



JASON E. MUMPOWER
Comptroller

September 23, 2025

Mr. Douglas Kreulen, President
and Board of Commissioners
Metropolitan Nashville Airport Authority
140 BNA Park Drive, Suite 520
Nashville, TN 37214

Dear Mr. Kreulen and Members of the Board:

Thank you for your recent correspondence. We acknowledge receipt on September 12, 2025, of a request from the Metropolitan Nashville Airport Authority (the "Authority") for a report on its plan of refunding (the "Plan") for the Authority's proposed issuance of an estimated:

- \$71,190,000 Airport Improvement Revenue Bonds, Refunding, Series 2026C (Non-AMT)
- \$85,605,000 Airport Improvement Revenue Bonds, Refunding, Series 2026D (AMT)

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

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

Sincerely,

A handwritten signature in black ink that reads "Sheila A. Reed".

Sheila Reed
Director of the Division of Local Government Finance

cc: Ms. Jean Suh, Audit Review Manager, Division of Local Government Audit, COT
Ms. Lauren Lowe, Managing Director, PFM Financial Advisors, LLC
Mr. John Pirog, Hawkins Delafield & Wood LLP

Enclosure: Refunding Report
SR:lb



Report on Airport Improvement Revenue Bonds, Refunding Series 2026 Metropolitan Nashville Airport Authority

This report is being issued pursuant to Tenn. Code Ann. §§ 9-21-1003 and 42-4-109 and is based upon information as presented in a plan of refunding (the “Plan”) received by our office on September 12, 2025, from the Metropolitan Nashville Airport Authority (the “Authority”). Our report provides information to assist the governing body in its responsibility to understand the nature of the refunding transaction, including the costs, risks, and benefits, prior to approving the issuance of the refunding bonds and is designed to provide consistent and comparable information for all local governments in Tennessee.

This report does not constitute approval or disapproval of the Plan or a determination that a refunding is advantageous or necessary nor that any of the refunded obligations should be refinanced or remain outstanding until their respective dates of maturity. This report and the Authority’s Plan must be presented to the governing body prior to the adoption of a refunding bond resolution.

PROPOSED REFUNDING TRANSACTION

The Authority is considering two different repayment structures: (1) Upfront Savings: where savings will occur in the first few years of the repayment structure; and (2) Uniform Savings: where savings will be uniformly distributed in each year of the repayment structure. This report speaks to the individual structures separately.

The Authority intends to issue Airport Improvement Revenue Bonds, Refunding Series 2026C&D (the “Series 2026 Bonds”) at a premium by negotiated sale to current refund its \$165,990,000 Airport Improvement Revenue Bonds Series 2015A&B (the “Series 2015 Bonds”) as summarized below.

	<u>Upfront Savings</u>	<u>Uniform Savings</u>
Series 2026 Bonds - Par Amount	\$156,560,000	\$156,795,000
Series 2026 Bonds - Premium	11,233,334	10,997,430

BENEFITS

The Authority's stated objective for the refunding is debt service savings. The estimated savings for the two proposed structures are based on the refunded principal amount of \$165,990,000 for the Series 2015 Bonds.

	<u>Upfront Savings</u>	<u>Uniform Savings</u>
Savings Amount	\$6,735,554	\$6,935,667
% of Refunded Principal	4.06%	4.18%

Report on Plan of Refunding
Metropolitan Nashville Airport Authority

COSTS

Estimated costs of issuance for the two proposed structures are summarized below and are based on the par amounts for the Series 2026 Bonds identified above.

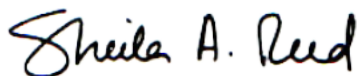
	Upfront Savings		Uniform Savings	
		per \$1,000		per \$1,000
Underwriters	\$ 391,400	\$ 2.50	\$ 391,988	\$ 2.50
Bond Counsel (Hawkins)	75,000	0.48	75,000	0.48
Issuer's Counsel	50,000	0.32	50,000	0.32
Disclosure Counsel	90,000	0.57	90,000	0.57
Rating Agencies	150,000	0.96	150,000	0.96
Financial Advisor (PFM)	150,000	0.96	150,000	0.96
Other Costs	10,000	0.06	10,000	0.06
	<u>\$ 916,400</u>	<u>\$ 5.85</u>	<u>\$ 916,988</u>	<u>\$ 5.85</u>

Balloon Indebtedness

Both proposed structures do not constitute balloon indebtedness as defined in Tenn. Code Ann. § 9-21-133. If the structure is revised, the Authority is responsible for ensuring compliance with the requirements of state law.

Effective Date for this Report

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



Sheila Reed
Director of the Division of Local Government Finance
Date: September 23, 2025