Jason E. Mumpower
Comptroller

January 27, 2026

Honorable Freddie O'Connell, Mayor
and Honorable Councilmembers
Metropolitan Government of Nashville and Davidson County
1 Public Square, Suite 100, Mayors Office
Nashville, TN 37201

Dear Mayor O'Connell and Councilmembers:

Thank you for your request. We acknowledge receipt on January 12, 2026, of a request from the Metropolitan Government of Nashville and Davidson County ("Metro") for a report on a plan of refunding (the "Plan") for Metro's proposed issuance of an estimated $453,935,000 General Obligation Refunding Bonds, Series 2026D.

Pursuant to the provisions of Tennessee Code Annotated Title 9, Chapter 21, enclosed is a report based upon our review of Metro's Plan. The Plan, this letter, and the enclosed report should be made available on Metro's website and must be presented to each member of the Board for review prior to the adoption of an authorizing resolution for the refunding bonds.

Private Negotiated Sale Approval

Pursuant to Tenn. Code Ann. § 9-21-910, Metro's request to sell the Series 2026D Refunding Bonds by negotiated sale is approved. This approval is conditioned upon the requirement that the bonds are sold with the same, or accelerated, principal repayment schedule as presented in Metro's Plan.

Requirements After Debt is Issued

Our website contains specific compliance requirements your local government will be responsible for once the bonds are issued: http://tncot.cc/debt. The listing is not all inclusive and you should work with your financial advisor and bond counsel to ensure compliance with legal and regulatory requirements related to the proposed refunding.

Cordell Hull Building | 425 Rep. John Lewis Way N. | Nashville, Tennessee 37243

If you should have questions or need assistance, please refer to our online resources or feel free to contact your financial analyst, Charlie Lester, at 615.401.7762 or Charlie.Lester@cot.tn.gov.

Sincerely,

Sheila A. Reed

Sheila Reed, Director
Division of Local Government Finance

cc:
Ms. Jenneen Reed, Metropolitan Government of Nashville and Davidson County
Mr. Steven Johnson, Hilltop Securities
Mr. Jeff Oldham, Bass Berry & Sims PLC
Ms. Amanda Schlang, Bank of America Securities

SR: cl

Enclosure: Refunding Report

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Report on General Obligation Refunding Bonds, Series 2026D
The Metropolitan Government of Nashville and Davidson County, Tennessee

This report is being issued pursuant to Tenn. Code Ann. § 9-21-1003 and is based upon information as presented in a plan of refunding (the "Plan") received by our office on January 12, 2026, from The Metropolitan Government of Nashville and Davidson County, Tennessee ("Metro"). Our report provides information to assist the governing body in its responsibility to understand the nature of the refunding transaction, including the costs and benefits, prior to approving the issuance of the refunding bonds and is designed to provide consistent and comparable information for all local governments in Tennessee. This report does not constitute approval or disapproval of the Plan or a determination that a refunding is advantageous or necessary. This report and Metro's Plan must be presented to the governing body prior to the adoption of a resolution authorizing the refunding bonds.

PROPOSED REFUNDING TRANSACTION

Metro plans to issue an estimated $453,935,000 General Obligation Revenue Refunding Bonds, Series 2026D, by negotiated sale, to refund the following:

- Current Refund: $162,340,000 General Obligation Refunding Bonds, Series 2016
- Tender of the following series and expected participation:
  - $ 75,330,000 General Obligation Improvement Bonds 2017 - 40%
  - $ 147,110,000 General Obligation Improvement Bonds 2018 - 40%
  - $ 42,940,000 General Obligation Refunding Bonds 2021B - 25%
  - $ 97,990,000 General Obligation Improvement Bonds 2021C - 40%

The 25% is on the Taxable to Tax Exempt, and the 40% is on the Tax Exempt to Tax Exempt.

COSTS

Estimated costs of issuance are summarized below and based upon the principal amount of $453,935,000 of the Series 2026D Refunding Bonds:

	Amount	Price per $1,000 Bond
Underwriters Discount (Bank of America Securities)	$ 2,306,191	$ 5.08
Rating Agency Fees (Moodys, S&P, KBRA)	340,000	0.75
Municipal Advisor (Hilltop Securities)	255,000	0.56
Bond Counsel (Bass Berry & Sims PLC)	250,000	0.55
Tender Dealer	250,000	0.55
Disclosure Counsel	187,500	0.41
Miscellaneous	19,500	0.04
	$ 3,608,191	$ 7.95

Metro plans to contribute $5,156,008 from its Debt Service Fund to help fund the refunding transaction.

BENEFITS

Metro's stated objective for the refunding is to achieve savings. The anticipated net present value savings are $20,642,855, achieved by reducing the average interest rate on the debt.

Balloon Indebtedness

The proposed structure of the Series 2026D Refunding Bonds is not balloon indebtedness as defined in Tenn. Code Ann. § 9-21-133 because Metro currently has a S&P Global rating of AA+ on some of its General Obligation debt.

Effective Date for this Report

This report is effective for a period of ninety (90) days from the date of the report. If the refunding transaction has not been priced during this ninety (90) day period, a new plan of refunding, with new analysis and estimates based on market conditions at that time, must be submitted to our office. We will then issue a report on the new plan for Metro's governing body to review prior to adopting a new authorizing resolution for the refunding bonds.

Sheila Reed
Director of the Division of Local Government Finance
Date: January 27, 2026