

# TREASURER'S QUARTERLY REPORT TO COUNCIL 04/01/23 - 06/30/23



**Kelly Flannery**

Finance Director

**Michell Bosch**

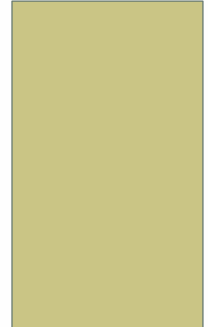
Treasurer

**Sharon Sepik**

Assistant Treasurer

**Heidi Hoeffner**

Finance Manager



# DEBT PRESENTATION

- Current Debt Status
- Debt Service
- Debt Projections



# CURRENT DEBT STATUS

- General Obligation Debt
- Water and Sewer Revenue Debt
- Convention Center Authority Debt
- Sports Authority Debt



# GENERAL OBLIGATION DEBT

	Principal	Interest	Total
GO Debt at 04/01/2023	\$ 3,486,515,000	\$ 1,029,197,916	\$ 4,515,712,916
GO Debt Payments	-	(667,075)	(667,075)
GO Debt at 06/30/2023	<u>\$ 3,486,515,000</u>	<u>\$ 1,028,530,841</u>	<u>\$ 4,515,045,841</u>
State Loans for Schools at 04/01/2023 <sup>(1)</sup>	\$ 14,393,483	\$ 8,601,246	\$ 22,994,730
State Loan Debt Payments	(780,515)	(568,800)	\$ (1,349,315)
Interest Earned	(213,418)	(7,958)	\$ (221,376)
State Loans as of 06/30/2023	<u>\$ 13,399,551</u>	<u>\$ 8,024,489</u>	<u>\$ 21,424,039</u>
Total GO Bonded Debt at 06/30/2023	<u>\$ 3,499,914,551</u>	<u>\$ 1,036,555,330</u>	<u>\$ 4,536,469,880</u>

(1) 2009 and 2010 Qualified School Construction Bonds

Source: Treasury Debt Schedules



# GO COMMERCIAL PAPER

	Principal
GO Commercial Paper at 04/01/2023	\$ 44,400,000
CP Draw 04/10/2023	\$ 50,000,000
CP Draw 06/06/2023	\$ 50,000,000
Total GO Commercial Paper Outstanding at 06/30/2023	<u>\$ 144,400,000</u>
•	
Commercial Paper Interest Payments <sup>(1)</sup>	<u>\$ 614,558</u>

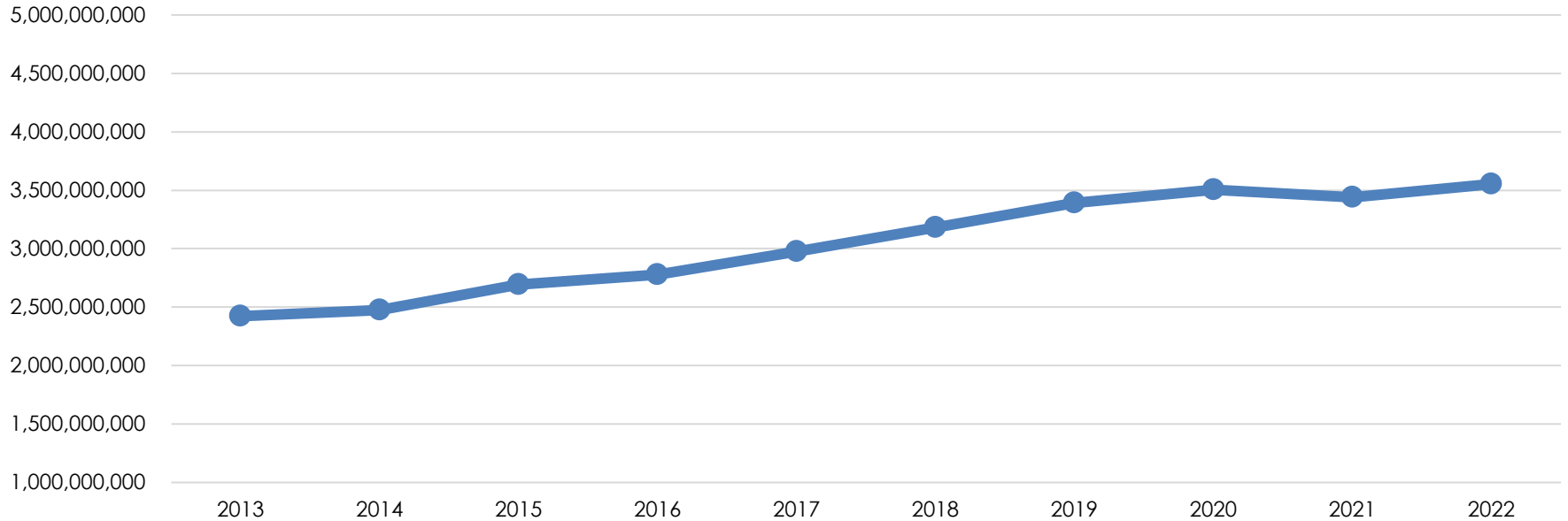
<sup>(1)</sup>Commercial paper interest is variable rate

Source: Treasury Debt Schedules



# 10 YEAR HISTORY OF GENERAL OBLIGATION PRINCIPAL BALANCE

GO Outstanding Bond and Commercial Paper Principal Balance



Source: Treasury Debt Schedules

Mayor John Cooper

Metropolitan Government of Nashville and Davidson County



# OUTSTANDING WATER AND SEWER DEBT

	Principal	Interest	Total
Water and Sewer Debt at 04/01/2023	\$ 1,250,225,000	\$ 721,577,947	\$ 1,971,802,947
Water and Sewer Debt Payments		-	-
Water and Sewer Debt at 06/30/2023	<u>\$ 1,250,225,000</u>	<u>\$ 721,577,947</u>	<u>\$ 1,971,802,947</u>
State Revolving Fund at 04/01/2023	\$ 16,355,514	\$ 1,435,395	\$ 17,790,909
State Revolving Fund Debt Payments	\$ (190,626)	\$ (35,307)	\$ (225,933)
State Loans as of 06/30/2023	<u>\$ 16,164,888</u>	<u>\$ 1,400,088</u>	<u>\$ 17,564,976</u>
*WIFIA Loan as of 06/30/2023	<u>315,000,000</u>	<u>217,561,812</u>	<u>532,561,812</u>
Total Water and Sewer Debt at 06/30/2023	<u>\$ 1,581,389,888</u>	<u>\$ 940,539,847</u>	<u>\$ 2,521,929,735</u>

\*Current amount outstanding is zero. First Debt Service Payment is 07/01/2025.

Source: Treasury Debt Schedules



# STATE REVOLVING FUND

	Interest	Outstanding
SRF Loan DWF 20-224 at 04/01/2023		\$ 17,450,213
*Interest Payment	41,444	
Total SRF Loan DWF 20-224 outstanding at 06/30/2023	\$ 41,444	\$ 17,450,213

\*Interest rate is .95%

Source: Treasury Debt Schedules





# WATER AND SEWER COMMERCIAL PAPER

	Principal
Water & Sewer Commercial Paper at 04/01/2023	\$ 99,000,000
CP Draw 04/10/2023	12,000,000
CP Draw 06/15/2023	20,000,000
Total W&S Commercial Paper Outstanding at 06/30/2023	<u>\$ 131,000,000</u>
Commercial Paper Interest Payments <sup>(1)</sup>	<u>\$ 1,020,337</u>

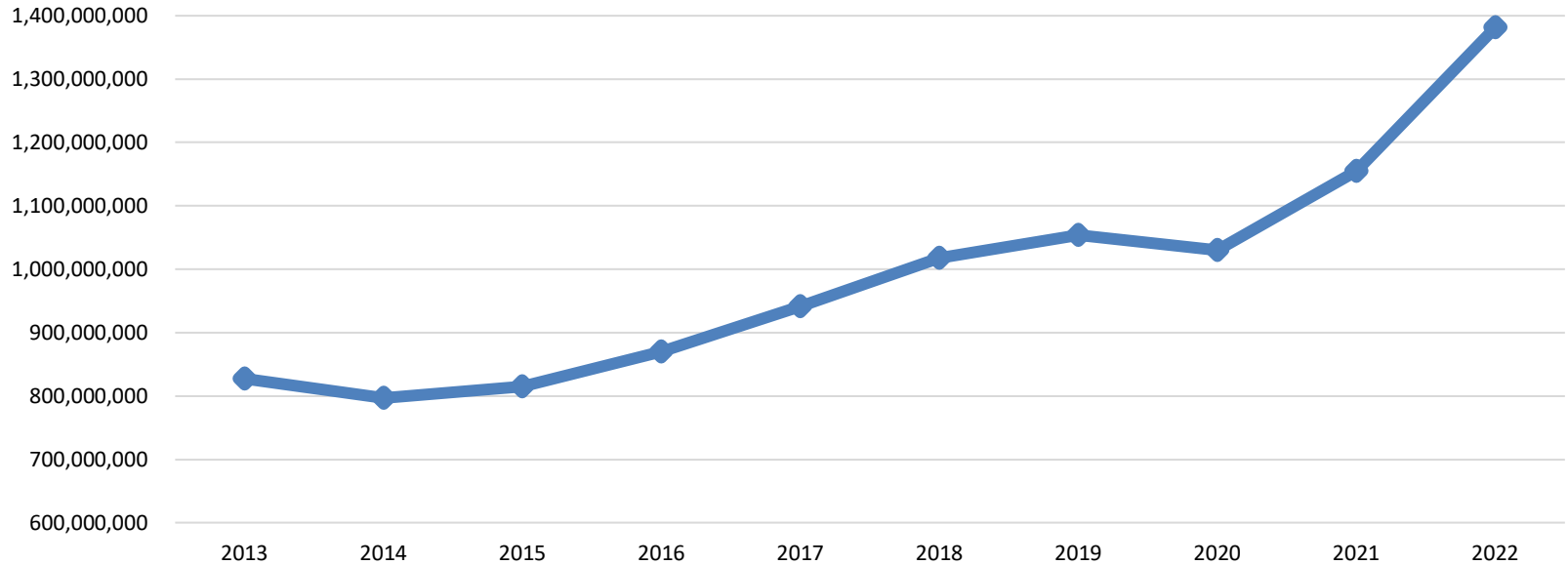
<sup>(1)</sup> Commercial paper interest is variable rate

Source: Treasury Debt Schedules



# 10 YEAR HISTORY OF WATER AND SEWER PRINCIPAL BALANCE

Outstanding Bond and Commercial Paper Principal Balance



Source: Treasury Debt Schedules



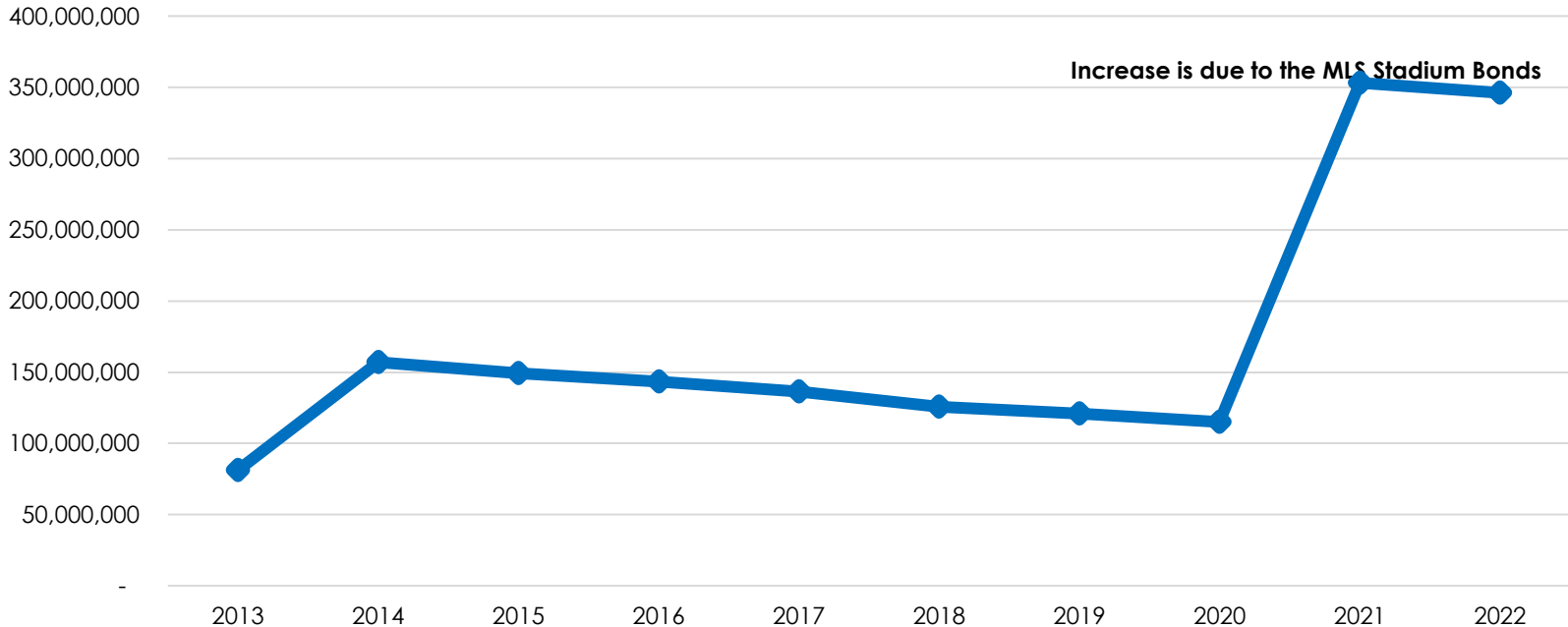
# OUTSTANDING SPORTS AUTHORITY DEBT

	Principal	Interest	Total
Sports Authority Debt at 04/01/2023	\$ 337,910,000	\$ 137,828,785	\$ 475,738,785
Sports Authority Debt Payments	-	-	-
Total Sports Authority Debt at 06/30/2023	<u>\$ 337,910,000</u>	<u>\$ 137,828,785</u>	<u>\$ 475,738,785</u>

Source: Treasury Debt Schedules



# 10 YEAR HISTORY OF SPORTS AUTHORITY PRINCIPAL BALANCE



Source: Treasury Debt Schedules

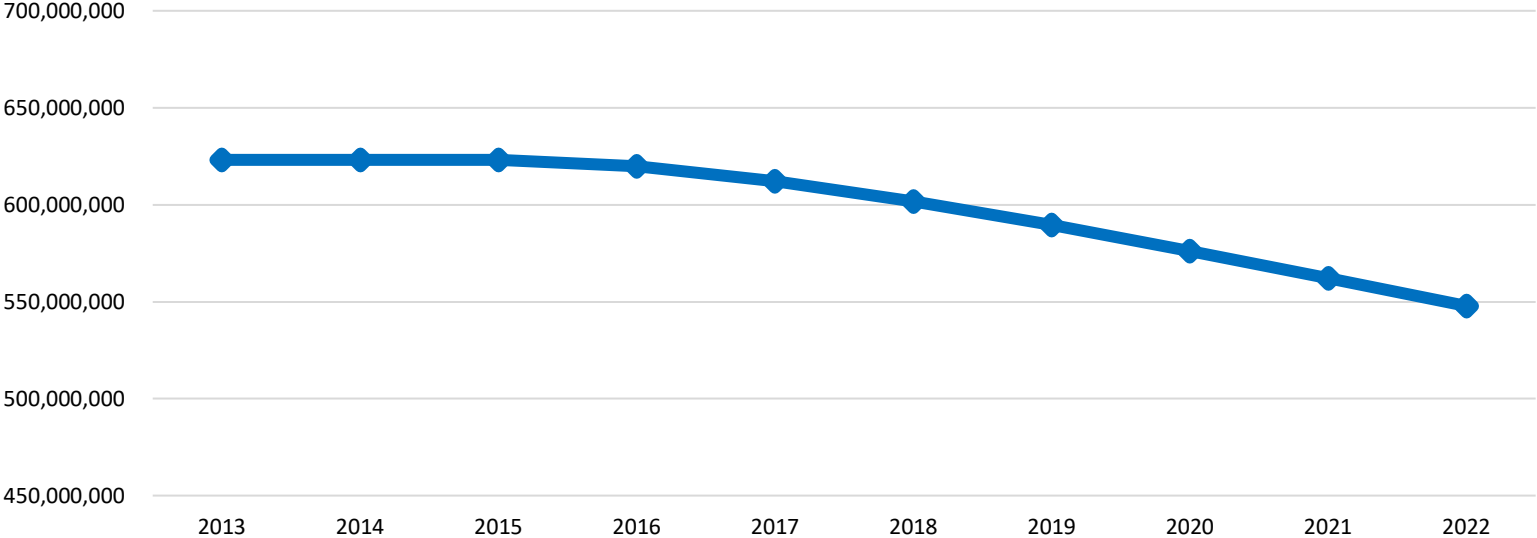
# OUTSTANDING CONVENTION CENTER DEBT

	Principal	Interest	Total
Convention Center Debt at 04/01/2023	\$ 532,640,000	\$ 446,784,364	\$ 997,424,364
Convention Center Debt Payments	-	-	-
Total Convention Center Debt at 06/30/2023	<u>\$ 532,640,000</u>	<u>\$ 446,784,364</u>	<u>\$ 979,424,364</u>

Source: Treasury Debt Schedules



# 10 YEAR HISTORY OF CONVENTION CENTER PRINCIPAL BALANCE



Source: Treasury Debt Schedules



# DEBT PRESENTATION

## Debt Service



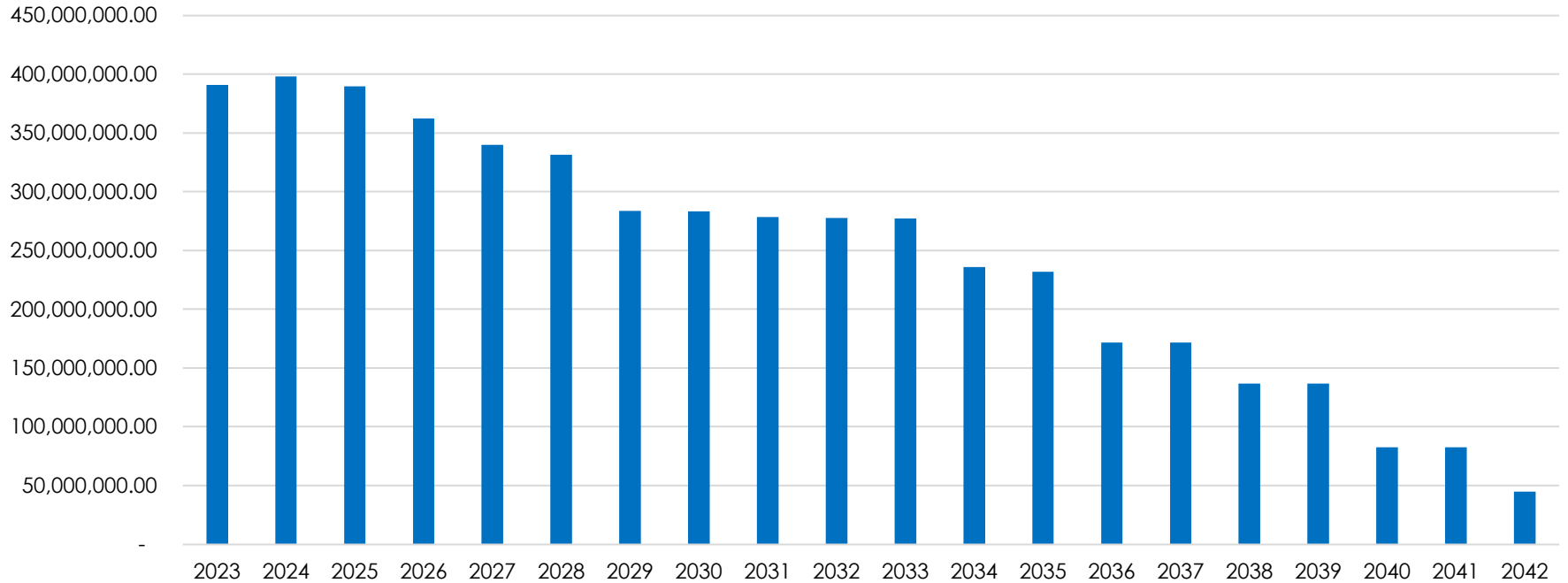
# DEBT RATIOS

Fiscal Year	Debt Per Capita	% Debt Service to Total General Expenditures	Debt Service Coverage
2013	3,898	6.40%	1.6
2014	3,683	9.10%	1.5
2015	3,452	9.50%	1.9
2016	3,910	9.20%	1.6
2017	4,380	9.40%	1.4
2018	4,104	10.00%	1.3
2019	4,934	10.50%	1.5
2020	4,498	12.00%	1.9
2021	5,090	11.10%	2.5
2022	4,633	10.80%	2.3
<b>10 Year Average</b>	4,258	9.80%	1.8
<b>Source: 2022 Comprehensive Annual Financial Report</b>			





# ANNUAL GENERAL OBLIGATION DEBT SERVICE



Source: Treasury Debt Schedules



# ANNUAL DEBT SERVICE BY BOND ISSUE

Fiscal Year	2010B BAB Series	2012 QECB Series	2012 Refunding Series	2012A DES Refunding Series	2012B Refunding Series	2013 Refunding Series	2013A Series	2015A Refunding Series	2015B Refunding Series
2023	14,381,925	216,835	46,525,250	3,435,350	8,350,483	2,532,950	16,523,350	13,309,000	14,968,163
2024	14,381,925	216,835	-	3,035,525	22,347,311	30,649,100	-	13,308,250	940,745
2025	14,381,925	216,835	-	3,435,775	29,832,095	30,652,625	-	13,313,125	940,745
2026	14,381,925	216,835	-	3,430,775	-	-	-	10,601,625	7,678,384
2027	28,210,730	216,835	-	4,265,600	-	-	-	3,951,375	7,665,390
2028	38,813,052	6,548,417	-	3,427,400	-	-	-	-	7,650,303
2029	38,291,838	-	-	3,416,700	-	-	-	-	4,149,007
2030	37,748,127	-	-	3,416,900	-	-	-	-	4,141,083
2031	37,184,777	-	-	3,412,700	-	-	-	-	-
2032	36,599,506	-	-	3,409,000	-	-	-	-	-
2033	35,994,889	-	-	3,399,625	-	-	-	-	-
2034	35,363,500	-	-	3,397,875	-	-	-	-	-
2035	34,707,914	-	-	-	-	-	-	-	-
2036									
2037									
2038									
2039									
2040									
2041									
2042									
<b>Total</b>	<b>380,442,034</b>	<b>7,632,591</b>	<b>46,525,250</b>	<b>41,483,225</b>	<b>60,529,889</b>	<b>63,834,675</b>	<b>16,523,350</b>	<b>54,483,375</b>	<b>48,133,820</b>

Source: Treasury Debt Schedules



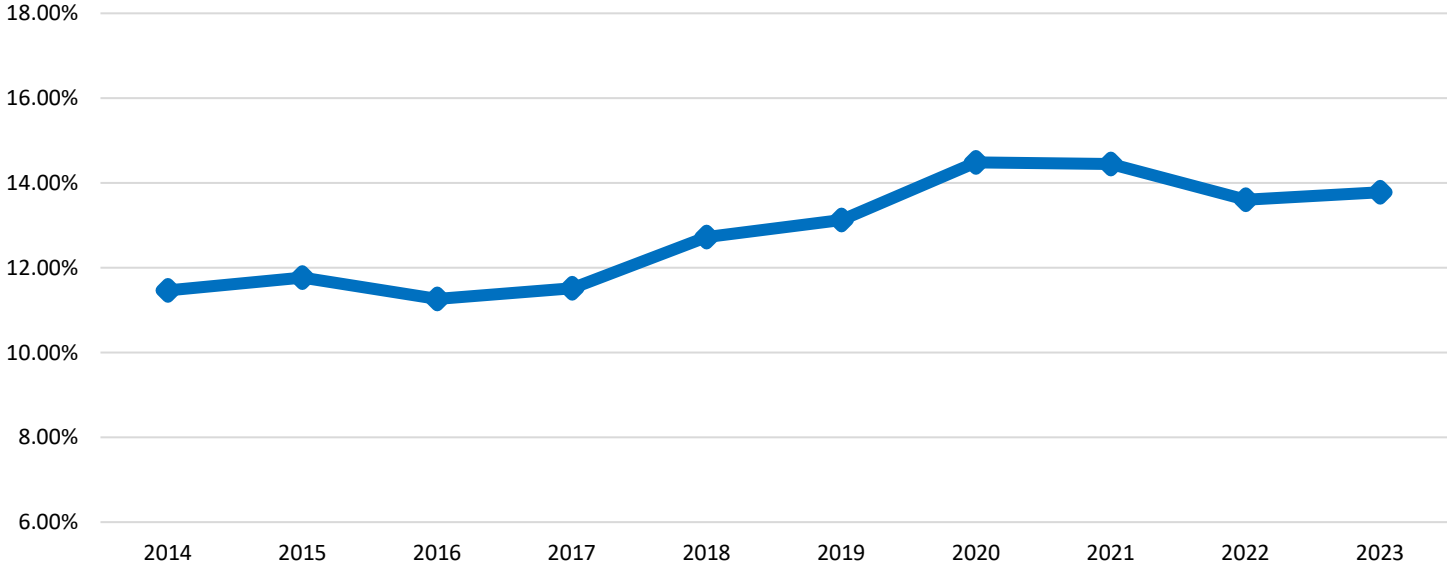
# ANNUAL DEBT SERVICE BY BOND ISSUE

## CONTINUED

Fiscal Year	2016 Refunding				2021A Refunding Series	2021B Refunding Series	2021C Series	2022A Series	2022B Series	Total All Bonds
	2015C Series	Series	2017 Series	2018 Series						
2023	21,551,200	13,294,450	35,288,238	53,817,850	32,165,875	36,087,842	37,828,475	21,882,442	18,739,384	390,899,062
2024	21,551,325	40,724,250	35,286,988	53,815,475	30,827,250	48,341,661	37,831,975	24,165,850	20,694,100	398,118,565
2025	21,549,300	45,055,250	35,285,988	53,816,600	16,852,750	41,485,845	37,831,975	24,163,450	20,698,700	389,512,982
2026	21,551,200	42,320,250	35,287,613	53,817,725	9,356,625	80,820,417	37,831,225	24,163,650	20,697,700	362,155,949
2027	21,551,875	39,998,250	35,288,744	53,815,350	3,013,500	58,960,885	37,832,225	24,165,650	20,695,700	339,632,109
2028	21,551,250	38,310,250	35,287,300	53,815,725		43,146,846	37,832,225	24,165,650	20,697,100	331,245,518
2029	21,550,625	38,308,750	35,287,200	53,819,000		6,067,186	37,828,475	24,164,050	20,696,100	283,578,931
2030	-	38,306,000	35,286,900	53,815,775		27,620,590	37,828,225	24,166,850	20,697,100	283,027,549
2031	-	38,309,250	35,289,700	53,817,900		27,621,318	37,828,225	24,163,350	20,694,300	278,321,520
2032	-	16,200,000	35,288,900	53,816,525		49,732,739	37,830,825	24,165,100	20,697,100	277,739,695
2033	-	15,600,000	35,287,800	53,816,900		50,333,863	37,832,625	24,164,100	20,694,500	277,124,302
2034	-	-	35,289,500	53,815,500		25,336,606	37,830,775	24,163,350	20,695,900	235,893,006
2035	-	-	35,287,100	53,817,400		25,339,277	37,831,175	24,162,600	20,695,300	231,840,766
2036			35,288,600	53,817,300			37,832,925	24,166,400	20,696,900	171,802,125
2037			35,286,900	53,817,300			37,832,125	24,166,800	20,695,400	171,798,525
2038				53,819,300			37,831,000	24,162,800	20,695,400	136,508,500
2039				53,815,200			37,832,000	24,163,400	20,695,000	136,505,600
2040							37,829,000	24,162,200	20,697,400	82,688,600
2041							37,831,800	24,163,000	20,696,400	82,691,200
2042								24,164,400	20,696,000	44,860,400
<b>Total</b>	<b>150,856,775</b>	<b>366,426,700</b>	<b>529,317,469</b>	<b>914,886,825</b>	<b>92,216,000</b>	<b>520,895,074</b>	<b>718,787,275</b>	<b>481,005,092</b>	<b>411,965,484</b>	<b>4,905,944,903</b>



# TOTAL DEBT SERVICE AS A PERCENTAGE OF OPERATING BUDGET



Source: Treasury Debt Schedules



# DEBT PRESENTATION

## Debt Projections



# GO AUTHORIZED/UN-BONDED DEBT

Approved Capital Spending Plans Authorizing the Issuance of General Obligation Bonds

Prior Approved Capital Spending	\$ 5,201,036,447
Total Prior Bonds Issued	(3,539,900,000)
Total Authorized/Un-Bonded Debt at 06/30/2023	<u>\$ 1,661,136,447</u>

These amounts include all authorized & de-authorized capital spending plans and bonds issued since 2009

Source: Treasury Debt Schedules



# WATER & SEWER AUTHORIZED/UN-BONDED DEBT

Approved Capital Spending Plans Authorizing the Issuance of Water and Sewer Bonds

Prior Approved Capital Spending	\$ 2,315,000,000
Total Prior Bonds Issued	(1,554,655,000)
Total Authorized/Un-Bonded Debt at 06/30/2023	<u>760,345,000</u>

These amounts include all authorized & de-authorized capital spending plans and bonds issued since 2009

Source: Treasury Debt Schedules



# COMMERCIAL PAPER

- Commercial paper is used as a form of bond anticipation notes
- Notes are issued as needed not to exceed authorized limits
- Funds can only be spent on projects previously approved in capital spending plans
- Provides lower cost interim financing until long-term bonds are issued
- Only a financing method – not additional spending authority





# COMMERCIAL PAPER (CONT.)

- Interest rates on commercial paper notes ranged from 3.08% to 3.65% for new issues and rolls during the quarter
- As of June 30, 2023 outstanding GO CP is \$144.4 million
- As of June 30, 2023 outstanding W&S CP is \$131 million
- Projecting GO Bond Issue in Fall of 2024 to take out \$650 million of commercial paper
- Projecting GO Bond Issue in Fall of 2026 to take out \$650 million of commercial paper
- Projecting GO Bond Issue in Summer of 2027 to take out \$360 million of commercial paper

\*Projection of bond issues based on historical commercial paper spending and does not contemplate CSP



# FUTURE DEBT SERVICE TO FUND EXISTING AUTHORIZATIONS

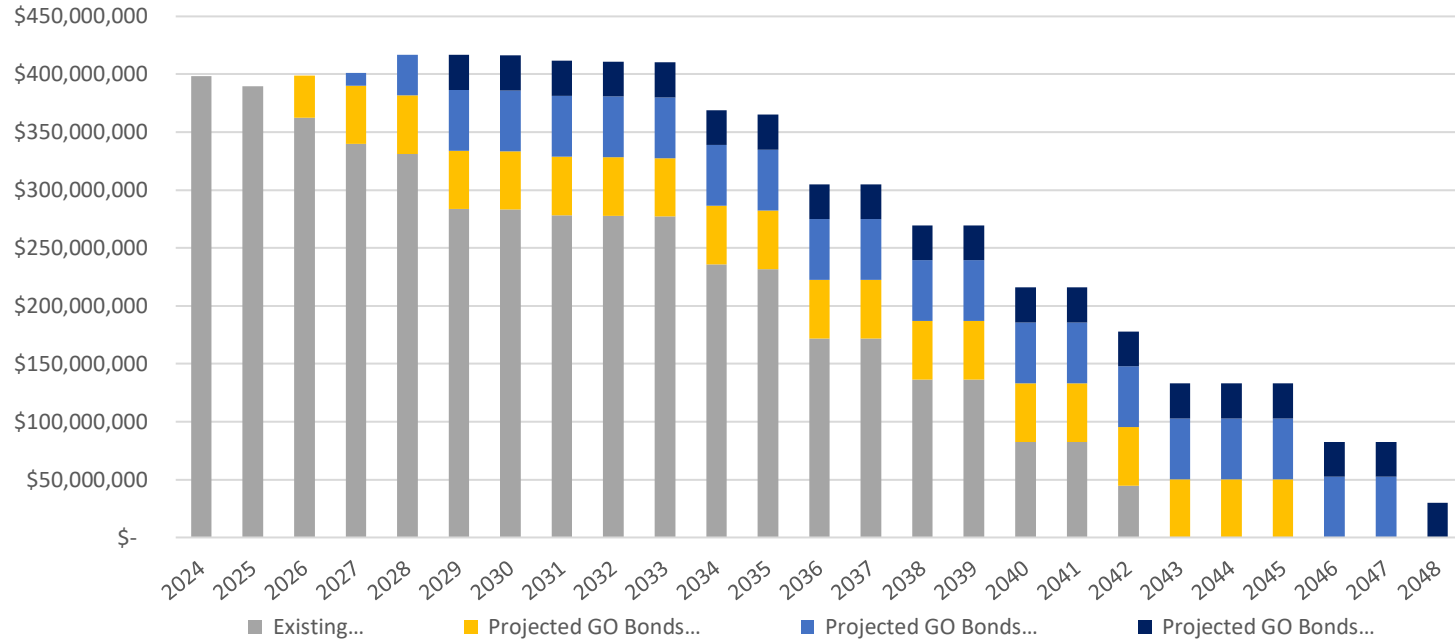
Period	Existing	Projected GO Bonds	Projected GO Bonds	Projected GO Bonds	Aggregate	Change in Annual Debt
Ending	Debt Service (1)	Series 2024 (2)	Series 2026 (2)	Series 2027 (2)	Debt Service	Service from Prior Year
6/30/2024	\$ 398,118,565	\$ -	\$ -	\$ -	\$ 398,118,565	7,219,503
6/30/2025	389,512,982	-	-	-	389,512,982	(8,605,583)
6/30/2026	362,155,949	36,402,052	-	-	398,558,000	9,045,018
6/30/2027	339,632,109	50,433,375	10,833,230	-	400,898,714	2,340,713
6/30/2028	331,245,518	50,435,450	35,134,800	-	416,815,768	15,917,055
6/30/2029	283,578,931	50,432,250	52,479,800	30,178,156	416,669,137	(146,631)
6/30/2030	283,027,549	50,436,025	52,479,100	30,173,825	416,116,499	(552,638)
6/30/2031	278,321,520	50,433,200	52,481,000	30,176,025	411,411,745	(4,704,754)
6/30/2032	277,739,695	50,435,750	52,481,600	30,174,550	410,831,595	(580,150)
6/30/2033	277,124,302	50,434,825	52,482,000	30,172,125	410,213,252	(618,343)
6/30/2034	235,893,006	50,436,850	52,478,000	30,171,150	368,979,006	(41,234,246)
6/30/2035	231,840,766	50,432,700	52,480,400	30,173,700	364,927,566	(4,051,441)
6/30/2036	171,802,125	50,433,525	52,479,100	30,171,525	304,886,275	(60,041,291)
6/30/2037	171,798,525	50,434,650	52,479,300	30,171,700	304,884,175	(2,100)
6/30/2038	136,508,500	50,436,400	52,480,600	30,175,650	269,601,150	(35,283,025)
6/30/2039	136,505,600	50,433,825	52,482,300	30,174,475	269,596,200	(4,950)
6/30/2040	82,688,600	50,431,975	52,478,400	30,174,600	215,773,575	(53,822,625)
6/30/2041	82,691,200	50,435,350	52,482,900	30,171,800	215,781,250	7,675
6/30/2042	44,860,400	50,432,900	52,478,600	30,171,850	177,943,750	(37,837,500)
6/30/2043	-	50,433,850	52,478,900	30,174,875	133,087,625	(44,856,125)
6/30/2044	-	50,436,600	52,481,000	30,175,675	133,093,275	5,650
6/30/2045	-	50,434,275	52,481,800	30,174,050	133,090,125	(3,150)
6/30/2046	-	-	52,477,900	30,174,475	82,652,375	(50,437,750)
6/30/2047	-	-	52,480,600	30,175,775	82,656,375	4,000
6/30/2048	-	-	-	30,171,450	30,171,450	(52,484,925)
6/30/2049	-	-	-	-	-	(30,171,450)
	<u>\$ 4,515,045,841</u>	<u>\$ 994,655,827</u>	<u>\$ 1,043,091,330</u>	<u>\$ 573,305,981</u>	<u>\$ 7,126,098,979</u>	

(1) Reflects full FY 2024 existing debt.

(2) These numbers are based on preliminary analysis done July 10, 2023 and are subject to change.



# Future Debt Service to Fund Existing Authorizations (Cont.)



(1) Reflects full FY 2024 existing debt.

(2) These numbers are based on preliminary analysis done July 10, 2023 and are subject to change.

Source: Hilltop Securities