

EXHIBIT A

Form of Bonds

REGISTERED
Number _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON COUNTY
GENERAL OBLIGATION IMPROVEMENT BOND, SERIES 2022[A][B]

Interest Rate

Maturity Date
January 1, 20____

Date of Bond:
_____, 2022

CUSIP No.:

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS: That The Metropolitan Government of Nashville and Davidson County (the "Metropolitan Government"), a lawfully organized and existing municipal corporation, for value received hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth, and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate of interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on [January 1, 2023] and semi-annually thereafter on the first day of [January] and [July] in each year until this Bond matures or is redeemed. Both principal hereof and interest hereon are payable in lawful money of the United States of America at the Nashville, Tennessee corporate trust office of U.S. Bank Trust Company, National Association, as registration and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date to the registered owner hereof 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, or by wire transfer, as provided by the Bond Resolution, as such term is hereinafter defined, mailed to such owner at such owner's address shown on said bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the Metropolitan Government to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date 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 payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of and premium, if any, on this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Bond Resolution, as hereinafter defined, this Bond shall be registered 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 of the series of which this Bond is one. One Bond for each maturity of the Bonds shall be issued to DTC and immobilized in its custody or

a custodian of DTC. The Registration Agent is a custodian and agent for DTC, and the Bonds will be immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Bond Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the Metropolitan Government and the Registration Agent shall treat Cede & Co., as the only owner of the Bonds for all purposes under the Bond Resolution, including receipt of all principal and maturity amounts of and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain actions hereunder. Payments of principal, maturity amounts, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Bond Resolution. Neither the Metropolitan Government nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the Metropolitan Government determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the Metropolitan Government may discontinue the book-entry system with DTC. If the Metropolitan Government fails to identify another qualified securities depository to replace DTC, the Metropolitan Government shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully registered Bonds to each Beneficial Owner. Neither the Metropolitan Government nor the Registration Agent shall have any responsibility or obligations to any DTC Participant or any Beneficial Owner with respect to (i) the Bonds or any distribution of Bond certificates representing an ownership interest or other confirmation of beneficial ownership interests in the Bonds, except as set forth in the Bond Resolution; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to Beneficial Owners, (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

Bonds of the issue of which this Bond is one maturing on or before [January 1, 2032] shall mature without option of prior redemption. Bonds maturing on [January 1, 2033] and thereafter shall be subject to redemption prior to maturity at the option of the Metropolitan Government on or after [January 1, 2032] as a whole or in part at any time at the price of par plus interest accrued to the redemption date. If less than all of the Bonds shall be called for redemption, the maturities to be redeemed shall be selected by the Metropolitan County Council (the "Metropolitan Council") of the Metropolitan Government in its discretion and so designated by the Registration Agent. If less than all of the principal amount of the Bonds of 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 amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the

Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the Metropolitan Government shall redeem Bonds maturing _____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the 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 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</u> <u>of Bonds</u> <u>Redeemed</u>
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*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the Metropolitan Government may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Metropolitan Government on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Metropolitan Government shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any such defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. If at the time of the giving of the notice of optional or mandatory redemption there shall not be on deposit with the Registration Agent moneys sufficient to redeem all the Bonds called for redemption, the notice of redemption shall state that the redemption of such Bonds is conditional upon and subject to deposit of moneys with the Registration Agent sufficient to redeem all such Bonds not later

than the opening of business on the redemption date and that such notice shall be of no effect if such moneys are not on deposit. 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 Metropolitan Government 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 will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth in the Bond Resolution, as hereafter defined.

This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Bond Resolution and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Metropolitan Government nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Bond Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the Metropolitan Government to call such Bond for redemption.

This Bond is one of a total authorized issue aggregating \$[] and issued by the Metropolitan Government for the purpose of providing funds to [finance public works projects][retire all or a portion of the Metropolitan Government's outstanding Commercial Paper (as such term is defined in the Bond Resolution)] and pay costs of sale and issuance of the Bonds, all as authorized by Resolution No. RS2022-[] of the Metropolitan Council, adopted on [], 2022] (the "Bond Resolution"), and is issued pursuant to, and in full compliance with, the Constitution and the statutes of the State of Tennessee, including, but not limited to Title 9, Chapter 21 of the Tennessee Code Annotated, as amended (the "Act"). Copies of the Bond Resolution are on file at the office of the Metropolitan Clerk of the Metropolitan Government, and reference is hereby made to the Bond Resolution and the Act for a description of the nature, manner, and description of the pledge securing the Bonds, the nature, manner, and extent of enforcement of such pledge, the rights and remedies of the registered owners of the Bonds with respect to such pledge, the terms and conditions upon which the Bonds are issued thereunder, and a statement of the rights, duties, immunities, and obligations of the Metropolitan Government. Such pledge and other obligations of the Metropolitan Government under the Bond Resolution may be discharged at or prior to the maturity or redemption of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

This Bond, both principal and interest as the same shall become due, is a full faith and credit obligation of the Metropolitan Government to which the ad valorem taxation power of the Metropolitan Government with respect to all taxable property in the Metropolitan Government has been pledged. No other taxation power of the Metropolitan Government has been pledged to the payment of the principal of, or the premium, if any, or interest on, this Bond.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is 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 Bond in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

It is hereby certified, recited, and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the Metropolitan Government, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the Metropolitan Government has caused this Bond to be signed by the Metropolitan Mayor, attested by the Metropolitan Clerk, and approved as to form and legality by the Director of Law, under the corporate seal of the Metropolitan Government, all as of the day and date hereinabove set forth.

THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY

By: _____
Metropolitan Mayor

(SEAL)

ATTESTED:

Metropolitan Clerk

APPROVED AS TO FORM
AND LEGALITY:

Director of Law

Transferable and payable at the
principal corporate trust office of:

U.S. Bank Trust Company, National Association
Nashville, Tennessee

Date of Registration: _____

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Registration Agent

By: _____
Authorized Officer

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto _____, whose address is _____, (Please insert Social Security or Federal Tax Identification Number _____) the within Bond of The Metropolitan Government of Nashville and Davidson County, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Bond on the records kept for registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent.

EXHIBIT B

Form of Preliminary Official Statement

(attached)

32920976.2

NEW ISSUE (Book-Entry-Only)

RATINGS: Moody's "___" (_____)
S&P Global Ratings "___" (_____)

In the opinion of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the Metropolitan Government, interest on the Series 2022 Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and interest on the Series 2022 Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. For a more detailed explanation of certain tax consequences under federal law which may result from the ownership of the Series 2022 Bonds, see the discussion under the heading "TAX MATTERS" herein. Under existing law, the Series 2022 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.

THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)

\$334,565,000*
GENERAL OBLIGATION
IMPROVEMENT BONDS,
SERIES 2022A



\$286,770,000*
GENERAL OBLIGATION
IMPROVEMENT BONDS
SERIES 2022B

Dated: Date of Delivery

Due: As shown on the inside cover pages

The Metropolitan Government of Nashville and Davidson County (the "Metropolitan Government") is issuing its \$334,565,000* General Obligation Improvement Bonds, Series 2022A (the "Series 2022A Bonds") and \$286,770,000* General Obligation Improvement Bonds, Series 2022B (the "Series 2022B Bonds") and together with the Series 2022A Bonds, the "Series 2022 Bonds". The Series 2022 Bonds are being issued pursuant to the Local Government Public Obligations Act of 1986, Tennessee Code Annotated §§ 9-21-101 *et seq.*, as amended (the "Act"); the Charter of The Metropolitan Government of Nashville and Davidson County authorized in referendum on June 28, 1962, as amended (the "Charter"); the terms and conditions contained in the Initial Resolutions of the Metropolitan County Council of the Metropolitan Government (the "Metropolitan Council"); and Resolution No. RS2022-___ of the Metropolitan Council duly adopted on [June 21, 2022] (collectively the "Bond Resolution").

The Series 2022 Bonds are being issued to: (i) finance the costs of a portion of the public works projects authorized pursuant to the Initial Resolutions; (ii) retire all or portion of the Metropolitan Government's outstanding general obligation commercial paper bond anticipation notes at maturity; and (iii) pay certain costs of issuance related to the Series 2022 Bonds. See "PLAN OF FINANCE" and "SOURCES AND USES OF FUNDS" herein.

The Series 2022 Bonds will be dated the date of their delivery and will bear interest from the dated date thereof, at the rates set forth on the inside cover pages of this Official Statement. Interest on the Series 2022 Bonds is payable semiannually on January 1 and July 1 of each year, commencing January 1, 2023. Principal on the Series 2022 Bonds is payable on January 1 of each year, commencing January 1, 2023. See "DESCRIPTION OF THE SERIES 2022 BONDS" herein. The Series 2022 Bonds are subject to redemption prior to maturity at the option of the Metropolitan Government, as more fully described herein. See "REDEMPTION PROVISIONS FOR THE SERIES 2022 BONDS" herein.

The Series 2022 Bonds shall be issued as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiples thereof, as more fully described herein, and when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York to which principal and interest will be paid. Beneficial Owners of the Series 2022 Bonds will not receive physical delivery of Series 2022 Bond certificates except as more fully described herein. See "DESCRIPTION OF THE SERIES 2022 BONDS – Book-Entry-Only System" herein. U.S. Bank Trust Company, National Association, Nashville, Tennessee, will serve as Registrar and Paying Agent for the Series 2022 Bonds.

The Series 2022 Bonds will be direct obligations of the Metropolitan Government and shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Metropolitan Government. For the timely payment of principal of and interest on the Series 2022 Bonds, the full faith and credit of the Metropolitan Government are irrevocably pledged. Under Tennessee law, the Metropolitan Government's legislative body is authorized to levy a tax on all taxable property within the Metropolitan Government, 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. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2022 BONDS" herein.

This cover page contains limited information for quick reference only. It is not a summary of the matters relating to the Series 2022 Bonds. Prospective investors must read this entire Official Statement (including the cover page and all appendices attached hereto) to obtain information essential to the making of an informed investment decision.

The Series 2022 Bonds are being offered when, as and if issued by the Metropolitan Government and received by the Underwriters, subject to prior sale and to withdrawal or modification of the offer without notice, and subject to the approving opinion of Bass, Berry & Sims PLC, Nashville, Tennessee as Bond Counsel. Certain legal matters will be passed upon for the Metropolitan Government by Carpenter Law, PLLC, Nashville, Tennessee as Disclosure Counsel for the Metropolitan Government. Certain legal matters will also be passed upon for the Metropolitan Government by Wallace W. Dietz, Esquire, Director of Law of the Metropolitan Government. Hilltop Securities Inc., Dallas, Texas, is serving as the Municipal Advisor to the Metropolitan Government. It is anticipated that the delivery of the Series 2022 Bonds will be made on or about [August __, 2022] through the facilities of DTC in New York, New York.

12(b)(1). Preliminary, subject to change.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
YIELDS, PRICES AND INITIAL CUSIP NUMBERS**

\$334,565,000*

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY
GENERAL OBLIGATION IMPROVEMENT BONDS,
SERIES 2022A**

Maturity Date (January 1)*	Principal Amount*	Interest Rate	Yield	Price	Initial CUSIP No.†
2023	\$16,965,000				
2024	10,400,000				
2025	10,920,000				
2026	11,465,000				
2027	12,040,000				
2028	12,640,000				
2029	13,275,000				
2030	13,935,000				
2031	14,635,000				
2032	15,365,000				
2033	16,135,000				
2034	16,940,000				
2035	17,790,000				
2036	18,675,000				
2037	19,610,000				
2038	20,590,000				
2039	21,620,000				
2040	22,700,000				
2041	23,835,000				
2042	25,030,000				

* Preliminary, subject to change.

†CUSIP is a registered trademark of the American Bankers Association (“ABA”). Initial CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Intelligence, a division of S&P Global, Inc. The CUSIP numbers listed above are being provided solely for the convenience of purchasers of the Series 2022A Bonds only at the time of issuance of the Series 2022A Bonds and the Metropolitan Government 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 Series 2022A 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 Series 2022A Bonds.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
YIELDS, PRICES AND INITIAL CUSIP NUMBERS**

\$286,770,000*

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY
GENERAL OBLIGATION IMPROVEMENT BONDS,
SERIES 2022B**

Maturity Date (January 1)*	Principal Amount*	Interest Rate	Yield	Price	Initial CUSIP No.†
2023	\$14,545,000				
2024	8,915,000				
2025	9,360,000				
2026	9,825,000				
2027	10,320,000				
2028	10,835,000				
2029	11,375,000				
2030	11,945,000				
2031	12,545,000				
2032	13,170,000				
2033	13,830,000				
2034	14,520,000				
2035	15,245,000				
2036	16,010,000				
2037	16,810,000				
2038	17,650,000				
2039	18,530,000				
2040	19,460,000				
2041	20,430,000				
2042	21,450,000				

* Preliminary, subject to change.

†CUSIP is a registered trademark of the American Bankers Association (“ABA”). Initial CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Intelligence, a division of S&P Global, Inc. The CUSIP numbers listed above are being provided solely for the convenience of purchasers of the Series 2022B Bonds only at the time of issuance of the Series 2022B Bonds and the Metropolitan Government 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 Series 2022B 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 Series 2022B Bonds.

This Official Statement does not constitute and is not to be construed as a contract between the Metropolitan Government, the Underwriters, the purchaser or any one or more owners of the Series 2022 Bonds. No dealer, broker, salesperson, or other person has been authorized to give information or to make any representation other than those contained in this Official Statement, in connection with the offering of the Series 2022 Bonds, and, if given or made, such information or representation must not be relied upon as having been authorized by the Metropolitan Government or the Municipal Advisor. This Official Statement does not constitute an offer or solicitation in any jurisdiction which such offer or solicitation is not authorized, or in which any person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth in this Official Statement, including the appendices attached hereto, has been obtained from the Metropolitan Government and other sources which are believed to be reliable, but it is not guaranteed as to the accuracy or completeness by the Metropolitan Government, and it is not to be construed as a representation by the Underwriters of the Series 2022 Bonds. The order and placement of information contained in this Official Statement, including the appendices attached hereto, are not an indication of relevance, materiality or relative importance and this Official Statement, including the appendices attached hereto, must be read in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit, or describe the scope or intent, or affect the meaning or construction, of any provision or section in this Official Statement.

References to website addresses presented herein are for informational purposes only and may be in the form of an electronic hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained herein are not incorporated into, and are not a part of, this Official Statement for any purpose, including for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Statements contained in this Official Statement which involve estimates, forecasts, or matters of opinion, whether or not expressly so described herein, are intended solely as such, and are not to be construed as a representation of fact. This Official Statement contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance and achievements to be different from future results, performance and achievements expressed or implied by such forward-looking statements. The information and expressions of opinions contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the Metropolitan Government since the date hereof.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE METROPOLITAN GOVERNMENT FOR PURPOSES OF RULE 15c2-12 ISSUED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(b)(1).

THIS OFFICIAL STATEMENT IS INTENDED TO REFLECT MATERIAL FACTS AND CIRCUMSTANCES AS THEY EXIST ON THE DATE OF THIS OFFICIAL STATEMENT OR ON SUCH OTHER DATE OR AT SUCH OTHER TIME AS IDENTIFIED HEREIN. NO ASSURANCE CAN BE GIVEN THAT SUCH INFORMATION WILL NOT BE MISLEADING AT A LATER DATE. CONSEQUENTLY, RELIANCE ON THIS OFFICIAL STATEMENT AT TIMES SUBSEQUENT TO THE ISSUANCE OF THE SERIES 2022 BONDS SHOULD NOT BE MADE ON THE ASSUMPTION THAT ANY SUCH FACTS OR CIRCUMSTANCES ARE UNCHANGED.

THE SERIES 2022 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF CERTAIN EXEMPTIONS CONTAINED IN THE SECURITIES ACT OF 1933, AS AMENDED. IN MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE METROPOLITAN GOVERNMENT, THE SERIES 2022 BONDS AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE SUCH AUTHORITIES CONFIRMED THE ACCURACY OR DETERMINED THE ACCURACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE MUNICIPAL ADVISOR HAS BEEN EMPLOYED BY THE METROPOLITAN GOVERNMENT TO ADVISE IT WITH RESPECT TO CERTAIN MATTERS RELATING TO THE PROPOSED STRUCTURE OF THE SERIES 2022 BONDS. THE MUNICIPAL ADVISOR HAS NOT BEEN EMPLOYED AND ASSUMES NO DUTY OR OBLIGATION TO ADVISE ANY OTHER PARTY AS TO ANY ASPECT OF THIS OFFERING, INCLUDING THE BENEFICIAL OWNERS OF THE SERIES 2022 BONDS.

IN CONNECTION WITH THIS OFFERING OF THE SERIES 2022 BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE THE MARKET PRICE OF THE SERIES 2022 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT NOTICE.

For additional information regarding the Metropolitan Government, the Series 2022 Bonds, or this Official Statement and the appendices attached hereto, please contact the following individuals:

Ms. Kelly Flannery
Director of Finance

P.O. Box 196300
Nashville, Tennessee 37219
Metropolitan Courthouse
1 Public Square, Suite 106
Nashville, Tennessee 37201
(615) 862-6151

Ms. Michell Bosch
Metropolitan Treasurer

P.O. Box 196300
Nashville, Tennessee 37219
700 2nd Avenue South, Suite 205
Nashville, Tennessee 37210
(615) 862-6154

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



Metropolitan Mayor

John Cooper

METROPOLITAN COUNTY COUNCIL

Metropolitan Vice-Mayor

Jim Shulman



Council Member At Large

Sharon Hurt

Council Member At Large

Burkley Allen

Council Member At Large

Bob Mendes

Council Member At Large

Zulfat Suara

Council Member District 1 Jonathan Hall	Council Member District 2 Kyontzé Toombs	Council Member District 3 Jennifer Gamble	Council Member District 4 Robert Swope	Council Member District 5 Sean Parker
Council Member District 6 Brett Withers	Council Member District 7 Emily Benedict	Council Member District 8 Nancy VanReece	Council Member District 9 Tonya Hancock	Council Member District 10 Zach Young
Council Member District 11 Larry Hagar	Council Member District 12 Erin Evans	Council Member District 13 Russ Bradford	Council Member District 14 Kevin Rhoten	Council Member District 15 Jeff Syracuse
Council Member District 16 Ginny Welsch	Council Member District 17 Colby Sledge	Council Member District 18 Tom Cash	Council Member District 19 Freddie O'Connell	Council Member District 20 Mary Carolyn Roberts
Council Member District 21 Brandon Taylor	Council Member District 22 Gloria Hausser	Council Member District 23 Thom Druffel	Council Member District 24 Kathleen Murphy	Council Member District 25 Russ Pulley
Council Member District 26 Courtney Johnston	Council Member District 27 Robert Nash	Council Member District 28 Tanaka Vercher	Council Member District 29 Delishia Porterfield	Council Member District 30 Sandra Sepulveda
Council Member District 31 John Rutherford	Council Member District 32 Joy Styles	Council Member District 33 Antoinette Lee	Council Member District 34 Angie Henderson	Council Member District 35 Dave Rosenberg

METROPOLITAN GOVERNMENT EXECUTIVE ADMINISTRATION

Director of Finance

Kelly Flannery

Metropolitan Treasurer

Michell Bosch, CTP, CFA

Director of Law

Wallace W. Dietz, Esquire

Deputy Director of Finance

Talia Lomax-O'dneal

Deputy Director of Finance & Budget Officer

Tom Eddlemon

Deputy Director of Finance

Mary Jo Wiggins

Deputy Director of Finance & Chief Accountant

Jenneen Kaufman, CPA

Metropolitan Clerk

Austin Kyle

METROPOLITAN GOVERNMENT STAFF AND PROFESSIONAL CONSULTANTS

General Legal Counsel

Metropolitan Department of Law

Nashville, Tennessee

Bond Counsel

Bass, Berry & Sims PLC

Nashville, Tennessee

Disclosure Counsel

Carpenter Law, PLLC

Nashville, Tennessee

Municipal Advisor

Hilltop Securities Inc.

Dallas, Texas

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- APPENDIX B** – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
- APPENDIX C** – FORM OF OPINIONS OF BOND COUNSEL
- APPENDIX D** – FORM OF CONTINUING DISCLOSURE AGREEMENTS

[End of Table of Contents]

OFFICIAL STATEMENT
THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY (TENNESSEE)

\$334,565,000*
GENERAL OBLIGATION
IMPROVEMENT BONDS,
SERIES 2022A

\$286,770,000*
GENERAL OBLIGATION
IMPROVEMENT BONDS
SERIES 2022B

INTRODUCTION

This introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, the more complete and detailed information contained in this entire Official Statement, including the cover pages, the appendices attached hereto, and the information summarized or described herein. This offering of the Series 2022 Bonds to prospective investors is made only by means of this entire Official Statement, including the appendices attached hereto. No person is authorized to detach this Introduction from this Official Statement or to otherwise use it without this entire Official Statement, including the appendices attached hereto.

General

The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) is issuing its \$334,565,000* General Obligation Improvement Bonds, Series 2022A (the “Series 2022A Bonds”) and 286,770,000* General Obligation Improvement Bonds, Series 2022B (the “Series 2022B Bonds” and together with the Series 2022A Bonds, the “Series 2022 Bonds”).

Authority for Issuance

The Series 2022 Bonds are being issued pursuant to the Local Government Public Obligations Act of 1986, Tennessee Code Annotated §§ 9-21-101 *et seq.*, as amended (the “Act”); the Charter of The Metropolitan Government of Nashville and Davidson County authorized in referendum on June 28, 1962, as amended (the “Charter”); the terms and conditions contained within Initial Resolutions of the Metropolitan County Council of the Metropolitan Government (the “Metropolitan Council”) Initial Resolution Nos. RS2009-746; RS2010-1363; RS2012-276; RS2013-559; RS2013-710, RS2014-1126, RS2015-1500, RS2016-245, RS2017-713, RS2017-963, RS2018-1328, RS2018-1454, RS2019-100, RS2020-213, RS2021-757, RS2021-1201 and RS2022-1452 and any other initial resolutions hereafter adopted by the Metropolitan Council and published without protest as required by the Act (collectively, the “Initial Resolutions”); and Resolution No. RS2022-___ of the Metropolitan Council duly adopted on [June 21, 2022] (collectively with the Initial Resolutions are hereinafter called the “Bond Resolution”).

Plan of Finance

The Series 2022A Bonds are being issued to: (i) retire all or portion of the Metropolitan Government’s outstanding general obligation commercial paper bond anticipation notes (the “Commercial Paper”) at maturity and (ii) pay certain costs of issuance related to the Series 2022A Bonds. The Series 2022B Bonds are being issued to (i) finance the costs of a portion of the public works projects authorized under the Initial Resolutions and (ii) pay certain costs of issuance related to the Series 2022B Bonds. See “PLAN OF FINANCE” and “SOURCES AND USES OF FUNDS” herein.

* Preliminary, subject to change.

Description of the Series 2022 Bonds

The Series 2022 Bonds will be dated the date of their delivery and will bear interest from the dated date thereof, at the rates set forth on the inside cover pages of this Official Statement. The Series 2022 Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. Interest on the Series 2022 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. See “DESCRIPTION OF THE SERIES 2022 BONDS” herein.

Registration Agent and Commercial Paper Paying Agent

U.S. Bank Trust Company, National Association, Nashville, Tennessee, will serve as Registrar and Paying Agent (the “Registration Agent”) for the Series 2022 Bonds. U.S. Bank Trust Company, National Association, Nashville, Tennessee, also serves as Commercial Paper Paying Agent (the “Commercial Paper Paying Agent”) for the Commercial Paper issued by the Metropolitan Government.

Security and Source of Payment for the Series 2022 Bonds

The Series 2022 Bonds will be direct obligations of the Metropolitan Government and shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Metropolitan Government. For the timely payment of principal of and interest on the Series 2022 Bonds, the full faith and credit of the Metropolitan Government are irrevocably pledged. Under Tennessee law, the Metropolitan Government’s legislative body is authorized to levy a tax on all taxable property within the Metropolitan Government, 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. See “SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2022 BONDS” herein.

Continuing Disclosure

In connection with the issuance of the Series 2022 Bonds and in order to assist the Underwriters (defined herein) in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission promulgated pursuant to the Securities Exchange Act of 1934, the Metropolitan Government, contemporaneously with the issuance of the Series 2022 Bonds, will enter into Continuing Disclosure Agreements (defined herein) for the benefit of the Registered Owners (defined herein) and Beneficial Owners (defined herein), under which the Metropolitan Government will provide certain continuing disclosure with respect to the Series 2022A Bonds and the Series 2022B Bonds. See “CONTINUING DISCLOSURE” herein. See “APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENTS” attached hereto.

Prospective Financial and Operating Information

All financial and other operating information presented in this Official Statement has been compiled from records of the Metropolitan Government, except for information expressly attributed to other sources. All quotations from, and summaries and explanations of, provisions of statutes contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Series 2022 Bonds and proceedings of the Metropolitan Government relating thereto are qualified in their entirety by reference to the form of the Series 2022 Bonds and such proceedings. Recent historical information does not indicate future or continuing trends in the Metropolitan Government’s financial position or other affairs, unless specifically stated.

Forward-Looking Statements

The statements contained in this Official Statement, and in any other information provided by the Metropolitan Government, that are not purely historical, are forward-looking statements, including certain statements regarding the Metropolitan Government's 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 to the Metropolitan Government on the date hereof and the Metropolitan Government assumes no obligation to update any such forward-looking statements. It is important to note that the Metropolitan Government's actual results could differ materially from those in such forward-looking statements.

The forward-looking statements contained 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 decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Metropolitan Government. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

IN CONSIDERING THE MATTERS SET FORTH IN THIS OFFICIAL STATEMENT, PROSPECTIVE INVESTORS SHOULD CAREFULLY REVIEW ALL INFORMATION INCLUDED HEREIN TO IDENTIFY ANY INVESTMENT CONSIDERATIONS. PROSPECTIVE INVESTORS SHOULD BE THOROUGHLY FAMILIAR WITH THIS ENTIRE OFFICIAL STATEMENT AND THE APPENDICES ATTACHED HERETO AND SHOULD HAVE ASSESSED WHATEVER ADDITIONAL FINANCIAL AND OTHER INFORMATION ANY SUCH INVESTOR MAY DEEM NECESSARY, PRIOR TO MAKING AN INVESTMENT DECISION WITH RESPECT TO THE SERIES 2022 BONDS.

Additional Information

All references in this Official Statement referring to an electronic hyperlink to the Metropolitan Government's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2021, is incorporated in **APPENDIX A** attached hereto.

Certain financial, demographic, and operating information related to the Metropolitan Government is attached hereto as **APPENDIX B**. The form of opinions of Bond Counsel for the Series 2022 Bonds are attached hereto as **APPENDIX C**. The form of Continuing Disclosure Agreements for the Series 2022 Bonds are attached hereto as **APPENDIX D**.

INVESTORS SHOULD CONSIDER THIS ENTIRE OFFICIAL STATEMENT IN MAKING AN INVESTMENT DECISION AND SHOULD NOT CONSIDER INFORMATION MORE OR LESS IMPORTANT BECAUSE OF ITS LOCATION. INVESTORS SHOULD REFER TO LAWS, REPORTS OR OTHER DOCUMENTS DESCRIBED IN THIS OFFICIAL STATEMENT FOR MORE COMPLETE INFORMATION.

DESCRIPTION OF THE SERIES 2022 BONDS

General

The Series 2022 Bonds will be dated the date of their delivery and will bear interest from the dated date thereof, at the rates set forth on the inside cover pages of this Official Statement. Interest on the Series 2022 Bonds is payable semiannually on January 1 and July 1 of each year, commencing January 1, 2023 (“Interest Payment Date”). Principal on the Series 2022 Bonds is payable on January 1 of each year, commencing January 1, 2023. Interest on the Series 2022 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2022 Bonds shall be issued as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiples thereof, and when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York, (“DTC”) to which principal and interest will be paid. DTC will act as securities depository for the Series 2022 Bonds. So long as the Series 2022 Bonds are held in book-entry-only form, principal of, premium, if any, and interest on the Series 2022 Bonds will be paid directly to DTC for distribution to the Beneficial Owners of the Series 2022 Bonds in accordance with the procedures adopted by DTC.

Payments of principal, premium, if any, and interest on the Series 2022 Bonds will be paid by the Registration Agent to DTC for subsequent disbursement to DTC Participants (defined herein) who will remit such payments to the Beneficial Owners of the Series 2022 Bonds. Beneficial Owners of the Series 2022 Bonds will not receive physical delivery of Series 2022 Bond certificates except as more fully described herein and in the Bond Resolution.

Interest on the Series 2022 Bonds will be paid by wire transfer or by check or draft mailed by the Registration Agent on any Interest Payment Date to the person in whose name the Series 2022 Bond is registered in the bond registration books kept by the Registration Agent as of the close of business on the 15th day of the calendar month preceding any Interest Payment Date (“Registered Owner”). Notwithstanding the foregoing, while the Series 2022 Bonds are held in the book-entry-only system all principal, premium, if any, and interest will be paid by DTC, or its nominee by wire transfer. See “DESCRIPTION OF THE SERIES 2022 BONDS – Book-Entry-Only System” below.

The Series 2022 Bonds are subject to redemption prior to maturity at the option of the Metropolitan Government, as more fully described herein. See “REDEMPTION PROVISIONS FOR THE SERIES 2022 BONDS” herein.

Book-Entry-Only System

The information in this section concerning DTC and DTC’s book-entry-only system has been obtained from DTC and the Metropolitan Government is not making any representation or warranty or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2022 Bonds. The Series 2022 Bonds 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 Series 2022 Bond certificate will be issued for each maturity of each series of the Series 2022 Bonds as set forth on the inside front cover pages of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC 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 U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments 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 accounts of Direct Participants. 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 is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. 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” and, together with the Direct Participants, the “DTC Participants”). The DTC rules and procedures applicable to the DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2022 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2022 Bond (a “Beneficial Owner”) is in turn to be recorded on the Direct Participant’s and Indirect Participant’s 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 Participant or Indirect Participant through which the Beneficial Owner entered into the transaction.

Transfers of ownership interests in the Series 2022 Bonds are to be accomplished by book entries made by the DTC Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2022 Bonds, except in the event that use of the book-entry-only system for the Series 2022 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2022 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2022 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2022 Bonds are credited, which may or may not be the Beneficial Owners. The Direct Participants and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE SERIES 2022 BONDS, THE REGISTRATION AGENT SHALL TREAT CEDE & CO., AS THE ONLY HOLDER OF THE SERIES 2022 BONDS FOR ALL PURPOSES UNDER THE BOND RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2022 BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THE BOND RESOLUTION.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by DTC Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2022 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2022 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Series 2022 Bonds may wish to ascertain that the nominee holding the Series 2022 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registration Agent and request that copies of the notices be provided directly to them. Redemption notices shall be sent to DTC. If less than all of the Series 2022 Bonds within a series and maturity of the Series 2022 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2022 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Metropolitan Government 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 Series 2022 Bonds are credited on the record date, as identified in a listing attached to the Omnibus Proxy.

Principal, premium, if any, and interest payments on the Series 2022 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Metropolitan Government or the Registration Agent on the payment date in accordance with their respective holdings as shown on DTC's records. Payments by Direct Participants or Indirect 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 Direct Participant or Indirect Participant and not of DTC, the Registration Agent or the Metropolitan Government, subject to any statutory or regulatory requirements as may be in effect from time to time.

Payment of principal, premium, if any, and interest on the Series 2022 Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. Neither the Metropolitan Government nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2022 Bonds at any time by giving reasonable notice to the Metropolitan Government or the Registration Agent. The Metropolitan Government may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository).

In the event that DTC determines not to continue to act as securities depository for the Series 2022 Bonds, or the Metropolitan Government determines that the continuation of the book-entry-only system of evidence and transfer of ownership of the Series 2022 Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Series 2022 Bonds, then the Metropolitan Government may discontinue the book-entry-only system with DTC.

NEITHER THE METROPOLITAN GOVERNMENT NOR THE REGISTRATION AGENT SHALL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANTS OR ANY BENEFICIAL OWNER WITH RESPECT TO: (A) THE SERIES 2022 BONDS OR ANY DISTRIBUTION OF SERIES 2022 BOND CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2022 BONDS, EXCEPT AS SET FORTH IN THE BOND RESOLUTION; (B) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANTS; (C) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER WITH RESPECT TO THE PRINCIPAL OF AND INTEREST ON THE SERIES 2022 BONDS; (D) THE DELIVERY OR TIMELINESS OF SUCH DELIVERY BY DTC OR ANY DTC PARTICIPANTS OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS, (E) THE ELECTION OF THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2022 BONDS; OR (F) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNER, ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE METROPOLITAN GOVERNMENT, THE REGISTRATION AGENT, THE MUNICIPAL ADVISOR AND THE UNDERWRITERS BELIEVE TO BE RELIABLE, BUT THE METROPOLITAN GOVERNMENT, THE REGISTRATION AGENT, THE MUNICIPAL ADVISOR AND THE UNDERWRITERS TAKE NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Series 2022 Bonds are in the book-entry-only system, references in other sections of this Official Statement to Beneficial Owners and Registered Owners should be read to include the person for which the DTC Participant acquires an interest in the Series 2022 Bonds, but (i) all rights of ownership must be exercised through DTC and the book-entry-only system, and (ii) except as described above, notices that are to be given to Registered Owners and/or Beneficial Owners pursuant to the Bond Resolution will be given by DTC or the Registration Agent.

Effect of Discontinuance of Book-Entry-Only System

In the event that the book-entry-only system is discontinued by DTC or the use of the book-entry-only system is discontinued by the Metropolitan Government, printed Series 2022 Bonds will be issued to the Registered Owners and the Series 2022 Bonds will be subject to transfer, exchange and registration provisions as set forth in the Bond Resolution.

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REDEMPTION PROVISIONS FOR THE SERIES 2022 BONDS

Redemption Provisions for the Series 2022A Bonds

Optional Redemption. The Series 2022A Bonds maturing on or before January 1, 20__ shall not be subject to redemption prior to maturity. The Series 2022A Bonds maturing on or after January 1, 20__ (or portions thereof in authorized denominations of \$5,000 and integral multiples thereof) are subject to optional redemption by the Metropolitan Government on and after January 1, 20__ in whole or in part, at any time in such order as determined by the Metropolitan Government at a redemption price equal to the principal amount of the Series 2022A Bonds or portion thereof to be redeemed together with interest accrued thereon to the date fixed for redemption.

Mandatory Redemption. The Series 2022A Bonds maturing on January 1, 20__ are subject to scheduled mandatory redemption prior to maturity in part (as selected by DTC or a successor securities depository using its general procedures or, if DTC or a successor securities depository is no longer serving as securities depository, by lot or in such other manner as may be designated by the Registration Agent) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, in the following principal amounts and on the dates set forth below:

TERM BOND

Redemption Date (January 1)	Principal Amount
Total	

* Final Maturity.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the Metropolitan Government may (i) deliver to the Registration Agent for cancellation Series 2022A Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Series 2022A Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under the mandatory sinking fund provision. Each Series 2022A Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at one hundred percent (100%) of the principal amount thereof on the obligation of the Metropolitan Government on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Series 2022A Bonds to be redeemed by operation of the mandatory sinking fund provision shall be accordingly reduced. The Metropolitan Government shall on or before the forty-fifth (45th) day next preceding each payment date furnish to the Registration Agent its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this paragraph are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Redemption Provisions for the Series 2022B Bonds

Optional Redemption. The Series 2022B Bonds maturing on or before January 1, 20__ shall not be subject to redemption prior to maturity. The Series 2022B Bonds maturing on or after January 1, 20__ (or portions thereof in authorized denominations of \$5,000 and integral multiples thereof) are subject to optional redemption by the Metropolitan Government on and after January 1, 20__ in whole or in part, at any time in such order as determined by the Metropolitan Government at a redemption price equal to the principal amount of the Series 2022B Bonds or portion thereof to be redeemed together with interest accrued thereon to the date fixed for redemption.

Mandatory Redemption. The Series 2022B Bonds maturing on January 1, 20__ are subject to scheduled mandatory redemption prior to maturity in part (as selected by DTC or a successor securities depository using its general procedures or, if DTC or a successor securities depository is no longer serving as securities depository, by lot or in such other manner as may be designated by the Registration Agent) at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, in the following principal amounts and on the dates set forth below:

TERM BOND

Redemption Date (January 1)	Principal Amount
Total	

* Final Maturity.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such redemption date, the Metropolitan Government may (i) deliver to the Registration Agent for cancellation Series 2022B Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Series 2022B Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under the mandatory sinking fund provision. Each Series 2022B Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at one hundred percent (100%) of the principal amount thereof on the obligation of the Metropolitan Government on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Series 2022B Bonds to be redeemed by operation of the mandatory sinking fund provision shall be accordingly reduced. The Metropolitan Government shall on or before the forty-fifth (45th) day next preceding each payment date furnish to the Registration Agent its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this paragraph are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Selection of Series 2022 Bonds for Redemption

If less than all of the Series 2022 Bonds shall be called for redemption, the Registration Agent shall designate the Series 2022 Bonds for redemption from such maturity dates and in such amounts as are selected by the Metropolitan Government. If less than all the Series 2022 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 Series 2022 Bonds are being held under a Book-Entry System by DTC, or a successor securities depository, the Series 2022 Bonds to be redeemed shall be determined by DTC, or such successor securities depository, by lot or such other manner as DTC, or such successor securities depository, shall determine; or
- (ii) if the Series 2022 Bonds are not being held under a Book-Entry System by DTC, or a successor securities depository, the Series 2022 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.

Notice of Redemption

Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent on behalf of the Metropolitan Government 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 Series 2022 Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Series 2022 Bond registration records maintained by the Registration Agent as of the date of the notice; but neither the 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 Series 2022 Bonds for which proper notice was given.

If at the time of the giving of the notice of optional or mandatory redemption there shall not be on deposit with the Registration Agent moneys sufficient to redeem all the Series 2022 Bonds called for redemption, the notice of redemption shall state that the redemption of such Series 2022 Bonds is conditional upon and subject to deposit of moneys with the Registration Agent sufficient to redeem all such Series 2022 Bonds not later than the opening of business on the redemption date and that such notice shall be of no effect if such moneys are not on deposit. The Registration Agent shall mail said notices, in the case of mandatory redemption of term bonds, when and as set forth in the Bond Resolution and in the Series 2022 Bonds, and, in the case of optional redemption, as and when directed by the Metropolitan Government pursuant to written instructions from an Authorized Officer of the Metropolitan Government given at least forty-five (45) days prior to the redemption date, unless a shorter notice period shall be satisfactory to the Registration Agent.

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SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2022 BONDS

General

The Series 2022 Bonds will be direct obligations of the Metropolitan Government and shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Metropolitan Government. For the timely payment of principal of and interest on the Series 2022 Bonds, the full faith and credit of the Metropolitan Government are irrevocably pledged.

Under Tennessee law, the Metropolitan Government's legislative body is authorized to levy a tax on all taxable property within the Metropolitan Government, 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. A more complete statement of the general covenants and provisions pursuant to the Series 2022 Bonds are more fully described in the Bond Resolution. The Act dictates the levy of a tax sufficient to pay debt service of any general obligation bonds issued thereunder, without regard to any other Tennessee or local laws to the contrary. Bond Counsel will opine that the pledge of the Metropolitan Government's unlimited taxing power is valid, binding and enforceable against it, and that there is no limitation on the Metropolitan Government's ability to impose sufficient taxes to fund debt service on the Series 2022 Bonds. See "**APPENDIX C – FORM OF OPINIONS OF BOND COUNSEL**" attached hereto.

By referendum passed on November 7, 2006, voters in the Metropolitan Government amended the Charter of the Metropolitan Government (the "2006 Charter Amendment") to require that all future increases of the maximum ad valorem (real property) tax rate of \$4.04 per one hundred dollars of assessed property value in the General Services District and \$4.69 per one hundred dollars of assessed property value in the Urban Services District be first approved by voter referendum prior to implementation by the Metropolitan Government and Metropolitan Council.

The current property tax rate in the General Services District is \$2.953 per \$100 of assessed value and the additional property tax rate for the Urban Services District is \$0.335 per \$100 of assessed value, for a combined property tax rate of \$3.228 per \$100 of assessed value. The 2006 Charter Amendment does not purport to specifically limit that portion of the tax rate allocable to the payment of debt service. To review the 2006 Charter Amendment of the Metropolitan Government, see <https://filetransfer.nashville.gov/portals/0/sitecontent/Law/Legal%20Opinions/Legal%20Opinion%202006-03.pdf>.

If valid, the 2006 Charter Amendment may limit the Metropolitan Government's ability to raise additional revenues for governmental requirements, other than for the payment of general obligation debt service, by increasing property tax rates. The information set forth in **APPENDIX A** and **APPENDIX B** attached to this Official Statement more fully describes the percentages of the Metropolitan Government's budget funded with ad valorem property tax revenues and provides other pertinent information regarding the Metropolitan Government's mechanisms for collections and expenditures of its ad valorem property tax revenues. The Metropolitan Government's Department of Law and Bond Counsel have each opined that a court of competent jurisdiction would likely find the 2006 Charter Amendment to be invalid as an unconstitutional limitation on the exercise of the Metropolitan Council's taxing authority. Neither the legal effect nor the constitutionality of the 2006 Charter Amendment has been challenged, and the timing and outcome of any such challenge cannot be predicted.

In August 2020, the Metropolitan Government voters filed a petition requesting that the Davidson County Election Commission (the "Election Commission") schedule a referendum, at which voters would be offered the opportunity to vote for or against the addition of certain provisions to the Metropolitan Government's Charter, including certain limitations on the Metropolitan Council's power to increase ad

valorem property tax rates without voter approval (the “First Petition”). By Order dated November 3, 2020, the Davidson County Chancery Court found that the First Petition was defective in form and facially unconstitutional and permanently enjoined the Election Commission from holding a referendum election on the provisions. The time in which the First Petition could have been appealed to the Tennessee Court of Appeals expired on January 4, 2021. In March 2021, the Metropolitan Government voters filed a second petition (the “Second Petition”) that sought to add provisions to the Metropolitan Government’s Charter similar provisions to those contained in the First Petition, including a limitation on the Metropolitan Council’s power to increase ad valorem property taxes without voter approval. The Metropolitan Government filed suit, and by Order dated June 22, 2021, the Chancery Court held that the Second Petition also was invalid and could not proceed to a referendum election. The Chancery Court order was appealed to the Tennessee Court of Appeals, which dismissed the appeal as moot but, in the alternative, found that the Second Petition did not conform to the Metropolitan Charter’s technical requirements for holding a referendum election. A request for application to appeal the Tennessee Court of Appeals’ judgment has been filed with the Tennessee Supreme Court, which has not yet ruled on the request. See “LITIGATION” herein.

Pledge of Payments

Debt service on the Series 2022 Bonds shall be payable from ad valorem taxes to be levied for such purpose on all taxable property within the Metropolitan Government without limit as to time, rate, or amount. The Series 2022 Bonds shall be direct general obligations of the Metropolitan Government, and the full faith and credit of the Metropolitan Government, together with the taxing power of the Metropolitan Government as to all taxable property within the Metropolitan Government are irrevocably pledged.

Levy of Ad Valorem Taxes

The Metropolitan Government shall be unconditionally and irrevocably obligated to levy and collect ad valorem taxes without limit as to rate or amount on all taxable property within the boundaries of the Metropolitan Government to the full extent necessary to pay all debt service on the Series 2022 Bonds, and the full faith and credit of the Metropolitan Government shall be pledged to the payment thereof. The ad valorem taxes shall be assessed, collected, and paid at the same time and in the same manner as the other taxes of the Metropolitan Government. In addition to all other taxes, the ad valorem taxes shall be without limitation as to time, rate or amount; provided; however, the ad valorem taxes may be reduced to the extent of any appropriations to the payment of debt service on the Series 2022 Bonds from other funds, taxes and revenues of the Metropolitan Government. Principal, premium, if any, and interest, on any of the Series 2022 Bonds, falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from current funds of the Metropolitan Government, and reimbursement may be made from the taxes that have been collected.

General Obligation Commercial Paper and Bonds

The Metropolitan Government typically funds general governmental capital projects by making draws on its general obligation commercial paper program, which consists of: (i) up to \$375 million of traditional notes for which liquidity support is provided by Bank of America, N.A., and (ii) up to \$325 million of extendable notes for which there is no liquidity provider. The Metropolitan Government routinely issues long-term general obligation bonds to retire its outstanding Commercial Paper.

The Metropolitan Government currently has outstanding [\$344.3 million] of Commercial Paper, consisting of [\$200 million] of liquidity backed traditional notes and [\$144.3 million] of extendable notes. In connection with the issuance of the Series 2022A Bonds, the Metropolitan Government intends to use

the Series 2022A Bond proceeds to retire all or a portion of its outstanding Commercial Paper. See “PLAN OF FINANCE” and “SOURCES AND USES OF FUNDS” herein.

Tennessee law does not impose any limit on the amount of general obligation bonds that may be issued by Tennessee local governments, including the Metropolitan Government. No voter referendum is required for a Tennessee local government to issue general obligation bonds. Tennessee law does require that a local government’s issuance of general obligation bonds (other than for school projects) be preceded by the adoption and publication of a resolution evidencing the local government’s intent to issue general obligation bonds. If ten percent (10%) of the voters of the local government sign a petition protesting the issuance of the general obligation bonds, then such bonds may not be issued until the proposed bond issue has been approved by voter referendum.

REMEDIES

Pursuant to Tennessee law, any Beneficial Owner of the Series 2022 Bonds may by mandamus or other suit, action or proceeding, enforce such Beneficial Owner’s rights against the Metropolitan Government, the Metropolitan Council or any officer, agent or employee of the Metropolitan Government, including but not limited to, the right to require the Metropolitan Government, the Metropolitan Council and any proper officer, agent or employee of the Metropolitan Government to assess, levy and collect taxes to pay, when due, principal of, premium, if any, and interest on the Series 2022 Bonds. See “RISK FACTORS AND INVESTMENT CONSIDERATIONS – Enforceability of Remedies” herein.

PLAN OF FINANCE

General

On [June 21, 2022], the Metropolitan Council authorized the issuance of the Series 2022 Bonds in an aggregate maximum principal amount not to exceed \$650 million. The Series 2022 Bonds shall be issued pursuant to, and in accordance with, the Bond Resolution, applicable provisions of the Act and other applicable provisions of law.

Series 2022A Bonds

The Series 2022A Bonds are being issued to: (i) retire all or a portion of the Metropolitan Government’s outstanding Commercial Paper at maturity, which provided interim financing for various capital improvement projects for the Metropolitan Government and (ii) pay certain costs of issuance related to the Series 2022A Bonds.

The proceeds of the Series 2022A Bonds will be used [to partially retire \$344.3 million] of the Metropolitan Government’s outstanding Commercial Paper on or before [_____], leaving [\$43.6 million] of Commercial Paper outstanding. Remaining proceeds of the Series 2022A Bonds will be deposited with the Metropolitan Government and applied to costs of issuance of the Series 2022A Bonds.

Series 2022B Bonds

The Series 2022B Bonds are being issued to: (i) finance the costs of a portion of the public works projects authorized under the Initial Resolutions; and (ii) pay certain costs of issuance related to the Series 2022B Bonds.

SOURCES AND USES OF FUNDS

The table below illustrates the estimated sources and uses of funds in connection with the issuance of the Metropolitan Government's Series 2022 Bonds:

SOURCES	SERIES 2022A BONDS	SERIES 2022B BONDS	TOTAL
<u>Bond Proceeds:</u>			
Par Amount	\$	\$	\$
Original Issue Premium			
TOTAL	\$	\$	\$

USES	SERIES 2022A BONDS	SERIES 2022B BONDS	TOTAL
<u>Project Fund Deposits:</u>			
Retirement of the Commercial Paper	\$	\$	\$
New Money Project Fund			
<u>Delivery Date Expenses:</u>			
Costs of Issuance ⁽¹⁾	\$	\$	\$
TOTAL	\$	\$	\$

⁽¹⁾ Includes Underwriters' discount, Bond Counsel fees, Disclosure Counsel fees, Municipal Advisor fees, Rating Agencies fees, printing and mailing expenses, and other costs of issuance related to the Series 2022 Bonds.

Source: The Metropolitan Government of Nashville and Davidson County.

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
GENERAL OBLIGATION BONDS DEBT SERVICE SCHEDULE**

The following table illustrates the aggregate outstanding general obligation bonds debt service for the Metropolitan Government and the annual debt service requirements of the Metropolitan Government in connection with the Series 2022 Bonds:

FISCAL YEAR ENDING	AGGREGATE OUTSTANDING GENERAL OBLIGATION BONDS DEBT SERVICE			GENERAL OBLIGATION IMPROVEMENT BONDS SERIES 2022A ⁽¹⁾⁽²⁾			GENERAL OBLIGATION IMPROVEMENT BONDS SERIES 2022B ⁽¹⁾⁽²⁾			TOTAL DEBT SERVICE SERIES 2022 BONDS ⁽¹⁾⁽²⁾		
June 30	Principal Payments	Interest Payments	Total Payments	Principal Payments	Interest Payments	Total Payments	Principal Payments	Interest Payments	Total Payments	Principal Payments	Interest Payments	Total Payments
2023	\$ 234,945,000	\$115,332,236	\$ 350,277,236	\$ 16,965,000	\$ 6,830,702	\$ 23,795,702	\$ 14,545,000	\$ 5,854,888	\$ 20,399,888	\$ 266,455,000	\$ 128,017,826	\$ 394,472,826
2024	247,115,000	106,143,615	353,258,615	10,400,000	15,880,000	26,280,000	8,915,000	13,611,250	22,526,250	266,430,000	135,634,865	402,064,865
2025	247,965,000	96,685,832	344,650,832	10,920,000	15,360,000	26,280,000	9,360,000	13,165,500	22,525,500	268,245,000	125,211,332	393,456,332
2026	229,435,000	87,859,599	317,294,599	11,465,000	14,814,000	26,279,000	9,825,000	12,697,500	22,522,500	250,725,000	115,371,099	366,096,099
2027	214,940,000	79,830,759	294,770,759	12,040,000	14,240,750	26,280,750	10,320,000	12,206,250	22,526,250	237,300,000	106,277,759	343,577,759
2028	215,085,000	71,297,768	286,382,768	12,640,000	13,638,750	26,278,750	10,835,000	11,690,250	22,525,250	238,560,000	96,626,768	335,186,768
2029	175,765,000	62,953,781	238,718,781	13,275,000	13,006,750	26,281,750	11,375,000	11,148,500	22,523,500	200,415,000	87,109,031	287,524,031
2030	182,450,000	55,713,599	238,163,599	13,935,000	12,343,000	26,278,000	11,945,000	10,579,750	22,524,750	208,330,000	78,636,349	286,966,349
2031	185,700,000	47,763,870	233,463,870	14,635,000	11,646,250	26,281,250	12,545,000	9,982,500	22,527,500	212,880,000	69,392,620	282,272,620
2032	193,245,000	39,632,495	232,877,495	15,365,000	10,914,500	26,279,500	13,170,000	9,355,250	22,525,250	221,780,000	59,902,245	281,682,245
2033	200,230,000	32,035,702	232,265,702	16,135,000	10,146,250	26,281,250	13,830,000	8,696,750	22,526,750	230,195,000	50,878,702	281,073,702
2034	166,205,000	24,828,756	191,033,756	16,940,000	9,339,500	26,279,500	14,520,000	8,005,250	22,525,250	197,665,000	42,173,506	239,838,506
2035	168,530,000	18,452,866	186,982,866	17,790,000	8,492,500	26,282,500	15,245,000	7,279,250	22,524,250	201,565,000	34,224,616	235,789,616
2036	113,795,000	13,143,825	126,938,825	18,675,000	7,603,000	26,278,000	16,010,000	6,517,000	22,527,000	148,480,000	27,263,825	175,743,825
2037	117,650,000	9,286,325	126,936,325	19,610,000	6,669,250	26,279,250	16,810,000	5,716,500	22,526,500	154,070,000	21,672,075	175,742,075
2038	85,645,000	6,005,300	91,650,300	20,590,000	5,688,750	26,278,750	17,650,000	4,876,000	22,526,000	123,885,000	16,570,050	140,455,050
2039	88,410,000	3,237,200	91,647,200	21,620,000	4,659,250	26,279,250	18,530,000	3,993,500	22,523,500	128,560,000	11,889,950	140,449,950
2040	36,360,000	1,469,000	37,829,000	22,700,000	3,578,250	26,278,250	19,460,000	3,067,000	22,527,000	78,520,000	8,114,250	86,634,250
2041	37,090,000	741,800	37,831,800	22,835,000	2,443,250	26,278,250	20,430,000	2,094,000	22,524,000	81,355,000	5,279,050	86,634,050
2042	-	-	-	25,030,000	1,251,500	26,281,500	21,450,000	1,072,500	22,522,500	46,480,000	2,324,000	48,804,000
TOTAL	\$3,140,560,000	\$872,414,327	\$4,012,974,327	\$334,565,000	\$188,546,202	\$523,111,202	\$286,770,000	\$161,609,388	\$448,379,388	\$3,761,895,000	\$1,222,569,917	\$4,984,464,917

⁽¹⁾ Preliminary, subject to change.

⁽²⁾ Assumes an all-in cost of approximately 4.446% for both the Series 2022A Bonds and the Series 2022B Bonds.

Source: The Metropolitan Government of Nashville and Davidson County.

CURRENT FINANCIAL CONDITIONS

General Fund History

The chart below illustrates a historical summary of the General Fund balance of the Metropolitan Government for the Fiscal Year ended June 30, 2017 through the Fiscal Year ended June 30, 2021:

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY SUMMARY OF THE GENERAL FUND For the Fiscal Years Ended June 30, 2017 through June 30, 2021 (Amounts in Thousands)

	2021	2020	2019	2018	2017
Beginning Fund Balance	\$ 73,775	\$ 91,445	\$ 76,661	\$ 106,697	\$ 144,503
Revenues	1,317,697	1,067,727	1,074,613	1,014,355	971,321
Expenditures	(975,505)	(1,007,359)	(950,771)	(953,227)	(916,632)
Other Financing Sources (Uses)	(130,480)	(78,038)	(109,058)	(91,164)	(92,495)
Ending Fund Balance	\$ 285,487	\$ 73,775	\$ 91,445	\$ 76,661	\$ 106,697
Unreserved Fund Balance	\$ 264,975	\$ 61,073	\$ 77,325	\$ 58,879	\$ 55,176

Source: The Metropolitan Government of Nashville and Davidson County Department of Finance.

As illustrated in the General Fund table above, the Metropolitan Government's General Fund balance increased significantly between Fiscal Year 2020 and Fiscal Year 2021. The following sections more fully describes the Metropolitan Government's: (i) financial results for Fiscal Year 2021, which resulted in the increase in its General Fund balance; (ii) projected financial results for Fiscal Year 2022; (iii) proposed budget for Fiscal Year 2023; and (iii) future borrowing plans following the issuance of the Series 2022 Bonds.

Fiscal Year 2021 Results

For Fiscal Year 2021, the budget for the General Fund included an increase in the property tax rate of approximately thirty-four percent (34%). Additionally, this budget included a \$53 million planned increase to cash and fund balances. The Fiscal Year 2021 General Fund budget was prepared contemporaneously with the onset of the Coronavirus Disease 2019 ("COVID-19") pandemic. Accordingly, revenue and expenditure estimates were reflective of the anticipated economic impacts and fiscal challenges resulting from the COVID-19 pandemic. Actual results for Fiscal Year 2021 reflected an increase in the fund balances of \$212 million resulting in a positive budgetary variance of \$188 million. The unreserved fund balance for the General Fund was \$265 million on June 30, 2021, which was an increase to the unreserved fund balance of \$204 million. The unreserved fund balance as a percentage of budgeted expenditures was approximately 25.3%. Total revenues and other financing expenditures exceeded the budget by \$136 million. As previously noted, revenues of the Metropolitan Government were budgeted in accordance with the anticipated significant economic and fiscal impacts resulting from the COVID-19 pandemic. However, the revenues recovered faster than expected, and significant positive variances were achieved, primarily with activity-based revenues including local option sales tax, beer and alcoholic beverage taxes, business taxes, building and construction related permits, and the Tennessee sales tax levy. Expenditures and other financing uses were underbudget by \$57 million with savings achieved across substantially all Metropolitan Government departments.

For Fiscal Year 2021, the actual results for all funds supported by property taxes reflected increases in the fund balance. The total fund balance increased \$86 million for the General Purpose School Fund, increased \$2 million for the General Services District General Purposes Debt Service Fund, increased \$32 million for the General Services District School Purposes Debt Service Fund, and increased \$2 million for the Urban Services District General Purposes Debt Service Fund.

Fiscal Year 2022 Projected Results

The Fiscal Year 2022 budget adopted by the Metropolitan Council contemplated expenditures of \$2.647 billion, anticipated to generate a \$180 million or 7.31% increase from the Fiscal Year 2021 budgeted expenditures. As a result of the 2021 reappraisal of real property values, the Fiscal Year 2022 budget included a decrease in the General Services District ad valorem property tax rate declining from \$3.788 to \$2.953 per \$100 of assessed value and included a decrease in the Urban Services District ad valorem property tax rate declining from \$4.221 to \$3.288 per \$100 of assessed value.

The Fiscal Year 2022 budget anticipated an increase in property tax revenue of \$48 million to be generated from growth in the property tax base, local option sales tax of \$103 million, and other revenues of \$87 million, partially offset by decreases in various other revenues. The Fiscal Year 2022 budget did not include any one-time revenues nor the use of fund balance. While the projected results for Fiscal Year 2022 budget anticipated revenues exceeding budgeted amounts by \$239 million, various supplemental resolutions have appropriated a portion of the fund balance through the current fiscal year. For Fiscal Year 2022, the projected results for all funds supported by property tax revenues are anticipated to achieve increases to their respective fund balances. The Metropolitan Government's total fund balance is projected to increase \$48 million for the General Fund, increase \$88 million for the General Purpose School Fund, increase \$9 million for the General Service District General Purposes Debt Service Fund, increase \$17 million for the General Services District School Purposes Debt Service Fund, and increase \$2 million for the Urban Services District General Purposes Debt Service Fund.

Fiscal Year 2023 Proposed Budget

The Fiscal Year 2023 proposed budget contemplates expenditures of \$2.966 billion, anticipating generating a \$320 million or 12.1% increase from the Fiscal Year 2022 budgeted expenditures. The anticipated increases in the budgeted expenditures for Fiscal Year 2023 are primarily attributable to increases with education funding of \$94 million, increases with debt service of \$51 million, and increases with various other general Metropolitan Government expenditures. The Fiscal Year 2023 proposed budget includes a decrease in the General Services District ad valorem property tax rate declining from \$2.953 to \$2.920 per \$100 of assessed value and includes a decrease in the Urban Services District ad valorem property tax rate declining from \$3.288 to \$3.252 per \$100 of assessed value. The Fiscal Year 2023 proposed budget anticipates increases in property tax revenue of \$102 million to be generated from growth in the property tax base, local option sales tax of \$138 million, and other revenues of \$80 million. The Fiscal Year 2023 proposed budget does not include any one-time revenues nor the use of fund balance.

Future Borrowing Plans

Following the issuance of the Series 2022 Bonds, the Metropolitan Government will have approximately \$_____ of capital projects for which general obligation bonds have been authorized. This authorized amount for capital projects will likely increase, as the Metropolitan Council typically authorizes additional capital projects for funding with general obligation bonds on an annual basis.

The Metropolitan Government funds these authorized capital projects on an interim basis through draws from its general obligation commercial paper programs which has a funding capacity of \$700 million. Following the issuance of the Series 2022 Bonds, approximately [\$43.6 million] of the Metropolitan Government's Commercial Paper will remain outstanding.

For a further discussion regarding the Metropolitan Government's future borrowing plans, see **"APPENDIX B – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY – CAPITAL FINANCING AND BONDS"** attached hereto.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

General

Attention should be given to the investment considerations described below, which, among others, could affect the ability of the Metropolitan Government to pay principal of, premium, if any, and interest on the Series 2022 Bonds, and which could also affect the marketability of or the market price for the Series 2022 Bonds.

The purchase of the Series 2022 Bonds involves various investment considerations that are disclosed within this Official Statement. Certain of these investment considerations are set forth in this section for convenience and are not intended to be a comprehensive compilation of all possible investment considerations nor a substitute for an independent evaluation of the information presented within this Official Statement, including the appendices attached hereto.

Each prospective purchaser of any of the Series 2022 Bonds should read this Official Statement, including the appendices attached hereto, in its entirety and consult such prospective purchaser's own investment, financial and/or legal advisor for a more complete explanation of the matters that should be considered when purchasing an investment such as the Series 2022 Bonds.

Financial Conditions Facing the Metropolitan Government

The following discussion highlights certain financial conditions facing the Metropolitan Government and is not intended to be an exhaustive discussion of the financial conditions facing the Metropolitan Government.

As more fully described above under the caption "CURRENT FINANCIAL CONDITIONS – Future Borrowing Plans" and in **APPENDIX B** attached hereto, the Metropolitan Government's capital improvement plan contemplates significant continued capital investment, the debt service on which will place additional budgetary pressures on the Metropolitan Government. The Metropolitan Government's annual debt service requirements in connection with the issuance of the Series 2022 Bonds are set forth above under the caption "GENERAL OBLIGATION DEBT SERVICE SCHEDULE" and its outstanding general obligation debt is more fully described in **APPENDIX B**, attached hereto.

The Metropolitan Government continues to provide supplemental funding to General Hospital. The General Hospital received supplemental funding of approximately \$50 million for Fiscal Year 2022. The proposed budget for Fiscal Year 2023 contemplates allocating supplemental funding of approximately \$52 million to the General Hospital. The Metropolitan Government cannot predict the amount of funding that will be budgeted to support General Hospital in future years.

Additionally, similar to other states and local governments, the Metropolitan Government, is conducting diligence on how to best manage its non-pension post-employment benefit obligations (“OPEB”). While the Metropolitan Government has traditionally funded its current-year OPEB obligations from its current-year operating budget, significant long-term liabilities remain. Further, the size of these liabilities is based on several assumptions, including but not limited to actuarial assumptions. It is possible that actual results will differ materially from current assumptions, and such changes could increase budgetary pressures on the Metropolitan Government. See “**APPENDIX B – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**” for a further discussion of the financial conditions facing the Metropolitan Government attached hereto.

There is no assurance that other financial conditions not discussed in this Official Statement, and the appendices attached hereto, may become material to investors in the future.

Coronavirus Disease 2019

The worldwide spread of COVID-19, a respiratory illness caused by a novel strain of coronavirus, is widespread throughout the State of Tennessee, including the Metropolitan Government, and was considered by the World Health Organization to be a public health emergency of international concern. On March 11, 2020, the World Health Organization officially declared COVID-19 as a pandemic. According to John Hopkins University, as of [July __, 2022], there were over [_____] million cases of COVID-19 globally, with over [_____] million confirmed deaths. The United States is now reporting over [_____] million cases of COVID-19 with over [_____] confirmed deaths. To view daily updates on COVID-19 information and statistics in Nashville, visit <https://www.asafenashville.org>; and to view national updates, visit the COVID-19 Resource Center at <https://coronavirus.jhu.edu>.

The spread of COVID-19 has caused, from to time, short-term quarantine, and the implementation of certain social distancing measures throughout the United States, including the Metropolitan Government. These social distancing measures have included federal and state recommendations and formal requirements including, but not limited to: (i) recommendations to limit nonessential travel and to promote telecommuting; (ii) temporary closures of nonessential businesses; and (iii) requirements imposing capacity limitations with hotels, restaurants, bars, and tourism related venues where large-scale public gatherings are held such as sports and entertainment stadiums/arenas and convention centers. Although the State of Tennessee has lifted the “state of emergency executive order” issued by the Governor, circumstances in connection with the severity of this virus may change and if so, it is foreseeable that similar executive orders and/or social distancing measures may be issued in response to the COVID-19 pandemic through the United States, State of Tennessee, or the Metropolitan Government.

According to the Centers for Disease Control and Prevention (“CDC”), currently there are three COVID-19 vaccines authorized and approved for use in the United States to help combat the pervasive spread of the COVID-19 pandemic. Continued expansion of vaccine manufacturing capacity, as well as the availability of other COVID-19 vaccines, are needed to ensure that all people globally and in the United States have access to the lifesaving COVID-19 vaccines. According to the CDC, as of [July __, 2022] there were over [_____] total doses of the COVID-19 vaccine distributed and [_____] of those doses have been administered. For more information regarding the developments and dissemination of the COVID-19 vaccination, visit <https://covid.cdc.gov/covid-data-tracker/#vaccinations>.

In accordance with the implementation of the various federal and state social distancing measures, the Metropolitan Government has been proactively taking steps to mitigate the spread of the COVID-19 virus within the Metropolitan Government and to effectively preserve appropriate levels of

staffing for all essential Metropolitan Government operations. Notwithstanding the strategies and actions implemented in connection with the COVID-19 pandemic, the Metropolitan Government has experienced and anticipates the following short-term potential adverse financial impacts, among others:

(i) The COVID-19 pandemic adversely impacted the Metropolitan Government's financial condition. The implemented COVID-19 transmission mitigation measures initially closed businesses, increased unemployment, required citizens to remain at home, and reduced travel. For the Fiscal Year ended June 30, 2020, the COVID-19 pandemic did not impact the Metropolitan Government's primary source of revenues of ad valorem property taxes, because ad valorem property taxes were due in February, prior to the pervasive spread of COVID-19 in Tennessee. However, the Metropolitan Government experienced significant decreases in various activity-based revenues, primarily with local option sales taxes and revenues derived from tourism. The Metropolitan Government estimates that it experienced \$192.4 million of lost revenues during this period. Approximately fifteen percent (15%) of the Metropolitan Government's budget is funded from local option sales tax collections. While the budgets for Fiscal Year 2021 and Fiscal Year 2022 continued to anticipate certain adverse impacts with overall revenue and tax collections due to the COVID-19 pandemic, actual results have generally been positive showing a faster economic recovery than anticipated. However, if economic conditions related to COVID-19 pandemic worsen, then the impact on the Metropolitan Government's revenue and tax collections could be more severe. In addition, the impact of the COVID-19 pandemic could adversely affect the ability or willingness of Metropolitan Government property owners to pay their general ad valorem real property taxes in the current or future fiscal years when due.

(ii) The Metropolitan Government is contingently liable for debt service or other payment obligations incurred to finance or incent capital improvements to Metropolitan Government tourist, parking, sports and entertainment facilities, such as the Nissan Stadium, Bridgestone Arena, First Horizon Ballpark, and the Major League Soccer stadium currently under construction, homes of the National Football League's Tennessee Titans, the National Hockey League's Nashville Predators, AAA Baseball's Nashville Sounds, and the Major League Soccer's Nashville Soccer Club, respectively, and the Music City Convention Center. See "**APPENDIX B – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY – CAPITAL FINANCING AND BONDS – Contingent Debt and Payment Liabilities**" attached hereto. These obligations are primarily payable from attendance-based revenue streams, such as seat rental fees and incremental sales taxes. Attendance at these bond-financed facilities has been adversely impacted by the COVID-19 pandemic and the responses to combat the virus thereto, and attendance-based revenue streams have also and may continue to be affected.

(iii) The COVID-19 pandemic has significantly impacted the operations of hospitals around the United States, primarily by forcing hospitals to forego revenue-producing elective medical procedures in order to focus and prioritize resources for the treatment of COVID-19 patients. The Metropolitan Government has historically provided supplemental funding to General Hospital to cover its operating shortfalls. The proposed budget for Fiscal Year 2023 contemplates supplemental funding to be allocated to General Hospital in the amount of \$52 million. The Metropolitan Government cannot predict whether the budgeted supplemental funding will be sufficient to support General Hospital if the adverse impact of the COVID-19 pandemic were to worsen.

Various types of information regarding employment and income trends, and business and tourism activity within the Metropolitan Government are detailed in **APPENDIX B** attached hereto. This information reflects data prior to the COVID-19 pandemic and may not be reflective of current financial conditions. For example, (i) unemployment rates throughout the United States, including the Metropolitan Government, have increased significantly since the COVID-19 pandemic; (ii) convention, tourism and other entertainment business activities, have been significantly affected; and (iii) the Metropolitan

Government's largest employers may have been forced to reduce their employment from the levels described in **APPENDIX B** attached hereto.

Given the evolving nature of the spread of COVID-19 and the behavior of governments, businesses and individuals in response thereto, the Metropolitan Government cannot accurately predict the magnitude of the impact of COVID-19 on the Metropolitan Government and its financial condition. In particular, the Metropolitan Government is unable to predict: (i) the extent or continued duration of the COVID-19 pandemic or any other future epidemic or pandemic; (ii) the extent or duration of existing and additionally implemented quarantine periods, travel restrictions, capacity restrictions or other social distancing measures relating to combating the COVID-19 pandemic or any other future epidemic or pandemic; or (iii) whether and to what extent the COVID-19 pandemic or any other future epidemic or pandemic may disrupt the local or global economy, or whether any such disruption may adversely impact the operations and financial condition of the Metropolitan Government.

Cybersecurity

The Metropolitan Government 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, and as a result, the Metropolitan Government is a target of cyberattacks attempting to both gain access to such information and to disrupt 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 municipal services and operations and subject the Metropolitan Government to legal action.

To mitigate against such risks, the Metropolitan Government has instituted various policies and procedures to protect its information technology infrastructure, including a cybersecurity training requirement for Metropolitan Government employees. Despite the Metropolitan Government's measures to safeguard its information technology infrastructure and the information entrusted to the Metropolitan Government, there are no guarantees that such measures will be successful. The Metropolitan Government's information security management program reported no security incidents resulting in loss of service to its residents, as of 2022. The Metropolitan Government's Nationwide Cybersecurity Review score for 2021 was 5.28, where the local government peer score average was 4.05.

Potential Delay and Limitations on Tax Collections

The payment of property taxes and sales taxes, and the ability of the Metropolitan Government and/or the State of Tennessee to recover delinquent unpaid ad valorem taxes may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights. The ability of the Metropolitan Government to recover delinquent unpaid real property taxes through the sale of the related real property may be limited.

The ability of the Metropolitan Government to recover delinquent unpaid real property taxes through the sale of the related real property may be limited with regard to properties in which the Federal Deposit Insurance Corporation ("FDIC") may acquire an interest. The FDIC has adopted policies regarding the payment of state and local property taxes. While this federal instrumentality has acknowledged a policy of paying ad valorem taxes and assessments in certain circumstances, it has also indicated an intention to assert federal preemptive power to challenge any prior taxes and assessments where it is in its interest to do so, including the requirement that local governmental entities obtain the consent of the FDIC in order to sell property at tax sale to recover delinquent ad valorem taxes.

In addition, prospective investors should be aware that any recovery of any ad valorem taxes is subject to Metropolitan Government procedures for providing notice to record holders of the property of the pending tax sale and delays by subsequent purchasers of the property at tax sales to initiate proceedings to foreclose redemption of the property. Prospective investors should also be aware that during any period of time in which property is offered for sale and remains unsold, none of the delinquent ad valorem taxes will be paid.

Enforceability of Remedies

The remedies available to the Beneficial Owners of the Series 2022 Bonds upon an event of default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. The enforceability of remedies or rights with respect to the Series 2022 Bonds may be limited by state and federal laws, rulings and decisions affecting remedies and by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. Under existing constitutional and statutory law and judicial decisions, including specifically Title XI of the United States Code (federal bankruptcy code), certain remedies specified by the Bond Resolution may not be readily available or may be limited.

Under existing law, municipalities must obtain the consent of state government in order to avail themselves of federal bankruptcy protection under Title XI of the United States Code. However, there is currently no Tennessee law granting such consent. The various legal opinions to be delivered concurrently with the delivery of the Series 2022 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. See "REMEDIES" herein.

Additional Obligations

The Metropolitan Government may issue additional general obligation bonds that will be direct obligations of the Metropolitan Government, and its full faith and credit and unlimited taxing power as to all taxable property within the Metropolitan Government will be pledged to the punctual payment of the principal of and interest on such general obligation bonds. See "**APPENDIX B – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**" attached hereto.

Redemption Prior to Maturity

The Series 2022 Bonds may be subject to optional redemption prior to maturity, as more fully described herein. See "SECURITY AND SOURCE OF PAYMENT FOR THE SERIES 2022 BONDS" and "REDEMPTION PROVISIONS FOR THE SERIES 2022 BONDS" herein.

Prospective investors should consider their applicable redemption rights when making any investment decision in connection with this offering. Following redemption, the Beneficial Owners of the Series 2022 Bonds may not be able to reinvest their funds at a comparable interest rate.

Loss of Tax Exemption

The interest on the Series 2022 Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2022 Bonds because of a failure of the Metropolitan Government to comply with certain provisions of the Internal Revenue Code of 1986, as amended. Should such an event of taxability occur, the Series 2022 Bonds are not subject to early

redemption and may remain outstanding until maturity or until redeemed under the redemption provisions of the Bond Resolution. The Metropolitan Government will covenant not to do anything that would adversely affect the tax-exempt status of the Series 2022 Bonds. See “TAX MATTERS” herein.

Assessed Value of Property

The Property Tax Act requires that property reappraisals be revenue neutral in the aggregate. As a result, upon the reappraisal of all property located within the General Services District and Urban Services District of the Metropolitan Government, which occurs every four (4) years, the property tax rates of the Metropolitan Government must be adjusted by the Metropolitan Council, so that, when levied against the new aggregate assessed value of property located within the Metropolitan Government, it generates revenues identical to the prior tax rate, when levied against the prior aggregate assessed property value. See “**APPENDIX B – FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**” attached hereto.

Risk of Future Legislative Action and/or Court Decisions Related to Tax Treatment

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State of Tennessee legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of debt obligations such as the Series 2022 Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2022 Bonds will not have an adverse effect on the tax status of the interest on the Series 2022 Bonds or the market value or marketability of the Series 2022 Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Series 2022 Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

Additionally, prospective investors in the Series 2022 Bonds should be aware that future legislative actions (including federal income tax reform) may retroactively change the tax treatment of all or a portion of the interest on the Series 2022 Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Series 2022 Bonds may be affected and the ability of Beneficial Owners to sell their Series 2022 Bonds in the secondary market may be reduced. The Series 2022 Bonds are not subject to special mandatory redemption, and the interest rates on the Series 2022 Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Series 2022 Bonds.

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The Metropolitan Government’s geographical location in middle Tennessee and next to the Cumberland River increases its vulnerability to flooding, including storm water flooding, and extreme heat. In addition to flooding and extreme heat, the Metropolitan Government may face other threats due to climate change.

The Metropolitan Government cannot accurately predict the timing, extent or severity of climate change and its impact on the Metropolitan Government’s operations and finances. Due to severe weather and other recent events that have impacted Metropolitan Nashville, the Metropolitan Government has implemented additional safety protocols to respond to these types of occurrences.

Taxpayer Initiatives Purporting to Limit Taxing Authority

As discussed under the “LITIGATION” section herein, if the ad valorem property tax provision contained in the Second Petition, which attempted to limit the Metropolitan Council’s ability to increase ad valorem property tax rates were successfully appealed, approved by voters, and ultimately found to be constitutional and not in violation of Tennessee law, the resulting limitations on the Metropolitan Government’s ability to increase ad valorem property tax levies could adversely impact the Metropolitan Government’s financial condition. Similarly, future voter initiatives, if successful and sustained as to legality, could likewise adversely impact the financial condition of the Metropolitan Government. Two separate referendum petitions have been filed that contained provisions limiting the amount that the Metropolitan Council may increase the tax rate for ad valorem property taxes. The First Petition is no longer subject to appeal and will have no impact on these matters or the Metropolitan Government’s ability to raise taxes.

Ratings on the Series 2022 Bonds

The Rating Agencies (defined herein) have assigned credit ratings to the Series 2022 Bonds. The ratings of the Series 2022 Bonds are not a recommendation to purchase, hold or sell the Series 2022 Bonds, and the ratings do not comment on the market price or suitability of the Series 2022 Bonds for a particular investor. The ratings of the Series 2022 Bonds may not remain the same for a given period of time and may be lowered or withdrawn depending on, among other things, the Rating Agencies’ ratings assessment of the Metropolitan Government’s economy, financial strength and/or changes in the Rating Agencies’ methodology in assigning a credit rating to the Metropolitan Government and the Series 2022 Bonds. The Metropolitan Government is not required to maintain a specified rating with respect to the Series 2022 Bonds. See “RATINGS” herein.

Secondary Market Prices

No assurance can be given that a secondary market for any of the Series 2022 Bonds will be available, and no assurance can be given that the initial offering prices for the Series 2022 Bonds will continue for any period of time. The Series 2022 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2022 Bonds in the event a Beneficial Owner thereof determines to solicit purchasers of the Series 2022 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2022 Bonds may be sold. Such price may be lower than that paid by the current Beneficial Owners of the Series 2022 Bonds, depending on existing market conditions and other factors.

Suitability of the Series 2022 Bonds for Investment

No dealer, broker, salesman or other person has been authorized by the Metropolitan Government, the Municipal Advisor or the Underwriters to give any information or make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Metropolitan Government, the Municipal Advisor or the Underwriters.

THIS SECTION DOES NOT PURPORT TO SUMMARIZE ALL RISKS THAT MAY BE ASSOCIATED WITH PURCHASING OR OWNING THE SERIES 2022 BONDS AND PROSPECTIVE PURCHASERS ARE ADVISED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY (INCLUSIVE OF THE APPENDICES ATTACHED HERETO) FOR A MORE COMPLETE DESCRIPTION OF CERTAIN RISK FACTORS AND INVESTMENT CONSIDERATIONS RELATING TO THE SERIES 2022 BONDS.

LITIGATION

At the time of original delivery of the Series 2022 Bonds, there also will be furnished to the Underwriters a certificate of certain officers of the Metropolitan Government stating that except as disclosed in the Official Statement there is no litigation then pending, or to their knowledge threatened, affecting the validity of the Series 2022 Bonds or the power of the Metropolitan Government to levy and collect ad valorem taxes to timely pay the debt service on the Series 2022 Bonds.

The Metropolitan Government is a party to various lawsuits in the normal course of business, but there is no pending litigation against the Metropolitan Government that, if decided adversely to the Metropolitan Government, would have a material adverse financial impact upon the Metropolitan Government or its operations.

The Metropolitan Government has been engaged in litigation since 2020 addressing various attempts to amend the Metropolitan Government's Charter. While the litigation has thus far resolved in the Metropolitan Government's favor, given the subject matter, a discussion is included herein. In August 2020, Metropolitan Government voters filed the First Petition, which requested that the Election Commission schedule a referendum, at which voters would be offered the opportunity to vote for or against adding provisions to the Metropolitan Government's Charter. One of those provisions purported to: (i) bar the Metropolitan Government from increasing ad valorem property taxes by more than two percent (2%) per year after January 1, 2020, without first holding a voter referendum; (ii) rescind the ad valorem property tax increase adopted and approved by the Metropolitan Council as part of its budget for Fiscal Year 2021; and (iii) cap future ad valorem property tax increases at two percent (2%) per year.

The Election Commission filed a declaratory judgment action in the Davidson County Chancery Court, seeking direction as to whether the referendum election should be held as requested by the First Petition. By Order dated November 3, 2020, the Davidson County Chancery Court found that the First Petition was defective in form and facially unconstitutional and permanently enjoined the Election Commission from holding a referendum election on the provisions. See <https://www.nashville.gov/departments/law/orders-and-agreements> "Findings of Fact, Conclusions of Law, And Orders From 10/26-27/2020 Bench Trial" (the "Order") for a copy of the Order. The time in which the First Petition could have been appealed to the Tennessee Court of Appeals expired on January 4, 2021, and no request for permission to appeal was filed. All litigation related to the First Petition resolved in the Metropolitan Government's favor, and the time for appeal has expired.

In May 2021, the Election Commission scheduled for July 27, 2021, a referendum election on the Second Petition, which contained similar provisions as the First Petition. The provisions purported to: (i) limit the Metropolitan Council's power to increase ad valorem property tax rates without voter approval; (ii) prevent the Metropolitan Council from increasing ad valorem property taxes by more than three percent (3%) per year without a voter referendum; and (iii) effectively rescind the ad valorem property tax rates adopted by the Metropolitan Council for Fiscal Year 2021 and Fiscal Year 2022 by retroactively setting the respective ad valorem property tax rates to the rate adopted for Fiscal Year 2020 or lower.

As it had with the First Petition, the Metropolitan Government's Department of Law issued an opinion stating that the Second Petition failed to comply with the Metropolitan Charter's technical requirements for petitions to amend the Metropolitan Government's Charter by referendum, and that several of the proposed amendments to the Charter were defective in form, facially unconstitutional, and/or violated Tennessee law. To review the full opinion issued by the Metropolitan Government Department of Law, see <https://www.nashville.gov/sites/default/files/2021-04/2021-01.pdf>. Accordingly, the Metropolitan Government filed suit in the Davidson County Chancery Court to enjoin and challenged the Election Commission's decision to set the Second Petition for a referendum election.

By order dated June 22, 2021, the Davidson County Chancery Court held that the Second Petition was invalid and could not proceed to a referendum election. The Election Commission appealed to the Tennessee Court of Appeals, which on March 25, 2022, issued an order dismissing the appeal as moot since no election could be set on the referendum within the time frame required by Tennessee law. The Court of Appeals further held that notwithstanding mootness, the referendum failed to conform to the Metropolitan Government Charter's technical requirements for petitions to amend the Metropolitan Government's Charter by referendum. The Election Commission has filed an application for permission to appeal the Tennessee Court of Appeals' decision up to the Tennessee Supreme Court. The Metropolitan Government is currently preparing its response to the application. The Tennessee Supreme Court, which has discretion to grant or deny the application, has not ruled on the request.

TAX MATTERS

Federal Taxes – Series 2022 Bonds

Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Series 2022 Bonds. The form of their opinions is attached hereto as **APPENDIX C**. Their opinions under existing law, rely on certain statements by the Metropolitan Government and assuming compliance by the Metropolitan Government with certain covenants, is that interest on the Series 2022 Bonds:

- is excluded from a bondholder's federal gross income under the Internal Revenue Code of 1986, as amended (the "Code"), and
- is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code.

The Code imposes requirements on the Series 2022 Bonds that the Metropolitan Government must continue to meet after the Series 2022 Bonds are issued. These requirements generally involve the way that Series 2022 Bond proceeds must be invested and ultimately used. If the Metropolitan Government does not meet these requirements, it is possible that a bondholder may have to include interest on the Series 2022 Bonds in its federal gross income on a retroactive basis to the date of issue. The Metropolitan Government has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2022 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 opinions in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Series 2022 Bonds or affect the market price of the Series 2022 Bonds.

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 Series 2022 Bonds, or under Tennessee, local or foreign tax law.

Original Issue Discount

Each Series 2022 Bond will have “original issue discount” if the price paid by the original purchaser of such Series 2022 Bond is less than the principal amount of such Series 2022 Bond. Bond Counsel’s opinion is that any original issue discount on these Series 2022 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 Series 2022 Bonds will be increased. If a bondholder owns one of these Series 2022 Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Bond Premium

If a bondholder purchases a Series 2022 Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Series 2022 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 Series 2022 Bond will be reduced. The holder of a Series 2022 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 Series 2022 Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Series 2022 Bond with bond premium, even though the Series 2022 Bond is sold for an amount less than or equal to the owner’s original cost. If a bondholder owns any Series 2022 Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Information Reporting and Backup Withholding.

Information reporting requirements apply to interest on tax-exempt obligations, including the Series 2022 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 Series 2022 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 Series 2022 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.

Prospective bondholders should consult their own tax advisors regarding the foregoing matters.

State Taxes

Under existing law, the Series 2022 Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Series 2022 Bonds during the period the Series 2022 Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Series 2022 Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Changes in Federal and State Tax Law

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Series 2022 Bonds or otherwise prevent holders of the Series 2022 Bonds from realizing the full benefit of the tax exemption of interest on the Series 2022 Bonds. Further, such proposals may impact the marketability or market value of the Series 2022 Bonds simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to Series 2022 Bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Series 2022 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 Series 2022 Bonds would be impacted thereby. Purchasers of the Series 2022 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 Series 2022 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the Series 2022 Bonds should consult their own tax advisors regarding the foregoing matters.

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APPROVAL OF LEGAL MATTERS

Certain legal matters incident to the authorization, issuance, validity, sale and delivery of the Series 2022 Bonds is subject to the unqualified approving opinions of Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose unqualified approving opinions, in substantially the form, attached hereto as “**APPENDIX C – FORM OF OPINIONS OF BOND COUNSEL**” will be delivered concurrently with the issuance of the Series 2022 Bonds.

Certain legal matters will be passed upon for the Metropolitan Government incident to the authorization, issuance, validity, sale and delivery of the Series 2022 Bonds by their Disclosure Counsel Carpenter Law, PLLC, Nashville, Tennessee. Additionally, certain legal matters will be passed upon for the Metropolitan Government by its Director of Law, Wallace W. Dietz, Esquire.

No representation is made to the Beneficial Owners of the Series 2022 Bonds that Bond Counsel has verified the accuracy, completeness or fairness of the statements contained in this Official Statement and Bond Counsel assumes no responsibility to the Beneficial Owners of the Series 2022 Bonds except for the matters that will be set forth in its unqualified approving opinions.

The legal opinions to be delivered concurrently with the delivery of the Series 2022 Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering legal opinions, the attorneys providing such opinions do not become insurers or guarantors of the result indicated by that expression of professional judgment with respect to the transaction on which the opinions are rendered or of the future performance of parties to the transaction. Furthermore, the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

MUNICIPAL ADVISOR

Hilltop Securities Inc., Dallas, Texas, is employed as Municipal Advisor to the Metropolitan Government in connection with the issuance of the Series 2022 Bonds. The Municipal Advisor’s fees for professional services rendered with respect to the sale of the Series 2022 Bonds are contingent upon the successful issuance and delivery of the Series 2022 Bonds. Hilltop Securities 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 therein nor in any of the legal documents with respect to the federal income tax status of the Series 2022 Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies. In the normal course of business, Hilltop Securities Inc. may from time to time sell investment securities to the Metropolitan Government for the investment of bond proceeds or other funds of the Metropolitan Government upon the request of the Metropolitan Government.

The Municipal Advisor has provided the following sentence for inclusion in this Official Statement: The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the Metropolitan Government 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.

ANNUAL COMPREHENSIVE FINANCIAL REPORT

The electronic hyperlink containing the Metropolitan Government's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2021, which is inclusive of the audited financial statements for Fiscal Year 2021, is incorporated herein and has been audited by Crosslin & Associates, Certified Public Accountants, serving as independent auditors to the Metropolitan Government.

Crosslin & Associates, Certified Public Accountants has not been engaged to perform and has not performed, since the date of the Annual Comprehensive Financial Report any review or analysis of the audited financial statements addressed within the Annual Comprehensive Financial Report and has not performed any review or analysis of the audited financial statements set forth and more fully described within this Official Statement or the appendices attached hereto.

See **"APPENDIX A – ELECTRONIC HYPERLINK TO THE ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE METROPOLITAN GOVERNMENT FOR THE FISCAL YEAR ENDED JUNE 30, 2021"** attached hereto to access the electronic hyperlink pertaining to the Annual Comprehensive Financial Report and the audited financial statements of the Metropolitan Government.

RATINGS

Moody's Investors Service, Inc. and S&P Global Ratings (together the "Rating Agencies"), have each assigned ratings of "_____" (_____) and "_____" (_____), respectively, in connection with the issuance and sale of the Series 2022 Bonds. The ratings, including any related outlook with respect to potential changes in such ratings, reflect only the respective views of the Rating Agencies, and the Metropolitan Government makes no representation as to the appropriateness of these ratings. The Metropolitan Government is not required to maintain a specified rating with respect to the Series 2022 Bonds.

Any explanation of the significance of such ratings may be obtained from the Rating Agencies furnishing the ratings at the following addresses: Moody's Investors Services, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007; S&P Global Ratings, 55 Water Street, New York, New York 10041.

The Metropolitan Government furnished certain information and materials to the Rating Agencies, some of which may not have been included in this Official Statement, relating to the Metropolitan Government and its outstanding debt. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own.

There is no assurance that such ratings will remain unchanged for any given period of time or that the ratings will not be revised downward or withdrawn entirely by the Rating Agencies furnishing the same, if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings or other actions taken by the Rating Agencies, or any other rating agency, may have an adverse impact on the liquidity or market price of the Series 2022 Bonds. The Metropolitan Government has not undertaken any responsibility to oppose any such revision, suspension, or withdrawal.

UNDERWRITING

On [July 19, 2022], the Metropolitan Government held two public competitive sales, one for the Series 2022A Bonds and another for the Series 2022B Bonds, through PARITY® via the BiDCOMP Competitive Bidding System.

_____, acting for and on behalf of itself and such other securities dealers as it may designate (the “Series 2022A Underwriter”) will purchase all of the Series 2022A Bonds from the Metropolitan Government at an aggregate purchase price of \$_____ (representing the principal amount of the Series 2022A Bonds, plus an original issue premium of \$_____, less an Underwriters’ discount of \$_____).

_____, acting for and on behalf of itself and such other securities dealers as it may designate (the “Series 2022B Underwriter”) will purchase all of the Series 2022B Bonds from the Metropolitan Government at an aggregate purchase price of \$_____ (representing the principal amount of the Series 2022B Bonds, plus an original issue premium of \$_____, less an Underwriters’ discount of \$_____).

The Series 2022 Bonds will be offered at the respective initial public offering prices or yields as shown on the inside cover pages of this Official Statement. The Underwriters may offer and sell the Series 2022 Bonds to certain dealers (including dealers depositing the Series 2022 Bonds into investment trusts) and others at prices lower than the public offering prices stated on the inside cover pages of this Official Statement. Following the initial public offering, the initial public offering prices may be changed from time to time by the Underwriters in their discretion.

CONTINUING DISCLOSURE

In connection with the issuance of the Series 2022 Bonds and in order to assist the Underwriters in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission promulgated pursuant to the Securities Exchange Act of 1934, the Metropolitan Government, contemporaneously with the issuance of the Series 2022 Bonds, will enter into Continuing Disclosure Agreements for the benefit of the Registered Owners and the Beneficial Owners, under which the Metropolitan Government will provide certain continuing disclosure with respect to the Series 2022A Bonds and the Series 2022B Bonds (the “Continuing Disclosure Agreements”).

The Metropolitan Government, as an “obligated person” under Rule 15c2-12(b)(5) in connection with the sale of the Series 2022 Bonds, will enter into the Continuing Disclosure Agreements to provide: (i) certain financial information and operating data relating to the Metropolitan Government and the Series 2022 Bonds not later than twelve months after each of the Metropolitan Government’s fiscal years (the “Annual Comprehensive Financial Report”); and (ii) notice of the occurrence of certain enumerated events (each a “Listed Event Notice”). The proposed form of the Continuing Disclosure Agreements are more fully described in “**APPENDIX D – FORM OF CONTINUING DISCLOSURE AGREEMENTS**” attached hereto.

The Annual Comprehensive Financial Report (and audited financial statements, if filed separately) and each Listed Event Notice, if applicable, will be filed by the Metropolitan Government with the Municipal Securities Rulemaking Board’s (the “MSRB”) on the Electronic Municipal Market Access (“EMMA”) system, a service of the MSRB at emma.msrb.com and with any State Information Depository hereafter established in the State of Tennessee.

The Metropolitan Government has agreed to only provide continuing disclosure information pertaining to the Series 2022 Bonds specifically described in the Continuing Disclosure Agreements. Investors have the ability to freely access any continuing disclosure information filed by the Metropolitan Government with the MSRB's EMMA system, at emma.msrb.org.

In evaluating its compliance with its continuing disclosure obligations during the previous five (5) years, the Metropolitan Government made the following findings: (1) in certain cases, annual reports were not correctly linked to CUSIPs that replaced initially-assigned CUSIPs as a result of a partial refunding of a maturity of bonds (i.e. CUSIPs distinguishing between pre-refunded and unrefunded bonds); (2) annual reports of The Sports Authority of The Metropolitan Government of Nashville and Davidson County (Tennessee) (the "Authority") for Fiscal Year 2014 through Fiscal Year 2017, filed in connection with the Authority's Public Improvement Revenue Bonds (Ballpark Project), Series 2013A and Series 2013B (the "Ballpark Bonds"), did not contain an individual listing of the revenues that provide the first line of repayment for the Ballpark Bonds but did contain both a statement of all revenues received by the Authority and a specific listing of the non-tax revenues that ultimately secure the Ballpark Bonds; (3) annual reports were not timely filed with respect to two series of bonds issued by the Metropolitan Government's Industrial Development Board and Health, Educational and Housing Facility Board for Fiscal Year 2015 through Fiscal Year 2019, in part, because the filing deadline for their respective continuing disclosure agreements is three months shorter than the deadline for all of the Metropolitan Government's other continuing disclosure agreements; (4) audited financial statements were not correctly linked to the CUSIPs for a series of bonds issued by the Metropolitan Government's Industrial Development Board and a series of bonds issued on behalf of the Metropolitan Development and Housing Agency for Fiscal Year 2015 through Fiscal Year 2018; and (5) certain non-operating data was inadvertently omitted from the Metropolitan Government's Fiscal Year 2018 and Fiscal Year 2019 annual reports.

The Metropolitan Government believes that it has otherwise complied in all respects with its previous continuing disclosure undertakings.

MISCELLANEOUS

The references, excerpts and summaries of all documents referred to in this Official Statement do not purport to be complete statements of the provisions of such documents and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2022 Bonds, the security for and the source for repayment for the Series 2022 Bonds and the rights and obligations of the Beneficial Owners. The information in this Official Statement, including the appendices attached hereto, has been compiled from sources deemed by the Metropolitan Government to be reliable and, while not guaranteed as to completeness or accuracy, the information contained herein is believed by the Metropolitan Government to be correct as of the date of this Official Statement.

Use of the words "shall" or "will" in this Official Statement or in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled. Neither this Official Statement nor any statements which may have been made orally or in writing are to be construed as a contract with the Beneficial Owners of the Series 2022 Bonds.

[Signatures on Following Page]

**AUTHORIZATION OF AND CERTIFICATION CONCERNING THE
OFFICIAL STATEMENT**

The execution and delivery of this Official Statement, and its distribution and use by the Underwriters in connection with the original public offer, sale, and distribution of the Series 2022 Bonds, have been duly authorized and approved by the Metropolitan Government.

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY**

By: _____
John Cooper
Metropolitan Mayor

By: _____
Kelly Flannery
Director of Finance

APPENDIX A

**ELECTRONIC HYPERLINK TO THE ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE METROPOLITAN GOVERNMENT FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE METROPOLITAN GOVERNMENT

The electronic hyperlink incorporated in this **APPENDIX A** contains the Metropolitan Government's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2021, which is inclusive of the audited financial statements for Fiscal Year 2021, and has been audited by Crosslin & Associates, Certified Public Accountants, serving as independent auditors to the Metropolitan Government (the "ACFR").

The ACFR is hereby incorporated by reference as a part of this **APPENDIX A** and is available through the website of the Metropolitan Government's Department of Finance at the following hyperlink: <https://www.nashville.gov/departments/finance/accounting/comprehensive-financial-reports>.

To the extent there are any differences between the electronically posted ACFR of the Metropolitan Government and the printed ACFR of the Metropolitan Government, the printed version of the ACFR shall control.

Crosslin & Associates, Certified Public Accountants has not been engaged to perform and has not performed, since the date of the ACFR any review or analysis of the audited financial statements addressed within the ACFR and has not performed any review or analysis of the audited financial statements set forth and more fully described within the Official Statement or the appendices attached thereto.

APPENDIX B

**FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE
METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**

**FINANCIAL AND DEMOGRAPHIC INFORMATION RELATED TO THE
METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**



The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) prepared its Annual Comprehensive Financial Report, the electronic hyperlink being attached as and incorporated into **APPENDIX A** of the Official Statement, which contains its audited financial statements for the Fiscal Year ended June 30, 2021.

In addition to preparing the Annual Comprehensive Financial Report for Fiscal Year 2021, the Metropolitan Government has prepared this **APPENDIX B**, which includes certain financial, demographic, and operating information pertaining to the Metropolitan Government for the same period. It is the intention of the Metropolitan Government that this **APPENDIX B**, together with the Official Statement along with the appendices attached thereto, and other requested information will be used in connection with the issuance and sale of the Metropolitan Government’s Series 2022 Bonds.

Except as otherwise set forth and more fully described in the Official Statement under the caption “CONTINUING DISCLOSURE”, the Metropolitan Government undertakes no responsibility and has no obligation to update the information contained within this **APPENDIX B**, the Official Statement or the appendices attached thereto subsequent to the date of the Official Statement.

For additional information regarding the Metropolitan Government, the Annual Comprehensive Financial Report, the Series 2022 Bonds, or the Official Statement and this **APPENDIX B**, please contact the following individuals:

Ms. Kelly Flannery
Director of Finance

Ms. Michell Bosch
Metropolitan Treasurer

P.O. Box 196300
Nashville, Tennessee 37219
Metropolitan Courthouse
1 Public Square, Suite 106
Nashville, Tennessee 37201
(615) 862-6151

P.O. Box 196300
Nashville, Tennessee 37219
700 2nd Avenue South, Suite 205
Nashville, Tennessee 37210
(615) 862-6154

*The following information provided in this **APPENDIX B** is subject to change without notice and has been collected from sources that the Metropolitan Government considers to be reliable. The Metropolitan Government has made no independent verification of the information provided by non-Metropolitan Government sources, and the Metropolitan Government takes no responsibility for the completeness or accuracy thereof. Except as otherwise provided, the information contained in this **APPENDIX B** is often in relation to dates and periods prior to the onset of the COVID-19 pandemic and the resulting measures instituted to mitigate it. Historical numbers, including but not limited to those regarding employment, transportation, and tourism, presented herein cannot be relied upon as reflective of current conditions or predictive of future results, which may be materially different from the information presented herein. The delivery by the Metropolitan Government of the information contained herein shall not, under any circumstances, create any implication that there has been no material change in the affairs of the Metropolitan Government since the date of the Official Statement.*

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[End of Table of Contents]

INTRODUCTION

The Metropolitan Government of Nashville and Davidson County

The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) is the capital of and most populous city within the State of Tennessee. It is located on the Cumberland River in northern Middle Tennessee. Nashville is a center for the industries of music, healthcare, publishing, private prisons, banking, and transportation, and also is home to numerous colleges and universities. Largely due to its association with the music industry, the Metropolitan Government has a vibrant tourism industry. The Metropolitan Government sits at the center of a 13-county metropolitan statistical area with a population of approximately 1.9 million, located at the intersections of Interstate 24, Interstate 40, and Interstate 65.

On June 28, 1962, the voters of the City of Nashville and Davidson County approved the Charter of the Metropolitan Government of Nashville and Davidson County (the “Charter”). On April 1, 1963, the governments of the City of Nashville and of Davidson County were consolidated to form “The Metropolitan Government of Nashville and Davidson County”, under which the boundaries of Nashville and Davidson County became co-extensive.

The executive and administrative powers are vested in the Metropolitan Government’s Mayor (the “Metropolitan Mayor”), who is elected at large for a four-year term. The Metropolitan Mayor is authorized to administer, supervise, and control all departments and to appoint all members of boards and commissions created by the Charter or by ordinance enacted pursuant to the Charter unless otherwise excepted. A two-thirds vote of the Metropolitan County Council of the Metropolitan Government (the “Metropolitan Council”) is required to override the Metropolitan Mayor’s veto. The Charter also provides for a Metropolitan Vice-Mayor, who is elected at large for a four-year term and is the presiding officer of the Metropolitan Council. The Metropolitan Council is the legislative body of the Metropolitan Government and is composed of forty (40) members whom are elected for four-year terms, wherein thirty-five (35) members are elected from council districts and five (5) members are elected at large.

The Charter provides a framework for the Metropolitan Government to serve the needs of two service districts: (i) the General Services District of the Metropolitan Government (“General Services District” or “GSD”) and (ii) the Urban Services District of the Metropolitan Government (“Urban Services District” or “USD”). The GSD embraces the entire area of Davidson County and is taxed to support general services, functions and particular debt obligations, which are deemed properly chargeable to the whole population. Such services include general administration, police, fire protection, courts, jails, health and welfare, hospitals, streets and roads, traffic, schools, parks and recreation, auditoriums, public housing, urban renewal, planning and public libraries. The original USD conformed to the corporate limits of the City of Nashville and Davidson County as they existed on April 1, 1963, being the date of consolidation, as more fully described above.

The residents of the USD are charged an additional tax to support the above-mentioned general services, functions and particular debt obligations, which benefit only the USD. Such services include additional police and fire protection, storm sewers, street lighting and refuse collection. The Charter provides: “The area of the USD may be expanded and its territorial limits extended by annexation whenever particular areas of the GSD come to need urban services, and the Metropolitan Government becomes able to provide such services within a reasonable period which shall be not greater than one year after ad valorem taxes in the annexed area become due.” Since April 1, 1963, the area of the USD has been expanded from 72 square miles to 184 square miles.

As a consolidated government, the Metropolitan Government is responsible for providing all the services typically provided by cities, counties and school districts. The Metropolitan Government's school system is the second largest school system in the State of Tennessee. The Metropolitan Government provides tax-supported funding for its school's capital and operating expenses. School system operations are managed by the Metropolitan Board of Education, which consists of nine (9) publicly-elected members.

The Metropolitan Government provides water and wastewater services throughout the GSD and USD. Capital and operating costs of water and wastewater services are funded exclusively through revenues generated from water and wastewater rates, fees and charges. Similarly, the Metropolitan Government funds the capital and operating costs of its electric system exclusively through revenues generated from electric system rates, fees and charges. Because these utility systems are not tax-supported enterprises, information regarding these utility systems is not included within this **APPENDIX B** or the Official Statement in connection with the Series 2022 Bonds.

Fiscal Year

The Metropolitan Government operates on a fiscal year, which commences July 1 and ends June 30.

Accounting

Pursuant to the Charter, independent auditors annually audit the financial statements of the Metropolitan Government. The Basic Financial Statements and other financial information, which are presented in the Annual Comprehensive Financial Report ("ACFR"), are prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board and with those standards and procedures recommended by the State Comptroller of the Treasury. Copies of the Metropolitan Government's ACFRs are available on the Metropolitan Government's website, <https://www.nashville.gov/departments/finance/accounting/comprehensive-financial-reports>.

The Metropolitan Government reports on the following major governmental funds:

- **General Fund** – the Metropolitan Government's primary operating fund which is used to account for all financial resources of the general operations of the Metropolitan Government, except those required to be accounted for in another fund.
- **General Purpose School Fund** – used to account for the receipt and disbursement of federal, state and local funds for education purposes, except those required to be accounted for in another fund.
- **Education Services Fund** – used to account for a variety of programs supporting education activities including various state and federal grant programs, funds reserved for unemployment claims of the Metropolitan Nashville Public School employees, food service operations of the school system, costs associated with charter schools, and fundraising activities of individual schools.
- **General Services District General Purposes Debt Service Fund** – used to account for the accumulation of resources and for the payment of principal and interest on the outstanding GSD general obligation debt.

- **General Services District School Purposes Debt Service Fund** – used to account for the accumulation of resources and for the payment of principal and interest on the outstanding debt related to schools.
- **Urban Services District General Purposes Debt Service Fund** – used to account for the accumulation of resources and for the payment of principal and interest on the outstanding USD general obligation debt.
- **General Services District Capital Projects Fund** – used to account for the use of bond proceeds for the construction and equipping of various public projects in the GSD.
- **Education Capital Projects Fund** – used to account for the use of bond proceeds for the construction and equipping of various school facilities.
- **Urban Services District Capital Projects Fund** – used to account for the use of bond proceeds for the construction and equipping of various public projects in the USD.

The Metropolitan Government reports on the following major enterprise funds:

- **Department of Water and Sewerage Services** – provides services to customers on a self-supporting basis utilizing a rate structure designed to produce revenues sufficient to fund debt service requirements, operating expenses, and adequate working capital.
- **District Energy System** – provides heating and cooling services to the Metropolitan Government and its downtown businesses. The District Energy System is managed by a third-party and is self-supporting by utilizing a rate structure designed to fund debt service requirements, pay for operating expenses and generate adequate working capital.
- **Stormwater Operations** – under the administrative responsibility of the Department of Water and Sewerage Services and accounts for activities surrounding the maintenance of the Metropolitan Government’s stormwater drainage system. Revenues are derived from a stormwater fee assessed on users of the system.

Additionally, the Metropolitan Government reports the following fund types:

- **Internal Service Funds** – used to account for the operations of self-sustaining agencies rendering services to other agencies of the Metropolitan Government on a cost reimbursement basis. These services included fleet management, information systems, insurance, treasury management and printing.
- **Pension (and other employee benefit) Trust Funds** – used to account for assets and liabilities held by the Metropolitan Government in a fiduciary capacity to provide retirement and disability benefits for employees and retirees.
- **Custodial Funds** – used to account for assets held by elected officials as agents for individuals, collections by the Metropolitan Government due to the purchasers of certain outstanding property tax receivables, funds held by the Sheriff’s Department for inmates, and funds held by the Planning Commission for performance bonds for contractors.

Operating Budgeting Process

The Charter requires the Director of Finance of the Metropolitan Government (the “Director of Finance”) to obtain information necessary to compile the annual operating budget of the Metropolitan Government from all officers, departments, boards, commissions and other agencies for which appropriations are made by the Metropolitan Government or which collect revenues for the Metropolitan Government.

The Metropolitan Mayor reviews the operating budget submitted by the Director of Finance and may make such revisions in the budget deemed necessary or desirable before it is submitted to the Metropolitan Council for consideration no later than May 1st of each year. In no event can the total appropriations from any fund exceed the total anticipated revenues plus the estimated unappropriated fund balance and applicable reserves. After the Metropolitan Council has passed the budget ordinance on the first reading, it will subsequently hold public hearings. After the conclusion of the public hearings, the Metropolitan Council may amend the operating budget prepared by the Metropolitan Mayor. However, the budget, as finally amended and adopted, must provide for all expenditures required by law or by provisions of the Charter and for all debt service requirements for the ensuing fiscal year as certified by the Director of Finance. If the Metropolitan Council fails to adopt a budget by July 1st, the budget submitted by the Metropolitan Mayor is deemed to be the adopted budget.

The Charter requires that following the adoption of the Metropolitan Government’s annual operating budget, an annual tax is to be levied on all taxable property located within the GSD and an additional annual tax on all taxable property located within the USD. These annual taxes must be at rates sufficient to finance the GSD and USD budgets adopted for their respective service districts.

Historical Summary of Major Fund Results

The tables illustrated on the following three pages provide a five-year history of revenues, expenditures and changes in fund balances for the Metropolitan Government’s General Fund, Special Revenue Funds and Debt Service Funds, which are the primary tax-supported operating funds of the Metropolitan Government. The Special Revenue Funds table includes the General Purpose School Fund and various other funds with specific revenues that are to be utilized in carrying out the requirements of statutes, ordinances, grants or other governing regulations. The Debt Service Funds table includes the GSD General Purposes Debt Service Fund, the GSD School Debt Service Fund, and the USD General Purposes Debt Service Fund.

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THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(For the Fiscal Years Ended June 30, 2017 through June 30, 2021)

REVENUES:

	2021	2020	2019	2018	2017
Property Taxes	\$ 754,775,682	\$ 597,829,022	\$ 565,209,717	\$539,343,469	\$524,330,765
Local Option Sales Tax	168,157,620	113,464,491	141,902,355	133,884,975	117,578,530
Other Taxes, Licenses and Permits	159,909,219	159,918,852	160,881,656	155,826,065	149,949,331
Fines, Forfeits and Penalties	4,820,452	5,014,278	6,855,593	9,311,162	9,594,026
Revenues from Use of Money of Property	190,700	376,653	1,698,384	975,494	649,586
Revenue from Other Governmental Agencies	173,009,118	139,187,410	124,460,648	112,150,191	106,702,440
Commissions and Fees	17,718,359	13,437,944	17,058,875	17,257,045	17,388,364
Charges for Current Services	37,102,858	36,498,952	42,233,974	41,117,340	39,153,918
Compensation for Loss, Sale or Damage to Property	1,108,900	513,104	13,096,343	903,657	2,655,387
Contributions and Gifts	33,025	409,680	318,780	562,551	22,250
Miscellaneous	871,032	1,079,380	897,243	3,023,042	3,296,472
TOTAL REVENUES	\$1,317,696,965	\$1,067,726,766	\$1,074,613,568	\$1,014,354,991	\$971,321,069

EXPENDITURES:

General Government	\$ 53,109,511	\$ 52,446,684	\$ 51,342,987	\$ 50,846,174	\$ 49,420,430
Fiscal Administration	26,274,627	24,620,447	24,085,812	23,703,880	22,980,238
Administration of Justice	69,325,655	68,715,316	65,677,679	64,444,333	61,514,210
Law Enforcement and Care of Prisoners	312,866,080	301,194,426	288,482,195	284,014,877	272,631,001
Fire Prevention and Control	138,443,891	136,829,267	130,611,622	131,839,625	124,384,360
Regulation and Inspection	11,484,128	11,032,259	10,238,714	10,156,818	9,138,734
Conservation of Natural Resources	343,532	335,444	322,263	407,900	411,714
Public Welfare	5,839,322	6,672,499	6,667,525	6,709,667	6,226,903
Public Health and Hospitals	64,863,227	66,919,483	66,464,916	69,697,474	70,885,052
Public Library System	30,651,471	31,369,260	31,282,141	30,793,711	23,789,104
Public Works, Highway and Streets	35,374,417	36,321,877	35,064,951	34,359,154	34,324,984
Recreational and Cultural	43,779,702	42,072,126	43,787,806	42,296,855	41,293,352
Retiree Benefits	89,295,904	88,233,381	87,855,789	87,579,887	84,585,219
Miscellaneous	93,853,337	102,696,115	108,887,193	116,376,212	109,046,528
Debt Service:					
Principal Retirement	-	21,230,100	-	-	-
Interest	-	16,669,900	-	-	-
TOTAL EXPENDITURES	\$975,504,804	\$1,007,358,584	\$950,771,593	\$953,226,567	\$916,631,829

Excess (Deficiency) of Revenues

Over Expenditures	342,192,161	60,368,182	123,841,975	61,128,424	54,689,240
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OTHER FINANCING SOURCES (USES)

Transfers In	20,483,469	25,936,866	28,324,712	26,219,860	27,006,469
Transfers Out	(150,964,244)	(103,974,920)	(137,383,097)	(117,383,483)	(119,501,949)
Total other Financing Sources (Uses)	(130,480,675)	(78,038,054)	(109,058,385)	(91,163,623)	(92,495,480)
Excess (deficiency) of Revenues & other sources					
Over Expenditures	(211,711,486)	(17,669,872)	(14,783,590)	(30,035,199)	(37,806,240)
FUND BALANCE, BEGINNING OF YEAR	\$ 73,775,045	\$ 91,444,917	\$ 76,661,327	\$ 106,696,526	\$144,502,766
FUND BALANCE, END OF YEAR	\$285,486,531	\$ 73,775,045	\$ 91,444,917	\$ 76,661,327	\$106,696,526

Source: The Metropolitan Government of Nashville and Davidson County Annual Comprehensive Financial Report 2021.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
SPECIAL REVENUE FUNDS ^{(1) (2)}
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(For the Fiscal Years Ended June 30, 2017 through June 30, 2021)

REVENUES:	2021	2020	2019	2018	2017
Property Taxes	\$ 436,064,759	\$ 331,591,099	\$ 325,095,825	\$ 313,053,234	\$ 305,487,946
Local Option Sales Tax	244,212,837	242,743,133	242,006,117	224,215,780	216,851,995
Other Taxes, Licenses and Permits	71,017,140	103,649,115	135,340,744	115,629,215	102,665,159
Fines, Forfeits and Penalties	1,736,460	1,858,881	3,226,296	4,021,696	4,744,371
Revenues from Use of Money of Property	1,768,870	3,349,841	3,996,660	1,936,251	979,439
Revenue from Other Governmental Agencies	700,409,034	507,400,824	514,846,966	523,344,665	506,130,905
Commissions and Fees	8,466,222	12,080,393	8,893,569	9,519,060	8,860,141
Charges for Current Services	18,544,545	29,383,312	32,968,507	29,143,772	30,254,093
Compensation for Loss, Sale or Damage to Property	4,336,452	1,982,404	9,293,212	3,334,839	7,084,983
Contributions and Gifts	7,313,894	6,515,863	13,726,681	6,191,334	4,875,806
Miscellaneous	186,205	329,505	62,659	208,655	191,095
TOTAL REVENUES	\$1,494,056,418	\$1,240,884,370	\$1,289,457,236	\$1,230,598,501	\$1,188,125,933
EXPENDITURES:					
General Government	\$ 63,733,177	\$ 103,282,752	\$ 104,559,104	\$ 93,568,485	\$ 83,418,867
Fiscal Administration	234,154	343,633	285,175	1,442,826	788,278
Administration of Justice	13,140,010	13,458,767	10,538,338	10,578,509	9,909,052
Law Enforcement and Care of Prisoners	9,671,723	25,071,303	23,107,385	23,651,407	24,491,295
Fire Prevention and Control	958,372	23,954	33,184	11,809	52,851
Regulation and Inspection	43,533	48,049	96,487	63,729	79,210
Public Welfare	174,549,641	58,410,684	46,917,069	36,313,702	33,527,326
Public Health and Hospitals	32,081,393	23,969,614	22,963,130	23,909,026	22,544,410
Public Library System	779,695	781,938	1,053,862	854,279	855,202
Public Works, Highway and Streets	45,473,916	37,924,204	42,878,934	37,631,657	33,895,323
Recreational and Cultural	1,815,558	1,694,001	2,058,992	2,148,090	2,255,096
Education	1,121,276,681	1,034,084,222	1,041,774,050	1,033,114,009	965,420,840
Capital Outlay	27,639,968	24,544,427	32,483,038	28,146,906	22,320,891
TOTAL EXPENDITURES	\$1,491,397,821	\$1,323,637,548	\$1,328,748,748	\$1,291,434,434	\$1,199,558,641
Excess (Deficiency) of Revenues Over Expenditures	2,658,597	(82,753,178)	(32,291,512)	(60,835,933)	(11,432,708)
OTHER FINANCING SOURCES (USES)					
Insurance Recovery	-	4,000,000	-	-	-
Transfers In	307,620,877	216,935,884	215,571,815	195,661,918	174,827,192
Transfers Out	(200,691,303)	(175,665,100)	(180,185,805)	(151,347,941)	(132,361,241)
Total other Financing Sources (Uses)	106,929,574	45,270,784	35,386,010	44,313,977	42,465,951
Excess (deficiency) of Revenues & other sources Over Expenditures	109,588,171	(37,482,394)	(3,905,502)	(16,521,956)	31,033,243
FUND BALANCE, BEGINNING OF YEAR ⁽¹⁾	<u>\$148,001,054</u>	<u>\$ 180,497,282</u>	<u>\$ 184,402,784</u>	<u>\$ 200,924,740</u>	<u>\$169,891,497</u>
FUND BALANCE, END OF YEAR	<u>\$257,589,225</u>	<u>\$ 143,014,888</u>	<u>\$ 180,497,282</u>	<u>\$ 184,402,784</u>	<u>\$200,924,740</u>

⁽¹⁾ Beginning fund balance for the Education Services Fund was restated at June 30, 2021.

⁽²⁾ Special revenue funds are used to account for specific revenues to be utilized in carrying out the specific terms of statutes, ordinances, grant requirements or governing regulations and include the General Purpose School Fund.

Source: The Metropolitan Government of Nashville and Davidson County Annual Comprehensive Financial Report 2021.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
DEBT SERVICE FUNDS
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(For the Fiscal Years Ended June 30, 2017 through June 30, 2021)

REVENUES:	2021	2020	2019	2018	2017
Property Taxes	\$276,438,168	\$154,648,416	\$151,549,899	\$146,187,493	\$142,484,847
Local Option Sales Tax	69,041,361	87,659,932	66,325,954	56,055,237	48,503,623
Other Taxes, Licenses and Permits	188,681	239,243	-	-	-
Fines, Forfeits and Penalties	197,512	316,378	207,489	323,999	323,165
Revenues from Use of Money of Property	-	651,221	992,583	440,718	188,611
Revenue from Other Governmental Agencies	222,063	9,733,881	5,572,748	6,030,459	5,419,643
Bond Interest Tax Credit	4,922,502	4,911,180	4,895,429	4,874,645	4,859,357
Miscellaneous	-	-	-	12	-
TOTAL REVENUES	\$352,618,828	\$258,160,251	\$229,544,105	\$213,912,563	\$201,779,246
EXPENDITURES:					
Principal Retirement	\$191,390,744	\$162,282,384	\$155,391,020	\$140,797,840	\$132,859,891
Interest	137,569,537	129,539,635	126,187,299	125,106,557	103,366,006
Fiscal Charges	6,569,531	3,687,504	3,954,518	6,848,877	6,792,950
TOTAL EXPENDITURES	\$335,529,842	\$295,509,523	\$285,532,837	\$272,753,274	\$243,018,847
Excess (Deficiency) of Revenues Over Expenditures	17,088,986	(37,349,272)	(55,988,735)	(58,840,711)	(41,239,601)
OTHER FINANCING SOURCES (USES)					
Issuance of Refunding Debt	627,995,457	-	-	-	-
Payments to Refunded Bond Escrow Agent	(636,464,334)	-	-	-	-
Bond Issue Premium (Discount)	11,178,482	-	-	-	-
Transfers In	15,751,555	53,712,523	63,089,894	49,017,272	39,630,948
Total other Financing Sources (Uses)	18,461,160	53,712,523	63,089,894	49,017,272	39,630,948
Excess (deficiency) of Revenues & other sources Over Expenditures	35,550,146	16,363,251	7,101,159	(9,823,439)	(1,608,653)
FUND BALANCE, BEGINNING OF YEAR	<u>\$34,315,751</u>	<u>\$17,952,500</u>	<u>\$10,851,341</u>	<u>\$20,674,780</u>	<u>\$22,283,433</u>
FUND BALANCE, END OF YEAR	<u>\$69,865,897</u>	<u>\$34,315,751</u>	<u>\$17,952,500</u>	<u>\$10,851,341</u>	<u>\$20,674,780</u>

Source: The Metropolitan Government of Nashville and Davidson County Annual Comprehensive Financial Report 2021.

REVENUES

The Metropolitan Government derives its revenues from the following sources:

Property Taxation

The Tennessee Constitution provides counties and municipalities with the authority to levy real and personal property taxes based on the value of the property. The Metropolitan Government levies property taxes on a calendar year basis, with property tax bills being disbursed to local taxpayers by September 15 of each year with payment due before March 1 of the following year. The process for the (i) valuation of property, (ii) assessment of property values, (iii) levy of property taxes, (iv) collection of property taxes, (iv) remittance of incremental property taxes to the Metropolitan Government and the (v) collection of delinquent property taxes are more fully described within this section.

Property Valuation

Pursuant to the Property Tax Act, the Assessor of Property of the Metropolitan Government (the “Metropolitan Assessor”) appraises the value of all real property every four (4) years. Except in certain circumstances where real property is subsequently improved or damaged, this appraised value serves as the basis for the assessment and levy of real property taxes through the ensuing four-year period. The goal of the Metropolitan Assessor is to estimate fair market value for each property. Fair market value is defined as the most probable price a property would sell for in an open market under normal conditions. In order to determine the appraisal, the Metropolitan Assessor’s office uses acceptable methods approved by the Tennessee State Comptroller’s Office to estimate the value of each property. Because all real properties need to be appraised by January 1 in the year of a reappraisal, the Metropolitan Assessor uses mass appraisal techniques aided by appraisal models of benchmark properties developed by its staff and processed by computers into a value indication for each property.

A taxpayer wishing to protest the appraised value of its real property may request an informal review by the Metropolitan Assessor staff by the end of April of each tax year, and Metropolitan Assessor’s staff may make adjustments to the appraised or assessed value of such real property in dispute. If the taxpayer remains unsatisfied, it may appeal its protest to the Metropolitan Board of Equalization, for hearing in June or July. If a taxpayer is still unsatisfied, it may further appeal to the Tennessee State Board of Equalization on or about August 1 of the same year.

Assessed Value

Each year, the Metropolitan Assessor determines the “assessed value” of each parcel of real and personal property, based on the most recent valuation and the classification of the property under the Property Tax Act. Leased personal property is assessed against the lessee on the basis of the use of the property by the lessee. The assessed value of a parcel of property, rather than its appraised value, is the measure against which property taxes are levied. For real property, the Property Tax Act currently provides for the following classification and assessment of properties:

Classification of the Use of Property	Assessed Value as a Percentage of Appraised Value
Public Utility	55%
Industrial and Commercial	40%
Residential	25%
Farm Property	25%

For personal property, the Property Tax Act currently provides for the following classification and assessment of properties:

Classification of the Use of Property	Assessed Value as a Percentage of Appraised Value
Public Utility	55%
Industrial and Commercial	30%

Properties owned by governmental, religious, charitable, scientific, literary, or educational institutions are exempt from assessment and, therefore, have no requirement to pay property taxes.

The Metropolitan Government-owned utility systems (i.e. electric utilities with the Nashville Electric Service and water and sewer utilities with the Department of Water and Sewerage Services), are also exempt from assessment but are separately assessed through certain payments-in-lieu of ad valorem taxes (“PILOT”) payments. Nashville Electric Service is taxed under Tennessee law pursuant to the provisions of the Municipal Electric System Tax Equivalent Law of 1987. Under this law, the annual tax equivalent is the sum of: (a) the equalized tax rate applied to the net plant value and book value of materials and supplies, and (b) four percent (4%) of the average of revenue minus power cost for the preceding three (3) fiscal years. The PILOT payments received from Nashville Electric Service and the Department of Water and Sewerage Services are accounted for in the Metropolitan Government’s annual financial statements as if the PILOT payments were regular ad-valorem property tax payments.

Levy of Property Taxes

The Metropolitan Government is divided into two service districts, the GSD and the USD. The GSD embraces the entire area of Davidson County. Properties situated within the GSD are taxed to support the services, functions and debt obligations which are chargeable to the whole population, such as general government administration, police, fire protection, courts, jails, health, welfare, hospitals, streets and roads, traffic, schools, parks and recreation, airport facilities, auditoriums, public housing, urban renewal, planning and public libraries. Since April 1, 1963, the area of the USD has been expanded by annexation from 72 square miles to 184 square miles. Properties in the USD are subject to an additional tax to support additional police protection, storm sewers, street lighting and refuse collection. The current tax rate in the GSD is \$2.953 per \$100 of assessed value and the additional tax rate for the USD is \$0.335 per \$100 of assessed value, for a combined tax rate of \$3.288 per \$100 of assessed value.

The Metropolitan Government operates on a July 1 to June 30 fiscal year. Each year, as part of its budget process, the Metropolitan Mayor must submit the operating budget for the upcoming fiscal year to the Metropolitan Council. The Metropolitan Council may revise the budget proposed by the Metropolitan Mayor except that the budget as finally amended and adopted must provide for all expenditures required by law and for all debt service requirements for the ensuing fiscal year. The Metropolitan Council is required to finally adopt the annual operating budget not later than June 30. If the Metropolitan Council fails to adopt a budget prior to the beginning of the fiscal year, it shall be conclusively presumed to have adopted the budget as submitted by the Metropolitan Mayor. After the annual operating budget has been adopted, the Metropolitan Council is required to adopt a property tax levy sufficient to fund the adopted budget.

By referendum held on November 7, 2006, voters in the Metropolitan Government amended the Metropolitan Government’s Charter to require that any future increase above the tax levy rate then in effect (\$4.69 per \$100 of assessed value for properties located in the USD) be first approved by voter

referendum. The Department of Law of the Metropolitan Government has issued its opinion (Legal Opinion No. 2006-03) to the effect that such Charter amendment requiring a voter referendum is invalid because it violates the Tennessee Constitution, but the constitutionality of the voter referendum requirement has not been adjudicated.

By Order dated November 3, 2020, the Chancery Court found that the Petition was defective in form and facially unconstitutional and permanently enjoined the Davidson County Election Commission from holding a referendum election on the provisions. See <https://www.nashville.gov/Department-of-Law/Orders-and-Agreements.aspx> Findings of Fact, Conclusions of Law, And Orders From 10/26-27/2020 Bench Trial (the “Order”) for a copy of the Order. Tennessee law allows the plaintiffs to appeal the Order to the Tennessee Court of Appeals and then to the Tennessee Supreme Court, which is entitled to choose whether to entertain an appeal. The Order did separate for further litigation Count II of the Petition seeking damages for violation of petitioner’s constitutional rights. The Metropolitan Government expects that the petitioners will exercise their right to appeal the Order. The Metropolitan Government will vigorously defend this litigation and expects, but cannot offer any assurances, that it will prevail in any appeal. See “LITIGATION” in the Official Statement for a more detailed discussion of the Order.

Tax Abatement Programs

The Industrial Development Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “IDB”), serves as a conduit quasi-governmental entity, and was created pursuant to Tennessee Annotated Code Section 7-53-101 *et seq.*, as amended, to, among other things, issue revenue bonds to foster economic development, acquire, own, lease, and dispose of properties that help to promote industry and develop trade by inducing manufacturing, industrial, and commercial enterprises to relocate to Nashville. Under Tennessee law and as a further aid to foster economic development, the IDB can negotiate and consummate PILOT agreements (“PILOT agreements”) to maintain and increase employment opportunities and certain household incomes. The intent of the consummation of the PILOT agreements are to provide a financial incentive designed to encourage economic development through affording significant property tax relief for certain qualified projects and properties located within the GSD and USD of the Metropolitan Government.

The property tax abatements afforded through the PILOT agreements, which may be as much as 100% of the real and/or personal property taxes, may be granted to any qualified business located within or relocating to property within the boundaries of the GSD and USD of the Metropolitan Government, making significant capital investments and retaining or increasing a significant number of full-time employees. The approval of any PILOT agreement is given consideration on a case-by-case basis and includes the appropriate diligence of assessing the overall benefit to the Metropolitan Government through evaluating various factors, including but not limited to: (i) the positive advantages with job creation and wage rates; (ii) the level of local capital investment; and (iii) overall economic impact.

The Director of the Metropolitan Mayor’s Office of Economic and Community Development serves as the Executive Director of the IDB (the “Director”). The Director typically negotiates the PILOT agreements, then presents the PILOT agreements to the Metropolitan Council for approval, and if approved, subsequently presents the same to the Board of Directors of the IDB for final approval.

The Metropolitan Government tracks all active PILOT agreements, the PILOT payments applicable thereto, and the abated assessed values therewith, wherein all such information is reflected and included in the Metropolitan Government’s audited financial statements within its Annual Comprehensive Financial Report. A full list of the active IDB PILOTs is set forth and more fully described in Note 15 of the Notes incorporated in the audited financial statements within the Annual Comprehensive Financial Report attached to and incorporated in the Official Statement as **APPENDIX A**.

Historical Property Tax Rate Adjustments

In the last twenty-five (25) years, the Metropolitan Council has adjusted property tax rates on six (6) occasions, in each case increasing the property tax rate for the purpose to generate additional tax revenues to satisfy increased budgetary demands. The following table illustrates the tax year of the rate adjustment and the percentage adjustment with the GSD levy, the USD levy and the combined percent adjustment with both the GSD/USD levies. The Metropolitan Government cannot predict whether the historical pattern of property tax rate adjustments will continue. Any decision to increase or reduce the property tax rate must be approved by the Metropolitan Council.

Tax Year	GSD Adjustment	USD Adjustment	GSD/USD Combined Adjustment
1997	14.03%	18.75%	15.08%
1998	3.79	0.00	2.91
2001	26.69	12.16	23.78
2005	19.88	0.00	16.67
2012	13.48	8.77	12.83
2020	37.50	8.33	33.80

Adjustment of Property Tax Rates as a Result of Reappraisal

As more fully discussed above, the Property Tax Act requires that real property be reappraised every four (4) years. The Property Tax Act further requires that the result of the reappraisal be revenue neutral in the aggregate. As a result, upon the reappraisal of real property located within the GSD and USD of the Metropolitan Government, the property tax rate must be adjusted by the Metropolitan Council so that, when levied against the new aggregate assessed value of real property located within the GSD and USD of the Metropolitan Government, it generates revenues identical to the prior property tax rate, when levied against the prior aggregate assessed property value. Each of the last six (6) reappraisals have resulted in a decrease in the property tax rate as illustrated in the chart below, reflecting in each case a proportionate increase in aggregate appraised property values. The next reappraisal year will take place in 2025.

Reappraisal Year	GSD/USD Combined Equalization Rate Adjustment
2001	(12.74)%
2005	(12.23)
2009	(11.94)
2013	(3.09)
2017	(30.1)
2021	(22.1)

Billing, Collection and Delinquencies

Property taxes are collected by the Metropolitan Trustee, which is the office established as the property tax collection agency for the Metropolitan Government under Tennessee law. The Metropolitan Trustee sends a tax bill to local taxpayers on or before September 15 of each year. Property taxes must be paid before March 1 of the following year, after which they become delinquent. The Property Tax Act provides that delinquent property taxes are subject to a penalty of one-half percent (0.5%) and interest of one percent (1%). These penalty and interest amounts are thereafter added to delinquent tax bills on the first (1st) day of each succeeding month until the property taxes are paid in full.

To aid in the collection of property taxes, the Property Tax Act imposes a lien on the property to secure payment of the delinquent tax. The lien for taxes becomes a first lien on the property as of January 1 of the tax year and takes priority over any pre-existing liens on the property, with the exception of pre-filed federal tax liens. The Property Tax Act authorizes the Metropolitan Government, approximately one year after delinquency, to file suit in chancery or circuit court to collect the delinquent property taxes, as well as the penalties, interest and costs of collection, including attorney's fees. The Property Tax Act also authorizes the Metropolitan Government, approximately two years after delinquency, to seize and sell the property if the Metropolitan Government is unable to collect the delinquent property taxes by other means. If the Metropolitan Government is unable to sell the seized property for an amount equal to the amount of delinquent taxes (including penalties, interest and expenses), then the Metropolitan Government is required to take ownership of the property. The Property Tax Act then requires the Metropolitan Government to arrange for the sale of the property. The sale price is required to be no less than the amount of delinquent taxes, unless the Metropolitan Government certifies that a sale on such terms is not feasible. The proceeds from the sale are first applied to the payment of delinquent taxes.

The Metropolitan Government's current policy is to sell delinquent real property taxes through a bid process on or about June 1 of the year after due (the agreement whereby the Metropolitan Government sells such delinquent real property taxes each year is referred to herein as the "Receivables Sale Agreement"). Under the terms of each Receivables Sale Agreement, the purchaser pays to the Metropolitan Government the purchase price and in return is entitled to all collections of delinquent real property taxes that are sold pursuant to that Receivables Sale Agreement. Historically, the purchase price paid to the Metropolitan Government has been at least one hundred percent (100%) of the original amount of taxes due. It is likely that the Metropolitan Government will continue this policy and enter into subsequent and similar arrangements in the future. However, the Metropolitan Government can accept a purchase price of less than one hundred percent (100%) of the original amount of tax due.

Statistical Data Regarding Property Tax Collections and Concentration

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
TEN-YEAR HISTORY OF ASSESSED VALUATION
(For the Fiscal Years Ended June 30, 2012 through June 30, 2021)**

The following table illustrates a ten-year history of assessed property value for the Fiscal Years ended June 30, 2012 through June 30, 2021 (with numbers expressed in thousands):

Fiscal Year Ended June 30	Total Assessed Value (USD/GSD)	Growth (Decline) from Prior Year
2012	19,104,264	(0.5)
2013	19,160,523	0.3
2014	20,209,537	5.5
2015	20,376,059	0.8
2016	20,742,695	1.8
2017	21,314,821	2.8
2018	31,144,615	46.1
2019	32,220,800	3.5
2020	33,015,683	2.5
2021	34,127,994	3.3

Source: The Metropolitan Government of Nashville and Davidson County.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
PRINCIPAL PROPERTY TAXPAYERS
(For the Calendar Year Ended December 31, 2020)

The following table illustrates information regarding the ten largest property taxpayers of the Metropolitan Government for the Calendar Year ended December 31, 2020.

PRINCIPAL PROPERTY TAXPAYERS	2020 ASSESSED VALUATION	AMOUNT OF TAX	% OF TOTAL TAX LEVY
Electric Power Board ⁽¹⁾	\$ N/A	\$ 32,761,686	2.89%
HCA	383,642,846	15,974,236	1.14
RHP Hotels Inc./Gaylord	92,199,367	13,595,537	.97
The Mall at Green Hills	183,014,105	7,725,025	0.55
Vanderbilt	166,197,549	7,015,199	0.50
Highwoods Properties	153,224,826	6,549,370	0.47
Opry Mills Mall	144,278,180	6,089,982	0.43
Mid-America Apartments	138,267,927	5,606,830	0.40
Piedmont Natural Gas	135,015,404	5,546,099	0.39
AT&T Telephone/BellSouth	125,045,768	5,206,339	0.37
TOTAL	\$ 1,520,885,972	\$ 106,070,303	7.55%

⁽¹⁾ As described above, the amount of taxes for the Electric Power Board represents a payment-in-lieu of ad valorem property taxes and is not based on an assessed valuation.

Source: The Metropolitan Government of Nashville and Davidson County, Office of the Metropolitan Assessor and Office of the Metropolitan Trustee.

Sales Tax

Under this revenue category, a local option sales tax is collected at the rate of two and one-fourth percent (2.25%) on all sales of tangible personal property and certain services, except for sales of certain energy sources and other limited exemptions. This local option sales tax is currently levied, in accordance with Tennessee law, only on the first \$1,600 of a transaction.

Other Taxes, Licenses, and Permits

Under this revenue category, the Metropolitan Government charges for licenses and permits issued by its departments, agencies, boards, and commissions. Additionally, the Metropolitan Government, pursuant to Metropolitan Code of Laws in section 5.12.020 and Metropolitan Council Ordinance No. BL2007-1557, currently levies a six percent (6%) surcharge tax with hotels and motels located within the GSD and USD, which assessed against the gross receipts of such hotels and motels (the “the Hotel/Motel Tax”).

Three percent (3%) of the revenues derived from the Hotel/Motel Tax are required to be annually allocated to The Convention Center Authority of The Metropolitan Government of Nashville and Davidson County for payment on the debt service of its outstanding bonds. Two percent (2%) of the remaining Hotel/Motel Tax is required to be appropriated for tourist promotion, and the remaining one percent (1%) balance of the Hotel/Motel Tax is allocated to the general fund of the Metropolitan Government.

Additionally, recently passed legislation, which is expected to be signed by the Governor of Tennessee, would allow the levying of an additional one percent (1%) of the Hotel/Motel Tax for the sole purpose of providing funding for a new football stadium, upon Metropolitan Council approval.

Fines, Forfeits and Penalties

Under this revenue category, the Metropolitan Government performs collections of obligations imposed by the courts, law enforcement and related agencies charged with the care and oversight of incarcerated persons.

Revenue from Use of Money or Property

Under this revenue category, the Metropolitan Government receives interest on investments, rentals and commissions for the use of Metropolitan Government property or rights.

Revenue from Other Governmental Agencies and Contributions and Gifts

Under this revenue category, the Metropolitan Government receives payments from other public divisions (Federal, State of Tennessee or other governmental units or agencies) and receives gifts or donations from individuals or citizens groups.

Charges for Current Services

This revenue category includes fees and charges for certain activities and services provided by agencies of the Metropolitan Government.

Other Revenue Sources

This revenue category includes: (i) commissions and fees collected by certain officials for certain activities of the Metropolitan Government; (ii) proceeds from confiscation of property; (iii) compensation for loss, sale or damage to property; and (iv) any miscellaneous fees.

Transfers In

Under this revenue category, transfers are attributable to the budgeted allocation of resources from one fund to another for items such as the general fund's portion of Hotel/Motel Taxes, debt service requirements, and indirect cost recovery.

EXPENDITURES

Overview

With being categorized as a metropolitan government under Tennessee law, the Metropolitan Government must provide the same or similar public services typically provided by cities, counties and school districts. These public services include police, fire and public safety, mental health and other social services, courts, jails, and juvenile justice, secondary education, public works, streets and transportation, construction of all public buildings and facilities, parks and recreation, libraries and cultural facilities and events, and zoning and planning. The tables set forth within this **APPENDIX B** more fully describing the Metropolitan Government's (i) General Fund; (ii) Special Revenue Funds; and

(iii) Debt Service Funds, found on pages B-5, B-6 and B-7, highlight the amounts of costs and services funded from the three major tax-supported operating funds of the Metropolitan Government.

Public Employees and Employees' Costs

Employee costs account for approximately fifty-nine percent (59%) of all General Fund expenditures. As of June 30, 2021, the Metropolitan Government, and the Metropolitan Board of Education employed approximately 18,939 persons full-time, which of whom approximately 9,351 worked full-time for the Metropolitan Board of Education and 9,588 worked full-time for the Metropolitan Government, respectively.

Pension Plan Overview

Metropolitan Government employees participate in one of three main pension plan groups:

1. Metro Active Plans;
2. Tennessee Consolidated Retirement System (TCRS) for Metropolitan Nashville Public Schools Certificated Employees (Teachers); and
3. Closed Plans maintained under the Guaranteed Payment Program.

The Metro Active Plans consist of two divisions – Division A and Division B. Metro Active Plan Division A was established at the inception of the Metropolitan Government on April 1, 1963 and implemented on November 4, 1964. At that time, all employees of the former city and county governments were given the option of continuing as participants of the pension plans of those organizations or transferring to the Metro Plan Division A. On July 1, 1995, Metro Active Plan Division A became closed to new members.

On July 1, 1995, Metro Active Plan Division B was established for all non-certified employees of the Metropolitan Nashville Public Schools and all other Metropolitan Government employees. Metropolitan Government employees who were members of the Metro Active Plan Division A were given the option to transfer to Metro Active Plan Division B as of July 1, 1996. At that time, ninety-five percent (95%) of the approximately 11,300 employees elected to transfer to the Metro Active Plan Division B.

The Metro Active Plan Division B is a non-contributory, defined benefit plan, covering approximately 12,100 current employees and 13,200 retired and deferred vested employees. The Metro Active Plan Division B covers all employees of the Metropolitan Government other than schoolteachers. Contributions attributable to employees of the general government (approximately 75% of total contributions) are funded from the Metropolitan Government's operating fund and revenues. The balance of contributions (approximately 25%) is attributable to Metropolitan Government employees through enterprise funds and other non-operating funded agencies of the Metropolitan Government (e.g. contributions for the employees of the Department of Water and Sewerage Services are funded from water and sewer revenues).

The teachers currently employed within and retired from the Metropolitan Nashville Public Schools participate in the State Employees, Teachers, and Higher Education Employees' Pension Plan ("SETHEEPP"), a cost-sharing multiple-employer, contributory, defined benefit plan administered by the Tennessee Consolidated Retirement System ("TCRS"). Approximately 7,600 currently employed and retired teachers are covered by TCRS. TCRS issues a publicly available financial report that includes

financial statements and required supplementary information for the SETHEEPP. That report may be obtained by writing to the Tennessee Treasury Department, Consolidated Retirement System, 10th Floor Andrew Jackson Building, Nashville, Tennessee 37243-0230 or can be accessed at www.tn.gov/treasury/tcrs.

The TCRS employer contribution rate is established at an actuarially determined rate and set every two years by the TCRS Board of Trustees. Metropolitan Nashville Public Schools is required to make contributions directly to TCRS, based on the established rate. The Metropolitan Government funds this contribution from its operating funds and revenues, through its annual funding of Metropolitan Nashville Public Schools education budget. The employer rate for the Teacher Legacy Plan for Fiscal Years ending June 30, 2021 and June 30, 2020, were 10.27% and 10.63%, respectively, of annual covered payroll. The employer's contributions to TCRS for the Fiscal Years ending June 30, 2021 and June 30, 2020, were \$25,546,503 and \$26,305,624, respectively, equal to the required contributions for each fiscal year. The employer rate for the Teacher Retirement Plan for Fiscal Years ending June 30, 2021 and June 30, 2020, were 2.02% and 2.03%, respectively, of annual covered payroll. The employer's contributions to TCRS for the Fiscal Years ending June 30, 2021 and June 30, 2020, were \$3,020,960 and \$2,267,096, respectively, equal to the required contributions for each fiscal year. Teachers are required by Tennessee law to contribute five percent (5%) of their salary to the plan.

The Closed Plans are defined benefit plans collectively covering one active employee and approximately 1,300 retired employees. Contributions to the Closed Plans are funded from the Metropolitan Government's operating fund through the Guaranteed Payment Plan and contributions from the State of Tennessee.

Metro Active Plans

Benefits

Normal retirement for employees other than police officers and fire fighters occurs at the unreduced retirement age which is the earlier of: (a) the date when the employee's age plus the completed years of credited employee service equals 85, but not before age 60; and (b) the date when the employee reaches age 65 and completes five years of credited employee service. The lifetime annual benefit is calculated as 1.75% multiplied by the final average earnings multiplied by the years of credited service. Final average earnings are the highest 60 consecutive months of credited service divided by five. Benefits fully vest on completing five years of service. Employees with a date of hire on or after July 1, 2013, will become fully vested on completing ten years of service.

Normal retirement for police officers and fire fighters occurs any time after attaining the unreduced retirement age which is the date when the employee's age plus completed years of credited police and fire service equals 75, but not before age 53 nor after age 60. The lifetime annual benefit is the sum of two percent (2%) of final average earnings multiplied by the years of credited police and fire service up to 25 years; plus 1.75% of final average earnings multiplied by the year of credited police and fire service over 25 years. Final average earnings is the highest 60 consecutive months of credited service divided by five. Benefits fully vest upon completing five years of service. Employees with a date of hire on or after July 1, 2013, will become fully vested on completing ten years of service.

An early retirement pension is available for retired employees if the retirement occurs prior to the eligibility of normal retirement but after age 50 (45 for police and fire) and after the completion of ten years credited employee service. Benefits are reduced by four percent (4%) for each of the first five years by which the retirement date precedes the normal retirement age, and by eight percent (8%) for each additional year by which the retirement date precedes the normal retirement age.

Any employee who terminates after completion of required years of service to be vested and before eligibility for normal or early retirement is eligible to receive a monthly deferred pension commencing on the first (1st) day of the month following the attainment of unreduced retirement age computed and payable in accordance with the Metro Active Plans.

Funding

Minimum Required Employer Contribution: The Metropolitan Code of Ordinance requires the Metropolitan Government to contribute to the Metro Active Plans each fiscal year an amount equal to a percentage of the annual payroll of members who are eligible employees and who are covered for pension benefits. This contribution percentage is known as the “employer contribution rate.” The employer contribution rate applicable for any fiscal year is determined by resolution of the Metropolitan Benefit Board at a public meeting held at least four months prior to the beginning date of such fiscal year and filed with the Metropolitan Clerk and must be no less than the smaller of (1) three-tenths of one percent plus the employer contribution rate applicable to the prior fiscal year, or (2) an employer contribution rate, which shall be the ratio of the actuarially determined contribution level to the amount of the valuation payroll, on the basis of an actuarial valuation of the system made as of the last day of the fiscal year preceding the adoption of the contribution rate. The actuarially determined contribution level equals the sum of normal cost and a percentage of unfunded past service liabilities, such percentage to be determined by the Metropolitan Benefit Board at a level at least equal to the actuarial valuation interest rate. The actuarial valuation must be made by a qualified or accredited actuary according to accepted and sound actuarial principles and methods and based on actuarial assumptions which have been recommended by the actuary and approved by the Metropolitan Benefit Board.

Historic Employer Contribution: The Metropolitan Government has historically made employer contributions at a rate higher than the minimum required contribution. The Metropolitan Government’s policy has been to make annual contributions to the Metro Active Plans equal to the actuary’s recommended rate, sufficient to amortize the unfunded liability over the 40-year period commencing in 1978. Beginning with the Metro Active Plan year ended June 30, 2006, the Metropolitan Benefit Board adopted a level unfunded liability amortization period of 15 years. The level amortization period is designed to reduce contribution volatility compared with a continuing decline in the amortization period. The chart below illustrates the annual employer contribution rate (in both percentage of employee salary and aggregate dollar terms) for the past ten years. The employer contribution rate for Fiscal Year 2021 is 12.340%. The employer contribution rate for Fiscal Year 2022 is 12.881%. Factors affecting the reduction in the employer contribution rate are due to (i) investment returns, (ii) compensation increases were less than expected, and (iii) cost of living adjustments were less than projected.

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THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HISTORICAL METRO CONTRIBUTIONS
METRO ACTIVE PLANS
(For the Fiscal Years Ended June 30, 2012 through June 30, 2021)

Fiscal Year Ended June 30	Contribution Rate	Contribution Amount
2021	12.340%	\$86,414,449
2010	12.340	78,632,924
2019	12.340	77,242,171
2018	12.340	76,539,373
2017	12.340	73,868,818
2016	15.510	85,676,490
2015	17.987	94,045,896
2014	17.117	87,643,045
2013	15.938	82,653,128
2012	15.416	81,636,995

Source: The Metropolitan Government of Nashville and Davidson County.

Key Actuarial Assumptions: Current actuarial assumptions include a discount rate of 7.25%, cost of living adjustments of 2.50% for Metro Active Plan Division A and 1.25% for Metro Active Plan Division B, salary increases averaging 4.0% annually and five-year smoothing of gains and losses, and an inflation rate of 2.50%.

Schedule of Funding Progress

Effective June 30, 2014, the Metropolitan Government adopted GASB Statement No. 68, which revised the calculation and financial statement disclosure regarding the liability related to pensions. The table below illustrates a history of funding progress based on the Metropolitan Government's net pension liability.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
OPEN PENSION PLAN; SCHEDULE FUNDING PROGRESS
For the Fiscal Years Ended June 30, 2017 through June 30, 2021
(Amounts in Thousands)

Fiscal Year Ended	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Plan Fiduciary Net Position as a Percentage of Total Pension Liability	Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll
June 30, 2017	3,009,103	2,968,259	40,844	98.64%	538,699	7.58%
June 30, 2018	3,198,180	3,116,572	81,608	97.45%	577,129	14.14%
June 30, 2019	3,377,509	3,254,984	122,525	96.37%	623,435	19.65%
June 30, 2020	3,489,331	3,272,530	216,801	93.79%	638,021	33.98%
June 30, 2021	3,632,594	4,204,832	(572,238)	115.75%	662,804	(86.30%)

Source: The Metropolitan Government of Nashville and Davidson County

Tennessee Consolidated Retirement System

Closed TCRS Plan for Employees Hired on or before June 30, 2014.

Benefits

TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in performance of duty. Members joining the system after July 1, 1979, become vested after five years of service and members joining prior to July 1, 1979, were vested after four years of service. The plan was closed to new members on June 30, 2014. Benefit provisions are established in Tennessee statutes codified in Title 8, Chapter 34-37 of the Tennessee Code Annotated. The Tennessee Code Annotated is amended by the Tennessee General Assembly.

Funding Sources

Teachers contribute five percent (5%) of their salaries, and the Metropolitan Government, through its funding of the school budget, contributes an amount equal to the percentage of certified payroll set by the TCRS each fiscal year. The certified percentage results from a bi-annual TCRS actuarial report and equals normal cost, accrued liability cost and administrative costs (minus teacher contributions).

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
CLOSED TCRS PLAN ⁽¹⁾
For the Plan Years Ended June 30, 2016 through June 30, 2020
(Amounts in Thousands)**

Plan Year Ended	Proportion of Net Pension Liability (Asset)	Proportionate Share of Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Position as a Percentage of Total Pension Liability
June 30, 2016	8.30%	51,891	299,733	17.31%	97.14%
June 30, 2017	-8.14%	(2,664)	288,102	(0.92%)	100.14%
June 30, 2018	-7.98%	(28,078)	279,409	(10.05%)	101.49%
June 30, 2019	-7.68%	(79,016)	257,691	(30.66%)	104.28%
June 30, 2020	-7.44%	(56,700)	247,479	(22.91%)	103.09%

⁽¹⁾ The plan measurement date is the end of the prior fiscal year.

Source: The Metropolitan Government of Nashville and Davidson County.

Open TCRS Defined Benefit Plan and Defined Contribution Plan for Employees Hired on or after July 1, 2014.

Benefits

Employees hired on or after July 1, 2014 became members of a new plan that consists of two components, a defined benefit plan and a defined contribution plan. TCRS members in the defined benefit plan are eligible to retire either at the age of 65 and vested with five years of service or under the rule of 90 where a combination of age and service credit totals 90. An actuarially reduced benefit is available at age 60 or the rule of 80. Disability benefits are available after five years of service for those who become disabled and cannot engage in gainful employment. Benefits are determined by a formula using the member's high five-year average salary and years of service.

TCRS members in the defined contribution plan elect to participate in the Optional Retirement Program. Members are immediately vested in employer and employee contributions. Members make the determination as to how the employer contributions made on their behalf are invested. Members can choose among a variety of investment products. Benefit provisions are established in Tennessee statutes codified in Title 8, Chapter 34-37 of the Tennessee Code Annotated. The Tennessee Code Annotated is amended by the Tennessee General Assembly.

The maximum employer pension cost is a total of nine percent (9%) of salary for both the defined benefit plan and the defined contribution plan. Employer contributions to the defined benefit plan will be four percent (4%) of members salary, and employer contributions to the defined contribution plan will be five percent (5%) of members salary.

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
OPEN TCRS PLAN
For the Fiscal Years Ended June 30, 2016 through June 30, 2020
(Amounts in Thousands)**

Plan Year Ended	Proportion of Net Pension Liability (Asset)	Proportionate Share of Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Position as a Percentage of Total Pension Liability
June 30, 2016	(12.73%)	(1,325)	56,003	(2.37%)	121.88%
June 30, 2017	(12.27%)	(3,238)	80,335	(4.03%)	126.81%
June 30, 2018	(11.58%)	(5,253)	101,221	(5.19%)	126.97%
June 30, 2019	(10.65%)	(6,010)	112,675	(5.33%)	123.07%
June 30, 2020	(10.29%)	(5,854)	112,675	(4.51%)	116.52%

Source: The Metropolitan Government of Nashville and Davidson County.

Annual Contributions

Required TCRS contributions for the Closed Plan in 2020 and 2021 were 10.63% and 10.27% of covered payroll, or \$26,305,624 and \$25,546,503.

Required TCRS contributions for the Open Plan in 2020 and 2021 were 2.03% and 2.02% of covered payroll, or \$2,637,096 and \$3,020,960.

Additional Information

Additional information about TCRS can be accessed at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Closed Plans – Guaranteed Payment Plan

The Metropolitan Council created the Guaranteed Payment Plan effective July 1, 2000, to ensure actuarially sound funding for a group of five closed plans supervised by the Metropolitan Benefit Board and the Metropolitan Board of Education. Under the Guaranteed Payment Plan, unfunded liabilities of the aggregate plan are amortized over a period of no more than thirty years beginning with the effective date. Payments for each constituent plan are transferred to a payment account from which distributions are disbursed to the constituent plans as necessary to satisfy current benefit needs and funding objectives of the Guaranteed Payment Plan. Appropriations made by the Metropolitan Government and the Metropolitan Board of Education to fund obligations of the aggregate plan may not be reduced until all plan obligations are fully amortized. Plan improvements adopted subsequent to inception are to be funded over a period ending June 30, 2030.

The five plans included in the Guaranteed Payment Plan are:

1. Metropolitan Board of Education Teacher Retirement Plan
2. Davidson County Board of Education Retirement Plan
3. Nashville City Teachers Retirement Plan
4. Former Davidson County Pension System
5. Former City of Nashville Pension System

Current Funded Status

The table below provides a description of the status of the funding of the Metropolitan Government's Closed Plans. This information was previously presented on an actuarial basis. As a result of GASB Statement No. 68, this table is now and will in the future be presented on the basis of the plan's net position and net pension liability.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
CLOSED PENSION PLANS
SCHEDULE FUNDING PROGRESS
For the Fiscal Year Ended June 30, 2021
(Amounts in Thousands)

Teachers and Employees	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
Metro Teachers	\$211,797	\$157,919	\$53,878	74.56%
County Teachers	22,687	1,178	21,509	5.19
City Teachers	9,618	963	8,655	10.01
City Employees	21,781	-	21,781	0.00
County Employees	4,454	-	4,454	0.00

Source: The Metropolitan Government of Nashville and Davidson

Historical Contributions

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HISTORICAL CONTRIBUTIONS
METRO CLOSED PLANS
(For the Fiscal Years Ended June 30, 2012 through June 30, 2021)

Fiscal Year Ended June 30	Metropolitan Government Contributions	State of Tennessee Contributions
2021	\$33,577,399	\$12,291,240
2020	33,570,400	13,341,332
2019	33,577,399	14,096,974
2018	33,486,419	14,782,460
2017	33,490,352	15,484,346
2016	33,493,456	16,200,749
2015	33,524,016	16,902,423
2014	33,512,358	17,593,670
2013	33,521,052	18,130,962
2012	33,520,844	18,769,087

Source: The Metropolitan Government of Nashville and Davidson County.

Additional statistical information pertaining to the Closed Plans can be found in the Metropolitan Government's Annual Comprehensive Financial Report, an electronic hyperlink which is incorporated in and attached to the Official Statement as **APPENDIX A**.

Other Post-Employment Benefits

The Metropolitan Government currently provides various other post-employment benefits (“OPEB”) other than pensions, with healthcare representing the most significant portion of the OPEB cost. For any retiree in the Metro, City or County Plans who elects to participate in the Metropolitan Medical Benefit Plan, the Metropolitan Government contributes seventy-five percent (75%) of all premium payments, and the retiree contributes twenty-five percent (25%). For employees hired January 1, 2013, or later, the Metropolitan Government contribution is based on years of service and ranges from twenty-five percent (25%) for a retiree with less than 15 years of service to seventy-five percent (75%) for a retiree with 20 or more years of service. On July 1, 2014, the Metropolitan Government implemented a Medicare Part D or Employer Group Waiver Plan for eligible retirees that are expected to reduce OPEB liability. Funding is on a pay-as-you-go basis under which payments are made in amounts sufficient to cover benefits paid, administrative costs and anticipated inflationary increases. The Metropolitan Government also provides a matching contribution on dental insurance for any retiree who elects to participate and provides life insurance at no charge. During the Fiscal Year ended June 30, 2021, contributions totaled \$60,003,504.

For any retiree in the Metro, City or County Education Plans who elects to participate in the medical and dental insurance plans of the Metropolitan Nashville Public Schools, Schools contribute seventy-five percent (75%) of all premium payments with the retiree contributing the remaining twenty-five percent (25%). Funding is on a pay-as-you-go basis under which payments are made in amounts sufficient to cover benefits paid. During the Fiscal Year ended June 30, 2021, contributions totaled \$23,123,981.

The Metropolitan Government adopted GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions, in Fiscal Year 2008. GASB Statement No. 45 addresses how governments should account for and report their costs and obligations related to post-employment healthcare and other non-pension benefits; it does not require that the liability be funded. GASB Statement No. 45 was later replaced by GASB Statement No. 75.

For June 30, 2021, the amounts related to OPEB under GASB Statement No.75 were (all amounts in thousands):

	Metro Plan	School Plan
Total OPEB Liability	\$3,240,451	\$1,061,733
Covered Payroll	577,271	350,295
Total OPEB Liability as a % of Covered Payroll	561.3%	303.1%

The key assumptions used in developing these amounts include:

- Current level of benefits provided;
- June 30, 2021 valuation and measurement date;
- Discount Rate: 2.18%;
- Administrative fee increases: 5.00% per annum; and
- Healthcare cost trend rate: 6.25% graded down to 5.75% over two years and following the Getzen model thereafter for medical expenses and prescription drugs, 4% each year for dental and vision expenses.

New Developments in State Law and Reporting

Under current Tennessee law and except as more fully described below, the Metropolitan Government is generally not permitted to change the terms of a pension plan to reduce an accrued benefit, or the right to accrue future benefits, of any participant who is eligible to receive benefits under the plan (i.e., any vested participant) unless that participant consents to the decrease or reduction in benefits. However, a pension plan can be amended so as to exclude new employees. In addition, “The Public Employee Defined Benefit Financial Security Act of 2014” (the “2014 Act”), was signed into law by the Governor of Tennessee on May 22, 2014. The 2014 Act provides that for all affected employees of any political subdivision (such as the Metropolitan Government) hired on or after the effective date of the 2014 Act, the political subdivision may freeze, suspend, or modify benefits, employee contributions and plan terms and design on a prospective basis (except as to those employees employed prior to the effective date of the 2014 Act where applicable law provides otherwise).

The 2014 Act also requires each political subdivision which provides its own defined benefit plan (such as Metro’s Active Plans and Closed Plans) to annually make a payment to its pension plan of no less than 100% of the actuarially-determined contribution that incorporates both the normal cost of benefits and amortization of the pension plan’s unfunded accrued liability, if any. As described more fully above, the Metropolitan Government has historically funded at least 100% of the actuarially-determined contribution. The Metropolitan Government is in compliance with the 2014 Act and does not anticipate that continued compliance will materially affect the financial condition of the Metropolitan Government.

INVESTMENT POLICY

The Metropolitan Council has approved a comprehensive Investment Policy governing the overall administration and investment management of those funds held in the Short-Term Investment Portfolio. This policy applies to all short-term financial assets of the Metropolitan Government from the time of receipt until the time the funds ultimately leave the Metropolitan Government accounts. These assets include, but are not limited to, all operating funds, bond funds, debt service reserve funds, water and sewer funds, USD and GSD funds, those pension monies not yet allocated to money managers, all float and certain school funds.

The Short-Term Investment Portfolio of the Metropolitan Government is managed to accomplish the following hierarchy of objectives:

1. Preservation of principal
2. Maintenance of liquidity
3. Maximize returns

The Cash Investment Committee meets periodically to review the position of the portfolio and to discuss investment strategies. The Cash Investment Committee reviews investment policy and procedures at least once each year. The Metropolitan Treasurer is responsible for the investment process, carries out the daily operational requirements, and maintains written administrative procedures for the operation of the investment program that are consistent with the Investment Policy.

The Metropolitan Investment Pool has been established to meet investment objectives in the most cost-effective way. All payments and receipts of income on pool investments are allocated on a pro-rata basis among the accounts invested in the pool on the daily invested balance in each fund. Earnings are calculated and distributed on a monthly basis.

TAX ANTICIPATION NOTES

As described above, a significant portion of the Metropolitan Government's revenues are generated from the levy of property taxes, which are not billed until September 15 of each year and which may be paid as late as February 28 of the following year. In order to fund a portion of budgeted appropriations in anticipation of the collection of tax revenue, the Metropolitan Government typically issues tax anticipation notes. Under Tennessee law, a local government may not use tax anticipation notes to fund more than sixty percent (60%) of budgeted appropriations from any particular fund. For Fiscal Year 2023, the Metropolitan Council has authorized the issuance of up to [\$___ million] of tax anticipation notes to fund a portion of appropriations from its General Purpose School Fund, General Services District General Purposes Fund, General Services District School Purposes Fund, and Urban Services District General Purpose Debt Service Fund (collectively, the "Tax-Supported Funds"). The tax anticipation notes will be borrowed on an interfund basis, in which the Tax-Supported Funds will borrow from other eligible Metropolitan Government funds, such as the Metropolitan Government's Water and Sewer Surplus Fund. Under Tennessee law, any tax anticipation notes: (i) are payable solely from the revenues collected to the borrowing funds in the fiscal year of issuance; (ii) must be repaid in full prior to the conclusion of the fiscal year of issuance.

CAPITAL FINANCING AND BONDS

Capital Improvements Budget Process

The Charter requires the Metropolitan Government to annually prepare a five-year capital improvements budget. The Metropolitan Mayor submits to the Metropolitan Council the capital improvements budget, based on information from all officers, departments, boards, commissions, and other agencies requesting funds from the Metropolitan Government for capital improvements, and recommends those projects to be undertaken during the ensuing fiscal year and the method of financing them. The Metropolitan Mayor's recommendation notes the impact of proposed projects on the debt structure of the Metropolitan Government and includes in the appropriate current operating budget any projects to be financed from current revenues for the ensuing fiscal year.

The Metropolitan Council has the power to accept, with or without amendment, or reject, the proposed program and proposed means of financing. The Metropolitan Council cannot authorize an expenditure for the construction of any building, structure, work or improvement, unless the appropriation for such project is included in its capital improvements budget, except to meet a public emergency threatening the lives, health or property of the inhabitants, when passed by two-thirds vote of the Metropolitan Council.

Not all projects included in the capital improvements budget are financed and/or completed. In order for a project included in the capital improvements budget to be financed with general obligation bonds, the Metropolitan Council must subsequently adopt an initial resolution, or capital spending plan, specifically authorizing the project and the amount of general obligation bonds that may be issued to finance the project.

Additionally, certain projects in the capital improvements budget would not be funded with general obligation bonds. For example, water and sewer improvements listed in the budget would likely be funded from water system and sewer system revenues and/or proceeds from water system and sewer system revenue bonds. Similarly, certain projects of The Sports Authority of The Metropolitan Government of Nashville and Davidson County (the “Sports Authority”) would likely be funded with facility-specific revenue streams, rather than general obligation bonds.

Current Capital Improvements Budget

The information illustrated on the capital improvements budget chart on the following page sets forth the recommended capital improvement projects as more fully described within the currently proposed Fiscal Year 2022-2023 Capital Improvements Budget, which are given priority for funding by the Metropolitan Mayor and the Metropolitan Council for Fiscal Year 2022-2023 through Fiscal Year 2027-2028.

Included within the list of projects are: (i) the renovation of Nissan Stadium or the construction of a new National Football League (“NFL”) football stadium, a portion of which would be funded with Sports Authority revenue bonds; and (ii) in excess of \$700 million of public infrastructure improvements related to the potential development of the East Bank, which would likely be funded from a variety of federal, state and local sources. The East Bank, the area lying immediately to the east of the Cumberland River and adjacent to downtown Nashville, is poised to experience rapid development and growth, resulting from the development of the Oracle campus and the potential development of the campus surrounding Nissan Stadium, among other things.

For a more detailed discussion of the Nissan Stadium and the potential construction of a new NFL football stadium, see “CONTINGENT DEBT AND PAYMENT LIABILITIES – The Sports Authority of The Metropolitan Government of Nashville and Davidson County” below within this **APPENDIX B**.

For a more detailed discussion regarding the East Bank development and the relocation of Oracle, see “DEMOGRAPHIC AND STATISTICAL INFORMATION – Private-Sector Business Investment and Job Creation” below within this **APPENDIX B**.

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**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
PROPOSED CAPITAL IMPROVEMENTS BUDGET – FINAL – BY AGENCY
FISCAL YEAR 2022-2023 TO FISCAL YEAR 2027-2028**

Metropolitan Government Departments	Fiscal Year 2023	Total % of Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Total Budgeted Capital Improvements	Total % of Fiscal Year 2024 - 2028
Administrative	\$255,000,000	3.408%	\$5,000,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$270,000,000	0.162%
Arts Commission	\$1,262,500	0.017%	\$2,050,000					\$3,312,500	0.022%
Assessor of Property	\$20,000	0.000%						\$20,000	0.000%
Council	\$500,350,900	6.687%	\$61,689,000	\$59,385,000	\$1,685,000	\$17,500,000		\$640,609,900	1.513%
County Clerk	\$2,000,000	0.027%						\$2,000,000	0.000%
District Energy System - USD	\$3,419,800	0.046%	\$495,000					\$3,914,800	0.005%
Fairgrounds Nashville	\$151,000,000	2.018%	\$9,000,000					\$160,000,000	0.097%
Farmer's Market	\$4,300,000	0.057%						\$4,300,000	0.000%
Finance	\$7,200,000	0.096%						\$7,200,000	0.000%
Fire Department	\$148,100,000	1.979%	\$91,200,000	\$92,000,000	\$32,000,000	\$2,000,000	\$2,000,000	\$367,300,000	2.365%
Fire Department - USD	\$15,000,000	0.200%						\$15,000,000	0.000%
General Hospital	\$19,795,800	0.265%	\$1,129,300					\$20,925,100	0.012%
General Services	\$784,069,500	10.479%	\$61,000,000	\$10,000,000	\$10,000,000			\$865,069,500	0.874%
Health	\$1,800,000	0.024%	\$10,000,000					\$11,800,000	0.108%
Historical Commission	\$180,000	0.002%						\$180,000	0.000%
Information Technology Services	\$22,959,000	0.307%	\$22,003,000	\$6,741,000	\$2,927,000			\$54,630,000	0.342%
Justice Integration Services	\$200,000	0.003%						\$200,000	0.000%
Library	\$99,893,700	1.335%	\$80,087,000	\$50,800,400	\$81,735,200	\$5,786,400	\$4,927,300	\$323,230,000	2.410%
MDHA	\$110,600,000	1.478%	\$30,500,000	\$20,500,000	\$20,500,000	\$20,500,000	\$20,500,000	\$223,100,000	1.214%
Metro Action Commission	\$22,650,000	0.303%	\$13,000,000	\$12,000,000	\$12,000,000			\$59,650,000	0.399%
Metro Transit Authority	\$543,973,000	7.270%	\$43,055,700	\$69,917,500	\$93,247,100	\$70,941,500	\$71,338,700	\$892,473,500	3.760%
MNPS	\$568,672,000	7.600%	\$446,993,200	\$419,179,700	\$447,301,200	\$311,939,000	\$365,780,900	\$2,559,866,000	21.485%
Municipal Auditorium	\$7,250,000	0.097%						\$7,250,000	0.000%
Nashville Department of Transportation	\$541,150,000	7.233%	\$300,820,000	\$301,850,000	\$247,500,000	\$238,935,200	\$233,450,000	\$1,863,705,200	14.271%
Nashville Department of Transportation - USD	\$20,500,000	0.274%	\$20,500,000	\$78,500,000	\$71,500,000	\$63,500,000		\$254,500,000	2.525%
Parks	\$344,835,200	4.609%	\$343,635,200	\$343,635,200	\$343,635,200	\$343,635,200	\$343,635,200	\$2,063,011,200	18.540%
Planning Commission	\$61,254,500	0.819%	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$66,254,500	0.054%
Police	\$78,700,000	1.052%	\$28,915,000	\$16,570,000				\$124,185,000	0.491%
Social Services	\$772,500	0.010%						\$772,500	0.000%
Sports Authority	\$2,503,890,000	33.465%	\$810,000	\$1,600,000				\$2,506,300,000	0.026%
Water & Sewer	\$655,496,000	8.761%	\$657,787,500	\$966,009,500	\$409,734,000	\$312,010,000	\$319,305,000	\$3,320,342,000	28.754%
Water & Sewer - USD	\$5,900,000	0.079%	\$19,230,000	\$19,135,000	\$6,975,000	\$3,900,000	\$3,576,500	\$58,716,500	0.570%
TOTAL	\$7,482,194,400	100.000%	\$2,249,899,900	\$2,471,323,300	\$1,784,239,700	\$1,394,147,300	\$1,368,013,600	\$16,749,818,201	100.000%

Source: The Metropolitan Government of Nashville and Davidson County.

General Obligation Commercial Paper and Bonds

The Metropolitan Government typically funds general governmental capital projects through draws on its general obligation commercial paper programs, which consist of: (i) up to \$375 million of notes for which liquidity support is provided by Bank of America, and (ii) up to \$325 million of extendable notes for which there is no liquidity provider. The Metropolitan Government routinely issues long-term general obligation bonds to retire commercial paper.

Tennessee law does not impose any limit on the amount of general obligation bonds that may be issued by Tennessee local governments, including the Metropolitan Government, and, except as follows, no voter referendum is required for a Tennessee local government to issue general obligation bonds. Tennessee law does require that a local government's issuance of general obligation bonds (other than for school projects) be preceded by the adoption and publication of a resolution evidencing the local government's intent to issue general obligation bonds. If ten percent (10%) of the voters of the local government sign a petition protesting the issuance of the general obligation bonds, the bonds may not be issued until the proposed bond issue has been approved by voter referendum.

Debt Calculations

The tables illustrated on the following pages only reflect the Metropolitan Government's: (i) long-term general obligation bonded indebtedness as of June 30, 2021, including the Metropolitan Government's District Energy System Revenue and Tax Refunding Bonds, Series 2012A; (ii) debt ratios as of June 30, 2021; and (iii) historical debt ratios for the last ten fiscal years. These tables do not reflect:

- (1) the issuance of the Series 2022 Bonds;
- (2) the current outstanding principal amount of Commercial Paper. See "CURRENT FINANCIAL CONDITIONS" in the Official Statement;
- (3) the Metropolitan Government's financing obligations under any tax anticipation notes. See "TAX ANTICIPATION NOTES" within this **APPENDIX B**;
- (4) the Metropolitan Government's financing obligations to the Tennessee State School Bond Authority (the "TSSBA") with respect to approximately \$17 million of outstanding Qualified Zone Academy Bonds and Qualified School Construction Bonds issued by the TSSBA on behalf of the Metropolitan Government;
- (5) financing obligations of the Metropolitan Government which are payable solely from the revenues of one or more utility systems (i.e. water, sewer and electric);
- (6) financing obligations of the Metropolitan Nashville Airport Authority, which are payable solely from revenues from operations at the Nashville International Airport;
- (7) tax increment financing obligations of the Metropolitan Development and Housing Agency and the Metropolitan Government's IDB, which both are more fully described in this **APPENDIX B**; or
- (8) financing obligations of The Sports Authority of The Metropolitan Government of Nashville and Davidson County and The Metropolitan Government of Nashville and Davidson County, which both are more fully described in this **APPENDIX B**.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
COMPUTATION OF NET GENERAL OBLIGATION DEBT
(For the Fiscal Year Ended June 30, 2021)

Gross General Obligation Debt	Amounts
General Obligation Bonds Payable	
<u>General Services District:</u>	
For School Purposes	\$ 952,459,502
For General Purposes	2,209,645,044
<u>Urban Services District:</u>	
For General Purposes	206,870,454
Total Gross General Obligation Debt	\$3,368,975,000
Less:	
Amounts Available In Debt Service Funds	Amounts
<u>General Services District:</u>	
For School Purposes	\$48,355,815
For General Purposes	18,629,376
<u>Urban Services District:</u>	
For General Purposes	2,900,706
Total Amounts Available in Debt Service Funds	\$ 69,865,897
Net General Obligation Debt	\$3,299,109,103

Source: The Metropolitan Government of Nashville and Davidson County Annual Comprehensive Financial Report 2021.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
DEBT RATIOS
(As of June 30, 2021)

	Debt to Estimated Market Value ^(a)	Debt to Assessed Value ^(b)	Debt per capita ^(c)
TOTAL DEBT	2.63%	9.87%	\$4,708.62
NET DEBT	2.57%	9.67%	\$4,610.97

^(a) Estimated Market Value – (\$128,201,489,337).

^(b) Assessed Value – (\$34,127,994,212).

^(c) Population of Nashville and Davidson County, Tennessee, United States Census Bureau, Population Estimates Program 2021 – (715,491).

Source: The Metropolitan Government of Nashville and Davidson County Annual Comprehensive Financial Report 2021.

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
HISTORICAL DEBT RATIOS**

**For the Fiscal Years Ended June 30, 2012 through June 30, 2021
(Dollar Amounts, other than Net Debt Per Capita, Expressed in Thousands)**

The following table illustrates certain debt ratios of the Metropolitan Government for the past ten fiscal years:

Fiscal Year Ended	Metropolitan Government Population	Estimated Market Valuation	Assessed Valuation	Gross Debt	Debt Service Monies Available	Net Debt	Ratio of Net Debt to Market Valuation	Ratio of Net Debt to Assessed Valuation	Net Debt Per Capita
2011-2012	635,475	63,127,519	19,104,264	1,923,680	29,168	1,894,512	3.00	9.92	2,981.25
2012-2013	648,295	63,259,449	19,160,523	2,323,100	37,330	2,285,770	3.61	11.93	3,525.82
2013-2014	658,602	65,810,055	20,209,537	2,227,730	21,554	2,206,176	3.35	10.92	3,349.79
2014-2015	668,347	66,270,673	20,376,059	2,124,090	28,090	2,096,000	3.16	10.29	3,136.10
2015-2016	678,889	67,533,296	20,742,695	2,364,890	22,283	2,342,607	3.47	11.29	3,450.65
2016-2017	684,410	78,262,509	21,314,821	2,689,195	20,675	2,668,520	3.41	12.52	3,899.01
2017-2018	691,243	99,659,583	31,144,615	2,550,045	10,851	2,539,194	2.55	8.15	4,103.65
2018-2019	692,587	102,919,516	32,220,800	3,112,175	17,953	3,094,222	3.01	9.60	4,933.86
2019-2020	708,041	123,954,384	33,015,683	2,930,265	34,316	2,895,949	2.34	8.77	4,497.74
2020-2021	715,491	128,201,489	34,127,994	3,368,975	69,866	3,299,109	2.57	9.67	5,090.32

Source: The Metropolitan Government of Nashville and Davidson County Annual Comprehensive Financial Report 2021.

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
GENERAL OBLIGATION BONDS DEBT SERVICE SCHEDULE**

The following table illustrates the aggregate outstanding general obligation bonds debt service for the Metropolitan Government and the annual debt service requirements of the Metropolitan Government in connection with the Series 2022 Bonds:

FISCAL YEAR ENDING	AGGREGATE OUTSTANDING GENERAL OBLIGATION BONDS DEBT SERVICE			GENERAL OBLIGATION IMPROVEMENT BONDS SERIES 2022A ⁽¹⁾⁽²⁾			GENERAL OBLIGATION IMPROVEMENT BONDS SERIES 2022B ⁽¹⁾⁽²⁾			TOTAL DEBT SERVICE SERIES 2022 BONDS ⁽¹⁾⁽²⁾		
June 30	Principal Payments	Interest Payments	Total Payments	Principal Payments	Interest Payments	Total Payments	Principal Payments	Interest Payments	Total Payments	Principal Payments	Interest Payments	Total Payments
2023	\$ 234,945,000	\$115,332,236	\$ 350,277,236	\$ 16,965,000	\$ 6,830,702	\$ 23,795,702	\$ 14,545,000	\$ 5,854,888	\$ 20,399,888	\$ 266,455,000	\$ 128,017,826	\$ 394,472,826
2024	247,115,000	106,143,615	353,258,615	10,400,000	15,880,000	26,280,000	8,915,000	13,611,250	22,526,250	266,430,000	135,634,865	402,064,865
2025	247,965,000	96,685,832	344,650,832	10,920,000	15,360,000	26,280,000	9,360,000	13,165,500	22,525,500	268,245,000	125,211,332	393,456,332
2026	229,435,000	87,859,599	317,294,599	11,465,000	14,814,000	26,279,000	9,825,000	12,697,500	22,522,500	250,725,000	115,371,099	366,096,099
2027	214,940,000	79,830,759	294,770,759	12,040,000	14,240,750	26,280,750	10,320,000	12,206,250	22,526,250	237,300,000	106,277,759	343,577,759
2028	215,085,000	71,297,768	286,382,768	12,640,000	13,638,750	26,278,750	10,835,000	11,690,250	22,525,250	238,560,000	96,626,768	335,186,768
2029	175,765,000	62,953,781	238,718,781	13,275,000	13,006,750	26,281,750	11,375,000	11,148,500	22,523,500	200,415,000	87,109,031	287,524,031
2030	182,450,000	55,713,599	238,163,599	13,935,000	12,343,000	26,278,000	11,945,000	10,579,750	22,524,750	208,330,000	78,636,349	286,966,349
2031	185,700,000	47,763,870	233,463,870	14,635,000	11,646,250	26,281,250	12,545,000	9,982,500	22,527,500	212,880,000	69,392,620	282,272,620
2032	193,245,000	39,632,495	232,877,495	15,365,000	10,914,500	26,279,500	13,170,000	9,355,250	22,525,250	221,780,000	59,902,245	281,682,245
2033	200,230,000	32,035,702	232,265,702	16,135,000	10,146,250	26,281,250	13,830,000	8,696,750	22,526,750	230,195,000	50,878,702	281,073,702
2034	166,205,000	24,828,756	191,033,756	16,940,000	9,339,500	26,279,500	14,520,000	8,005,250	22,525,250	197,665,000	42,173,506	239,838,506
2035	168,530,000	18,452,866	186,982,866	17,790,000	8,492,500	26,282,500	15,245,000	7,279,250	22,524,250	201,565,000	34,224,616	235,789,616
2036	113,795,000	13,143,825	126,938,825	18,675,000	7,603,000	26,278,000	16,010,000	6,517,000	22,527,000	148,480,000	27,263,825	175,743,825
2037	117,650,000	9,286,325	126,936,325	19,610,000	6,669,250	26,279,250	16,810,000	5,716,500	22,526,500	154,070,000	21,672,075	175,742,075
2038	85,645,000	6,005,300	91,650,300	20,590,000	5,688,750	26,278,750	17,650,000	4,876,000	22,526,000	123,885,000	16,570,050	140,455,050
2039	88,410,000	3,237,200	91,647,200	21,620,000	4,659,250	26,279,250	18,530,000	3,993,500	22,523,500	128,560,000	11,889,950	140,449,950
2040	36,360,000	1,469,000	37,829,000	22,700,000	3,578,250	26,278,250	19,460,000	3,067,000	22,527,000	78,520,000	8,114,250	86,634,250
2041	37,090,000	741,800	37,831,800	22,835,000	2,443,250	26,278,250	20,430,000	2,094,000	22,524,000	81,355,000	5,279,050	86,634,050
2042	-	-	-	25,030,000	1,251,500	26,281,500	21,450,000	1,072,500	22,522,500	46,480,000	2,324,000	48,804,000
TOTAL	\$3,140,560,000	\$872,414,327	\$4,012,974,327	\$334,565,000	\$188,546,202	\$523,111,202	\$286,770,000	\$161,609,388	\$448,379,388	\$3,761,895,000	\$1,222,569,917	\$4,984,464,917

⁽¹⁾ Preliminary, subject to change.

⁽²⁾ Assumes an all-in cost of approximately 4.446% for the Series 2022A Bonds, and approximately 4.446% for the Series 2022B Bonds.

Source: The Metropolitan Government of Nashville and Davidson Count

SCHEDULE OF THE OUTSTANDING GENERAL OBLIGATION BONDS

The following table illustrates a summary of the Metropolitan Government's outstanding General Obligation Bonds, per series, upon the issuance of the Series 2022 Bonds:

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY GENERAL OBLIGATION BONDS OUTSTANDING ⁽¹⁾

GENERAL OBLIGATION BONDS	OUTSTANDING PAR AMOUNTS	FINAL MATURITY DATES
Series 2010B Bonds	\$ 252,005,000	July 1, 2034
Series 2012 Bonds	45,410,000	July 1, 2022
Series 2012A Bonds	32,210,000	October 1, 2033
Series 2012B Bonds	57,575,000	July 1, 2024
Series 2012-1 Bonds	6,440,000	August 1, 2027
Series 2013 Bonds	58,540,000	July 1, 2024
Series 2013A Bonds	15,745,000	January 1, 2023
Series 2015A Bonds	49,145,000	July 1, 2026
Series 2015B Bonds	42,995,000	July 1, 2029
Series 2015C Bonds	128,300,000	July 1, 2028
Series 2016 Bonds	289,960,000	January 1, 2033
Series 2017 Bonds	395,765,000	July 1, 2036
Series 2018 Bonds	647,225,000	July 1, 2038
Series 2021A Bonds	483,595,000	July 1, 2026
Series 2021B Bonds	85,130,000	July 1, 2034
Series 2021C Bonds	550,520,000	January 1, 2041
TOTAL	\$3,140,560,000	

⁽¹⁾ Preliminary, subject to change.

Source: The Metropolitan Government of Nashville and Davidson County.

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CONTINGENT DEBT AND PAYMENT LIABILITIES

As of the date of the Official Statement, the Metropolitan Government has the following outstanding contingent obligations payable from certain monies of the Metropolitan Government as more fully described within the Official Statement and within this **APPENDIX B**.

District Energy System

The Metropolitan Government owns a District Energy System (“DES”), which provides steam and chilled water to approximately 40 buildings in downtown Nashville for the purposes of general heating and air conditioning. DES is managed by Constellation NewEnergy Projects (“CNE”) of Baltimore, Maryland. The Metropolitan Government is a customer of DES and purchased approximately 40.00% of the steam and 40.72% of the chilled water sold by the system for the Fiscal Year ended June 30, 2021. The Metropolitan Government has covenanted to provide funding in an amount equal to any shortage in revenues necessary to pay debt service on outstanding DES obligations and/or necessary to pay operating expenses (the “Metro Funding Amount”). The budgeted Metro Funding Amount for Fiscal Year 2022 is \$630,700. The proposed budgeted Metro Funding Amount for Fiscal Year 2023 is \$374,300. In addition to covering any DES operating shortfalls, the Metro Funding Amount also provides for the payment of debt service on the DES.

The Sports Authority of The Metropolitan Government of Nashville and Davidson County

The Sports Authority is a public non-profit corporation and instrumentality of the Metropolitan Government organized in 1995 pursuant to Chapter 67, Title 7 of Tennessee Code Annotated, as amended; it is a Component Unit of the Metropolitan Government and is included in the Metropolitan Government’s Annual Comprehensive Financial Report. The purpose of the Sports Authority is to plan, promote, finance, construct, and acquire sports complexes, stadiums, arenas, and facilities for public participation and enjoyment of professional and amateur sports activities for the people in the State of Tennessee. The Sports Authority has no taxing power. The Sports Authority owns, and has provided financing for, four facilities located in Nashville. Below are descriptions of each of the financings and associated debt liabilities of the Metropolitan Government in connection with the Sports Authority.

Nissan Stadium. The Sports Authority owns Nissan Stadium, which is leased to the NFL’s Tennessee Titans and Tennessee State University through the 2028-2029 NFL season (subject to the right of the Tennessee Titans to extend its lease by up to ten additional years). The Sports Authority has financed (or refinanced) a portion of the construction and improvement of Nissan Stadium through the issuances of its Series 2012A Bonds, Series 2013B Bonds, Series 2014 Bonds, and Series 2021A Bonds.

Aggregate debt service on the Sports Authority’s Nissan Stadium debt approximates \$7.7 million per year through 2027 and then approximates \$1.7 million through 2033. This debt is payable primarily from dedicated revenue streams (consisting of a payment-in-lieu of tax from the Department of Water and Sewerage Services, parking revenues, lease payments from Tennessee State University, and a ticket tax charged at Nissan Stadium). In the event of a deficiency in such revenues to pay debt service, the Nissan Stadium debt is payable from the Metropolitan Government’s non-ad valorem tax General Services District General Fund revenues (the “GSD Non-Tax Revenues”).

The Metropolitan Government and the Tennessee Titans are currently discussing whether and how to fund significant renovations to Nissan Stadium or the construction of a new domed stadium immediately adjacent to Nissan Stadium, and to significantly extend the terms of the leases with the Tennessee Titans and Tennessee State University. The Tennessee Titans estimate that a new domed stadium would cost approximately \$2.2 billion. The State of Tennessee has agreed to fund \$500 million of the costs for a new domed stadium, leaving the Tennessee Titans and the Metropolitan Government to

fund the balance of construction costs. The Metropolitan Government would likely fund its share of such costs through the issuance of Sports Authority revenue bonds, which would be payable primarily from (i) incremental state and local sales taxes generated within the new stadium and in the area immediately surrounding the stadium and (ii) new hotel occupancy taxes, both of which have been designated by State statutes for the exclusive use of Stadium funding. A portion of such bonds could also be supported by a pledge of GSD Non-Tax Revenues, in the same manner as the existing Stadium debt. For a more detailed discussion of the impact from Hotel/Motel Taxes on the construction of a new NFL football stadium, see “REVENUES – Other Taxes, Licenses, and Permits” herein.

The Tennessee Titans’ lease agreement obligates the Sports Authority and the Metropolitan Government to fund the capital costs of maintaining Nissan Stadium to certain specified standards. Should the Metropolitan Government and Tennessee Titans be unsuccessful in negotiating an extension to the existing Tennessee Titans lease and a Stadium funding program in connection therewith, the Sports Authority and the Metropolitan Government would be contractually obligated to provide funding for these capital maintenance and improvement costs. The Sports Authority commissioned a 2017 study of Nissan Stadium that identified the need for approximately \$300 million of capital improvements through the term of the lease, assuming its full extension. In May 2022, the Tennessee Titans provided the Sports Authority with a report commissioned by the Tennessee Titans which indicated the need for \$1.8 billion of capital improvements through the term of the fully-extended lease. It is unlikely that either of these studies accurately identify the cost of the capital improvements over the next 17 years.

Ford Ice Center. The Sports Authority also owns the Ford Ice Center, a two-sheet ice skating and hockey facility located in the southeastern part of Nashville. The Ford Ice Center is leased to, and operated by, Mid-Ice, LLC, an affiliate of the National Hockey League’s Nashville Predators. The Sports Authority has financed (or refinanced) the construction of the Ford Ice Center with its Series 2013A Bonds and Series 2021B Bonds. The debt service on the Ford Ice Center debt is approximately \$1.1 million per year and is payable through 2033.

This debt is payable primarily from Nashville Predators lease payments and surcharges levied on patrons of the Sports Authority’s Bridgestone Arena, which is the home of the Nashville Predators and is the primary large-scale concert venue utilized in Nashville. In the event of a deficiency in such revenues, the debt is payable from the Metropolitan Government’s GSD Non-Tax Revenues.

First Horizon Ballpark. The Sports Authority also owns the First Horizon Ballpark, the downtown baseball park that is the home of the Nashville Sounds, the AAA affiliate of the Major League Baseball’s Oakland Athletics. The First Horizon Ballpark was financed (or refinanced) by the Sports Authority’s Series 2013A Ballpark Bonds, Series 2013B Ballpark Bonds, and the Series 2021C Bonds. Debt service on the outstanding Ballpark Bonds is approximately \$3.8 million annually and is payable through 2043. Debt service on the Series 2013A Ballpark Bonds, the Series 2013B Ballpark Bonds, and the Series 2021C Bonds is primarily payable by incremental First Horizon Ballpark sales tax revenues, tax increment financing payments from development adjacent to the First Horizon Ballpark, and (except in the case of the Series 2021A Bonds only) Nashville Sounds lease payments. Any deficiency in such revenues is payable from the Metropolitan Government’s non-ad valorem tax Urban Services District General Fund revenues (“USD Non-Tax Revenues”).

The obligation of the Metropolitan Government to make the payments on the Sports Authority’s debt is not a general obligation of the Metropolitan Government but rather is required to be paid solely from GSD Non-Tax Revenues or USD Non-Tax Revenues, as applicable, pledged by the Metropolitan Government for such payments.

Major League Soccer Stadium. The Sports Authority owns GEODIS Park, which is the home of Major League Soccer's ("MLS") Nashville Soccer Club, which commenced MLS play in 2020 at Nissan Stadium and transitioned to GEODIS Park in May of 2022. The stadium includes 30,000 seats and an MLS regulation-size natural grass playing surface and is LEED Silver certified (the "MLS Stadium"). On December 17, 2020, the Metropolitan Government issued \$225 million of revenue bonds through the Sports Authority to finance the construction the MLS Stadium. These revenue bonds are payable primarily from MLS team rents, sales taxes resulting from ticket, concession and merchandise sales at the MLS Stadium events, and ticket taxes levied on MLS Stadium patrons. Any deficiency in such revenues is payable from GSD Non-Tax Revenues.

As of the date of the Official Statement, the Metropolitan Government has not been called upon to make a payment under the outstanding Sports Authority debt except with respect to First Horizon Ballpark Bonds, where the Metropolitan Government has been required to contribute between \$600,000 and \$1,550,000 for Fiscal Year 2016 through Fiscal Year 2022 to fund annual debt service. The Metropolitan Government can offer no assurance as to whether annual contributions with respect to the First Horizon Ballpark Bonds will remain in this range or whether or not there will be future calls on the Metropolitan Government to make additional payments under other Sports Authority debt obligations. As described in the Official Statement under "INVESTMENT CONSIDERATIONS – Coronavirus Disease 2019," due to the implementation of certain social distancing measures, events scheduled for Nissan Stadium, Ford Ice Center, MLS Stadium and First Horizon Ballpark may be adversely impacted as a result of the COVID-19 pandemic. Such adverse impact could reduce the primary revenue streams that are available to pay debt service on the Sports Authority bonds and increase the likelihood that the Metropolitan Government's GSD Non-Tax Revenues or USD Non-Tax Revenues will be called upon for the payment of debt service.

Convention Center Authority of The Metropolitan Government of Nashville and Davidson County

The Convention Center Authority of The Metropolitan Government of Nashville and Davidson County ("CCA") is a nonprofit public corporation created in 2009 by the Metropolitan Government pursuant Chapter 89 of Title 7 of the Tennessee Code Annotated, as amended (the "Act"), for the purposes set forth in the Act, including, without limitation, owning, operating and financing a convention center in order to promote economic development and to stimulate business and commercial activity in the Metropolitan Government. The Metropolitan Council approved the creation of the CCA, its charter and the appointment by the Metropolitan Mayor of its Board of Directors.

On April 21, 2010, the CCA issued \$51,730,000 of its Tourism Tax Revenue Bonds, Series 2010A-1 and \$152,395,000 Tourism Tax Revenue Bonds Federally Taxable, Series 2010A-2 (Build America Bonds-Direct Payment) (together, the "CCA Series 2010A Bonds"), and \$419,090,000 Subordinate Tourism Tax Revenue Bonds Federally Taxable, Series 2010B (Build America Bonds-Direct Payment) (the "CCA Series 2010B Bonds"), to finance the development, construction, equipping, furnishing, repair, refurbishment and opening of a new downtown convention center facility (the "Convention Center" or "Music City Center").

The CCA Series 2010A Bonds are payable solely from certain Hotel/Motel Tax revenues, incremental sales tax revenues and certain other designated tourism tax revenues (the "Tourism Tax Revenues"). The CCA Series 2010B Bonds are payable from Tourism Tax Revenues, subordinate to the payment of the CCA Series 2010A Bonds, and from Convention Center operating income. If those funds are insufficient to pay debt service when due on the CCA Series 2010B Bonds, the Metropolitan Government has pledged its GSD Non-Tax Revenues (as it has with respect to the Sports Authority bonds as more fully described above) to the payment of debt service on the CCA Series 2010B Bonds. The maximum annual debt service on the CCA Series 2010B Bonds is approximately \$27.1 million, net of

direct payment subsidies payable by the federal government because of the CCA Series 2010B Bonds being issued as Build America Bonds. The CCA established a debt service reserve equal to \$26.5 million.

Omni Hotels & Resorts (“Omni”) operates an 800-room hotel adjacent to the Convention Center that serves as the Convention Center’s headquarters hotel. The Omni opened on October 1, 2013. The CCA has entered into a development agreement with Omni, under which the CCA has agreed to pay approximately \$100 million in present value financial incentives to develop the Omni, which incentives are payable over the course of approximately 20 years from the completion date of the Omni. The Metropolitan Government has pledged its GSD Non-Tax Revenues (as it has with respect to the Sports Authority bonds and the CCA Series 2010B Bonds as more fully described above) to the payment of these incentives, in the event the CCA is unable to make payment. The maximum annual incentive payment is approximately \$15 million. The incentive payments are conditioned upon the continued operation of Omni. The obligation of the Metropolitan Government to make the payments on the above-mentioned debt is not a general obligation of the Metropolitan Government but rather is required to be paid solely from GSD Non-Tax Revenues pledged by the Metropolitan Government for such payments.

As of the date of the Official Statement, the Metropolitan Government has not been called upon to make a payment under the outstanding CCA debt. However, the Metropolitan Government can offer no assurance as to whether there will be future calls on the Metropolitan Government to make a payment under these debt obligations. As described in the Official Statement under “RISK FACTORS AND INVESTMENT CONSIDERATIONS – Coronavirus Disease 2019,” due to the implementation of certain social distancing measures, events scheduled for the Convention Center may be adversely impacted as a result of the COVID-19 pandemic. Such adverse impact could decrease tourism and subsequently reduce the Tourism Tax Revenues increasing the likelihood that the Metropolitan Government’s GSD Non-Tax Revenues or USD Non-Tax Revenues will be called upon for the payment of debt service on outstanding CCA debt and incentives.

Metropolitan Development and Housing Agency

In December 2014, the Metropolitan Development and Housing Agency (“MDHA”) entered into a lease arrangement pursuant to which MDHA constructed and currently operates an approximately 1,000-space parking facility in downtown Nashville. The lease arrangements obligate MDHA to annual lease payments of approximately \$2.9 million through 2044. The lease payments are payable primarily from parking revenues generated from the parking facility, which are projected to be sufficient revenues to pay the debt. In the event of a deficiency, such debt shall be payable from a subordinate pledge of the USD Non-Tax Revenues. The obligation of the Metropolitan Government to make the payments on the above debt is not a general obligation of the Metropolitan Government but rather is required to be paid solely from USD Non-Tax Revenues appropriated by the Metropolitan Government for such payments.

As of the date of the Official Statement, the Metropolitan Government has not been called upon to make a payment under the MDHA’s outstanding debt. However, the Metropolitan Government can offer no assurance as to whether there will be future calls on the Metropolitan Government to make a payment under these debt obligations. As described in the Official Statement under “RISK FACTORS AND INVESTMENT CONSIDERATIONS – Coronavirus Disease 2019,” downtown commuter and tourism traffic has been significantly reduced, which has also adversely impacted the performance of downtown parking assets. This adverse impact along with other societal factors may cause an increased likelihood that the Metropolitan Government’s USD Non-Tax Revenues will be called upon for the payment of debt service on these outstanding MDHA bonds.

Additional Contingent Obligations

The Metropolitan Government may fund, from time to time, additional projects payable from specific dedicated revenues. For example, the capital improvements budget currently under consideration by the Metropolitan Council includes \$100 million of Sports Authority revenue bonds to fund the renovation of the Nashville Fairgrounds Speedway (the “Speedway”). The Metropolitan Mayor’s office has announced that the Metropolitan Government is exploring a potential public-private partnership with Bristol Motorsports to renovate and operate the Speedway. To the extent the Metropolitan Government elects to fund all or a portion of this or other such projects, the Metropolitan Government may incur additional debt payable through certain supported revenues, including but not limited to its GSD Non-Tax Revenues and USD Non-Tax Revenues.

Tax Increment Financing

The Metropolitan Government routinely participates in tax increment financings (“TIFs”) related to redevelopment projects. In a TIF, an instrumentality of the Metropolitan Government (e.g. the MHDA or the IDB) will issue its tax increment financing bonds or notes and grant the proceeds to a developer to incentivize the completion of a redevelopment project. To secure payment of the TIF bonds or notes, the Metropolitan Government agrees to divert all, or a portion of the incremental real and personal property tax revenues related to the project for the payment of debt service on the TIF bonds. As of the date of the Official Statement, the Metropolitan Government is obligated to divert certain incremental real and personal property taxes to the payment of debt service on the following TIFs:

MDHA TIFs: As of the end of its Fiscal Year ended September 30, 2020, MDHA had outstanding approximately \$135.2 million of TIF bonds and notes previously issued to finance redevelopment projects in and around the downtown Nashville area. The Metropolitan Government funded approximately \$17.7 million of debt service payments on these outstanding bonds and notes during MDHA’s 2020 Fiscal Year.

IDB TIFs: In 2015, the IDB issued its \$21,935,000 TIF bonds to finance the redevelopment of the Bellevue Mall. This TIF bond matures in 2038 and the maximum annual debt service is approximately \$2.5 million. The Metropolitan Government funded approximately \$1.6 million of debt service payments on these TIF bonds in Fiscal Year 2022.

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DEMOGRAPHIC AND STATISTICAL INFORMATION

Population Growth

The following table illustrates information regarding the population growth in the Metropolitan Government. A comparison with the Nashville Metropolitan Statistical Area (“MSA”), the State of Tennessee and the United States serves to illustrate relative growth:

METROPOLITAN STATISTICAL AREA POPULATION GROWTH (For the Calendar Years 2010-2020)

Geographical Areas	2010 Population Estimates	2020 Population Estimates	2010 – 2020 Percentage Changes
Nashville/Davidson	626,681	694,176	10.8%
MSA	1,646,200	1,961,232	19.4%
State of Tennessee	6,346,105	6,886,834	8.5%
United States	308,745,538	329,484,123	6.7%

Source: United States Census Bureau (www.census.gov).

The following table illustrates the per capita personal income growth within the MSA that has occurred to the greatest extent in surrounding communities; notwithstanding, the suburbs of Nashville are in themselves residential, manufacturing and agricultural communities:

METROPOLITAN STATISTICAL AREA PER CAPITA PERSONAL INCOME (For the Calendar Years 2011- 2020)

Geographical Areas	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Nashville/Davidson	\$48,870	\$50,101	\$49,541	\$53,347	\$55,872	\$58,817	\$62,718	\$68,709	\$72,602	\$71,659
MSA	44,236	46,653	46,895	49,400	52,149	53,903	55,903	59,105	61,516	62,076
State of Tennessee	37,751	39,418	39,519	40,841	42,648	43,637	45,134	47,203	49,009	51,046
United States	40,547	42,739	44,605	44,860	47,071	49,019	50,015	52,118	54,606	56,490

Source: United States Bureau of Economic Analysis (www.bea.gov).

Employment

The following table illustrates the labor force segments of the eight-county Nashville Metropolitan Statistical Area for the Calendar Years 2017 through 2021:

METROPOLITAN STATISTICAL AREA EMPLOYMENT INDUSTRIES (For the Calendar Years 2017 through 2021)

Employment Industries	2017	2018	2019	2020	2021
Total Employed – All Industries ⁽¹⁾ (In Percentages):	984	1016	1046	1003	1052.8
Education & Health Services	15.26%	15.10%	14.84%	15.25%	14.92%
Financial Activities	6.73%	6.73%	6.76%	6.98%	6.94%
Government	11.86%	11.67%	11.50%	12.00%	11.36%
Information	2.38%	2.30%	2.37%	2.34%	2.47%
Leisure & Hospitality	11.26%	11.47%	11.62%	9.73%	10.22%
Manufacturing	8.59%	8.30%	8.11%	7.87%	7.80%
Professional & Business Services	16.38%	16.63%	16.72%	16.92%	17.28%
Trade, Transportation, Utilities	19.02%	19.10%	19.32%	19.92%	19.94%
Other	8.52%	8.68%	8.77%	8.99%	9.07%

⁽¹⁾ Total Nonfarm Employment in Thousands.

Source: United States Bureau of Labor Statistics (www.bls.gov)

Unemployment Rates

The following table illustrates the unemployment percentage rates in Davidson County, the MSA, the State of Tennessee and the United States for the Calendar Years 2012-2021:

METROPOLITAN STATISTICAL AREA UNEMPLOYMENT RATES (For the Calendar Years 2012-2021)

Geographical Areas	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Nashville/Davidson	6.3%	5.9%	5.0%	4.3%	3.6%	2.8%	2.7%	2.5%	8.2%	4.2%
MSA	6.6	6.2	5.2	4.5	3.8	2.9	2.7	2.6	7.0	3.6
State of Tennessee	8.0	7.8	6.6	5.6	4.7	3.7	3.5	3.4	7.4	4.3
United States	8.1	7.4	6.2	5.3	4.9	4.4	3.9	3.7	8.1	5.3

Source: United States Bureau of Labor Statistics (www.bls.gov)

Principal Employers

The following table illustrates the principal employers located within the Nashville, the company's number of employees and the percentage of total employment per company for the Fiscal Year Ended June 30, 2021:

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
PRINCIPAL EMPLOYERS
(For the Fiscal Year Ended June 30, 2021)**

PRINCIPAL EMPLOYERS	NUMBER OF EMPLOYEES	PERCENTAGES OF TOTAL EMPLOYMENT
Vanderbilt University/VUMC	33,146	3.32%
State of Tennessee	24,039	2.41
Metro Nashville-Davidson County		
Government and Public Schools	19,152	1.92
United States Government	13,518	1.36
Nissan North America Inc.	11,000	1.10
Healthcare Corporation of America	10,500	1.05
Saint Thomas Health	8,335	0.84
Community Health Systems Inc.	4,550	0.46
Randstad	4,400	0.44
Asurion	3,925	0.39
TOTAL	132,565	13.29%

Source: *Nashville Business Journal*: Book of Lists 2020-2021 – Principal Employers and Number of Employees.

Private-Sector Business Investment and Job Creation

Since July 1, 2021, the Nashville Area Chamber of Commerce announced numerous relocations and expansions of corporations and businesses into the Metropolitan Government, collectively yielding millions in economic impact and creating thousands of new permanent and temporary jobs in Nashville. Continued expansion in Nashville has occurred in recent years with the relocation of corporate and regional headquarters of various companies and industries specializing in technology, e-commerce, manufacturing, distribution and many other areas where the local economy of the Metropolitan Government has become stronger and more competitive compared to other major cities.

Oracle Corp.

On May 4, 2021, the Metropolitan Council voted unanimously to approve the development plan of Oracle Corp. ("Oracle") for the construction of its new campus within the Metropolitan Government's industrial riverfront located in East Nashville (i.e. the East Bank). Oracle is a computer technology corporation best known for its software products, cloud-engineering services and systems and database management systems. This transformational \$1.2 billion investment for the development of Oracle's 65-acre campus is the largest private investment and largest job creation deal in the history of Nashville, wherein it is anticipated to create around 8,500 new permanent jobs by the end of 2031 that pay an average annual wage of \$110,000. This development is also anticipated to create around 11,500 ancillary jobs and around 10,000 temporary jobs during the construction period.

As part of the development plan this deal, the Metropolitan Government agreed to divert fifty percent (50%) of Oracle's property taxes for up to 25-years, to the extent necessary to reimburse Oracle for its up-front \$175 million investment into Nashville's public infrastructure located in and around the Oracle campus.

Amazon

In 2018, the American multinational e-commerce and technology company ("Amazon") announced its plans to invest \$230 million in Nashville to build its newest operations center to be located at Nashville Yards in downtown Nashville. This mixed-use development included plans for a new operations center combined with a massive complex of hotels, shops, restaurants, apartments, offices and a 1.3-acre park. The new Amazon operations site includes management and tech-focused jobs, including software developers, customer fulfillment, transportation, supply chain, and various other employment opportunities.

The \$230 million investment is expected to create approximately 5,000 new permanent jobs at the Amazon operations center. Based on the company creating 5,000 new permanent jobs, Amazon will receive performance-based incentives of up to \$102 million, being inclusive of: (i) a \$65 million cash grant for expenditures from the State of Tennessee; (ii) a \$15 million cash grant from the Metropolitan Government; and (iii) a \$22 million job tax-credit to offset Tennessee franchise and exercise taxes.

As of 2022, Amazon currently employs 2,500 people at its operations site, wherein the employees earn an average annual wage of \$150,000. These innovative and highly compensated employment opportunities are expected to continue to boost the Nashville economy, provide workers with attractive and equitable opportunities, and distinguish Nashville from other major cities by making it a premiere location for business investment and career opportunities.

Other Nashville Business Investment

Over the past two years, many national and global companies have relocated and/or expanded their headquarters or operations site into Nashville or announced their intention to do so. For example, Capgemini, the global information technology consulting firm, announced it will invest \$20.1 million to establish operations in Nashville. Headquartered in France and located in 50 countries, Capgemini will create a minimum of 500 new jobs, with projected growth of up to 1,000 jobs, as the company launches its first Tennessee delivery center at Broadwest in Nashville.

Additionally, Smart, the London-based retirement fintech company has chosen Nashville for its United States headquarters. The Smart relocation project will create nearly 130 new jobs and yield a \$2.2 million investment into Nashville.

Other business investment successes within Nashville include the establishment of the first Amazon Air cargo aircraft ("Amazon Air") at the Nashville International Airport ("BNA"). Amazon Air will use over 39,000 square feet of space at BNA. Amazon Air's Nashville gateway at BNA will include an onsite area to sort packages bound for their next destination and will be managed by an Amazon logistics partner, LGSTX Cargo Services. The Amazon Air's Nashville gateway is anticipated to create and support more than 70 jobs.

Firestone Building Products ("Firestone") has also announced the expansion of its Nashville operations. Headquartered in Nashville with operations worldwide, Firestone was recently acquired by Holcim Participations (US) Inc., a global leader in sustainable building solutions. This Firestone project will create 28 new permanent jobs and yield an estimated \$13 million investment into Nashville.

Nashville Record Pressing will establish operations in Nashville, which includes relocating its headquarters, and establishing certain manufacturing, distribution, and back-office functions. Nashville Record Pressing is estimated to invest \$13.3 million into this expansion which is estimated to create 255 new permanent jobs in Nashville.

Iron Galaxy Studios will invest \$950,000 to establish a new video game development studio located in Nashville. As part of Iron Galaxy Studios' expansion to Nashville, this expansion is estimated to create 108 new permanent tech jobs over the next five years.

Chick-fil-A Supply® officials announced that the company will expand its operations, selecting Antioch, Tennessee as the location for its fourth United States distribution center. Chick-fil-A will invest an estimated \$16.3 million into this expansion which subsequently will create 45 new jobs.

Manufacturing

As of December 2021, an average of 82,100 persons were employed in the manufacturing industries in the MSA, engaging in a wide range of activities and producing a variety of products, including food, tobacco, textiles and furnishings, lumber and paper, printing and publishing, chemical and plastics, leather, concrete, glass, stone, primary metals, machinery and electronics, motor vehicle equipment, measuring and controlling devices, and consumer products. Nashville MSA's largest manufacturing employers include Nissan North America, Bridgestone Americas, Electrolux Home Products, A.O. Smith Water Products and Vought Aircraft Industries.

Trade

Nashville is the major wholesale and retail trade center for the MSA along with some 50 counties in the central region of the State of Tennessee, southern Kentucky and northern Alabama. Nashville is a retail trade area of more than 2.3 million people with consumer spending by Nashville MSA residents that exceeds \$32.0 billion. Nashville is one of the top 50 retail markets in the United States. In the Nashville region, there are 245 shopping centers with 37.3 million square feet of gross leasable area. Nine of these centers are super-regional and 15 are regional.

Agriculture

Nashville is surrounded by agricultural-based economies. The area encompassing middle Tennessee produces livestock, dairy products, soybeans, small grain, feed lot cattle, strawberries, hay and tobacco.

Transportation

Nashville serves as a conduit or trans-shipment point for much of the traffic between the northeast and southeast United States. Three interstate highways extending in six directions intersect in Nashville in addition to nine Federal highways and four State highways. Barge service on the Cumberland River, together with good rail and air services, give Nashville an excellent four-way transportation network.

The Cumberland River, connecting Nashville and the surrounding area to the Gulf of Mexico and intermediate points on the Ohio and Mississippi Rivers, is used by 51 commercial operators, 18 of which serve Nashville. With the completion of the Tennessee-Tombigbee Waterway in 1985, Cumberland River freight is able to reach the Port of Mobile, thereby eliminating approximately 600 miles of the distance from Nashville to the open sea and contributing to the development of foreign trade in Nashville. In addition, the Federal Government in 1982 approved Nashville as a Foreign Trade Zone, a secured area

supervised by the United States Customs Service, which provides for the storing of foreign merchandise without duty payments.

The CSX System, a major national railroad, serves Nashville. In addition, five major rail lines link Nashville to all major markets in the nation. Rail carriers interchange freight and cooperate in providing and extending transit privileges covering both dry and cold storage and the processing or conversion of materials.

A commuter rail service from Lebanon, Tennessee to Nashville, approximately 32 miles, known as the Music City Star, commenced transportation services in the September of 2006. It is operated under the direction of the Regional Transportation Authority, a multi-county agency. The ticket price includes Metropolitan Transportation Authority (“MTA”) bus service on circulator routes in the downtown area.

In 1973, the Metropolitan Government acquired the net assets of the Nashville Transit Company and the Metropolitan Transit Authority was established. MTA provides a comprehensive public transportation system covering the entire metropolitan area. In addition to regularly scheduled bus routes, MTA provides special transportation services for the handicapped and operates bus service in the downtown area for shoppers, tourists and downtown workers. The revenues derived from the transit system are not sufficient to pay the expenses incurred in the operation of the system. The Metropolitan Government and the State of Tennessee contributed during the Fiscal Year ended June 30, 2020, approximately \$48.636 million and \$5.264 million, respectively, to pay approximately 63.1% of the MTA’s operating expenses. The State of Tennessee directs revenues from a two cent per gallon gasoline tax, which it imposes on local governments that may be applied to mass transit. The contribution of the Metropolitan Government was paid from its general revenues.

The Metropolitan Nashville Airport Authority (the “Airport Authority”) owns BNA and the John C. Tune airport. Funding for the Airport Authority’s capital and operating expenses is provided exclusively from Airport Authority revenues. BNA is situated approximately eight miles from downtown Nashville. Notwithstanding the adverse impacts of the COVID-19 pandemic, air travel at BNA increased 87.3% during the Authority’s Fiscal Year 2020. The passenger volume at BNA, during the months July 2021 through November 2021 exceeded the record-setting numbers set in 2019 for the same months. As of the end of Calendar Year 2021, BNA served more than 15.5 million total passengers. Additionally, during the summer, the number of scheduled nonstop airlines routes scheduled at BNA reached a record high of service to flying 88 non-stop markets. To learn about the aviation activity with BNA, visit <https://flynashville.com/news/2021-a-year-in-review-for-nashville-international-and-john-c-tune-airports>.

In May 2018, Metropolitan Government voters rejected a \$9 billion transit funding program aimed at relieving congestion in Nashville and the surrounding region. The Metropolitan Government expects to continue to pursue some type of transit program in the future. The Metropolitan Mayor has proposed a \$1.6 billion transit plan that would be implemented over the course of approximately ten years. The proposed transit plan’s focus areas include modernizing the Metropolitan Government’s traffic management system, upgrading the MTA bus system, and investing in neighborhood infrastructure including sidewalks, bikeways, and greenways. The Metropolitan Mayor’s proposed plan was approved by the Metropolitan Council on December 15, 2020, but funding sources have not yet been finalized.

Construction

Construction in Nashville is illustrated by the table on the following page more fully describing the number and value of building permits issued by the Department of Codes Administration of the Metropolitan Government.

The first quarter of 2022 reported Nashville's direct office vacancy to be 18.6%. Overall vacancy has gradually decreased each quarter with large sublease occupancies and companies bringing their employees back to the office. Overall market rent is up 4.2% year-over-year at an average of \$32.14 per square foot, and class A rents continue to surge. The urban core, which consists of the CBD and Midtown submarkets, posted the highest rates for the quarter at \$34.54 per square foot and \$44.08 per square foot. Nashville's office market recorded 410,937 square feet of leasing activity for the first quarter of 2022. In the Airport North submarket, Genesco finalized its move into 193,319 square feet at Highland Ridge Tower. Firestone also contributed to this submarket, moving into 32,000 square feet at One Century Place.

In addition, Oracle signed 30,065 square feet at Radius in Midtown, and Kimley Horn occupied 24,000 at Peabody Plaza. Nashville recorded over 3.0 msf of Class A product currently under construction in the first quarter of 2022. Most new projects are concentrated in the urban core, with the CBD and Midtown submarkets totaling 84.0% of Nashville's development pipeline. Significant speculative projects include one22one – 365,000 sf (14% pre-leased), the Moore Building – 234,000 sf (9.0% pre-leased), 17th & Grand – 165,629 sf (22% pre-leased), and Platform 2000 – 650,000 sf which secured anchor tenants Pinnacle Bank and Bass, Berry & Sims. Nashville recorded 160,169 square feet of positive absorption for the first quarter of 2022, the third consecutive quarter of occupancy gains since the COVID-19 pandemic.

In the industrial sector, overall industrial vacancy ended the first quarter of 2022 at 2.9%. Industrial rent growth increased 6.4% from last quarter at \$6.55 psf. Nashville's industrial market recorded nearly 2.0 million square feet (msf) of leasing activity in the first quarter of 2022. More than 1.2 msf of new construction was completed in the first quarter of 2022, and the industrial market posted nearly 14.0 msf of product currently under construction, breaking last quarter's construction record of 11.4 msf. Over the last two years, demand in the Nashville industrial market has remained incredibly strong.

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THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NUMBER AND VALUE OF BUILDING PERMITS
(For the Calendar Years 2012-2021)

	RESIDENTIAL CONSTRUCTION		NON-RESIDENTIAL CONSTRUCTION		REPAIRS, ALTERATIONS, AND INSTALLATIONS		OTHER ⁽¹⁾			
Calendar Year	Number of Permits	Permit Value	Number of Permits	Permit Value	Number of Permits	Permit Value	Number of Permits	Permit Value	Total Number of Permits	Total Permit Value
2012	2,656	526,206,509	735	621,590,087	4,850	431,579,639	2,047	34,340,897	10,288	1,613,717,132
2013	3,406	737,396,336	762	493,330,146	3,405	455,745,450	2,135	23,344,644	9,708	1,709,816,576
2014	4,579	1,163,334,572	696	692,801,880	3,244	397,757,642	2,522	23,934,719	11,041	2,277,828,813
2015	5,774	1,428,091,853	762	937,747,113	2,988	441,598,956	2,862	38,771,613	12,386	2,846,209,535
2016	5,858	1,751,681,098	1,136	1,607,184,808	2,737	562,151,606	2,694	21,911,674	12,425	3,942,929,186
2017	5,537	1,084,398,438	1,196	1,996,276,985	2,342	572,053,980	2,642	24,394,733	11,717	3,677,124,136
2018	5,536	989,334,771	866	1,931,789,059	2,458	639,160,352	2,771	15,622,773	11,431	3,575,906,955
2019	5,195	968,600,069	1,056	2,598,254,537	2,374	607,178,804	2,388	26,243,063	11,013	4,200,276,473
2020	5,065	1,087,364,258	1,262	2,849,430,768	2,245	637,530,427	2,893	48,416,444	11,465	4,658,741,897
2021	5,840	1,354,609,341	1,422	3,233,814,213	1,935	849,251,371	2,877	59,010,065	12,074	5,496,684,990

⁽¹⁾ Includes moved residential buildings, house trailers, and the demolition of residential and non-residential buildings and signs & billboard permits.

Source: The Metropolitan Government of Nashville and Davidson County Department of Code Administration

Healthcare

Nashville is one of the nation's leaders in the healthcare field. HCA Healthcare has its headquarters and operates several hospitals in the surrounding area. Vanderbilt University Medical Center and St. Thomas Hospital are Nashville's other primary hospitals.

The Metropolitan Government relocated the city-owned hospital, the Metropolitan Nashville General Hospital, to Hubbard Hospital of Meharry Medical College in 1998. In addition, Meharry provides medical staff to the Metropolitan Nashville General Hospital. The arrangement provides Nashville with a renovated facility staffed with residents from Meharry Medical College.

Higher Education

The Nashville MSA includes 15 colleges and universities, including Vanderbilt University, Belmont University, Tennessee State University, David Lipscomb University, Meharry Medical College, Nashville State Technical Institute and Fisk University. Total higher education enrollment exceeds 65,000 students annually. Seven of Nashville's institutions of higher education offer graduate programs. Nashville is also a leading center for medical research and education with Vanderbilt University emphasizing medical research in addition to its programs in other disciplines and with Meharry Medical College specializing in health care delivery.

Professional Sports

The Metropolitan Government is home to four professional sports franchises, all of which are located in or near downtown Nashville. The National Hockey League's ("NHL") Nashville Predators currently plays their hockey games in the Bridgestone Arena. Nashville hosted the NHL All-Star game in 2017. The NFL's Tennessee Titans have played their football games in Nissan Stadium since 1999. Nashville hosted the NFL draft in 2019. The Nashville Sounds – the AAA affiliate of the Oakland Athletics – play their baseball games in First Horizon Ballpark. Nashville Soccer Club became a member of the MLS and plays its games at Nissan Stadium until the MLS Stadium is completed. See "CONTINGENT DEBT AND PAYMENT LIABILITIES" above.

Cultural Facilities

Library System

The Nashville Public Library system includes a 300,000 square feet downtown main library and 20 community branches located across the county. In addition, an extensive online offering of books and resources has extended its reach beyond the traditional branch system. The library facilities host numerous in-house programs and community events throughout the year. In the Fall of 2019, the State of Tennessee completed the construction in downtown Nashville of a 165,000 square foot library and archives.

Performing Arts

The Tennessee Performing Arts Center is the first state-funded facility of its kind in the nation and is home to the Nashville Ballet, the Nashville Opera Association, and the Tennessee Repertory Theatre. The arts center occupies an entire city block, and its venues include Andrew Jackson Hall (2,472 seats), the James Polk Theater (1,075 seats), the Andrew Jackson Theater (256 seats), and the War Memorial Auditorium (1,661 seats). The Tennessee Performing Arts Center plays host to numerous events each year, including an annual series of Broadway plays. The Nashville Children's Theater is home to the oldest professional theater for children in the county. Thousands of school age children and

adults are treated to a variety of productions each year. The Schermerhorn Symphony Center is an 1,844-seat concert hall located in downtown Nashville, which hosts the Nashville Symphony.

Museums and Visual Arts

The Frist Art Museum occupies the former Nashville's historic downtown former post office building. A public-private partnership between the Metropolitan Government, the Frist Foundation and the Dr. Thomas F. Frist, Jr. family, the Frist Center contains more than 24,000 square feet of gallery space capable of showcasing major national and international visual arts exhibitions.

The Parthenon, located in Nashville's Centennial Park, is a full-scale replica of the original building in Athens, Greece. The reproduction was built to honor Nashville's reputation for education and has attracted visitors since 1897. The recently restored building serves as Nashville's permanent art museum, holding a collection of paintings by 19th and 20th century American artists.

Cheekwood Botanical Garden and Art Museum is a 55-acre site that includes the original Cheek gardens, with pools, fountains, statuary, extensive boxwood plantings and breathtaking views of the rolling Tennessee hills. The Museum of Art is housed in a 30,000-square foot Georgian-style mansion and contains world-class collections of American and contemporary painting and sculpture, English and American decorative arts and traveling exhibitions. Collections also include silver, and the most comprehensive collection of Worcester porcelain in America.

Vanderbilt University's Fine Arts Gallery showcases six exhibitions each year that represent Eastern and Western art and an international collection of works. The Van Vechten Gallery at Fisk University houses more than 100 pieces from artists like Picasso, Renoir, and O'Keeffe. For religious art, there's a wooden 8-foot-by-17-foot carving of "The Last Supper" based on Leonardo da Vinci's masterpiece at The Upper Room Chapel along with a striking 9,000-mosaic stained glass World Christian Fellowship Window. The museum at the Upper Room also has outstanding religious works, besides two annual displays of nearly 70 Ukrainian Easter eggs in April and more than 100 Nativity scenes in December.

The Country Music Hall of Fame and Museum is one of the world's largest and most active popular music research centers and the world's largest repository of country music artifacts. In May 2001, the Museum moved to a new 130,000 square foot facility in downtown Nashville. In 2014, the Museum expanded to 350,000 feet to connect to the new Omni headquarters hotel described below.

The Adventure Science Center features a state-of-the-art Planetarium as well as exhibits and programs which focus on geology, zoology, ecology, physics and other sciences. The Nashville Zoo at Grassmere is a zoological garden and historic plantation farmhouse located six miles from downtown. The Zoo contains over 6,000 individual animals and attracts approximately 950,000 visitors each year. The Tennessee State Museum celebrates its 85th anniversary this year. The museum opened in the Bill Haslam Center in October 2018 with 137,000 square feet of administration and gallery space.

Music City opened the National Museum of African American Music in 2021. This museum celebrates the history of Black music in America and has the mission to educate the world, preserve the legacy, and educate visitors on the central role African Americans played in creating American music.

Music Concert Venues

The Metropolitan Government hosts large concert events at either Bridgestone Arena or Nissan Stadium. Smaller indoor venues include the Ryman Auditorium – the 2,362-seat original home of the Grand Ole Opry – and the new Grand Ole Opry, a 4,372-seat theater venue located near Gaylord

Opryland Resort & Convention Center that hosts America's longest running live radio show. The Metropolitan Government opened the Ascend Amphitheater in 2015, which maintains capacity of 6,800 and is located downtown, adjacent to the Cumberland River. The 4,500-seat Woods Amphitheatre at Fontanel is located nine miles north of downtown.

Tourism

Tourism is a major industry in Nashville consistently ranking in the top three producers. The Nashville Convention and Visitors Corporation and Tourism Economics estimate that visitors spent an \$4.4 billion in 2020.

The Nashville MSA has more than 466 hotels offering 54,499 rooms.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY MSA HOTEL AND MOTEL ROOMS AND OCCUPANCY RATE (For the Calendar Years 2012-2021)

Calendar Year	Rooms Available	Occupancy Rate
2012	36,263	66.80%
2013	37,124	69.80%
2014	37,824	72.50%
2015	38,721	73.70%
2016	40,558	75.10%
2017	41,733	74.10%
2018	44,335	73.30%
2019	47,676	73.50%
2020	50,654	40.88%
2021	54,499	59.10%

Source: The Metropolitan Nashville and Davidson County Conventions and Visitors Corporation.

Conventions and Corporate Meetings

Nashville's Music City Center opened in May 2013 and features a 350,000 square foot exhibit hall, 75,000 square feet of ballroom space (consisting of a 57,000 square foot grand ballroom and an 18,000 square foot junior ballroom), 90,000 square feet of meeting rooms, 31 loading docks and a parking garage with 1,800 spaces. The Center's location created a high demand for hotel rooms, particularly full-service properties. An 800-room full-service Omni headquarters hotel opened in September 2013 next to the Music City Center. In the Fall of 2016, a 454-room full-service Westin Hotel opened adjacent to the Music City Center. A 533-room J W Marriott opened in 2018. Several smaller hotels have also opened near the Music City Center. The Music City Center and its adjacent hotels are located within walking distance of the downtown entertainment district described below.

Located approximately ten miles from downtown is the Gaylord Opryland Resort & Convention Center, the third largest hotel/convention center under one roof in the United States. The complex features 2,881 hotel rooms, 263,000 square feet of exhibit space and 300,000 square feet of meeting space. A \$90 million indoor waterpark was completed in December 2018. Adjacent to the Gaylord Opryland Resort & Convention Center is the Grand Ole Opry, described above, and Opry Mills – a 1.1 million square foot

megamall, which opened in May 2000. The mall contains 200 stores, theme restaurants, a 20-screen multi-theater complex and an IMAX theater.

Downtown Entertainment District

The downtown entertainment district encompasses approximately 20 square blocks centered around historic Lower Broadway (or Lower Broad). Lower Broad consists primarily of historic brick restaurants and bars that feature live music with no cover charge. Many of the restaurants and bars are owned and/or sponsored by current and past music artists. Lower Broad is a short walk to the Music City Center and its adjacent hotels, Nissan Stadium, Bridgestone Arena, the Ryman, the Country Music Hall of Fame and Museum and most other downtown Nashville attractions. The Convention Center, Omni, Westin and J W Marriott hotels are located downtown in the Metropolitan Government's Central Business District, and are within walking distance of many notable attractions, including, the Bridgestone Arena, the Ryman Auditorium, Frist Center for the Visual Arts, Schermerhorn Symphony Center, Musicians Hall of Fame and Museum and the Johnny Cash Museum.

Seasonal, Festival and Sporting Events

Downtown Nashville annually hosts several seasonal, festival and sporting events. Downtown Nashville hosts one of the nation's largest New Year's Eve parties each year, with approximately 100,000 people coming to downtown for fireworks and live music. Nashville also hosts a four-day music festival each June known as CMA Music Fest. The event includes performances by more than 100 entertainers and groups, autograph sessions and activities directed at the attendees. Nissan Stadium hosts the college football Music City Bowl each December, and the Bridgestone Arena is a regular host for Southeastern Conference and NCAA men's and women's basketball tournaments.

Education

As more fully described above, the Metropolitan Nashville public schools make up the second largest school system in Tennessee. The following table illustrates Metropolitan Nashville's school system's enrollment and attendance trends:

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY PUBLIC SCHOOLS ENROLLMENT AND ATTENDANCE (For the School Years 2011-2012 – 2020-2021)

School Year	Total Enrollment	Average Attendance
2011-2012	79,117	75,072
2012-2013	81,077	76,946
2013-2014	82,863	75,190
2014-2015	84,500	76,252
2015-2016	85,797	77,791
2016-2017	86,633	78,098
2017-2018	85,379	77,117
2018-2019	86,292	77,218
2019-2020	84,358	77,474
2020-2021	81,684	74,577

Source: The Metropolitan Government of Nashville and Davidson County.

Metro Nashville Public Schools, as Tennessee’s second largest school district (the “District”), announced on January 12, 2021 that it will receive an additional \$123 million of the more than \$1.1 billion COVID-19 relief funding to be received by the Tennessee Department of Education (“TDOE”) as a part of the U.S. Congress latest COVID-19 relief package. The District and TDOE are currently engaged in ongoing discussions related to the District’s requests for reimbursement of grant funds. TDOE has stated that additional grant funding may be delayed. The District has vowed to timely comply with the requirements of the TDOE and is now putting together a plan, including how it will expend the one-time supplemental relief funding. The funds can be used to address the needs of special student populations, purchasing technology, summer programs, supplemental after-school programs, mental health services and staffing needs. The District anticipates prioritizing the use of the funds to directly address COVID-19 needs through hiring nurses and partnering with healthcare facilities, including Meharry Medical College, to make rapid testing available to students and staff. These COVID-19 relief funds could also be applied toward facility improvements. The District must fully expend the COVID-19 relief funds by the Summer of 2023.

APPENDIX C

FORM OF OPINIONS OF BOND COUNSEL

[Form of Opinion of Bond Counsel – Series 2022 Bonds]

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENTS

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY**

\$ _____
**GENERAL OBLIGATION
IMPROVEMENT BONDS,
SERIES 2022A**

\$ _____
**GENERAL OBLIGATION
IMPROVEMENT BONDS
SERIES 2022B**

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this ____ day of August 2022 by The Metropolitan Government of Nashville and Davidson County (the “Issuer”) in connection with the issuance of its \$ _____ General Obligation Improvement Bonds, Series 2022 (the “Bonds”). The Issuer hereby covenants and agrees as follows:

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

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

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

“**Fiscal Year**” shall mean any period of twelve consecutive months adopted by the Issuer as its fiscal year for financial reporting purposes and shall initially mean the period beginning on July 1 of each calendar year and ending June 30 of the following calendar year.

“**MSRB**” shall mean the Municipal Securities Rulemaking Board.

“**Official Statement**” shall mean the Official Statement of the Issuer, dated July 11, 2022, relating to the Bonds.

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

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

“**Resolution**” shall mean the authorizing bond resolution adopted by the Metropolitan County Council of the Issuer on June 21, 2022.

“**State**” shall mean the State of Tennessee.

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

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

(a) **Annual Financial Information.** For Fiscal Years ending on or after June 30, 2022, the Issuer shall provide annual financial information and operating data within twelve (12) months after the end of the Fiscal Year. The annual financial information and operating data shall include:

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

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

1. INTRODUCTION – Historical Summary of Major Fund Results
2. REVENUES – Property Taxation – Tables Entitled “Ten-Year History of Assessed Valuation” and “Principal Property Taxpayers”
3. The tabular pension and OPEB information presented under EXPENDITURES
4. CAPITAL FINANCING AND BONDS – Current Capital Improvements Budget
5. CAPITAL FINANCING AND BONDS – Debt Calculations
6. DEMOGRAPHIC AND STATISTICAL INFORMATION – Population Growth
7. DEMOGRAPHIC AND STATISTICAL INFORMATION – Employment
8. The tabular information presented under DEMOGRAPHIC AND STATISTICAL INFORMATION – Construction
9. The tabular information presented under DEMOGRAPHIC AND STATISTICAL INFORMATION – Tourism
10. The tabular information presented under DEMOGRAPHIC AND STATISTICAL INFORMATION – Education

(b) **Audited Financial Statements.** For Fiscal Years ending on or after June 30, 2022, the Issuer shall provide audited financial statements, prepared in accordance with generally accepted accounting principles, if and when available, if such audited financial statements are not included with the annual financial information described in subsection (a) above.

(c) **Event Notices.** The Issuer will provide notice of the following events relating to the Bonds in a timely manner, not in excess of ten (10) business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances (including disclosure as to whether the Bonds have been defeased to their maturity or to a preceding call date);
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation* of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

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

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

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

SECTION 4. Methods of Providing Information.

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

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

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

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

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

SECTION 5. Amendment.

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

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

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

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any disclosure required hereunder, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure.

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

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

SECTION 10. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 11. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

[Signatures on Following Page]

[Signature Page for the Continuing Disclosure Agreement for the Series 2022 Bonds]

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY**

By: _____
John Cooper
Metropolitan Mayor

ATTEST:

Austin Kyle
Metropolitan Clerk

**APPROVED AS TO FORM AND
LEGALITY:**

Wallace W. Dietz, Esquire
Director of Law