TENNESSEE
COMPTROLLER
OF THE TREASURY

JASON E. MUMPOWER
Comptroller

June 29, 2026

Honorable Mr. Bill White, Mayor
and Honorable Board of Commissioners
City of Mount Pleasant
100 Public Square
Mount Pleasant, TN 38474

Dear Mayor White and Board of Commissioners:

Thank you for your request. We acknowledge receipt on June 24, 2026, of a request from the City of Mount Pleasant (the "City") for approval to renew and extend grant anticipation notes in an amount not to exceed $250,000 to continue to be known as the "Downtown Revitalization Grant Anticipation Notes, Series 2025" (the "Notes"). The Notes that are being extended were initially issued as an interfund loan from the City's General Fund to its Capital Projects Fund.

Included with the request was a certified copy of Resolution No. 2026-33, adopted on June 16, 2026, authorizing the renewal and extension of the Notes for the purpose of providing interim funding in anticipation of reimbursement by the Tennessee Department of Transportation (TDOT) for the Downtown Revitalization Project pursuant to the TDOT grant agreement dated October 1, 2018. The City also provided a cash flow forecast for the General Fund and a letter requesting approval for a second extension of the Notes due to delays in TDOT reimbursements.

A Report on Debt Obligation, utilizing our online form: tncot.cc/debt-report, should be completed within forty-five (45) days of the issuance of the debt herein approved.

Note Approval

This letter approves the four-month extension of the Notes originally issued as an interfund loan from the City's General Fund to its Capital Projects Fund, pursuant to Tennessee Code Annotated, Title 9, Chapter 21, Parts 4 and 7.

Our office previously approved the original six-month Grant Anticipation Note on July 24, 2025. We then approved a four-month extension on February 24, 2026. This letter approves an additional seven-month extension. With both extensions included, the original six-month maturity period has been extended to a total maturity of 17 months. This extension will allow the City to manage the timing of the grantor's reimbursement process.

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Approval of the Notes is conditioned upon the City's compliance all relevant provisions of Tennessee law. The amount of the Notes being approved is based on the City's determination of the cost of the public works project as authorized in Tenn. Code Ann. § 9-21-109, as well as the remaining amount yet to be reimbursed from the state grantor.

This letter and the approval to issue debt do not address compliance with federal tax regulations and should not be relied upon for that purpose. The City should discuss these issues with a tax attorney or bond counsel.

This approval is valid for six months after the date of this letter. If the Notes have not been issued within that time, a new note resolution must be passed by the governing body and submitted to our office for approval.

Purpose, Terms, and Life

This Project meets the definition of a public works project in Tenn. Code Ann. § 9-21-105 and is secured solely by the pledge of monies to be received pursuant to the agreement between the Tennessee Department of Transportation and the City.

The Notes shall mature not later than seven (7) months from the date of issuance, as provided in Resolution No. 2026-33. Pursuant to Tenn. Code Ann. § 9-21-705, our office may approve an extension of grant anticipation notes subject to statutory limitations.

After Issuance

Our website contains specific compliance requirements your local government will be responsible for once the notes are issued: http://tncot.cc/debt. The listing is not all inclusive.

Please notify us if the City decides not to issue the Notes.

If you should have questions or need assistance, please refer to our online resources or feel free to contact your financial analyst, Meghan Denson, at 615.747.5379 or Meghan.Denson@cot.tn.gov.

Sincerely,

Sheila A. Reed

Sheila Reed, Director
Division of Local Government Finance

cc: Ms. Shiphrah Cox, Finance Director, Mt. Pleasant

SR:md

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