Official Statement in final form but not known to the Municipality.

CUSIP

The Municipal Advisor will request the assignment of CUSIP numbers prior to the sale of the Bonds. The CUSIP Service Bureau charges for the assignment of said numbers will be the responsibility of and will be paid for by the applicable successful bidder(s). Although CUSIP numbers will be printed on the Bonds (except where the Bonds will not be reoffered, in which case, CUSIP numbers are not required), the Municipality will assume no obligation for assignment or insertion of such numbers on the Bonds or the correctness of such numbers, and neither failure to print or type any such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser(s) thereof to accept delivery of and make payment for the Bonds.

Official Statement

The Municipality will provide or cause to be provided, to the respective successful bidder, either in electronic format or printed copies, the final official statement sufficient in quantity to enable the respective successful bidder to comply with SEC Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board. Said final official statements will be provided to the respective successful bidder not later than seven (7) business days after the sale, or, if the Municipality, or its Municipal Advisor, is notified that any confirmation requesting payment from any customer will be sent before the expiration of such period and specifying the date such confirmation will be sent the final official statements will be provided in sufficient time to accompany such confirmation.

Continuing Disclosure

The Municipality will, at the time the Bonds are delivered, execute a Continuing Disclosure Agreement in which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Municipality not later than twelve months after each of the Municipality's fiscal years (the "Annual Report"), and to provide notice of the occurrence of certain enumerated events and notice of failure to provide any required financial information of the Municipality. The Annual Report (and audited financial statements, if filed separately) and notices described above will be filed by the Municipality with the Municipal Securities Rulemaking Board ("MSRB") at emma.msrb.org and with any State Information Depository established in the State of Tennessee (the "SID"). The specific nature of the information to be contained in the Annual Report or the notices of events will be summarized in the Municipality's official statement to be prepared and distributed in connection with the sale of the Bonds.

Legal Opinions and Transcript

The book-entry Bonds and the approving opinions of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel (which will be delivered with the Bonds), together with the Bond transcript, including a certificate as to no litigation from the Municipality dated as of the date of the delivery of the Bonds, will be furnished to the purchaser(s) at the expense of the Municipality. As set forth in the Official Statement and subject to the limitations set forth therein, bond counsel's opinions will include an opinion that interest on the Bonds will be (i) excludable from gross income for federal income tax purposes as it relates to the Bonds; and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Owners of the Bonds, however, may be subject to certain additional taxes or tax consequences arising with respect to ownership of the Bonds. For a discussion thereof, reference is hereby made to the Official Statement and the forms of opinions contained therein.

Delivery and Payment

The Bonds are expected to be ready for delivery within 30 days after the sale thereof, in book-entry form. At least five days' notice will be given to the bidder. Delivery will be made through the Depository Trust Company, New York, New York at the expense of the respective purchaser. Payment for the Bonds must be made in federal funds or other immediately available funds.

Bidder Certification Regarding Non-Engagement in a Boycott of Israel

To the extent an accepted bid constitutes a contract to acquire or dispose of services, supplies, information technology, or construction for purpose of Tennessee Code Annotated Section 12-4-119, by submitting a bid each bidder certifies that it (including its wholly-owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates, if any) is not currently engaged in, and will not, through the issue date of the Bonds, engage in, a boycott of Israel. For this purpose, (1) "Israel" means the State of Israel and Israeli-controlled territories, and (2) a "boycott of Israel" means engaging in refusals to deal, terminating business activities, or other commercial actions that are intended to limit commercial relations with Israel, or companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel to do business, or persons or entities doing business in Israel, when such actions are taken (i) in compliance with, or adherence to, calls for a boycott of Israel, or (ii) in a manner that discriminates on the basis of nationality, national origin, religion, or other unreasonable basis, and is not based on a valid business reason. The provisions of this paragraph shall not apply, and a bidder shall not

be required to provide the certification provided above, if the bidder's compensation as a result of the purchase of the Bonds is less than \$250,000.

Further Information

Copies of the Preliminary Official Statement may be obtained from the undersigned at the office of the Finance Director, La Vergne City Hall, 5093 Murfreesboro Road, La Vergne, Tennessee 37086, or from Stephens Inc., Attn: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone: (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351.

Jason Cole,
Mayor

CITY OF LA VERGNE, TENNESSEE

**\$25,000,000* GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2025A
(ULT)**

OFFICIAL BID FORM

The Honorable Jason Cole
 Mayor
 c/o Office of Finance Director
 La Vergne City Hall
 5093 Murfreesboro Road
 La Vergne, Tennessee 37086

September 30, 2025

For your legally issued, properly executed City of La Vergne, Tennessee (the “Municipality”) \$25,000,000* General Obligation Public Improvement Bonds, Series 2025A (the “Bonds”) and in all respects to be as more fully outlined in your Detailed Notice of Sale, which by reference is made a part hereof, we will pay you a sum of \$ _____.

The Bonds will be dated the date of issuance, will mature on April 1 as shown below, and shall bear interest at the following rates:

<u>Maturity (April 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>	<u>Maturity (April 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>
2026	\$850,000	_____ %	_____ %	2037	\$1,175,000	_____ %	_____ %
2027	900,000	_____	_____	2038	1,225,000	_____	_____
2028	900,000	_____	_____	2039	1,250,000	_____	_____
2029	925,000	_____	_____	2040	1,325,000	_____	_____
2030	950,000	_____	_____	2041	1,375,000	_____	_____
2031	975,000	_____	_____	2042	1,450,000	_____	_____
2032	990,000	_____	_____	2043	1,500,000	_____	_____
2033	1,020,000	_____	_____	2044	1,550,000	_____	_____
2034	1,075,000	_____	_____	2045	1,620,000	_____	_____
2035	1,100,000	_____	_____	2046	1,695,000	_____	_____
2036	1,150,000	_____	_____				

Principal of and interest on the Bonds will be payable at the principal corporate trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee.

This bid is made with the understanding that the Municipality will furnish without cost to the successful bidder the unqualified approving opinion of Bass, Berry & Sims PLC, Attorneys, Nashville, Tennessee, and the executed Bonds.

We have exercised the option to designate two or more consecutive serial maturities as Term Bonds as set forth below:

Term Bond 1, due April 1, _____ includes the following maturities: From April 1, _____ to April 1, _____. Term Bond 2, due April 1, _____ includes the following maturities: From April 1, _____ to April 1, _____.
--

Firm Name	
-----------	--

* Preliminary, subject to change as set forth in the Detailed Notice of Sale.

In accordance with the terms of the Detailed Notice of Sale, we have or will make a good faith deposit for \$500,000.00 as set forth in the Detailed Notice of Sale, which is to be applied in accordance with the Detailed Notice of Sale. The good faith deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the Municipality or the Municipality’s Municipal Advisor by the successful bidder by 2:00 p.m. C.D.T. on the day of the sale provided the Municipality awards the bid by 12:00 noon C.D.T., otherwise the wire shall be received not later than 11:00 a.m. C.D.T. on the next business day following the award. The Mayor reserves the right to adjust the time the deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier’s check or a treasurer’s check drawn upon an incorporated bank or trust company payable unconditionally to the order of the Municipality. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder’s Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from Stephens Inc., Attn: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351. If a successful bidder fails to timely make the Deposit for a series of Bonds, the award may be terminated in the discretion of the Mayor and the Municipality shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of the applicable series of Bonds. The Mayor in his discretion may award the Bonds to the bidder whose bid results in the next lowest true interest cost to the Municipality as the lowest complying bidder or hold a subsequent sale of the Bonds. The Municipality shall have no liability to any bidder who fails to properly submit a Deposit.

In the event this bid is accepted and should for any reason we fail to comply with the terms of this bid, said deposit will be forfeited by us as full liquidated damages; otherwise, said deposit will be credited against the purchase price of the Bonds at closing. In the event the Municipality fails to deliver the Bonds to us as described in the Detailed Notice of Sale, said deposit will be returned to us.

Accepted this 30th day of September, 2025

Respectfully submitted,

Mayor

Firm Name

Signature

Title

Telephone Number of Person to Submit Bid

The following is for information purposes only.

Total Interest Cost	
Plus discount or less premium, if any	
Net Interest Cost	
True Interest Rate (TIC)	

(The calculations of Net Interest Costs and True Interest Rate and the Reoffering Prices are for information purposes only and do not constitute a part of this bid.)

CITY OF LA VERGNE, TENNESSEE

\$20,000,000* WATER AND SEWER REVENUE AND TAX BONDS, SERIES 2025B

OFFICIAL BID FORM

The Honorable Jason Cole
 Mayor
 c/o Office of Finance Director
 La Vergne City Hall
 5093 Murfreesboro Road
 La Vergne, Tennessee 37086

September 30, 2025

For your legally issued, properly executed City of La Vergne, Tennessee (the "Municipality") \$20,000,000* Water and Sewer Revenue and Tax Bonds, Series 2025B (the "Bonds") and in all respects to be as more fully outlined in your Detailed Notice of Sale, which by reference is made a part hereof, we will pay you a sum of \$ _____.

The Bonds will be dated the date of issuance, will mature on April 1 as shown below, and shall bear interest at the following rates:

<u>Maturity (April 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>	<u>Maturity (April 1)*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>
2026	\$700,000	_____ %	_____ %	2037	\$950,000	_____ %	_____ %
2027	700,000	_____	_____	2038	950,000	_____	_____
2028	700,000	_____	_____	2039	1,015,000	_____	_____
2029	750,000	_____	_____	2040	1,060,000	_____	_____
2030	750,000	_____	_____	2041	1,105,000	_____	_____
2031	775,000	_____	_____	2042	1,150,000	_____	_____
2032	800,000	_____	_____	2043	1,200,000	_____	_____
2033	825,000	_____	_____	2044	1,250,000	_____	_____
2034	850,000	_____	_____	2045	1,305,000	_____	_____
2035	875,000	_____	_____	2046	1,365,000	_____	_____
2036	925,000	_____	_____				

Principal of and interest on the Bonds will be payable at the principal corporate trust office of U.S. Bank Trust Company, National Association, Nashville, Tennessee.

This bid is made with the understanding that the Municipality will furnish without cost to the successful bidder the unqualified approving opinion of Bass, Berry & Sims PLC, Attorneys, Nashville, Tennessee, and the executed Bonds.

We have exercised the option to designate two or more consecutive serial maturities as Term Bonds as set forth below:

<p align="center">Term Bond 1, due April 1, _____ includes the following maturities: From April 1, _____ to April 1, _____.</p> <p align="center">Term Bond 2, due April 1, _____ includes the following maturities: From April 1, _____ to April 1, _____.</p>

Firm Name	
-----------	--

* Preliminary, subject to change as set forth in the Detailed Notice of Sale.

In accordance with the terms of the Detailed Notice of Sale, we have or will make a good faith deposit for \$400,000.00 as set forth in the Detailed Notice of Sale, which is to be applied in accordance with the Detailed Notice of Sale. The good faith deposit may be provided in the form of:

1. **Federal Funds Wire Transfer.** A federal funds wire transfer submitted to the Municipality or the Municipality’s Municipal Advisor by the successful bidder by 2:00 p.m. C.D.T. on the day of the sale provided the Municipality awards the bid by 12:00 noon C.D.T., otherwise the wire shall be received not later than 11:00 a.m. C.D.T. on the next business day following the award. The Mayor reserves the right to adjust the time a Deposit is to be received if there are problems with electronic transfers of funds or other acceptable reasons.
2. **Certified Check.** A bank certified check, bank cashier’s check or a treasurer’s check drawn upon an incorporated bank or trust company payable unconditionally to the order of the Municipality. If a check is used, it must accompany a bid and be received by the time and date bids are required. If the successful bidder’s Deposit is by check, the check will be deposited on the date of the sale.

Wire transfer instructions are available from Stephens Inc., Attn: Ashley McAnulty, One American Center, 3100 West End Avenue, Suite 630, Nashville, Tennessee 37203, Telephone (615) 279-4334 or (615) 279-4338; Fax: (615) 279-4351. If a successful bidder fails to timely make the Deposit for a series of Bonds, the award may be terminated in the discretion of the Mayor and the Municipality shall be entitled to an amount equal to the Deposit as liquidated damages for failure of the successful bidder to comply with the terms of the award of the applicable series of Bonds. The Mayor in his discretion may award the Bonds to the bidder whose bid results in the next lowest true interest cost to the Municipality as the lowest complying bidder or hold a subsequent sale of the Bonds. The Municipality shall have no liability to any bidder who fails to properly submit a Deposit.

In the event this bid is accepted and should for any reason we fail to comply with the terms of this bid, said deposit will be forfeited by us as full liquidated damages; otherwise, said deposit will be credited against the purchase price of the Bonds at closing. In the event the Mayor fails to deliver the Bonds to us as described in the Detailed Notice of Sale, said deposit will be returned to us.

Accepted this 30th day of September, 2025

Respectfully submitted,

Mayor

Firm Name

Signature

Title

Telephone Number of Person to Submit Bid

The following is for information purposes only.

Total Interest Cost	
Plus discount or less premium, if any	
Net Interest Cost	
True Interest Rate (TIC)	

(The calculations of Net Interest Costs and True Interest Rate and the Reoffering Prices are for information purposes only and do not constitute a part of this bid.)

Summary Statement

This Summary is expressly qualified by the entire Official Statement, which should be viewed in its entirety by potential investors.

ISSUER	City of La Vergne, Tennessee (the “Municipality” or “Issuer”).
ISSUES	\$25,000,000* General Obligation Public Improvement Bonds, Series 2025A (the “Public Improvement Bonds”) and \$20,000,000* Water and Sewer Revenue and Tax Bonds, Series 2025B (the “Water and Sewer Bonds” and, together with the Public Improvement Bonds, the “Bonds”).
PURPOSE*	<p><u>Public Improvement Bonds</u>: The Public Improvement Bonds are being issued for the purpose of providing funds to (a) finance, in whole or in part, the (i) construction and improvement of streets, roads and bridges, including but not limited to sidewalks, signage, signalization, related facilities, lighting and drainage improvements; (ii) acquisition of all property, real and personal, related to the foregoing; (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing (collectively, the “Public Improvement Projects”); and (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Public Improvement Projects, if applicable; and (b) pay the costs related to the issuance and sale of the Public Improvement Bonds.</p> <p><u>Water and Sewer Bonds</u>: The Water and Sewer Bonds are being issued for the purpose of providing funds to (a) finance, in whole or in part, the (i) improvement and extension of the water and sewer system (the “System”) of the Municipality; (ii) acquisition of all property, real and personal, related to the foregoing; (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing (collectively, the “Water and Sewer Projects,” and together with the Public Improvement Projects, the “Projects”); and (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Water and Sewer Projects, if applicable; and (b) pay costs of issuing the Water and Sewer Bonds.</p> <p>See “The Bonds – Description” herein.</p>
DATED DATE	Date of Delivery of the Bonds (projected to be October 16, 2025).
INTEREST DUE	Each April 1 and October 1, commencing April 1, 2026.*
PRINCIPAL DUE	April 1, 2026, through April 1, 2046, inclusive.*
OPTIONAL REDEMPTION	Bonds maturing April 1, 2036, and thereafter are subject to

* Preliminary, subject to change as set forth in the Detailed Notice of Sale.

redemption prior to maturity at the option of the Municipality on and after April 1, 2035, at the price of par plus interest accrued to the redemption date.

SECURITY Public Improvement Bonds: The Public Improvement Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Public Improvement Bonds, the full faith and credit of the Municipality are irrevocably pledged.

Water and Sewer Bonds: The Water and Sewer Bonds are payable primarily from and secured by the Net Revenues (as such term is defined herein) of the System, subject to prior pledges of such Net Revenues in favor of the Prior Lien Bonds (as such term is defined herein). In the event of a deficiency in such Net Revenues, the Water and Sewer Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Water and Sewer Bonds, the full faith and credit of the Municipality are irrevocably pledged.

See “The Bonds – Security and Sources of Payment” herein.

RATINGS The Public Improvement Bonds and the Water and Sewer Bonds were assigned the ratings of “____” and “____”, respectively, by S&P Global Ratings, a Division of Standard & Poor’s Financial Services LLC (the “Rating Agency”), based on documents and other information provided by the Issuer. The ratings reflect only the view of the Rating Agency, and neither the Issuer nor the Municipal Advisor makes any representations as to the appropriateness of such ratings.

There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the Rating Agency if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the ratings may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the ratings may be obtained from the Rating Agency. See “Ratings” herein.

TAX MATTERS In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the Municipality, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. 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 “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, except Tennessee franchise and excise taxes. (See “Tax Matters” herein).

REGISTRATION AND PAYING .. U.S. Bank Trust Company, National Association, Nashville, Tennessee.

MUNICIPAL ADVISOR..... Stephens Inc., Nashville, Tennessee.

UNDERWRITERS Public Improvement Bonds – _____, _____, _____.
Water and Sewer Bonds – _____, _____, _____.

[This page is intentionally left blank]

Official Statement

City of La Vergne, Tennessee

**\$25,000,000* General Obligation Public Improvement Bonds, Series 2025A
(ULT)**

**\$20,000,000* Water and Sewer Revenue and Tax Bonds, Series 2025B
(ULT)**

Introduction

The Official Statement, including the cover page and appendices hereto, is furnished in connection with the issuance by the City of La Vergne, Tennessee (the “Municipality” or “Issuer”) of \$25,000,000* General Obligation Public Improvement Bonds, Series 2025A (the “Public Improvement Bonds”) and \$20,000,000* Water and Sewer Revenue and Tax Bonds, Series 2025B (the “Water and Sewer Bonds”).

The Public Improvement Bonds are issuable under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., Tennessee Code Annotated, and pursuant to a bond resolution adopted by the Board of Mayor and Aldermen (the “Board”) of the Municipality on August 7, 2025 (the “Public Improvement Resolution”), authorizing the execution, terms, issuance and sale of the Public Improvement Bonds.

The Water and Sewer Bonds are issuable under and in full compliance with the constitution and statutes of the State of Tennessee, including Sections 9-21-101 et seq., Tennessee Code Annotated, and pursuant to a bond resolution adopted by the Board of the Municipality on August 7, 2025 (the “Water and Sewer Resolution”), authorizing the execution, terms, issuance, and the sale of the Water and Sewer Bonds.

The Public Improvement Bonds and the Water and Sewer Bonds are collectively referred to herein as the “Bonds.” The Public Improvement Resolution and the Water and Sewer Resolution are referred to herein as the “Resolutions.”

This Official Statement includes descriptions of, among other matters, the Bonds, the Resolutions, and the Municipality. Such descriptions and information do not purport to be comprehensive or definitive. All references to the Resolutions are qualified in their entirety by reference to the definitive documents, including the forms of the Bonds included in the Resolutions. During the period of the offering of the Bonds, copies of the Resolutions and any other documents described herein or in the Resolutions may be obtained from the Municipality. After delivery of the Bonds, copies of such documents will be available for inspection at the Office of Finance Director, La Vergne City Hall, 5093 Murfreesboro Road, La Vergne, Tennessee 37086. All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in the Resolutions.

The Bonds

Description

The Public Improvement Bonds are being issued for the purpose of providing funds to (a) finance, in whole or in part, the (i) construction and improvement of streets, roads and bridges, including but not limited to sidewalks, signage, signalization, related facilities, lighting and drainage improvements; (ii) acquisition of all property, real and personal, related to the foregoing; (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing (collectively, the

* Preliminary, subject to change.

“Public Improvement Projects”); and (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Public Improvement Projects, if applicable; and (b) pay the costs related to the issuance and sale of the Public Improvement Bonds.

The Water and Sewer Bonds are being issued for the purpose of providing funds to (a) finance, in whole or in part, the (i) improvement and extension of the water and sewer system (the “System”) of the Municipality; (ii) acquisition of all property, real and personal, related to the foregoing; (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing (collectively, the “Water and Sewer Projects,” and together with the Public Improvement Projects, the “Projects”); and (iv) reimbursement to the appropriate fund of the Municipality for prior expenditures for the Water and Sewer Projects, if applicable; and (b) pay costs of issuing the Water and Sewer Bonds.

The Bonds will be issued as fully registered book-entry Bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof. The Bonds will be dated their date of issuance. Interest on the Bonds, at the rates per annum set forth on the cover page and calculated on the basis of a 360-day year, consisting of twelve 30-day months, will be payable semiannually on April 1 and October 1 of each year (herein an “Interest Payment Date”), commencing April 1, 2026.

The Bonds will mature on the dates and in the amounts set forth on the cover page.

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.

U.S. Bank Trust Company, National Association, Nashville, Tennessee (the “Registration Agent”) will make all interest payments with respect to the Bonds on each Interest Payment Date directly to the registered owners 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 owners at their addresses shown on said 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 Municipality in respect of such Bonds to the extent of the payments so made. 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. In the event the Bonds are no longer registered in the name of DTC or its successor or assigns, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

Any interest on any Bond which is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter “Defaulted Interest”) shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the Municipality to the persons in whose names the Bonds are registered at the close of business on a date (the “Special Record Date”) for the payment of such Defaulted Interest, which shall be fixed in the following manner: The Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall not be more than fifteen (15) nor less than ten (10) days prior to the

date of the proposed payment to the registered owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in the Resolution or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of and interest on the Bonds when due.

Optional Redemption

The Bonds maturing April 1, 2026, through April 1, 2035, shall mature without option of prior redemption. The Bonds maturing April 1, 2036, and thereafter shall be subject to redemption prior to maturity at the option of the Municipality on April 1, 2035, and thereafter as a whole or in part at any time at the redemption price of par, plus interest accrued to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Board of Aldermen of the Municipality in its discretion. If less than all of the Bonds within a single maturity shall be called for redemption, the interest 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 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 Municipality shall redeem Bonds maturing April 1, 20__, 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, 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</u> <u>Maturity</u>	<u>Redemption</u> <u>Date</u>	<u>Principal Amount of</u> <u>Bonds</u> <u>Redeemed</u>
---------------------------------	----------------------------------	---

***Final Maturity**

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds maturing April 1, 20__, 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 canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond maturing April 1, 20__, 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 Municipality 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.

Notice of Redemption

Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent on behalf of the Municipality 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 or certified 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. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect 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 Municipality 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 Municipality pursuant to written instructions from an authorized representative of the Municipality (other than for a mandatory sinking fund redemption, if applicable), notices of which shall be 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. In the case of a Conditional Redemption, the failure of the Municipality 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, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

Security and Sources of Payment

The Public Improvement Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Public Improvement Bonds, the full faith and credit of the Municipality are irrevocably pledged.

The Water and Sewer Bonds are payable primarily from and secured by a pledge of the Net Revenues (as defined below) derived from the operation of the System, subject to prior pledges of such Net Revenues in favor of the Municipality's outstanding, to the extent outstanding, Water and Sewer Revenue and Tax Refunding Bonds, Series 2021 (Federally Taxable), dated August 12, 2021 (the "Prior Lien Bonds"). In the event of a deficiency in such Net Revenues, the Water and Sewer Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Water and Sewer Bonds, the full faith and credit of the Municipality are irrevocably pledged.

The Water and Sewer Resolution defines the terms "Current Expenses", "Gross Earnings" and "Net Revenues" as follows:

"Current Expenses" means the reasonable and necessary costs of operating, maintaining, repairing and insuring the System, including the cost of salaries, wages, cost of material and supplies and insurance premiums, but shall exclude depreciation and interest expense.

"Gross Earnings" means all revenues, rentals, earnings and income of the System from whatever source, including all revenues derived from the operation of the System, including proceeds from the sale of property; proceeds of insurance and condemnation awards and compensation for damages, to the extent not applied to the payment of the cost of repairs, replacements and improvements; and all amounts realized from the investment of funds of the System, including money in any accounts and funds created by the Water and Sewer Resolution, and resolutions authorizing any Prior Lien Bonds and resolutions authorizing any parity bonds or subordinate lien bonds (excluding any investment earnings from funds created to refund any outstanding bonds of the System or deposited to a construction fund established by a resolution authorizing such bonds to the extent set forth in such resolution).

"Net Revenues" means Gross Earnings of the System, less Current Expenses, excluding any profits or losses on the sale or other disposition, not in the ordinary course of business, or investments or fixed or capital assets.

Levy of Tax

Pursuant to the Resolutions, the Municipality has covenanted to annually levy and collect a tax upon all taxable property within the Municipality, in addition to all other taxes authorized by law, sufficient to pay principal of and interest on the Bonds when due, and levy a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds on hand from this tax levy will be paid from the current funds of the Municipality and reimbursement therefor will be made out of the taxes provided for under the Resolutions to be levied when collected. Such tax may be reduced to the extent of any appropriations from other legally available funds, taxes and revenues of the Municipality, to the payment of debt service on the Bonds.

Under Tennessee law, the Municipality's legislative body is authorized to levy a tax on all taxable property within the corporate limits of the Municipality, or a portion thereof, without limitation as to rate or amount, and a referendum is neither required nor permitted to set the rate or amount. For a more

complete statement of the general covenants and provisions pursuant to which the Bonds are issued, reference is made to the Resolutions.

Additional Parity Bonds

Additional obligations may be issued on a parity of lien with the Water and Sewer Bonds with respect to the Net Revenues of the System if certain restrictive provisions of the Water and Sewer Resolution are fulfilled as described below:

(a) Additional bonds may be issued on a parity with the Water and Sewer Bonds without regard to the requirements of subsection (b) below if such bonds shall be issued for the purpose of refunding any of the Water and Sewer Bonds or such bonds on parity therewith, which shall have matured or which shall mature not later than three months after the date of delivery of such refunding bonds.

(b) Additional bonds, notes or other obligations may be issued on a parity with the Water and Sewer Bonds if all of the following conditions are met:

(i) The Net Revenues of the System for any twelve (12) consecutive months during the eighteen (18) months immediately preceding the issuance of the additional bonds, notes or other obligations must have been equal to 1.20 times the maximum annual interest and principal requirements for any succeeding fiscal year on all bonds, notes or other obligations then outstanding payable from the Gross Earnings of the System (but excluding any bonds, notes or other obligations to be refunded from the proceeds of such bonds, notes or other obligations proposed to be issued) and the bonds, notes or other obligations so proposed to be issued; provided, however, that if prior to the authorization of such additional bonds, notes or other obligations the Municipality shall have adopted and put into effect a revised schedule of rates for the System or expanded the System (or will expand the System in connection with the issuance of the additional bonds, notes or other obligations) so that its capacity is increased, then the Net Revenues for the twelve (12) months of the eighteen (18) months immediately preceding the issuance of such additional bonds, notes or other obligations, as certified by an independent engineer or engineering firm with a favorable reputation for skill and experience in the design and operation of water and sewer systems or a nationally recognized firm of financial feasibility consultants having a favorable reputation for skill and experience in the financial feasibility of water and sewer systems, which would have resulted from such rates had they been in effect for such period or would have resulted from such additional capacity, may be used in lieu of the actual Net Revenues for such period;

(ii) No default in the payment of principal of and interest on the Water and Sewer Bonds, any Prior Lien Bonds, and any bonds on parity with any of the foregoing bonds of the Municipality shall have occurred; and

(iii) The proceeds of the additional bonds, notes or other obligations must be used solely for the making of improvements, extensions, renewals or replacements to the System, or to refund the Prior Lien Bonds, the Water and Sewer Bonds or any obligations issued on a parity therewith, or any subordinate lien obligations.

Discharge and Satisfaction of Bonds

The Bonds may be discharged and defeased in any one or more of the following ways:

(a) By depositing sufficient funds as and when required with the Registration Agent, to pay 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 Defeasance 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 and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds 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 Municipality shall also pay or cause to be paid all other sums payable under the Resolution, 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 such Bonds when due, then such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the Municipality to the holders of such Bonds shall be fully discharged and satisfied.

If the Municipality pays and discharges the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners of such Bonds shall thereafter be entitled only to payment out of the money or Defeasance Obligations.

Defeasance Obligations are 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.

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 Municipality, including, but not limited to, the right to require the Municipality 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 Municipality 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.

Book-Entry-Only System

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking 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 over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates 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 Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., 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, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has S&P's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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. Beneficial Owners are, however, 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 which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities 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 Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities 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 Securities 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 Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities 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.

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.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose

accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities 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 Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with 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 nor its nominee, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Municipality or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the Municipality or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

The Municipality may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Municipality believes to be reliable, but Municipality takes no responsibility for the accuracy thereof.

THE MUNICIPALITY AND THE REGISTRATION AGENT HAVE NO RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) THE DELIVERY OR TIMELINESS OF DELIVERY BY ANY PARTICIPANT OR ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO BONDHOLDERS; OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR CEDE & CO. AS BONDHOLDER.

Plan of Finance

The proceeds of the Public Improvement Bonds and the Water and Sewer Bonds (other than proceeds used to pay respective issuance costs) will be used to finance the Public Improvement Projects and the Water and Sewer Projects, respectively. Pursuant to the Resolutions, proceeds of the Public Improvement Bonds and the Water and Sewer Bonds will be deposited into the respective construction funds (the "Construction Funds") to be held and invested in accordance with applicable law. Amounts on deposit in the Construction Funds will be used to (i) pay costs of the Public Improvement Projects and the Water and Sewer Projects, respectively, (ii) reimburse the Municipality for any funds previously expended for costs of the Public Improvement Projects and the Water and Sewer Projects, respectively, and (iii) pay the respective costs of issuance of the Public Improvement Bonds and the Water and Sewer Bonds. Moneys in the Construction Funds may be invested as permitted by Tennessee law and may not be used for any

purpose other than the Projects, costs of issuance as provided above or as otherwise provided in the Resolutions.

Sources and Uses of Funds

The following table sets forth the estimated sources and uses of funds in connection with the issuance of the Bonds.

<u>Sources of Funds</u>	<u>Public Improvement Bonds</u>	<u>Water and Sewer Bonds</u>
Par Amount	\$ _____	\$ _____
Reoffering Premium (Discount)	_____	_____
Total Sources	\$ <u>_____</u>	\$ <u>_____</u>
<u>Uses of Funds</u>		
Deposit to Construction Fund	_____	_____
Costs of Issuance ⁽¹⁾	_____	_____
Total Uses	\$ <u>_____</u>	\$ <u>_____</u>

(1) Includes all fees and expenses, including underwriter’s discount and expenses

Ratings

The Public Improvement Bonds and the Water and Sewer Bonds have been assigned a rating of “____” and “____”, respectively, by S&P Global Ratings, a Division of Standard & Poor’s Financial Services LLC (the “Rating Agency”), based on documents and other information provided by the Municipality. The ratings reflect only the view of the Rating Agency, and neither the Municipality nor the Municipal Advisor make any representation as to the appropriateness of such ratings.

There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the Rating Agency if in its judgment circumstances so warrant. Any such downward change in or withdrawal of the ratings may have an adverse effect on the secondary market price of the Bonds. Any explanation of the significance of the ratings may be obtained from the Rating Agency.

Continuing Disclosure

General

The Municipality will at the time the Bonds are delivered execute a Continuing Disclosure Agreement under which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information and operating data relating to the Municipality by not later than twelve months after the end of each fiscal year commencing with the fiscal year ending June 30, 2025 (the “Annual Report”), and to provide notice of the occurrence of certain enumerated events and notice of failure to provide any required annual financial information of the Municipality. The Annual Report (and audited financial statements, if filed separately) and notices described above will be filed by the Municipality with the Municipal Securities Rulemaking Board (“MSRB”) at 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 and Exchange Commission Rule 15c2-12(b), as it may be amended from time to time (the “Rule”). The

Municipality believes it has complied in all material respects with its previous continuing disclosure undertakings in the past five years.

Annual Report

The Municipality's Annual Report shall contain or incorporate by reference the General Purpose Financial Statements of the Municipality for the fiscal year, prepared in accordance with generally accepted accounting principles; provided, however, if the Municipality's audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained herein, and the audited financial statements shall be filed when available. The Annual Report shall also include the following information included in Appendix B to this Official Statement (which information may be presented in a format different than presented in Appendix B):

1. "Summary of Outstanding Debt";
2. "Debt Statement";
3. "Debt Record";
4. "Per Capita Debt Ratios";
5. "Debt Ratios";
6. "Debt Trend";
7. "General Obligation Debt Service Requirements";
8. "Water and Sewer Debt Service Requirements";
9. "Property Valuation and Property Tax";
10. "Top Taxpayers";
11. "Funds Balances";
12. "Net Assets for Fiscal Years Ending June 30th – Enterprise Fund – Water and Sewer Fund";
13. "Local Option Sales Tax Collections";
14. "Statement of Operating Revenues, Expenditures and Changes in Fund Balances – Governmental Funds for the Fiscal Year"; and
15. "Statement of Operating Revenues, Expenditures and Changes in Net Assets – Water and Sewer Fund for the Fiscal Year."

Any required disclosure may be incorporated by reference to other documents filed with the MSRB on EMMA or by such other method as may be subsequently determined by the MSRB. The Municipality shall clearly identify each such other document so incorporated by reference. The Municipality will provide, in a timely manner, notice of failure to provide the required annual financial information described above on or before the date specified above.

Reporting of Significant Events

The Municipality will file notice regarding certain significant events with the MSRB and SID, if any, as follows:

1. Upon the occurrence of a Listed Event (as defined in (3) below), the Municipality shall in a timely manner, but in no event more than ten (10) business days after the occurrence of such event, file a notice of such occurrence with the MSRB and SID, if any.
2. For Listed Events where notice is only required upon a determination that such event would be material under applicable Federal securities laws, the Municipality shall determine the materiality of such event as soon as possible after learning of its occurrence.
3. The following are the Listed Events:
 - a. Principal and interest payment delinquencies;
 - b. Non-payment related defaults, if material;
 - c. Unscheduled draws on debt service reserves reflecting financial difficulties;
 - d. Unscheduled draws on credit enhancements reflecting financial difficulties;
 - e. Substitution of credit or liquidity providers, or their failure to perform;
 - f. 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;
 - g. Modifications to rights of Bondholders, if material;
 - h. Bond calls, if material, and tender offers;
 - i. Defeasances;
 - j. Release, substitution, or sale of property securing repayment of the securities, if material;
 - k. Rating changes;
 - l. Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - m. 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; and

- n. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- o. Incurrence of a financial obligation (as defined in the Rule) 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
- p. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation (as defined in the Rule) of the Issuer, any of which reflect financial difficulties.

Termination of Reporting Obligation

The Municipality's obligations under the Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Amendment

Notwithstanding any other provision of the Disclosure Agreement, the Municipality may amend the Disclosure Agreement, provided that the following conditions are satisfied:

- (a) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body;
- (b) the amendment is 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;
- (c) the 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
- (d) the amendment does not materially impair the interests of beneficial owners or registered owners, as determined either by parties unaffiliated with the Municipality (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.

In the event of any amendment to the Disclosure Agreement, the Municipality shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment 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 Municipality. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given, and (ii) the Annual Report for the year in which the change is made should 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.

Default

In the event of a failure of the Municipality to comply with any provision of the Disclosure Agreement, any Bondholder or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Municipality to comply with its obligations under the Disclosure Agreement. A default under the Disclosure Agreement shall not be deemed an event of default, if any, under the Resolutions, and the sole remedy under the Disclosure Agreement in the event of any failure of the Municipality to comply with the Disclosure Agreement shall be an action to compel performance.

INVESTMENT CONSIDERATIONS

General

The purchase of the Bonds is subject to a number of investment considerations. The following is a discussion of certain investment considerations, which, among others, could affect the ability of the Municipality to pay the principal of and interest and premium, if any, on the Bonds and which could also affect the marketability of, or the market price for, the Bonds. Such discussion is not, and is not intended to be, a comprehensive compilation of all possible investment considerations nor a substitute for an independent evaluation of the information presented in this Official Statement, including the Appendices attached hereto. Each prospective purchaser of any Bond should read this Official Statement, including the Appendices attached hereto, in its entirety and consult such prospective purchaser's own investment or legal advisor for a more complete explanation of the matters that should be considered when purchasing an investment such as the Bonds.

Enforceability of Remedies

The remedies available to the holders or beneficial owners of the Bonds upon any event of default under the Resolutions 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 law, municipalities must obtain the consent of state governments in order to avail themselves of federal bankruptcy protection under Title 11 of the United States Code. There is currently no law in the State granting such consent. The various legal opinions 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, moratorium, or other similar laws affecting the rights of creditors generally or as to the availability of any particular remedy.

Secondary Market Prices

No assurance can be given that a secondary market for any of the Bonds will be available and no assurance can be given that the initial offering prices for the Bonds will continue for any period of time.

The Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Bonds in the event a holder or beneficial owner thereof determines to solicit purchasers of the Bonds. Even if a liquid secondary market exists, there can be no assurance as to the

price for which the Bonds may be sold. Such price may be lower than that paid by the current holder or beneficial owner of the Bonds, depending on existing market conditions and other factors.

Adverse Weather and Other Catastrophic Events

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The Municipality's location in the southern United States near various waterways increases its vulnerability to flooding and extreme heat. In addition to flooding and extreme heat, the Municipality faces other threats due to changing weather patterns, including possible drought conditions that could become more severe and frequent.

Severe weather events and natural disasters, generally, including floods, droughts, extreme heat, tornadoes and other storm events, can affect the Municipality's and/or the System's operations and finances in a myriad of ways, including by damaging the Municipality's and/or the System's infrastructure and property, interrupting the System's service to customers, damaging customers' property in a way that changes their System needs, and causing the temporary or permanent displacement of Municipality residents.

The Municipality cannot predict the timing, extent or severity of any adverse weather events and their impact on the Municipality's or System's operations and finances.

Cyber Security

The Municipality utilizes various computer systems and network technology to perform many of its vital operations. Such operations often include the storage and transmission of sensitive information. As a result, the Municipality may be the target of cyberattacks attempting to gain access to such information or disrupt its operations. In addition to intentional attacks, information breaches may occur due to unintentional employee error. A successful cyberattack or unintentional breach may require the expenditure of an unknown amount of money or time to resolve, substantially interrupt Municipality services and operations and subject the Municipality to legal action. The Municipality has no knowledge, nor historical record, of any successful cyber-security breach or related attack. Attempted cyberattacks against organizations or entities similar to the Municipality are increasingly common. In January 2024, the Federal Bureau of Investigation issued a specific warning that international hackers are working to attack governmental infrastructure in the United States. Utilities, in particular, are often the target of cyberattacks, and cyberattacks on U.S. utilities are increasing. To mitigate against such risks, the Municipality has instituted various policies and procedures to protect its network infrastructure, including a cyber-security training requirement for certain departments, as well as general cyber security training and awareness for all employees. Despite the Municipality's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

Public Health Emergencies

The outbreak in 2020 of COVID-19, a respiratory disease caused by a new strain of coronavirus, affected the entire world, including the Municipality. The spread of COVID-19 led, from time to time, to quarantine and other "social distancing" measures. These measures included: (i) the closure, from time to time, of nonessential businesses, (ii) recommendations and warnings to limit nonessential travel and promote telecommuting, (iii) the postponement or cancellation of or reduced capacity at large-scale gatherings such as conventions, concerts and sporting events, (iv) limits on operations and customer capacity at commercial and retail establishments and (v) the closure, from time to time, of school buildings and community centers. Though such quarantining and "social distancing" measures have since been terminated, the Municipality is unable to predict whether and to what extent any increases in

COVID-19 cases or the emergence of any other epidemic or pandemic may require similar measures in the future or otherwise disrupt the local or global economy or how any such disruption may affect the operations or financial condition of the Municipality.

See attached hereto for various financial data of the Municipality reflecting periods both before and during the COVID-19 pandemic. Various types of information regarding employment, income trends, and business activity in the Municipality are also detailed in Appendix B, including historical data collected both before and during the COVID-19 pandemic. Certain data and other information collected prior to and during the COVID-19 outbreak may not reflect current conditions. For example, some of the largest employers and taxpayers in the Municipality may have been forced to reduce their employment during the COVID-19 outbreak and may be similarly affected as a result of any future epidemic, pandemic or other public health emergency. For additional information, see Appendix B and Appendix C to this Official Statement.

Future Issues

The Municipality anticipates that it may issue additional debt in the future to finance capital projects; however, as of the date hereof, no such issuance has been authorized or approved by the Board, and no decision has been made regarding the timing, amount, or structure of any such debt.

Litigation

The Municipality, 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 with its counsel, the Municipality believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the Municipality 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 Municipality's financial condition.

As of the date of this Official Statement, the Municipality has no knowledge or information concerning any pending or threatened litigation contesting the authority of the Municipality to issue, sell or deliver the Bonds. The Municipality has no knowledge or information of any actions pending or expected that would materially affect the Municipality's ability to pay the debt service requirements of the Bonds.

Approval of Legal Proceedings

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinions of Bass, Berry & Sims PLC, Bond Counsel. A copy of the opinions will be available upon delivery of the Bonds. (See Appendix A). Certain legal matters will be passed upon for the Municipality by E. Evan Cope, PLLC, Murfreesboro, Tennessee, counsel to the Municipality.

Tax Matters

Federal

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

- is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); and

- is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

The Code imposes requirements on the Bonds that the Municipality must continue to meet after the Bonds are issued. These requirements generally involve the way that the Bond proceeds must be invested and ultimately used. If the Municipality 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 Municipality has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder or 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 or
- a borrower of money to purchase or carry the Bonds.

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 Bonds or affect the market price of the Bonds. See also “Changes in Federal and State Tax Law” below in this heading.

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 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) inheritance, transfer and estate taxes, (b) 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 (c) 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 and Congressional 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. For example, various proposals have been made in Congress and by the President which, if enacted, would subject interest on bonds, such as the Bonds, that is otherwise excluded from gross income for federal income tax purposes, to a tax payable by certain bondholders with an adjusted gross income in excess of certain proposed thresholds. It cannot be predicted whether, or in what form, these proposals might be enacted or if enacted, whether they would apply to Bonds 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. 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.

Miscellaneous

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

Financial Statements

The Municipality's audited financial statements and the report of Blankenship CPA Group, PLLC, for the Fiscal Year ended June 30, 2024, are included in Appendix C hereto as part of the Official Statement. This Official Statement has not been reviewed by Blankenship CPA Group, PLLC, nor has Blankenship CPA Group, PLLC performed any procedures related to this Official Statement.

Municipal Advisor

Stephens Inc. is serving as Municipal Advisor to the Municipality in connection with the issuance of the Bonds. Stephens Inc., in its capacity as Municipal Advisor, has relied on the opinions of Bond Counsel and has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal or state income tax status of the Bonds. The information set forth herein has been obtained by the Municipality and other sources believed to be reliable. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Municipality and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

Underwriting

_____, _____, _____, acting for and on behalf of itself and such other securities dealers as it may designate (the "Public Improvement Bond Underwriter"), will purchase the Public Improvement Bonds for an aggregate purchase price of \$_____, which is par, less \$_____ underwriter's discount, plus net original issue premium of \$_____.

_____, _____, _____, acting for and on behalf of itself and such other securities dealers as it may designate (the "Water and Sewer Bond Underwriter" and, together with the Public Improvement Bond Underwriter, the "Underwriters"), will purchase the Water and Sewer Bonds for an aggregate purchase price of \$_____, which is par, less \$_____ underwriter's discount, plus net original issue premium of \$_____.

The Underwriters may offer and sell the Bonds to certain dealers (including dealer banks and dealers depositing the Bonds into investment trusts) and others at prices different from the public offering prices stated on the cover page of this Official Statement. Such initial public offering prices may be changed from time to time by the Underwriters.

Forward Looking Statements

The statements contained in this Official Statement, and in any other information provided that are not purely historic, are forward-looking statements, including statements regarding the expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available on the date hereof, and assumes no obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the

possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business and policy decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

Miscellaneous

Any statement made in this Official Statement involving matters of opinion and estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement was duly authorized by the Municipality.

[Certification Page Follows]

Certificate of Mayor

I, Jason Cole, do hereby certify that I am the duly qualified and acting Mayor of the City of La Vergne, Tennessee, and as such official, I do hereby further certify with respect to the Official Statement dated _____, 2025, issued in connection with the sale of the Municipality's \$_____ General Obligation Public Improvement Bonds, Series 2025A and \$_____ Water and Sewer Revenue and Tax Bonds, Series 2025B and to the best of my knowledge, information, and belief (a) the descriptions and statements contained in said Official Statement were at the time of acceptance of the winning bids and are on the date hereof true and correct in all material respects; and (b) that said Official Statement did not at the time of the acceptance of the winning bids and does not on the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be stated where necessary to make the statements made, in light of the circumstances under which they are made, not misleading.

WITNESS my official signature this ____ day of _____, 2025.

/s/ _____
Mayor

I, Bruce Richardson, do hereby certify that I am the duly qualified and acting City Recorder of the City of La Vergne, Tennessee, and as such official, I do hereby certify that Jason Cole is the duly qualified and acting Mayor of said Municipality and that the signature appended to the foregoing certificate is the true and genuine signature of such official.

WITNESS my official signature and the seal of said Municipality as of the date subscribed to the foregoing certificate.

/s/ _____
City Recorder

(SEAL)

[This page is intentionally left blank]

APPENDIX A

Proposed Forms of Legal Opinions of Bass, Berry & Sims PLC, Attorneys,
Nashville, Tennessee relating to the Bonds.

[This page is intentionally left blank]

(Proposed Form of Opinion of Bond Counsel – Public Improvement Bonds)

Bass, Berry & Sims PLC
21 Platform South, Suite 3500
Nashville, Tennessee 37203

(Dated Closing Date)

We have acted as bond counsel to the City of La Vergne, Tennessee (the “Issuer”) in connection with the issuance of \$_____ General Obligation Public Improvement Bonds, Series 2025A, dated _____, 2025 (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 Board of Mayor and Aldermen 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 Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. Failure to comply with certain of such requirements could cause interest on the Bonds to be so includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

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.

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 the rights and remedies of creditors, and by equity principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds. Further, we express no opinion herein regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

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,

(Proposed Form of Opinion of Bond Counsel – Water and Sewer Bonds)

Bass, Berry & Sims PLC
21 Platform South, Suite 3500
Nashville, Tennessee 37203

(Dated Closing Date)

We have acted as bond counsel to the City of La Vergne, Tennessee (the “Issuer”) in connection with the issuance of \$_____ Water and Sewer Revenue and Tax Bonds, Series 2025B, dated _____, 2025 (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 Board of Mayor and Aldermen 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 Bonds shall be payable primarily from and secured by a pledge of the income and revenues to be derived from the operation of the Issuer’s water and sewer system (the “System”), subject only to the payment of the reasonable and necessary costs of operating, maintaining, repairing and insuring said System and subject to prior pledges of such revenues in favor of the Municipality’s outstanding Water and Sewer Revenue and Tax Refunding Bonds, Series 2021 (Federally Taxable), dated August 12, 2021. In the event of a deficiency in such revenues, the Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Bonds, the Issuer has irrevocably pledged its full faith and credit.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. Failure to comply with certain of such requirements could cause interest on the Bonds to be so includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

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.

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 the rights and remedies of creditors, and by equity principles, whether considered at law or in equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds. Further, we express no opinion herein regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

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

Demographic and General Financial Information
Related to the Municipality

[This page is intentionally left blank]

DEMOGRAPHIC AND GENERAL FINANCIAL INFORMATION OF THE CITY

GENERAL INFORMATION

The Issuer

The City of La Vergne (the “City”) is located in north central Tennessee 15 miles southeast of Nashville, Tennessee. It is in the northwestern corner of Rutherford County (the “County”) and approximately 10 miles from Murfreesboro, the county seat. This Municipality was incorporated in 1972 and is comprised of 25 square miles including 22 miles of shoreline along Percy Priest Lake in its boundaries. The Municipality is governed by a Board of Mayor and Aldermen elected to serve four-year terms with operating responsibilities delegated to the City Administrator.

Interstate 24, U.S. Highways 41 and 70, and rail transportation via CSX pass through the City. Additionally, Interstates 65 and 40 and State Route 840 are all within 15 miles of the city limit, Smyrna Airport is within 5 miles of the city limit, and Nashville International Airport is within 10 miles of the city limit. Given its transportation options, La Vergne is strategically situated within a one-day’s drive to 75% of the nation’s major markets.

DEMOGRAPHIC DATA

Population

According to the 2024 Census estimates, La Vergne has a population of 41,430. This is a 7% increase from 2020 and an 27% increase from 2010

	<u>La Vergne</u>	<u>Rutherford County</u>	<u>Tennessee</u>
1990 U.S. Census	7,879	119,847	4,890,626
2000 U.S. Census	18,946	183,596	5,703,719
2010 U.S. Census	32,588	263,721	6,355,518
2020 U.S. Census	38,709	343,302	6,927,904
2021 U.S. Census Estimate	39,626	351,241	6,965,740
2022 U.S. Census Estimate	40,366	362,044	7,062,217
2023 U.S. Census Estimate	41,051	369,649	7,148,304
2024 U.S. Census Estimate	41,430	376,996	7,227,750

Sources: U.S. Census Bureau

Income and Housing

The Municipality is an important part of Rutherford County. In 2023, Rutherford County had a per capita personal income of \$54,623, which was 88% of the State average of \$62,039.

	Rutherford County	Tennessee	% of State
2014 Per Capita Personal Income	\$36,168	\$40,225	89.9%
2015 Per Capita Personal Income	\$37,661	\$41,937	89.8%
2016 Per Capita Personal Income	\$38,588	\$42,938	89.9%
2017 Per Capita Personal Income	\$39,347	\$44,407	88.6%
2018 Per Capita Personal Income	\$40,874	\$46,449	88.0%
2019 Per Capita Personal Income	\$43,020	\$48,903	88.0%
2020 Per Capita Personal Income	\$45,697	\$51,945	88.0%
2021 Per Capita Personal Income	\$50,100	\$57,491	87.1%
2022 Per Capita Personal Income	\$52,122	\$59,099	88.2%
2023 Per Capita Personal Income	\$54,623	\$62,039	88.0%

Source: Bureau of Economic Analysis, CA 1-3 Personal Income Summary

In 2023, Rutherford County's median housing value of \$404,000 compared favorably to the State's median of \$339,900.

	County	Tennessee	% of State
2014 Median Housing Value	163,000	166,000	98.2%
2015 Median Housing Value	182,250	175,000	104.1%
2016 Median Housing Value	199,000	185,000	107.6%
2017 Median Housing Value	230,000	196,800	116.9%
2018 Median Housing Value	247,000	210,000	117.6%
2019 Median Housing Value	264,990	226,000	117.3%
2020 Median Housing Value	279,900	244,900	114.3%
2021 Median Housing Value	335,720	283,410	118.5%
2022 Median Housing Value	405,000	325,000	124.6%
2023 Median Housing Value	404,000	339,900	118.9%

Source: Tennessee Housing Development Agency – This data reflects only the sales prices of new and existing homes that were sold in the respective years. This data may not be representative of the median value of all homes in the County or State.

ECONOMIC DATA

Economic Base

The primary focus of the Municipality’s economic activity is the largest industrial park in Tennessee which includes both heavy manufacturing and large distribution facilities. La Vergne is strategically situated within a one-day’s drive to 75% of the nation’s major markets aided by Interstate 24 and U.S. Highways 41 and 70 passing through the City as well as Interstates 65 and 40 and State Route 840 being within 15 miles of the city limit. This strategic transportation access has been a major reason for the large number of warehouses in the Municipality’s industrial area. With the advent of on-demand-delivery in all aspects of business and industry, La Vergne is positioned to have continued industrial, distribution, publishing, and commercial growth for the foreseeable future. Listed below are the top employers in the Municipality in 2024.

Employer	Employees in 2024	Product / Service
Ingram Book Group	1,822	Distributor of Physical and Digital Content
Vantiva	1,300	Tech Solutions/ Broadband
Bridgestone/Firestone ⁽¹⁾	900	Tire Manufacturer
Cardinal Health	816	Health Care Services
Saks	560	Saks Fifth Avenue Distribution Center
Amazon	400	Distribution Center
Tennessee Farmers Coop	370	Agricultural Co-Op
Thompson Machinery, LP	300	Heavy Equipment Sales
Hitouch Business Services	250	Office Supplies
Ajax Turner	250	Beverage Distribution
	<u>6,968</u>	

(1) - Bridgestone announced the closure of the La Vergne Tire Plant effective July of 2025.

Source: Comprehensive Annual Financial Reports prepared by the City of La Vergne, Department of Finance, audited by Blankenship CPA Group, PLLC for the year ending June 30, 2024.

Local Economy

The strength of Rutherford County's economy can be attributed to its diversity of manufacturing, retail establishments, warehouse facilities, higher education institutions, medical services and corporate call centers. The County's strong economy in turn attracts a growing population. Rutherford County has been recognized as one of the fastest growing counties in America. The citizenry has grown to 376,996 per the 2024 Census estimates, which is 10% above the 2020 Census and 43% above the 2010 Census. The County also benefits from being within a day's drive of 75 percent of the nation's markets and only minutes from three major interstates.

The County’s largest manufacturing employers include Nissan USA, Ingram Content Group, Asurion, Adient, Schneider Electric, and General Mills. While manufacturing is one of the County’s strongest economic segments, distribution, transportation, and other service related industries are also large contributors to the strength of the economy. Tennessee's second largest state university with an enrollment over 20,000, a regional veteran's facility with 347 hospital beds and 245 long-term care beds, a call center for the Veteran's Administration, and numerous other companies are all located in Rutherford County. In March 2025, Barrett Firearms announced plans to expand their headquarters and build a new manufacturing and operations center in the County. This should result in an approximately \$76 million investment and create approximately 183 new jobs. Additionally, in May 2025, TriStar announced plans to build a new freestanding 24/7 Emergency Room Center in Murfreesboro.

Nissan, with approximately 8,500 employees from throughout the region, is a major employer in the County. The Nissan Vehicle Assembly Plant in Smyrna was opened in 1983. Nissan has reportedly invested over \$6.4 billion in manufacturing facilities. The Smyrna plant is located on over 884 acres and the facility covers over 5.9 million square feet. The plant capacity is over 500,000 vehicles per year. Currently, the Nissan plant produces the Murano, Pathfinder, Infiniti QX60 and the Rogue. On November 7, 2024, Nissan announced plans to reduce global production capacity by 20% and the global workforce by 9,000. Nissan's current global workforce is over 133,000 employees. Nissan also announced plans to close several automobile plants. Nissan did not disclose any specific plans or cuts, yet, related to the manufacturing facility in Smyrna, Tennessee. In April 2025, however, the Chairman of Nissan Americas announced new plans to increase production and employment at the Nissan Smyrna plant. No timeline for this planned increase in production was provided.

In January 2025, Bridgestone announced plans to close its La Vergne TBR (truck, bus, and radial) tire plant in July of that year. Production will be consolidated at the Morrison facility, located approximately 60 miles southeast of La Vergne.

Labor Force, Employment and Unemployment Data

The labor force within the County has increased from 156,173 in 2015 to 212,362 in April 2025, reflecting a 36% increase. The Covid-19 outbreak, and the impact on economic conditions, resulted in a sharp increase in the unemployment rate in 2020. However, as of June 2025, the County's estimated unemployment rate is 3.4% which compares favorably to the State average of 3.5% and the U. S. average of 4.1%.

Year	Employment	Unemployment	Total Labor Force	Unemployment Percent		
				County	State	U.S.
2015	149,301	6,872	156,173	4.4%	5.5%	5.3%
2016	156,605	6,017	162,622	3.7%	4.7%	4.9%
2017	165,633	4,947	170,580	2.9%	3.7%	4.4%
2018	173,317	4,809	178,126	2.7%	3.5%	3.9%
2019	181,314	4,840	186,154	2.6%	3.3%	3.7%
2020	172,327	13,170	185,497	7.1%	7.5%	8.1%
2021	185,040	6,910	191,950	3.6%	4.5%	5.4%
2022	194,874	5,408	200,282	2.7%	3.4%	3.6%
2023	198,538	5,300	203,838	2.6%	3.2%	3.6%
2024	201,185	5,795	206,980	2.8%	3.4%	4.0%
Jun-25	205,776	7,243	213,019	3.4%	3.5%	4.1%

Source: Bureau of Labor Statistics

Public Education

The Rutherford County School System funds and operates all the schools in La Vergne, including two elementary schools, one middle/elementary school, one middle school, and one high school.

Higher Education

Rutherford County and surrounding area offers a variety of four-year, two-year and one-year programs within easy reach. Within Rutherford County are Middle Tennessee State University and Tennessee College of Applied Technology. Within a short drive are Belmont University, David Lipscomb University, Fisk University, Motlow State Community College, Tennessee State University, Trevecca Nazarene University, and Vanderbilt University.

Medical Services

Ascension Saint Thomas Rutherford Hospital, affiliated with the Saint Thomas Health system, is a private, not-for-profit hospital located in Murfreesboro, Tennessee. With 286 beds and more than 350 affiliated physicians, it is the largest, most comprehensive hospital in the corridor bridging Nashville and Chattanooga. In 2023, Ascension opened a new satellite location in Murfreesboro, Ascension Saint Thomas Westlawn. This facility has a 24/7 emergency room, inpatient hospital rooms, outpatient services and future primary care and specialist offices on the second floor.

TriStar StoneCrest Medical Center, affiliated with the TriStar Health system, is located in Smyrna, Tennessee. It is equipped with 119 beds and approximately 500 affiliated physicians including more than 45 specialties. It includes an accredited chest pain center, award winning cancer program, certificate of distinction for primary stroke centers and recognition by The Joint Commission as one of the nation's top performers on key quality measures. It also offers a full array of acute care services, including emergency care, general surgery, cardiology, obstetrics, intensive care, and diagnostic services.

The Alvin C. York Campus of the Tennessee Valley Healthcare System (TVHS) is a regional veteran's facility in Murfreesboro with 510 hospital beds and 166 nursing home beds. TVHS is affiliated with Meharry Medical College and Vanderbilt University School of Medicine.

TrustPoint Hospital is a state-of-the-art hospital providing rehabilitation services, medical psychiatry, and inpatient and outpatient behavioral health services for adolescents, adults and seniors in Murfreesboro, TN.

SUMMARY OF OUTSTANDING DEBT

(As of June 30, 2024)⁽¹⁾

Original Issue Amount	Issue	Date Issued	Maturity Date	Interest Rate	Principal Outstanding 6/30/2024 ⁽¹⁾
General County Obligations					
2,630,000	General Obligation Refunding Bonds, Series 2014	8/28/14	4/1/25	2.00% - 3.00%	290,000
5,420,000	General Obligation Public Improvement Bonds, Series 2015	1/8/15	4/1/35	2.00% - 3.25%	3,360,000
16,250,000	General Obligation Public Improvement Bonds, Series 2021	8/12/21	4/1/41	2.00% - 5.00%	15,030,000
	Proposed GO Public Improvement Bonds, Series 2025	TBD	4/1/46	TBD	25,000,000 ⁽²⁾
	Total Governmental Activities Debt				\$ 43,680,000
Water and Sewer Enterprise Fund Obligations⁽³⁾					
11,840,000	Water and Sewer Rev. and Tax Refunding Bonds Series 2021	8/12/21	4/1/33	1.45% - 3.00%	10,485,000
20,000,000	Proposed Water and Sewer Rev. and Tax Bonds, Series 2025	TBD	4/1/46	TBD	20,000,000 ⁽²⁾
	Total Self-Supporting, Business-Type Activities Debt				\$ 30,485,000
	Total Current Outstanding Debt				<u>\$ 74,165,000</u>

DEBT STATEMENT

(as of June 30, 2024)⁽¹⁾⁽²⁾

Outstanding Debt	
Total Current Outstanding Debt	\$ 74,165,000
Gross Direct Debt	\$ 74,165,000
Less: Water and Sewer Self-Supporting Obligations	<u>(30,485,000)</u>
Net Direct Debt	<u>\$ 43,680,000</u>
Net Overlapping Debt	
City's Portion of Rutherford County Debt	<u>\$ 65,682,222</u>
Total Net Overlapping Debt	\$ 65,682,222
Overall Net Debt	<u>\$ 109,362,222</u>

DEBT RECORD OF LA VERGNE

There is no record of a default on bond principal and interest from information available.

(1) As of 6/30/2024 and adjusted for Proposed Bonds.

(2) Preliminary, subject to change.

(3) The City operates the Water and Sewer system as an Enterprise Fund for which the City is contingently liable.

Source: Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the year ending June 30, 2024.

POPULATION

	<u>La Vergne</u>	<u>Rutherford County</u>	<u>Tennessee</u>
1990 U.S. Census	7,879	119,847	4,890,626
2000 U.S. Census	18,946	183,596	5,703,719
2010 U.S. Census	32,588	263,721	6,355,518
2020 U.S. Census	38,709	343,302	6,927,904
2021 U.S. Census Estimate	39,626	351,241	6,965,740
2022 U.S. Census Estimate	40,366	362,044	7,062,217
2023 U.S. Census Estimate	41,051	369,649	7,148,304
2024 U.S. Census Estimate	41,430	376,996	7,227,750

Sources: U.S. Census Bureau

PER CAPITA DEBT RATIOS

Outstanding Debt	\$1,790.13
Gross Direct Debt	\$1,790.13
Net Direct Debt	\$1,054.31
Total Net Overlapping Debt	\$1,585.38
Overall Net Debt	\$2,639.69

DEBT RATIOS

	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
Outstanding Debt to	4.21%	1.07%
Gross Direct Debt to	4.21%	1.07%
Net Direct Debt to	2.48%	0.63%
Total Net Overlapping Debt to	3.72%	0.94%
Overall Net Debt to	6.20%	1.57%

DEBT TREND

Fiscal Years Ending June 30

	6/30/24	6/30/23	6/30/22	6/30/21	6/30/20
General Obligation Debt	\$ 18,680,000	\$ 20,395,000	\$ 22,055,000	\$ 7,270,000	\$ 8,705,000
Self Supporting Debt	10,485,000	11,690,000	12,980,000	14,320,000	15,540,000
Total Debt	\$ 29,165,000	\$ 32,085,000	\$ 35,035,000	\$ 21,590,000	\$ 24,245,000

Sources: Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the years ending June 30, 2022 through 2024 and Yearly, Howell and Associates, for the years ending June 30, 2020 through 2021.

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS ⁽¹⁾
(as of June 30, 2024) ⁽²⁾

Year No.	Year Ended June 30	Principal				Interest			Total Debt Service Requirements
		Total Current Outstanding Principal	Plus: Proposed Improvement Bonds, Series 2025 ⁽³⁾	Total Principal Requirements	% of Principal Retired	Total Current Outstanding Interest	Plus: Proposed Improvement Bonds, Series 2025 ⁽³⁾	Total Interest Requirements	
1	2025	1,215,000		1,215,000		426,150		426,150	1,641,150
2	2026	965,000	850,000	1,815,000		393,400	541,269	934,669	2,749,669
3	2027	1,000,000	900,000	1,900,000		358,900	913,863	1,272,763	3,172,763
4	2028	1,045,000	900,000	1,945,000		322,900	889,113	1,212,013	3,157,013
5	2029	1,090,000	925,000	2,015,000	20.4%	284,900	863,913	1,148,813	3,163,813
6	2030	1,140,000	950,000	2,090,000		245,150	837,550	1,082,700	3,172,700
7	2031	1,170,000	975,000	2,145,000		220,100	810,000	1,030,100	3,175,100
8	2032	1,205,000	990,000	2,195,000		194,300	780,750	975,050	3,170,050
9	2033	1,235,000	1,020,000	2,255,000		176,600	750,060	926,660	3,181,660
10	2034	1,265,000	1,075,000	2,340,000	45.6%	158,500	717,420	875,920	3,215,920
11	2035	1,290,000	1,100,000	2,390,000		140,000	682,483	822,483	3,212,483
12	2036	960,000	1,150,000	2,110,000		121,200	645,083	766,283	2,876,283
13	2037	980,000	1,175,000	2,155,000		102,000	604,833	706,833	2,861,833
14	2038	1,000,000	1,225,000	2,225,000		82,400	562,533	644,933	2,869,933
15	2039	1,020,000	1,250,000	2,270,000	71.1%	62,400	513,533	575,933	2,845,933
16	2040	1,040,000	1,325,000	2,365,000		42,000	462,283	504,283	2,869,283
17	2041	1,060,000	1,375,000	2,435,000		21,200	406,633	427,833	2,862,833
18	2042		1,450,000	1,450,000			348,195	348,195	1,798,195
19	2043		1,500,000	1,500,000			285,845	285,845	1,785,845
20	2044		1,550,000	1,550,000	92.4%		219,845	219,845	1,769,845
21	2045		1,620,000	1,620,000			150,870	150,870	1,770,870
22	2046		1,695,000	1,695,000	100.0%		77,970	77,970	1,772,970
		<u>\$18,680,000</u>	<u>\$25,000,000</u>	<u>\$43,680,000</u>		<u>\$3,352,100</u>	<u>\$12,064,039</u>	<u>\$15,416,139</u>	<u>\$59,096,139</u>

(1) Does not include any Enterprise Fund debt. The City operates the Water and Sewer system as an Enterprise Fund for which the City is contingently liable.

(2) As of 6/30/24 and adjusted for Proposed Bonds.

(3) Preliminary, subject to change.

Source: Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the year ending June 30, 2024.

WATER AND SEWER DEBT SERVICE REQUIREMENTS ⁽¹⁾

(as of June 30, 2024) ⁽²⁾

Year No.	Year Ended June 30	Principal				Interest			Total Debt Service Requirements
		Total Current Outstanding	Plus: Proposed Water and Sewer and Tax Bonds, Series 2025 ⁽³⁾	Total Principal Requirements	Percent Principal Retired	Total Current Outstanding	Plus: Proposed Water and Sewer and Tax Bonds, Series 2025 ⁽³⁾	Total Interest Requirements	
1	2025	1,190,000		1,190,000		252,793		252,793	1,442,793
2	2026	1,245,000	700,000	1,945,000		217,093	433,196	217,093	2,162,093
3	2027	1,245,000	700,000	1,945,000		179,743	730,863	179,743	2,124,743
4	2028	1,220,000	700,000	1,920,000		142,393	711,613	142,393	2,062,393
5	2029	1,190,000	750,000	1,940,000	29.33%	105,793	692,013	105,793	2,045,793
6	2030	1,165,000	750,000	1,915,000		70,093	670,638	70,093	1,985,093
7	2031	1,125,000	775,000	1,900,000		53,200	648,888	53,200	1,953,200
8	2032	1,075,000	800,000	1,875,000		35,763	625,638	35,763	1,910,763
9	2033	1,030,000	825,000	1,855,000		18,025	600,838	18,025	1,873,025
10	2034		850,000	850,000	56.86%		574,438		850,000
11	2035		875,000	875,000			546,813		875,000
12	2036		925,000	925,000			517,063		925,000
13	2037		950,000	950,000			484,688		950,000
14	2038		950,000	950,000			450,488		950,000
15	2039		1,015,000	1,015,000	72.33%		412,488		1,015,000
16	2040		1,060,000	1,060,000			370,873		1,060,000
17	2041		1,105,000	1,105,000			326,353		1,105,000
18	2042		1,150,000	1,150,000			279,390		1,150,000
19	2043		1,200,000	1,200,000			229,940		1,200,000
20	2044		1,250,000	1,250,000	91.24%		177,140		1,250,000
21	2045		1,305,000	1,305,000			121,515		1,305,000
22	2046		1,365,000	1,365,000	100.00%		62,790		1,365,000
		\$10,485,000	\$20,000,000	\$30,485,000		\$1,074,896	\$9,667,659	\$1,074,896	\$31,559,896

(1)The water and sewer system bonds are payable from net revenues of the water and sewer systems. If there is a deficiency in such net revenues, the bonds will be payable from unlimited ad valorem taxes of the City.

(2) As of 6/30/24 and adjusted for Proposed Bonds.

(3) Preliminary, subject to change.

Sources: Comprehensive Annual Financial Reports prepared by the City of La Vergne, Department of Finance, audited by Blankenship CPA Group, PLLC, for the year ending June 30, 2024.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

State Taxation of Property; Classifications of Taxable Property; Assessment Rates

Under the Constitution and laws of the State of Tennessee, 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.

Under the Constitution and laws of the State of Tennessee, 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 constitutionally to be classified into four sub classifications and assessed at the rates as follows:

- (a) Public Utility Property (which includes all property of every kind used or held for use in the operation of a public utility, such as railroad companies, certain telephone 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 (which 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 (which 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 (which 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 constitutionally to be classified into three sub classifications and assessed at the rates as follows:

- (a) Public Utility Property, to be assessed at 55% of its value;
- (b) Industrial and Commercial Property, to be assessed at 30% of its value; and
- (c) All other Tangible Personal Property (including that used in agriculture), to be 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 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 of Tennessee for purposes of taxation.

The Constitution of the State of Tennessee requires that the ratio of assessment to value of property in each class or subclass be equal and uniform throughout the State of Tennessee 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.

County Taxation of Property

The Constitution of the State of Tennessee empowers the General Assembly to authorize the several counties and incorporated towns in the State of Tennessee to impose taxes for county and municipal purposes in the manner prescribed by law. Under the *Tennessee Code Annotated*, the General Assembly has authorized the counties in Tennessee 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 county legislative body of each county based upon tax rates to be established on the first Monday of July of each year or as soon thereafter as practicable.

All property is required to be taxed according to its values upon the principles established in regard to State taxation as described above, including equality and uniformity. All counties, which levy and collect taxes to pay off any bonded indebtedness, are empowered, through the respective county legislative bodies, to place all funds levied and collected into a special fund of the respective counties and to appropriate and use the money for the purpose of discharging any bonded indebtedness of the respective counties.

Assessment of Property

County Assessments; County Board of Equalization. The function of assessment is to assess all property (with certain exceptions) to the person or persons owning or claiming to own such property on January 1 for the year for which the assessment is made. All assessment 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 assessment records are open to public inspection at the assessor's office during normal business hours. 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 county 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 board of equalization begins its annual session.

The county board of equalization is 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; State Board of Equalization. The State Comptroller of the Treasury is authorized and directed under Tennessee 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 Tennessee law.

On or before the first Monday in August of each year, the assessments are required to be completed and the State Comptroller of the Treasury is required to send a notice of assessment to each company assessable

under Tennessee law. 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 State Comptroller of the Treasury, who may change or affirm the valuation. On or before the first Monday in September of each year, the State Comptroller of the Treasury is required to file with the State Board of Equalization assessments so made. The State Board of Equalization is required to examine such assessments and is authorized to increase or diminish the valuation placed upon any property valued by the State Comptroller of the Treasury.

The State Board of Equalization has jurisdiction over the valuation, classification and assessment of all properties in the State. The State Board of Equalization is authorized to create an assessment appeals commission to hear and act upon taxpayer complaints. The action of the State Board of Equalization is final and conclusive as to all matters passed upon by the 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 of Equalization, 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 of Equalization 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 of Tennessee.

Valuation for Property Tax Purposes

County Valuation of Property. The value of all property is based upon its sound, intrinsic and immediate value for purposes of sale between a willing seller and a willing buyer without consideration of speculative values. In determining the value of all property of every kind, the assessor is to be guided by, and follow the instructions of, the appropriate assessment manuals issued by the division of property assessments and approved by the State board of equalization. Such assessment manuals are required to take into account various factors that are generally recognized by appraisers as bearing on the sound, intrinsic and immediate economic value of property at the time of assessment.

State Valuation of Public Utility Property. The State Comptroller of the Treasury determines the value of public utility property based upon the appraisal of the property as a whole without geographical or functional division of the whole (*i.e.*, the unit rule of appraisal) and on other factors provided by Tennessee law. In applying the unit rule of appraisal, the State Comptroller of the Treasury is required to determine the State's share of the unit or system value based upon factors that relate to the portion of the system relating to the State of Tennessee.

Certified Tax Rate

Upon a general reappraisal of property as determined by the State Board of Equalization, the county assessor of property is required to (1) certify to the governing bodies of the county and each municipality 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 (herein referred to as the “*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 municipality may adjust the Certified Tax Rate to reflect extraordinary assessment changes or to recapture excessive adjustments.

Tennessee law provides that no tax rate in excess of the Certified Tax Rate may be levied by the governing body of any county or of any municipality 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.

The Tennessee Local Government Public Obligations Act of 1986 provides that a tax sufficient to pay when due the principal of and interest on general obligation bonds (such as the Bonds) shall be levied annually and assessed, collected and paid, in like manner with the other taxes of the local government as described above and shall be in addition to all other taxes authorized or limited by law. Bonds issued pursuant to the Local Government Public Obligations Act of 1986 may be issued without regard to any limit on indebtedness provided by law.

Tax Collection and Tax Lien

Property taxes are payable the first Monday in October of each year. The county trustee of each county acts as the collector of all county property taxes and of all municipal property taxes when the municipality does not collect its own taxes.

The taxes assessed by the State of Tennessee, a county, a municipality, 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.

ACCOUNTING AND FINANCIAL REPORTING FOR POST-EMPLOYMENT BENEFITS

The Municipality is presently required to implement Governmental Accounting Standards Board (“GASB”) Statement 43 and GASB Statement 45, which require disclosure of the nature and size of the County’s long-term financial obligations and commitments relative to Other Post-employment Benefits. The Municipality currently does not provide any post-employment health care, dental care, or life insurance benefits to employees post-employment. The benefits of post-employment obligations will be reviewed by the Municipality in the future allowing for any improvements or changes to the present plan.

PROPERTY VALUATION AND PROPERTY TAX

Fiscal Year Tax Year	2024-2025 2024	2023-2024 2023	2022-2023 2022	2021-2022 2021	2020-2021 2020
ESTIMATED ACTUAL VALUES					
Residential & Farm	\$4,291,800,799	\$3,537,359,680	\$3,437,638,072	\$2,592,700,749	\$2,533,064,155
Commercial & Industrial	1,932,393,491	1,591,355,215	1,530,874,280	1,401,980,947	1,309,998,707
Personal Tangible Property	658,187,824	580,628,550	525,300,897	522,138,146	469,113,604
Public Utilities	78,512,474	101,818,699	71,050,781	69,180,087	61,625,576
Total Estimated Actual Values	\$6,960,894,588	\$5,811,162,144	\$5,564,864,030	\$4,585,999,929	\$4,373,802,042
Annual Percentage Change	19.78%	4.43%	21.34%	4.85%	13.57%
Estimated Per Capita Amount	\$169,567	\$141,560	\$141,668	\$117,316	\$112,776
ASSESSED VALUES					
Residential & Farm (at 25%)	\$907,930,459	\$884,339,920	\$859,409,518	\$574,153,581	\$560,947,057
Commercial & Industrial (at 40%)	654,076,549	636,542,086	612,349,712	496,749,889	464,158,742
Personal Tangible Property (at 30%)	167,087,561	174,188,565	157,590,269	138,752,991	124,662,249
Public Utilities (at 30%-55%)	34,270,695	44,443,862	31,013,666	30,197,108	26,899,564
Total Assessed Values	\$1,763,365,264	\$1,739,514,433	\$1,660,363,165	\$1,239,853,569	\$1,176,667,612
Annual Percentage Change	1.37%	4.77%	33.92%	5.37%	0.96%
Estimated Per Capita Amount	\$42,955	\$42,374	\$42,269	\$31,717	\$30,340
Appraisal Ratio	84.62%	100.00%	100.00%	88.58%	88.58%
Assessed Values to Actual Values	25.33%	29.93%	29.84%	27.04%	26.90%
Taxes Levied	In Process	\$9,345,012	\$8,901,440	\$8,797,970	\$8,424,028
Collections					
Current Fiscal Year	In Process	\$9,197,666	\$8,808,689	\$8,618,593	\$8,297,397
Percent Collected Current FY		98.42%	98.96%	97.96%	98.50%

Sources: State Board of Equalization Tax Aggregate Reports of Tennessee for years 2019-2023; Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the years ending June 30, 2022 through 2024 and Yearly, Howell and Associates, for the year ending June 30, 2020 and City Officials.

TOP TAXPAYERS

<u>Business</u>	<u>Fiscal Year 2024 Tax Year 2023 Assessed Value</u>	<u>Assessed Value as a % of Total Assessment</u>
Bridgestone Tire Manufacturing ⁽¹⁾	\$50,411,076	2.91%
Progress Residential Borro	29,906,825	1.73%
CPDC Centerpointe Holdings	29,817,880	1.72%
LIT Industrial limited par	19,049,720	1.10%
Prologis Exchange 400 New	16,239,840	0.94%
Mason Road Holdings West	15,701,984	0.91%
Big Box Property Owner	13,378,400	0.77%
Park 24 East	13,365,400	0.77%
Ingram Book Group LLC	12,982,540	0.75%
Five Start Investments	12,453,200	0.72%
	<u>\$213,306,865</u>	<u>12.31%</u>

(1) Bridgestone announced the closure of the La Vergne Tire Plant effective July of 2025.

Source: Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the year ending June 30, 2024.

FUND BALANCES

For Fiscal Years Ending June 30

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
GOVERNMENTAL FUNDS					
General Fund	\$43,758,497	\$59,523,241	\$57,254,482	\$32,852,162	\$23,421,420
Capital Project Fund - Hwys & Streets	3,936,689	2,815,518	3,467,038	3,227,476	2,963,179
Special Revenue Fund	8,360,444	9,148,248	8,982,937	8,556,198	8,018,644
	<u>\$56,055,630</u>	<u>\$71,487,007</u>	<u>\$69,704,457</u>	<u>\$44,635,836</u>	<u>\$34,403,243</u>

NET ASSETS

For Fiscal Years Ending June 30

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
ENTERPRISE FUND - WATER & SEWER FUND					
Invested in Capital Assets, Net of Related Debt	\$62,823,471	\$51,403,817	\$43,102,517	\$42,300,254	\$40,649,708
Unrestricted Assets	24,004,245	25,833,748	26,518,489	24,607,256	23,034,343
Net Assets	<u>\$86,827,716</u>	<u>\$77,237,565</u>	<u>\$69,621,006</u>	<u>\$66,907,510</u>	<u>\$63,684,051</u>

LOCAL OPTION SALES TAX

For Fiscal Years Ending June 30

	<u>06/30/24</u>	<u>06/30/23</u>	<u>06/30/22</u>	<u>06/30/21</u>	<u>06/30/20</u>
Distribution to Following Fund:					
General Fund	\$16,775,762	\$16,302,744	\$14,375,257	\$12,582,033	\$10,043,758
Total Amount Collected	<u>\$16,775,762</u>	<u>\$16,302,744</u>	<u>\$14,375,257</u>	<u>\$12,582,033</u>	<u>\$10,043,758</u>
% of Increase	2.90%	13.41%	14.25%	25.27%	14.79%
Tax Rate	2.75%	2.75%	2.75%	2.75%	2.75%

Sources: Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the years ending June 30, 2022 through 2024 and Yearly, Howell and Associates, for the years ending June 30, 2020 through 2021.

**STATEMENT OF OPERATING REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR YEARS ENDING JUNE 30**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
REVENUES					
Taxes	\$29,230,020	\$28,429,898	\$26,054,907	\$23,872,201	\$20,934,338
Licenses & Permits	4,409,778	3,028,647	3,926,284	2,836,916	2,592,288
Fines and Forfeits	363,085	400,416	392,625	266,167	297,143
Intergovernmental Revenue	7,793,366	7,582,608	7,387,376	7,587,849	5,591,636
Revenues from Use of Money	1,115,390	80,537	98,451	75,862	176,844
Miscellaneous	86,160	131,713	830,737	231,515	206,736
Proceeds from Debt Issue	-	-	16,250,000	-	-
Debt Issuance Premium	-	-	1,410,935	-	-
Leases (as lessee)	-	-	73,500	-	-
Insurance Proceeds	246,769	253,858	75,759	112,316	-
Sale of Capital Assets	93,725	1,814,664	-	-	-
Other Income	8,017	-	-	-	-
Operating Transfers In	464,538	396,151	143,931	224,240	124,671
Total Revenues & Other Sources	<u>43,810,848</u>	<u>42,118,492</u>	<u>56,644,505</u>	<u>35,207,066</u>	<u>29,923,656</u>
EXPENDITURES					
Current:					
General Government	9,321,004	4,956,973	4,164,391	3,369,052	3,386,105
Police	10,739,088	9,455,663	8,751,496	7,283,093	7,417,922
Fire	6,710,000	5,837,714	4,980,544	4,303,818	4,375,261
Highways and Streets	2,627,614	3,143,918	2,345,384	2,028,538	2,007,202
Stormwater	1,338,816	1,283,238	1,215,506	1,296,113	921,156
Health and Welfare	1,001,587	999,993	828,998	835,622	980,797
Recreation	1,603,752	1,692,778	1,219,097	923,949	848,979
Senior Citizen	38,333	-	-	-	-
Library	954,847	928,907	689,216	618,063	642,930
Debt Service	2,375,354	2,383,223	2,203,533	1,912,681	2,079,547
Capital Outlay and Projects	22,067,292	7,757,384	5,036,002	2,188,584	4,795,770
Operating Transfers Out	464,538	1,896,151	143,931	224,240	124,671
Total Expenditures & Other Uses	<u>59,242,225</u>	<u>40,335,942</u>	<u>31,578,098</u>	<u>24,983,753</u>	<u>27,580,340</u>
Excess of Revenues & Other Sources					
Over (Under) Expenditures & Other Uses	(15,431,377)	1,782,550	25,066,407	10,223,313	2,343,316
Residual Equity Transfer					
Fund Balance, July 1	71,487,007	69,704,457	44,635,836	34,403,243	32,057,925
Increase (decrease) in reserve for inventory	-	-	2,214	9,280	2,002
Fund Balance, June 30	<u>56,055,630</u>	<u>71,487,007</u>	<u>69,704,457</u>	<u>44,635,836</u>	<u>34,403,243</u>

Sources: Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the years ending June 30, 2022 through 2024 and Yearly, Howell and Associates, for the years ending June 30, 2020 through 2021.

**STATEMENT OF OPERATING REVENUES, EXPENSES
AND CHANGES IN NET ASSETS - WATER AND SEWER FUND
FOR YEARS ENDING JUNE 30**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
OPERATING REVENUES					
Water Sales and Related Services	\$6,023,879	\$5,685,988	\$5,399,867	\$5,124,477	\$5,105,542
Sewer Service Charges	7,649,141	7,484,979	7,138,870	6,871,364	6,778,525
Fire Service and Hydrant Rental	65,409	68,005	68,867	62,990	66,638
Access Charges	62,023	56,918	76,422	71,520	70,470
Other	141,097	175,909	187,518	242,341	67,274
Forfeited Discounts	294,451	274,729	379,819	243,612	270,793
Total Operating Revenues	<u>14,236,000</u>	<u>13,746,528</u>	<u>13,251,363</u>	<u>12,616,304</u>	<u>12,359,242</u>
OPERATING EXPENSES					
Sewer Treatment Charges	2,150,680	2,287,492	2,792,971	2,230,778	2,234,070
Salaries	2,507,860	2,261,990	1,977,257	1,750,560	1,746,824
Benefits and Payroll Taxes	790,567	878,082	812,674	611,080	593,043
Office Supplies and Materials	64,910	48,586	50,915	44,029	38,513
Telephone and Utilities	586,568	600,876	546,492	471,847	494,825
Maintenance and Repairs	204,991	2,732	331,726	414,992	273,108
Operating Supplies	1,758,027	1,449,645	941,755	757,931	760,759
Insurance	439,147	352,516	319,753	307,367	306,268
Plant Operation Contract Service	1,766,945	1,757,450	1,709,191	1,659,336	1,611,944
Professional Service	271,251	235,011	273,605	243,233	205,193
Depreciation and Amortization	2,492,753	2,400,115	2,403,203	2,261,780	2,209,117
Other	149,745	146,409	101,584	118,906	35,209
Total Operating Expenses	<u>13,183,444</u>	<u>12,420,904</u>	<u>12,261,126</u>	<u>10,871,839</u>	<u>10,508,873</u>
Operating Income (Loss)	<u>1,052,556</u>	<u>1,325,624</u>	<u>990,237</u>	<u>1,744,465</u>	<u>1,850,369</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	370,326	2,494	2,543	3,737	32,272
Rent Income	21,389	20,594	47,180	51,379	51,052
Interest Expense	(207,751)	(216,001)	(232,443)	(403,731)	(444,602)
Debt Issuance Costs	-	-	(135,109)	-	-
Gain on Disposal of Capital Asset	-	(7,034)	-	(4,726)	-
Operation Grants	-	-	71,885	1,650	-
Intergovernmental	4,734,884	3,551,763	-	-	-
Insurance Recoveries	23,896	-	1,000	54,409	-
Total Non-Operating Revenues	<u>4,942,744</u>	<u>3,351,816</u>	<u>(244,944)</u>	<u>(297,282)</u>	<u>(361,278)</u>
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>5,995,300</u>	<u>4,677,440</u>	<u>745,293</u>	<u>1,447,183</u>	<u>1,489,091</u>
CAPITAL CONTRIBUTIONS					
Tap Fees	876,317	828,550	935,400	960,683	2,377,105
Transfers	-	1,500,000	-	-	-
Donated Capital Assets	2,630,215	660,862	867,550	996,795	746,307
	<u>3,506,532</u>	<u>2,989,412</u>	<u>1,802,950</u>	<u>1,957,478</u>	<u>3,123,412</u>
CHANGE IN NET ASSETS	<u>9,501,832</u>	<u>7,666,852</u>	<u>2,548,243</u>	<u>3,404,661</u>	<u>4,612,503</u>
NET ASSETS, BEGINNING OF YEAR	<u>76,982,211</u>	<u>69,315,359</u>	<u>66,767,116</u>	<u>63,362,455</u>	<u>58,749,952</u>
Restatement	-	-	-	-	-
NET ASSETS, END OF YEAR	<u>86,484,043</u>	<u>76,982,211</u>	<u>69,315,359</u>	<u>66,767,116</u>	<u>63,362,455</u>

Sources: Comprehensive Annual Financial Reports prepared and audited by Blankenship CPA Group, PLLC for the years ending June 30, 2022 through 2024 and Yearly, Howell and Associates, for the years ending June 30, 2020 through 2021 and City Officials.

[This page is intentionally left blank]

APPENDIX C

Comprehensive Annual Financial Report of the Municipality for the
Fiscal Year Ended June 30, 2024

48008839.4

[This page is intentionally left blank]

City of La Vergne, Tennessee

Annual Comprehensive Financial Report

For the Year Ended June 30, 2024

City of La Vergne, Tennessee
 Annual Comprehensive Financial Report
 For the Year Ended June 30, 2024

Contents

Introductory Section (Unaudited)

Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	vi
Management Organization Chart	vii
Officials of the City of La Vergne, Tennessee	viii

Financial Section

Independent Auditor's Report	1
Management's Discussion and Analysis (Unaudited)	4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds	17
Reconciliation of the Balance Sheet - Governmental Funds to the Government-wide Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities	20
Statement of Revenues, Expenditures, and Changes in Fund Balance, Budget (GAAP Basis) and Actual - General Fund	21
Statement of Net Position - Proprietary Funds	29
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	31
Statement of Cash Flows - Proprietary Funds	33
Notes to Financial Statements	35
Combining and Individual Fund Financial Statements and Schedules	
Nonmajor Governmental Funds	
Fund Descriptions	53
Combining Balance Sheet	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	55
Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget (GAAP Basis) and Actual	
State Street Aid	56
Drug Enforcement	57
Stormwater	58
Senior Citizens	59
Police Impact Fee	60
Parks and Recreation Improvement	61
Fire Impact Fee	62

City of La Vergne, Tennessee
Annual Comprehensive Financial Report
For the Year Ended June 30, 2024

Contents

Financial Section

Highways and Streets Capital Projects	
Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget (GAAP Basis) and Actual	63
Discretely Presented Component Unit	
Balance Sheet	64
Schedule of Revenues, Expenditures, and Changes in Fund Balance	65

Other Schedules

Capital Assets Used in Operation of Governmental Funds	
Schedule by Function and Activity	66
Schedule of Changes by Function and Activity	67
Schedule of Changes in Property Taxes Receivable - General Fund	68
Schedule of Changes in Long-term Debt by Individual Issue	69
Schedule of Maturities of Bond Indebtedness and Interest Requirements - General Obligation	70
Schedule of Maturities of Indebtedness and Interest Requirements - Water and Sewer Fund	71
Schedule of Changes in Lease Obligations	72
Schedule of Lease Obligations, Principal, and Interest Requirements by Fiscal Year	73
Schedule of Utility Rates	74

Statistical Section (Unaudited)

Financial Trends

Net Position by Component	76
Changes in Net Position	77
Fund Balances of Governmental Funds	80
Changes in Fund Balances of Governmental Funds	81

Revenue Capacity

Assessed Value and Estimated Actual Value of Taxable Property	83
Direct and Overlapping Property Tax Rates	84
Principal Property Tax Payers	85
Property Tax Levies and Collections	86

Debt Capacity

Ratios of Outstanding Debt and Other Obligations by Type	87
Ratios of General Obligation Debt Outstanding	88
Direct and Overlapping Governmental Activities	89
Debt Margin Information	90
Pledged Revenue Coverage	91

Demographic and Economic Information

Demographic and Economic Statistics	92
Principal Employers	93

Operating Information

Full-time Equivalent City Government Employees by Function/Program	94
Operating Indicators by Function/Program	95
Capital Assets Statistics by Function/Program	96

City of La Vergne, Tennessee
Annual Comprehensive Financial Report
For the Year Ended June 30, 2024

Contents

Compliance Section

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	97
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	99
Schedule of Expenditures of Federal Awards and State Financial Assistance	102
Summary Schedule of Prior Year Findings	103
Schedule of Findings and Questioned Costs	104
Management's Corrective Action Plan	106

Introductory Section



5093 Murfreesboro Road
La Vergne, TN 37086
(615) 793-6295
lavergnen.gov

December 7, 2024

To the Honorable Mayor, Members of the Board, and Citizens of the City of La Vergne:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, I hereby issue the annual comprehensive financial report of the City of La Vergne for the fiscal year ended June 30, 2024.

This report consists of management's representations concerning the finances of the City of La Vergne. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of La Vergne has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of La Vergne's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of La Vergne's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, I assert that, to the best of my knowledge and belief, this financial report is complete and reliable in all material respects.

The City of La Vergne's financial statements have been audited by Blankenship CPA Group, PLLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of La Vergne for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of La Vergne's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of La Vergne's MD&A can be found beginning on page 4, immediately following the report of the independent auditors.

Profile of the Government

The City of La Vergne is in Rutherford County, borders Metro-Davidson County, and is centrally located in Middle Tennessee. This places La Vergne strategically within a day's drive from approximately 70% of the population of the United States. With the advent of on-demand-delivery in all aspects of business and industry, La Vergne is positioned to have continued industrial, distribution, publishing, and commercial growth for the foreseeable future.

La Vergne was first incorporated February 28, 1861, but the incorporation was rescinded in 1881, because – since the Civil War – no city officials had been elected and there weren't enough adults to let the town organize a Board of Mayor and Aldermen and town constitution. The City of La Vergne, re-incorporated in 1972, is a general law charter municipality. City government is conducted under the mayor-alderman system. The Board of Mayor and Aldermen is comprised of five (5) members. The mayor serves a four-year term and is elected at large. The aldermen are elected for staggered four-year terms. They are also elected at large.

The City of La Vergne provides a full range of services, including police protection; fire protection, improved highways and streets, planning and zoning, health and social services, culture, parks and recreational activities; public library, and general administrative services. In addition to general governmental activities, the City manages its own water and sewer services, including a water treatment plant.

The Mayor/Alderman reviews the budget requests of the areas with department heads and city administrator annually. The final budget is presented to the Mayor/Alderman meeting for their final approval. Two readings are required.

The City of La Vergne maintains budgetary control designed to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. The legal level of budgetary control is at the department level. Activities of the general fund, special revenue funds, and capital project funds are included in the annual appropriated budget.

Budget-to-actual comparisons are also provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund this comparison is presented on pages 21-28. As part of the supplementary information the highway and capital projects streets fund comparison is presented on page 63. For governmental funds which are not considered major funds, the appropriated annual budget comparisons are presented in the combined individual fund subsection of this report, which starts on page 56.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of La Vergne operates.

Local Economy. La Vergne continues to be one of the fastest growing communities in the state as well as the country. From 2010-2024, the City grew from 32,588 to approximately 41,445 which is an increase of 25%. During the same period, the total number of households within La Vergne climbed to 13,378 from 10,946 in 2010. La Vergne's median income, which topped out at 79,830, is well over the Tennessee state average of \$72,700. City residents enjoy a 4.0% lower cost of living than the U.S. average according to ACCRA Col Index.

The City of La Vergne remains strong and vibrant on the business front and continues to be a desired location for new businesses. Existing businesses continue to thrive and expand in La Vergne. Several multi-million dollar expansions are underway including Quanta, Scott Equipment and Cardinal Health. The Highpointe 24 industrial complex continues to add new business as it completes construction, including a new BestBuy distribution center. Additionally, Panattoni has plans to build 9 warehouses on the TN CO-OP property exceeding 1 million square feet of distribution space.

Many factors contribute to the success of local industry. More than half of the US population is within 650 miles of the city and La Vergne's proximity to many major interstates makes the city very attractive as a national manufacturing and distribution hub. Interstate 24, with its 161,000 vehicles daily, runs directly through the city. Additionally, the I-40, I-65 and I-840 interstates are within 15 minutes. The city's unemployment rate is consistently less than 3%, and its labor shed draws from 10 surrounding counties. This skilled workforce has helped La Vergne set itself apart as a regional industrial powerhouse.

The numerous employment opportunities combined with a low city property tax rate (\$.5363 per \$100 of assessed value), have spurred migration to the city at over twice the national average. In the last eight years La Vergne has averaged 3.1% annualized growth and is projected over the next five years to average 2.3% annualized growth. Residents have access to quality recreation including Percy Priest Lake as well as a plethora of local parks and community sponsored events. The city sits in close proximity to professional football, hockey, and soccer venues. La Vergne is within a short drive to Nashville International Airport, and within two miles of Smyrna Airport.

Rutherford County ranked 5th among the 95 counties throughout Tennessee in retail revenue. The City of La Vergne sales tax revenue has broken its previous year's sales tax record every year for the past 5 years reaching a record 16.7 million dollars during fiscal year 2023-2024. It is forecasted these numbers will continue to grow with the opening of BJ's Wholesale Club's first store in Tennessee along with multiple commercial projects currently planned throughout the city.

The city has used its recently formed Industrial Development Board (IDB) to aid in its future development. The ability to incentivize future deals has allowed La Vergne to compete with surrounding cities for retail development and the additional sales tax dollars they provide. The use of this board proved integral in bringing BJ's Wholesale Club to the city. Additionally, during the current fiscal year, the IDB acquired 76 acres for future growth along South Waldron Road. This will allow the city to capitalize and shape the retail landscape of this high growth area.

La Vergne is part of the award-winning Rutherford County School system. A number of local colleges and universities are located within 20 miles of La Vergne, including Middle Tennessee State University, Tennessee State University, Vanderbilt University, Belmont University, and David Lipscomb University. The local economy has consistently been healthier than the national economy. The city is committed to building a future in which economic growth and prosperity is balanced with a high quality of life for all of its citizens.

Long-Term Financial Planning. The City has numerous capital projects currently being designed, under construction or recently completed. Parks Capital Projects include the future expansion of our greenway, and a new neighborhood park on the south side of the city. Water and Sewer Capital Projects include several water and sewer line upgrades and extensions, storage tank upgrades, and an electronic meter swap out program. Streets Capital Projects include the Advanced Traffic Management System for Murfreesboro Road and Waldron Road that will use a CMAQ grant for sidewalks and crosswalks along the City's two main thoroughfares. Other street projects include the widening of South Waldron Road, the extension of Blair Road and the widening of Old Nashville Highway. A new Fire Station #41 that replaces the existing station and provides a location for our Fire Department headquarters has been constructed and the new Public Works and Community Development Services facility has broken ground. Future projects include the renovation and expansion of the Police Department building and a new Fire Station #44 on the south side of the city.

Relevant Financial Policies

The City strives to maintain a year end general fund balance of approximately 25 to 30 percent of operating expenditures. The 2023-2024 year end general fund ending balance was approximately 83% of operating expenditures.

The City has adopted an internal control policy, a debt policy, a fund balance policy and policies and procedures for the administration of federally tax exempt debt obligations. This change was made by the Council as an effort to protect city assets and be in compliance with state and federal regulations.

Major Initiatives

The City of La Vergne has many projects underway in the water/sewer system area. Replacement and upgrade of existing sanitary sewer interceptors is an ongoing focus for the City. We have four interceptor projects underway. The city received a 99% sanitation rating on its last survey from the State of Tennessee Department of Environment and Conservation Division of Water Supply, which was done in 2023. We are currently upgrading our SCADA system for

our water plant and water distribution system. Several of our sewer pump stations have also been upgraded and several are scheduled to be upgraded with newer pumps in an effort to provide efficient sewer related services. Funds for these improvements will come from excess water/sewer fund balance and recent grants.

The cities property tax rate was \$.71 per \$100 assessed value in 2021. A county wide reappraisal was done in 2022 and is now .5363 per \$100 in assessed value.

Improving safety for the citizens of La Vergne is also a focus for the city. The City has added new police officers, upgraded communication systems and added vehicles for several years in a row. The city of La Vergne has also aligned itself with Rutherford County Emergency Services for disaster related events. Several cities in and around Rutherford County are currently being trained on handling disaster events. This training was instrumental during the floods in May 2010. The City has also added a Fire Administration Building, several new Firefighters (most of our Firefighters now have EMT certifications) and new Fire Equipment to assist in the growth of La Vergne.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of La Vergne for its annual comprehensive financial report for the fiscal year ended June 30, 2023. [This was the twenty eighth consecutive year that the government has received this prestigious award.] In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. I would also like to express my appreciation to all other department heads that assisted and contributed to the preparation of this report. Credit must also be given to the Board of Mayor and Aldermen for their unfailing support for maintaining the highest standards of professionalism in the management of the City of La Vergne's finances. The firm of Blankenship CPA Group, PLLC was most helpful in reviewing the interpretations of financial presentation and disclosure requirements.

Respectfully submitted,

Danielle Brown

Danielle Brown
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of La Vergne
Tennessee**

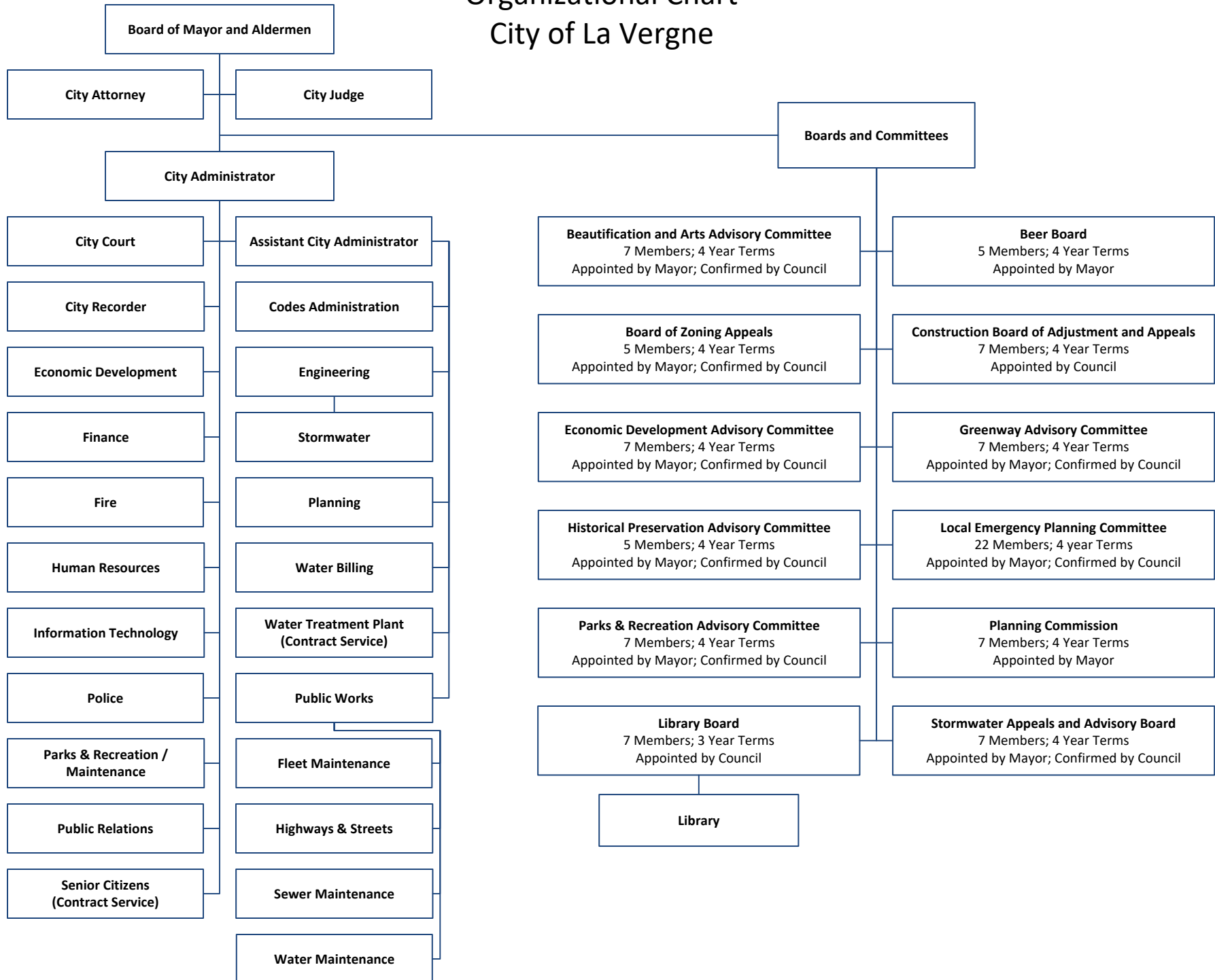
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Organizational Chart City of La Vergne



City of La Vergne, Tennessee
Directory of Officials (Unaudited)
As of June 30, 2024

Elected Officials

<u>Name</u>	<u>Position</u>
Jason Cole	Mayor
Steve Noe	Vice Mayor
Carol Haas	Alderman
Kara Hobbs	Alderman
Dennis Waldron	Alderman

Appointed Officials

<u>Name</u>	<u>Position</u>
Bruce Richardson*	City Administrator

*Certified Municipal Finance Officer

City of La Vergne, Tennessee
Directory of Officials (Unaudited)
As of June 30, 2024

Other Officials

<u>Name</u>	<u>Position</u>
David McGowen	Parks and Recreation Director
Donna Bebout	Library Director
Andrew Patton*	HR Director
Nickolaus Logan	Planning Director
Jo White	Codes Director
Gary Lide	Storm Water Engineer
Ronny Beasley	Fire Chief
Gary Lide	City Engineer
William Cartwright	City Judge
Evan Cope	City Attorney
Danielle Brown	Finance Director
Kyle Brown*	Assistant City Administrator
Chris Moews	Chief of Police
Mike Dietz	Public Works Director
Mike Dietz	Utilities Director
Becci Steed	Tax Collector

*Certified Municipal Finance Officer

Financial Section



Independent Auditor's Report

Honorable Mayor and Board of Alderman
City of La Vergne, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of La Vergne, Tennessee (the City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed on pages 4-14 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules on pages 54-65 and other schedules on pages 66-74 (including the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards on page 102) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules and other schedules (including the schedule of expenditures of federal awards and state financial assistance) on pages 54-74 and 102 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
December 7, 2024

CITY OF LA VERGNE, TENNESSEE

Management's Discussion and Analysis

As management of the City of La Vergne, Tennessee (the City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. Comparative information for fiscal year 2023 and 2024 is presented in this discussion and analysis. The analysis focuses on significant financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the City.

Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. Please consider the information presented here in conjunction with our Letter of Transmittal (Page i).

Financial Highlights:

The assets and deferred outflows of resources of the City of La Vergne exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by \$217,904,492 of this amount; \$68,443,946 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

The governments total net position increased by \$17,500,798.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$56,055,630 a decrease of \$15,431,377 resulting from the current year operation. The amount of \$12,393,923 of the ending fund balance is not available for spending at the government's discretion (non-spendable, restricted, and assigned).

At the end of the current fiscal year, unassigned fund balance (spendable at the government's discretion) of the General Fund was \$43,661,707 or 83% of the total general fund expenditures.

The City's total debt (bonds, financed purchases, capital outlay note, and other obligations including premiums) decreased by \$3,280,654 (9.7%) during the current fiscal year.

Overview of the Financial Statements:

This discussion and analysis is intended to serve as an introduction to the City of La Vergne's basic financial statements. The City's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, liabilities, deferred inflow and outflows of resources with the difference between the two reported as net position.

Over time, increases or decreases in net positions may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net positions changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected tax and earned but unused vacation leave),

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of La Vergne include general government, police, fire, highway and streets, stormwater, health and welfare, recreation and library. The business-type activities of the City include water and sewer service operations. The governmental-type and business-type activities are allocated their respective portion of the self-insured medical insurance internal service fund.

The government-wide financial statements can be found on pages 15-16 of this report.

Fund financial statements. A Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated from specific activities or objectives. The City of La Vergne, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Governmental Funds are funds used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and highway and streets capital projects fund which are considered to be major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 54-55 in this report.

The City of La Vergne adopts an annual appropriated budget for all its governmental funds. Budgetary comparison statements have been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 17-19 of this report.

Proprietary Funds. The City of La Vergne maintains two types of proprietary funds. It uses an enterprise fund to report the same functions presented in the business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations.

It uses an internal service fund to account for the activities in its self-insured medical insurance fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 29-34 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-52 of this report.

Required budgetary information. The required budgetary information provides budget comparison information for the special revenue funds and capital project funds. Non-major governmental fund budgetary schedules can be found on pages 56-62 of this report.

Financial Analysis of the Financial Statements

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of La Vergne, assets and deferred outflows of resources exceeded liabilities and deferred inflow of resources by \$217,904,492 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (62.9%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure) plus bond proceeds on hand for restricted assets less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of La Vergne's Net Position

	Governmental Activities		Business Activities		Total	
	June 30 2023	June 30 2024	June 30 2023	June 30 2024	June 30 2023	June 30 2024
	(000 omitted)		(000 omitted)		(000 omitted)	
Current and other assets	\$ 83,756	\$69,802	\$35,303	\$28,040	\$119,059	\$97,842
Capital assets	74,077	94,565	62,557	73,959	136,634	168,524
Total assets	157,833	164,367	97,860	101,999	255,693	266,366
Deferred Outflows	10	1	388	348	398	349
Long-term liabilities outstanding	22,584	20,582	12,208	10,891	34,792	31,473
Other Liabilities	2,876	3,186	8,711	4,557	11,587	7,743
Total liabilities	25,460	23,768	20,919	15,448	46,379	39,216
Deferred Inflows	9,218	9,523	91	72	9,309	9,595
Net Position						
Net investment in capital assets	69,871	74,314	51,404	62,823	121,275	137,137
Restricted	29,495	12,323	0	0	29,495	12,323
Unrestricted	23,799	44,440	25,834	24,004	49,633	68,444
Total Net Position	\$123,165	\$131,077	\$77,238	\$86,827	\$200,403	\$217,904

A portion of the City's net position (5.7%) represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position (\$68,443,946) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Governmental Activities

The City of La Vergne's net position increased by \$17,500,798 during the current fiscal year. Net position increased \$7,910,647 in the Governmental Activities mainly due the Following:

\$2,275,762 increase in Sales Tax due to increase in retail sales and online sales

\$763,913 increase in State Shared sales tax due to increase in population and retail sales

\$460,530 increase in Business Tax due to increased business income

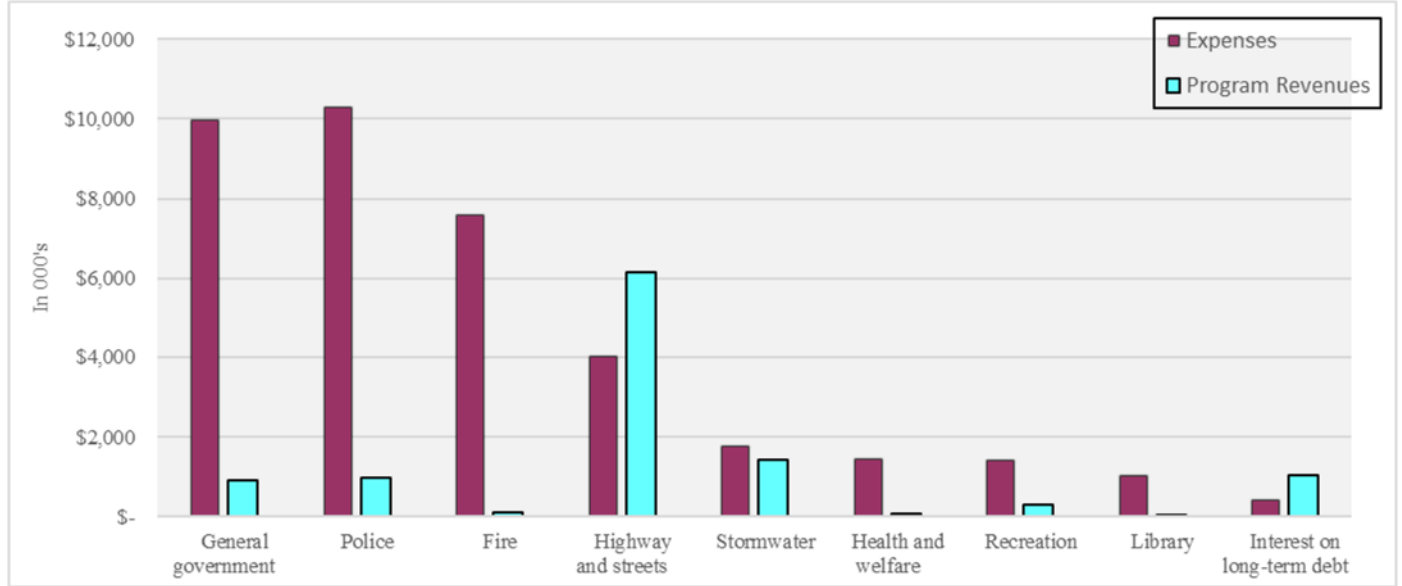
\$302,739 increase in Property Tax Revenue due to new home sales

**Financial Analysis of Financial Statements
City of La Vergne's Change in Net Position**

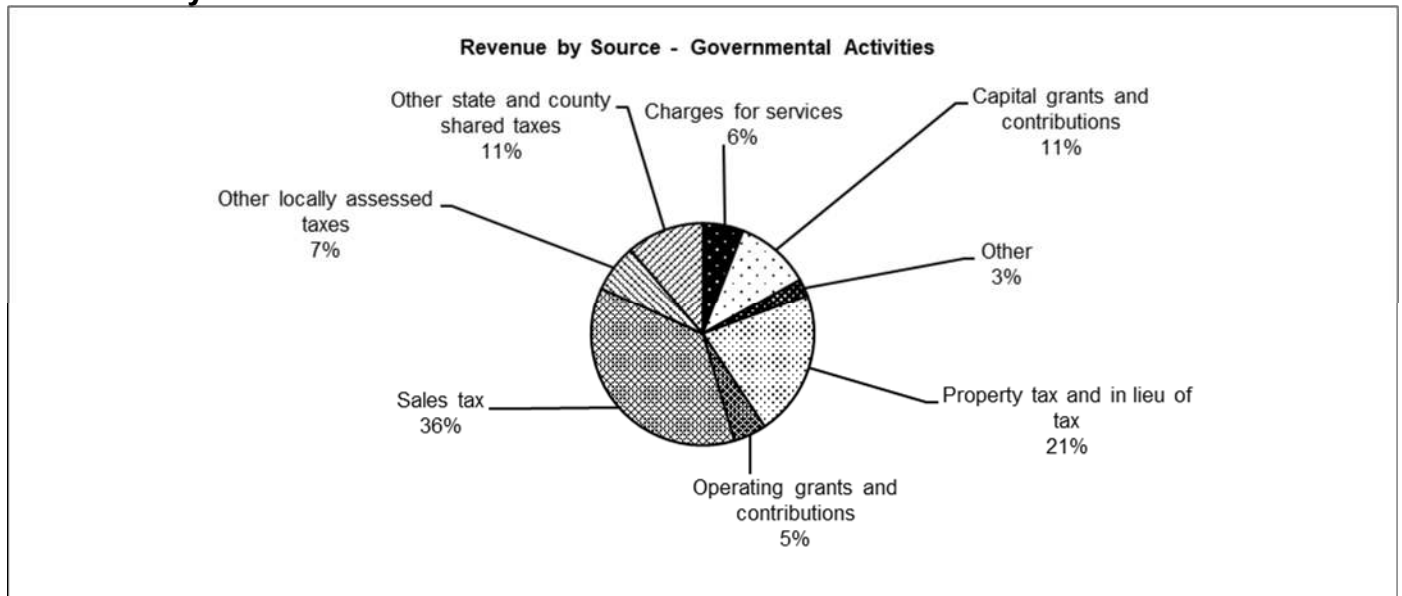
	Governmental Activities		Business-type Activities		Total	
	June 30 2023 (000 omitted)	June 30 2024 (000 omitted)	June 30 2023 (000 omitted)	June 30 2024 (000 omitted)	June 30 2023 (000 omitted)	June 30 2024 (000 omitted)
Revenues:						
Program revenues:						
Charges for services	\$2,421	\$2,708	\$13,746	\$14,236	\$16,167	\$16,944
Operating grants and contributions	2,027	2,202			2,027	2,202
Capital grants and contributions	2,092	5,042	1,489	3,507	3,581	8,549
General revenues:						
Property tax and in lieu of tax	9,398	9,820			9,398	9,820
Sales taxes	16,302	16,776			16,302	16,776
Business taxes	1,881	1,964			1,881	1,964
Wholesale beer & liquor taxes	879	881			879	881
Franchise taxes	312	270			312	270
Other locally assessed taxes	125	108			125	108
Other state and county shared taxes	4,735	4,899			4,735	4,899
Unrestricted investment earnings and rental income	7	1,043	3	370	10	1,413
Gain on disposal of capital asset	1,590	70			1,590	70
Other	525	323	3,565	4,780	4,090	5,103
Total revenue	<u>42,294</u>	<u>46,106</u>	<u>18,803</u>	<u>22,893</u>	<u>61,097</u>	<u>68,999</u>
Expenses:						
General government	5,262	9,995			5,262	9,995
Public safety:						
Police	10,545	10,316			10,545	10,316
Fire	6,617	7,613			6,617	7,613
Highway and streets	4,997	4,060			4,997	4,060
Stormwater	1,404	1,812			1,404	1,812
Health and welfare	1,035	1,463			1,035	1,463
Recreation	2,061	1,435			2,061	1,435
Library	1,042	1,061			1,042	1,061
Interest on debt	493	440			493	440
Water and sewer			12,687	13,303	12,687	13,303
Total expenses	<u>33,456</u>	<u>38,195</u>	<u>12,687</u>	<u>13,303</u>	<u>41,092</u>	<u>51,498</u>
Transfers	<u>(1,500)</u>		<u>1,500</u>			
Increase (decrease) in net position	7,338	7,910	7,616	9,590	14,958	17,501
Net position - beginning of the year	<u>115,828</u>	<u>123,166</u>	<u>69,621</u>	<u>77,237</u>	<u>185,449</u>	<u>200,403</u>
Net position - end of year	<u>\$123,166</u>	<u>\$131,077</u>	<u>\$77,237</u>	<u>\$86,827</u>	<u>\$200,403</u>	<u>\$217,904</u>

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services.

Expenses and Program Revenues - Governmental Activities



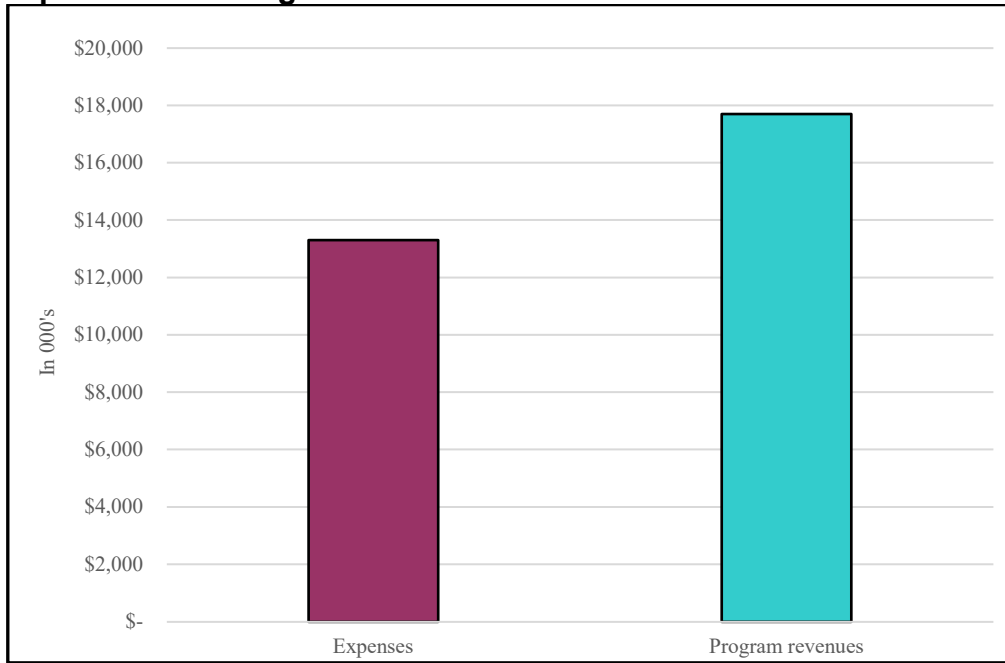
Revenues by Source - Governmental Activities



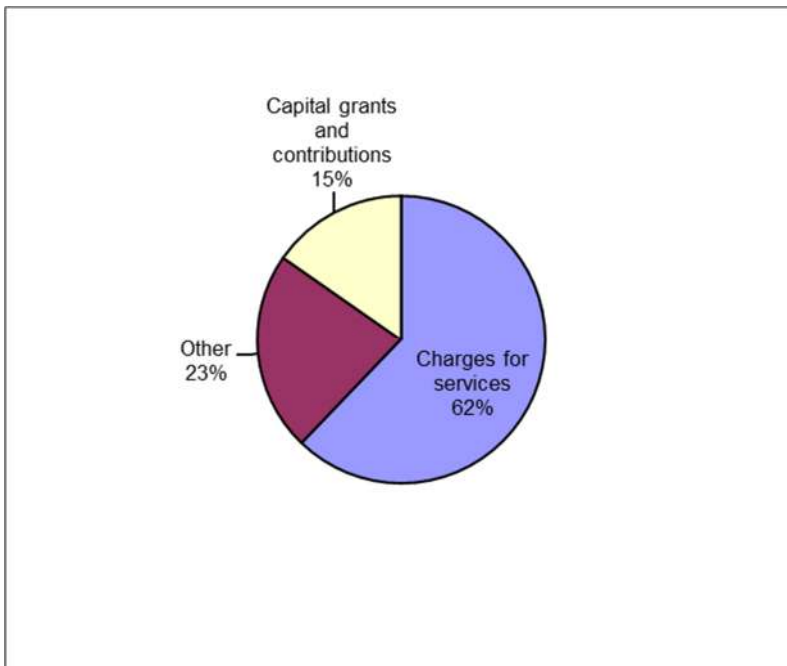
Business-type activities

Business-type activities increased the City's net position by \$9,590,151 accounting for 55% of the total increase in the government's net position. The key element of this increase is the result of previous years' rate increases. Expenses remained about the same over previous year. Change in net position is up about \$1.97 million primarily due to more capital contributions.

Expenses and Program Revenues Business Activities Water and Sewer



Revenues by Source – Business-type Activities Water and Sewer



Financial Analysis of the Financial Statements (Continued)

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City of La Vergne's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements in particular, unassigned fund balance may serve as a useful measure to a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$56,055,630, a decrease of \$15,431,377 in comparison with the prior year. The amount of \$43,661,707 (78%) of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance which is \$12,393,923 is nonspendable or restricted to indicate that it is not available for new spending because it has been restricted, assigned or designated as non-spendable and has been committed to provide for spending for specific funds, prepaid items and amounts expended for supply inventories. The decrease in fund balance is mainly due to new public works building and fire station.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$43,661,707, while total fund balance of general fund balance was \$43,758,497. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 83% of total general fund expenditures. Total fund balance represents 83% of total general fund expenditures.

The unassigned fund balance of the City's general fund, at year end, increased by \$1,688,196. The major reason for General Fund unassigned balance increase was primarily due to an increase in tax revenues.

Total fund balance of all non-major special revenue funds decreased by \$1,418,144 mainly due to \$1,456,008 in increased spending in Stormwater.

The City's proprietary funds provide the same type of information found in the government-wide financial statement, but in more detail.

The Water and Sewer fund change in net position was an increase of \$9,501,832. This is due to \$4,734,884 in intergovernmental revenue and donated capital assets of \$2,630,215.

Budgetary Highlights

Total general fund revenues for FY 2023-2024 were above final actual budgeted revenues by \$5,052,809 or 16%. Total actual expenditures for FY 2023-2024 were below final budgeted expenses by \$4,938,387 or 9%. Below are detail comparisons of original budget to final budget and final budget to actual results.

There were some notable increases from original budget to final actual revenues. The following revenue accounts make up most of the \$5,052,809 difference between final budget and actual revenues for 2023-2024:

Property Taxes	\$302,739 increase in real estate tax revenue
Business Tax	\$460,530 increase in business tax revenue
Local Sales Tax	\$2,275,762 increase in local sales tax revenue
Building Permits	\$276,046 increase in building permits revenue
State Sales Tax	\$763,913 increase in state shared sales tax

There were also \$916,068 increases/ (decreases) in General fund differences between the original budget for expenditures and the final amended budget. The following departments make up most of the increases and (decreases):

Buildings and grounds	
Maintenance	\$117,000 Insurance
Buildings and grounds	
Maintenance	\$119,000 Capital outlay
Information Technology	\$113,000 Hardware and software cost
Police	\$116,768 Police Equipment

There were (\$4,938,387) increases (decreases) in General fund differences between the final budget amounts for expenditures and the actual amounts. The following departments make up the majority of the increases and (decreases):

Capital Outlay	(\$2,748,170) unspent engineering/construction costs for projects
Public Safety	(\$1,660,218) unfilled/open positions, benefits

Most of the above increases and decreases will not affect future services and liquidity except for rising health care costs. Health care costs continue to be an ongoing increasing expense. The city plans to tackle this with reevaluating vendors and adjusting benefits accordingly.

Capital Asset and Debt Administration

Capital Assets

The City of La Vergne's investment in capital assets net of depreciation from its governmental and business-type activities at June 30, 2024, amounts to \$137,137,227. The investments in capital assets are land, buildings, improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the City's net investment in capital assets for the current fiscal year was \$15,862,584 (6% increase for governmental activities and 22% increase for business-type activities).

Major capital asset events during the current fiscal year, before depreciation, are as follows:

- \$2,706,221 in donated Infrastructure (streets)
- \$16,041,785 in Construction in Process in Governmental activities
- \$1,004,569 in Police Equipment

- \$830,439 in Fire Equipment
- \$2,053,232 in upgrades and additions to water and sewer system (\$2,630,215 donated)
- \$8,504,631 in Construction in Process for Business type activities

City of La Vergne's Capital Assets

Additional information on the City of La Vergne's capital assets can be found in the notes to the financial statements section. This information is provided in note 6) Capital Assets, beginning on page 43 of this report.

Long -Term Debt

City of La Vergne's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	June 30 2023 (000 omitted)	June 30 2024	June 30 2023 (000 omitted)	June 30 2024	June 30 2023 (000 omitted)	June 30 2024
General obligation bonds	20,395	18,680			22,395	18,680
Leases and financed purchases	147	50			147	50
Bond Premiums	1,181	1,030	519	406	1,700	1,436
Revenue and tax bonds	-	-	11,690	10,485	11,690	10,485
Total	<u>21,723</u>	<u>19,760</u>	<u>12,208</u>	<u>10,891</u>	<u>33,932</u>	<u>30,651</u>

At the end of the current year, the City of La Vergne has debt outstanding of \$ 30,651,719. The total debt of the City is secured by both the taxing power of the City and specific revenue sources (i.e., revenue and tax bonds excluding bond premiums) of the enterprise fund.

The City of La Vergne's total debt decreased by a net total of \$3,277,674 (9.7%) during FY 2023-2024 due to debt payments and no new debt acquired. The total debt of the City is secured by both the taxing power of the City and specific revenue sources (i.e., revenue and tax bonds) of the enterprise fund.

The City of La Vergne maintains "AA" rating from Standard & Poors.

State statutes impose no debt limit on the amount of general obligation debt a governmental entity may issue.

Additional information on the City of La Vergne's debt can be found in the notes to the financial statements section. This information is provided in note 8) Long-term Debt and other Obligations Payable, beginning on page 47 of this report.

Economic Factors and Next Year's Budget and Rates

The unemployment rate for the City of La Vergne is currently 2.8%, compared to the State unemployment rate of 3.1% and the national rate of 4.1%. Unemployment rates are stable at this time.

In the FY 2024-2025 budget, General fund revenues and transfers in are budgeted to increase by 10% from the FY 2023-2024 original budget year. This increase is primarily due to increase in tax revenue of approximately \$3,000,000. The city property tax rate remains the same at \$.5363 per \$100 in assessed value for fiscal year 2024-2025. The City's budget, as is with most City budgets, has been challenged by current economic conditions. The City received \$10,500,000 in ARPA grants in 21-22 and 22-23 and intends to utilize these grants to improve Water and Sewer infrastructure. As of current, sales tax revenues are holding steady and only slight increase in fuel taxes are being seen at this time. The City will continue to monitor spending and use current resources as effectively and efficiently as possible to provide citizens safety and service that is deserved of them.

The unassigned fund balance of the City's general fund, at year end, increased by \$1,688,196. The major reason for General Fund unassigned balance increase was primarily due to an increase in tax revenues. The ending total General fund balance decreased to \$43,758,497 from previous year balance of \$59,523,241 after adjustments for the reserve for inventory. The fund balance for the General Fund is budgeted to decrease for fiscal year 2024-2025 due to construction of new public works building.

Requests for Information

This financial report is designed to provide a general overview of the City of La Vergne, Tennessee's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance Director
City of La Vergne
5093 Murfreesboro Road
La Vergne, TN 37086

City of La Vergne, Tennessee

Statement of Net Position

June 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Industrial Dev. Board
Assets				
Cash and cash equivalents	\$ 55,414,837	\$ 24,646,432	\$ 80,061,269	\$ 6,557
Receivables, net of allowance for uncollectibles				
Property taxes, net	9,582,064	-	9,582,064	-
Other taxes	147,191	-	147,191	-
Due from other governments	4,314,436	305,165	4,619,601	-
Accounts receivable, net	378,726	1,763,883	2,142,609	-
Inventory of supplies	55,249	908,873	964,122	-
Prepaid expenses	15,355	-	15,355	-
Internal balances	(343,673)	343,673	-	-
Lease receivable	237,832	72,404	310,236	-
Capital assets not being depreciated	33,289,374	24,721,701	58,011,075	4,019,390
Capital assets, net	<u>61,275,226</u>	<u>49,237,714</u>	<u>110,512,940</u>	<u>-</u>
Total assets	164,366,617	101,999,845	266,366,462	4,025,947
Deferred Outflows of Resources	769	348,607	349,376	-
Liabilities				
Accounts payable	1,993,397	1,627,925	3,621,322	-
Accrued expenses	563,454	156,125	719,579	-
Interest payable	129,314	63,198	192,512	-
Contracts payable	491,070	593,375	1,084,445	-
Unearned revenues	9,000	2,109,033	2,118,033	-
Customer deposits	-	7,500	7,500	-
Noncurrent liabilities				
Due within one year	2,063,810	1,190,000	3,253,810	-
Due in more than one year	<u>18,517,733</u>	<u>9,701,176</u>	<u>28,218,909</u>	<u>-</u>
Total liabilities	23,767,778	15,448,332	39,216,110	-
Deferred Inflows of Resources	9,522,832	72,404	9,595,236	-
Net Position				
Net investment in capital assets	74,313,756	62,823,471	137,137,227	4,019,390
Restricted for				
Highways and streets	5,668,795	-	5,668,795	-
Parks and recreation	1,151,626	-	1,151,626	-
Stormwater projects	3,105,875	-	3,105,875	-
Senior citizens	211,698	-	211,698	-
Law enforcement	2,035,404	-	2,035,404	-
Fire protection	149,921	-	149,921	-
Unrestricted	<u>44,439,701</u>	<u>24,004,245</u>	<u>68,443,946</u>	<u>6,557</u>
Total net position	\$ 131,076,776	\$ 86,827,716	\$ 217,904,492	\$ 4,025,947

City of La Vergne, Tennessee
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			Component Unit Industrial Dev. Board
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 9,995,306	\$ 880,285	\$ 40,090	\$ -	\$ (9,074,931)	\$ -	\$ (9,074,931)	\$ -
Public safety								
Police	10,315,637	363,085	435,382	165,221	(9,351,949)	-	(9,351,949)	-
Fire and emergency services	7,612,629	-	44,000	64,217	(7,504,412)	-	(7,504,412)	-
Highways and streets	4,060,368	-	1,602,469	4,547,648	2,089,749	-	2,089,749	-
Stormwater	1,812,153	1,425,851	-	-	(386,302)	-	(386,302)	-
Health and welfare	1,462,550	607	71,632	-	(1,390,311)	-	(1,390,311)	-
Recreation	1,435,252	18,428	8,320	265,185	(1,143,319)	-	(1,143,319)	-
Library	1,061,358	19,845	1,000	-	(1,040,513)	-	(1,040,513)	-
Interest on long-term debt	440,720	-	-	-	(440,720)	-	(440,720)	-
Total governmental activities	38,195,973	2,708,101	2,202,893	5,042,271	(28,242,708)	-	(28,242,708)	-
Business-type Activities								
Water and sewer	13,302,876	14,236,000	-	3,506,532	-	4,439,656	4,439,656	-
Total primary government	\$ 51,498,849	\$ 16,944,101	\$ 2,202,893	\$ 8,548,803	(28,242,708)	4,439,656	(23,803,052)	-
Component Unit								
Industrial Development Board	\$ 18,964	\$ 1,000	\$ -	\$ 4,010,000	-	-	-	3,992,036
General Revenues								
Property taxes					9,054,666	-	9,054,666	-
In lieu tax, commercial					254,325	-	254,325	-
In lieu tax, utility					511,275	-	511,275	-
Sales taxes					16,775,762	-	16,775,762	-
Business taxes					1,963,530	-	1,963,530	-
Wholesale beer and liquor taxes					880,789	-	880,789	-
Franchise taxes					270,615	-	270,615	-
Hotel/motel tax					107,860	-	107,860	-
Unrestricted state shared taxes								
State shared income taxes					6,213	-	6,213	-
State shared beer tax					17,019	-	17,019	-
State shared sales tax					4,763,913	-	4,763,913	-
Other unrestricted state and county shared taxes					112,236	-	112,236	-
Grants and contributions not restricted to specific programs					-	4,734,884	4,734,884	-
Investment earnings					1,042,488	370,326	1,412,814	-
Gain on sale of general capital assets					70,289	-	70,289	-
Other					322,375	45,285	367,660	-
Total general revenues					36,153,355	5,150,495	41,303,850	-
Change in net position					7,910,647	9,590,151	17,500,798	3,992,036
Net position, beginning of year					123,166,129	77,237,565	200,403,694	33,911
Net position, end of year					\$ 131,076,776	\$ 86,827,716	\$ 217,904,492	\$ 4,025,947

See notes to financial statements

City of La Vergne, Tennessee
Balance Sheet
Governmental Funds
June 30, 2024

	General	Highways and Streets	Other Governmental	Total Governmental
Assets				
Cash and cash equivalents	\$ 42,183,291	\$ 4,028,232	\$ 7,881,056	\$ 54,092,579
Receivables				
Property taxes, net	9,582,064	-	-	9,582,064
Other taxes	147,191	-	-	147,191
Due from other governments	3,819,324	16,751	478,361	4,314,436
Accounts receivable	-	-	115,131	115,131
Prepaid expenses	15,355	-	-	15,355
Lease receivable	237,832	-	-	237,832
Inventory of supplies	55,249	-	-	55,249
Total assets	<u>\$ 56,040,306</u>	<u>\$ 4,044,983</u>	<u>\$ 8,474,548</u>	<u>\$ 68,559,837</u>
Liabilities				
Accounts payable	\$ 1,449,809	\$ 108,294	\$ 62,684	\$ 1,620,787
Contracts payable	491,070	-	-	491,070
Accrued costs	521,034	-	42,420	563,454
Unearned revenues	-	-	9,000	9,000
Total liabilities	<u>2,461,913</u>	<u>108,294</u>	<u>114,104</u>	<u>2,684,311</u>
Deferred Inflows of Resources	9,819,896	-	-	9,819,896
Fund Balances				
Nonspendable	70,604	-	-	70,604
Restricted for				
Law enforcement	26,186	-	1,146,084	1,172,270
Highways and streets	-	-	1,732,106	1,732,106
Stormwater	-	-	3,105,875	3,105,875
Senior citizens	-	-	211,698	211,698
Highways and streets capital projects	-	3,936,689	-	3,936,689
Law enforcement capital projects	-	-	863,134	863,134
Recreation capital projects	-	-	1,151,626	1,151,626
Fire protection capital projects	-	-	149,921	149,921
Unassigned	43,661,707	-	-	43,661,707
Total fund balances	<u>43,758,497</u>	<u>3,936,689</u>	<u>8,360,444</u>	<u>56,055,630</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 56,040,306</u>	<u>\$ 4,044,983</u>	<u>\$ 8,474,548</u>	<u>\$ 68,559,837</u>

City of La Vergne, Tennessee
 Reconciliation of Balance Sheet - Governmental Funds to
 Government-wide Statement of Net Position
 June 30, 2024

Amounts reported for fund balance, total governmental funds	\$ 56,055,630
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	94,514,923
Lease assets in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	49,677
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	
Property taxes receivable	297,064
Interest payable on long-term obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet.	(129,314)
Internal service fund is used by management to charge the costs of medical insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	
Cash	1,322,258
Accounts receivable	263,595
Accounts payable	(372,610)
Due from other funds	(343,673)
Gain and loss on bond refunding are amortized as a component of interest over the life of the bonds on the statement of net position.	769
Bond premiums are amortized as a component of interest over the life of the bonds on the statement of net position.	(1,030,733)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded in the funds.	
Governmental bonds, notes, obligations, and leases payable	(18,729,810)
Compensated absences payable	(821,000)
Net position of governmental activities	\$ 131,076,776

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	General	Highways and Streets	Other Governmental	Total Governmental
Revenues				
Taxes	\$ 29,230,020	\$ -	\$ -	\$ 29,230,020
Licenses and permits	877,315	1,841,427	1,691,036	4,409,778
Fines and fees	297,020	-	66,065	363,085
Intergovernmental	5,587,889	177,492	2,027,985	7,793,366
Uses of money and property	899,639	58,346	157,405	1,115,390
Miscellaneous	78,890	-	7,270	86,160
Total revenues	<u>36,970,773</u>	<u>2,077,265</u>	<u>3,949,761</u>	<u>42,997,799</u>
Expenditures				
Current				
General government	9,321,004	-	-	9,321,004
Public safety				
Police	10,365,519	-	373,569	10,739,088
Fire and emergency services	6,630,398	-	79,602	6,710,000
Highways and streets	1,405,885	2,804	1,218,925	2,627,614
Stormwater	-	-	1,338,816	1,338,816
Health and welfare	816,812	-	184,775	1,001,587
Recreation	1,600,771	-	2,981	1,603,752
Senior citizen	-	-	38,333	38,333
Library	954,847	-	-	954,847
Debt service	2,301,966	-	73,388	2,375,354
Capital outlay	19,180,379	953,290	1,933,623	22,067,292
Total expenditures	<u>52,577,581</u>	<u>956,094</u>	<u>5,244,012</u>	<u>58,777,687</u>
Excess (deficiency) of revenues over expenditures	(15,606,808)	1,121,171	(1,294,251)	(15,779,888)
Other financing sources (uses)				
Insurance recoveries	212,877	-	33,892	246,769
Other income	-	-	8,017	8,017
Sale of general capital assets	93,725	-	-	93,725
Transfers in	-	-	464,538	464,538
Transfers out	(464,538)	-	-	(464,538)
Total other financing sources (uses)	(157,936)	-	506,447	348,511
Net change in fund balances	(15,764,744)	1,121,171	(787,804)	(15,431,377)
Fund balances, beginning of year	59,523,241	2,815,518	9,148,248	71,487,007
Fund balances, end of year	\$ 43,758,497	\$ 3,936,689	\$ 8,360,444	\$ 56,055,630

City of La Vergne, Tennessee
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to the Government-wide Statement of Activities
 For the Year Ended June 30, 2024

Amounts reported for net change in fund balance, total governmental funds \$ (15,431,377)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the current period.

Cost of assets acquired	22,105,378
Depreciation expense	(4,267,049)
Cost of capital assets disposed of in excess of accumulated depreciation	(23,436)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	77,527
Contributed capital assets	2,706,221

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts, losses on refundings, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Debt repayment	1,715,000
Amortization of premiums, discounts, and deferred amount on refundings	141,715

Interest is accrued on the outstanding bonds in the statement of activities, whereas in the governmental funds, an interest expenditure is reported when due.

Interest on bonded debt	14,101
-------------------------	--------

Expenses reported for governmental activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.

Changes in lease assets and lease liabilities	63,818
Compensated absences	39,491

Internal service funds are used by the management to charge the costs of medical insurance to individual funds. The net revenues of certain activities of internal service funds are reported as governmental activities.

769,258

Change in net position of governmental activities **\$ 7,910,647**

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	<u>Variance from final budget +/-</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes				
Real estate taxes	\$ 8,674,400	\$ 8,674,400	\$ 8,977,139	\$ 302,739
Payments in lieu of taxes	200,000	200,000	254,325	54,325
Business tax	1,503,000	1,503,000	1,963,530	460,530
Wholesale beer tax	560,000	560,000	592,551	32,551
Wholesale liquor tax	274,200	274,200	288,238	14,038
Local option sales tax	14,500,000	14,500,000	16,775,762	2,275,762
Franchise tax	339,500	339,500	270,615	(68,885)
Hotel/motel tax	102,000	102,000	107,860	5,860
Total taxes	<u>26,153,100</u>	<u>26,153,100</u>	<u>29,230,020</u>	<u>3,076,920</u>
Licenses and permits				
Building permits	300,000	300,000	576,046	276,046
Plumbing and mechanical permits	31,000	31,000	53,604	22,604
Plan review fees	65,000	65,000	214,803	149,803
Beer and liquor licenses	1,000	1,000	1,000	-
Other permits	29,700	29,700	31,862	2,162
Total licenses and permits	<u>426,700</u>	<u>426,700</u>	<u>877,315</u>	<u>450,615</u>
Intergovernmental revenues				
State of Tennessee income tax	3,000	3,000	6,213	3,213
State of Tennessee beer tax	15,000	15,000	17,019	2,019
State of Tennessee sales tax	4,000,000	4,000,000	4,763,913	763,913
State of Tennessee petroleum special tax	68,000	68,000	70,868	2,868
State of Tennessee police supplements	46,000	46,000	34,400	(11,600)
State of Tennessee fire supplements	40,000	40,000	44,000	4,000
TVA and NES in lieu tax	440,000	440,000	511,275	71,275
Grants, federal and state	310,644	322,644	27,965	(294,679)
Other state and county shared taxes	51,220	51,220	112,236	61,016
Total intergovernmental revenues	<u>4,973,864</u>	<u>4,985,864</u>	<u>5,587,889</u>	<u>602,025</u>
Fines and forfeits	229,700	229,700	297,020	67,320
Uses of property and money				
Penalties	35,000	35,000	18,887	(16,113)
Interest earned	4,500	4,500	827,344	822,844
Rent	9,000	9,000	12,165	3,165
Recreation fees	14,000	14,000	18,428	4,428
Library fees	450	450	19,845	19,395
Fees and commissions	1,500	1,500	2,970	1,470
Total uses of property and money	<u>64,450</u>	<u>64,450</u>	<u>899,639</u>	<u>835,189</u>
Other revenues				
Contributions and private grants	27,650	27,650	41,976	14,326
Miscellaneous	30,500	30,500	36,914	6,414
Total other revenues	<u>58,150</u>	<u>58,150</u>	<u>78,890</u>	<u>20,740</u>
Total revenues	<u>31,905,964</u>	<u>31,917,964</u>	<u>36,970,773</u>	<u>5,052,809</u>

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	<u>Original</u>	<u>Final</u>		
Expenditures				
General government				
Current				
Legislative board				
Salaries	29,400	29,400	29,400	-
Benefits and payroll taxes	82,152	82,152	82,033	119
Travel	800	800	886	(86)
Other	34,000	42,500	40,580	1,920
Total legislative board	<u>146,352</u>	<u>154,852</u>	<u>152,899</u>	<u>1,953</u>
Judicial				
Salaries	211,602	211,602	213,014	(1,412)
Benefits and payroll taxes	108,244	108,244	106,186	2,058
Contractual services and other	63,350	128,350	86,921	41,429
Total judicial	<u>383,196</u>	<u>448,196</u>	<u>406,121</u>	<u>42,075</u>
City administration				
Salaries	207,466	207,466	208,573	(1,107)
Benefits and payroll taxes	110,016	110,016	100,692	9,324
Memberships and publications	3,000	3,000	3,472	(472)
Supplies	16,800	16,800	8,600	8,200
Travel	1,500	1,500	675	825
Other	2,800	2,800	714	2,086
Total city administration	<u>341,582</u>	<u>341,582</u>	<u>322,726</u>	<u>18,856</u>
City recorder				
Salaries	162,999	162,999	138,703	24,296
Benefits and payroll taxes	98,890	98,890	85,021	13,869
Equipment rental	2,600	2,600	2,795	(195)
Memberships and publications	4,800	4,800	6,083	(1,283)
Professional services	7,500	7,500	24,082	(16,582)
Travel	17,600	17,600	25,347	(7,747)
Other	3,700	3,700	2,875	825
Total city recorder	<u>298,089</u>	<u>298,089</u>	<u>284,906</u>	<u>13,183</u>

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	Original	Final		
Expenditures				
General government				
Current				
Finance/Tax administration				
Salaries	215,037	278,037	275,615	2,422
Benefits and payroll taxes	249,717	249,717	237,539	12,178
Memberships, training, and publications	2,300	2,300	1,349	951
Professional services	135,500	193,500	191,603	1,897
Repairs and maintenance	35,000	35,000	37,905	(2,905)
Supplies	26,250	26,250	25,041	1,209
Bank charges	600	600	10,187	(9,587)
Other	150	150	23	127
Total finance/tax administration	<u>664,554</u>	<u>785,554</u>	<u>779,262</u>	<u>6,292</u>
Human resources				
Salaries	163,559	163,559	165,801	(2,242)
Benefits and payroll taxes	160,127	160,127	174,898	(14,771)
Memberships, training, and publications	37,000	37,000	47,980	(10,980)
Professional services	120,000	120,000	42,482	77,518
Repairs and maintenance	-	-	78,214	(78,214)
Supplies and other	35,600	35,600	44,639	(9,039)
Travel	5,700	5,700	10,093	(4,393)
Capital outlay	150,611	150,611	63,301	87,310
Total human resources	<u>672,597</u>	<u>672,597</u>	<u>627,408</u>	<u>45,189</u>
Engineering				
Salaries	120,729	120,729	133,840	(13,111)
Benefits and payroll taxes	168,390	168,390	156,962	11,428
Memberships, training, and publications	2,700	2,700	1,424	1,276
Professional services	10,000	10,000	1,418	8,582
Supplies	11,950	11,950	9,899	2,051
Travel	800	800	-	800
Other	8,300	8,300	10,820	(2,520)
Total engineering	<u>322,869</u>	<u>322,869</u>	<u>314,363</u>	<u>8,506</u>
Information technology				
Salaries	174,683	174,683	177,309	(2,626)
Benefits and payroll taxes	112,658	112,658	115,517	(2,859)
Memberships and publications	17,000	17,000	14,262	2,738
Repairs and maintenance	178,000	178,000	157,788	20,212
Supplies	54,020	167,020	49,693	117,327
Telephone	212,000	283,000	282,858	142
Other	1,250	1,250	450	800
Capital outlay	-	-	130,738	(130,738)
Total information technology	<u>749,611</u>	<u>933,611</u>	<u>928,615</u>	<u>4,996</u>

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	<u>Original</u>	<u>Final</u>		
Expenditures				
General government				
Current				
Codes administration				
Salaries	631,820	631,820	557,868	73,952
Benefits and payroll taxes	300,041	300,041	266,330	33,711
Grants and donations	26,100	26,100	27,336	(1,236)
Memberships, training, and publications	16,700	16,700	14,613	2,087
Professional services	15,000	15,000	21,625	(6,625)
Repairs and maintenance	49,000	49,000	91,803	(42,803)
Supplies	13,250	13,250	8,744	4,506
Utilities	6,650	6,650	5,778	872
Other	8,585	8,585	12,758	(4,173)
Total codes administration	<u>1,067,146</u>	<u>1,067,146</u>	<u>1,006,855</u>	<u>60,291</u>
Buildings and grounds maintenance				
Equipment rentals and pole fee	24,000	24,000	24,901	(901)
Health department	4,000	4,000	4,000	-
Insurance	435,000	552,000	577,598	(25,598)
Repairs and maintenance	30,000	30,000	16,960	13,040
Supplies	24,450	24,450	20,839	3,611
Utilities	30,800	30,800	25,015	5,785
Other	5,700	5,700	1,799	3,901
Grant to component unit for land	4,000,000	4,000,000	4,000,000	-
Capital outlay	<u>8,460,000</u>	<u>8,579,000</u>	<u>8,578,672</u>	<u>328</u>
Total buildings and grounds maintenance	<u>13,013,950</u>	<u>13,249,950</u>	<u>13,249,784</u>	<u>166</u>
Special project - census				
Other	<u>50,000</u>	<u>50,000</u>	<u>20,776</u>	<u>29,224</u>
Total general government expenditures	<u>17,709,946</u>	<u>18,324,446</u>	<u>18,093,715</u>	<u>230,731</u>

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	<u>Variance from final budget +/-</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Public safety				
Police				
Current				
Salaries	6,682,643	6,682,643	5,861,382	821,261
Benefits and payroll taxes	3,045,477	3,045,477	2,779,690	265,787
Communications	5,000	5,000	31,328	(26,328)
Equipment rental	31,100	31,100	26,961	4,139
K-9 operations	10,000	10,000	6,470	3,530
Memberships, training, and publications	47,000	47,000	61,828	(14,828)
Professional services	46,000	46,000	158,358	(112,358)
Repairs and maintenance	262,500	262,500	273,467	(10,967)
Supplies	1,044,700	1,044,700	1,054,168	(9,468)
Travel	17,000	17,000	49,286	(32,286)
Utilities	57,500	57,500	49,965	7,535
Other	20,000	20,000	12,616	7,384
Capital outlay	931,570	1,048,338	901,149	147,189
Total police	<u>12,200,490</u>	<u>12,317,258</u>	<u>11,266,668</u>	<u>1,050,590</u>
Fire protection and emergency services				
Current				
Salaries	4,317,176	4,317,176	3,969,070	348,106
Benefits and payroll taxes	2,137,905	2,137,905	1,912,841	225,064
Fire prevention program	53,800	53,800	50,200	3,600
Equipment rental	5,000	5,000	12,466	(7,466)
Memberships, training, and public relations	93,500	93,500	49,095	44,405
Professional services	38,000	38,000	1,810	36,190
Repairs and maintenance	136,500	136,500	225,419	(88,919)
Supplies	298,400	308,400	361,980	(53,580)
Utilities	41,050	41,050	38,111	2,939
Other	25,000	25,000	9,406	15,594
Capital outlay	11,460,500	11,556,100	9,172,267	2,383,833
Total fire protection and emergency services	<u>18,606,831</u>	<u>18,712,431</u>	<u>15,802,665</u>	<u>2,909,766</u>
Total public safety expenditures	<u>30,807,321</u>	<u>31,029,689</u>	<u>27,069,333</u>	<u>3,960,356</u>

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget +/-
	<u>Original</u>	<u>Final</u>		
Expenditures				
Highways and streets				
Roads and maintenance				
Current				
Salaries	441,918	441,918	357,003	84,915
Benefits and payroll taxes	288,235	288,235	259,466	28,769
Professional services	150,400	150,400	-	150,400
Repairs and maintenance	46,500	46,500	29,594	16,906
Supplies	92,000	92,000	128,384	(36,384)
Utilities	8,470	8,470	7,061	1,409
Other	350	350	-	350
Capital outlay	471,100	471,100	261,360	209,740
Total roads and maintenance	<u>1,498,973</u>	<u>1,498,973</u>	<u>1,042,868</u>	<u>456,105</u>
Fleet maintenance				
Current				
Salaries	175,911	175,911	185,157	(9,246)
Benefits and payroll taxes	101,157	101,157	91,261	9,896
Repairs and maintenance	221,200	291,200	302,114	(10,914)
Supplies and other	48,200	48,200	45,845	2,355
Total fleet maintenance	<u>546,468</u>	<u>616,468</u>	<u>624,377</u>	<u>(7,909)</u>
Total highways and streets expenditures	2,045,441	2,115,441	1,667,245	448,196
Health and welfare				
Culture and tourism				
Current				
Grants and contributions	54,259	54,259	54,259	-

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		Actual amounts	Variance from final budget + / (-)
	<u>Original</u>	<u>Final</u>		
Expenditures				
Health and welfare				
Economic development				
Current				
Salaries	373,764	373,764	362,508	11,256
Benefits and payroll taxes	168,229	168,229	158,780	9,449
Conference expenditures	15,000	15,000	20,755	(5,755)
Grants and contributions	49,000	49,000	49,836	(836)
Pageant and Christmas promotions	3,000	3,000	2,778	222
Professional services	88,500	88,500	94,206	(5,706)
Public relations, memberships, and recruitment	41,550	41,550	15,136	26,414
Supplies and repairs	4,680	4,680	6,439	(1,759)
Travel	36,400	36,400	25,676	10,724
Other	18,800	28,000	26,439	1,561
Capital outlay	-	-	-	-
Total economic development	<u>798,923</u>	<u>808,123</u>	<u>762,553</u>	<u>45,570</u>
Total health and welfare expenditures	853,182	862,382	816,812	45,570
Recreation				
Current				
Salaries	753,934	753,934	624,001	129,933
Benefits and payroll taxes	583,259	583,259	535,781	47,478
Equipment rental	5,000	5,000	3,250	1,750
Program and league expenditures	27,000	27,000	31,832	(4,832)
Professional services	1,000	1,000	65	935
Public relations and community events	31,700	31,700	48,939	(17,239)
Repairs and maintenance	112,000	112,000	78,967	33,033
Supplies	80,900	80,900	174,339	(93,439)
Utilities	75,900	75,900	56,021	19,879
Other	48,650	48,650	47,576	1,074
Capital outlay	<u>123,400</u>	<u>123,400</u>	<u>72,892</u>	<u>50,508</u>
Total recreation expenditures	1,842,743	1,842,743	1,673,663	169,080

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2024

	<u>Budgeted amounts</u>		<u>Actual amounts</u>	<u>Variance from final budget +/-</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Library				
Current				
Salaries	\$ 576,359	\$ 576,359	\$ 513,369	\$ 62,990
Benefits and payroll taxes	242,522	242,522	219,091	23,431
Books and materials	57,700	57,700	50,203	7,497
Childrens' programs	20,800	20,800	28,288	(7,488)
Equipment rental	12,000	12,000	13,066	(1,066)
Memberships and publications	11,350	11,350	12,901	(1,551)
Professional services	300	300	-	300
Repairs and maintenance	20,000	20,000	37,134	(17,134)
Supplies	42,700	42,700	35,593	7,107
Utilities	54,180	54,180	45,176	9,004
Other	-	-	26	(26)
Total library expenditures	<u>1,037,911</u>	<u>1,037,911</u>	<u>954,847</u>	<u>83,064</u>
Debt service				
Principal	1,708,838	1,708,838	1,708,838	-
Interest	<u>594,518</u>	<u>594,518</u>	<u>593,128</u>	<u>1,390</u>
Total debt service expenditures	<u>2,303,356</u>	<u>2,303,356</u>	<u>2,301,966</u>	<u>1,390</u>
Total expenditures	56,599,900	57,515,968	52,577,581	4,938,387
Excess of revenues over (under) expenditures	(24,693,936)	(25,598,004)	(15,606,808)	9,991,196
Other financing sources (uses)				
Insurance recoveries	20,000	20,000	212,877	192,877
Sale of general capital assets	6,000	6,000	93,725	87,725
Transfers out	<u>(6,464,538)</u>	<u>(6,464,538)</u>	<u>(464,538)</u>	<u>6,000,000</u>
Total other financing sources (uses)	<u>(6,438,538)</u>	<u>(6,438,538)</u>	<u>(157,936)</u>	<u>6,280,602</u>
Change in fund balance	(31,132,474)	(32,036,542)	(15,764,744)	16,271,798
Fund balance, beginning of year	<u>59,523,241</u>	<u>59,523,241</u>	<u>59,523,241</u>	<u>-</u>
Fund balance, end of year	\$ 28,390,767	\$ 27,486,699	\$ 43,758,497	\$ 16,271,798

City of La Vergne, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Fund
Assets		
Current assets		
Cash and cash equivalents	\$ 24,646,432	\$ 1,322,258
Receivables		
Utility customers/stop loss insurance, net	1,763,883	263,595
Due from other governments	305,165	-
Lease receivable	19,502	-
Inventory	908,873	-
Total current assets	27,643,855	1,585,853
Noncurrent assets		
Lease receivable	52,902	-
Property, plant, and equipment		
Land and improvements	1,344,493	-
Water storage rights	1,636,696	-
Water treatment plant	18,814,580	-
Structures and improvements	68,361,281	-
Operating equipment	8,700,651	-
Office furniture and equipment	429,253	-
Transportation equipment	1,165,661	-
Construction in progress	21,740,512	-
Less: accumulated depreciation	(48,233,712)	-
Total property, plant, and equipment, net	73,959,415	-
Total noncurrent assets	74,012,317	-
Total assets	101,656,172	1,585,853
Deferred Outflows of Resources	348,607	-

Continued

City of La Vergne, Tennessee
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Fund
Liabilities		
Current liabilities, payable from current assets		
Accounts payable	1,627,925	372,610
Accrued expenses	156,125	-
Interest payable	63,198	-
Contracts payable	593,375	-
Unearned grant revenue	2,109,033	-
Current maturities of long-term debt	1,190,000	-
Total current liabilities, payable from current assets	5,739,656	372,610
Current liabilities, payable from restricted assets		
Customer deposits	7,500	-
Total current liabilities	5,747,156	372,610
Noncurrent liabilities		
Long-term debt, net of current	9,701,176	-
Total noncurrent liabilities	9,701,176	-
Total liabilities	15,448,332	372,610
Deferred Inflows of Resources		
Leases	72,404	-
Net Position		
Net investment in capital assets	62,823,471	-
Unrestricted	23,660,572	1,213,243
Total net position	\$ 86,484,043	\$ 1,213,243
Adjustment to reflect consolidation of internal service fund activities related to enterprise fund	343,673	
Net position of business-type activities	\$ 86,827,716	

City of La Vergne, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Fund
Operating Revenues		
Water sales and related services, pledged as security on bonds	\$ 6,023,879	\$ -
Sewer service charges, pledged as security on bonds	7,649,141	-
Charges for services	-	5,993,528
Access charges	62,023	-
Fire service	65,409	-
Forfeited discounts	294,451	-
Other	141,097	-
Total operating revenues	14,236,000	5,993,528
Operating Expenses		
Medical claims paid and related items	-	4,290,740
Sewer treatment charges	2,150,680	-
Salaries	2,507,860	-
Benefits and payroll taxes	790,567	-
Depreciation	2,492,753	-
Insurance and insurance administrative fees	439,147	859,418
Maintenance and repairs	204,991	-
Office supplies and materials	64,910	-
Operating supplies	1,758,027	-
Plant operation contract service	1,766,945	-
Professional services	271,251	-
Telephone and utilities	586,568	-
Other	149,745	-
Total operating expenses	13,183,444	5,150,158
Operating income (loss)	1,052,556	843,370

Continued

City of La Vergne, Tennessee
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Fund
Nonoperating revenues (expenses)		
Interest income	370,326	14,207
Intergovernmental	4,734,884	-
Rent income	21,389	-
Insurance recoveries	23,896	-
Interest expense	(207,751)	-
Total nonoperating revenues (expenses)	4,942,744	14,207
 Change in net position, before contributions	 5,995,300	 857,577
Capital contributions, tap fees	876,317	-
Capital contributions, donated capital assets	2,630,215	-
Change in net position	9,501,832	857,577
 Net position, beginning of year	 76,982,211	 355,666
Net position, end of year	\$ 86,484,043	\$ 1,213,243
 Change in net position shown above	 \$ 9,501,832	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise fund	88,319	
Change in net position of business-type activities	\$ 9,590,151	

City of La Vergne, Tennessee
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
	Water and Sewer	
Cash flows from operating activities		
Receipts from customers	\$ 13,727,466	\$ -
Receipts from internal services provided	-	5,729,933
Payments to suppliers	(8,553,993)	(5,052,639)
Payments to employees	<u>(2,507,860)</u>	<u>-</u>
Net cash provided (used) by operating activities	2,665,613	677,294
Cash flows from capital and related financing activities		
Contributions from customers and others	876,317	-
Purchases of property, plant, and equipment	(10,532,241)	-
Cash from insurance recoveries	23,896	-
Principal paid on long-term debt	(1,205,000)	-
Interest paid on long-term debt	<u>(288,942)</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	(11,125,970)	-
Cash flows from investing activities		
Cash from rents received	21,389	-
Interest received on investments	<u>370,326</u>	<u>14,207</u>
Net cash provided (used) by investing activities	391,715	14,207
Net change in cash, cash equivalents, and restricted cash	(8,068,642)	691,501
Cash, cash equivalents, and restricted cash, beginning of year	<u>32,715,074</u>	<u>630,757</u>
Cash and cash equivalents, end of year	\$ 24,646,432	\$ 1,322,258

Continued

City of La Vergne, Tennessee
Statements of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-type Activities - Enterprise Fund Water and Sewer	Governmental Activities - Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	\$ 1,052,556	\$ 843,370
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation and amortization	2,492,753	-
Change in:		
Accounts receivable, net	(194,360)	(263,595)
Due from other governments	(305,165)	-
Inventory	(236,664)	-
Accounts payable	(143,011)	97,519
Accrued expenses	8,504	-
Customer deposits	(9,000)	-
Net cash provided (used) by operating activities	\$ 2,665,613	\$ 677,294
Supplemental disclosures of noncash capital and related financing activities		
Contributed water and sewer lines	\$ 2,630,215	\$ -
Capital assets acquired with contracts payable	\$ 593,375	\$ -
Liquidation of contracts payable for capital assets	\$ 259,195	\$ -
Amortization of bond premiums	\$ 112,377	\$ -
Amortization of deferred amounts on refundings	\$ 40,224	\$ -
Amortization of leases	\$ 19,322	\$ -

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Nature of Entity

The City of La Vergne, Tennessee (the City) was incorporated on February 1, 1972, under the Uniform City Manager-Commission charter. On May 10, 1988, the City, in a referendum election, approved the Mayor-Aldermanic charter, referenced in Tennessee Code Annotated (TCA) Section 6-1-101, that replaced the City Manager-Commission charter.

The City provides the following services as authorized by its charter: public safety, highways and streets, cultural and recreation, public improvements, planning and zoning, utilities (water and sewer), and general administrative services. The City also administers an insurance internal service fund for the benefit of its employees.

The financial statements of the City of La Vergne have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units in accordance with GASB Statement No. 14. The accompanying financial statements present the government and its component unit. Component units are entities for which the government is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is presented in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The following is a description of the discretely presented component unit.

The Industrial Development Board was created to undertake and discharge any and all purposes authorized under TCA Chapter 53 Title 7, including, without limitation, the responsibility to maintain and increase employment opportunities, support production of agricultural commodities, and increase housing availability by promoting industry, trade, commerce, tourism, recreation, agriculture, and housing construction. The Board consists of seven members, who are appointed by the Mayor and the Board of Aldermen. The Board is financially dependent on the City, since it has no financial resources to fund operations other than the support of the City.

Separate financial statements are not issued for the component unit. The component unit is a single fund component unit.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. At June 30, 2024, the City had no fiduciary activities.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Government-wide and Fund Financial Statements

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (i) charges to customers or applicants (including fines and fees) who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (ii) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, franchise taxes, state shared revenues, and interest associated with the current fiscal period are all considered to be eligible for accrual and so have been recognized as revenues of the current fiscal period using the criteria specified in the paragraph above. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The highways and streets fund is a capital projects fund that accounts for the financial resources to be used for the acquisition or construction of major government capital assets, improvements, or repairs related to the roads and related assets of the City.

The City reports the following major proprietary fund:

The water and sewer fund accounts for the water and wastewater services provided to customers of the system.

Additionally, the City reports the following fund type:

The internal service fund is used to account for costs associated with the employees' health insurance plan.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

As a general rule, the effects of interfund activity have been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's utilities and various other functions of the government, in which cases elimination of these charges would distort the direct costs and program revenues for the various functions reported.

Amounts reported as program revenues include (i) charges to customers or applicants (including fines and fees) for goods, services, or privileges provided, (ii) operating grants and contributions, and (iii) capital grants and contributions. General revenues include all taxes and internally dedicated resources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the various utility funds and medical benefit fund are charges to customers for sales and services. Operating expenses for enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates

The preparation of the City's financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments

The City is authorized to invest in US Treasury Bills, bonds, or notes and certificates of deposit in local state and federal chartered banks and savings and loan associations, as well as to participate in the Local Government Investment Pool administered by the State of Tennessee. The pool contains investments in certificates of deposit, US Treasury Securities, and Repurchase Agreements, backed by US Treasury Securities. The investment pool is administered by the Treasurer of the State of Tennessee. The City's policy, as required by state statutes, dictates that collateral meet certain requirements, such as being deposited in an institution which participates in the State Collateral Pool or deposited in an escrow account in another institution for the benefit of the City. Said collateral must be a minimum of 105% of the value of the deposits placed in the institutions, less the amount protected by the Federal Deposit Insurance Corporation (FDIC). The State Collateral Pool is also administered by the Treasurer of the State of Tennessee. Members of the pool may be required by agreement to pay an assessment to cover any deficiency. At June 30, 2024, all City cash deposits were in checking or passbook accounts at a local bank that participates in the State Collateral Pool.

Cash and cash equivalents consist of cash, savings accounts, and short-term certificates of deposit with an original maturity of three months or less. Due to liquidity, the City considers the funds deposited in the local government investment pool as a cash equivalent for financial statement and cash flow purposes. The fair value of the position in the investment pool is the same as the value of the pool shares.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Inventory and Prepaid Items

Inventory of proprietary funds (principally materials, supplies, and replacement parts) is valued at the lower of cost or net realizable value. Any inventories of governmental funds have been valued at cost using the FIFO method. Inventories of governmental funds are accounted for using the purchases method. On government-wide financial statements, inventories are expensed when used. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds.

All trade receivables and property tax receivables are shown net of an allowance for uncollectible amounts. The property tax receivable allowance is equal to 49% of the outstanding undeferred receivable balance.

Capital Assets

Capital assets, which include property, plant, equipment, permanent water storage rights, and infrastructure assets consisting of certain improvements other than buildings (including roads, bridges, streets and sidewalks, and drainage systems) are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of three years. All capital assets are valued at historical cost or estimated historical cost, if actual historical cost is not available. Gifts or contributions of capital assets, including intangible assets, are recorded at acquisition value when received. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the lives of the assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation has been provided over estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Infrastructure (roads, bridges)	40 years
Buildings and improvements	40 years
Distribution systems	40 years
Equipment	10 years
Furniture and fixtures	10 years
Automobiles and trucks	5 Years

Claims Payable

Medical insurance claims payable is classified as accounts payable and are recorded in accordance with GASB Statement No. 10.

Appropriations

Appropriations to other funds are accounted for as interfund transfers in the governmental fund statements and are eliminated in the government-wide statements. Transactions that constitute reimbursements to a fund for expenditures initially made from it, but that are properly applicable to another fund, are recorded as revenues in the fund being reimbursed and expenses in the fund providing the reimbursement.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Compensated Absences

City policy permits the accumulation, within certain limitations, of vacation and sick leave. Vacation leave may accumulate to a maximum of 240 hours. Sick leave accumulation is unlimited. No amount of sick days are vested in the event of employee termination.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee terminations or retirements. The compensated absence liabilities of governmental funds are generally liquidated by the general fund.

Leases

The City determines if an arrangement is or contains a lease at contract inception and recognizes an intangible right of use asset and a lease liability at the lease commencement date. Subsequently, the intangible right of use asset is amortized on a straight-line basis over its useful life. The City also enters into agreements, as lessor, to lease property, recognizing a lease receivable and a deferred inflow of resources. The lease term includes the noncancelable period of the lease plus an additional period covered by either an option to extend or not to terminate the lease that the lessee is reasonably certain to exercise, or an option to extend or not to terminate the lease controlled by the lessor. The City uses its estimated incremental borrowing rate as the discount rate for leases.

The City monitors for events or changes in circumstances that require a reassessment of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the intangible right of use asset.

Long-term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Bond and note premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Losses on refunding are reported as deferred outflows of resources and are amortized over the shorter period of the old or new debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued, and premiums received on debt issuance are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as current period costs in the year of issuance in all financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has one item which qualifies for reporting in this category. Deferred charges on refunding are reported in the government-wide financial statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The 'unavailable revenue' reported in the governmental funds balance sheet represents amounts that are deferred and that will be recognized as an inflow of resources in the periods that the amounts become available. The deferred inflows reported in the statement of net position consist primarily of assessed and unlevied property taxes and income taxes and arise from imposed nonexchange revenues (property taxes), which are assessed prior to the end of the year but levied in the subsequent year, and leases.

Equity Classification

In the government-wide financial statements, equity is shown as net position and is classified into three components:

Net investment in capital assets – Capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first and then unrestricted resources, as they are needed.

Unrestricted – All other net position that does not meet the definition of restricted or net investment in capital assets.

Fund Balance

Fund balance is reported in the fund financial statements under the following categories.

Nonspendable fund balance – represents amounts that are not in spendable form, such as inventories and prepaid items.

Restricted fund balance – is that portion of fund balance that can be spent only for the specific purposes stipulated by external resources or through enabling legislation.

Committed fund balance – includes amounts constrained for specific purposes as determined by formal action of the City, using its highest level of decision-making authority, i.e., an ordinance by the City Board. Conversely, to rescind or modify a fund balance commitment, action by the City Board is also required.

Assigned fund balance – amounts are intended to be used by the City for specific purposes but do not meet the criteria to be restricted or committed. Intent may be stipulated by the Board, by resolution. Appropriations of fund balance to eliminate projected budgetary deficits in the subsequent year's budget are presented as assignments of fund balance, if applicable.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 1. Summary of Significant Accounting Policies

Fund Balance

Unassigned fund balance – is the residual classification of the general fund. The general fund is the only fund that reports a positive unassigned fund balance; however, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

It is the City's policy to first use the restricted fund balance when an expenditure is incurred for purposes for which both restricted and unrestricted funds are available. The City's policy for the use of unrestricted fund balance amounts requires that committed amounts be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Property Tax

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the City's legal boundaries. Property taxes are secured by a statutory lien effective as of the original assessment date of January 1 and, as such, an enforceable legal claim to the subsequent fiscal year levy exists at year-end. Assessed values are established by the State of Tennessee at the following rates of assessed market value:

Industrial and commercial property	
Real property	40%
Personal property	30%
Public utility property	55%
Farm and residential property	25%

Taxes were levied at a rate of \$0.5363 and \$0.5363 per \$100 of assessed valuation for tax years 2023 and 2024, respectively. Payments may be made during the period from October 1 through February 28. Current tax collections of \$9,197,666 for the fiscal year ended June 30, 2024 were approximately 99% of the tax levy. Delinquent taxes past due for 14 months are turned over to the county clerk for collection.

Of the \$9,582,066 of property taxes receivable at June 30, 2024, \$9,285,000 represents the estimated net realizable 2024 property taxes, which will be assessed but not levied in the current fiscal year, and which are included in deferred inflows of resources. This receivable is reported in the balance sheet – governmental funds with offsetting deferred inflows of resources for the amounts not available at June 30, 2024. Amounts available at June 30, 2024 have been recorded as revenues in the governmental fund statements.

The amount included in other taxes receivable reported in the statements of \$147,191 is for beer, business, liquor, franchise, and hotel/motel taxes. There were no tax abatements requiring disclosure.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 2. Budget Compliance and Accountability

The City is required by state statute to adopt an annual budget. The City legally adopts budgets for all governmental funds. These budgets are prepared on the basis that current available funds must be sufficient to meet current expenditures. Expenditures may not legally exceed appropriations authorized by the Mayor and Board of Aldermen. The City's budgetary basis is consistent with GAAP. The legal level of budgetary control is at the department level. Any changes to departmental total budgets must be approved by the council.

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The City Administrator submits a proposed operating budget to the Mayor and Board of Aldermen for the fiscal year commencing July 1. The operating departmental budget establishes the budgetary level of control for the proposed expenditures as well as the means of financing them.
2. Public hearings are conducted at the City Hall to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance. In no event shall the total appropriations for any fund included in the budget exceed the estimated revenues and unappropriated fund balance.
4. Formal budgetary integration is employed as a management control device during the year for all governmental fund types.
5. Budgets are adopted on a basis generally consistent with GAAP. These budget appropriations lapse at the end of the fiscal year.

During the fiscal year, the General Fund original budget was amended by increasing budgeted expenditures by \$334,568 (0.59%). The primary amendments related to the general fund include \$113,000 in general government for supplies, \$116,768 in the police department for construction of buildings, \$95,600 in the fire department for construction of buildings, \$70,000 for highways and streets, and \$9,200 in economic development. The original budgets for the nonmajor governmental funds were increased by \$744,350, primarily related to police impact and drug equipment.

For the year ended June 30, 2024, expenditures exceeded appropriations in the general fund highway and streets fleet maintenance (legal level of budgetary control) by \$7,909

Note 3. Deposits and Investments

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy, as required by state statutes, requires deposits to be 105% secured by collateral (less the amount of FDIC insurance) or deposited in an institution that participates in the State Collateral Pool. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health and service. Collateral agreements must be approved prior to deposit of funds, as provided by law. The City approves and designates a list of authorized depository institutions based on evaluation of solicited responses and certifications provided by financial institutions and recommendations of City staff. At June 30, 2024, there were no amounts exposed to custodial credit risk.

Investments

At June 30, 2024, the City had no investments.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 4. Receivables

A summary of receivables is as follows:

	<u>Major governmental</u>	<u>Other governmental</u>	<u>Water and sewer</u>	<u>Internal service</u>	<u>Total</u>
Property tax	\$ 9,797,064	\$ -	\$ -	\$ -	\$ 9,797,064
Other taxes	147,191	-	-	-	147,191
Customer and other	-	115,131	1,871,531	263,595	2,250,257
Other governments	3,836,075	478,361	305,165	-	4,619,601
Less: allowance	<u>(215,000)</u>	<u>-</u>	<u>(107,648)</u>	<u>-</u>	<u>(322,648)</u>
	\$13,565,330	\$ 593,492	\$2,069,048	\$ 263,595	\$16,491,465

Note 5. Interfund Balances and Transactions

Interfund receivables and payables are attributable to obligations for operating transfers between funds. At June 30, 2024, there were no interfund balances; however, the consolidation of the internal service fund resulted in internal balances of \$343,673 for the government-wide financial statements.

Interfund transfers for the year ended June 30, 2024 are attributable to the budgeted allocation of resources from one fund to another and consist of the following:

	<u>Transfers in</u>				<u>Total</u>
	<u>Drug enforcement</u>	<u>Senior citizens</u>	<u>Parks and recreation improvement</u>	<u>Water and sewer</u>	
Transfers out					
General	\$ 30,000	\$ 174,538	\$ 260,000	\$ -	\$ 464,538

Transfers from the general fund to the drug enforcement, senior citizens, and parks and recreation improvement funds were made to supplement the general operations of these funds. The transfer from the general fund to the water and sewer fund was made to allocate proceeds from the sale of the public works building for the acquisition and construction of a new water and sewer building.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 6. Capital Assets

Governmental Activities

Capital assets activity for the year was as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases and transfers</u>	<u>Ending balance</u>
Capital assets not being depreciated				
Land and right of way	\$ 8,066,554	\$ -	\$ -	\$ 8,066,554
Construction in progress	<u>9,181,035</u>	<u>19,463,647</u>	<u>(3,421,862)</u>	<u>25,222,820</u>
	17,247,589	19,463,647	(3,421,862)	33,289,374
Capital assets being depreciated				
Buildings	9,191,069	25,541	-	9,216,610
Improvements	10,222,641	324,914	2,348,277	12,895,832
Equipment	24,144,381	2,291,276	935,661	27,371,318
Right-to-use leased equipment	216,764	-	-	216,764
Infrastructure	<u>79,980,616</u>	<u>2,706,221</u>	<u>-</u>	<u>82,686,837</u>
	123,755,471	5,347,952	3,283,938	132,387,361
Less: accumulated depreciation				
Buildings	(4,301,037)	(228,660)	-	(4,529,697)
Improvements	(4,453,678)	(310,876)	-	(4,764,554)
Equipment	(18,213,951)	(1,958,003)	114,488	(20,057,466)
Right-to-use lease assets	(133,561)	(33,526)	-	(167,087)
Infrastructure	<u>(39,823,821)</u>	<u>(1,769,510)</u>	<u>-</u>	<u>(41,593,331)</u>
	(66,926,048)	(4,300,575)	114,488	(71,112,135)
Governmental activities capital assets, net	\$ 74,077,012	\$ 20,511,024	\$ (23,436)	\$ 94,564,600

Depreciation expense was charged to the function/programs of the primary government as follows:

General government	\$ 240,435
Public safety	
Police	939,965
Fire	640,958
Highways and streets	1,919,815
Stormwater	98,254
Health and welfare	3,451
Recreation	334,871
Library	<u>89,300</u>
Total governmental activities depreciation expense	\$ 4,267,049

Current year additions included \$2,706,221 of donated improvements from developers.

Right-to-use lease assets are summarized below:

Right-to-use lease assets	\$ 216,764
Less: accumulated amortization	<u>(167,087)</u>
Right-to-use lease assets, net	\$ 49,677

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 6. Capital Assets

Governmental Activities

Amortization expense for the year was charged to the general government function in the amount of \$45,064.

Business-type Activities

Capital assets activity for the water and sewer enterprise fund for the year was as follows:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases and transfers</u>	<u>Ending balance</u>
Capital assets not being depreciated				
Land	\$ 1,344,493	\$ -	\$ -	\$ 1,344,493
Water storage rights	1,636,696	-	-	1,636,696
Construction in progress	<u>13,235,881</u>	<u>10,958,587</u>	<u>(2,453,956)</u>	<u>21,740,512</u>
	16,217,070	10,958,587	(2,453,956)	24,721,701
Capital assets being depreciated				
Utility plant and buildings	82,091,690	2,630,215	2,453,956	87,175,861
Machinery and equipment	<u>9,990,152</u>	<u>306,810</u>	<u>(1,397)</u>	<u>10,295,565</u>
	92,081,842	2,937,025	2,452,559	97,471,426
Less: accumulated depreciation				
Utility plant and buildings	(38,363,710)	(2,053,232)	-	(40,416,942)
Machinery and equipment	<u>(7,378,646)</u>	<u>(439,521)</u>	<u>1,397</u>	<u>(7,816,770)</u>
	(45,742,356)	(2,492,753)	1,397	(48,233,712)
Business-type activities capital assets, net	\$ 62,556,556	\$ 11,402,859	\$ -	\$ 73,959,415

Depreciation expense amounted to \$2,492,753. Current year additions included \$2,630,215 of donated water and sewer lines.

Note 7. Leases

Lessor

The City, as lessor, leases cell towers under noncancelable lease arrangements. Terms of the leases range from 2 to 20 years and contain fixed payment terms. Certain leases contain an option to renew that has been considered in the lease receivable when the lessee is reasonably certain to exercise the renewal option. The City recognized lease revenue, which is included in other operating revenues, of \$35,276 in 2024. Total lease receivables were \$310,235 (\$35,589 current) as of June 30, 2024.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 7. **Leases**

Lessor

Principal and interest requirements on these leases are as follows:

Years ended June 30,	<u>Principal</u>	<u>Interest</u>	Total
2025	\$ 35,589	\$ 2,503	\$ 38,092
2026	35,906	2,187	38,093
2027	36,224	1,868	38,092
2028	29,843	1,554	31,397
2029	16,630	1,370	18,000
2030-2034	85,251	4,749	90,000
2035-2038	<u>70,793</u>	<u>1,207</u>	<u>72,000</u>
Total	\$ 310,236	\$ 15,438	\$ 325,674

Lessee

The City leases certain office equipment under noncancelable lease arrangements. Terms of the leases range from 3 to 5 years and contain fixed payment terms. Certain leases contain the option for renewal, which has been considered in the lease liability when the City is reasonably certain to exercise the renewal option.

Principal and interest requirements on these leases are as follows:

Years ended June 30,	<u>Principal</u>	<u>Interest</u>	Total
2025	\$ 27,810	\$ -	\$ 27,810
2026	17,100	-	17,100
2027	<u>4,900</u>	<u>-</u>	<u>4,900</u>
Total	\$ 49,810	\$ -	\$ 49,810

The assets acquired through the leases are included in capital assets and are as follows:

Communication equipment	\$ 216,764
Less: accumulated amortization	<u>(167,087)</u>
	\$ 49,677

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 8. Long-term Debt and Other Obligations

The government issues general obligation bonds and notes, and enters into financed purchases, for the acquisition and construction of major capital facilities for general government purposes. These bonds, notes, and financed purchases are paid from the general fund and certain capital project funds with general government resources.

The government also issues bonds in situations in which the government pledges income derived from the acquired or constructed assets to pay debt service. These bonds relate to the water and sewer enterprise fund. Should water and sewer revenues be insufficient to pay the debt service, the debt is payable from the taxing authority of the City.

The following is a summary of changes in long-term liabilities for the year:

	<u>Beginning balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental Activities					
General obligation bonds	\$ 20,395,000	\$ -	\$ (1,715,000)	\$ 18,680,000	\$ 1,215,000
Unamortized premiums	<u>1,181,666</u>	<u>-</u>	<u>(150,933)</u>	<u>1,030,733</u>	<u>-</u>
	21,576,666	-	(1,865,933)	19,710,733	1,215,000
Leases	83,316	-	(33,506)	49,810	27,810
Financed purchases	63,838	-	(63,838)	-	-
Compensated absences	<u>860,491</u>	<u>700,968</u>	<u>(740,459)</u>	<u>821,000</u>	<u>821,000</u>
Total governmental activities	\$ 22,584,311	\$ 700,968	\$ (2,703,736)	\$ 20,581,543	\$ 2,063,810
Business-type Activities					
Revenue and tax bonds	\$ 11,690,000	\$ -	\$ (1,205,000)	\$ 10,485,000	\$ 1,190,000
Unamortized premiums	<u>518,553</u>	<u>-</u>	<u>(112,377)</u>	<u>406,176</u>	<u>-</u>
Total business-type activities	\$ 12,208,553	\$ -	\$ (1,317,377)	\$ 10,891,176	\$ 1,190,000
Compensated absences*	\$ 67,552	\$ 74,935	\$ (71,780)	\$ 70,707	\$ 70,707

*Included in accrued liabilities

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 8. Long-term Debt and Other Obligations

Long-term debt payable is comprised of the following:

Governmental Activities

2014 General Obligation Public Improvement and Refunding Bonds (\$2,630,000), due in annual installments through April 2025. Interest accrues at 2.00% to 3.00%. \$ 290,000

2015 General Obligation Public Improvement Bonds (\$5,420,000), due in annual installments through April 2035. Interest accrues at 2.00% to 3.25%. 3,360,000

2021 General Obligation Public Improvement Bonds (\$16,250,000), due in annual installments through April 2041. Interest accrues at 2.00% to 5.00%. 15,030,000

Total governmental activities **\$ 18,680,000**

Business-type Activities

2021 Water and Sewer Revenue and Tax Refunding Bonds (\$11,840,000), due in annual installments through April 2033. Interest accrues at 1.45% to 3.00%. \$ 10,485,000

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 8. Long-term Debt and Other Obligations

The annual requirements to amortize all bonds outstanding, including interest payments, are as follows:

Years ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 1,215,000	\$ 426,150	\$ 1,190,000	\$ 252,793
2026	965,000	393,400	1,245,000	217,093
2027	1,000,000	358,900	1,245,000	179,743
2028	1,045,000	322,900	1,220,000	142,393
2029	1,090,000	284,900	1,190,000	105,793
2030 – 2034	6,015,000	994,650	4,395,000	177,081
2035 – 2039	5,250,000	508,000	-	-
2040 – 2041	<u>2,100,000</u>	<u>63,200</u>	<u>-</u>	<u>-</u>
	\$ 18,680,000	\$ 3,352,100	\$ 10,485,000	\$ 1,074,896

Advance Refundings

Total defeased debt amounts to \$10,485,000.

Debt Coverage

The water and sewer revenue and tax refunding and public improvement bonds do not require specific debt coverage ratios.

Other

The City's outstanding bonds payable contain provisions stating that, in the event of default, outstanding amounts are to become immediately due if the City is unable to make payment. At June 30, 2024, there were no unused lines of credit. The governmental activities general obligation bonds are secured by the full taxing authority of the City. The business-type activities revenue and tax refunding and public improvement bonds are secured by the user fees of the system as well as the taxing authority of the City.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 9. Deferred Outflows of Resources and Deferred Inflows of Resources

The various components of deferred outflows of resources and deferred inflows of resources were as follows:

	Government- wide
Deferred outflows of resources	
Deferred charge on refunding	\$ 349,376
Deferred inflows of resources	
Property taxes, 2024 assessed and unlevied	\$ 9,285,000
Leases	<u>310,236</u>
	\$ 9,595,236

In the fund statements, deferred outflows of resources consist of deferred amounts on refunding. The deferred inflows of resources of \$9,892,300 consist of unlevied property taxes of \$9,285,000, delinquent property taxes of \$297,064, and leases of \$310,236.

Note 10. Defined Contribution Pension Plan and Deferred Compensation Plan

The City offers its employees two defined contribution and salary reduction plan, created in accordance with IRC Sections 401(a) and 457, known as the City of La Vergne Plans. Participation in the plans is mandatory for the 401(a) plan and optional for the 457 plan and is available to full-time employees upon employment. The plans allow employees to defer a portion of their salaries to future years. The plans may be amended or terminated by action of the City's Board; however, no termination or amendment shall affect the rights of participants' credited benefits, or their rights to receive benefits. The plans provide that all assets and all income attributable to those assets are solely the property of the respective employees and, accordingly, are not reported as City assets. Employer contributions are immediately vested with no forfeitures provision. The plans are held in trusts and administered by the City. Separate financial statements are not available for the plans.

The City has determined that none of its defined contribution pension plans are fiduciary component units or fiduciary activities of the government and are not included as a fiduciary fund in another government's report.

Deferred Compensation Plan (City of La Vergne 457 Deferred Compensation Plan)

Monthly contributions are optional up to IRC regulated amounts. The City matches 50% of employee contributions up to 3.5% of compensation. Employee benefits are available upon any of the following events: separation from service, death, attainment of age 70 ½, and emergency withdrawals as defined by the IRC. Total contributions by employees were \$558,887.

Defined Contribution Plan (City of La Vergne 401(a) Money Purchase Plan)

Monthly contributions of 1% of compensation are mandatory and a 4.5% contribution is made by the City. Employee benefits are available after separation of service or after age 70 ½. The plan also allows loans from an employee's plan balance. Benefits of a defined contribution plan depend solely on amounts contributed to the plan, plus investments earnings.

The City's total payroll in fiscal year 2024 was \$18,559,174. The City's contributions were calculated using the base salary amount of \$15,630,497. The contributions to the plan by the City for the year ended June 30, 2024 were \$702,703 (4.5% of covered payroll) and total contributions by employees were \$156,305 (1% of covered payroll).

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 11. Commitments and Contingencies

Litigation

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting business. Some of these matters will be covered by the City's insurance programs, should unfavorable outcomes materialize. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact to the City.

Contractual Agreements

The City is under contract with the Metropolitan Government of Nashville and Davidson County, Tennessee (Metro Nashville) to provide sewer treatment services for its customers. The City paid \$2,150,680 under the contract for 2024. The contract is through October 2024.

The City has a contract with an engineering company to provide for operating services of the water treatment plant. The contract provides for a monthly charge, plus an amount for excess maintenance. The contract is through October 2027 and, during fiscal 2024, the City paid \$1,766,945 under the contract. The fiscal year 2024 annual base amount is \$1,139,488.

Construction Contracts

The City's construction contracts at June 30, 2024 totaled \$58,011,942 and were approximately 63% complete.

Grant Programs

The City participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The City is potentially liable for any expenditures which may be disallowed pursuant to the terms of these grant programs.

Contingencies

The City previously participated in the Local Government Insurance Cooperative (LOGIC), a public entity risk pool that operated as a common risk management and workers' compensation insurance program for approximately 100 governmental entities. LOGIC was self-sustaining through member premiums and also obtained specific excess and aggregate excess coverage through a commercial insurance company. The City has learned that the commercial insurance company is in bankruptcy, and, as a result, the City may be assessed by LOGIC to help cover claims incurred during the City's participation. All known assessments have been accrued. The City does not believe, based on current information, that any potential future assessments would be material to the City's financial statements.

City of La Vergne, Tennessee
Notes to Financial Statements
For the Year Ended June 30, 2024

Note 12. Risk Management

The City has chosen to establish the self-insured medical insurance internal service fund for risks associated with the employees' health insurance plan. The fund is accounted for as an internal service fund, in which assets are set aside for claim settlements. The City retains the risk of loss to a limit of \$85,000 per employee. The City has obtained a stop loss commercial insurance policy to cover claims beyond this liability. All full-time employees of the City are eligible to participate. A premium charge is allocated to each fund that accounts for full-time employees. This charge is based on estimates made by an outside insurance consultant of the amounts needed to pay prior and current year claims and to establish an amount for catastrophic losses. Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. The fund establishes claims liabilities based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The process used to compute claims liabilities does not necessarily result in an exact amount. For the government-wide statements, the activity and the assets and liabilities of this fund have been allocated to the participating funds.

Changes in the balance of claims liabilities during the previous two fiscal years are as follows:

	Liability at beginning of fiscal year	Claims	Changes in estimates	Claim payments	Ending balance
2022-2023	\$ 312,599	\$ 5,147,827	\$ -	\$ (5,185,335)	\$ 275,091
2023-2024	275,091	4,290,740	-	(4,193,221)	372,610

The City is exposed to various other risks and losses. The City deemed it was more economically feasible to participate in a public entity risk pool than to purchase commercial insurance for general liability, property and casualty, and workers' compensation coverage. The City participates in the Public Entity Partners, which is a public entity risk pool established by the Tennessee Municipal League, an association of member Cities. The City pays an annual premium to the PEP for its general liability, property and casualty, and workers' compensation insurance coverage. The creation of the pool provides for it to be self-sustaining through member premiums. The pool reinsures through commercial insurance companies for claims in excess of certain amounts for each insured event. Settled claims from these losses have not exceeded insurance coverage in any of the past three fiscal years.

Note 13. Grant to Component Unit

During the year, the City granted \$4,000,000 to the Industrial Development Board, a component unit, for the acquisition of land.

Note 14. Subsequent Events

Management has evaluated subsequent events through December 7, 2024, the date on which the financial statements were available for issuance.

**Combining and Individual Nonmajor
Fund Financial Statements and Schedules**

Nonmajor Governmental Funds

State street aid fund accounts for the state shared gasoline taxes and the usage of these monies for street maintenance.

Drug enforcement fund accounts for drug fines and grants received and the usage of those monies to further drug education and investigations.

Stormwater fund accounts for fees collected specifically to provide funds to address stormwater run-off.

Senior citizens fund accounts for grant revenues and expenditures related to the operation of the senior citizens center.

Police impact fee fund accounts for fees collected specifically to provide funds for public safety capital items.

Parks and recreation improvement fund accounts for revenues, primarily impact fees, and expenditures associated with the construction and improvement of parks and recreational facilities.

Fire impact fee fund accounts for fees collected specifically to provide funds for fire protection capital items.

City of La Vergne, Tennessee
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue				Capital Projects			Total
	State Street Aid	Drug Enforcement	Stormwater	Senior Citizens	Police Impact Fee	Parks and Recreation Improvement	Fire Impact Fee	
Assets								
Cash in bank	\$ 1,513,830	\$ 1,209,180	\$ 3,011,949	\$ 221,343	\$ 623,207	\$ 1,151,626	\$ 149,921	\$ 7,881,056
Accounts receivable	-	-	115,131	-	-	-	-	115,131
Due from other governments	236,688	1,746	-	-	239,927	-	-	478,361
Total assets	\$ 1,750,518	\$ 1,210,926	\$ 3,127,080	\$ 221,343	\$ 863,134	\$ 1,151,626	\$ 149,921	\$ 8,474,548
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 18,412	\$ 31,640	\$ 11,987	\$ 645	\$ -	\$ -	\$ -	\$ 62,684
Accrued liabilities	-	33,202	9,218	-	-	-	-	42,420
Unearned revenues	-	-	-	9,000	-	-	-	9,000
Total liabilities	18,412	64,842	21,205	9,645	-	-	-	114,104
Fund balances								
Restricted	1,732,106	1,146,084	3,105,875	211,698	863,134	1,151,626	149,921	8,360,444
Total liabilities and fund balances	\$ 1,750,518	\$ 1,210,926	\$ 3,127,080	\$ 221,343	\$ 863,134	\$ 1,151,626	\$ 149,921	\$ 8,474,548

City of La Vergne, Tennessee
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue				Capital Projects			Total
	State Street Aid	Drug Enforcement	Stormwater	Senior Citizens	Police Impact Fee	Parks and Recreation Improvement	Fire Impact Fee	
Revenues								
Intergovernmental								
State gasoline and motor fuel taxes	\$ 1,354,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,354,110
Grants and impact fees	-	134,090	-	70,420	405,148	-	64,217	673,875
Total intergovernmental	<u>1,354,110</u>	<u>134,090</u>	<u>-</u>	<u>70,420</u>	<u>405,148</u>	<u>-</u>	<u>64,217</u>	<u>2,027,985</u>
Fines, forfeitures, and seizures	-	66,065	-	-	-	-	-	66,065
Licenses and permits	-	-	1,425,851	-	-	265,185	-	1,691,036
Uses of money and property								
Interest	28,396	21,629	76,486	2,944	12,083	15,260	-	156,798
Program revenues	-	-	-	607	-	-	-	607
Total uses of money and property	<u>28,396</u>	<u>21,629</u>	<u>76,486</u>	<u>3,551</u>	<u>12,083</u>	<u>15,260</u>	<u>-</u>	<u>157,405</u>
Other revenues and contributions	-	-	(376)	1,212	-	6,434	-	7,270
Total revenues	<u>1,382,506</u>	<u>221,784</u>	<u>1,501,961</u>	<u>75,183</u>	<u>417,231</u>	<u>286,879</u>	<u>64,217</u>	<u>3,949,761</u>
Expenditures								
Current								
Public safety								
Police protection	-	372,635	-	-	934	-	-	373,569
Fire protection	-	-	-	-	-	-	79,602	79,602
Highways and streets	1,218,925	-	-	-	-	-	-	1,218,925
Health and welfare	-	-	-	223,107	-	-	-	223,107
Recreation	-	-	-	-	-	2,981	-	2,981
Stormwater	-	-	1,338,817	-	-	-	-	1,338,817
Total current	<u>1,218,925</u>	<u>372,635</u>	<u>1,338,817</u>	<u>223,107</u>	<u>934</u>	<u>2,981</u>	<u>79,602</u>	<u>3,237,001</u>
Capital outlay	-	-	1,619,153	-	239,927	74,543	-	1,933,623
Debt service	73,388	-	-	-	-	-	-	73,388
Total expenditures	<u>1,292,313</u>	<u>372,635</u>	<u>2,957,970</u>	<u>223,107</u>	<u>240,861</u>	<u>77,524</u>	<u>79,602</u>	<u>5,244,012</u>
Excess (deficiency) of revenues over expenditures	90,193	(150,851)	(1,456,009)	(147,924)	176,370	209,355	(15,385)	(1,294,251)
Other financing sources (uses)								
Transfers in (out)	-	30,000	-	174,538	-	260,000	-	464,538
Other income	8,017	-	-	-	-	-	-	8,017
Insurance recoveries	<u>33,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,892</u>
Net change in fund balance	132,102	(120,851)	(1,456,009)	26,614	176,370	469,355	(15,385)	(787,804)
Fund balance, beginning of year	<u>1,600,004</u>	<u>1,266,935</u>	<u>4,561,884</u>	<u>185,084</u>	<u>686,764</u>	<u>682,271</u>	<u>165,306</u>	<u>9,148,248</u>
Fund balance, end of year	\$ 1,732,106	\$ 1,146,084	\$ 3,105,875	\$ 211,698	\$ 863,134	\$ 1,151,626	\$ 149,921	\$ 8,360,444

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
State Street Aid
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget +/-
	Original	Final		
Revenues				
Intergovernmental				
Gasoline and motor fuel tax	\$ 1,350,000	\$ 1,350,000	\$ 694,708	\$ (655,292)
Gas 3-cent tax	-	-	200,546	200,546
Gas 1989 tax	-	-	108,609	108,609
Gas 2017 tax	-	-	350,247	350,247
Uses of money and property				
Interest	200	200	28,396	28,196
Total revenues	1,350,200	1,350,200	1,382,506	32,306
Expenditures				
Current				
Lighting	325,000	325,000	153,090	171,910
Professional services	-	-	6,439	(6,439)
Street maintenance and repairs	900,700	900,700	1,059,396	(158,696)
Total current	1,225,700	1,225,700	1,218,925	6,775
Debt service				
Principal	70,000	70,000	70,000	-
Interest	3,388	3,388	3,388	-
Total debt service	73,388	73,388	73,388	-
Total expenditures	1,299,088	1,299,088	1,292,313	6,775
Excess (deficiency) of revenues over expenditures	51,112	51,112	90,193	39,081
Other financing sources (uses)				
Other income	-	-	8,017	8,017
Insurance recoveries	-	-	33,892	33,892
Total other financing sources (uses)	-	-	41,909	41,909
Net change in fund balance	51,112	51,112	132,102	80,990
Fund balance, beginning of year	1,600,004	1,600,004	1,600,004	-
Fund balance, end of year	\$ 1,651,116	\$ 1,651,116	\$ 1,732,106	\$ 80,990

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Drug Enforcement
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget +/-
	Original	Final		
Revenues				
Intergovernmental				
Grants	\$ 30,000	\$ 30,000	\$ 134,090	\$ 104,090
Fines, forfeitures, and seizures	50,200	50,200	66,065	15,865
Uses of money and property				
Interest	<u>80</u>	<u>80</u>	<u>21,629</u>	<u>21,549</u>
Total revenues	80,280	80,280	221,784	141,504
Expenditures				
Current				
DARE program	10,000	10,000	-	10,000
Drug enforcement supplies	54,130	413,480	341,401	72,079
Investigative operations	1,000	1,000	-	1,000
Repairs and maintenance	1,000	1,000	23,415	(22,415)
Training and travel	<u>22,000</u>	<u>22,000</u>	<u>7,819</u>	<u>14,181</u>
Total expenditures	88,130	447,480	372,635	74,845
Excess (deficiency) of revenues over expenditures	(7,850)	(367,200)	(150,851)	216,349
Other financing sources (uses)				
Transfers in (out)	30,000	30,000	30,000	-
Net change in fund balance	22,150	(337,200)	(120,851)	216,349
Fund balance, beginning of year	<u>1,266,935</u>	<u>1,266,935</u>	<u>1,266,935</u>	<u>-</u>
Fund balance, end of year	\$ 1,289,085	\$ 929,735	\$ 1,146,084	\$ 216,349

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Stormwater
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget +/-
	Original	Final		
Revenues				
Licenses, permits, and fees	\$ 1,380,000	\$ 1,380,000	\$ 1,425,851	\$ 45,851
Uses of money and property				
Interest	450	450	76,486	76,036
Total uses of money and property	1,380,450	1,380,450	1,502,337	121,887
Other revenues, contributions	-	-	(376)	(376)
Total revenues	1,380,450	1,380,450	1,501,961	121,511
Expenditures				
Current				
Salaries and wages	799,735	799,735	800,819	(1,084)
Benefits	256,861	256,861	228,125	28,736
Insurance	92,000	92,000	109,680	(17,680)
Professional services	55,200	55,200	9,329	45,871
Repairs and maintenance	91,000	91,000	97,418	(6,418)
Supplies	73,450	73,450	48,420	25,030
Other	39,420	39,420	45,026	(5,606)
Total current	1,407,666	1,407,666	1,338,817	68,849
Capital outlay	4,550,000	4,550,000	1,619,153	2,930,847
Total expenditures	5,957,666	5,957,666	2,957,970	2,999,696
Excess (deficiency) of revenues over expenditures	(4,577,216)	(4,577,216)	(1,456,009)	3,121,207
Fund balance, beginning of year	4,561,884	4,561,884	4,561,884	-
Fund balance, end of year	\$ (15,332)	\$ (15,332)	\$ 3,105,875	\$ 3,121,207

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Senior Citizens
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget +/-
	Original	Final		
Revenues				
Intergovernmental				
Grants and impact fees	\$ 73,000	\$ 73,000	\$ 70,420	\$ (2,580)
Uses of money and property				
Charges for services	3,000	3,000	607	(2,393)
Interest	25	25	2,944	2,919
Total uses of money and property	3,025	3,025	3,551	526
Other revenues, contributions	3,350	3,350	1,212	(2,138)
Total revenues	<u>79,375</u>	<u>79,375</u>	<u>75,183</u>	<u>(4,192)</u>
Expenditures				
Current				
Salaries	174,538	174,538	144,530	30,008
Program expenditures	11,000	11,000	4,352	6,648
Repairs and maintenance	6,700	6,700	3,195	3,505
Supplies	23,300	23,300	18,834	4,466
Travel	2,900	2,900	2,851	49
Utilities	14,150	14,150	11,011	3,139
Other	-	-	38,334	(38,334)
Total current	<u>232,588</u>	<u>232,588</u>	<u>223,107</u>	<u>9,481</u>
Capital outlay	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Total expenditures	267,588	267,588	223,107	44,481
Excess (deficiency) of revenues over expenditures	(188,213)	(188,213)	(147,924)	40,289
Other financing sources (uses)				
Transfers from General Fund	<u>174,538</u>	<u>174,538</u>	<u>174,538</u>	<u>-</u>
Total other financing sources (uses)	174,538	174,538	174,538	-
Net change in fund balance	(13,675)	(13,675)	26,614	40,289
Fund balance, beginning of year	<u>185,084</u>	<u>185,084</u>	<u>185,084</u>	<u>-</u>
Fund balance, end of year	\$ 171,409	\$ 171,409	\$ 211,698	\$ 40,289

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Police Impact Fee
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget + / (-)
	Original	Final		
Revenues				
Intergovernmental				
Grants and impact fees	\$ 100,000	\$ 100,000	\$ 405,148	\$ 305,148
Uses of money and property				
Interest	<u>40</u>	<u>40</u>	<u>12,083</u>	<u>12,043</u>
Total revenues	100,040	100,040	417,231	317,191
Expenditures				
Current				
Supplies and repairs	400	400	934	(534)
Capital outlay	<u>-</u>	<u>342,000</u>	<u>239,927</u>	<u>102,073</u>
Total expenditures	400	342,400	240,861	101,539
Excess (deficiency) of revenues over expenditures	99,640	(242,360)	176,370	418,730
Fund balance, beginning of year	<u>686,764</u>	<u>686,764</u>	<u>686,764</u>	<u>-</u>
Fund balance, end of year	\$ 786,404	\$ 444,404	\$ 863,134	\$ 418,730

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Parks and Recreation Improvement
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget +/-
	Original	Final		
Revenues				
Licenses and permits	\$ 75,000	\$ 75,000	\$ 265,185	\$ 190,185
Uses of money and property				
Interest	-	-	15,260	15,260
Contributions	14,682	14,682	6,434	(8,248)
Total revenues	89,682	89,682	286,879	197,197
Expenditures				
Current				
Program costs	700	700	1,282	(582)
Professional services	-	-	1,699	(1,699)
Total current	700	700	2,981	(2,281)
Capital outlay	526,725	526,725	74,543	452,182
Total expenditures	527,425	527,425	77,524	449,901
Excess (deficiency) of revenues over expenditures	(437,743)	(437,743)	209,355	647,098
Other financing sources (uses)				
Transfers from General Fund	260,000	260,000	260,000	-
Net change in fund balance	(177,743)	(177,743)	469,355	647,098
Fund balance, beginning of year	682,271	682,271	682,271	-
Fund balance, end of year	\$ 504,528	\$ 504,528	\$ 1,151,626	\$ 647,098

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual - Nonmajor Governmental Funds
Fire Impact Fee
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget +/-
	Original	Final		
Revenues				
Intergovernmental				
Grants and impact fees	\$ 50,000	\$ 50,000	\$ 64,217	\$ 14,217
Uses of money and property				
Interest	50	50	-	(50)
Miscellaneous	67,800	67,800	-	(67,800)
Total revenues	117,850	117,850	64,217	(53,633)
Expenditures				
Current				
Other costs	108,100	108,100	79,602	28,498
Capital outlay	-	-	-	-
Total expenditures	108,100	108,100	79,602	28,498
Excess (deficiency) of revenues over expenditures	9,750	9,750	(15,385)	(25,135)
Fund balance, beginning of year	165,306	165,306	165,306	-
Fund balance, end of year	\$ 175,056	\$ 175,056	\$ 149,921	\$ (25,135)

City of La Vergne, Tennessee
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Highways and Streets
For the Year Ended June 30, 2024

	Budgeted amounts		Actual amounts	Variance with final budget + / (-)
	Original	Final		
Revenues				
Licenses, permits, and fees	\$ 892,634	\$ 892,634	\$ 1,841,427	\$ 948,793
Intergovernmental Grants	-	-	177,492	177,492
Uses of money and property Interest	300	300	58,346	58,046
Total uses of money and property	892,934	892,934	2,077,265	(1,184,331)
Other revenues, contributions	-	-	-	-
Total revenues	892,934	892,934	2,077,265	1,184,331
Expenditures				
Current				
Repairs and maintenance	800	800	2,804	(2,004)
Capital outlay	9,646,252	9,646,252	953,290	8,692,962
Total expenditures	9,647,052	9,647,052	956,094	8,690,958
Excess (deficiency) of revenues over expenditures	(8,754,118)	(8,754,118)	1,121,171	9,875,289
Other financing sources (uses) Transfers in (out)	6,000,000	6,000,000	-	(6,000,000)
Fund balance, beginning of year	2,815,518	2,815,518	2,815,518	-
Fund balance, end of year	\$ 61,400	\$ 61,400	\$ 3,936,689	\$ 3,875,289

City of La Vergne, Tennessee
 Balance Sheet
 Discretely Presented Component Unit - Industrial Development Board
 June 30, 2024

Assets

Cash and cash equivalents	\$	6,557
Total assets	\$	6,557

Fund Balances

Unassigned		6,557
Total fund balances	\$	6,557

Reconciliation of fund balance to net position of governmental activities

Amounts reported for fund balance		\$ 6,557
-----------------------------------	--	----------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.

		4,019,390
Net position of governmental activities	\$	4,025,947

City of La Vergne, Tennessee
Statement of Revenues, Expenditures, and Changes in Fund Balance
Discretely Presented Component Unit - Industrial Development Board
For the Year Ended June 30, 2024

Revenues

Charges for services	\$ 1,000
Intergovernmental	4,010,000
Total revenues	4,011,000

Expenditures

Current	
Program costs	18,869
Professional services	95
Capital outlay	4,019,390
Total expenditures	4,038,354

Net change in fund balance	(27,354)
Fund balance, beginning of year	33,911
Fund balance, end of year	\$ 6,557

Reconciliation of statement of revenues, expenditures, and changes in fund balance to statement of activities

Amounts reported for net change in fund balance	\$ (27,354)
---	-------------

Amounts reported for governmental activities in the statement of activities are different because:

<p style="margin-left: 40px;">Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the</p>	4,019,390
Change in net position of governmental activities	\$ 3,992,036

City of La Vergne, Tennessee
Capital Assets Used in Operation of Governmental Funds
Schedule by Function and Activity
June 30, 2024

Function and Activity	Land	Building and Improvements	Improvements other than Buildings	Equipment	Infrastructure	Lease Assets	Construction in Progress	Total
General government	\$ 2,538,230	\$ 845,775	\$ 2,633,969	\$ 2,963,037	\$ 7,750	\$ 216,764	\$ 8,555,013	\$ 17,760,538
Public safety								
Police	1,183	803,870	113,800	12,474,534	-	-	333,105	13,726,492
Fire	813,000	1,710,397	76,336	7,133,183	-	-	10,769,937	20,502,853
Highway and streets	3,542,842	-	131,861	1,957,970	82,503,040	-	3,323,032	91,458,745
Stormwater	-	1,009,294	374,064	1,214,292	176,047	-	2,112,840	4,886,537
Health and welfare	-	86,665	51,379	74,499	-	-	-	212,543
Recreation	368,532	1,288,593	9,421,315	1,231,358	-	-	128,893	12,438,691
Library	<u>802,767</u>	<u>3,472,016</u>	<u>93,108</u>	<u>322,445</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,690,336</u>
Total governmental capital assets	\$ 8,066,554	\$ 9,216,610	\$ 12,895,832	\$ 27,371,318	\$ 82,686,837	\$ 216,764	\$ 25,222,820	\$ 165,676,735

City of La Vergne, Tennessee
 Capital Assets Used in Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the Year Ended June 30, 2024

Function and Activity	Balance July 1, 2023	Additions	Reclasses and Deletions	Balance June 30, 2024
General government	\$ 8,861,627	\$ 8,906,272	\$ 7,361	\$ 17,760,538
Public safety				
Police	12,713,066	1,141,076	127,650	13,726,492
Fire	11,292,499	9,210,354	-	20,502,853
Highways and streets	87,514,223	3,944,522	-	91,458,745
Stormwater	3,267,384	1,619,153	-	4,886,537
Health and welfare	212,543	-	-	212,543
Recreation	12,317,006	123,783	2,098	12,438,691
Library	4,691,151	-	815	4,690,336
Total governmental capital assets	\$ 140,869,499	\$ 24,945,160	\$ 137,924	\$ 165,676,735

City of La Vergne, Tennessee
 Schedule of Changes in Property Taxes Receivable
 General Fund
 For the Year Ended June 30, 2024

Fiscal Year	Property tax receivable balance July 1, 2023	Assessments	Collections	Adjustments	Property tax receivable balance June 30, 2024
2023 - 2024	\$ -	\$ 9,336,627	\$ 9,197,666	\$ 8,385	\$ 147,346
2022 - 2023	92,751	-	33,348	642	60,045
2021 - 2022	85,626	-	23,665	6,123	68,084
2020 - 2021	40,654	-	8,672	1,944	33,926
2019 - 2020	53,454	-	465	-	52,989
2018 - 2019	51,016	-	388	-	50,628
2017 - 2018	27,058	-	85	-	26,973
2016 - 2017	24,255	-	102	-	24,153
2015 - 2016	24,874	-	115	-	24,759
2014 - 2015	23,270	-	109	-	23,161
2013 - 2014	11,579	-	-	(11,579)	-
	\$ 434,537	\$ 9,336,627	\$ 9,264,615	\$ 5,515	512,064
2023 - 2024**					<u>9,285,000</u>
Allowance for uncollectible Property tax receivable, net					<u>9,797,064</u> <u>(215,000)</u>
					\$ 9,582,064

** Unlevied taxes receivable (anticipated current year levy)

Receivables from fiscal year 2020 - 2021 and prior have been turned over to the County Clerk and Master for collection.

City of La Vergne, Tennessee
Schedule of Changes in Long-term Debt by Individual Issue
For the Year Ended June 30, 2024

Description of indebtedness	Original amount of issue	Interest rate	Date of issue	Last maturity date	Outstanding July 1, 2023	Issued during period	Paid and/or matured during period	Refunded during period	Outstanding June 30, 2024
Governmental Activities									
<i>General obligation bonds</i>									
Payable through general fund									
2009 GO public improvement bonds	\$ 4,125,000	3.00% - 4.00%	06/15/2009	06/01/2024	\$ 550,000	\$ -	\$ 550,000	\$ -	\$ -
2014 GO public improvement and refunding bonds*	2,630,000	2.00% - 3.00%	08/28/2014	04/01/2025	490,400	-	210,000	-	280,400
2015 GO public improvement bonds	5,420,000	2.00% - 3.25%	01/08/2015	04/01/2035	3,620,000	-	260,000	-	3,360,000
2021 GO public improvement bonds	16,250,000	2.00% - 5.00%	08/12/2021	04/01/2041	<u>15,655,000</u>	-	<u>625,000</u>	-	<u>15,030,000</u>
Total GO bonds payable through general fund					20,315,400	-	1,645,000	-	18,670,400
Payable through state street aid fund									
2014 GO public improvement and refunding bonds*	-	2.00% - 3.00%	08/28/2014	04/01/2025	<u>79,600</u>	-	<u>70,000</u>	-	<u>9,600</u>
Total governmental activities					\$ 20,395,000	\$ -	\$ 1,715,000	\$ -	\$18,680,000
Business-type Activities									
<i>Revenue and tax bonds, pledge of net revenues</i>									
Payable through water and sewer fund									
2021 W&S rev and tax refunding bonds	11,840,000	1.45% - 3.00%	08/12/2021	04/01/2033	<u>\$ 11,690,000</u>	<u>\$ -</u>	<u>\$ 1,205,000</u>	<u>\$ -</u>	<u>\$ 10,485,000</u>
Total revenue and tax bonds payable through water and sewer fund					\$ 11,690,000	\$ -	\$ 1,205,000	\$ -	\$ 10,485,000

Note to schedule

*Payments on this bond series are split between general and state street aid funds.

City of La Vergne, Tennessee
Schedule of Maturities of Bond Indebtedness
and Interest Requirements
General Obligation
June 30, 2024

Year Ended June 30,	Principal			Interest	Total
	Series 2014 GO Public Improvement and Refunding Bonds	Series 2015 GO Public Improvement Bonds	Series 2021 GO Public Improvement Bonds		
2025	\$ 290,000	\$ 270,000	\$ 655,000	\$ 426,150	\$ 1,641,150
2026	-	275,000	690,000	393,400	1,358,400
2027	-	280,000	720,000	358,900	1,358,900
2028	-	285,000	760,000	322,900	1,367,900
2029	-	295,000	795,000	284,900	1,374,900
2030	-	305,000	835,000	245,150	1,385,150
2031	-	310,000	860,000	220,100	1,390,100
2032	-	320,000	885,000	194,300	1,399,300
2033	-	330,000	905,000	176,600	1,411,600
2034	-	340,000	925,000	158,500	1,423,500
2035	-	350,000	940,000	140,000	1,430,000
2036	-	-	960,000	121,200	1,081,200
2037	-	-	980,000	102,000	1,082,000
2038	-	-	1,000,000	82,400	1,082,400
2039	-	-	1,020,000	62,400	1,082,400
2040	-	-	1,040,000	42,000	1,082,000
2041	-	-	1,060,000	21,200	1,081,200
Total	\$ 290,000	\$ 3,360,000	\$ 15,030,000	\$ 3,352,100	\$ 22,032,100

City of La Vergne, Tennessee
 Schedule of Maturities of Indebtedness
 and Interest Requirements
 Water and Sewer Fund
 June 30, 2024

Principal

Year Ended June 30,	Series 2021 W&S Revenue and Tax Refunding		
	Bonds	Interest	Total
2024	\$ 1,190,000	\$ 252,793	\$ 1,442,793
2026	1,245,000	217,093	1,462,093
2027	1,245,000	179,743	1,424,743
2028	1,220,000	142,393	1,362,393
2029	1,190,000	105,793	1,295,793
2030	1,165,000	70,093	1,235,093
2031	1,125,000	53,200	1,178,200
2032	1,075,000	35,763	1,110,763
2033	1,030,000	18,025	1,048,025
Total	\$ 10,485,000	\$ 1,074,896	\$ 11,559,896

City of La Vergne, Tennessee
Schedule of Changes in Lease Obligations
For the Year Ended June 30, 2024

Description of indebtedness	Original amount of issue	Interest rate	Date of issue	Maturity date	Outstanding July 1, 2023	Issued during period	Paid and/or matured during period	Re-measurements	Outstanding June 30, 2024
Governmental Activities									
<i>Leases Payable</i>									
Payable through general fund									
Radio Console Equipment	\$ 587,500	2.22%	02/28/2014	07/01/2023	\$ 63,838	\$ -	\$ 63,838	\$ -	\$ -
Coin Machine	9,000	0.00%	07/01/2020	06/01/2025	3,600	-	1,800	-	1,800
Copiers	73,500	0.00%	11/01/2021	10/01/2026	49,000	-	14,700	-	34,300
Copy Machine - City Manager	12,900	0.00%	07/01/2020	06/01/2025	5,160	-	2,580	-	2,580
Copy Machines - Fire and Police	25,800	0.00%	07/01/2020	06/01/2025	10,320	-	5,160	-	5,160
Copy Machines - Police IT	11,551	1.15%	01/23/2019	12/01/2023	1,185	-	1,185	-	-
Copy Machines - Public Works	12,200	0.00%	06/01/2021	05/01/2026	7,200	-	2,400	-	4,800
Postage Machine	24,403	0.00%	03/01/2020	09/30/2024	5,851	-	4,681	-	1,170
Stormwater Land	18,000	0.00%	09/01/2020	08/01/2023	1,000	-	1,000	-	-
					<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>
Total leases payable through general fund					\$ 147,154	\$ -	\$ 97,344	\$ -	\$ 49,810

City of La Vergne, Tennessee

Schedule of Lease Obligations, Principal, and Interest Requirements by Fiscal Year

June 30, 2024

Fiscal Year Ending	Coin Machine		Copiers		Copy Machine - City Manager		Copy Machines - Fire and Police	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,800	\$ -	\$ 14,700	\$ -	\$ 2,580	\$ -	\$ 5,160	\$ -
2026	-	-	14,700	-	-	-	-	-
2027	-	-	4,900	-	-	-	-	-
	\$ 1,800	\$ -	\$ 34,300	\$ -	\$ 2,580	\$ -	\$ 5,160	\$ -

Fiscal Year Ending	Copy Machines - Public Works		Postage Machine		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 2,400	\$ -	\$ 1,170	\$ -	\$ 27,810	\$ -
2026	2,400	-	-	-	17,100	-
2027	-	-	-	-	4,900	-
	\$ 4,800	\$ -	\$ 1,170	\$ -	\$ 49,810	\$ -

City of La Vergne, Tennessee
 Schedule of Utility Rates
 For the Year Ended June 30, 2024

Services				Number of Customers
Water				13,260
Sewer				12,444
Rates	Residential	Commercial	Industrial	
Water (inside city)				
First 2,000 gallons	\$ 14.21	\$ 18.39	\$ 334.38	
Thereafter (per 1,000 gallons)	\$ 3.67	\$ 4.18	\$ 5.59	
Water (outside city)				
First 2,000 gallons	\$ 17.30			
Next 4,000 gallons (per 1,000 gallons)	\$ 4.50			
Thereafter (per 1,000 gallons)	\$ 6.43			
Sewer (inside city)				
First 2,000 gallons	\$ 22.43	\$ 29.02	\$ 527.74	
Thereafter (per 1,000 gallons)	\$ 5.81	\$ 6.59	\$ 7.36	

Statistical Section

Statistical Section

This part of the City of La Vergne's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the City's overall financial health.

Contents

Schedules

Financial Trends

These schedules contain trend information to help readers understand how the City's financial performance and well-being have changed over time.

1-4

Revenue Capacity

These schedules contain information to help readers assess the City's most significant local revenue source – its property tax.

5-8

Debt Capacity

These schedules present information to help readers assess the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

9-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help readers understand the environment within which the City's financial activities take place.

14-15

Operating Information

These schedules contain service and infrastructure data to help readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

16-18

Except where noted, the information in these schedules is derived from the City of La Vergne's annual comprehensive financial reports for the relevant year.

City of La Vergne, Tennessee
 Financial Trends Information
 Net Position by Component, Last Ten Fiscal Years

Schedule 1
 (prepared using the accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities										
Net investment in capital assets	\$ 74,313,756	\$ 69,870,826	\$ 63,899,984	\$ 60,277,429	\$ 58,988,832	\$ 53,645,481	\$ 52,746,409	\$ 52,013,489	\$ 49,509,960	\$ 48,465,920
Restricted for										
Highways and streets	5,668,795	4,415,522	5,614,104	5,225,668	4,785,101	4,262,973	3,463,542	2,694,575	2,675,709	2,990,466
Parks and recreation	1,151,626	682,271	459,090	445,697	198,227	419,790	378,238	294,505	447,354	409,633
Senior citizens	211,698	185,084	171,908	158,394	108,415	54,389	41,878	39,245	34,268	9,504
Capital projects	-	17,507,647	-	-	-	-	-	-	331	-
Stormwater projects	3,105,875	4,561,884	4,622,560	4,848,332	5,015,012	4,702,357	4,554,915	4,211,741	4,037,002	3,660,628
Law enforcement	2,035,404	1,978,385	1,466,219	1,089,119	893,633	625,371	498,071	397,519	312,114	309,445
Fire Protection	149,921	165,306	138,659	38,879	-	-	-	-	-	-
Unrestricted	44,439,701	23,799,204	39,456,204	32,525,311	23,625,256	22,774,783	20,451,900	17,700,525	13,378,320	10,158,970
Total governmental activities net position	\$ 131,076,776	\$ 123,166,129	\$ 115,828,728	\$ 104,608,829	\$ 93,614,476	\$ 86,485,144	\$ 82,134,953	\$ 77,351,599	\$ 70,395,058	\$ 66,004,566
Business-type Activities										
Net investment in capital assets	\$ 62,823,471	\$ 51,403,817	\$ 43,102,517	\$ 42,300,254	\$ 40,649,708	\$ 38,165,737	\$ 36,332,568	\$ 35,621,091	\$ 35,544,191	\$ 35,215,483
Unrestricted	24,004,245	25,833,748	26,518,489	24,607,256	23,034,343	20,918,473	19,634,830	17,298,623	13,637,953	10,939,420
Total business-type activities net position	\$ 86,827,716	\$ 77,237,565	\$ 69,621,006	\$ 66,907,510	\$ 63,684,051	\$ 59,084,210	\$ 55,967,398	\$ 52,919,714	\$ 49,182,144	\$ 46,154,903
Primary Government										
Net investment in capital assets	\$ 137,137,227	\$ 121,274,643	\$ 107,002,501	\$ 102,577,683	\$ 99,638,540	\$ 91,811,218	\$ 89,078,977	\$ 87,634,850	\$ 85,054,151	\$ 83,681,403
Restricted for										
Highways and streets	5,668,795	4,415,522	5,614,104	5,225,668	4,785,101	4,262,973	3,463,542	2,694,575	2,675,709	2,990,466
Parks and recreation	1,151,626	682,271	459,090	445,697	198,227	419,790	378,238	294,505	447,354	409,633
Senior citizens	211,698	185,084	171,908	158,394	108,415	54,389	41,878	39,245	34,268	9,504
Capital projects	-	17,507,647	-	-	-	-	-	-	331	-
Stormwater projects	3,105,875	4,561,884	4,622,560	4,848,332	5,015,012	4,702,357	1,554,915	4,211,741	4,037,002	3,660,628
Law enforcement	2,035,404	1,978,385	1,466,219	1,089,119	893,633	625,371	498,071	397,519	312,144	30,945
Fire Protection	149,921	165,306	138,659	38,879	-	-	-	-	-	-
Unrestricted	68,443,946	49,632,952	65,974,693	57,132,567	46,659,599	43,693,256	40,086,730	34,999,148	27,016,273	21,098,390
Total primary government net position	\$ 217,904,492	\$ 200,403,694	\$ 185,449,734	\$ 171,516,339	\$ 157,298,527	\$ 145,569,354	\$ 138,102,351	\$ 130,271,313	\$ 119,577,202	\$ 112,159,469

Notes to schedule

In 2013, all classifications of net assets were changed to net position, in accordance with GASB No. 63. 2017 information was restated to reflect the effect of a 2018 restatement.

City of La Vergne, Tennessee
 Financial Trends Information
 Changes in Net Position, Last Ten Fiscal Years

Schedule 2
(prepared using the accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental activities										
General government	\$ 9,995,306	\$ 5,261,853	\$ 4,236,431	\$ 3,510,105	\$ 3,441,095	\$ 4,078,459	\$ 4,106,559	\$ 3,341,787	\$ 2,786,720	\$ 3,000,115
Public safety										
Police	10,315,637	10,544,850	9,657,018	8,346,593	8,127,393	7,918,291	7,446,583	6,695,161	6,973,721	6,437,504
Fire	7,612,629	6,616,915	5,493,439	5,017,369	4,869,302	4,735,458	4,143,445	3,902,073	3,745,011	2,959,476
Highways and streets	4,060,368	4,996,591	4,098,635	3,723,905	3,669,539	3,603,073	3,034,647	2,950,935	2,973,130	3,057,884
Stormwater	1,812,153	1,403,827	1,262,354	1,329,935	979,529	978,199	901,463	855,709	820,085	912,788
Health and welfare	1,462,550	1,035,260	861,156	920,953	982,594	739,178	539,723	527,872	546,771	402,611
Recreation	1,435,252	2,060,827	1,586,138	1,314,216	1,253,163	1,094,034	921,436	1,239,543	1,281,630	1,136,043
Library	1,061,358	1,042,582	787,369	782,750	821,169	878,395	791,186	832,908	731,037	774,335
Interest expense on long-term debt	440,720	493,609	648,432	228,749	283,574	333,210	384,723	443,926	521,493	510,982
Total governmental activities expenses	38,195,973	33,456,314	28,630,972	25,174,575	24,427,358	24,358,297	22,269,765	20,789,914	20,379,598	19,191,738
Business-type activities										
Water and sewer	13,302,876	12,687,198	12,463,421	11,456,772	10,966,183	10,719,737	10,170,713	9,804,886	9,303,224	8,672,645
Total primary government expenses	\$ 51,498,849	\$ 46,143,512	\$ 41,094,393	\$ 36,631,347	\$ 35,393,541	\$ 35,078,034	\$ 32,440,478	\$ 30,594,800	\$ 29,682,822	\$ 27,864,383

Continued

City of La Vergne, Tennessee
 Financial Trends Information , Continued
 Changes in Net Position, Last Ten Fiscal Years

Schedule 2
(prepared using the accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Program Revenues										
Governmental activities										
Charges for services										
General government	\$ 880,285	\$ 594,658	\$ 704,061	\$ 551,228	\$ 564,945	\$ 542,915	\$ 512,700	\$ 580,762	\$ 492,353	\$ 250,168
Public safety										
Police	363,085	400,416	392,625	266,167	361,242	501,299	580,672	502,454	512,476	378,789
Fire	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-	-
Stormwater	1,425,851	1,406,465	1,395,016	1,353,738	1,251,322	1,235,948	1,179,244	1,068,562	1,052,846	1,056,773
Health and welfare	607	3,101	2,990	1,297	3,543	4,687	5,698	5,362	7,693	6,687
Recreation	18,428	11,320	28,265	12,370	15,074	9,180	22,366	67,165	195,487	171,943
Library	19,845	4,898	648	1,467	9,881	16,254	18,412	22,290	31,119	37,860
Operating grants and contributions	2,202,893	2,026,997	2,181,674	2,287,608	1,986,726	1,727,641	1,476,871	1,282,511	1,291,415	1,141,910
Capital grants and contributions	5,042,271	2,091,727	3,294,603	3,401,671	2,577,573	1,810,420	1,246,036	3,213,525	1,851,892	590,690
Total governmental activities program revenues	9,953,265	6,539,582	7,999,882	7,875,546	6,770,306	5,848,344	5,041,999	6,742,631	5,435,281	3,634,820
Business-type activities										
Water and sewer										
Charges for services	14,236,000	13,746,528	13,251,363	12,616,304	12,410,294	11,974,077	11,958,707	11,884,903	11,176,036	10,886,498
Operating grants and contributions	-	-	-	1,650	-	-	-	-	-	-
Capital grants and contributions	3,506,532	1,489,412	1,802,950	1,957,478	3,123,412	1,853,088	1,252,913	1,665,039	1,153,774	363,640
Total business-type activities program revenues	17,742,532	15,235,940	15,054,313	14,575,432	15,533,706	13,827,165	13,211,620	13,549,942	12,329,810	11,250,138
Total primary government program revenues	27,695,797	21,775,522	23,054,195	22,450,978	22,304,012	19,675,509	18,253,619	20,292,573	17,765,091	14,884,958
Net (Expenses)/Revenues										
Governmental activities	(28,242,708)	(26,916,732)	(20,631,090)	(17,299,029)	(17,657,052)	(18,509,953)	(17,227,766)	(14,047,283)	(14,944,317)	(15,556,918)
Business-type activities	4,439,656	2,548,742	2,590,892	3,118,660	4,567,523	3,107,428	3,040,907	3,745,056	3,026,586	2,577,493
Total primary government net expenses	\$ (23,803,052)	\$ (24,367,990)	\$ (18,040,198)	\$ (14,180,369)	\$ (13,089,529)	\$ (15,402,525)	\$ (14,186,859)	\$ (10,302,227)	\$ (11,917,731)	\$ (12,979,425)

Continued

City of La Vergne, Tennessee
 Financial Trends Information , Continued
 Changes in Net Position, Last Ten Fiscal Years

Schedule 2
 (prepared using the accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property and in lieu of taxes	\$ 9,820,266	\$ 9,398,384	\$ 9,207,613	\$ 8,853,338	\$ 8,716,057	\$ 7,880,764	\$ 8,495,923	\$ 8,102,727	\$ 8,214,052	\$ 8,466,115
Sales taxes	16,775,762	16,302,744	14,375,257	12,582,033	10,043,758	8,749,701	8,061,708	7,707,482	6,322,852	5,640,249
Other locally assessed taxes	3,222,794	3,196,923	2,910,249	2,836,012	2,623,249	3,018,135	2,420,851	2,188,176	1,992,344	1,953,723
Other state shared taxes	4,899,381	4,732,511	4,478,375	3,731,918	3,203,445	3,142,822	2,890,453	2,786,067	2,708,918	2,656,807
Unrestricted investment earnings	764,850	6,695	8,043	5,350	109,446	30,053	26,781	20,971	10,845	8,020
Other general revenues	322,375	525,134	364,245	284,731	90,429	38,669	115,404	150,156	85,798	60,658
General revenue grants	277,638	1,813	507,207	-	-	-	-	-	-	-
Gain on sale of general capital assets	70,289	1,589,932	-	-	-	-	-	-	-	-
Transfers	-	(1,500,000)	-	-	-	-	-	-	-	-
Total governmental activities	36,153,355	34,254,136	31,850,989	28,293,382	24,786,384	22,860,144	22,011,120	20,955,579	19,334,809	18,785,572
Business-type activities										
Investment earnings	370,326	2,494	2,543	3,737	32,318	9,384	6,777	5,535	4,205	3,714
Other/special items	45,285	13,560	48,176	101,062	-	-	-	-	(3,550)	-
General revenue grants	4,734,884	3,551,763	71,885	-	-	-	-	-	-	-
Transfers	-	1,500,000	-	-	-	-	-	-	-	-
Total business-type activities	5,150,495	5,067,817	122,604	104,799	32,318	9,384	6,777	5,535	655	3,714
Total primary government general revenues/other changes	41,303,850	39,321,953	31,973,593	28,398,181	24,818,702	22,869,528	22,017,897	20,961,114	19,335,464	18,789,286
Change in Net Position										
Governmental activities	7,910,647	7,337,404	11,219,899	10,994,353	7,129,332	4,350,191	4,783,354	6,908,296	4,390,492	3,228,654
Business-type activities	9,590,151	7,616,559	2,713,496	3,223,459	4,599,841	3,116,812	3,047,684	3,750,591	3,027,241	2,581,207
Total primary government	\$ 17,500,798	\$ 14,953,963	\$ 13,933,395	\$ 14,217,812	\$ 11,729,173	\$ 7,467,003	\$ 7,831,038	\$ 10,658,887	\$ 7,417,733	\$ 5,809,861

Note to Schedule

In 2013, all classifications of net assets were changed to net position, in accordance with GASB No. 63. 2017 information was restated to reflect the effect of a 2018 restatement.

City of La Vergne, Tennessee
 Financial Trends Information
 Fund Balances of Governmental Funds
 Last Ten Fiscal Years

Schedule 3
 (prepared using the modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Funds										
General Fund										
Nonspendable	\$ 70,604	\$ 17,397	\$ 18,332	\$ 16,118	\$ 6,838	\$ 4,836	\$ 4,030	\$ 3,202	\$ 4,393	\$ 5,127
Restricted	26,186	17,532,333	17,528,714	22,415	18,565	25,105	23,605	21,155	20,836	20,205
Assigned	-	-	-	-	-	648,435	953,510	-	-	-
Unassigned	43,661,707	41,973,511	39,707,436	32,813,629	23,396,017	21,339,774	19,515,723	17,509,874	12,913,421	9,837,846
Total General Fund	43,758,497	59,523,241	57,254,482	32,852,162	23,421,420	22,018,150	20,496,868	17,534,231	12,938,650	9,863,178
All other governmental funds										
Restricted reported in										
Capital projects funds	6,101,370	4,349,859	4,589,994	4,112,899	3,457,728	3,281,266	2,459,805	2,170,050	2,187,816	2,377,097
Special revenues funds	6,195,763	7,613,907	7,859,981	7,670,775	7,524,095	6,758,509	6,453,234	5,446,380	5,298,126	4,982,374
Total all other governmental funds	12,297,133	11,963,766	12,449,975	11,783,674	10,981,823	10,039,775	8,913,039	7,616,430	7,485,942	7,359,471
Total governmental funds	\$ 56,055,630	\$ 71,487,007	\$ 69,704,457	\$ 44,635,836	\$ 34,403,243	\$ 32,057,925	\$ 29,409,907	\$ 25,150,661	\$ 20,424,592	\$ 17,222,649

City of La Vergne, Tennessee
 Financial Trends Information
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years

Schedule 4
 (prepared using the accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Taxes and in lieu of taxes	\$ 29,230,020	\$ 28,429,898	\$ 26,054,907	\$ 23,872,201	\$ 20,934,338	\$ 19,166,637	\$ 18,595,564	\$ 17,596,060	\$ 16,102,086	\$ 15,566,571
Licenses and permits	4,409,778	3,028,647	3,926,284	2,836,916	2,592,288	2,773,035	2,087,492	2,660,065	2,533,208	1,662,971
Fines and fees	363,085	400,416	392,625	266,167	297,143	421,790	542,623	417,624	439,492	334,865
Intergovernmental	7,793,366	7,582,608	7,387,376	7,587,849	5,591,636	5,260,961	5,168,242	5,876,438	4,652,343	4,229,399
Uses of property and money	1,115,390	80,537	98,451	75,862	176,844	116,509	136,758	165,586	300,342	277,828
Other	86,160	131,713	830,737	231,515	206,736	186,120	169,755	198,332	151,517	63,633
Total revenues	42,997,799	39,653,819	38,690,380	34,870,510	29,798,985	27,925,052	26,700,434	26,914,105	24,178,988	22,135,267
Expenditures										
General government	9,321,004	4,956,973	4,164,391	3,369,052	3,386,105	3,813,846	3,780,496	2,963,675	2,685,658	2,908,150
Public safety	17,449,088	15,293,377	13,732,040	11,586,911	11,793,183	11,683,604	10,555,617	9,507,332	9,477,720	8,882,744
Highways and streets	2,627,614	3,143,918	2,345,384	2,028,538	2,007,202	1,978,786	1,390,440	1,359,377	1,419,474	1,398,086
Stormwater	1,338,816	1,283,238	1,215,506	1,296,113	921,156	943,535	764,989	719,396	673,320	643,403
Health and welfare	1,001,587	999,993	828,998	835,622	980,797	722,481	535,899	526,169	545,099	400,939
Recreation	1,603,752	1,692,778	1,219,097	923,949	848,979	694,434	646,966	879,600	1,113,319	1,074,882
Senior citizens	38,333	-	-	-	-	-	-	-	-	-
Library	954,847	928,907	689,216	618,063	642,930	678,494	682,168	606,504	631,971	629,442
Capital outlay	22,067,292	7,757,384	5,036,002	2,188,584	4,795,770	2,669,753	1,966,329	3,239,226	1,642,772	5,295,350
Debt service										
Principal	1,715,000	1,660,000	1,526,068	2,302,597	1,768,458	1,733,314	1,988,014	3,988,172	2,264,629	1,782,994
Interest and other	660,354	723,223	677,465	(389,916)	311,089	359,593	411,031	509,630	532,176	603,752
Total expenditures	58,777,687	38,439,791	31,434,167	24,759,513	27,455,669	25,277,840	22,721,949	24,299,081	20,986,138	23,619,742
Excess of revenues over (under) expenditures	\$ (15,779,888)	\$ 1,214,028	\$ 7,256,213	\$ 10,110,997	\$ 2,343,316	\$ 2,647,212	\$ 3,978,485	\$ 2,615,024	\$ 3,192,850	\$ (1,484,475)

Continued

City of La Vergne, Tennessee
 Financial Trends Information
 Changes in Fund Balances, Governmental Funds, Continued
 Last Ten Fiscal Years

Schedule 4 (Continued)
 (prepared using the accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Other Financing Sources and (Uses)										
Bonds, notes, and leases	\$ -	\$ -	\$ 16,250,000	\$ -	\$ -	\$ -	\$ -	\$ 2,112,236	\$ 9,827	\$ 8,050,000
Premiums/discounts on issued bonds	-	-	1,410,935	-	-	-	-	-	-	-
Leases (as lessee)	-	1,814,664	73,500	-	-	-	-	-	-	-
Other	348,511	253,858	75,759	112,316	-	-	-	-	-	135,145
Transfers	-	(1,500,000)	-	-	-	-	279,933	-	-	(1,887,316)
Payments to refunding escrow agent	-	-	-	-	-	-	-	-	-	-
Total other financing sources and uses	348,511	568,522	17,810,194	112,316	-	-	279,933	2,112,236	9,827	6,297,829
Net changes in fund balances	\$ (15,431,377)	\$ 1,782,550	\$ 25,066,407	\$ 10,223,313	\$ 2,343,316	\$ 2,647,212	\$ 4,258,418	\$ 4,727,260	\$ 3,202,677	\$ 4,813,354
Debt service as % of non-capital expenditures	6.5%	7.8%	8.3%	8.5%	9.2%	9.3%	11.6%	21.4%	14.5%	13.0%

Notes to schedule

In 2015, other financing uses include a \$1,914,570 payment to escrow agent to refund debt.
 Also, 2017 includes a current bond refunding.

City of La Vergne, Tennessee
 Revenue Capacity Information
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years

Schedule 5

Fiscal Year	Appraised Value				Assessed Value	Total Direct Tax Rate *
	Public Utility Commercial and Industrial	Personal Property	Residential and Farm	Total		
2024	\$ 1,786,517,682	\$ 610,148,743	\$ 3,563,101,537	\$ 5,959,767,962	\$ 1,732,590,709	\$ 0.54
2023	1,548,403,614	582,066,660	3,689,750,855	5,820,221,129	1,693,967,840	\$ 0.54
2022	1,359,850,695	540,754,093	2,234,615,637	4,135,220,425	1,239,150,704	\$ 0.71
2021	1,287,676,350	461,958,556	2,166,111,853	3,915,746,759	1,176,650,066	\$ 0.71
2020	1,136,036,877	460,449,028	2,324,166,920	3,920,652,825	1,171,761,408	\$ 0.71
2019	1,147,266,555	402,237,914	2,245,010,838	3,794,515,307	1,127,398,592	\$ 0.71
2018	915,629,616	400,107,746	1,503,378,852	2,819,116,214	855,033,263	\$ 0.95
2017	788,035,016	373,754,956	1,531,045,422	2,692,835,394	790,022,736	\$ 0.95
2016	780,237,525	400,188,101	1,429,164,992	2,609,590,618	801,532,194	\$ 0.98
2015	797,526,787	379,463,510	1,495,166,500	2,672,156,797	800,109,300	\$ 1.00

Property is assessed as follows:

Commercial and industrial	
Real	40%
Personal	30%
Public utility	55%
Farm and residential	25%

* Per \$100 of assessed valuation

Notes to schedule

Property of the City is reappraised frequently. For this reason, appraised value is considered equal to actual value. The appraised values do not exempt property. The most recent reappraisal was performed in 2022.

City of La Vergne, Tennessee
 Revenue Capacity Information
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

Schedule 6

Fiscal Year	Direct Rate		Overlapping Rates		Total
		City		County**	
2024	\$	0.536	\$	1.8762	\$ 2.4125
2023	\$	0.536	\$	1.6200	\$ 2.1563
2022	\$	0.710	\$	2.2194	\$ 2.9294
2021	\$	0.710	\$	2.2194	\$ 2.9294
2020	\$	0.710	\$	2.2194	\$ 2.9294
2019	\$	0.710	\$	2.1000	\$ 2.8100
2018	\$	0.950	\$	2.6800	\$ 3.6300
2017	\$	0.950	\$	2.6800	\$ 3.6300
2016	\$	0.975	\$	2.6800	\$ 3.6550
2015	\$	1.000	\$	2.4867	\$ 3.4867

Notes to schedule

The City direct tax rate is a general rate with no separate components.

**Levied on County property within the City.

Source: County Tax Assessor
 Per \$100 of assessed valuation

City of La Vergne, Tennessee
Revenue Capacity Information
Principal Property Tax Payers
Current Year and Nine Years Ago

Schedule 7

	2024			2015		
	Taxable Assessed Value	Rank	% of Total Assessed Value	Taxable Assessed Value	Rank	% of Total Assessed Value
Taxpayer						
Bridgestone/Bridgestone USA	\$ 50,411,076	1	2.91%	\$ 50,912,675	1	6.36%
CPDC Centerpointe Holdings	29,817,880	2	1.72%			
Progress Residential Borro	29,906,825	3	1.73%			
LIT Industrial Limited par	19,049,720	4	1.10%			
Mason Road Holdings West L	15,701,984	5	0.91%			
Prologis Exchange 400 New	16,239,840	6	0.94%			
Big Box Property Owner	13,378,400	7	0.77%			
Park 24 East - Building 5	13,365,400	8	0.77%			
Ingram Book Group LLC	12,982,540	9	0.75%			
Five Start Investments	12,453,200	10	0.72%			
Industrial MS Logistics				9,941,000	2	1.24%
Warehouse Holdings	-			7,588,800	3	0.95%
Mid South Building I	-			7,046,400	4	0.88%
DCT Mid South LLC	-			6,711,800	5	0.84%
Baptist Hospitals	-			6,674,500	6	0.83%
Borders General	-			6,610,840	7	0.83%
Ajax Turner	-			6,341,200	8	0.79%
Hot Topic Tennessee	-			6,273,742	9	0.78%
Mid South Building IV REIT	-			6,168,400	10	0.77%
Totals	\$ 213,306,865		12.31%	\$ 114,269,357		14.28%
Total assessed value	\$ 1,732,590,709			\$ 800,109,300		

Note to schedule

Source: La Vergne tax records

City of La Vergne, Tennessee
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule 8

Fiscal Years	Total Tax Levy	Current Tax Collections	% Collected	Delinquent Tax Collections	Total Collections	Total Collected as % of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as % of Levy
2024	\$ 9,345,012	\$ 9,197,666	98.42%	\$ -	\$ 9,197,666	98.42%	\$ 147,346	1.58%
2023	8,901,440	8,808,689	98.96%	32,706	8,841,395	98.96%	60,045	1.04%
2022	8,806,147	8,720,521	99.03%	17,542	8,738,063	99.03%	68,084	0.97%
2021	8,426,844	8,331,622	98.87%	61,296	8,392,918	99.52%	33,926	0.48%
2020	8,319,759	8,167,934	98.18%	98,836	8,266,770	99.36%	52,989	0.64%
2019	8,055,982	7,868,962	97.68%	136,392	8,005,354	99.37%	50,628	0.63%
2018	8,122,816	7,973,994	98.17%	121,849	8,095,843	99.67%	26,973	0.33%
2017	7,723,035	7,603,301	98.45%	95,581	7,698,882	99.69%	24,153	0.31%
2016	7,796,485	7,649,008	98.11%	122,718	7,771,726	99.68%	24,759	0.32%
2015	8,001,093	7,852,885	98.15%	125,047	7,977,932	99.71%	23,161	0.29%
							\$ 512,064	

Notes to schedule

Taxes are assessed as of January 1 and are due on October 1 each year.
Taxes become delinquent on February 28 of the following year.

Source: City tax rolls

City of La Vergne, Tennessee
Debt Capacity Information
Ratios of Outstanding Debt and Other Obligations by Type
Last Ten Fiscal Years

Schedule 9

Fiscal Year	Population*	Governmental Activities				Business-type Activities		Total Primary Government	% of Personal Income**	Debt per Capita
		General Obligation Bonds	Leases	Capital Outlay Notes and Financed Purchases	Total	Water and Sewer Revenue and Tax Bonds				
2024	41,445	\$ 19,710,733	\$ 49,810	\$ -	\$ 19,760,543	\$ 10,891,176	\$ 30,651,719	2.52%	\$ 740	
2023	41,245	\$ 21,576,666	\$ 83,316	\$ 63,838	\$ 21,723,820	\$ 12,208,553	\$ 33,932,373	2.99%	\$ 823	
2022	41,046	\$ 23,387,541	\$ 128,267	\$ 126,275	\$ 23,642,083	\$ 13,646,382	\$ 37,288,465	3.60%	\$ 908	
2021	40,656	\$ 7,338,237	\$ -	\$ -	\$ 7,338,237	\$ 14,520,776	\$ 21,859,013	2.21%	\$ 538	
2020	40,595	\$ 8,806,518	\$ -	\$ -	\$ 8,806,518	\$ 15,810,357	\$ 24,616,875	3.25%	\$ 606	
2019	34,423	\$ 10,270,713	\$ -	\$ -	\$ 10,270,713	\$ 17,105,254	\$ 27,375,967	3.48%	\$ 795	
2018	34,414	\$ 11,709,907	\$ -	\$ -	\$ 11,709,907	\$ 18,420,151	\$ 30,130,058	3.68%	\$ 876	
2017	34,077	\$ 13,124,102	\$ -	\$ 1,000,736	\$ 14,124,838	\$ 19,730,048	\$ 33,854,886	4.69%	\$ 993	
2016	34,144	\$ 14,435,199	\$ -	\$ 1,250,736	\$ 15,685,935	\$ 20,981,940	\$ 36,667,875	4.65%	\$ 1,074	
2015	36,242	\$ 15,630,946	\$ -	\$ 1,844,517	\$ 17,475,463	\$ 22,285,312	\$ 39,760,775	5.08%	\$ 1,097	

Notes to schedule

* Based on Rutherford County Chamber of Commerce estimates, except in years when a census is taken

**See schedule 14 for personal income information. The most recent information available from state and business organizations is used

Details of the City's debt can be found in note 8 of the financial statements.
The above amounts include bond premiums.

City of La Vergne, Tennessee
 Debt Capacity Information
 Ratios of General Obligation Debt Outstanding
 Last Ten Fiscal Years

Schedule 10

Fiscal Year	Population	Estimated Actual Value	General Obligation Debt	Ratio of General Obligation Debt to Actual Value of Property	Net General Obligation Debt per Capita
2024	41,445	\$ 5,959,767,962	\$ 19,760,543	0.33%	\$ 477
2023	41,245	\$ 5,820,221,129	\$ 21,723,820	0.37%	\$ 527
2022	41,046	\$ 4,135,220,425	\$ 23,642,083	0.57%	\$ 576
2021	40,656	\$ 3,915,746,759	\$ 7,338,237	0.19%	\$ 180
2020	40,595	\$ 3,920,652,825	\$ 8,806,518	0.22%	\$ 217
2019	34,423	\$ 3,794,515,307	\$ 10,270,713	0.27%	\$ 298
2018	34,414	\$ 2,819,116,214	\$ 11,709,907	0.42%	\$ 340
2017	34,077	\$ 2,692,835,394	\$ 13,124,102	0.49%	\$ 385
2016	34,144	\$ 2,609,590,618	\$ 14,435,199	0.55%	\$ 423
2015	36,242	\$ 2,672,156,797	\$ 15,630,946	0.58%	\$ 431

Notes to schedule

See schedule 5 for the City's property value data.

See schedule 9 for information on population.

Details regarding the City's debt can be found in note 8 of the financial statements.

City of La Vergne, Tennessee
 Debt Capacity Information
 Direct and Overlapping Governmental Activities

Schedule 11

Jurisdiction	General Obligation Debt Outstanding	% Applicable to City*	Amount Applicable to City*
City of La Vergne	\$ 19,760,543	100.00%	\$ 19,760,543
Rutherford County	<u>625,348,001</u>	10.86% *	<u>67,898,829</u>
Total	\$ 645,108,544		\$ 87,659,372

* Based upon assessed value of property in:

County	\$ 15,957,155,269	Source: County Finance Department
City	\$ 1,732,590,709	

City of La Vergne
Debt Capacity Information
Debt Margin Information
Last Ten Fiscal Years

Schedule 12

Fiscal Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Assessed value	\$ 1,732,590,709	\$ 1,693,967,840	\$ 1,239,150,704	\$ 1,176,650,066	\$ 1,171,761,408	\$ 1,127,398,592	\$ 855,033,263	\$ 790,022,736	\$ 801,532,194	\$ 800,109,300
General obligation debt	\$ 19,760,543	\$ 21,723,820	\$ 12,208,553	\$ 13,646,382	\$ 14,520,776	\$ 15,810,357	\$ 17,105,254	\$ 15,553,184	\$ 17,457,453	\$ 19,723,000
Debt as % of assessed value	1.14%	1.28%	0.99%	1.16%	1.24%	1.40%	2.00%	1.97%	2.18%	2.47%

Note to schedule

The City has no legal debt limit.

City of La Vergne, Tennessee
Debt Capacity Information
Pledged Revenue Coverage
Last Ten Fiscal Years

Schedule 13

Water and Sewer Enterprise Fund

Fiscal Year	Gross Revenues*	Direct Operating Expenses**	Net Revenues Available for Debt Service	Debt Service Requirements			Ratio of Revenue Coverage
				Principal***	Interest	Total	
2024	\$ 19,386,495	\$ 10,690,691	\$ 8,695,804	\$ 1,190,000	\$ 252,793	\$ 1,442,793	6.03
2023	\$ 17,321,379	\$ 10,020,789	\$ 7,300,590	\$ 1,205,000	\$ 288,943	\$ 1,493,943	4.89
2022	\$ 13,373,971	\$ 9,857,923	\$ 3,516,048	\$ 1,300,000	\$ 386,980	\$ 1,686,980	2.08
2021	\$ 12,727,479	\$ 8,610,059	\$ 4,117,420	\$ 1,220,000	\$ 403,731	\$ 1,623,731	2.54
2020	\$ 12,442,566	\$ 8,299,756	\$ 4,142,810	\$ 1,220,000	\$ 444,602	\$ 1,664,602	2.49
2019	\$ 11,983,431	\$ 8,004,641	\$ 3,978,790	\$ 1,245,000	\$ 478,919	\$ 1,723,919	2.31
2018	\$ 11,965,451	\$ 7,724,621	\$ 4,240,830	\$ 1,240,000	\$ 479,991	\$ 1,719,991	2.47
2017	\$ 11,890,387	\$ 6,994,774	\$ 4,895,613	\$ 1,225,000	\$ 556,522	\$ 1,781,522	2.75
2016	\$ 11,176,644	\$ 6,813,287	\$ 4,363,357	\$ 1,255,000	\$ 627,951	\$ 1,882,951	2.32
2015	\$ 10,890,174	\$ 6,272,450	\$ 4,617,724	\$ 1,240,000	\$ 673,870	\$ 1,913,870	2.41

Notes to schedule

- * Includes nonoperating revenues
- ** Net of depreciation and amortization
- ***Excludes refunding

City of La Vergne, Tennessee
Demographic and Economic Statistics
Last Ten Calendar Years

Schedule 14

Year	Population*	Per Capita Income***	Personal Income****	Median Age***	School Enrollment**	Unemployment Rate ***
2024	41,445	\$ 30,519	\$ 1,264,848,968	32.0	7,446	2.8%
2023	41,245	29,484	1,216,067,580	32.0	6,414	2.9%
2022	41,046	27,606	1,133,103,453	30.4	6,597	2.8%
2021	40,656	25,500	1,036,728,000	31.1	7,266	4.8%
2020	40,656	24,334	989,340,745	31.5	7,156	12.8%
2019	40,656	18,633	757,546,961	32.0	6,458	3.2%
2018	40,595	19,386	786,979,352	31.7	6,200	3.1%
2017	34,423	23,762	817,970,114	33.4	6,182	3.4%
2016	34,414	20,959	721,292,000	33.2	6,070	4.2%
2015	34,077	23,116	787,719,870	32.2	6,066	5.2%
2014	34,144	22,914	782,378,100	32.2	6,759	5.6%

Notes to schedule

* Based on City's Planning Department estimates, except in years when a census was taken. Last census was in 2020.

** Rutherford County Board of Education

*** Rutherford County Chamber of Commerce and City, County, and State Planning Offices

**** Per capita income times population

City of La Vergne, Tennessee
Demographic and Economic Information
Principal Employers
Current Year and Nine Years Ago

Schedule 15

Employer	2024			2015		
	Employees	Rank	Percentage	Employees	Rank	Percentage
Ingram Book Group	1,822	1	26.15%	1,500	1	29.01%
Vantiva	1,300	2	18.66%			
Bridgestone Firestone	900	3	12.92%	1,010	2	19.54%
Cardinal Health	816	4	11.71%	300	6	5.80%
SAKS	560	5	8.04%	454	4	8.78%
Amazon	400	6	5.74%			
Tennessee Farmers Coop	370	7	5.31%			
Thompson Machinery, LP	300	8	4.31%			
Hitouch Business Services	250	9	3.59%			
Ajax Turner	250	10	3.59%	250	7	4.84%
Venture Express				500	3	9.67%
Schneider Electric/Chromalox				426	5	8.24%
Parthenon Metal Works				250	8	4.84%
Quality Industries				240	9	4.64%
SVP Worldwide				240	10	4.64%
Totals	6,968		100.00%	5,170		100.00%

Notes to schedule

Source: Rutherford County Chamber of Commerce

Total employment for the City was not available.

City of La Vergne, Tennessee
 Operating Information
 Full-time Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years

Schedule 16

Function	Full-time Equivalent Employees as of June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government										
Management services	23	22	22	20	20	20	20	19	18	15
Finance	7	7	7	7	7	7	7	6	6	6
Planning and engineering	6	6	6	5	5	5	5	5	5	5
Codes	8	8	8	8	8	7	7	7	7	6
Other	-	-	-	-	-	-	-	-	-	-
Public safety										
Police										
Officers	69	69	70	69	69	68	65	64	55	53
Civilians	24	24	23	21	20	20	19	13	19	18
Fire*	70	63	54	53	53	51	43	39	39	39
Highways and streets/stormwater	26	24	22	20	19	19	17	17	17	17
Recreation	20	20	20	16	14	14	14	15	16	16
Library	8	8	6	6	6	6	6	6	6	6
Water and sewer	32	32	31	31	30	28	28	27	27	27
Totals	293	283	269	256	251	245	231	218	215	208

Notes to schedule

Source: City budget document

City of La Vergne, Tennessee
 Operating Information
 Operating Indicators by Function/Program
 Last Ten Fiscal Years

Schedule 17

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government										
Codes										
Building permits issued	455	328	243	418	289	468	363	321	200	62
Public safety										
Police										
Calls*	31,879	42,410	43,821	40,389	44,218	50,337	44,660	44,075	33,787	27,389
Physical arrests*	541	1,094	2,201	1,813	2,037	2,726	2,337	1,424	1,300	872
Citations issued*	2,018	5,471	4,301	2,796	3,339	3,853	4,034	7,649	5,297	3,598
Fire*										
Emergency responses	3,886	3,762	3,538	3,497	3,334	3,315	3,473	3,187	3,254	2,822
Recreation (participants)										
Leagues	960	1,473	1,142	1,767	2,337	2,500	3,920	4,860	3,937	4,695
Facility rentals	20,075	19,560	10,685	9,994	12,620	13,684	13,957	18,890	20,876	25,345
Programs	620	174	525	251	557	404	612	1,650	2,150	3,838
Special events	17,794	17,080	13,228	15,800	9,460	8,515	7,930	8,080	5,736	7,925
Summer camp	-	-	-	-	-	-	-	-	100	115
Community clean-up	-	-	-	-	-	-	-	-	-	-
Senior citizens (participants)	6,079	8,478	3,078	3,078	11,213	7,207	7,767	7,485	7,444	6,490
Library										
Attendance	46,241	39,280	25,437	27,274	47,679	78,358	82,173	63,337	100,118	104,236
Items checked out	38,098	38,260	38,253	30,547	41,624	70,576	71,687	62,441	82,593	105,822
New cards issued	1,170	1,008	851	643	864	1,548	1,508	1,279	1,685	1,488
Water and sewer										
Customers	13,260	13,064	12,864	12,404	12,252	12,079	11,985	11,985	11,784	11,992
Average daily consumption	2,779,997	2,502,186	2,415,873	2,585,422	2,678,338	2,517,083	1,941,765	2,267,867	2,154,405	1,944,372

Notes to schedule

Sources: City departments and utility billing records

* All information was not captured prior to installation of new computer tracking system in 2015.

** Fire service was contracted out prior to 2014.

Some categories were affected by the pandemic in 2020 and 2021.

City of La Vergne, Tennessee
Operating Information
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years

Schedule 18

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government										
Autos and trucks	17	17	18	19	17	17	23	18	14	14
Public safety										
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles, motorcycles, and boats	98	86	86	88	92	87	78	72	72	74
Fire*										
Stations	3	3	3	3	3	3	3	3	3	3
Fire trucks	8	8	8	8	8	8	9	8	8	10
Autos and trucks	4	2	3	3	1	4	5	4	4	5
Hydrants	1,425	1,425	1,425	1,425	1425	1419	1381	1378	1355	1336
Highways and streets										
Autos and trucks	10	10	10	10	10	10	12	9	9	11
Streets**	190	190	190	185	185	185	178	178	178	178
Streets lights	3,015	3,015	3,015	811	811	811	496	496	496	495
Traffic signals	176	176	176	176	176	176	146	146	146	138
Recreation										
Autos and trucks	11	10	10	11	10	10	13	11	11	10
Parks	6	6	6	6	6	6	6	6	6	6
Picnic shelters	4	4	4	4	4	4	4	4	4	4
Tennis courts	2	2	2	2	2	2	2	2	2	2
In-line hockey rinks	1	1	1	1	1	1	1	1	1	1
Baseball fields	8	8	8	8	8	8	8	8	8	8
Football fields	1	1	1	1	1	1	1	1	1	1
Softball fields	1	1	1	1	1	1	1	1	1	1
Playgrounds	4	4	4	4	4	4	4	4	4	4
Library										
Autos and trucks	-	-	-	-	-	-	-	-	-	-
Water & Sewer										
Water mains**	193	193	193	184	184	184	184	181	180	180
Sanitary sewer**	172	172	172	170	164	164	133	133	133	N/A
Storage capacity***	5	5	5	5	5	5	5	5	5	5
Storage facilities	4	4	4	4	4	4	4	4	4	4
Production capacity***	10	10	10	10	10	10	10	10	10	10
Autos and trucks	38	35	40	41	34	34	36	31	34	33

Notes to schedule

Sources: City departments and insurance records

N/A -- Information not available

* Fire service was contracted out prior to 2014.

** Measured in miles

*** Measured in millions of gallons

Compliance Section



**Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Honorable Mayor and the Board of Aldermen
City of La Vergne, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of La Vergne (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 7, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. The results of our tests disclosed an instance of noncompliance that is required to be reported by the State of Tennessee and which is described in the accompanying schedule of findings and questioned costs as item 2024-001.

City's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying management's corrective action plan. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
December 7, 2024



**Independent Auditor’s Report on Compliance for Each Major Federal Program
and on Internal Control Over Compliance Required by the Uniform Guidance**

Honorable Mayor and City Council
City of LaVergne, Tennessee

**Report on Compliance for Each Major Federal Program
*Opinion on Each Major Federal Program***

We have audited the City of LaVergne, Tennessee’s (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended June 30, 2024. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City’s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Blankenship CPA Group, PLLC

Blankenship CPA Group, PLLC
Brentwood, Tennessee
December 7, 2024

City of La Vergne, Tennessee
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2024

Grantor / Pass-through Grantor	Program name	Assistance Listing	Contract number	Expenditures	Passed through to subrecipients
Federal Awards					
Department of Justice / N/A - Direct	Bullet Proof Vest Partnership Program	16.607	N/A	\$ 5,580	\$ -
N/A - Direct	Equitable Sharing Program	16.922	N/A	324,162	-
N/A - Direct	Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	12,037	-
N/A - Direct	Covid -19 - Coronavirus Emergency Supplemental Funding	16.034	N/A	475	-
Department of Transportation / Tennessee Department of Transportation	Highway Planning and Construction (Federal-Aid Highway Program)	20.205	CM-NH-9317(10)	177,491	-
Tennessee Department of Safety and Homeland Security	<u>Highway Safety Cluster</u> Alcohol Open Container Requirements	20.607	Z23THS150	5,816	-
Department of the Treasury / N/A - Direct	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	4,055,859	-
Tennessee Department of Environment and Conservation	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	20-1892-0-1-806	<u>305,165</u>	-
Total COVID-19 - Coronavirus State and Local Fiscal Recovery Funds				4,361,024	-
Department of Health and Human Services / N/A - Direct	<u>Aging Cluster</u> Special Programs for the Aging - Title III, Part B	93.044	N/A	<u>20,463</u>	-
Total federal awards				4,907,048	-
State Financial Assistance					
TN Secretary of State	Technology Grant	N/A	N/A	7,555	-
TN Department of Environment and Conservation	Recreation Grant	N/A	N/A	5,934	-
TN Commission on Aging and Disability	Senior Citizen Grant	N/A	N/A	7,146	-
TN Department of Justice	Police Recruitment Grant	N/A	N/A	1,000	-
TN Department of Finance and Administration	Violent Crime Intervention Fund	N/A	N/A	<u>239,927</u>	-
Total state financial assistance				261,562	-
Total federal awards and state financial assistance				\$ 5,168,610	\$ -

Notes

Note 1. Basis of Presentation

This schedule of expenditures of federal awards and state financial assistance summarizes the expenditures of the City under programs of the federal and state governments for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, change in net position, or cash flows of the City. Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 2. Indirect Cost Rate

The City has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

City of La Vergne, Tennessee
Summary Schedule of Prior Year Findings
For the Year Ended June 30, 2024

Financial Statement Findings

Finding Number	Finding Title	Status
2023-001	Cash receipts not deposited within three banking days as required by state law. (original finding 2021-001)	Repeated 2024-001

Federal Award Findings and Questioned Costs

Finding Number	Finding Title	Status
N/A	There were no prior findings reported.	N/A

City of La Vergne, Tennessee
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2024

Section I. **Summary of Auditor’s Results**

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster
21.027	Covid 19 – Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs \$ 750,000

Auditee qualified as low-risk auditee? _____ Yes X No

City of La Vergne, Tennessee
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

Section II. **Financial Statement Findings**

Finding No. 2024-001 (previously 2023-001). Cash receipts not deposited within three banking days as required by state law.

Criteria

TCA § 6-56-111 requires that cash receipts be deposited into the bank within three banking days.

Condition

Testing of cash receipts revealed instances of deposits not being deposited into the bank within three banking days. The deposits were held for several days before being taken to the Finance Department for deposit.

Cause

The City's internal controls over financial reporting did not identify, or detect and correct, the noncompliance on a timely basis.

Effect

This noncompliance with state law exposes cash to increased risk of misappropriation.

Contact person responsible for the corrective action: Danielle Brown, Director of Finance

Anticipated completion date: June 30, 2025

Section III. **Federal Award Findings and Questioned Costs**

None reported.



5093 Murfreesboro Road
La Vergne, TN 37086
(615) 793-6295
lavergne.tn.gov

City of La Vergne, Tennessee
Management's Corrective Action Plan
For the Year Ended June 30, 2024

Management's Corrective Action Plan

(2024-001) – Cash receipts not deposited within three banking days as required by state law.

Personnel responsible:

Danielle Brown

Action Plan or Taken:

A written statement has been sent to Codes and Water Billing departments that handle receipting of permits and fees that were deposited late. They have been made aware of the 3-day deposit rule violation and requested improvement in their processes. Codes generally issues the permits and brings payments to our central location at City Hall for deposit preparation (Water Billing). Both will work on their efforts to comply with the 3-day deposit rule.

Anticipated Completion Date:

We anticipate immediate action in regard to depositing within the 3-day deposit rule, but will give them a 6/30/25 date to improve processes.

Danielle Brown

Danielle Brown
Director of Finance