



Annual Comprehensive Financial Report

For The Year Ended | June 30, 2021

The Metropolitan Government of Nashville and Davidson County
Nashville, Tennessee
John Cooper, Mayor

COVER PHOTOGRAPH ACKNOWLEDGEMENT:

Photograph courtesy of Nashville Convention & Visitors Corporation

THE METROPOLITAN GOVERNMENT
OF
NASHVILLE AND DAVIDSON COUNTY, TENNESSEE

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2021

Prepared by
DEPARTMENT OF FINANCE

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

JOHN COOPER
MAYOR

OFFICE OF THE MAYOR
METROPOLITAN COURTHOUSE
NASHVILLE, TENNESSEE 37201
PHONE: (615) 862-6000
EMAIL: mayor@nashville.gov

October 31, 2021

To the Citizens of Nashville and Davidson County, Tennessee:

FORMAL TRANSMITTAL OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Metropolitan Government of Nashville and Davidson County, Tennessee (the Government) for the fiscal year ended June 30, 2021. Responsibility for both the accuracy of the data, completeness, and fairness of the presentation, including all disclosures, rests with the management of the Government. To the best of our knowledge and belief, the financial report is accurate in all material respects and fairly presents the financial position and results of operations of the funds and component units of the Government in accordance with generally accepted accounting principles (GAAP). All disclosures necessary to enable the reader to gain an understanding of the Government's financial activities have been included.

The Government is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended, and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedules of federal and state financial assistance, findings and recommendations, and independent auditors' reports on the internal control structure and compliance with applicable laws and regulations, are not included herein but are reported separately.

In conformity with generally accepted accounting principles, this report includes all funds of the primary government and all component units. For purposes of this report, the primary government includes all departments and agencies of the Government which are not separate legal entities, including the Department of Water and Sewerage Services and Metropolitan Nashville Public Schools. The component units include those separate legal entities whose relationships with the primary government meet the criteria for inclusion.

The Government is required to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is intended to complement MD&A and should be read in conjunction with it. The Government's MD&A can be found immediately following the report of the independent auditors.

METROPOLITAN GOVERNMENT AND THE REPORTING ENTITY

The Metropolitan Government is the capital and most populous city of the State of Tennessee. It is located on the Cumberland River in northern Middle Tennessee. 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 Interstates 24, 40, and 65.

On June 28, 1962, the voters of the City of Nashville and Davidson County approved the Charter of the Metropolitan Government (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" (the "Metropolitan Government"), under which the boundaries of Nashville and Davidson County are co-extensive.

The executive and administrative powers are vested in the Metropolitan Mayor (the "Mayor"), who is elected at large for a four-year term. The 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 Mayor's veto. The Charter also provides for a 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 40 members who are elected for four-year terms: 35 are elected from council districts and five are elected at large.

The Charter provides a framework for the Metropolitan Government in Nashville to serve the needs of two service districts: (i) the General Services District ("GSD") and (ii) the Urban Services District ("USD"). The GSD embraces the entire area of Davidson County and is taxed to support those services, functions, and debt obligations, which are deemed properly chargeable to the whole population. Such services include general administration, police, fire protection, courts, jails, health, 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 as they existed on April 1, 1963, the date of consolidation. The residents of the USD are charged an additional tax to support those services, functions, and 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 Tennessee. The Metropolitan Government provides tax-supported funding for school capital and operating expenses. School system operations are managed by the Metropolitan Board of Education ("MBE"), consisting of nine publicly elected members.

LOCAL ECONOMY

Strategically located in the heart of the Tennessee Valley, the City of Nashville and Davidson County is where individuals, families, communities, and businesses thrive. There is a creative spirit in Nashville that resonates across industries and communities. The Nashville economic market encompasses a population of more than seven hundred thousand. The local economy is a well-balanced blend of financial, wholesale, retail, manufacturing, and service industries. Computer technology, automotive, healthcare, private prison management, insurance, banking, publishing, telecommunications and entertainment companies, and private educational institutions all find a home in Nashville. The local mix of these industries roughly reflects the national economy, with no single industry being predominant in the region.

Nashville is one of the country's most attractive growth centers. According to local non-profit business federations and organizations, Nashville has ranked within the top ten large metros for job growth and population growth for the past eight years. The Nashville Metropolitan Statistical Area (MSA) economy has historically been healthier than the National and State economies, with lower unemployment than the State as a whole. Many corporate headquarter giants call Nashville home including Nissan North America, HCA Healthcare, Bridgestone Americas, Amazon, Asurion, Community Health Systems, Saint Thomas Health,

AllianceBernstein, ICEE, and iHeartMedia. Oracle announced in April of 2021 that Nashville be home for its new headquarters bringing 8,500 jobs and \$1.2 billion investment to Nashville. This is unrivaled in the history of Tennessee economic development projects.

The Nashville region's job growth has been in the top 5% of all metro areas in the country over the last five-year period. With a rich economic, social, and cultural environment, the city consistently scores high in national rankings of preferred business locations, best places to live and favorable environments for the creation and development of businesses.

Like other governments, COVID-19 impacted Nashville with a decline in activity-based revenues, most notably local option sales tax, because of reduced consumer spending and tourism. In order to continue to implement major initiatives, a \$1.066 increase in the property tax rate was enacted. There had not been an increase in the property tax rate since 2013. Metro continues to maintain the lowest property tax rate among Tennessee's four largest cities.

TALENT AND WORKFORCE

Middle Tennessee is a magnet for talent, young graduates and the types of workers new and growing industries seek. Considered a national hub for the creative class, the Nashville region's educated workforce provides an abundant talent pool for companies. This workforce bolsters the region's vibrancy, artistic and musical essence, and competitive edge in technology and innovation. The Nashville region supports many innovative and aggressive local programs to recruit workers to the region and many of Nashville's most valuable workers come from the area's vast educational system with its 20 accredited four-year, two-year, tech schools and postgraduate institutions. According to local non-profit business federations and organizations, more than 124,000 students are enrolled in higher education in the Nashville region, the largest concentration in a four-state region. The Nashville region retains sixty percent of these graduates annually. Thirty-three percent of residents over age twenty-five have a bachelor's degree or higher, and over one hundred fifty thousand residents have graduate or professional degrees.

LIVABILITY AND QUALITY OF LIFE

Living and working in the Nashville area has many advantages. Nashvillians enjoy a higher standard of living than workers in other large metros. The region has a relatively low cost of living and high per capita income, resulting in more disposable income for its residents. Nashville routinely places at the top of national and international livability rankings. Nashville has a vibrant culture centered on creativity, music and entrepreneurship that complements its robust dining scene, popular entertainment venues and beautiful outdoor spaces.

Nashville is a destination of choice for tourism, conventions and special events including:

- Professional sports with the Tennessee Titans (National Football League) at Nissan Stadium, the Nashville Predators (National Hockey League) at Bridgestone Arena, the Nashville Sounds (Minor League Baseball) at First Horizon Park, and the Nashville Soccer Club (Major League Soccer) at the brand-new state of the art soccer stadium set for opening day on May 1, 2022.
- The music scene in Nashville is as diverse as the songwriters and musicians who make up the community with over 120 live performance venues including the historic Ryman Auditorium and Grand Ole Opry. Free live music can be found 365 days a year at the Honky Tonks and Americana, rock, pop, hip hop, and just about any other genre of music at a variety of venues around town. In addition, the National Museum of African American Music recently opened in January of 2021.
- Nashville is defined by its neighborhoods, each with its own distinct personality and character. There is a myriad of places to stay, eat, and shop including Downtown, 12th South, East Nashville, Germantown, the Gulch, Mid-town, and Music Row just to name a few.
- The Nashville area has over 200 public parks, 56 golf courses, 80 miles of paved bike trails and 30,000 acres of inland lake.

- Art, culture, and science abound in Nashville including the First Art Museum, Nashville Opera, Adventure Science Center, Country Music Hall of Fame and Museum, Hatch Show Print, Tennessee State Museum, Cheekwood Estate and Gardens, the Nashville Zoo, and over 180 arts-related non-profits.

MAJOR INITIATIVES

The Government is committed to a more effective government for all of Nashville, creating a city that works for everyone. After a year-plus of emergencies, disaster, and pandemic, this is an even greater imperative for our community as we rebuild and emerge stronger. As such, the following priorities drove spending in 2021 and established the budget in 2022.

- Ensure emergency response to the pandemic.

Protect the life, health, and safety of our residents and visitors, including advancing the critical and equitable distribution of the COVID-19 vaccine and supporting public health approaches to disease management, health equity and access, and behavioral health impacts of the pandemic.

- Invest in key recovery priorities for education, public safety and justice, economic opportunity, and fiscal sustainability.

Strengthen Nashville's public schools by addressing needs highlighted and challenged by our emergencies, supporting our teachers, and ensuring all students from every neighborhood have access to quality educational experiences.

Ensure community safety by reducing crime and quickly responding to emergencies, including enhancing violence prevention efforts, furthering community engagement capabilities, meeting the needs of our first responders and emergency managers, and supporting an equitable and fair criminal justice system.

Align to and affirm targeted and effective support for our youth, vulnerable citizens, essential workers, and small businesses to ensure their participation in the recovery and future growth of Nashville.

Continue to ensure our ability to meet fund balance policy minimums and obligations such as increased debt service and OPEB for Metro Government and MNPS.

- Sustain and further neighborhood infrastructure through transportation, sustainability, affordable housing, and neighborhood design and development.

Establish a Metro Department of Transportation to bring greater focus and accountability to how we connect our residents, businesses, schools, and neighborhoods, including transit, walking, biking, and right-of-way and curbside management.

Strengthen preservation of our natural resources, particularly with waste services, stormwater, and green energy.

Support the building, funding, and preserving of housing options via implementation of recommendations from the Affordable Housing Task Force; and

Ensure we are getting the basics right to foster livable communities, such as greenspace, recreation, libraries, and public health services, and the planning/zoning services that guide and design them.

The principles of effective, well-managed government – accountability, performance management, and efficiency – guides investment in the above priorities. It continues to be our charge to deliver a structurally balanced budget. This includes matching recurring expenses with recurring revenues; maintaining fund balances at least at minimum policy level; and funding our obligations as noted above.

FINANCIAL INFORMATION

CASH MANAGEMENT

Cash is primarily invested in the State of Tennessee Local Government Investment Pool, the State of Tennessee Intermediate Term Investment Pool, and First Horizon Bank. Investments are made either directly or through the Metro Investment Pool. Investments in the pension trust funds also include common stocks, U.S. Treasury Obligations, corporate bonds, and other holdings.

The Government's investment policy objective is to preserve the safety of principal, maintain adequate liquidity and maximize the rate of return on its portfolio. The investment policy aligns with the State's conservative, low risk investment strategy and does not permit the use of high-risk instruments to enhance investment returns. The majority of the cash deposits are held by financial institutions participating in the bank collateral pool administered by the State of Tennessee - thus ensuring that they are collateralized - or custodial accounts. The banking service agreement provides for the daily investment of demand deposit balances.

RISK MANAGEMENT

The Government continues to operate a risk management program, which was initiated in 1978. As part of its comprehensive plan, resources are being accumulated in various internal service funds to meet potential losses. Additionally, the Government has a property insurance policy for losses in excess of certain amounts. Accepted risk control techniques, including employee accident prevention training, have been implemented to minimize the risk of potential liability losses. The Government has elected to come under the Tennessee Tort Liability laws in order to limit its potential liability.

FINANCIAL POLICIES

The Government has a history of sound fiscal policy and practices. The Government relies on key financial policies to ensure needs are met in fiscally responsible ways. Annually the Government completes a comprehensive review of citywide policies to establish standards for financial controls across the organization. The Government regularly evaluates and sets fees at levels designed to support the full costs of services.

The Government adopts a comprehensive set of financial policies to ensure that financial resources are managed in a prudent manner and to provide a foundation for financial stability. Compliance with these policies is reviewed annually. The policies are published in the annual budget and approved by Council. The Government maintains a structurally balanced budget to achieve long-term financial stability for the community.

LONG-TERM FINANCIAL PLANNING

The Charter requires the Government to annually prepare a five-year capital improvements budget. The 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 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.

INTERNAL CONTROL STRUCTURE

Management of the Government establishes and maintains an internal control structure designed to ensure that the assets of the Government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

BUDGETARY CONTROLS

The Government maintains budgetary controls in order to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Government's governing body, the Metropolitan Council. Activities of the General Fund, General Purpose School Fund and the GSD General Purposes, School Purposes and USD General Purposes Debt Service Funds are included in the annual appropriated budget. In the General Fund, budgets are controlled at the department level; reallocation of budget between departments requires approval of the Metropolitan Council. Budgets of the General-Purpose School Fund and the Debt Service Funds are controlled in total at the fund level. The Government maintains an encumbrance accounting system to provide management with information regarding obligations against appropriations. Budgetary compliance is based on expenditures during the period (GAAP), rather than expenditures and encumbrances (non-GAAP). Because appropriations lapse at June 30, encumbrances outstanding at June 30, 2021 are disclosed in the notes to the financial statements. Appropriations for fiscal year 2022 will provide authority to complete those transactions.

SINGLE AUDIT

As a recipient of federal and state financial assistance, the Government is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. As part of the Government's single audit, tests are performed to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the Government has complied, in all material respects, with applicable laws and regulations. The results of the Government's single audit for fiscal year 2021 are reported separately.

INDEPENDENT AUDIT

Section 6.15 of the Metropolitan Charter requires an annual audit of accounts and other evidences of financial transactions of the Government and of its departments, offices, and agencies by independent certified public accountants. The audit is performed by a firm chosen by a three-member audit board consisting of the Vice-Mayor, the Chair of the Budget and Finance Committee of the Metropolitan Council, and the Chair of the Metropolitan Nashville Public School Board. The Government has complied with this requirement. The independent auditors' report is included in the financial section of this report.

AWARDS AND ACKNOWLEDGEMENTS

For the 38th consecutive year, the Government received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Government's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

For the 30th consecutive year, the GFOA presented a Distinguished Budget Presentation Award to the Government for its annual budget for the fiscal year beginning July 1, 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one year only.

Many individuals and organizations throughout the Government assisted in preparing this ACFR. We commend staff for their dedication and professional competency to the work of the Government throughout the year. Their commitment is foundational to the successful preparation of the ACFR. We also credit and express our appreciation to the Metropolitan Council for their strong leadership and support in setting sound fiscal policy to ensure financial resources are managed prudently and provide a foundation for financial stability. The Council's support will continue to be vital as we work together to further strengthen the financial condition of the Metropolitan Government.

Sincerely,



John Cooper
Mayor



Kelly Flannery
Director of Finance

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



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**The Metropolitan Government
of Nashville & Davidson County
Tennessee**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FORM OF GOVERNMENT

On April 1, 1963 the governments of the City of Nashville and Davidson County were consolidated into a single "Metropolitan Government of Nashville and Davidson County", under which the boundaries of the City of Nashville and Davidson County are coextensive.

The executive and administrative powers are vested in the Mayor, who is elected at large for a four-year term. The Mayor is authorized to administer, supervise and control all departments and to appoint all members of boards and commissions subject to the approval of the Council. A two-thirds vote of the legislative body, the Council, is required to override the Mayor's veto. The Charter also provides for a Vice-Mayor, who is elected at large for a four-year term and is the presiding officer of the Council. The Council is composed of 40 members who are elected for four-year terms.

The Charter provides a framework for local government in Nashville to serve the needs of two service districts: (i) the General Services District (the GSD) and (ii) the Urban Services District (the USD). The GSD embraces the entire area of Davidson County and its residents are taxed to support those services, functions and debt obligations which are deemed properly chargeable to the whole population. Such services include general 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.

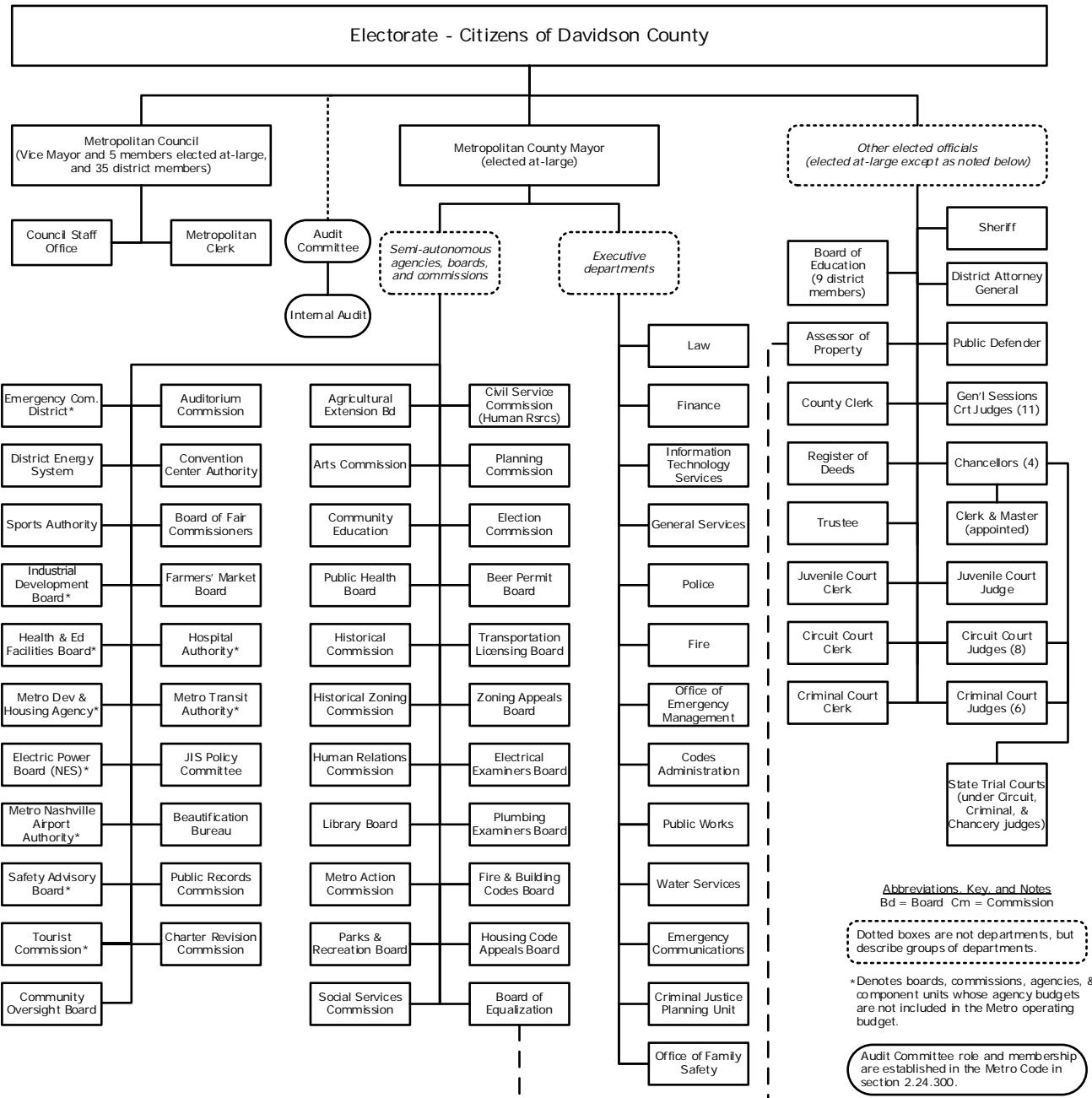
The original USD conformed to the corporate limits of the City of Nashville as they existed on April 1, 1963, the date of consolidation. USD residents are charged an additional tax to support those services, functions and debt obligations which benefit only the USD. Such services include additional police protection, storm sewers, street lighting and refuse collection. The Charter provides: "The area of the Urban Services District may be expanded and its territorial limits extended by annexation whenever particular areas of the General Services District come to need urban services, and The Metropolitan Government becomes able to provide such service within a reasonable period which shall be no 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 198 square miles.



The USD is a subset of the GSD.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

ORGANIZATION CHART



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

**ELECTED OFFICIALS
at June 30, 2021**

**John Cooper, Mayor
Jim Shulman, Vice Mayor**

Finance Officials

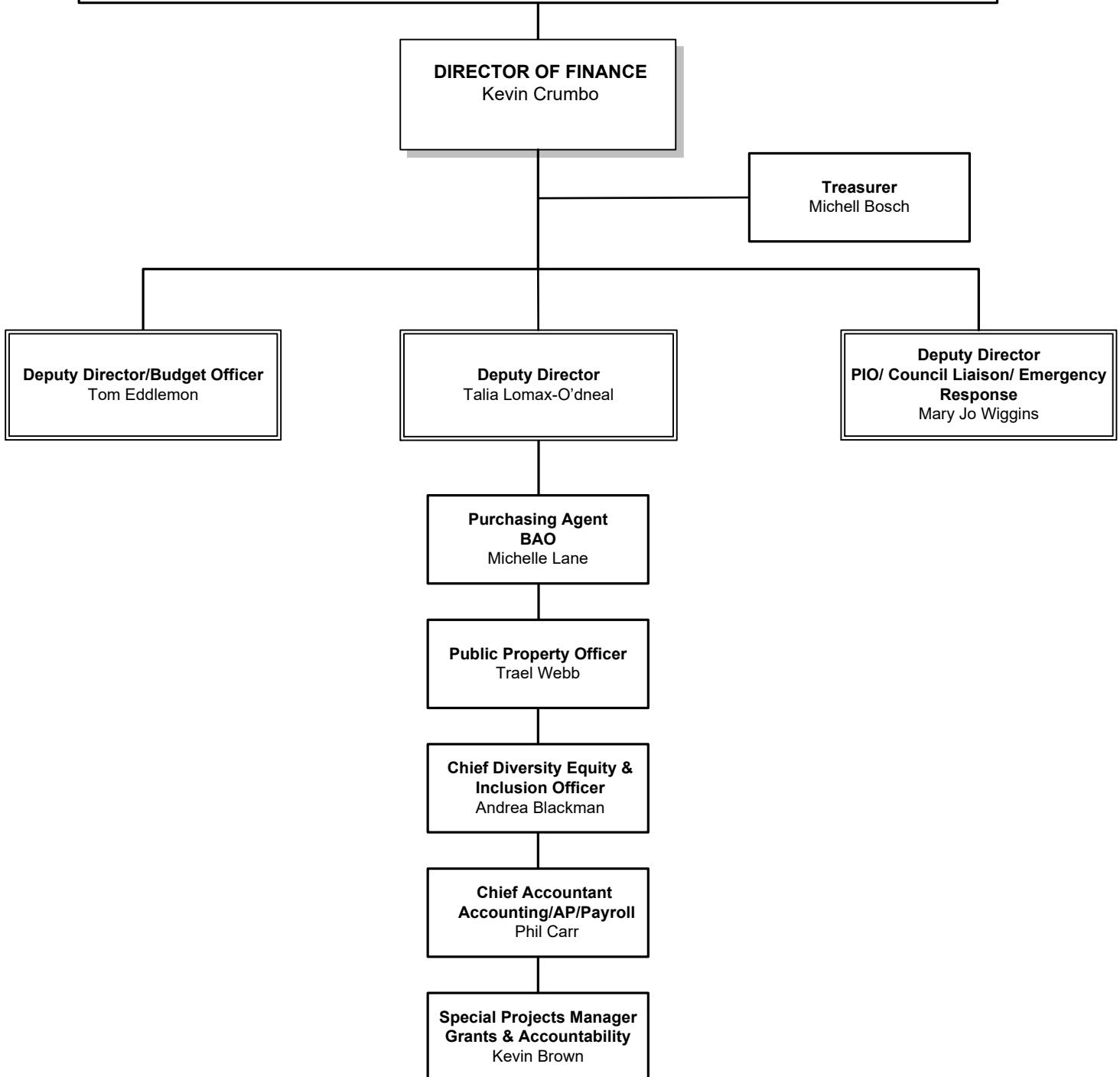
Vivian M. Wilhoite	Assessor of Property
Erica S. Gilmore	Trustee
Brenda Wynn	County Clerk

Members of the Metropolitan Council:

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

ORGANIZATION OF THE

DEPARTMENT OF FINANCE



June 30, 2021

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

AUDIT COMMITTEE MEMBERS

at June 30, 2021

Member	Representing
Brackney Reed, Chairperson	Nashville Area Chamber of Commerce
C. Thomas Bates, Vice Chairperson	TSCPA, Nashville Chapter
Thom Druffel	Metropolitan Council Member
Zulfat Suara	Metropolitan Council Member
Kevin Crumbo	Finance Director
Jim Shulman	Vice Mayor

Contact:

Lauren Riley, Metropolitan Auditor



Independent Auditor's Report

To the Honorable Mayor and Members of Council
The Metropolitan Government of Nashville and Davidson County, Tennessee

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The Metropolitan Government of Nashville and Davidson County, Tennessee (the "Government") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Government's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Government's nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds, as well as the financial statements of the Sports Authority Fund and the Industrial Development Board Fund, which are presented as supplementary information in the accompanying financial statements as of and for the year ended June 30, 2021, as listed in the table of contents. We have also audited the financial statements of each of the discretely presented component units of the Government as of and for the year ended June 30, 2021, as presented in the Government's basic financial statements, except as described in the first paragraph of the Auditor's Responsibility section of this report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following discretely presented component units: The Nashville District Management Corporation, the Gulch Business Improvement District, Inc., the Metropolitan Development and Housing Agency, the Electric Power Board, the Metropolitan Nashville Airport Authority, and the Emergency Communications District, which represents 73% of the total assets, 76% of total net position and 83% of the total revenues of the aggregate discretely presented component units of the Government. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those entities, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



To the Honorable Mayor and Members of Council
The Metropolitan Government of Nashville and Davidson County, Tennessee

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The Metropolitan Government of Nashville and Davidson County, Tennessee, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and the General Purpose School Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of each of the nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds, the Sports Authority Fund, the Industrial Development Board Fund, and each of the discretely presented component units as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages A-1 through A-12, the condition rating of transportation network, the schedule of employer contributions - pension plans, the schedule of changes in net pension liability and related ratios - pension plans, the schedule of investment returns - pension plans, the schedule of the Government's contributions - teacher pension plans of the TCRS, the schedule of the Government's proportionate share of the net pension liability (asset) - teacher pension plans of the TCRS, and the schedule of changes in the total OPEB liability and related ratios - OPEB plans, on pages B-118 through B-119, B-120 through B-123, B-124 through B-135, B-136 through B-137, B-138 through B-139, B-140 through B-141, B-142 through B-143, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



To the Honorable Mayor and Members of Council
The Metropolitan Government of Nashville and Davidson County, Tennessee

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Government's basic financial statements, and each of the nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds, the Sports Authority Fund, the Industrial Development Board Fund, and the financial statements of each of the discretely presented component units. The schedules on pages C-9, C-10 and C-11, and on pages G-2 through G-28, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2021, on our consideration of the Government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Government's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Government's internal control over financial reporting and compliance.

Crosslin, PLLC

Nashville, Tennessee
October 31, 2021





MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Metropolitan Government of Nashville and Davidson County (the Government), we offer readers of the Government's financial statements this narrative overview and analysis of the financial activities of the Government for the fiscal year ended June 30, 2021.

FINANCIAL HIGHLIGHTS

- At the end of the current fiscal year, unassigned fund balance for the general fund was \$265 million, or 23.5% of total general fund expenditures and other financing uses.
- At the end of the current fiscal year, committed fund balance available for the general-purpose school fund was \$114 million, or 12.2% of total general purpose school fund expenditures and other financing uses.
- The assets and deferred outflows of resources of the Government were less than its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1.7 billion (*net position*). This amount includes negative \$3.8 billion of *unrestricted net position*.
- As of the close of the current fiscal year, the Government's governmental funds reported combined ending fund balances of \$549 million, an increase of \$835 million in comparison with the prior year.
- The enterprise funds reported a net position at year-end of \$1.6 billion, an increase of \$127 million during the year. The Department of Water and Sewerage Services implemented rate increases effective January 1, 2020 and January 1, 2021.
- The Government's total net position increased by \$616 million (an increase of \$494 million from governmental activities and an increase of \$122 million from business-type activities).
- The Government's total general obligation and revenue bonds increased by \$457 million (10.5%) during the current fiscal year. New bond issues totaled \$1.2 billion, which were offset by principal payments of \$215 million and refundings of \$571 million. Deferred amounts increased a net amount of \$44 million. Other debt decreased by \$4 million due to principal payments.
- The Government borrows funds under commercial paper programs to provide interim or short-term financing of authorized capital projects prior to the issuance of general obligation or revenue bonds. Total commercial paper outstanding at the close of the fiscal year was \$250 million.
- The budgets for the General Fund, General Purpose School Fund, and GSD General Purposes, GSD School Purposes, and USD General Purposes Debt Service Funds for the 2021 fiscal year included an increase in the combined GSD-USD property tax rate of approximately 34%. Additionally, the budgets for each of these funds included amounts for planned increases to cash and fund balances. Also, the budgets for these funds were prepared at the beginning of the COVID-19 pandemic and, accordingly, revenue and expenditures estimates reflected the expected financial impact from the pandemic.
- With the passing of the CARES Act in March 2020, the Government received \$121 million of CARES Act funding. The Government spent \$104 million of CARES Act funding during fiscal year 2021. In addition, Metro Nashville Public Schools was awarded Elementary and Secondary School Emergency Relief (ESSER) funds in January 2021 of which approximately \$63 million was spent in fiscal year 2021. In addition, the Government has received funding under the American Rescue Plan Act of \$67 million which is expected to be spent in future fiscal years. Finally, the Government has received \$30 million to be utilized for rental assistance.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the Government's basic financial statements. The Government's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Government's finances, in a manner like a private-sector business.

The Statement of Net Position presents information on all the Government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Government is improving or deteriorating.

The Statement of Activities presents information showing how the Government's net position changed during the most recent fiscal year. All changes in net position are reported on an accrual basis as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, compensated absences, etc.).

Both of the government-wide financial statements distinguish functions of the Government that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the Government include general government; fiscal administration; administration of justice; law enforcement and care of prisoners; fire prevention and control; regulation and inspection; conservation of natural resources; public welfare; public health and hospitals; public library system; public works, highways, and streets; recreational and cultural; and education.

The business-type activities of the Government include the Department of Water and Sewerage Services, District Energy System, Stormwater Operations, Board of Fair Commissioners, Farmers Market, Surplus Property Auction, Municipal Auditorium, and Police Impound.

The government-wide financial statements include not only the Government itself (known as the *primary government*), but also the Nashville District Management Corporation, Gulch Business Improvement District, Inc., Sports Authority, Industrial Development Board, Hospital Authority, Metropolitan Development and Housing Agency, Electric Power Board, Metropolitan Transit Authority, Metropolitan Nashville Airport Authority, Emergency Communications District, and Convention Center Authority. These *component units* are legally separate organizations for which the Government is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages B-2 thru B-5 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Government can be classified into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the focus is on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Government's short-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Government's near-term financing decisions. Both the Balance Sheet – Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Government reports 21 individual governmental funds. Information is presented separately in the Balance Sheet – Governmental Funds and in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds for the General Fund, General Purpose School Fund, Education Services Fund, GSD General Purposes Debt Service Fund, GSD School Purposes Debt Service Fund, USD General Purposes Debt Service Fund, GSD Capital Projects Fund, Education Capital Projects Fund and USD Capital Projects Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

The Government adopts an annual appropriated budget for each major governmental fund except the Education Services Fund and Capital Projects Funds. Budgetary comparison statements have been provided in the Basic Financial Statements section for the General Fund and General-Purpose School Fund and in the Nonmajor Governmental Funds section for each of the major Debt Service Funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages B-6 to B-17 of this report.

Proprietary funds – The Government maintains two different types of proprietary funds. **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The Government uses enterprise funds to account for the Department of Water and Sewerage Services, District Energy System, Stormwater Operations, Board of Fair Commissioners, Farmers Market, Surplus Property Auction, Municipal Auditorium, and Police Impound. **Internal service funds** are an accounting fund type used to accumulate and allocate costs internally among the Government's functions and are intended to be used for business type funds where

customers are largely internal to the Government. For the fiscal year ended June 30, 2021, the Government used internal service funds to account for its fleet, information systems, insurance, treasury management and school printing functions. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Department of Water and Sewer Services, the District Energy System, and Stormwater Operations, which are major funds of the Government. Fund detail from the other enterprise funds is combined into a single, aggregated presentation. Additionally, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages B-18 to B-23 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of fiduciary type funds are not available to support the Government's own programs. The accounting used for fiduciary funds is much like the accounting used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages B-24 to B-25 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the position of the Government provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages B-37 to B-116 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information surrounding infrastructure condition and maintenance data, found on pages B-118 to B-119, the Government's progress in funding its obligation to provide pension benefits to employees, found on pages B-120 to B-141, and the Government's progress in funding its obligation to provide other postemployment benefits to employees, found on pages B-142 to B-143.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator over time of a government's financial position. In the case of the Government, assets and deferred outflows of resources were less than liabilities and deferred inflows of resources by \$1.7 billion at the close of the most recent fiscal year.

The Government's Net Position
in thousands of dollars
(as of June 30,)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 3,270,593	\$ 2,280,147	\$ 649,750	\$ 486,118	\$ 3,920,343	\$ 2,766,265
Capital assets	4,241,729	4,215,575	2,281,554	2,167,822	6,523,283	6,383,397
Total assets	7,512,322	6,495,722	2,931,304	2,653,940	10,443,626	9,149,662
Deferred outflows of resources	877,673	841,076	11,084	12,993	888,757	854,069
Long-term liabilities	8,195,482	7,911,120	1,049,950	1,112,159	9,245,432	9,023,279
Other liabilities	435,216	930,263	323,263	153,223	758,479	1,083,486
Total liabilities	8,630,698	8,841,383	1,373,213	1,265,382	10,003,911	10,106,765
Deferred inflows of resources	2,931,801	2,166,957	53,484	7,718	2,985,285	2,174,675
Net position:						
Net investment in capital assets	641,956	600,273	1,302,027	1,180,320	1,943,983	1,780,593
Restricted	664,140	56,239	101,092	86,502	765,232	142,741
Unrestricted	(4,478,600)	(4,328,054)	112,572	127,011	(4,366,028)	(4,201,043)
Total net position	<u>\$ (3,172,504)</u>	<u>\$ (3,671,542)</u>	<u>\$ 1,515,691</u>	<u>\$ 1,393,833</u>	<u>\$ (1,656,813)</u>	<u>\$ (2,277,709)</u>

Governmental activities – Current and other assets for governmental activities increased by 43.4% primarily due to an increase in cash and cash equivalents resulting from a budgeted increase in cash and cash equivalents, revenue collections that exceeded projections, and expenditures that were below projections. Also, accounts receivable increased primarily due to the inclusion of receivables for grants related to the COVID-19 pandemic and various natural disaster grants. Finally, receivables for property taxes increased primarily due to growth in the tax base. Capital assets in the governmental funds increased by .6% due to the construction of new schools and other government buildings, renovations to the stormwater system and other infrastructure, and the renovation of existing government buildings. Deferred outflows of resources increased by 4.4% primarily due to the addition of amounts related to the current year bond refunding. Long-term liabilities increased by 3.6% due to the inclusion of new general obligation bonds issued by the Government partially offset by principal payments. Other liabilities decreased by 53.2% million primarily due to a decrease in the outstanding commercial paper balance as a portion was repaid through the issuance of general obligation bonds. Also, the net pension liability decreased due to an increase in earnings resulting in net pension asset balances for certain pension plans. Deferred inflows of resources increased by 35.3% primarily due to an increase in unavailable revenue from property taxes driven by growth in the tax base. Also, deferred inflows of resources related to pensions increased due to an increase in the differences between actual and expected investment earnings.

A portion of the Government's net position for governmental activities (20.3%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related outstanding debt used to acquire those assets. The Government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Government's investment in its capital assets is reported net of related debt. It should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Government's net position for governmental activities (20.9%) represents resources that are subject to external restrictions on how they may be used. The restricted net position includes pension assets of \$584 million. The remaining balance of net position for governmental activities represents unrestricted net position of negative \$4.5 billion (-141.2%). Note that the unrestricted net position includes the total OPEB liability of \$4.3 billion at June 30, 2021. In July 2021, the Metropolitan Council approved legislation to revise OPEB benefits for retirees which will reduce the OPEB liability as the revisions go into effect.

Business-type activities – Current and other assets for business-type activities increased by 33.7% primarily due to an increase in cash and cash equivalents and accounts receivable in the Department of Water and Sewerage Services resulting from increases in water and sewer rates effective January 1, 2020 and January 1, 2021. Additionally, cash and cash equivalents and account receivable increased in Stormwater Operations due to revenue growth. Capital assets increased by 5.3% due to capital asset additions primarily consisting of planned land acquisition and utility plant construction for the Department of Water and Sewerage Services. Deferred outflows of resources decreased by 14.7% due to changes in amounts related to pensions for changes in assumptions and differences between expected and actual experience as well as the amortization of deferred amounts related to bond refundings. Long-term liabilities decreased by 5.6% primarily due to principal payments and the amortization of deferred premiums. Other liabilities increased by 111.0% primarily due to an increase in commercial paper outstanding to fund capital spending prior to the issuance of revenue bonds. Deferred inflows of resources increased by 593.0% due to an increase in the amounts related to pensions for differences between projected and actual earnings.

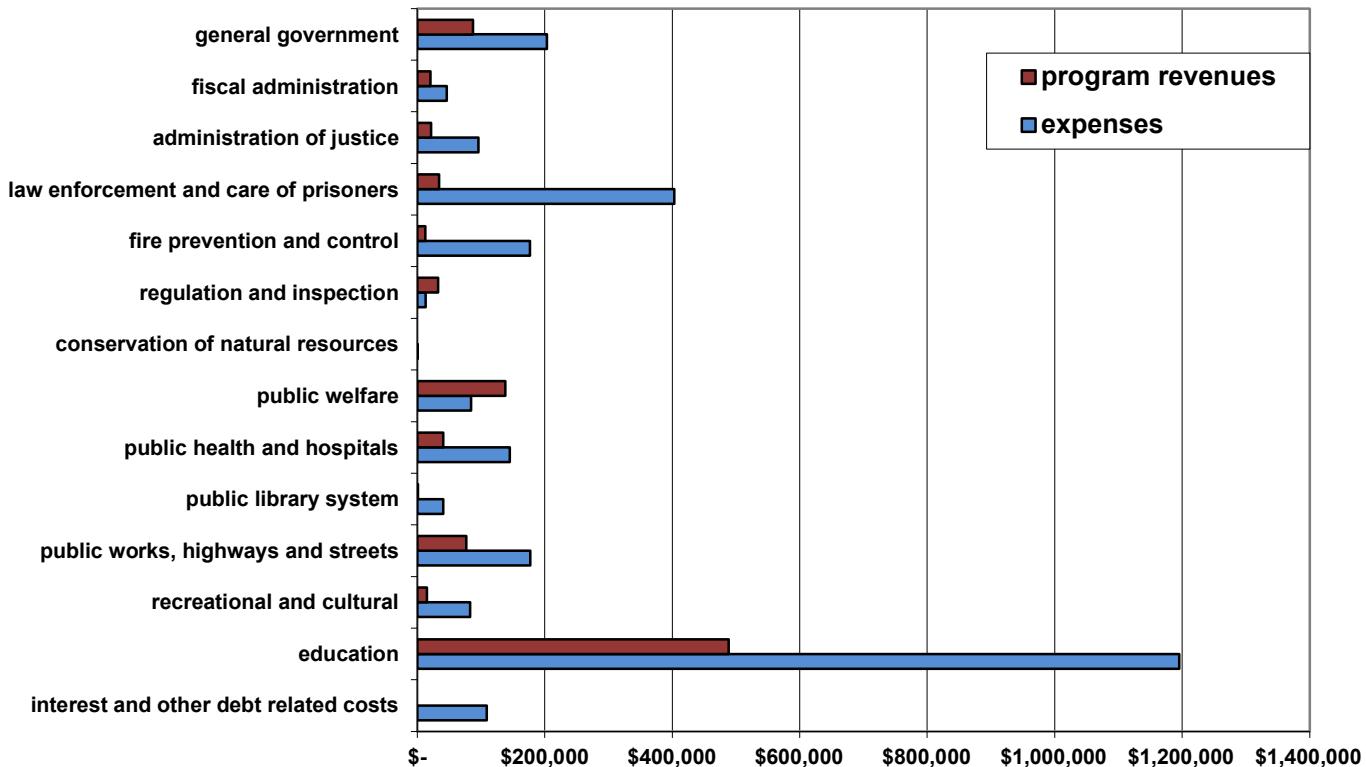
The Government's Changes in Net Position
 in thousands of dollars
(for the year ended June 30.)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 206,521	\$ 180,164	\$ 372,147	\$ 323,625	\$ 578,668	\$ 503,789
Operating grants and contributions	709,989	521,031	265	-	710,254	521,031
Capital grants and contributions	51,360	53,804	46,909	26,568	98,269	80,372
General revenues:						
Property taxes	1,483,733	1,084,013	-	-	1,483,733	1,084,013
Local option sales taxes	481,412	443,868	-	-	481,412	443,868
Hotel occupancy taxes	53,053	80,665	-	-	53,053	80,665
Beverage taxes	51,026	55,274	-	-	51,026	55,274
Wheel taxes	31,178	33,132	-	-	31,178	33,132
Business taxes	42,474	45,691	-	-	42,474	45,691
Franchise taxes	15,054	16,497	-	-	15,054	16,497
Other taxes	1,139	760	-	-	1,139	760
Revenues from the use of money or						
Property	4,537	7,298	675	2,140	5,212	9,438
Revenues from other governmental						
agencies	112,967	106,864	-	-	112,967	106,864
Compensation for loss, sale or						
damage to property	4,290	4,045	21	2	4,311	4,047
Total revenues	3,248,733	2,633,106	420,017	352,335	3,668,750	2,985,441
Expenses:						
General government	203,513	230,356	-	-	203,513	230,356
Fiscal administration	46,251	41,067	-	-	46,251	41,067
Administration of justice	95,994	110,247	-	-	95,994	110,247
Law enforcement and care of prisoners	403,318	457,130	-	-	403,318	457,130
Fire prevention and control	176,677	182,714	-	-	176,677	182,714
Regulation and inspection	13,095	14,209	-	-	13,095	14,209
Conservation of natural resources	394	436	-	-	394	436
Public welfare	84,584	56,783	-	-	84,584	56,783
Public health and hospitals	145,079	131,945	-	-	145,079	131,945
Public library system	40,577	48,057	-	-	40,577	48,057
Public works, highways and streets	177,183	240,851	-	-	177,183	240,851
Recreational and cultural	82,913	79,718	-	-	82,913	79,718
Education	1,195,362	1,174,220	-	-	1,195,362	1,174,220
Interest and other debt related costs	109,170	113,137	-	-	109,170	113,137
Department of Water and Sewerage						
Services	-	-	238,082	255,803	238,082	255,803
District Energy System	-	-	15,523	16,855	15,523	16,855
Stormwater Operations	-	-	16,949	20,189	16,949	20,189
Board of Fair Commissioners	-	-	3,460	3,918	3,460	3,918
Farmers Market	-	-	1,898	2,242	1,898	2,242
Surplus Property Auction	-	-	673	730	673	730
Municipal Auditorium	-	-	1,402	1,791	1,402	1,791
Police Impound	-	-	375	375	375	375
Total expenses	2,774,110	2,880,870	278,362	301,903	3,052,472	3,182,773
Change in net position before transfers	474,623	(247,764)	141,655	50,432	616,278	(197,332)
Transfers	19,797	9,400	(19,797)	(9,400)	-	-
Change in net position	494,420	238,364)	121,858	41,032	616,278	(197,332)
Net position, beginning of year, restated	(3,666,924)	(3,433,178)	1,393,833	1,352,801	(2,273,091)	2,080,377)
Net position, end of year	\$ (3,172,504)	\$ (3,671,542)	\$ 1,515,691	\$ 1,393,833	\$ (1,656,813)	\$ (2,277,709)

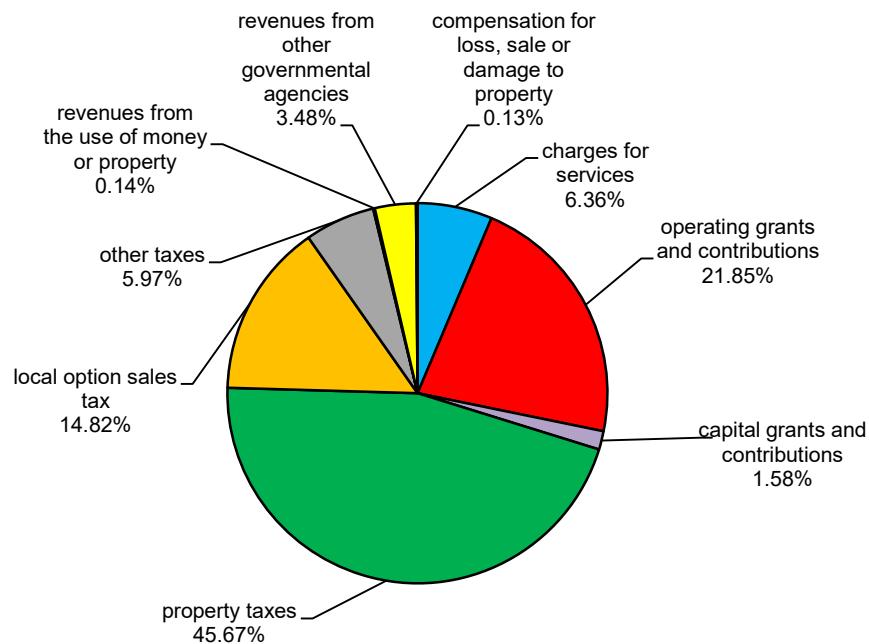
Governmental activities – Governmental activities increased the Government's net position by \$494 million, compared to a \$238 million decrease in the prior year. Total revenue increased by \$616 million. While business closures, increased unemployment, reduced travel, and closure of Government facilities as a result of the COVID-19 pandemic significantly reduced various activity-based revenues in the prior year, those revenues generally recovered resulting in increases in the current year. Also, property taxes increased as a result of the 34% increase in the tax rate as well as growth in the tax base. Finally, grant revenues increased due to the inclusion of COVID-19 pandemic grants as well as other disaster grants. Significant variances in revenue include 1) an increase of

\$400 million in property taxes, 2) an increase of \$189 million in operating grants and contributions, and 3) an increase of \$38 million in local option sales taxes. The increases were partially offset by a decrease in hotel occupancy taxes as the impact of the COVID-19 pandemic on tourism has been slower to recover. Total expenses decreased by \$109 million. While operating expenses were generally higher due to salary increases and spending related to the COVID-19 pandemic, expenses were lower across all departments as the expenses related to the net pension liability and the total other postemployment benefits (OPEB) liability were significantly less than in the prior year.

Expenses and Program Revenues - Governmental Activities – For the Year Ended June 30, 2021

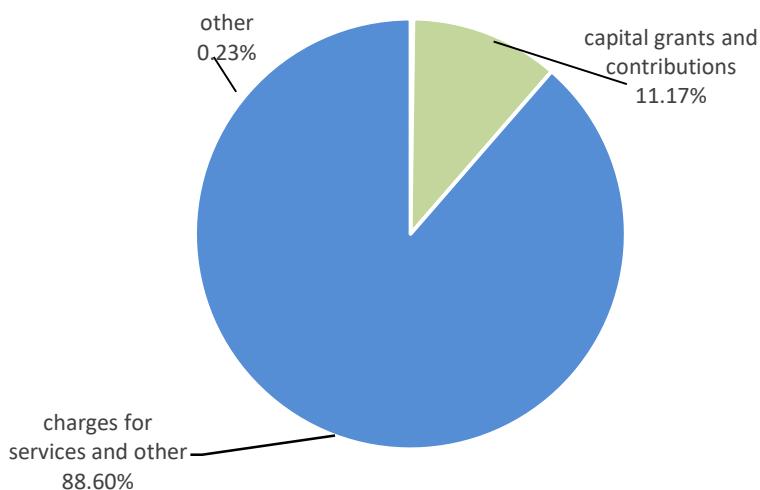


Revenues by Source - Governmental Activities – For the Year Ended June 30, 2021



Business-type activities – Business-type activities increased the Government's net position by \$122 million compared to a \$41 million increase in the prior year. The Department of Water and Sewerage Services increased net position by \$111 million primarily due to an increase in operating income driven by rate increases effective January 1, 2020 and January 1, 2021. Stormwater Operations increased net position by \$15 million primarily from revenue growth; the net position of Stormwater Operations will be used to fund future capital spending and debt service. The impact of the COVID-19 pandemic was minimal on the larger business-type activities; however, Board of Fair Commissioners and Municipal Auditorium experienced decreases in operating revenues due to the cancellation of events and due to facility closures.

Revenues by Source – Business-type Activities – For the Year Ended June 30, 2021



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Government uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – The focus of the Government's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Government's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Government's governmental funds reported combined ending fund balances of positive \$549 million, an increase of \$835 million in comparison with the prior year. Restricted fund balance of \$80 million can only be used for specific purposes pursuant to constraints imposed by external parties such as creditors and grantors. Committed fund balance of \$288 million can only be used for specific purposes pursuant to constraints imposed by formal legislative action of the Metropolitan Council. Significant commitments include \$114 million for education, \$70 million for debt service, \$69 million for equipment acquisitions, and \$35 million for other purposes. Assigned fund balance of \$20 million is for various projects carried forward into the subsequent year. Unassigned fund balance is \$156 million. The remaining fund balance of \$5 million represents non-spendable amounts.

The budgets for the General Fund, General Purpose School Fund, and GSD General Purposes, GSD School Purposes, and USD General Purposes Debt Service Funds for the 2021 fiscal year included an increase in the combined GSD-USD property tax rate of approximately 34%. Additionally, the budgets for each of these funds included amounts for planned increases to cash and fund balances. Also, the budgets for these funds were prepared at the beginning of the COVID-19 pandemic and, accordingly, revenue and expenditures estimates reflected the expected financial impact from the pandemic. Actual revenues and expenditures for both the previous year and current year were impacted by the COVID-19 pandemic. Whereas the impact on the previous year primarily resulted in decrease to fund balances, the impact on the current year included some level of recovery resulting in increases to fund balances. The impacts of these items are reflected in various variances as discussed below.

The General Fund is the chief operating fund of the Government. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$265 million, while total fund balance was \$285 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 23.5% of total General Fund expenditures and other financing uses, while total fund balance represents 25.3% of total General Fund expenditures and other financing uses.

The total fund balance of the General Fund increased by \$212 million during the current fiscal year as compared to a \$18 million increase in the previous year. While business closures, increased unemployment, reduced travel, and the closure of Government facilities because of the COVID-19 pandemic significantly impacted various activity-based revenues in the previous year, those revenues were generally higher in the current year as recovery from the COVID-19 pandemic has continued. Revenues increased by \$250 million compared to the previous year primarily due to increases in: 1) property taxes of \$157 million due to an increase in the property tax rate as well as construction and economic growth, 2) local option sales tax of \$55 million due to the recovery from the impacts of the COVID-19 pandemic on consumer spending in the previous year, 3) revenue from other governmental agencies of \$34 million due to an increase of \$20 million in the amount transferred from Convention Center Authority, a component unit, from an agreement to transfer a portion of certain revenues to the Government, an increase in \$7 million in the Government's allocation of State sale tax, and an increase of \$6 million for reimbursement for the cost of housing State prisoners (an activity that was reported in a special revenue fund in the previous year), and 4) commissions and fees of \$4 million due to increased collections by certain elected officials. Ongoing operating expenditures decreased by \$32 million. While expenditures were generally higher due to increases in salaries and fringe benefits across most functions, the General Fund incurred \$38 million of nonrecurring debt service expenditures in the previous year as part of a corrective action plan to offset budgeted revenue that was not realized in the GSD General Purposes Debt Service Fund. Other financing sources decreased by \$6 million primarily due to lower transfers related to revenues from tourism which continued to be impacted by the COVID-19 pandemic. Other financing uses increased by \$47 million primarily due to higher transfers to other funds that are dependent on certain revenue collections in the General Fund as well as increased transfers to support certain internal service funds. The \$212 million increase in fund balance compares to a planned increase in fund balance of \$24 million primarily due to the revenue exceeding projections as the economy has continued to recover from the COVID-19 pandemic as well as expenditure savings to fiscal constraint measures across all departments

The total fund balance of the General-Purpose School Fund increased by \$86 million during the current fiscal year as compared to an \$11 million decrease in the previous year. Revenues increased by \$99 million compared to the previous year primarily due to increases in: 1) property taxes of \$104 million due to an increase in the property tax rate as well as construction and economic growth, and 2) local option sales tax of \$1 million due to the recovery from the impacts of the COVID-19 pandemic on consumer spending in the previous year. The increases were partially offset by decreases in 1) other taxes, licenses and permits of \$3 million primarily due to decreases in collections for alcoholic beverage taxes, and 2) charges for current services of \$2 million due to various revenues impacted by the temporary closing of schools while students were taught virtually. Operating expenditures increased by \$9 million primarily due to increases in salaries and fringe benefits. Other financing sources increased by \$35 million due to planned transfers from the General Fund to fund mid-year salary adjustments.

Other financing sources increased by \$27 million due to increase to charter schools. The \$86 million in fund balance compares to a planned zero increase in fund balance primarily due to the exceeding projections as the economy continues to recover from the COVID 19 pandemic.

The total fund balance of the Educational Services Fund increased by \$12 million during the current fiscal year as compared to a \$9 million decrease in the previous year. The Educational Services Fund consists primarily of grant-supported programs and the food services program. Revenues and expenditures vary as grants are approved and the related expenditures are incurred. Revenues increased by \$75 million primarily due to new grant revenues of \$73 million from Elementary and Secondary School Emergency Relief (ESSER) and other COVID-19 related grants. Expenditures increased by \$79 million due to spending on the grants noted above and increases in spending on charter schools; the increases in expenditures were partially offset by a decrease in food services expenditures as schools were operating virtually for much of the fiscal year. Other financing sources increased \$29 million primarily due to an increase in the transfer to charter schools to cover the increase in spending on charter schools as noted above. Other financing uses increased \$3 million due to an increase in the amount of transfer for food services to the General-Purpose School Fund.

The fund balances of the Government's GSD General Purposes, GSD School Purposes and USD General Purposes Debt Service Funds increased by \$36 million in total during the current fiscal year as compared to a \$16 million increase in the previous year. Revenues increased by \$94 million primarily due to an increase in property taxes as explained above. Expenditures increased by \$40 million. In the previous year, \$38 million of debt service expenditures were reported in the General Fund as discussed above; in the current year, all debt service expenditures were reported in the Debt Service Funds. The increase was partially offset by decreases in certain revenues generated from tourism and events at the Bridgestone Arena. Other financing sources and uses decreased by \$35 million primarily due to a reduction in the transfer from the General Fund. The \$36 million increase in fund balance compares to a planned increase of \$11 million primarily due to property taxes and local option sales taxes exceeding expectations as discussed previously.

The fund balances of the Government's capital project funds increased by \$473 million due to the proceeds from the issuance of general obligation bonds in excess of capital project spending.

Proprietary funds – The Government's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of proprietary funds at the end of the year amounted to \$268 million compared to \$296 million at the end of the prior year. Factors concerning the finances of the enterprise funds have already been addressed in the discussion of the Government's business-type activities. Proprietary funds also include internal service funds, the operations of which are primarily included in governmental activities in the government-wide statements. The enterprise funds decreased the unrestricted net position of proprietary funds by \$9 million, and the internal service funds decreased the net position of the proprietary funds by \$20 million. The decrease in internal service funds is primarily due to decreases in the School Professional Employee's Insurance Fund which is used to accumulate assets for the payment of self-insurance medical claims for teachers, the Employee Medical Benefit Fund which is used to accumulate assets for the payment of self-insurance medical claims for general government employees, and the Injured-on Duty Fund which is used to accumulate assets for the payment of self-insured injured on duty claims. The rates and other funding sources for the funds are adjusted as needed based on net position and projected future revenues and expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original and Final Budgeted Amounts

For the General Fund, differences in expenditures and other financing uses between the original budget and the final amended budget were primarily due to supplemental budget appropriations for unanticipated expenditures and unspent amounts carried forward from the prior year as authorized by the budget ordinance. Supplemental budgetary appropriations included \$12 million for the housing of State prisoners which was reported in a special revenue fund in prior years, \$8 million to increase the net position of the General Government Self Insurance internal service fund, and \$2 million for the Board of Fair Commissioners to assist with the impact of the COVID-19 pandemic on operations of the fairgrounds. Unspent amounts carried forward from the prior year totaled \$12 million. Other variances in budget line items were primarily due to fringe benefit increases which were originally budgeted under miscellaneous expenditures then later reallocated to departmental budgets after the final budget was approved. Differences in revenues and other financing uses between the original budget and final amended budget were primarily due to increases in revenues from the State for the housing of State prisoners as discussed above.

Final Budgeted and Actual Amounts

Actual revenues and other financing sources exceeded the final budgeted amounts by \$136 million. As discussed previously, the budget for fiscal year 2021 was prepared at the beginning of the COVID-19 pandemic and included conservative revenue estimates. As the impact of the COVID-19 pandemic on revenues was less than projected and revenues recovered more quickly than expected, many revenues exceeded budget. Significant variances were noted primarily in activity-based revenues including local option sales tax, beer and alcoholic beverage taxes, business taxes, building and related construction permits, the Tennessee sales tax levy, the Tennessee excise tax allocation, and commissions and fees collected by certain elected officials. The variances exceeding budget were partially offset by smaller, negative variances in motor vehicle licenses, franchise fees,

state income tax, jail inmate reimbursement, police secondary employment revenues, and admissions at various park and athletic facilities. Actual expenditures and other financing uses were under budget by \$57 million due to amounts budgeted for potential adjustments to benefits and pay plan changes that were less than planned as well as savings achieved by most departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets – The Government's investment in capital assets for its governmental and business type activities as of June 30, 2020 amounts to \$6.5 billion (net of accumulated depreciation). Depreciation charges for the fiscal year totaled \$214 million.

The Government's Capital Assets
in thousands of dollars
(as of June 30,)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Utility plant in service	\$ -	\$ -	\$ 3,333,408	\$ 3,249,900	\$ 3,333,408	\$ 3,249,900
Land	587,949	540,988	26,747	24,583	614,696	565,571
Buildings and improvements	2,655,098	2,621,627	127,921	123,976	2,783,019	2,745,603
Improvements other than buildings	-	-	77,526	76,962	77,526	76,962
Furniture, machinery and equipment	555,104	544,444	196,539	146,291	751,642	690,735
Property under capital lease	-	-	3,645	3,645	3,645	3,645
Infrastructure	1,845,500	1,824,667	-	-	1,845,500	1,824,667
Public art	5,981	5,555	-	-	5,981	5,555
Construction in progress	278,644	245,227	247,359	181,935	526,003	427,162
Less: Accumulated depreciation	(1,686,547)	(1,566,933)	(1,731,591)	(1,639,470)	(3,418,138)	(3,206,403)
Total capital assets	<u>\$ 4,241,729</u>	<u>\$ 4,215,575</u>	<u>\$ 2,281,554</u>	<u>\$ 2,167,822</u>	<u>\$ 6,523,282</u>	<u>\$ 6,383,397</u>

The total increase in the Government's capital assets for the current fiscal year was 2.2% (a .6% increase in governmental activities and a 5.3% increase for business-type activities). Construction of new schools and other government buildings and the renovation of existing schools and government buildings have continued in accordance with the Government's capital plans. Additions include renovations to the stormwater system, land acquisitions for parks and future government buildings, renovations to existing schools, and the contribution of roads and right of ways from private developments within the city. Additions to capital assets for the Department of Water and Sewerage Services - net of disposals - totaled approximately \$29 million.

As allowed by GASB Statement No. 34, the Government has adopted the alternative to recording depreciation expense on selected infrastructure assets. Under this method, referred to as the modified approach, the Government expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under this approach include approximately 5,968 lane miles of streets and roads and 323 bridges and underpasses that the Government is responsible for maintaining. The Government's policy is to have at least 70% of roads in fair or better condition and 75% of bridges in fair or better condition. The most recent condition assessments indicate that 76.1% of roads and 99.0% of bridges are in fair or better condition. The maintenance of infrastructure in accordance with the Government's policy continues to be a priority.

Additional information on the Government's capital assets can be found in Note 4 beginning on page B-54 of this report.

Long-term debt – At the end of the current fiscal year, the Government had total bonded debt outstanding of \$4.7 billion. Of this amount, \$3.7 billion comprises debt backed by the full faith and credit of the Government. The remaining \$1 billion of the Government's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds.)

Government's Outstanding Debt
General Obligation and Revenue Bonds
in thousands of dollars
(as of June 30)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 3,322,030	\$ 2,882,551	\$ 46,945	\$ 47,714	\$ 3,368,975	\$ 2,930,265
Deferred amounts, net	<u>389,912</u>	<u>336,350</u>	<u>6,350</u>	<u>6,628</u>	<u>396,262</u>	<u>342,978</u>
Total general obligation bonds outstanding	<u>3,711,942</u>	<u>3,218,901</u>	<u>53,295</u>	<u>54,342</u>	<u>3,765,237</u>	<u>3,273,243</u>
Revenue bonds	-	-	954,535	979,615	954,535	979,615
Deferred amounts, net	<u>-</u>	<u>-</u>	<u>77,867</u>	<u>87,416</u>	<u>77,867</u>	<u>87,416</u>
Total revenue bonds outstanding	<u>-</u>	<u>-</u>	<u>1,032,402</u>	<u>1,067,031</u>	<u>1,032,402</u>	<u>1,067,031</u>
Total general obligation and revenue bonds outstanding	<u>\$ 3,711,942</u>	<u>\$ 3,218,901</u>	<u>\$ 1,085,697</u>	<u>\$ 1,121,373</u>	<u>\$ 4,797,639</u>	<u>\$ 4,340,274</u>

The Government's total general obligation and revenue bonds outstanding, net of deferred amounts, increased by \$457 million (10.5%) during the current fiscal year. New bond issues totaled \$1.2 billion, which were offset by principal payments of \$215 million and refundings of \$571 million. Deferred amounts increased a net amount of \$44 million.

Other debt decreased by \$4 million due to principal payments.

Construction commitments on June 30, 2021 totaled \$103 million for the governmental activities of the Government and \$368 million for the Department of Water and Sewerage Services.

The Government maintains an "AA" rating from Standard & Poor's and "Aa2" from Moody's for general obligation debt.

The Government maintains ratings an "AA" from Standard & Poor's and a credit rating of "Aa2" from Moody's for the various issues of revenue debt of the Department of Water and Sewerage Services.

The ratio of general long-term debt (defined as gross debt less debt service monies available and less debt to be repaid from sources other than property taxes) to the actual value of property is 2.84%, and the amount of net debt per capita is \$5,090.

Additional information on the Government's long-term debt can be found in Note 5 beginning on page B-58 of this report.

Commercial paper – In July 2017, the Government instituted a new general obligation commercial paper program to provide interim or short-term financing for various authorized capital projects. In July 2018, the Government instituted a new Water and Sewer revenue bond commercial paper program to provide interim and short-term financing for various authorized capital projects of the Department of Water and Sewerage Services. Commercial paper obligations of \$250 million outstanding on June 30, 2021 are considered short-term liabilities of the appropriate capital projects and proprietary funds. The commercial paper obligations will be redeemed with the proceeds from the future issuance of general obligation or revenue bonds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The most recent (October 2021) unemployment rate for Nashville is 3.1%. That rate compares to a 6.2% unemployment rate for October 2020. The budget for the 2022 fiscal year reflects a balanced budget with no budgeted use of fund balance. The budget reflects the continued impacts of the COVID-19 pandemic on revenues and expenditures. For more comprehensive information on the Government's approved budget for the 2022 fiscal year, the budget ordinance, the budget book as well as other documents are available at www.nashville.gov.

OTHER MATTERS

On November 7, 2006, voters approved a ballot initiative prohibiting the Metropolitan Council from raising real property tax rates above the rate at that time, which was \$4.69, without the approval of the voters in a referendum. Prior to the adoption of the ballot initiative, the Metropolitan Council was authorized to set the real property tax rate without any requirement of voter approval. The Government's legal department has issued a memo stating that the approved initiative violates the Tennessee Constitution because it places the power to set property tax rates with voters, rather than with the Metropolitan Council, as prescribed by the Constitution. At present, the Courts have ruled in the favor of Metro. However, the Government cannot predict the timing or certainty of the outcome that the court ruling would be reversed on subsequent appeals that may be introduced into court at a future time.

In July 2021, the Metropolitan Council approved legislation to revise OPEB benefits for retirees which will reduce the OPEB liability as the revisions go into effect.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Government's financial position for citizens, taxpayers, customers, investors, creditors, and all others with an interest in the Government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be forwarded to the Department of Finance, Division of Accounts, at acfr@nashville.gov.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION

June 30, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS:				
Cash and cash equivalents	\$ 739,140,872	\$ 158,470,091	\$ 897,610,963	\$ 911,525,508
Investments	8,590,075	-	8,590,075	19,931,538
Sales tax receivable	95,588,225	-	95,588,225	-
Accounts receivable	265,686,954	38,466,604	304,153,558	227,510,434
Property tax receivable	1,548,680,152	-	1,548,680,152	-
Allowance for doubtful accounts	(19,260,861)	(3,321,628)	(22,582,489)	(49,854,511)
Accrued interest receivable	42,902	28,098	71,000	20,433
Due from other governmental agencies	-	-	-	7,105,930
Internal balances	38,542,363	(38,542,363)	-	-
Due from the primary government	-	-	-	333,373
Due from component units	541,679	10,806	552,485	-
Inventories of supplies	4,334,816	3,224,703	7,559,519	42,131,781
Other current assets	1,486,724	105,567	1,592,291	19,873,755
Restricted assets:				
Cash and cash equivalents	-	424,467,095	424,467,095	807,904,898
Investments	-	-	-	220,401,807
Accounts receivable	-	190,467	190,467	2,232,024
Accrued interest receivable	-	3,910	3,910	144,176
Due from the primary government	-	-	-	13,329,457
Other restricted assets	-	622	622	2,064,363
Notes receivable	-	-	-	54,069,702
Capital assets:				
Utility plant in service	-	3,333,408,484	3,333,408,484	1,696,392,000
Land	587,949,203	26,747,154	614,696,357	401,361,114
Buildings and improvements	2,655,098,071	127,920,939	2,783,019,010	2,563,121,677
Improvements other than buildings	-	77,526,126	77,526,126	2,747,588
Furniture, machinery and equipment	555,103,814	196,538,484	751,642,298	853,417,053
Property under capital lease	-	3,645,000	3,645,000	-
Infrastructure	1,845,499,947	-	1,845,499,947	645,075,258
Public art	5,980,670	-	5,980,670	1,183,844
Construction in progress	278,644,366	247,358,695	526,003,061	635,885,300
Accumulated depreciation	(1,686,546,799)	(1,731,590,736)	(3,418,137,535)	(2,400,451,520)
Other noncurrent assets	587,218,995	66,645,999	653,864,994	85,166,867
Total assets	7,512,322,168	2,931,304,117	10,443,626,285	6,762,623,849
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred charge on refunding	174,438,062	2,930,314	177,368,376	21,528,993
Other post employment benefits (OPEB)	542,932,698	-	542,932,698	37,603,531
Pensions	160,301,785	8,153,759	168,455,544	21,267,418
Total deferred outflows of resources	877,672,545	11,084,073	888,756,618	80,399,942

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION (CONTINUED)

June 30, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES:				
Accounts payable	\$ 111,554,700	\$ 11,573,987	\$ 123,128,687	\$ 321,347,119
Accrued payroll	60,945,201	8,366,232	69,311,433	16,012,038
Accrued interest	52,671,157	-	52,671,157	-
Claims payable	35,271,695	-	35,271,695	-
Due to component units	13,329,456	333,373	13,662,829	-
Due to the primary government	-	-	-	552,485
Customer deposits	-	3,119,668	3,119,668	22,915,912
Unearned revenue	100,733,394	571,807	101,305,201	13,715,759
Commercial paper payable	49,723,880	200,476,120	250,200,000	-
Other current liabilities	10,986,391	33,392	11,019,783	13,892,849
Liabilities payable from restricted assets:				
Accounts payable	-	37,629,758	37,629,758	31,459,490
Accrued payroll	-	527,205	527,205	-
Accrued interest	-	24,884,344	24,884,344	27,030,270
Noncurrent liabilities:				
Current portion of long-term liabilities payable from restricted assets	-	35,747,210	35,747,210	85,216,706
Due within one year	281,621,351	-	281,621,351	30,377,474
Due in more than one year	7,913,860,781	1,049,949,806	8,963,810,587	3,398,711,545
Total liabilities	8,630,698,006	1,373,212,902	10,003,910,908	3,961,231,647
DEFERRED INFLOWS OF RESOURCES:				
Assessed and unlevied property taxes	1,509,031,409	-	1,509,031,409	-
Fuel hedge	3,084,804	-	3,084,804	493,049
Other post employment benefits (OPEB)	695,089,226	-	695,089,226	75,447,957
Pensions	724,595,764	53,484,341	778,080,105	108,040,612
Tax increment financing	-	-	-	28,000,000
Total deferred inflows of resources	2,931,801,203	53,484,341	2,985,285,544	211,981,618
NET POSITION:				
Net investment in capital assets	641,955,953	1,302,027,354	1,943,983,307	1,860,518,826
Restricted for debt retirement	-	101,091,669	101,091,669	312,748,991
Restricted for perpetual care:				
Expendable	174,492	-	174,492	-
Nonexpendable	185,112	-	185,112	-
Restricted for:				
Education	27,165,489	-	27,165,489	-
Law enforcement and care of prisoners	3,744,136	-	3,744,136	-
Public works, highways and streets	2,804,696	-	2,804,696	-
Convention center and tourism promotion	18,386,437	-	18,386,437	-
Public health	3,249,321	-	3,249,321	-
Flood recovery	13,490,129	-	13,490,129	-
Public library	1,222,524	-	1,222,524	-
Pensions	584,134,191	-	584,134,191	-
Other purposes	9,583,159	-	9,583,159	191,620,458
Unrestricted	(4,478,600,135)	112,571,924	(4,366,028,211)	304,922,251
Total net position	\$ (3,172,504,496)	\$ 1,515,690,947	\$ (1,656,813,549)	\$ 2,669,810,526

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

Functions/ Programs	Program Revenues			
	Expenses	Operating		Capital
		Charges for Services	Grants and Contributions	Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 203,513,570	\$ 46,543,678	\$ 38,250,626	\$ 2,433,443
Fiscal administration	46,251,513	10,338,976	10,084,331	-
Administration of justice	95,993,961	15,958,324	5,809,705	-
Law enforcement and care of prisoners	403,317,615	29,452,231	4,679,017	-
Fire prevention and control	176,676,610	11,528,399	931,001	-
Regulation and inspection	13,095,232	32,437,862	-	-
Conservation of natural resources	393,877	-	-	-
Public welfare	84,583,618	76,065	137,922,208	-
Public health and hospitals	145,079,172	12,125,229	28,437,283	-
Public library system	40,577,378	40,762	796,785	-
Public works, highways and streets	177,182,852	20,520,757	7,536,970	48,650,949
Recreational and cultural	82,913,252	12,103,421	2,534,280	275,626
Education	1,195,361,854	15,394,942	473,006,738	-
Interest and other debt related costs	109,169,580	-	-	-
Total governmental activities	<u>2,774,110,084</u>	<u>206,520,646</u>	<u>709,988,944</u>	<u>51,360,018</u>
Business-type activities:				
Department of Water and Sewerage Services	238,082,011	310,840,081	-	46,908,906
District Energy System	15,523,237	16,980,227	-	-
Stormwater Operations	16,949,154	40,075,329	-	-
Board of Fair Commissioners	3,459,817	412,705	-	-
Farmers Market	1,897,990	1,375,390	265,000	-
Surplus Property Auction	672,520	1,505,008	-	-
Municipal Auditorium	1,402,137	453,401	-	-
Police Impound	375,000	504,946	-	-
Total business-type activities	<u>278,361,866</u>	<u>372,147,087</u>	<u>265,000</u>	<u>46,908,906</u>
Total primary government	<u>\$ 3,052,471,950</u>	<u>\$ 578,667,733</u>	<u>\$ 710,253,944</u>	<u>\$ 98,268,924</u>
Component units	<u>\$ 1,930,562,104</u>	<u>\$ 1,567,941,581</u>	<u>\$ 315,607,603</u>	<u>\$ 124,798,548</u>
		General revenues:		
		Property taxes		
		Local option sales taxes		
		Hotel occupancy taxes		
		Beverage taxes		
		Wheel taxes		
		Business taxes		
		Franchise taxes		
		Other taxes		
		Revenues from the use of money or property		
		Revenues from other governmental agencies		
		not restricted for specific programs/functions		
		Compensation for loss, sale or damage to property		
		Transfers		
		Total general revenues and transfers		
		Changes in net position		
		Net position - beginning of year, as restated		
		Net position - end of year		

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
 STATEMENT OF ACTIVITIES (CONTINUED)
 For the Year Ended June 30, 2021

Net (Expense) Revenue and Changes in Net Position					
Primary Government					
Governmental Activities	Business-type Activities	Total	Component Units		
\$	\$	\$	\$	\$	\$
(116,285,823)	-	(116,285,823)			-
(25,828,206)	-	(25,828,206)			-
(74,225,932)	-	(74,225,932)			-
(369,186,367)	-	(369,186,367)			-
(164,217,210)	-	(164,217,210)			-
19,342,630	-	19,342,630			-
(393,877)	-	(393,877)			-
53,414,655	-	53,414,655			-
(104,516,660)	-	(104,516,660)			-
(39,739,831)	-	(39,739,831)			-
(100,474,176)	-	(100,474,176)			-
(67,999,925)	-	(67,999,925)			-
(706,960,174)	-	(706,960,174)			-
(109,169,580)	-	(109,169,580)			-
<u>(1,806,240,476)</u>	<u>-</u>	<u>(1,806,240,476)</u>			<u>-</u>
-	119,666,976	119,666,976			-
-	1,456,990	1,456,990			-
-	23,126,175	23,126,175			-
-	(3,047,112)	(3,047,112)			-
-	(257,600)	(257,600)			-
-	832,488	832,488			-
-	(948,736)	(948,736)			-
-	129,946	129,946			-
<u>-</u>	<u>140,959,127</u>	<u>140,959,127</u>			<u>-</u>
<u>(1,806,240,476)</u>	<u>140,959,127</u>	<u>(1,665,281,349)</u>			<u>-</u>
-	-	-			77,785,628
1,483,733,547	-	1,483,733,547			-
481,411,818	-	481,411,818			-
53,052,875	-	53,052,875			-
51,026,227	-	51,026,227			-
31,178,305	-	31,178,305			-
42,473,970	-	42,473,970			-
15,053,944	-	15,053,944			-
1,138,589	-	1,138,589			-
4,536,749	675,266	5,212,015		5,592,733	
112,966,980	-	112,966,980			-
4,290,234	20,747	4,310,981		4,387,840	
19,797,302	(19,797,302)	-		-	
<u>2,300,660,540</u>	<u>(19,101,289)</u>	<u>2,281,559,251</u>		<u>9,980,573</u>	
<u>494,420,064</u>	<u>121,857,838</u>	<u>616,277,902</u>		<u>87,766,201</u>	
<u>(3,666,924,560)</u>	<u>1,393,833,109</u>	<u>(2,273,091,451)</u>		<u>2,582,044,325</u>	
<u>\$ (3,172,504,496)</u>	<u>\$ 1,515,690,947</u>	<u>\$ (1,656,813,549)</u>		<u>\$ 2,669,810,526</u>	

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	General	General Purpose School	Education Services	GSD General Purposes Debt Service	GSD School Purposes Debt Service
ASSETS:					
Cash and cash equivalents	\$ 275,516,737	\$ 29,048,939	\$ 6,972,151	\$ 14,571,156	\$ 34,536,901
Investments	-	-	8,590,075	-	-
Sales tax receivable	33,344,189	48,368,295	-	420,931	13,454,810
Accounts receivable	51,564,732	4,482,735	99,582,682	2,374,533	-
Accrued interest receivable	12,686	-	200	3,505	1,761
Property tax receivable	732,399,409	495,607,109	-	224,059,740	77,008,999
Allowance for doubtful accounts	(14,509,050)	(3,165,777)	-	(987,015)	(411,869)
Due from other funds of the primary government	7,270,795	73,065,443	1,841,327	204,048	321
Due from component units	90,362	-	-	-	-
Inventories of supplies	213,715	2,201,073	1,488,170	-	-
Other assets	416,278	31,802	-	20,000	-
Total assets	\$ 1,086,319,853	\$ 649,639,619	\$ 118,474,605	\$ 240,666,898	\$ 124,590,923
LIABILITIES:					
Accounts payable	\$ 18,630,227	\$ 14,881,889	\$ 13,723,542	\$ 476,617	\$ 206,463
Accrued payroll	33,293,235	19,369,007	1,817,350	-	-
Due to other funds of the primary government	14,869,431	10,009,698	67,000,907	13,513	6,526
Due to component units	-	-	-	-	-
Commercial paper payable	-	-	-	-	-
Unearned revenue	501,478	337,594	7,279,147	-	-
Other liabilities	9,665,090	62,602	-	-	-
Total liabilities	76,959,461	44,660,790	89,820,946	490,130	212,989
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue - property taxes	721,563,882	488,956,642	-	221,547,392	76,042,119
Unavailable revenue - grants	-	-	-	-	-
Unavailable revenue - other revenues	2,309,979	-	-	-	-
Total deferred inflows of resources	723,873,861	488,956,642	-	221,547,392	76,042,119
FUND BALANCES (DEFICITS):					
Nonspendable	861,275	2,201,073	1,488,170	-	-
Restricted for:					
Other purposes	-	-	27,165,489	-	-
Committed for:					
Education (available)	-	113,821,114	-	-	-
Debt service	-	-	-	18,629,376	48,335,815
Equipment acquisitions (appropriated)	-	-	-	-	-
Equipment acquisitions (unappropriated)	-	-	-	-	-
Other purposes	-	-	-	-	-
Assigned for:					
Specific projects	19,649,800	-	-	-	-
Unassigned	264,975,456	-	-	-	-
Total fund balances (deficits)	285,486,531	116,022,187	28,653,659	18,629,376	48,335,815
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 1,086,319,853	\$ 649,639,619	\$ 118,474,605	\$ 240,666,898	\$ 124,590,923

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2021

USD General Purposes Debt Service	GSD Capital Projects	Education Capital Projects	USD Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 2,279,181	\$ 2,548,041	\$ 5,393,468	\$ 95,324	\$ 220,950,950	\$ 591,912,848
-	-	-	-	-	8,590,075
-	-	-	-	-	95,588,225
56,277	-	-	-	105,759,565	263,820,524
135	108	6	-	15,279	33,680
19,604,895	-	-	-	-	1,548,680,152
(187,150)	-	-	-	-	(19,260,861)
422,696	4,541,940	933,314	-	16,372,948	104,652,832
-	-	-	-	-	90,362
-	-	-	-	290,781	4,193,739
-	-	-	-	505,771	973,851
\$ 22,176,034	\$ 7,090,089	\$ 6,326,788	\$ 95,324	\$ 343,895,294	\$ 2,599,275,427
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 14,955	\$ 18,315,789	\$ 7,469,645	\$ -	\$ 17,684,532	\$ 91,403,659
-	26,803	-	-	3,020,640	57,527,035
1,566	256,912	3,427,568	76,782	38,205,202	133,868,105
-	-	-	-	13,329,456	13,329,456
-	27,688,706	20,108,474	320,323	1,606,377	49,723,880
-	-	-	-	92,615,175	100,733,394
-	15,000	-	-	1,243,699	10,986,391
16,521	46,303,210	31,005,687	397,105	167,705,081	457,571,920
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
19,258,807	-	-	-	-	1,527,368,842
-	-	-	-	54,189,289	54,189,289
-	-	-	-	9,096,211	11,406,190
19,258,807	-	-	-	63,285,500	1,592,964,321
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
-	-	-	-	481,664	5,032,182
-	-	-	-	52,654,893	79,820,382
-	-	-	-	-	113,821,114
2,900,706	-	-	-	-	69,865,897
-	-	-	-	63,920,042	63,920,042
-	-	-	-	4,992,380	4,992,380
-	-	-	-	35,856,976	35,856,976
-	-	-	-	-	19,649,800
-	(39,213,121)	(24,678,899)	(301,781)	(45,001,242)	155,780,413
2,900,706	(39,213,121)	(24,678,899)	(301,781)	112,904,713	548,739,186
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 22,176,034	\$ 7,090,089	\$ 6,326,788	\$ 95,324	\$ 343,895,294	\$ 2,599,275,427

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS

June 30, 2021

Fund balances - total governmental funds	\$ 548,739,186
Amounts reported for governmental activities in the Statement of Net Position are different from amounts reported for governmental funds in the Balance Sheet because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Capital assets	5,707,256,601
Less accumulated depreciation	(1,517,270,267)
Net pension assets are not financial resources and therefore are not reported in the governmental funds.	584,134,191
The fuel hedging derivative asset is not a financial resource and therefore is not reported in the governmental funds.	3,084,804
Deferred outflows are not financial obligations and therefore not reported in the governmental funds.	
Pensions	160,301,785
Other postemployment benefits (OPEB)	542,932,698
Deferred inflows are not financial resources and therefore not reported in the governmental funds.	
Pensions	(724,595,764)
Other postemployment benefits (OPEB)	(695,089,226)
Fair value of derivative financial instruments	(3,084,804)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Bonds payable	(3,322,030,197)
Qualified school construction bond loan payable	(20,582,263)
Less deferred charge on refunding	174,438,062
Add net bond premium/discount	(389,911,874)
Accrued interest payable	(52,671,157)
Net pension liability	(48,089,719)
Other postemployment benefits (OPEB) liability	(4,302,183,871)
Compensated absences	(94,416,322)
Claims and judgments	(8,770,200)
Landfill closure costs	(5,309,709)
Certain deferred inflows reported in the governmental funds are recognized as revenues in the governmental activities.	83,932,912
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds less those allocated to business-type activities are included in governmental activities.	206,680,638
Net position - governmental activities	\$ (3,172,504,496)

The accompanying notes are an integral part of this financial statement.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended June 30, 2021

	General	General Purpose School	Education Services	GSD General Purposes Debt Service	GSD School Purposes Debt Service
REVENUES:					
Property taxes	\$ 754,775,682	\$ 432,343,743	\$ -	\$ 188,957,142	\$ 68,633,403
Local option sales taxes	168,157,620	244,212,837	-	930,256	68,111,105
Other taxes, licenses and permits	159,909,219	15,257,743	-	-	-
Fines, forfeits and penalties	4,820,452	120	-	197,512	-
Revenues from the use of money or property	190,700	-	1,423,796	107,777	1,499,731
Revenues from other governmental agencies	173,009,118	287,482,901	206,794,151	-	-
Commissions and fees	17,718,359	-	-	-	-
Charges for current services	37,102,858	886,829	3,248,140	-	-
Compensation for loss, sale or damage to property	1,108,900	1,870,955	1,624,937	222,063	-
Contributions and gifts	33,025	342,772	-	-	-
Bond interest tax credit	-	-	-	4,922,502	-
Miscellaneous	871,032	40	371	-	-
Total revenues	1,317,696,965	982,397,940	213,091,395	195,337,252	138,244,239
EXPENDITURES:					
Current:					
General government	53,109,511	-	-	-	-
Fiscal administration	26,274,627	-	-	-	-
Administration of justice	69,325,655	-	-	-	-
Law enforcement and care of prisoners	312,866,080	-	-	-	-
Fire prevention and control	138,443,891	-	-	-	-
Regulation and inspection	11,484,128	-	-	-	-
Conservation of natural resources	343,532	-	-	-	-
Public welfare	5,839,322	-	-	-	-
Public health and hospitals	64,863,227	-	-	-	-
Public library system	30,651,471	-	-	-	-
Public works, highways and streets	35,374,417	-	-	-	-
Recreational and cultural	43,779,702	-	-	-	-
Education	-	758,432,585	362,844,096	-	-
Retiree benefits	89,295,904	-	-	-	-
Miscellaneous	93,853,337	-	-	-	-
Debt service:					
Principal retirement	-	-	-	115,829,974	64,912,504
Interest	-	-	-	87,570,844	41,939,602
Fiscal charges	-	-	-	4,749,445	1,598,228
Capital outlay	-	84,019	513,455	-	-
Total expenditures	975,504,804	758,516,604	363,357,551	208,150,263	108,450,334
Excess (deficiency) of revenues over expenditures	342,192,161	223,881,336	(150,266,156)	(12,813,011)	29,793,905

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2021

USD General Purposes Debt Service	GSD Capital Projects	Education Capital Projects	USD Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 18,847,623	\$ -	\$ -	\$ -	\$ 3,721,016	\$ 1,467,278,609
-	-	-	-	-	481,411,818
188,681	-	-	-	55,759,397	231,115,040
-	-	-	-	1,736,340	6,754,424
1,033	3,388	148	-	345,620	3,572,193
-	3,319,471	-	-	206,131,982	876,737,623
-	-	-	-	8,466,222	26,184,581
-	294,548	-	-	14,409,576	55,941,951
-	92,382	-	-	840,560	5,759,797
-	1,963,406	-	-	6,971,122	9,310,325
-	-	-	-	-	4,922,502
-	-	-	-	185,794	1,057,237
19,037,337	5,673,195	148	-	298,567,629	3,170,046,100
10,648,266	-	-	-	63,742,218	116,851,729
8,059,091	-	-	-	234,154	26,508,781
221,888	-	-	-	13,140,010	82,465,665
-	-	-	-	9,671,723	322,537,803
-	-	-	-	958,372	139,402,263
-	-	-	-	43,533	11,527,661
-	-	-	-	-	343,532
-	-	-	-	174,549,641	180,388,963
-	-	-	-	32,081,393	96,944,620
-	-	-	-	779,695	31,431,166
-	-	-	-	45,473,916	80,848,333
-	-	-	-	1,815,558	45,595,260
-	-	-	-	171	1,121,276,852
-	-	-	-	-	89,295,904
-	-	-	-	-	93,853,337
18,929,245	126,917,959	51,051,138	571,079	27,042,494	206,180,144
108,092	(121,244,764)	(51,050,990)	(571,079)	(70,965,249)	189,064,245

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	General	General Purpose School	Education Services	GSD General Purposes Debt Service	GSD School Purposes Debt Service
OTHER FINANCING SOURCES (USES):					
Issuance of new debt	\$ -	\$ -	\$ -	\$ -	\$ -
Issuance of refunding debt	-	-	-	404,145,744	179,701,566
Debt issue premium (discount)	-	-	-	7,193,899	3,198,735
Payments to refunded bond escrow agent	-	-	-	(409,331,354)	(182,337,300)
Transfers in	20,483,569	36,183,698	168,250,027	12,385,224	1,623,731
Transfers out	(150,964,244)	(173,906,340)	(5,884,929)	-	-
Total other financing sources (uses)	(130,480,675)	(137,722,642)	162,365,098	14,393,513	2,186,732
Net change in fund balances	211,711,486	86,158,694	12,098,942	1,580,502	31,980,637
FUND BALANCES (DEFICITS), beginning of year, as restated	73,775,045	29,863,493	16,554,717	17,048,874	16,355,178
FUND BALANCES (DEFICITS), end of year	<u>\$ 285,486,531</u>	<u>\$ 116,022,187</u>	<u>\$ 28,653,659</u>	<u>\$ 18,629,376</u>	<u>\$ 48,335,815</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2021

USD General Purposes Debt Service	GSD Capital Projects	Education Capital Projects	USD Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 437,682,815	\$ 123,318,568	\$ 8,880,233	\$ -	\$ 569,881,616
44,148,147	-	-	-	-	627,995,457
785,848	61,806,723	17,414,247	1,254,009	-	91,653,461
(44,795,680)	-	-	-	-	(636,464,334)
1,742,600	500,000	-	-	103,187,152	344,356,001
-	(4,677,886)	-	-	(20,900,034)	(356,333,433)
 <u>1,880,915</u>	 <u>495,311,652</u>	 <u>140,732,815</u>	 <u>10,134,242</u>	 <u>82,287,118</u>	 <u>641,088,768</u>
1,989,007	374,066,888	89,681,825	9,563,163	11,321,869	830,153,013
 <u>911,699</u>	 <u>(413,280,009)</u>	 <u>(114,360,724)</u>	 <u>(9,864,944)</u>	 <u>101,582,844</u>	 <u>(281,413,827)</u>
 <u>\$ 2,900,706</u>	 <u>\$ (39,213,121)</u>	 <u>\$ (24,678,899)</u>	 <u>\$ (301,781)</u>	 <u>\$ 112,904,713</u>	 <u>\$ 548,739,186</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2021

Net change in fund balances - governmental funds	\$ 830,153,013
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Amounts reported for governmental activities in the Statement of Activities are different from amounts reported for governmental funds in the Statement of Revenues, Expenditures and Changes in Fund Balances, because:

Governmental funds report capital outlays as expenditures. However, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense for governmental activities.

Acquisition of capital assets that meet criteria for capitalization	97,304,455
Depreciation expense	(109,602,976)

Donations of capital assets increase net position for governmental activities, but do not appear in the governmental funds because they are not financial resources. 47,144,890

The gain or loss on the sale of capital assets is reported for governmental activities, whereas in the governmental funds, the proceeds from the sale increase financial resources.

Thus, the change in net position differs from the change in fund balances by the net book value of the capital assets sold. (92,575)

Changes in net pension assets increase or decrease net position for governmental activities, but do not appear in the governmental funds because they are not current financial resources. 499,106,852

Changes in deferred outflows increase or decrease net position for governmental activities, but do not appear in the governmental funds because they are not current financial resources.

Pensions	12,556,311
Other postemployment benefits (OPEB)	(13,711,819)

Changes in deferred inflows increase or decrease net position for governmental activities, but do not appear in the governmental funds because they are not current financial resources.

Pensions	(556,651,829)
Other postemployment benefits (OPEB)	(93,430,100)

Bond proceeds provide current financial resources to governmental funds, but the issuance of debt increases long-term liabilities for governmental activities. Repayment of bond principal is an expenditure in the governmental funds but reduces long-term liabilities for governmental activities. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized for governmental activities.

Issuance of new debt	(569,881,616)
Issuance of refunding debt	(627,995,457)
Principal repayments	191,390,744
Payments to refunded bond escrow agent	636,464,334
Amortization of deferred charge on refunding	(20,143,832)
Bond premium/discount	(91,653,461)
Amortization of premium/discount	38,086,186
Change in accrued interest	14,021,510

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (CONTINUED)

For the Year Ended June 30, 2021

Swaption proceeds provide current financial resources to governmental funds, but the issuance of swaptions increases long-term liabilities for governmental activities. Also, these proceeds are amortized for governmental activities.

Amortization of swaption	\$ 1,007,580
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Some expenses reported for governmental activities do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds.

Net pension liability	237,573,201
Total other postemployment benefits (OPEB) liability	(41,139,275)
Compensated absences	2,635,402
Claims and judgments	(2,548,200)
Landfill closure costs	1,231,431

Some revenues for governmental activities do not provide current financial resources and are not reported as revenues for governmental funds.

35,663,062

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds less those allocated to business-type activities are included in governmental activities.

<u>(23,067,767)</u>

Change in net position - governmental activities	\$ <u>494,420,064</u>
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The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 750,138,700	\$ 750,138,700	\$ 754,775,682	\$ 4,636,982
Local option sales tax	122,814,300	122,814,300	168,157,620	45,343,320
Other taxes, licenses and permits	112,404,500	112,404,500	159,909,219	47,504,719
Fines, forfeits and penalties	5,619,600	5,619,600	4,820,452	(799,148)
Revenues from the use of money or property	-	-	190,700	190,700
Revenues from other governmental agencies	126,626,200	133,353,100	173,009,118	39,656,018
Commissions and fees	11,093,000	11,093,000	17,718,359	6,625,359
Charges for current services	44,834,400	44,834,400	37,102,858	(7,731,542)
Compensation for loss, sale or damage to property	731,300	731,300	1,108,900	377,600
Contributions and gifts	-	-	33,025	33,025
Miscellaneous	915,300	915,300	871,032	(44,268)
Total revenues	<u>1,175,177,300</u>	<u>1,181,904,200</u>	<u>1,317,696,965</u>	<u>135,792,765</u>
EXPENDITURES:				
General government	57,348,700	57,444,900	53,109,511	4,335,389
Fiscal administration	28,385,000	28,385,000	26,274,627	2,110,373
Administration of justice	72,007,000	73,105,300	69,325,655	3,779,645
Law enforcement and care of prisoners	310,873,300	318,996,000	312,866,080	6,129,920
Fire prevention and control	135,588,600	138,446,100	138,443,891	2,209
Regulation and inspection	12,056,700	12,084,400	11,484,128	600,272
Conservation of natural resources	331,900	343,700	343,532	168
Public welfare	6,752,100	6,752,100	5,839,322	912,778
Public health and hospitals	67,088,800	67,088,800	64,863,227	2,225,573
Public library system	31,765,300	31,765,300	30,651,471	1,113,829
Public works, highways and streets	37,124,400	37,124,400	35,374,417	1,749,983
Recreational and cultural	47,397,500	47,445,100	43,779,702	3,665,398
Retiree benefits	89,936,000	92,835,900	89,295,904	3,539,996
Miscellaneous	106,691,700	118,495,800	93,853,337	24,642,463
Total expenditures	<u>1,003,347,000</u>	<u>1,030,312,800</u>	<u>975,504,804</u>	<u>54,807,996</u>
Excess (deficiency) of revenues over expenditures	<u>171,830,300</u>	<u>151,591,400</u>	<u>342,192,161</u>	<u>190,600,761</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	20,307,300	20,307,300	20,483,569	176,269
Transfers out	(138,570,100)	(148,358,000)	(150,964,244)	(2,606,244)
Total other financing sources (uses)	<u>(118,262,800)</u>	<u>(128,050,700)</u>	<u>(130,480,675)</u>	<u>(2,429,975)</u>
Net change in fund balances	53,567,500	23,540,700	211,711,486	188,170,786
FUND BALANCES, beginning of year	<u>73,775,045</u>	<u>73,775,045</u>	<u>73,775,045</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 127,342,545</u>	<u>\$ 97,315,745</u>	<u>\$ 285,486,531</u>	<u>\$ 188,170,786</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL PURPOSE SCHOOL FUND

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 431,608,100	\$ 431,608,100	\$ 432,343,743	\$ 735,643
Local option sales tax	178,361,400	178,361,400	244,212,837	65,851,437
Other taxes, licenses and permits	17,182,100	17,182,100	15,257,743	(1,924,357)
Fines, forfeits and penalties	1,200	1,200	120	(1,080)
Revenues from the use of money or property	-	-	-	-
Revenues from other governmental agencies	288,977,800	288,977,800	287,482,901	(1,494,899)
Charges for current services	2,220,000	2,220,000	886,829	(1,333,171)
Compensation for loss, sale or damage to property	1,640,000	1,640,000	1,870,955	230,955
Contributions and gifts	150,000	150,000	342,772	192,772
Miscellaneous	30,000	30,000	40	(29,960)
Total revenues	<u>920,170,600</u>	<u>920,170,600</u>	<u>982,397,940</u>	<u>62,227,340</u>
EXPENDITURES:				
Education	752,663,300	763,844,800	758,432,585	5,412,215
Capital outlay	121,600	121,600	84,019	37,581
Total expenditures	<u>752,784,900</u>	<u>763,966,400</u>	<u>758,516,604</u>	<u>5,449,796</u>
Excess (deficiency) of revenues over expenditures	<u>167,385,700</u>	<u>156,204,200</u>	<u>223,881,336</u>	<u>67,677,136</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	2,300,000	13,481,500	36,183,698	22,702,198
Transfers out	(169,685,700)	(169,685,700)	(173,906,340)	(4,220,640)
Total other financing sources (uses)	<u>(167,385,700)</u>	<u>(156,204,200)</u>	<u>(137,722,642)</u>	<u>18,481,558</u>
Net change in fund balances	-	-	86,158,694	86,158,694
FUND BALANCES, beginning of year	<u>29,863,493</u>	<u>29,863,493</u>	<u>29,863,493</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 29,863,493</u>	<u>\$ 29,863,493</u>	<u>\$ 116,022,187</u>	<u>\$ 86,158,694</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Department of Water and Sewerage Services	District Energy System	Stormwater Operations	Other Enterprise Funds	Total Enterprise Funds	
ASSETS:						
Current assets:						
Cash and cash equivalents	\$ 86,815,945	\$ 7,439,629	\$ 58,709,597	\$ 5,504,920	\$ 158,470,091	\$ 147,228,024
Accounts receivable	27,939,466	2,032,206	8,173,510	321,422	38,466,604	580,437
Allowance for doubtful accounts	(1,202,279)	-	(2,119,349)	-	(3,321,628)	-
Accrued interest receivable	24,477	-	3,325	296	28,098	9,222
Due from other funds of the primary government	987,470	81,896	3,040,769	19,696	4,129,831	3,531,441
Due from component units	10,506	-	300	-	10,806	451,317
Inventories of supplies	3,224,703	-	-	-	3,224,703	141,077
Other current assets	90,560	-	11,200	3,807	105,567	512,873
Restricted assets:						
Cash and cash equivalents	79,608,829	1,847,333	-	-	81,456,162	-
Accounts receivable	190,467	-	-	-	190,467	-
Accrued interest receivable	3,910	-	-	-	3,910	-
Due from other funds of the primary government	19,316,275	-	-	-	19,316,275	-
Other current assets	622	-	-	-	622	-
Total current assets	217,010,951	11,401,064	67,819,352	5,850,141	302,081,508	152,454,391
Noncurrent assets:						
Net pension asset	33,455,955	-	4,452,756	1,440,687	39,349,398	-
Capital assets:						
Utility plant in service	3,265,343,487	68,064,997	-	-	3,333,408,484	-
Land	24,673,248	1,311,213	-	762,693	26,747,154	-
Buildings and improvements	57,310,042	22,249,490	-	48,361,407	127,920,939	-
Improvements other than buildings	62,881,070	273,754	-	14,371,302	77,526,126	-
Furniture, machinery and equipment	193,171,992	886,904	-	2,479,588	196,538,484	221,019,470
Property under capital lease	-	-	-	3,645,000	3,645,000	-
Construction in progress	239,728,862	245,618	-	7,384,215	247,358,695	-
Less accumulated depreciation	(1,664,321,538)	(37,615,584)	-	(29,653,614)	(1,731,590,736)	(169,276,532)
Capital assets - net	2,178,787,163	55,416,392	-	47,350,591	2,281,554,146	51,742,938
Restricted assets:						
Cash and cash equivalents	343,010,933	-	-	-	343,010,933	-
Other noncurrent assets	27,296,601	-	-	-	27,296,601	-
Total noncurrent assets	2,582,550,652	55,416,392	4,452,756	48,791,278	2,691,211,078	51,742,938
Total assets	2,799,561,603	66,817,456	72,272,108	54,641,419	2,993,292,586	204,197,329
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred charge on refunding	1,062,031	1,868,283	-	-	2,930,314	-
Pensions	6,932,552	-	922,675	298,532	8,153,759	-
Total deferred outflows of resources	7,994,583	1,868,283	922,675	298,532	11,084,073	-

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)

June 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Department of Water and Sewerage Services	District Energy System	Stormwater Operations	Other Enterprise Funds	Total Enterprise Funds	
LIABILITIES:						
Current liabilities:						
Accounts payable	\$ 7,396,349	\$ 2,035,338	\$ 1,730,477	\$ 411,823	\$ 11,573,987	\$ 12,462,424
Accrued payroll	7,121,969	-	820,642	423,621	8,366,232	3,418,166
Claims payable	-	-	-	-	-	35,271,695
Due to other funds of the primary government	266,287	650,912	19,602	94,174	1,030,975	41,292
Due to component units	333,333	-	-	40	333,373	-
Customer deposits	3,074,087	-	-	45,581	3,119,668	-
Unearned revenue	-	-	-	571,807	571,807	-
Other current liabilities	33,392	-	-	-	33,392	-
Liabilities payable from restricted assets:						
Accounts payable	37,629,758	-	-	-	37,629,758	-
Accrued payroll	527,205	-	-	-	527,205	-
Due to other funds of the primary government	3,092,631	-	-	-	3,092,631	-
Accrued interest	24,467,176	417,168	-	-	24,884,344	-
Current portion of long term debt	33,070,000	2,677,210	-	-	35,747,210	-
Commercial paper payable	200,200,000	276,120	-	-	200,476,120	-
Total current liabilities	<u>317,212,187</u>	<u>6,056,748</u>	<u>2,570,721</u>	<u>1,547,046</u>	<u>327,386,702</u>	<u>51,193,577</u>
Noncurrent liabilities:						
Revenue bonds payable	999,332,321	-	-	-	999,332,321	-
General obligation bonds payable	-	50,617,485	-	-	50,617,485	-
Claims payable	-	-	-	-	-	4,187,977
Total noncurrent liabilities	<u>999,332,321</u>	<u>50,617,485</u>	<u>-</u>	<u>-</u>	<u>1,049,949,806</u>	<u>4,187,977</u>
Total liabilities	<u>1,316,544,508</u>	<u>56,674,233</u>	<u>2,570,721</u>	<u>1,547,046</u>	<u>1,377,336,508</u>	<u>55,381,554</u>
DEFERRED INFLOWS OF RESOURCES:						
Pensions	45,473,875	-	6,052,258	1,958,208	53,484,341	-
Total deferred inflows of resources	<u>45,473,875</u>	<u>-</u>	<u>6,052,258</u>	<u>1,958,208</u>	<u>53,484,341</u>	<u>-</u>
NET POSITION:						
Net investment in capital assets	1,250,962,903	3,713,860	-	47,350,591	1,302,027,354	51,742,938
Restricted for debt retirement	99,661,504	1,430,165	-	-	101,091,669	-
Unrestricted	94,913,396	6,867,481	64,571,804	4,084,106	170,436,787	97,072,837
Total net position	<u>\$ 1,445,537,803</u>	<u>\$ 12,011,506</u>	<u>\$ 64,571,804</u>	<u>\$ 51,434,697</u>	<u>1,573,555,810</u>	<u>\$ 148,815,775</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(57,864,863)	
Net position of business-type activities					<u>\$ 1,515,690,947</u>	

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Department of Water and Sewerage Services	District Energy System	Stormwater Operations	Other Enterprise Funds	Total Enterprise Funds	
OPERATING REVENUES:						
Charges for services	\$ 309,956,808	\$ 16,980,227	\$ 40,075,329	\$ 4,251,450	\$ 371,263,814	\$ 448,540,817
Other	-	-	-	-	-	15,428,759
Total operating revenues	309,956,808	16,980,227	40,075,329	4,251,450	371,263,814	463,969,576
OPERATING EXPENSES:						
Personal services	49,711,292	-	7,111,604	2,284,539	59,107,435	21,051,024
Contractual services	38,096,851	11,584,154	8,480,884	2,932,875	61,094,764	43,650,891
Supplies and materials	15,770,096	245,778	425,866	63,948	16,505,688	10,358,467
Depreciation	87,628,485	2,384,003	-	2,109,655	92,122,143	19,525,213
Compensation for damages	-	-	-	-	-	4,039,344
Medical and insurance benefits	-	-	-	-	-	417,857,848
Other	5,246,212	22,013	249,584	283,969	5,801,778	7,784,059
Total operating expenses	196,452,936	14,235,948	16,267,938	7,674,986	234,631,808	524,266,846
OPERATING INCOME (LOSS)	113,503,872	2,744,279	23,807,391	(3,423,536)	136,632,006	(60,297,270)
NONOPERATING REVENUE (EXPENSE):						
Investment income (loss)	596,068	340	72,257	6,601	675,266	198,525
Interest expense	(37,082,139)	(1,278,324)	-	-	(38,360,463)	-
Gain (loss) on sale of property	12,774	-	-	7,973	20,747	(255,522)
Other	883,273	(8,965)	-	265,000	1,139,308	315,537
Total nonoperating revenue (expense)	(35,590,024)	(1,286,949)	72,257	279,574	(36,525,142)	258,540
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS AND TRANSFERS	77,913,848	1,457,330	23,879,648	(3,143,962)	100,106,864	(60,038,730)
CAPITAL GRANTS AND CONTRIBUTIONS	46,908,906	-	-	-	46,908,906	-
TRANSFERS IN	-	630,700	-	3,767,425	4,398,125	33,543,333
TRANSFERS OUT	(13,557,920)	(1,159,200)	(8,600,807)	(877,500)	(24,195,427)	(1,933,000)
CHANGE IN NET POSITION	111,264,834	928,830	15,278,841	(254,037)	127,218,468	(28,428,397)
NET POSITION, beginning of year	1,334,272,969	11,082,676	49,292,963	51,688,734		177,244,172
NET POSITION, end of year	\$ 1,445,537,803	\$ 12,011,506	\$ 64,571,804	\$ 51,434,697		\$ 148,815,775
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(5,360,630)
Change in net position of business-type activities						\$ 121,857,838

The accompanying notes are an integral part of this financial statement.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Department of Water and Sewerage Services	District Energy System	Stormwater Operations	Other Enterprise Funds	Total Enterprise Funds	
Cash flows from operating activities:						
Receipts from customers and users	\$ 308,591,819	\$ 16,903,110	\$ 37,780,845	\$ 4,351,520	\$ 367,627,294	\$ 472,948,398
Payments to suppliers	(20,840,393)	(11,554,806)	(8,284,712)	(3,341,644)	(44,021,555)	(480,861,288)
Payments to employees	(58,553,526)	-	(8,462,047)	(2,646,291)	(69,661,864)	(20,588,327)
Other receipts	-	-	-	265,000	265,000	315,537
Other payments	(5,203,300)	-	-	-	(5,203,300)	-
Net cash provided by (used in) operating activities	<u>223,994,600</u>	<u>5,348,304</u>	<u>21,034,086</u>	<u>(1,371,415)</u>	<u>249,005,575</u>	<u>(28,185,680)</u>
Cash flows from noncapital financing activities:						
Transfers in	-	630,700	-	3,767,425	4,398,125	33,543,333
Transfers out	(13,557,920)	(1,159,200)	(8,600,807)	(877,500)	(24,195,427)	(1,933,000)
Net cash provided by (used in) non-capital financing activities	<u>(13,557,920)</u>	<u>(528,500)</u>	<u>(8,600,807)</u>	<u>2,889,925</u>	<u>(19,797,302)</u>	<u>31,610,333</u>
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(186,932,039)	(591,624)	-	(1,073,744)	(188,597,407)	(11,219,732)
Proceeds from the sale of property	12,774	-	-	7,973	20,747	38,180
Proceeds from borrowings	125,000,000	2,709,990	-	-	127,709,990	-
Principal payments on borrowings	(25,080,000)	(4,438,632)	-	-	(29,518,632)	-
Interest subsidy	5,035,145	-	-	-	5,035,145	-
Interest paid	(47,188,477)	(1,648,715)	-	-	(48,837,192)	-
Capital contributions received	34,478,399	-	-	-	34,478,399	-
Net cash provided by (used in) capital and related financing activities	<u>(94,674,198)</u>	<u>(3,968,981)</u>	<u>-</u>	<u>(1,065,771)</u>	<u>(99,708,950)</u>	<u>(11,181,552)</u>
Cash flows from investing activities:						
Interest on investments	<u>737,339</u>	<u>340</u>	<u>97,628</u>	<u>(8,221)</u>	<u>827,086</u>	<u>258,196</u>
Net cash provided by (used in) investing activities	<u>737,339</u>	<u>340</u>	<u>97,628</u>	<u>(8,221)</u>	<u>827,086</u>	<u>258,196</u>
Net changes in cash and cash equivalents	116,499,821	851,163	12,530,907	444,518	130,326,409	(7,498,703)
Cash and cash equivalents at beginning of year	<u>392,935,886</u>	<u>8,435,799</u>	<u>46,178,690</u>	<u>5,060,402</u>	<u>452,610,777</u>	<u>154,726,727</u>
Cash and cash equivalents at end of year	<u>\$ 509,435,707</u>	<u>\$ 9,286,962</u>	<u>\$ 58,709,597</u>	<u>\$ 5,504,920</u>	<u>\$ 582,937,186</u>	<u>\$ 147,228,024</u>
Cash and cash equivalents are classified as:						
Current assets	\$ 86,815,945	\$ 7,439,629	\$ 58,709,597	\$ 5,504,920	\$ 158,470,091	\$ 147,228,024
Current restricted assets	79,608,829	1,847,333	-	-	81,456,162	-
Noncurrent restricted assets	343,010,933	-	-	-	343,010,933	-
Cash and cash equivalents at end of year	<u>\$ 509,435,707</u>	<u>\$ 9,286,962</u>	<u>\$ 58,709,597</u>	<u>\$ 5,504,920</u>	<u>\$ 582,937,186</u>	<u>\$ 147,228,024</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Department of Water and Sewerage Services	District Energy System	Stormwater Operations	Other Enterprise Funds	Total Enterprise Funds	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 113,503,872	\$ 2,744,279	\$ 23,807,391	\$ (3,423,536)	\$ 136,632,006	\$ (60,297,270)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	87,628,485	2,384,003	-	2,109,655	92,122,143	19,525,213
Provision for doubtful accounts	(418,855)	-	978,519	-	559,664	-
Other receipts	883,273	-	-	265,000	1,148,273	315,537
Other payments	-	(8,965)	-	-	(8,965)	-
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:						
Accounts receivable	(870,719)	13,744	(3,092,224)	(150,998)	(4,100,197)	4,487,995
Due from other funds of the primary government	(552,695)	(81,896)	(180,779)	387,524	(427,846)	4,940,120
Due from component units	(6,351)	-	-	-	(6,351)	(449,293)
Inventories of supplies	(181,677)	-	-	-	(181,677)	883,417
Other current assets	1,916	-	-	(3,807)	(1,891)	-
Net pension asset	(33,455,955)	-	(4,452,756)	(1,440,687)	(39,349,398)	-
Deferred outflows pensions	105,001	29,440	108,679	2,159	245,279	-
Accounts payable	33,208,231	(16,845)	883,929	(83,995)	33,991,320	(104,836)
Accrued payroll	644,246	-	108,237	41,863	794,346	162,927
Claims payable	-	-	-	-	-	2,756,299
Due to other funds of the primary government	(283,231)	374,943	(12,307)	60,890	140,295	(405,789)
Due to component units	-	-	-	(164)	(164)	-
Customer deposits	(75,415)	-	-	(3,502)	(78,917)	-
Unearned revenue	-	-	-	(166,730)	(166,730)	-
Other current liabilities	-	-	-	-	-	-
Net pension liability	(15,142,093)	(63,344)	(2,219,076)	(646,969)	(18,071,482)	-
Deferred inflows pensions	39,006,567	(27,055)	5,104,473	1,681,882	45,765,867	-
Total adjustments	<u>110,490,728</u>	<u>2,604,025</u>	<u>(2,773,305)</u>	<u>2,052,121</u>	<u>112,373,569</u>	<u>32,111,590</u>
Net cash provided by (used in) operating activities	<u>\$ 223,994,600</u>	<u>\$ 5,348,304</u>	<u>\$ 21,034,086</u>	<u>\$ (1,371,415)</u>	<u>\$ 249,005,575</u>	<u>\$ (28,185,680)</u>

Non-Cash Capital, Financing and Investing Activities:

Contributions of capital assets	\$ 16,979,940	\$ -	\$ -	\$ -	\$ 16,979,940	\$ -
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The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

June 30, 2021

	Pension (and Other Employee Benefit) Trust Funds	Custodial Funds
ASSETS:		
Cash and cash equivalents	\$ 437,948,504	\$ 63,136,854
Investments, at fair value:		
Commingled funds U.S. debt	35,738,703	-
Conventional mortgages	26,981,808	-
Preferred stock	10,797,057	-
Common stock	399,838,670	-
Corporate bonds and notes	284,353,090	-
Emerging markets	1,258,532	-
Equity commingled funds	87,615,259	-
Bank loans	16,663,388	-
Non agency mortgages/collateralized mortgage obligations	64,190,082	-
Other fixed income	272,602,114	-
Other securities	176,653,074	-
Venture capital and partnerships	2,246,639,777	-
Municipals	735,971	-
Registered investment companies	150,137,364	-
U.S. treasury securities	193,443,382	-
Cash collateral received - securities lending program	73,182,816	-
Mortgages and real estate	-	581,100
Accounts receivable	365,335,997	-
Accrued interest receivable	5,749,822	22,325
Due from other funds of the primary government	7,600,736	87,881
Total assets	<u>4,857,466,146</u>	<u>\$ 63,828,160</u>
LIABILITIES:		
Accounts payable	668,389	-
Due to brokers	412,602,198	-
Payable for collateral received - securities lending program	73,182,816	-
Due to other funds of the primary government	1,285,993	-
Due to individuals, organizations and other governments	-	16,870,408
Other liabilities	-	129,299
Total liabilities	<u>487,739,396</u>	<u>16,999,707</u>
NET POSITION:		
Restricted for pensions	4,364,892,330	-
Held in trust for other employee benefits	4,834,420	-
Restricted for individuals, organizations and other governments	-	46,828,453
Total net position	<u>\$ 4,369,726,750</u>	<u>\$ 46,828,453</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Year Ended June 30, 2021

	Pension (and Other Employee Benefit) Trust Funds	Custodial Funds
ADDITIONS:		
Investment income:		
Interest and dividend income	\$ 175,336,760	\$ -
Net appreciation (depreciation) of investments	1,022,311,220	-
Miscellaneous	105,917	-
Net increase (decrease) in fair value of investments	<u>1,197,753,897</u>	<u>-</u>
Net income earned on securities lending transactions:		
Securities lending income	139,166	-
Securities lending expense	<u>(27,826)</u>	<u>-</u>
Net income earned on securities lending transactions	<u>111,340</u>	<u>-</u>
Less investment expenses	<u>(117,314,488)</u>	<u>-</u>
Net investment income (loss)	<u>1,080,550,749</u>	<u>-</u>
Contributions:		
Employee contributions	2,553,060	-
Employer contributions	119,991,848	-
Transfers in	164,401	-
Contributions from the State of Tennessee	12,291,240	-
Miscellaneous	<u>2,774,881</u>	<u>-</u>
Total contributions	<u>137,775,430</u>	<u>-</u>
Collections of costs, fees, fines and other taxes for county and state governments	-	190,312,625
Fines, fees and other collections	-	27,213,939
Collections of property taxes and interest	-	30,780,691
Collections of deposits	-	120,000
Interest income	<u>-</u>	<u>60,778</u>
Total additions	<u>1,218,326,179</u>	<u>248,488,033</u>
DEDUCTIONS:		
Pension and other employee benefits	238,755,720	-
Administrative expenses	4,110,490	8,685,225
Payments to county and state governments	-	189,769,529
Payments to individuals and organizations	<u>-</u>	<u>48,845,415</u>
Total deductions	<u>242,866,210</u>	<u>247,300,169</u>
Change in net position	975,459,969	1,187,864
NET POSITION, beginning of year, as restated	<u>3,394,266,781</u>	<u>45,640,589</u>
NET POSITION, end of year	<u>\$ 4,369,726,750</u>	<u>\$ 46,828,453</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS

June 30, 2021

	Nashville District Management Corporation	Gulch Business Improvement District, Inc.	Sports Authority	Industrial Development Board
ASSETS:				
Cash and cash equivalents	\$ 10,210	\$ 234,066	\$ 9,672,242	\$ 68,764
Investments	-	-	-	-
Accounts receivable	221,015	-	857,960	-
Allowance for doubtful accounts	-	-	-	-
Accrued interest receivable	-	-	9,108	9
Due from other governmental agencies	-	-	-	-
Due from the primary government	-	-	333,333	-
Inventories of supplies	-	-	-	-
Other current assets	461,529	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	150,822,842	-
Investments	-	-	635,525	-
Accounts receivable	-	-	947,630	-
Accrued interest receivable	-	-	-	-
Due from the primary government	-	-	-	-
Other restricted assets	-	-	-	-
Notes receivable	-	-	27,948,374	-
Capital assets:				
Utility plant in service	-	-	-	-
Land	-	-	75,698,192	-
Buildings and improvements	-	-	481,159,644	-
Improvements other than buildings	-	-	2,747,588	-
Furniture, machinery and equipment	-	46,324	52,583,769	-
Infrastructure	-	-	-	-
Public art	-	-	-	-
Construction in progress	-	-	121,761,503	-
Less accumulated depreciation	-	(46,052)	(269,906,230)	-
Other noncurrent assets	-	-	-	-
Total assets	692,754	234,338	655,271,480	68,773
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred charge on refunding	-	-	9,861,797	-
Other post employment benefits (OPEB)	-	-	-	-
Pensions	-	-	-	-
Total deferred outflows of resources	-	-	9,861,797	-

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)

June 30, 2021

Total Governmental Types	Hospital Authority	Metropolitan Development and Housing Agency	Electric Power Board
\$ 9,985,282	\$ 2,822,866	\$ 39,538,566	\$ 378,667,000
-	-	2,266,713	500,000
1,078,975	49,411,721	12,352,113	150,555,000
-	(41,376,759)	(6,442,846)	(1,875,000)
9,117	-	-	-
-	-	-	-
333,333	-	-	-
-	2,733,950	1,527,110	33,918,000
461,529	1,647,506	4,538,090	10,071,000
-	-	-	-
150,822,842	-	71,898,925	1,801,000
635,525	-	-	180,975,000
947,630	-	-	-
-	-	-	-
-	-	-	-
27,948,374	-	25,768,328	353,000
-	-	-	1,696,392,000
75,698,192	-	108,170,184	3,889,000
481,159,644	55,108,537	435,483,759	62,624,000
2,747,588	-	-	-
52,630,093	44,569,122	9,728,200	139,121,000
-	-	26,504,548	-
-	-	-	-
121,761,503	337,852	107,711,494	96,266,000
(269,952,282)	(79,735,987)	(234,296,554)	(791,878,000)
-	6,318,829	36,176,877	10,132,000
<u>656,267,345</u>	<u>41,837,637</u>	<u>640,925,507</u>	<u>1,971,511,000</u>
9,861,797	-	-	9,149,000
-	-	-	15,934,000
-	<u>1,309,352</u>	<u>-</u>	<u>12,194,000</u>
<u>9,861,797</u>	<u>1,309,352</u>	<u>-</u>	<u>37,277,000</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)

June 30, 2021

	Metropolitan Transit Authority	Metropolitan Nashville Airport Authority	Emergency Communications District
ASSETS:			
Cash and cash equivalents	\$ 5,291,154	\$ 346,971,642	\$ 840,991
Investments	-	-	17,164,825
Accounts receivable	752,944	10,243,738	-
Allowance for doubtful accounts	(6,000)	(153,906)	-
Accrued interest receivable	-	-	-
Due from other governmental agencies	4,232,776	2,873,154	-
Due from the primary government	-	-	-
Inventories of supplies	2,982,464	970,257	-
Other current assets	1,420,871	1,491,732	193,753
Restricted assets:			
Cash and cash equivalents	-	492,716,987	-
Investments	-	-	-
Accounts receivable	-	1,284,394	-
Accrued interest receivable	-	-	-
Due from the primary government	-	-	-
Other restricted assets	-	-	-
Notes receivable	-	-	-
Capital assets:			
Utility plant in service	-	-	-
Land	14,733,025	107,554,524	-
Buildings and improvements	110,514,846	718,298,100	-
Improvements other than buildings	-	-	-
Furniture, machinery and equipment	199,335,080	393,243,815	5,281,044
Infrastructure	-	618,570,710	-
Public art	-	-	-
Construction in progress	8,729,213	301,079,238	-
Less accumulated depreciation	(166,287,998)	(717,693,502)	(4,856,803)
Other noncurrent assets	<u>350,000</u>	<u>30,727,487</u>	<u>-</u>
Total assets	<u>182,048,375</u>	<u>2,308,178,370</u>	<u>18,623,810</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred charge on refunding	-	2,518,196	-
Other post employment benefits (OPEB)	21,540,363	129,168	-
Pensions	<u>7,461,186</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>29,001,549</u>	<u>2,647,364</u>	<u>-</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)

June 30, 2021

Convention Center Authority	Total Proprietary Types	Total Component Units
\$ 127,408,007	\$ 901,540,226	\$ 911,525,508
-	19,931,538	19,931,538
3,115,943	226,431,459	227,510,434
-	(49,854,511)	(49,854,511)
11,316	11,316	20,433
-	7,105,930	7,105,930
40	40	333,373
-	42,131,781	42,131,781
49,274	19,412,226	19,873,755
90,665,144	657,082,056	807,904,898
38,791,282	219,766,282	220,401,807
-	1,284,394	2,232,024
144,176	144,176	144,176
13,329,457	13,329,457	13,329,457
2,064,363	2,064,363	2,064,363
-	26,121,328	54,069,702
-	1,696,392,000	1,696,392,000
91,316,189	325,662,922	401,361,114
699,932,791	2,081,962,033	2,563,121,677
-	-	2,747,588
9,508,699	800,786,960	853,417,053
-	645,075,258	645,075,258
1,183,844	1,183,844	1,183,844
-	514,123,797	635,885,300
(135,750,394)	(2,130,499,238)	(2,400,451,520)
1,461,674	85,166,867	85,166,867
<u>943,231,805</u>	<u>6,106,356,504</u>	<u>6,762,623,849</u>
-	11,667,196	21,528,993
-	37,603,531	37,603,531
<u>302,880</u>	<u>21,267,418</u>	<u>21,267,418</u>
<u>302,880</u>	<u>70,538,145</u>	<u>80,399,942</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)

June 30, 2021

	Nashville District Management Corporation	Gulch Business Improvement District, Inc.	Sports Authority	Industrial Development Board
LIABILITIES:				
Accounts payable	\$ 935	\$ 102,818	\$ 56,862,985	\$ 180
Accrued payroll	-	-	19,941	-
Due to the primary government	-	-	453,258	-
Customer deposits	-	-	-	-
Unearned revenue	-	-	-	-
Current portion of long-term liabilities	-	-	-	-
Current portion of capitalized lease obligations	-	-	-	-
Other current liabilities	-	-	-	-
Liabilities payable from restricted assets:				
Accounts payable	-	-	-	-
Accrued interest	-	-	4,679,157	-
Current portion of long-term liabilities	-	-	6,685,000	-
Revenue bonds payable	-	-	346,683,692	-
Capitalized lease obligations	-	-	-	-
Other long-term liabilities	-	-	52,799	-
Total liabilities	<hr/> <hr/> 935	<hr/> <hr/> 102,818	<hr/> <hr/> 415,436,832	<hr/> <hr/> 180
DEFERRED INFLOWS OF RESOURCES:				
Tax increment financing	-	-	28,000,000	-
Effective portion of fuel hedging	-	-	-	-
Other post employment benefits (OPEB)	-	-	-	-
Pensions	-	-	-	-
Total deferred inflows of resources	<hr/> <hr/> -	<hr/> <hr/> -	<hr/> <hr/> 28,000,000	<hr/> <hr/> -
NET POSITION:				
Net investment in capital assets	-	272	199,155,840	-
Restricted for debt retirement	-	-	8,606,687	-
Restricted for other purposes	-	-	-	-
Unrestricted	<hr/> <hr/> 691,819	<hr/> <hr/> 131,249	<hr/> <hr/> 13,933,918	<hr/> <hr/> 68,593
Total net position	<hr/> <hr/> <hr/> <hr/> \$ 691,819	<hr/> <hr/> <hr/> <hr/> \$ 131,521	<hr/> <hr/> <hr/> <hr/> \$ 221,696,445	<hr/> <hr/> <hr/> <hr/> \$ 68,593

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)

June 30, 2021

Total Governmental Types	Hospital Authority	Metropolitan Development and Housing Agency	Electric Power Board
\$ 56,966,918	\$ 6,898,099	\$ 12,632,730	\$ 191,228,000
19,941	3,775,716	887,630	-
453,258	-	-	-
-	-	1,491,912	21,424,000
-	-	-	-
-	-	26,340,795	-
-	3,376,647	-	-
-	486,220	6,005,999	-
-	-	-	3,884,000
4,679,157	-	-	3,375,000
6,685,000	-	-	35,225,000
346,683,692	-	-	601,846,000
-	9,223,977	-	-
52,799	-	176,512,085	242,628,000
<u>415,540,765</u>	<u>23,760,659</u>	<u>223,871,151</u>	<u>1,099,610,000</u>
28,000,000	-	-	-
-	-	-	-
-	-	-	64,813,000
-	8,588,655	-	86,146,000
<u>28,000,000</u>	<u>8,588,655</u>	<u>-</u>	<u>150,959,000</u>
199,156,112	7,678,900	250,079,310	747,013,000
8,606,687	-	-	6,996,000
-	-	63,152,968	1,099,000
<u>14,825,579</u>	<u>3,118,775</u>	<u>103,822,078</u>	<u>3,111,000</u>
<u>\$ 222,588,378</u>	<u>\$ 10,797,675</u>	<u>\$ 417,054,356</u>	<u>\$ 758,219,000</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)

June 30, 2021

	Metropolitan Transit Authority	Metropolitan Nashville Airport Authority	Emergency Communications District
LIABILITIES:			
Accounts payable	\$ 1,929,138	\$ 49,079,847	\$ 105,583
Accrued payroll	3,427,132	6,299,307	-
Due to the primary government	-	-	-
Customer deposits	-	-	-
Unearned revenue	-	3,356,363	-
Current portion of long-term liabilities	-	660,032	-
Current portion of capitalized lease obligations	-	-	-
Other current liabilities	7,349,078	51,552	-
Liabilities payable from restricted assets:			
Accounts payable	-	27,574,417	-
Accrued interest	-	-	-
Current portion of long-term liabilities	-	28,871,706	-
Revenue bonds payable	-	1,323,487,260	-
Capitalized lease obligations	-	-	-
Other long-term liabilities	126,086,466	24,053,793	-
Total liabilities	138,791,814	1,463,434,277	105,583
DEFERRED INFLOWS OF RESOURCES:			
Tax increment financing	-	-	-
Effective portion of fuel hedging	493,049	-	-
Other post employment benefits (OPEB)	1,053,714	9,581,243	-
Pensions	2,078,716	9,240,511	-
Total deferred inflows of resources	3,625,479	18,821,754	-
NET POSITION:			
Net investment in capital assets	159,659,606	376,713,391	424,241
Restricted for debt retirement	-	225,692,970	-
Restricted for other purposes	-	89,480,198	-
Unrestricted	(91,026,975)	136,683,143	18,093,986
Total net position	\$ 68,632,631	\$ 828,569,702	\$ 18,518,227

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF NET POSITION
COMPONENT UNITS (CONTINUED)

June 30, 2021

Convention Center Authority	Total Proprietary Types	Total Component Units
\$ 2,506,804	\$ 264,380,201	\$ 321,347,119
1,602,312	15,992,097	16,012,038
99,227	99,227	552,485
-	22,915,912	22,915,912
10,359,396	13,715,759	13,715,759
-	27,000,827	27,000,827
-	3,376,647	3,376,647
-	13,892,849	13,892,849
 1,073	31,459,490	31,459,490
18,976,113	22,351,113	27,030,270
14,435,000	78,531,706	85,216,706
548,137,473	2,473,470,733	2,820,154,425
-	9,223,977	9,223,977
-	569,280,344	569,333,143
 <u>596,117,398</u>	<u>3,545,690,882</u>	<u>3,961,231,647</u>
 - - - <u>1,986,730</u>	 - 493,049 75,447,957 <u>108,040,612</u>	 28,000,000 493,049 75,447,957 <u>108,040,612</u>
 <u>1,986,730</u>	 <u>183,981,618</u>	 <u>211,981,618</u>
 119,794,266 71,453,334 37,888,292 <u>116,294,665</u>	 1,661,362,714 304,142,304 191,620,458 <u>290,096,672</u>	 1,860,518,826 312,748,991 191,620,458 <u>304,922,251</u>
 <u>\$ 345,430,557</u>	 <u>\$ 2,447,222,148</u>	 <u>\$ 2,669,810,526</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF ACTIVITIES
COMPONENT UNITS

For the Year Ended June 30, 2021

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Nashville District Management Corporation	\$ 2,549,474	\$ 3,234,083	\$ -	\$ -
Gulch Business Improvement District, Inc.	501,880	496,066	-	-
Sports Authority	40,132,890	523,233	7,781,980	17,229,073
Industrial Development Board	14,282,330	4,000	14,282,289	-
Hospital Authority	114,845,793	76,185,440	43,112,100	-
Metropolitan Development and Housing Agency	149,473,943	54,976,134	109,367,927	4,387,264
Electric Power Board	1,176,121,000	1,258,563,000	-	-
Metropolitan Transit Authority	120,349,290	6,524,311	34,926,416	71,825,773
Metropolitan Nashville Airport Authority	177,241,491	157,238,016	31,481,570	31,356,438
Emergency Communications District	6,767,068	7,439,985	2,711,908	-
Convention Center Authority	128,296,945	2,757,313	71,943,413	-
 Total component units	 <u>\$ 1,930,562,104</u>	 <u>\$ 1,567,941,581</u>	 <u>\$ 315,607,603</u>	 <u>\$ 124,798,548</u>

General revenues:

Revenues from the use of

money or property

Compensation for loss, sale or

damage to property

Total general revenues

Changes in net position

Net position - beginning of year, as restated

Net position - end of year

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF ACTIVITIES
COMPONENT UNITS (CONTINUED)

For the Year Ended June 30, 2021

Net (Expense) Revenue and Changes in Net Position								
Nashville District	Gulch Business Improvement District, Inc.	Sports Authority	Industrial Development Board	Total Governmental Types	Hospital Authority	Metropolitan Development and Housing Agency	Electric Power Board	Metropolitan Transit Authority
\$ 684,609	\$ -	\$ -	\$ -	\$ 684,609	\$ -	\$ -	\$ -	\$ -
-	(5,814)	-	-	(5,814)	-	-	-	-
-	-	(14,598,604)	-	(14,598,604)	-	-	-	-
-	-	-	3,959	3,959	-	-	-	-
-	-	-	-	-	4,451,747	-	-	-
-	-	-	-	-	-	19,257,382	-	-
-	-	-	-	-	-	-	82,442,000	-
-	-	-	-	-	-	-	-	(7,072,790)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
684,609	(5,814)	(14,598,604)	3,959	(13,915,850)	4,451,747	19,257,382	82,442,000	(7,072,790)
4,043	2,475	1,426,348	352	1,433,218	-	892,496	1,104,000	-
-	-	1,408,375	-	1,408,375	-	37,252	-	-
4,043	2,475	2,834,723	352	2,841,593	-	929,748	1,104,000	-
688,652	(3,339)	(11,763,881)	4,311	(11,074,257)	4,451,747	20,187,130	83,546,000	(7,072,790)
3,167	134,860	233,460,326	64,282	233,662,635	6,345,928	396,867,226	674,673,000	75,705,421
\$ 691,819	\$ 131,521	\$ 221,696,445	\$ 68,593	\$ 222,588,378	\$ 10,797,675	\$ 417,054,356	\$ 758,219,000	\$ 68,632,631

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF ACTIVITIES
COMPONENT UNITS (CONTINUED)

For the Year Ended June 30, 2021

	Net (Expense) Revenue and Changes in Net Position					
	Nashville Airport Authority	Emergency Communications District	Convention Center Authority	Total Proprietary Types	Total Component Units	
Nashville District Management Corporation	\$ -	\$ -	\$ -	\$ -	\$ 684,609	
Gulch Business Improvement District, Inc.	-	-	-	-	(5,814)	
Sports Authority	-	-	-	-	(14,598,604)	
Industrial Development Board	-	-	-	-	3,959	
Hospital Authority	-	-	-	4,451,747	4,451,747	
Metropolitan Development and Housing Agency	-	-	-	19,257,382	19,257,382	
Electric Power Board	-	-	-	82,442,000	82,442,000	
Metropolitan Transit Authority	-	-	-	(7,072,790)	(7,072,790)	
Metropolitan Nashville Airport Authority	42,834,533	-	-	42,834,533	42,834,533	
Emergency Communications District	-	3,384,825	-	3,384,825	3,384,825	
Convention Center Authority	-	-	(53,596,219)	(53,596,219)	(53,596,219)	
 Total component units	 42,834,533	 3,384,825	 (53,596,219)	 91,701,478	 77,785,628	

General revenues:

Revenues from the use of money or property	1,647,674	21,553	493,792	4,159,515	5,592,733
Compensation for loss, sale or damage to property	2,938,313	3,900	-	2,979,465	4,387,840
 Total general revenues	 4,585,987	 25,453	 493,792	 7,138,980	 9,980,573
 Changes in net position	 47,420,520	 3,410,278	 (53,102,427)	 98,840,458	 87,766,201
 Net position - beginning of year, as restated	 781,149,182	 15,107,949	 398,532,984	 2,348,381,690	 2,582,044,325
 Net position - end of year	 <u>\$ 828,569,702</u>	 <u>\$ 18,518,227</u>	 <u>\$ 345,430,557</u>	 <u>\$ 2,447,222,148</u>	 <u>\$ 2,669,810,526</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Metropolitan Government of Nashville and Davidson County (the Government) operates under a metropolitan form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, education, culture and recreation, public improvements, planning and zoning and general administrative services.

The accounting policies of the Government conform to accounting principles generally accepted in the United States of America as applied to governmental units. The following is a summary of the most significant policies:

A. Reporting Entity

The financial statements of the Government present the primary government and its component units. The component units discussed below are included in the Government's reporting entity because of the significance of their operational or financial relationships with the Government. Each discretely presented component unit is reported separately in the basic financial statements to emphasize that it is legally separate from the Government.

The financial statements of the following component units have been discretely presented:

The **Nashville District Management Corporation** was established in 1998 to administer special assessment revenue collected by the Government for the benefit of the Central Business Improvement District (CBID). The Corporation's duties and responsibilities are defined in a memorandum of agreement with the Government and include, but are not limited to, providing services for improvement and operation of the CBID through security enhancement, downtown marketing, and improving downtown beautification, sanitation, and maintenance. The original agreement was one year, renewable annually by mutual notification by each party to the other. The agreement may be terminated by the Government upon thirty days' notice. The Corporation is a legally separate entity which is closely related to and financially dependent on the Government as the Government has the legal obligation to levy the CBID taxes and approves the CBID tax rate. These taxes represent substantially all of the Corporation's revenue. Complete financial statements of the Corporation can be obtained from its offices at Accounting Office, 150 4th Avenue North, Suite 110, Nashville, TN 37219.

The **Gulch Business Improvement District, Inc.** (GBID, Inc.) was established in 2006 to administer special assessment revenue collected by the Government for the benefit of the Gulch Business Improvement District (GBID). GBID, Inc.'s duties and responsibilities are defined in the legislation approved by the Metropolitan Council creating the entity and include, but are not limited to, providing services for improvement and operation of the GBID such as promotion and marketing, security, sanitation, and aesthetic enhancements. GBID, Inc. is a legally separate entity which is closely related to and financially dependent on the Government as the Government has the legal obligation to levy the GBID taxes and approves the GBID tax rate. These taxes represent substantially all of GBID, Inc.'s revenue. Complete financial statements of GBID, Inc. can be obtained from its offices at Accounting Office, 150 4th Avenue North, Suite 110, Nashville, TN 37219.

The **Sports Authority** was established in 1995 to act as the financing and building authority for the Nashville arena, stadium, and ballpark. The Sports Authority administers and manages these facilities and other sports projects, including the soccer stadium under construction, for the Government. The Government is responsible for annual funding for both the Nashville arena, stadium, and ballpark. The underlying credit for the Sports Authority Revenue bonds is a pledge on the non-tax revenues of the Government's General Fund, and the Government is required to approve debt issuances of the Sports Authority. The members of the Sports Authority's Board are all appointed and can also be removed by the Government. The Sports Authority does not issue separate financial statements. A Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for its only fund are included in the Component Units section with reconciliations of those statements to the Statement of Net Position – Component Units and Statement of Activities – Component Units included in the basic financial statements.

The **Industrial Development Board** (the IDB) assists private businesses within Davidson County in obtaining public financing through the issuance of bonds. The members of the IDB are appointed and can be removed by the Government. All debt of the IDB is considered conduit debt and is issued in the name of the Government. The IDB does not issue separate financial statements. A Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for its only fund are included in the Component Units section. There are no reconciling items between those statements and the Statement of Net Position – Component Units and Statement of Activities – Component Units included in the basic financial statements.

The **Hospital Authority** operates General Hospital (a full-service medical facility) for the residents of Nashville and Davidson County. The Hospital Authority was created in March 1999 to operate General Hospital which was previously accounted for as an enterprise fund of the Government. The members of the Hospital Authority Board are all appointed and can also be removed by the Government. The Government approves and can modify the annual operating budget of General Hospital. Hospital Authority land and buildings and improvements are titled in the Government's name. General Hospital is financially dependent on contributions from the Government's

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

General Fund. Complete financial statements for General Hospital can be obtained by writing to the Hospital Authority at 1818 Albion Street, Nashville, TN 37208.

The **Metropolitan Development and Housing Agency** operates public housing facilities for the inhabitants of Nashville and Davidson County. The members of the Agency's Board of Commissioners are all appointed and can also be removed by the Government. The Agency receives incremental taxes that result from tax increment financing arrangements on numerous development projects. These property taxes paid to the Agency are considered financial support by the Government. Complete financial statements of the Agency can be obtained by writing P. O. Box 846, Nashville, TN 37202.

The **Electric Power Board** operates and regulates an electric power system for the purpose of supplying electricity for public property and for resale to consumers. The members of the Board of Directors are all appointed and can also be removed by the Government. The Government is required to approve debt issuances of the Board. Complete financial statements of the Board can be obtained from its administrative offices at 1214 Church Street, Nashville, TN 37246.

The **Metropolitan Transit Authority** operates and regulates the public mass transit system in Nashville and Davidson County. The members of the Authority's Board of Directors are all appointed and can also be removed by the Government. The Authority is financially dependent on the Government. Complete financial statements of the Authority can be obtained from its administrative offices at 430 Myatt Drive, Nashville, TN 37115.

The **Metropolitan Nashville Airport Authority** operates the Nashville International and John C. Tune Airports. The members of the Airport Authority's Board of Directors are all appointed and can also be removed by the Government. Complete financial statements of the Airport Authority can be obtained from its administrative offices at 140 BNA Park Drive, Suite 520, Nashville, TN 37214.

The **Emergency Communications District** secures funding for efficient emergency services to the public. The members of the District's Board of Directors are all appointed and can also be removed by the Government. The District also provides equipment for the Government's use in emergency services. Complete financial statements of the District can be obtained from its administrative offices at 2060 15th Avenue South, Nashville, TN 37212.

The **Convention Center Authority** is a public, nonprofit corporation and public instrumentality of the Government formed in August 2009, and was responsible for the acquisition, development, and construction of the new convention center – the Music City Center – and is responsible for the operation of the completed facility. The members of the Convention Center Authority's Board of Directors are all appointed and can be removed by the Government. The Convention Center Authority is fiscally dependent on the Government. Complete financial statements of the Convention Center Authority can be obtained from its administrative offices at 201 Rep. John Lewis Way South, Nashville, TN 37203.

All discretely presented component units have a June 30 fiscal year end with the exception of the Metropolitan Development and Housing Agency with a September 30 year end, and the Nashville District Management Corporation and Gulch Business Improvement District, Inc., both with a December 31 year end.

The separately issued financial statements for the component units contain additional note disclosures that are not considered essential to the fair presentation of the Government's basic financial statements and have therefore been excluded from these notes to the financial statements in the Government's Annual Comprehensive Financial Report for the year ended June 30, 2021.

The primary government includes \$552,485 due from component units and \$13,662,829 due to component units in the Statement of Net Position. The component units include \$13,662,829 due from the primary government and \$552,485 due to the primary government.

B. Accounting Pronouncements

The Government adopted GASB Statement No. 84, Fiduciary Activities, effective immediately in fiscal year 2021. This Statement enhances consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities.

The Government plans to adopt GASB Statement No. 87, Leases, required for fiscal periods beginning after June 15, 2021, in fiscal 2022. This Statement increases the usefulness of financial statements by requiring reporting of certain lease liabilities that currently are not reported, enhances comparability by requiring lessees and lessors to report leases under a single model, and enhances the usefulness of information by requiring notes to the financial statements regarding leasing arrangements.

The Government plans to adopt GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, required for fiscal periods beginning after December 15, 2020, in fiscal 2022. This Statement

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period.

The Government adopted GASB Statement No. 90, Majority Equity Interests, effective immediately in fiscal year 2021. This Statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units.

The Government plans to adopt GASB Statement No. 91, Conduit Debt Obligations, required for fiscal periods beginning after December 15, 2021, in fiscal 2023. This Statement improves the comparability of financial reporting for issuers by eliminating the option to recognize a liability for a conduit debt obligation.

The Government plans to adopt GASB Statement No. 92, Omnibus 2020, required for fiscal periods beginning after June 15, 2021, in fiscal 2022. This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The Government plans to adopt GASB Statement No. 93, Replacement of Interbank Offered Rates, required for fiscal periods beginning after June 15, 2021, in fiscal 2022. This Statement addresses accounting and reporting implications that result from the replacement of an interbank offered rate.

The Government plans to adopt GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, required for fiscal periods beginning after June 15, 2022, in fiscal 2023. This Statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements.

The Government plans to adopt GASB Statement No. 96, Subscription-Based Information Technology Arrangements, required for fiscal periods beginning after June 15, 2022, in fiscal 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for governments.

The Government plans to adopt GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, required for fiscal periods beginning after June 15, 2021, in fiscal 2022. This Statement increases consistency and comparability related to the reporting of fiduciary component units, mitigates costs associated with the reporting of certain employee benefit plans, and enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code 457 deferred compensation plans. Certain provisions of GASB Statement No. 97 that were effective immediately had no impact on the Government's financial statements.

The Government adopted GASB Statement No. 98, The Annual Comprehensive Financial Report, effective immediately in fiscal year 2021. This Statement establishes the term *annual comprehensive financial report* and its acronym ACFR.

Unless otherwise noted, management is in the process of determining the effects that the adoption of these Statements will have on the Government's financial statements.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., Statement of Net Position and Statement of Activities) report information on all of the non-fiduciary activities of the Government and its component units. Except for interfund services provided and used, all material interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The **Statement of Net Position** presents the Government's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction, and improvement of those assets.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Unrestricted net position consists of net position which does not meet the definition of the two preceding categories.

The **Statement of Activities** demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements; nonmajor funds are combined in a single column.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year in which the levy is assessed. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or up to one year for grant revenues. Property taxes, sales taxes, franchise taxes, licenses, interest, and grant revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as receivables in the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to sick pay, compensated absences and other long-term commitments and contingencies are recorded only when payment is due.

Amounts reported as **program revenues** include 1) charges to customers for goods, services or privileges provided and fines and forfeitures, 2) operating grants and contributions and 3) capital grants and contributions. Amounts reported as **general revenues** include 1) all taxes, 2) unrestricted revenues from the use of money or property, 3) unrestricted revenues from other governmental agencies and 4) compensation for loss, sale, or damage of property.

Expenses reported by function include **direct expenses** that are specifically associated with a service or program and are clearly identifiable to a particular program. Some functions, such as general government and fiscal administration, include expenses that are in essence **indirect expenses** of other functions. The Government has elected not to charge these indirect expenses to other functions.

Proprietary funds distinguish **operating** revenues and expenses from **nonoperating** items. Operating revenues and expenses generally result from providing services and producing and delivering goods and services in connection with the fund's principal ongoing operations and consist primarily of charges to customers or departments, cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Government's policy to use restricted resources first, then unrestricted resources as they are needed.

The Government reports the following major governmental funds:

The **General Fund** is the Government's primary operating fund which is used to account for all financial resources of the general operations of the Government, except those required to be accounted for in another fund.

The **General-Purpose School Fund** is 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.

The **Education Services Fund** accounts for a variety of programs supporting education activities including various state and federal grant programs, funds reserved for unemployment claims of Metropolitan Nashville

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Public School employees, food service operations of the school system, costs associated with charter schools, and internal school funds.

The **GSD General Purposes Debt Service Fund** is used to account for the accumulation of resources and the payment of principal and interest for the General Services District general obligation debt.

The **GSD School Purposes Debt Service Fund** is used to account for the accumulation of resources and the payment of principal and interest for the debt related to schools.

The **USD General Purposes Debt Service Fund** is used to account for the accumulation of resources and the payment of principal and interest for the Urban Services District general obligation debt.

The **GSD Capital Projects Fund** is used to account for the use of bond proceeds for the construction and equipping of various public projects in the General Services District.

The **Education Capital Projects Fund** is used to account for the use of bond proceeds for the construction and equipping of various school facilities.

The **USD Capital Projects Fund** is used to account for the use of bond proceeds for the construction and equipping of various public projects in the Urban Services District.

The Government reports the following major enterprise funds:

The **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.

The **District Energy System** provides heating and cooling services to the Government and downtown businesses. The System is managed by a third party and is primarily self-supporting by utilizing a rate structure designed to fund debt service requirements, pay for operating expenses, and generate adequate working capital. The System is partially subsidized from the General Fund.

Stormwater Operations is under the administrative responsibility of the Department of Water and Sewerage Services and accounts for activities surrounding the maintenance of the Government's stormwater drainage system. Revenues are derived from a stormwater fee assessed on users of the system.

Additionally, the Government reports the following fund types:

Internal service funds are used to account for the operations of self-sustaining agencies rendering services to other agencies of the Government on a cost reimbursement basis. For the year ended June 30, 2021, these services include fleet management, information systems, radio maintenance, insurance, treasury management, and printing.

Pension (and other employee benefit) trust funds are used to account for assets and liabilities held by the Government in a fiduciary capacity to provide retirement and disability benefits for employees and retirees.

Custodial funds are used to account for assets held by elected officials as agents for individuals and other governments, collections by the 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.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity

Cash and cash equivalents – Cash and cash equivalents include amounts in demand deposits and highly liquid short-term investments with maturity dates within three months of the date of acquisition and other available pooled funds. The cash and cash equivalents of various funds and component units of the Government are invested in pooled accounts. Funds or component units with negative cash and cash equivalents report the negative amount as due to other funds of the primary government or due to component units, and the funds or component units lending funds report an offsetting due from other funds of the primary government or due from component units. Investment income earned on funds invested in pooled accounts is allocated to the respective funds and component units on the basis of relative balances.

Investments – Investments, except in the pension funds, consist primarily of U.S. Government securities and are stated at fair value. Pension fund investments, which also include common stocks, bonds and U.S. Government and other domestic and foreign securities, are stated at quoted fair value at June 30, 2021. The Government and certain component units also invest in the Tennessee Local Government Investment Pool which is maintained and managed by the State of Tennessee. This Pool is not registered with the Securities and Exchange Commission (SEC) but does operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Accordingly, the Government's investments in the Pool have been determined based on the Pool's share price. Investment income consists of realized and unrealized appreciation or depreciation in the fair value of assets. Investment income of the capital projects funds is reported in those funds and is transferred to the debt service funds after arbitrage calculations, as applicable.

Inventories – Inventories, principally materials, supplies, and replacement parts, are valued at cost in governmental fund statements and at the lower of cost or market in the government-wide and proprietary fund statements, with cost determined using the first-in, first-out, moving weighted average or average cost method. Inventory items are recorded as expenditures when used under the consumption method.

Capital assets – Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are generally defined as assets with an individual cost in excess of \$10,000 and a useful life in excess of one year. Such assets are recorded at historical cost at the time of acquisition. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest cost incurred during the construction of facilities is capitalized as part of the cost of such facilities for business-type activities. The Department of Water and Sewerage Services capitalized interest totaling \$276,705 for the year ended June 30, 2021.

Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets. The estimated useful lives are as follows:

Utility plant in service	7	-	100	years
Buildings and improvements	3	-	50	years
Improvements other than buildings	20	-	100	years
Furniture, machinery, and equipment	3	-	50	years
Stormwater infrastructure			50	years

The Government has elected to use the "modified approach" to account for certain infrastructure assets as provided by GASB Statement No. 34. Under this approach, depreciation expense is not recorded nor are amounts capitalized in connection with improvements to these assets unless they expand capacity. Utilization of this approach requires that the Government 1) have an up-to-date inventory of assets, 2) perform condition assessments and summarize the results using a measurement scale, 3) estimate each year the annual amount to maintain and preserve the assets at the condition level established and disclosed by the Government and 4) document that the assets are being preserved approximately at (or above) the condition level established and disclosed. Roads and bridges are accounted for using the modified approach.

Property under capital leases is stated at the lower of the present value of minimum lease payments or the fair market value at the inception of the lease. Once placed in use, such property is amortized using the straight-line method over the remaining lease term.

The Government maintains certain collections of art which have not been capitalized as they are 1) held for public exhibition, education, or research in furtherance of public service rather than financial gain, 2) protected, kept unencumbered, cared for and preserved and 3) subject to policy that requires the proceeds from any sales of collection items to be used to acquire other items for the collection.

Deferred outflows of resources – In addition to assets, the Statements of Net Position report a separate section for deferred outflows of resources. *Deferred outflows of resources* represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resource (expense) until then. The *deferred charge on refunding* results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount for *pensions* relates to certain differences between projected and actual actuarial results, certain differences between projected and actual investment earnings, contributions between the measurement and reporting dates, as well as changes in assumptions, which are accounted for as deferred outflows of resources. The amount for *OPEB* relates to certain differences between projected and actual actuarial results and changes in assumptions, which are accounted for as deferred outflows of resources.

Claims payable – Losses for claim liabilities are reported in the self-insurance funds for claims payable from those funds. Claims payable include reported claims and an estimated liability for claims incurred but not reported at June 30, 2021. The claims liabilities are based on the estimated cost of settling the claim, including non-incremental claim adjustments, using past experience and adjusting for current conditions. Losses for uninsured judgments against

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

the Government payable from governmental funds not expected to be liquidated with expendable available resources are reported in the applicable governmental activities in the Statements of Net Position and Activities.

Compensated absences – General policy of the Metropolitan Civil Service Commission permits the accumulation, within certain limitations, of unused vacation days and sick leave. Vacation days may accumulate to an amount equal to three times the current annual vacation accrual rate. Although sick pay may accumulate, no amounts are vested in the event of employee termination. Unused earned vacation pay that is due and payable, such as after employees' resignations or retirements, is reported in the governmental funds. Accumulated unpaid vacation pay related to governmental fund type operations that has not been used is reported in the applicable governmental activities in the Statements of Net Position and Activities, but is not a governmental fund liability, because it is not expected to be liquidated with expendable available resources. Accumulated unpaid vacation pay related to proprietary fund type operations is reported as a liability in the appropriate individual proprietary funds.

The policy of the Metropolitan Nashville Public Schools allows employees to accumulate sick leave without limitation. In addition, the Board allows vesting of accumulated sick leave depending on length of service beyond 15 years. Vested sick leave for Metropolitan Nashville Public Schools employees is reported in the applicable governmental activity in the Statements of Net Position and Activities, but is not a governmental fund liability, because it is not expected to be liquidated with expendable available resources. Accumulated unpaid vacation pay related to proprietary fund type operations is reported as a liability in the appropriate individual proprietary funds.

Arbitrage rebates – For the governmental funds, arbitrage rebates due to the federal government under the Internal Revenue Code of 1986, as amended, for excess earnings on invested proceeds of tax-exempt securities are reported as a liability in the Statements of Net Position and Activities and as a commitment of fund balance in the Balance Sheet - Governmental Funds. For proprietary funds (including component units) any such rebates are reflected as liabilities in the appropriate individual proprietary funds.

Landfills – State and federal laws and regulations require the Government to place a final cover on all its landfill sites when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and post closure care costs will be paid only near, or after, the date the landfill stops accepting waste, the Government is required to report a portion of these closure and post closure care costs as an expense in the government-wide financial statements. This expense is based on landfill capacity used at the reporting date. The current year expenditures of the landfills are reported in the Solid Waste Operations Fund, a nonmajor governmental fund, in the Governmental Funds section of this report. The long-term liability and expense are reported in the Statements of Net Position and Activities. The total liability for landfill purposes is \$5,309,709.

Bordeaux Sanitary Landfill – This landfill has stopped accepting solid waste, and closure procedures are 100% complete. Estimated post closure costs of \$2,303,558 are included in the long-term liability.

Metro Thermal Ash Landfill – This landfill has stopped accepting solid waste, and closing procedures are 100% complete. Estimated post closure costs of \$1,586,439 are included in the long-term liability.

Due West Landfill – This landfill has stopped accepting waste, and closing procedures are 100% complete. Estimated post closure costs of \$988,426 are included in the long-term liability.

Lebanon Road Landfill – This landfill has stopped accepting waste, and closing procedures are 100% complete. Estimated post closure costs of \$431,286 are included in the long-term liability.

These estimates are based on an independent evaluation of the cost to perform all closure and care. Actual costs may be higher due to inflation, changes in technology or changes in regulations. Closure and care financial requirements are expected to be met by the operations of the Solid Waste Operations Fund. To the extent the Solid Waste Operations Fund operations create a deficit, the General Fund is required to fund its operations.

Bond premiums and discounts – In the governmental funds, bond premiums and discounts are treated as other financing sources or uses or expenditures in the year of issue. In the government-wide and proprietary fund statements, bond premiums and discounts are deferred and amortized over the term of the related bonds.

Derivative financial instruments – Derivative financial instruments consist of interest rate swap agreements and fuel hedging agreements and are accounted for at fair value in accordance with GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments. The Government analyzes its derivative financial instruments into hedging derivative instruments and investment derivative instruments. If a derivative is classified as a hedging derivative instrument, changes in its fair value are deferred on the Statement of Net Position as either deferred inflows or deferred outflows. If a derivative is classified as an investment derivative instrument, changes in its fair value are reported on the Statement of Activities in the period in which they occur.

Deferred inflows of resources – In addition to liabilities, the Balance Sheets and Statements of Net Position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. The unavailable revenue reported in the Balance Sheet, which arises under a modified accrual basis of

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

accounting, represents amounts that are deferred and recognized as an inflow of resources in the periods that the amounts become available. The *assessed and unlevied property taxes* reported in the Statement of Net Position, arises from imposed nonexchange revenues (property taxes) which are assessed prior to the end of the fiscal year but levied in the subsequent year. The *fuel hedge* relates to the Government's fuel hedging program. The Government's fuel hedges are considered to be derivatives, the effective portion of which is accounted for as a deferred inflow of resources. Changes in the fair market value of hedging derivatives are reported as deferred inflows or outflows of resources. The amounts for *pensions* relate to certain differences between projected and actual actuarial results and certain differences between projected and actual investment earnings, which are accounted for as deferred inflows of resources. Deferred inflows for *tax increment financing* represent amounts that will be received in the future by the Sports Authority, a component unit, from a note receivable from Metropolitan Development and Housing Agency (MDHA), a component unit, to be paid from future tax increment revenues related to the developments near a new ballpark facility. The Sports Authority has a note receivable from MDHA, and as the note is paid back to the Sports Authority, the deferred inflows will be recognized as revenue and used to pay principal and interest on the Series 2013 Ballpark Bonds. These developments have yet to be completed. The amounts for *OPEB* relate to certain differences between projected and actual actuarial results, certain differences between projected and actual investment earnings, and changes in assumptions, which are accounted for as deferred inflows of resources.

Fund balances – Restricted fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by external parties such as creditors or grantors or by law through constitutional provisions or enabling legislation. Committed fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal legislative action of the Metropolitan Council, the Government's highest level of decision-making authority. Committed fund balances are established and can only be modified or rescinded by resolution approved by the Metropolitan Council. Assigned fund balances are amounts intended to be used for specific purposes as designated by management of the Finance Department of the Government. The Metropolitan Council has by ordinance authorized the Finance Director to assign fund balance. The Metropolitan Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist temporarily; no additional action is required for the removal of an assignment. Unassigned fund balance is the residual classification for the General Fund and for negative fund balances in other governmental funds. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available, the Government considers restricted amounts to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance amounts are available, the Government considers committed fund balance to have been spent first, followed by assigned, then unassigned. Per the Tennessee Code Annotated 49-3-352, any accumulated fund balance in the General-Purpose School Fund in excess of three percent of the budgeted annual operating expenses for the current fiscal year may be budgeted and expended for any educational purposes.

F. Revenues, Expenditures and Expenses

Grants – The Government receives grant revenues from various federal, state, and non-profit agencies. The Government reports capital contributions, including capital grants, in the Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds as a separate line item after non-operating revenues and expenses. In the Statement of Activities, capital grants and contributions are presented as program revenues.

On-behalf payments – On-behalf payments totaling \$12,291,240 received by the State of Tennessee for contributions to pension plans are reported as revenues and expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.

Revenues – Revenues from the Department of Water and Sewerage Services are recognized from meters read on a monthly cycle basis. At the end of each month, an estimate of service rendered from the latest date of each meter-reading cycle to month end is accrued and included in accounts receivable. Revenues for the Department of Water and Sewerage Services are presented net of bad debt expense for June 30, 2021 of \$1,532,220.

Property taxes – The Government's property taxes are levied for the current fiscal year each September 1 on the assessed value listed as of the prior January 1 for all real and personal property located in Nashville and Davidson County. Property taxes are secured by a statutory lien effective as of the original assessment date of January 1 and as such an enforceable legal claim to the subsequent fiscal year levy exists at fiscal year-end. In accordance with state law, the real property assessment includes supplemental assessments made through September 1 for improved, demolished, or damaged property.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Assessed values are established by the State of Tennessee at the following percentages of assessed market value:

- Public utility property	55%	(Railroads and certain telecommunication services at 40%)
- Industrial and commercial property		
- Real	40%	
- Personal	30%	
- Farm and residential property	25%	

Taxes are levied at a rate of \$3.788 per \$100 of assessed value for the entire metropolitan area (General Services District) with an additional tax of \$.433 per \$100 of assessed value levied upon properties within the Urban Services District.

Payments are due by February 28 of the following year and are delinquent on March 1. Property taxes receivable have been included in the Balance Sheet – Governmental Funds with offsetting deferred inflows to reflect amounts not available at June 30, 2021. Amounts available at June 30, 2021 have been recorded as revenue in the governmental fund statements. Current tax collections of \$1,374,980,097 for the fiscal year ended June 30, 2021 were approximately 97.79% of the tax levy.

Of the \$1,548,680,152 property tax receivable, \$1,509,031,409 represents the 2022 property taxes which have been assessed but not yet levied and recorded as required by GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions.

G. Estimates

Estimates used in the preparation of financial statements require management to make assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Compliance with Finance Related Legal and Contractual Provisions

Management believes that the Government has no material violations of finance related legal and contractual provisions as of June 30, 2021.

B. Budgets and Budgetary Accounting

The Government's procedures in establishing the budget as reflected in the basic financial statements are as follows:

1. The Director of Finance annually obtains information from all officers, departments, boards, commissions, and other agencies of the Government for which appropriations are made and/or revenues are collected and compiles the annual operating budget for the ensuing fiscal year beginning July 1. The compiled information, including various expenditure options and the means of financing them, is submitted to the Mayor for review.
2. The Mayor, with the assistance of the Department of Finance, determines the programs to be recommended to the Metropolitan Council, the expenditures proposed to operate those programs and the revenue changes needed to fund those expenditures. That information is compiled into a balanced operating budget which is submitted to the Metropolitan Council by May 1.
3. Copies of the Mayor's proposed budget and budget message are distributed to interested persons, and a summary of the budget is published in the area daily newspaper. The budget is a public record open for public inspection.
4. The Metropolitan Council's Budget and Finance Committee holds hearings with the officers, departments, boards, commissions, and other agencies to explore the impact of the recommended operating budget and to explore other departmental budget options. In addition, advertised public hearings are held to obtain taxpayers' comments prior to final passage.
5. The budget is legally enacted effective July 1 through passage of an ordinance by the Metropolitan Council. In no event shall the total appropriations for any fund included in the budget exceed the estimated revenues and fund balance.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. The amounts in the adopted operating budgets for each organizational unit, purpose or activity constitute the annual appropriation for such items, and no expenditure can be made which will result in the annual appropriation being exceeded unless an additional appropriation is made.
7. The Metropolitan Council may make appropriations in addition to those contained in the current operating budgets, but any such additional appropriations may be made only from an existing unappropriated surplus in the fund to which it applies.
8. The Mayor may transfer the available balance of any appropriation for any purpose to the appropriation for any other purpose within the same department or by resolution approved by the Metropolitan Council, the available balance of any appropriation may be transferred to another appropriation within the same section of the budget and within the same fund.
9. All available balances of appropriations in the current operating budget lapse into the fund balance of the fund or funds from which the appropriations were originally made at the end of the fiscal year. Encumbrances do not lapse at the end of the fiscal year. Appropriations for the subsequent year will provide authority to complete these transactions.

The Government is legally required to prepare, and the Metropolitan Council is required to approve, the annual budgets of the General Fund, the General-Purpose School Fund, and the GSD General Purposes, GSD School Purposes and USD General Purposes Debt Service Funds. In preparing the budgets, the Government utilizes generally accepted accounting principles (GAAP) for all legally required budgeted funds.

In accordance with Article 6 of the Metropolitan Charter, the Annual Operating Budget of the Government for the fiscal year 2021-2022 was submitted to the Metropolitan Council and subsequently approved by Substitute Bill Number BL 2021-736. No fund balance resources at June 30, 2021 have been assigned to the 2021-2022 fiscal year operating budget.

Encumbrances – Information regarding encumbrances is available to assist in the management of commitments against appropriations. Encumbrance accounting is utilized for budgetary control purposes. Encumbrances, however, are not treated as expenditures in the basic financial statements. Outstanding encumbrances for the governmental funds at June 30, 2021 were as follows:

	Outstanding Encumbrances
General Fund	\$ 8,953,876
Special Revenue Funds:	
General Purpose School	19,205,258
Education Services	7,854,152
Other Governmental Services	13,407,530
Capital Projects Funds:	
GSD Capital Projects	72,942,706
Education Capital Projects	29,994,218
USD Capital Projects	8,407

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

C. Deficit Balances and Excess Expenditures

Primary Government

The following funds have deficit balances at June 30, 2021.

	Unassigned Fund Balance/ Unrestricted Net Position
Capital Project Funds:	
GSD Capital Projects	\$ (39,213,121)
Education Capital Projects	(24,678,899)
USD Capital Projects	(301,781)
Special Revenue Funds:	
COVID-19 Recovery	(22,476,973)
Other Governmental Services	(22,524,269)

The deficits in the GSD, Education, and USD Capital Project Funds will be funded by the future issuance of general obligation bonds. The deficit in COVID-19 Recovery represents COVID-related spending that is expected to be funded by various federal grant programs. The deficit in Other Governmental Services represents spending related to various tornado, winter storm, high wind, and flooding events that are expected to be funded with federal and state disaster relief grants, and spending for the housing of state prisoners which is expected to be funded with payments from the State of Tennessee.

During the year ended June 30, 2021, the Government exceeded the budgeted level of expenditures at the department or significant line item level as follows:

Budgeted Unit	Budget	Actual	Variance
General Fund:			
General Services District:			
Retiree Benefits:			
Employer's Contribution for Group Life Insurance	\$ 3,121,200	\$ 3,258,354	\$ (137,154)
Transfers Out:			
Nonmajor Governmental Funds	68,960,000	72,132,202	(3,172,202)
General Purpose School Fund:			
Transfers Out	169,685,700	173,906,340	(4,220,640)
GSD General Purposes Debt Service Fund:			
Fiscal Charges	2,169,100	4,749,445	(2,580,345)
Payments to Refunded Bond Escrow Agent	-	409,331,354	(409,331,354)
GSD School Purposes Debt Service Fund:			
Payments to Refunded Bond Escrow Agent	-	182,337,300	(182,337,300)
USD General Purposes Debt Service Fund:			
Payments to Refunded Bond Escrow Agent	-	44,795,680	(44,795,680)

Employer's Contribution for Group Life Insurance represents the employer portion of life insurance benefits for retirees; retiree benefits are under budget in total. The Charter for the Government requires that 4% of certain revenues be transferred from the General Fund to the General Fund 4% Reserve Fund to fund capital items, and those revenues exceeded budget due to a quicker than expected pandemic recovery. Accordingly, Transfers Out to Nonmajor Governmental Funds in the General Fund are over budget due to transfers to the General Fund 4% Reserve Fund in excess of expected amounts.

Expenditures for the General-Purpose School Fund are not controlled on a line-item basis; expenditures and transfers out for the General-Purpose School Fund are under budget in total.

Expenditures for the Debt Service Funds are not controlled on a line-item basis, and refundings – including the related fiscal charges – are not budgeted as the net impact on the budget is zero.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Component Units

The Sports Authority Balance Sheet has a negative unassigned fund balance of (\$12,871,408) as of June 30, 2021 due to a \$21.4 million liability presented to the Sports Authority for expenses incurred by the Tennessee Titans related to Nissan Stadium. \$18,364,704 of this amount is reflected as a prior period adjustment to beginning fund balance in the Statement of Revenues, Expenditures and Changes in Fund Balances.

NOTE 3 – DEPOSITS AND INVESTMENTS

Primary Government

The Government is authorized by State statute and policy to invest funds that are not immediately needed in: United States Treasury Bills, Bonds and Notes; The State of Tennessee Local Government Investment Pool (LGIP); most bonds issued by U.S. Government Agencies and other investments such as repurchase agreements and commercial paper. The Government is authorized to invest in these instruments either directly or through the Metro Investment Pool (MIP). The Metro Investment Pool is invested in the LGIP. Primary oversight for the LGIP rests with the State of Tennessee Funding Board. The Government's amounts included in the LGIP are reported at the fair value of its position in the LGIP, which approximates the value of the shares at amortized cost. The Metropolitan Employees' Benefit Trust is authorized to invest funds in accordance with the Statement of Investment Policy of the Investment Committee of the Government, which states that the Investment Committee may make investments it deems suitable for the Trust. Investments of the Teachers Retirement Plan are administered by the Administrative Retirement Committee of the Metropolitan Nashville Public Schools, which adopted the Metropolitan Employees' Benefit Trust Statement of Investment Policy effective July 1, 2011.

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may not be returned to it. As of June 30, 2021, all deposits were insured or collateralized, as required by Government policy.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

B. Investments

The majority of the Government's investments are managed as a part of the Metro Investment Pool. However, certain business-type activities and elected officials have limited investments that are managed under Separate Portfolios. Both the Metro Investment Pool and Separate Portfolio investments are administered according to the Investment Policy of the Government. Investments related to the Metropolitan Employees' Benefit Trust and the Teachers' Retirement Plan are administered under the Statement of Investment Policy adopted by their respective Committees.

As of June 30, 2021, the Government had the following investments:

Investment Type	Fair Value	Total Portfolio Average Weighted Maturity (in Years)
Metro Investment Pool:		
Tennessee Local Government Investment Pool	\$ 381,397,871	0.121
Account Restricted for American Rescue Plan Act	67,414,926	0.121
First Horizon Bank Advisors Direct Holdings	<u>884,237,192</u>	0.408
Total Metro Investment Pool (a)	<u>\$ 1,333,049,989</u>	
Separate Portfolios:		
U.S. Treasuries (a)	\$ 12,083,631	0.085
Total Separate Portfolios	<u>\$ 12,083,631</u>	
Metropolitan Employees' Benefit Trust and Teachers' Retirement Plan:		
Commingled Funds US Debt	\$ 35,738,703	(b)
Conventional Mortgages	26,981,808	0.021
Preferred Stock	10,797,057	0.037
Common Stock	399,838,670	(b)
Corporate Bonds and Notes	284,353,090	1.195
Emerging Market	1,258,532	0.005
Equity Commingled Funds	87,615,259	(b)
Bank Loans	16,663,388	0.009
Non-Agency Mortgages/Collateralized Mortgage Obligations	64,190,082	0.096
Other Fixed Income	272,602,114	(b)
Other Securities	176,653,074	(b)
Venture Capital and Partnerships	2,246,639,777	(b)
Municipals	735,971	0.004
Registered Investment Companies	150,137,364	(b)
U.S. Treasury Securities	<u>193,443,382</u>	1.276
Total Metropolitan Employees' Benefit Trust and Teachers' Retirement Plan	<u>\$ 3,967,648,272</u>	

(a) These amounts are included in cash and cash equivalents in the financial statements.

(b) These investment types are not subject to interest rate risk. Therefore, average weighted maturity is not applicable.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The investment policies place no specific limit on the weighted average maturity of the Government's investment portfolios. However, the average maturity of the portfolios is monitored and managed so that the changing interest rates will cause only minimal deviations in the net asset value. The Cash Investment policy states no maturity greater than 5 years or provided by State Statute. As of June 30, 2021, the investments of the Government had average weighted maturities as noted on the preceding table.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Government's Investment Policy limits the majority of fixed income investments, other than short-term paper, at purchase to investment grade as established by one or more of the nationally recognized bond rating agencies.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Also, the use of futures, options and swaps is permitted as long as the particular investment manager's strategy or mandate allows it. As of June 30, 2021, the investments of the Government had credit ratings as follows:

Investment Type	Fair Value	A	AA	AAA	B	BB	BBB	CC-D	Not Rated
Conventional Mortgages	\$ 26,981,808	\$ -	\$ 26,981,808	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Preferred Stock	10,797,057	254,531	-	-	-	2,952,800	6,858,820	-	730,906
Corporates	284,353,090	29,886,573	2,515,362	-	18,153,398	58,879,811	152,260,449	3,570,246	19,087,251
Emerging Markets	1,258,532	-	-	-	-	-	-	-	1,258,532
Bank Loans	16,663,388	-	-	-	8,226,587	4,343,184	1,750,361	1,373,653	969,603
Non-Agency Mortgages/ CMO	64,190,082	1,245,924	2,716,623	13,905,467	1,556,213	383,942	436,866	25,050,718	18,894,329
Municipals	735,971	-	-	267,740	-	-	269,354	-	201,877
Total Metropolitan Employees' Benefit Trust and Teachers' Retirement Plan	<u>\$ 404,979,928</u>	<u>\$ 31,387,028</u>	<u>\$ 32,213,793</u>	<u>\$ 14,170,207</u>	<u>\$ 27,936,198</u>	<u>\$ 66,559,737</u>	<u>\$ 161,575,850</u>	<u>\$ 29,994,617</u>	<u>\$ 41,142,498</u>

Concentration of credit risk is the risk of loss attributed to the magnitude of the Government's investment in a single issuer. The Government's Investment Policy limits single issuer exposure to 5% except for the securities of the U.S. Government or its agencies. There is no single issuer that exceeds 5% of total investments at June 30, 2021.

Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the Government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The Government does not have a policy with regard to custodial credit risk of investments. As of June 30, 2021, all investments were insured or registered, or the securities were held by the Government or its agent in the Government's name.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. As of June 30, 2021, no Metro Investment Pool or Separate Portfolio investments were held in foreign currency. The Investment Policy for the Metropolitan Employees' Benefit Trust and Teachers' Retirement Plan places no specific limits on investments in international markets; however, investments in international markets are targeted at 16% with a maximum exposure not to exceed 30% of the portfolios. As of June 30, 2021, the Government's exposure to foreign currency risk is as follows:

Base Currency	Fair Value (1)
Argentina Peso	\$ 1,201,932
Australian Dollar	288,183
Brazil Real	2,696,983
Canadian Dollar	(928,516)
Chilean Peso	113,851
Chinese Yuan Renminbi	99,377
Colombian Peso	327,186
Danish Krone	4,860,563
Euro	152,584,430
Hong Kong Dollar	1,146,399
Indonesian Rupiah	1,984,420
Israeli Shekel	1,497,131
Japanese Yen	22,559,215
Mexican Peso	4,459,597
New Taiwan Dollar	(5,008,325)
New Zealand Dollar	37,751

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Base Currency	Fair Value (1)
Norwegian Krone	\$ 2,940,002
Peruvian Sol	(97,168)
Polish Zloty	112
Pound Sterling	17,228,139
Russian Ruble (New)	3,375,575
Singapore Dollar	6,497,205
South African Rand	4,222,159
Swedish Krona	3,495,278
Swiss Franc	4,627,735
Turkish Lira	<u>(68,690)</u>
 Total Metropolitan Employees' Benefit Trust and Teachers' Retirement Plan	 <u>\$ 230,140,524</u>

(1) Amounts are net of certain payables related to foreign contracts. Negative numbers indicate where liabilities exceed assets.

C. Securities Lending Program

The Metropolitan Employees' Benefit Trust (Trust) and Teachers' Retirement Plan (Plan) are authorized by the Metropolitan Charter and the Statement of Investment Policy to lend securities to brokerage firms on a temporary basis through their custodian bank, Bank of New York Mellon (Custodian). During the fiscal year, the Custodian lent the Trust securities and received cash, U.S. Government securities, and irrevocable letters-of-credit as collateral. The Custodian did not have the ability to pledge or sell non-cash collateral delivered absent a borrower default. Borrowers were required to deliver collateral for each loan in amounts equal to not less than 102% of the market value of loaned domestic securities and 105% of the fair value of loaned foreign securities.

The Trust imposed no restrictions on the amount of securities lent by the Custodian during the year on their behalf. There were no violations of legal or contractual provisions and there were no borrower or lending agent default losses during the year. The contract with the Custodian requires indemnification only in cases of Custodian negligence.

All securities loans can be terminated on demand by either the lender or the borrower. The average term of the Trust loans for the year ended June 30, 2021 was approximately 60 days. Cash collateral is invested in a short-term investment pool. The relationship between the maturities of the investment pool and the Custodian's loans is affected by the maturities of the securities loans made by other entities that use the Custodian's pool, which the Custodian's system cannot determine. Cash collateral may also be invested separately in "term loans", in which case the investments match the loan term. As the loans are terminable at will, the duration of the investments generally did not match the duration of the investments made with the cash collateral.

The collateral held and the fair value of the securities on loan as of June 30, 2021 was \$73,182,815 and \$70,790,623 respectively, for the Trust. The cash collateral is recorded as both an asset and a liability on the Trust financial statements. Securities and letters-of-credit received as collateral at June 30, 2021 are not recorded in the Statement of Plan Net Position, as the Trust cannot sell or pledge the collateral received absent a borrower default.

At year end, the Trust has no credit risk by the borrowers because the amount the Trust owes the borrowers exceeds the amount the borrowers owe the Trust. The gross earnings for securities lending were \$84,141 and borrower's rebates were \$55,025 for total income of \$139,166, and the related expenses were \$27,826 in agent fees, netting \$111,340 in securities lending income for the Trust.

D. Fair Value Measurement

GASB Statement No. 72, Fair Value Measurement and Application, categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets. Level 2 inputs are inputs – other than quoted prices included in Level 1 – that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the Metropolitan Government Investment Pool, the input levels are not applicable to LGIP as investments are reported at amortized cost.

The Separate Portfolio which is comprised of U.S. Treasuries and U.S. Government Bonds are valued by the Government as Level 1 inputs. These investments are made on behalf of the respective Departments and component units of the Government. Similarly, these investments can be valued from quoted prices (unadjusted) to identical assets or liabilities in active markets that a government can access at the measurement date.

For the Metropolitan Employees' Benefit Trust (Trust) and Teachers' Retirement Plan (Plan) investments, the custodian uses a proprietary matrix based on asset class (i.e., "sector code" or "firm code"). The custodian established a framework of thirteen major asset classifications, with over 1,100 sub-classifications, allowing the client to aggregate or disaggregate based on the strategies and investment policies that they identify as most appropriate for their plans. The sub-classifications are assigned a fair value level based on the attributes and pricing guidelines of the sub-classification. This information is passed on from the security level to the individual asset holder's account. The fair value hierarchy level matrix is based on discussions with 1) pricing vendors, 2) brokers and dealers, 3) investment managers, 4) industry groups, and 5) independent accounting firms. Examples of Level 1 securities that have quoted prices (unadjusted) in an active market for identical assets or liabilities include U.S. equities, non-U.S. equities, EFT's, regulated investment companies and U.S. treasuries. Examples of Level 2 securities that have inputs other than quoted prices that are observable for the assets or liabilities include corporate bonds, asset backed securities and government bonds. Examples of Level 3 securities that have unobservable inputs for the assets or liabilities used to measure fair value that rely on the other assumptions include limited partnerships, private placement investments, hedge funds, and commingled funds. The Investment Committee used this matrix and did not override any of the fair value levels reported by the custodian.

Investment Type	Fair Value	Quoted Prices In Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Metro Investment Pool:				
Tennessee Local Government Investment Pool	\$ 381,397,871	\$ n/a	\$ n/a	\$ n/a
Account Restricted for American Rescue Plan Act	67,414,926	n/a	n/a	n/a
First Horizon Bank Advisors Direct Holdings	884,237,192	884,237,192	n/a	n/a
Total Metro Investment Pool	<u>\$ 1,333,049,989</u>	<u>\$ 884,237,192</u>	<u>\$ -</u>	<u>\$ -</u>
Separate Portfolios:				
U.S. Treasuries	\$ 12,083,631	\$ 12,083,631	\$ -	\$ -
Total Separate Portfolios	<u>\$ 12,083,631</u>	<u>\$ 12,083,631</u>	<u>\$ -</u>	<u>\$ -</u>
Metropolitan Employees' Benefit Trust and Teachers' Retirement Plan:				
Common Stock	\$ 580,078,541	\$ 399,191,983	\$ 5,022,164	\$ 175,864,394
Equity Commingled Funds	87,615,259	87,615,259	-	-
Fixed Income Funds	229,496,196	4,258,282	-	225,237,914
Futures	5,026,991	5,026,991	-	-
Registered Investment Companies	150,137,364	150,137,364	-	-
U.S. Government Securities	147,699,818	146,027,652	1,672,166	-
Asset Backed Securities	83,716,610	-	83,716,610	-
Corporate Debt Instruments	177,661,216	-	177,661,216	-
Municipals	735,552	-	735,552	-
Non-U.S. Government Bonds	36,284,350	-	36,284,350	-
Non-U.S. Government Private Placement	20,950,659	-	20,950,659	-
Swaps	8,057,405	-	8,057,405	-
U.S. Private Placement	92,271,523	-	92,271,523	-
Bank Debt Notes	28,985,031	-	14,815,824	14,169,207
Commingled Funds US Debt	35,738,703	-	-	35,738,703
Partnership Joint Venture Interest	2,246,639,777	-	-	2,246,639,777
Add Amounts Reported as Cash and Equivalents (1)	<u>36,553,277</u>	<u>36,553,277</u>	<u>-</u>	<u>-</u>
Total Metropolitan Employees' Benefit Trust and Teachers' Retirement Plan	<u>\$ 3,967,648,272</u>	<u>\$ 828,810,808</u>	<u>\$ 441,187,469</u>	<u>\$ 2,697,649,995</u>

(1) The amounts categorized in the fair value levels were determined from information provided by the custodian and include cash held by the custodian that is reported in the financial statements as cash and cash equivalents.

Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 are primarily fixed income assets that may have not traded, but the prices are derived from substantially similar assets that have traded. Securities classified in Level 3 are primarily private

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

equity and private debt in limited partnership securities, and the prices are derived from 1) fair value capital balances which may be adjusted by investment managers where appropriate giving consideration to various factors, or 2) the value that is most likely to be an exit price in an orderly arm's length transaction between market participants using one of the accepted valuation methods under U.S. generally accepted accounting principles. The valuation for Level 3 assets is consistent with industry standards, and valuation changes are primarily due to fundamental changes at the company level, subsequent transactions, or observable market pricing.

Component Units

A. Deposits

All component units are subject to State of Tennessee statute which requires that deposits in financial institutions be secured and collateralized by such institutions. The collateral must meet certain requirements and must have a total minimum market value of 105% of the value of the deposits placed in the institutions, less the amount protected by federal depository insurance. Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool. The degrees of risk regarding deposits vary with each component unit as noted in their separately issued financial statements.

B. Investments

Each component unit manages its own investments and creates its own policies, except for the Sports Authority, Industrial Development Board, and Convention Center Authority which participate in the Metro Investment Pool of the primary government. Certain component units are subject to the same investment risks as the primary government. The degrees of risk regarding investments and the policies addressing each type of risk vary with each component unit as noted in their separately issued financial statements.

TCRS Stabilization Trust

A. Legal Provisions

Teachers of the Government participate in the Tennessee Consolidated Retirement System (TCRS), and a portion of the Government's contributions to the TCRS are placed in the TCRS Stabilization Reserve Trust (the Trust) as authorized by statute under *Tennessee Code Annotated* (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the Trust. Funds of trust members are held and invested in the name of the Trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the Government.

The Trust is authorized to make investments as directed by the TCRS Board of Trustees. The Government may not impose any restrictions on investments placed by the Trust on its behalf.

B. Investment Balances

Assets of the TCRS, including the Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS has not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments are reported at fair value or amortized which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value and securities transactions are recorded on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2021 represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement consistent with GASB Statement No. 72, *Fair Value Measurement and Application*. Level 1 inputs are unadjusted quoted prices for identical asset or liabilities in active markets that can be accessed at the measurement date. Level 2 inputs are quoted prices for similar assets or liabilities in activities markets, quoted prices in markets that are not active, assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market, and Level 1 assets or liabilities that are adjusted. Level 3 inputs are valuations derived from valuation techniques in which significant inputs are unobservable. Investments using the Net Asset Value (NAV) per share have no readily determinable fair value and have been determined using amortized cost which approximates fair value.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

At June 30, 2021, the Government had the following investments held by the Trust on its behalf.

Investment Type	Fair Value	Weighted Average Maturity (days)	Maturities
Investments at Fair Value:			
U.S. Equity	\$ 2,662,952	n/a	n/a
Developed Market International Equity	1,202,638	n/a	n/a
Emerging Market International Equity	343,611	n/a	n/a
U.S. Fixed Income	1,717,988	n/a	n/a
Real Estate	859,028	n/a	n/a
Short-term Securities	85,870	n/a	n/a
Investments at Amortized Cost Using the NAV:			
Private Equity and Strategic Lending	<u>1,717,988</u>	n/a	n/a
Total	<u>\$ 8,590,075</u>		

Investment Type	Fair Value	Fair Value Measurement Using			Amortized Cost
		Quoted Prices In Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	
U.S. Equity	\$ 2,662,952	\$ 2,662,952	\$ -	\$ -	\$ -
Developed Market International Equity	1,202,638	1,202,638	-	-	-
Emerging Market International Equity	343,611	343,611	-	-	-
U.S. Fixed Income	1,717,988	-	1,717,988	-	-
Real Estate	859,028	-	-	859,028	-
Short-term Securities	85,870	-	85,870	-	-
Private Equity and Strategic Lending	<u>1,717,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,717,988</u>
Total	<u>\$ 8,590,075</u>	<u>\$ 4,209,201</u>	<u>\$ 1,803,858</u>	<u>\$ 859,028</u>	<u>\$ 1,717,988</u>

C. Risks and Uncertainties

The Trust's investments include various types of investment funds, which in turn invest in any combination of stocks, bonds and other investments exposed to various risks. Due to the level of risk associated with various investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for Trust investments.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Government does not have the ability to limit Trust investment maturities as a means of exposure to fair value losses arising from increasing interest rates.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Government does not have the ability to limit the credit ratings of individual investments made by the Trust.

Concentration of credit risk is the risk of loss attributed to the magnitude of the Trust's investment in a single issuer. The Government places no limit on the amount the Trust may invest in one issuer.

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the Trust will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the Trust agreement, investments are held in the name of the Trust for the benefit of the Government to pay retirement benefits of teachers.

For further information concerning the Government's investments with the Trust, audited financial statements of the TCRS may be obtained from the website for the State of Tennessee.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the Trust will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the Trust agreement, investments are held in the name of the Trust for the benefit of the Government to pay retirement benefits of teachers.

For further information concerning the Government's investments with the Trust, audited financial statements of the TCRS may be obtained from the website for the State of Tennessee.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

Primary Government

Governmental activities:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 540,988,211	\$ 47,002,682	\$ (41,690)	\$ 587,949,203
Transportation infrastructure	1,622,412,136	14,769,083	-	1,637,181,219
Public art	5,554,480	426,190	-	5,980,670
Construction in progress	245,227,359	59,152,720	(25,735,713)	278,644,366
Total capital assets, not being depreciated	2,414,182,186	121,350,675	(25,777,403)	2,509,755,458
Capital assets, being depreciated:				
Buildings and improvements	2,621,627,455	33,779,086	(308,470)	2,655,098,071
Furniture, machinery and equipment	544,443,854	20,210,659	(9,550,699)	555,103,814
Stormwater infrastructure	202,254,359	19,192,837	(13,128,468)	208,318,728
Total capital assets, being depreciated	3,368,325,668	73,182,582	(22,987,637)	3,418,520,613
Less accumulated depreciation:				
Building and improvements	(1,109,377,271)	(88,722,870)	235,054	(1,197,865,087)
Furniture, machinery and equipment	(397,269,544)	(36,908,038)	9,256,999	(424,290,583)
Stormwater infrastructure	(60,286,378)	(3,497,281)	22,530	(63,761,129)
Total accumulated depreciation	(1,566,933,193)	(129,128,189)	9,514,583	(1,686,546,799)
Total capital assets, being depreciated, net	1,801,392,475	(55,945,607)	(13,473,054)	1,731,973,814
Governmental activities capital assets, net	\$ 4,215,574,661	\$ 65,405,068	\$ (39,250,457)	\$ 4,241,729,272

Governmental activities include the capital assets of the internal service funds.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Business-type activities:

	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 24,583,200	\$ 2,163,954	\$ -	\$ 26,747,154
Construction in progress	<u>181,935,071</u>	<u>180,837,744</u>	<u>(115,414,120)</u>	<u>247,358,695</u>
Total capital assets, not being depreciated	<u>206,518,271</u>	<u>183,001,698</u>	<u>(115,414,120)</u>	<u>274,105,849</u>
Capital assets, being depreciated:				
Utility plant in service	3,249,899,937	83,508,547	-	3,333,408,484
Buildings and improvements	123,976,374	3,945,905	(1,340)	127,920,939
Improvements other than buildings	76,961,628	564,498	-	77,526,126
Furniture, machinery and equipment	146,290,960	50,247,524	-	196,538,484
Property under capital lease	<u>3,645,000</u>	<u>-</u>	<u>-</u>	<u>3,645,000</u>
Total capital assets, being depreciated	<u>3,600,773,899</u>	<u>138,266,474</u>	<u>(1,340)</u>	<u>3,739,039,033</u>
Less accumulated depreciation:				
Utility plant in service	(1,441,577,929)	(73,834,350)	-	(1,515,412,279)
Buildings and improvements	(65,949,888)	(3,728,650)	1,340	(69,677,198)
Improvements other than buildings	(49,509,551)	(2,799,062)	-	(52,308,613)
Furniture, machinery and equipment	(80,238,096)	(11,668,956)	-	(91,907,052)
Property under capital lease	<u>(2,194,469)</u>	<u>(91,125)</u>	<u>-</u>	<u>(2,285,594)</u>
Total accumulated depreciation	<u>(1,639,469,933)</u>	<u>(92,122,143)</u>	<u>1,340</u>	<u>(1,731,590,736)</u>
Total capital assets, being depreciated, net	<u>1,961,303,966</u>	<u>46,144,331</u>	<u>-</u>	<u>2,007,448,297</u>
Business-type activities capital assets, net	<u>\$ 2,167,822,237</u>	<u>\$ 229,146,029</u>	<u>\$ (115,414,120)</u>	<u>\$ 2,281,554,146</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 16,381,107
Fiscal administration	853,297
Administration of justice	2,503,787
Law enforcement and care of prisoners	4,234,674
Fire prevention and control	2,352,825
Education	59,892,155
Regulation and inspection	5,971
Public welfare	1,594,247
Public health and hospitals	1,331,048
Public library system	3,252,476
Public works, highways, and streets, including depreciation of stormwater infrastructure	5,551,614
Recreational and cultural	11,649,775
Capital assets held by internal service funds are charged to the various functions based on each function's usage of the services provided by the funds	<u>19,525,213</u>
Total depreciation expense, governmental activities	<u>\$ 129,128,189</u>
Business-type activities:	
Department of Water and Sewerage Services	\$ 87,628,485
District Energy System	2,384,003
Board of Fair Commissioners	1,405,514
Farmers Market	327,400
Municipal Auditorium	<u>376,741</u>
Total depreciation expense, business-type activities	<u>\$ 92,122,143</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Component Units

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020 (1)	Increases	Decreases	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 396,093,467	\$ 6,177,689	\$ (910,042)	\$ 401,361,114
Public art	1,183,844	-	-	1,183,844
Construction in progress	<u>372,516,572</u>	<u>443,427,420</u>	<u>(180,058,692)</u>	<u>635,885,300</u>
Total capital assets, not being depreciated	769,793,883	449,605,109	(180,968,734)	1,038,430,258
Capital assets, being depreciated:				
Utility plant in service	1,593,042,000	126,684,000	(23,334,000)	1,696,392,000
Buildings and improvements	2,681,398,884	51,654,069	(169,931,276)	2,563,121,677
Improvements other than buildings	2,813,683	69,414	(135,509)	2,747,588
Furniture, machinery, and equipment	620,044,760	260,363,659	(26,991,366)	853,417,053
Infrastructure	<u>641,046,030</u>	<u>5,395,591</u>	<u>(1,366,363)</u>	<u>645,075,258</u>
Total capital assets, being depreciated	5,538,345,5357	444,166,733	(221,758,514)	5,760,753,576
Less accumulated depreciation for:				
Utility plant in service	(660,418,000)	(63,432,000)	33,354,000	(690,496,000)
Buildings and improvements	(861,152,936)	(75,337,645)	26,827,208	(909,663,373)
Improvements other than buildings	(1,396,444)	(392,360)	135,509	(1,653,295)
Furniture, machinery, and equipment	(351,411,811)	(48,162,721)	27,746,793	(371,827,739)
Infrastructure	<u>(406,037,299)</u>	<u>(20,773,814)</u>	<u>-</u>	<u>(426,811,113)</u>
Total accumulated depreciation	(2,280,416,490)	(208,098,540)	88,063,510	(2,400,451,520)
Total capital assets, being depreciated, net	3,257,928,867	236,068,193	(133,695,004)	3,360,302,056
Component units activities capital assets, net	\$ 4,027,722,750	\$ 685,673,302	\$ (314,663,738)	\$ 4,398,732,314

(1) Sports Authority and Convention Center Authority had prior period adjustments.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 – BONDS, NOTES AND OTHER OBLIGATIONS

Primary Government

A. Transaction Summary

Bonds, notes, and other obligations activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Governmental activities:					
General obligation bonds payable:					
General Services District	\$ 1,831,531,122	\$ 841,828,559	\$ (463,714,637)	\$ 2,209,645,044	\$ 143,024,668
Schools	891,833,708	303,020,134	(242,394,340)	952,459,502	71,009,119
Urban Services District	159,186,360	53,028,380	(52,289,089)	159,925,651	11,704,003
Deferred premium (discount)	336,349,783	91,653,461	(38,091,370)	389,911,874	-
Total general obligation bonds payable	<u>3,218,900,973</u>	<u>1,289,530,534</u>	<u>(796,489,436)</u>	<u>3,711,942,071</u>	<u>225,737,790</u>
Qualified zone academy notes payable:					
Qualified Zone Academy Notes	414,563	-	(414,563)	-	-
Deferred premium (discount)	(5,184)	-	5,184	-	-
Total qualified zone academy notes payable	<u>409,379</u>	<u>-</u>	<u>(409,379)</u>	<u>-</u>	<u>-</u>
Qualified school construction bond loans payable	24,118,692	-	(3,536,429)	20,582,263	3,536,429
Other obligations payable:					
Net pension liability	285,662,920	31,513,201	(269,086,402)	48,089,719	-
Total OPEB liability	4,261,044,596	367,584,211	(326,444,936)	4,302,183,871	-
Compensated absences	97,051,724	60,952,969	(63,588,291)	94,416,402	51,753,696
Claims and judgments	11,484,484	3,845,460	(2,371,767)	12,958,177	-
Landfill closure costs	6,541,140	-	(1,231,431)	5,309,709	593,436
Fair value of derivative financial instruments	5,906,000	-	(5,906,000)	-	-
Total other obligations payable	<u>4,667,690,864</u>	<u>463,895,841</u>	<u>(668,628,827)</u>	<u>4,462,957,878</u>	<u>52,347,132</u>
Total governmental activities long-term liabilities	<u>\$ 7,911,119,908</u>	<u>\$ 1,753,426,375</u>	<u>\$ (1,469,064,071)</u>	<u>\$ 8,195,482,212</u>	<u>\$ 281,621,351</u>
Business-type activities:					
Department of Water and Sewerage Services:					
Revenue bonds payable	\$ 979,615,000	\$ -	\$ (25,080,000)	\$ 954,535,000	\$ 33,070,000
Deferred premium (discount)	87,416,351	-	(9,549,030)	77,867,321	-
Net pension liability	15,142,093	-	(15,142,093)	-	-
Total Department of Water and Sewerage Services	<u>1,082,173,444</u>	<u>-</u>	<u>(49,771,123)</u>	<u>1,032,402,321</u>	<u>33,070,000</u>
District Energy System:					
General obligation bonds payable	47,713,810	2,173,927	(2,941,934)	46,944,803	2,677,210
Deferred premium (discount)	6,628,104	266,177	(544,389)	6,349,892	-
Net pension liability	63,344	-	(63,344)	-	-
Total District Energy System	<u>54,405,258</u>	<u>2,439,104</u>	<u>(3,549,667)</u>	<u>53,294,695</u>	<u>2,677,210</u>
Other business-type activities:					
Net pension liability	2,866,045	-	(2,866,045)	-	-
Total other business-type activities	<u>2,866,045</u>	<u>-</u>	<u>(2,866,045)</u>	<u>-</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 1,139,444,747</u>	<u>\$ 2,439,104</u>	<u>\$ (56,186,835)</u>	<u>\$ 1,085,697,016</u>	<u>\$ 35,747,210</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

B. Description of Amounts Payable

	Interest Rate	Amount
Governmental activities:		
General obligation bonds payable from ad valorem taxes:		
General Services District - General Purposes, due in varying amounts to January 1, 2041	.30 - 5.71%	\$ 2,209,645,044
General Services District - School Purposes, due in varying amounts to January 1, 2041	.30 - 5.71%	952,459,502
Urban Services District - General Purposes, due in varying amounts to January 1, 2041	.30 - 5.71%	159,925,651
Deferred premium (discount)		<u>389,911,874</u>
Total general obligation bonds payable from ad valorem taxes		3,711,942,071
Qualified school construction bond loans payable	1.515%	<u>20,582,263</u>
Other obligations payable:		
Net pension liability		48,089,719
Total OPEB liability		4,302,183,871
Compensated absences		94,416,402
Claims and judgments		12,958,177
Landfill closure		5,309,709
Fair value of derivative financial instruments		-
Total other obligations payable		<u>4,462,957,878</u>
Total governmental activities long-term liabilities		<u>\$ 8,195,482,212</u>
Business-type activities:		
Bonds payable:		
Department of Water and Sewerage Revenue Refunding Bonds, Series 2010A, due in varying amounts to July 1, 2027	3.00 - 5.00%	\$ 5,250,000
Department of Water and Sewerage Revenue Bonds, Federally Taxable (BAB's), Series 2010B, due in varying amounts to July 1, 2037	6.393 - 6.568%	135,000,000
Department of Water and Sewerage Revenue Bonds, Federally Taxable, Series 2010C, due in varying amounts to July 1, 2041	6.693%	75,000,000
Department of Water and Sewerage Revenue Refunding Bonds, Series 2012, due in varying amounts to July 1, 2023	1.00 - 5.00%	41,620,000
Department of Water and Sewerage Revenue Refunding Bonds, Series 2013, due in varying amounts to July 1, 2033	3.00 - 5.00%	237,930,000
Department of Water and Sewerage Revenue Refunding Bonds, Series 2017A (Green Bonds), due in varying amounts to July 1, 2046	3.00 - 5.00%	89,420,000
Department of Water and Sewerage Revenue Refunding Bonds, Series 2017B, due in varying amounts to July 1, 2046	5.0%	155,210,000
Department of Water and Sewerage Revenue Bonds, Series 2020A, due in varying amounts to July 1, 2040	4.00 - 5.00%	169,575,000
Department of Water and Sewerage Revenue Refunding Bonds, Series 2020B, due in varying amounts to July 1, 2027	5.0%	45,530,000
Deferred premium (discount)		<u>77,867,321</u>
Total Department of Water and Sewerage Services		<u>1,032,402,321</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Interest Rate	Amount
District Energy System G. O. Refunding Bonds, Series 2011, due in varying amounts to July 1, 2023	2.00 - 5.00%	\$ 504,087
District Energy System Revenue Refunding Bonds, Series 2012A, due in varying amounts to October 1, 2033	2.00 - 5.00%	34,180,000
District Energy System G. O. Refunding Bonds, Series 2012B, due in varying amounts to July 1, 2024	.32 - 2.767%	1,480,669
District Energy System G. O. Refunding Bonds, Series 2013A, due in varying amounts to July 1, 2033	3.00 - 5.00%	522,309
District Energy System G. O. Improvement Bonds, Series 2015C, due in varying amounts to July 1, 2034	4.00 - 5.00%	580,670
District Energy System G. O. Refunding Bonds, Series 2016, due in varying amounts to January 1, 2033	2.00 - 5.00%	5,551,490
District Energy System G. O. Improvement Bonds, Series 2017, due in varying amounts to July 1, 2036	4.00 - 5.00%	490,427
District Energy System G. O. Improvement Bonds, Series 2018, due in varying amounts to July 1, 2038	4.00 - 5.00%	1,462,224
District Energy System G. O. Improvement Bonds, Series 2021A, due in varying amounts to July 1, 2026	5.00%	329,543
District Energy System G. O. Improvement Bonds, Series 2021C, due in varying amounts to July 1, 2041	1.75 - 5.00%	1,843,384
Deferred premium (discount)		<u>6,349,892</u>
Total District Energy System		<u>53,294,695</u>
Total business-type activities long-term liabilities		<u>\$ 1,085,697,016</u>

The bonds, notes and other obligations are classified in the Statement of Net Position as follows:

Governmental activities:	
Noncurrent liabilities:	
Due within one year	\$ 281,621,351
Due in more than one year	<u>7,913,860,861</u>
Total governmental activities	<u>\$ 8,195,482,212</u>
Business-type activities:	
Liabilities payable from restricted assets:	
Current portion of long-term liabilities	\$ 1,049,949,806
Noncurrent liabilities:	
Due in more than one year	<u>35,747,210</u>
Total business-type activities	<u>\$ 1,085,697,016</u>

The general obligation bonds and notes payable are direct obligations of the Government for which its full faith and credit are pledged. These obligations are payable from the assessment of ad valorem taxes. In addition, the Government has additional sources of funds which are utilized to meet the annual principal and interest payments of certain general obligation bonds and notes.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the governmental activities, the other obligations are generally liquidated from the following:

Net pension liability	Fund incurring the related employees' compensation, primarily the General Fund and General-Purpose School Fund
Other postemployment benefits obligation	Fund incurring the related employees' compensation, primarily the General Fund, General Purpose School Fund
Compensated absences	Fund incurring the related employees' compensation, primarily the General Fund and the General Purpose School Fund
Claims and judgments	Fund to which the claim or judgment relates
Landfill closure costs	Solid Waste Operations Fund

For the business-type activities, the other obligations are generally liquidated from the funds reporting the liabilities.

C. Collateral for Obligations of the Proprietary Funds

All bonds of the Department of Water and Sewerage Services and the District Energy System are collateralized by the revenues of those entities.

D. Bond Covenants

The various revenue bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of a flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. As of June 30, 2021, the Government believes it is in compliance with all financial limitations and restrictions.

E. Annual Debt Service Requirements

The annual requirements to amortize all general obligation bonds and revenue bonds outstanding as of June 30, 2021 are as follows:

Year Ending June 30	General Obligation Bonds		Revenue Bonds		Total Primary Government	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 228,415,000	\$ 120,859,363	\$ 33,070,000	\$ 48,125,552	\$ 261,485,000	\$ 168,984,915
2023	234,945,000	115,332,236	39,815,000	46,435,928	274,760,000	161,768,164
2024	247,115,000	106,143,615	30,675,000	44,818,227	277,790,000	150,961,842
2025	247,965,000	96,685,831	24,820,000	43,471,027	272,785,000	140,156,858
2026	229,435,000	87,859,598	26,065,000	42,209,078	255,500,000	130,068,676
2027-2031	973,940,000	317,559,776	153,125,000	188,887,578	1,127,065,000	506,447,354
2032-2036	842,005,000	128,093,644	195,245,000	141,619,701	1,037,250,000	269,713,345
2037-2041	365,155,000	20,739,623	246,425,000	82,214,549	611,580,000	102,954,172
2042-2046	-	-	188,925,000	22,138,995	188,925,000	22,138,995
2047	-	-	16,370,000	409,251	16,370,000	409,251
Total	3,368,975,000	993,273,686	954,535,000	660,329,886	4,323,510,000	1,653,603,572
Deferred Premium (Discount)	<u>396,261,766</u>	<u>-</u>	<u>77,867,321</u>	<u>-</u>	<u>474,129,087</u>	<u>-</u>
Total	<u>\$ 3,765,236,766</u>	<u>\$ 993,273,686</u>	<u>\$ 1,032,402,321</u>	<u>\$ 660,329,886</u>	<u>\$ 4,797,639,087</u>	<u>\$ 1,653,603,572</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

F. Commercial Paper

In July 2014, the Government began a \$200 million Extendable Commercial Paper (ECP) program. The ECP dealer issues commercial paper notes with original maturity of 1 to 90 days. If the ECP dealer was ever unable to market notes in the amount needed to pay the maturing notes, the Government could extend the original maturity date to 270 days from the original date of issue. During this period long-term financing would be arranged to pay the notes at maturity. In July 2017, the Extendable Commercial Paper (ECP) program increased the maximum par amount of notes to \$325 million.

In June 2020, the Government entered into a Revolving Credit Agreements (RCA) to provide a \$375 million general obligation traditional commercial paper program. The program allows the Government to issue short-term notes to finance authorized capital projects, until long-term bonds can be issued to provide permanent project financing. As notes mature (prior to the issuance of the long-term bonds) new notes are issued to repay the maturing notes. If market conditions are such that new notes cannot be issued, the bank has agreed to pay the principal amount of any maturing commercial paper notes pursuant to a revolving credit agreement. If a bank advances funds pursuant to the revolving credit agreement, the Government has 180 days within which to reimburse the bank, either from the proceeds of a new commercial paper note issue, the proceeds of long-term bonds or funds of the Government. If the Government cannot reimburse the bank within 180 days, the bank advance converts to a term loan, payable in equal quarterly installments of principal over three years. The Government may at any time prepay the term loan from the proceeds of a new commercial paper note issue or long-term bonds. This program expired July 1, 2021.

In July 2021, the Government entered into a Revolving Credit Agreement (RCA) to provide \$375 million general obligation traditional commercial paper. The program allows the Government to issue short-term notes to finance authorized capital projects, until long-term bonds can be issued to provide permanent project financing. As notes mature (prior to the issuance of the long-term bonds) new notes are issued to repay the maturing notes. If market conditions are such that new notes cannot be issued, the bank has agreed to pay the principal amount of any maturing commercial paper notes pursuant to a revolving credit agreement. If a bank advances funds pursuant to the revolving credit agreement, the Government has 180 days within which to reimburse the bank, either from the proceeds of a new commercial paper note issue, the proceeds of long-term bonds or funds of the Government. If the Government cannot reimburse the bank within 180 days, the bank advance converts to a term loan, payable in equal quarterly installments of principal over three years. The Government may at any time prepay the term loan from the proceeds of a new commercial paper note issue or long-term bonds.

General obligation commercial paper is issued as federally tax-exempt notes. The commercial paper is sold at par as interest-bearing obligations in minimum denominations of \$100,000 with interest payable at maturity. The commercial paper has varying maturities not to exceed 270 days, and all rollover commercial paper will not have a final maturity more than two years from the initial dates of issuance. The State has waived the two-year final maturity limitation and approved a final maturity not to exceed six years. Interest rates vary depending on the market. At June 30, 2021, the amount of principal outstanding could not exceed \$700 million.

In July 2018 the Government established a \$183 million Water and Sewerage commercial paper program. Commercial paper notes are issued to provide interim or short-term financing of various water and sewer capital projects. The notes may be refunded with new notes (rollover notes) until the Government is prepared to issue long-term bonds and thereby provide permanent financing for the capital projects financed under the commercial paper program. As notes mature (prior to the issuance of the long-term bonds) new notes are issued to repay the maturing notes. If market conditions are such that new notes cannot be issued, the bank has agreed to pay the principal amount of any maturing commercial paper notes pursuant to a Reimbursement Agreement. If the bank advances funds pursuant to the Reimbursement Agreement, the Government has 180 days within which to reimburse the bank, either from the proceeds of a new commercial paper note issue, the proceeds of long-term bonds or funds of the Government. If the Government cannot reimburse the bank within 180 days, the bank advance converts to a term loan, payable in equal quarterly installments of principal over three years. The Government may at any time prepay the term loan from the proceeds of a new commercial paper note issue or long-term bonds. In April 2015, the Government began a \$100 million Extendable Commercial Paper (ECP) program. The ECP dealer issues commercial paper notes with original maturities of 1 to 90 days. If the ECP dealer was ever unable to market notes in the amount needed to pay the maturing notes, the Government could extend the original maturity date to 270 days from the original date of issue. During this period long-term financing would be arranged to pay the notes at maturity. The combined programs total \$283 million of commercial paper notes available for short term capital financing.

Revenue commercial paper is issued as federally tax-exempt notes. The commercial paper is sold at par as interest-bearing obligations in minimum denominations of \$100,000 with interest payable at maturity. The commercial paper has varying maturities not to exceed 270 days, and all rollover commercial paper will not have a final maturity more than two years from the initial dates of issuance. The State has waived the two-year final maturity limitation and approved a final maturity not to exceed six years. Interest rates vary depending on the market. At June 30, 2021, the amount of principal outstanding could not exceed \$283 million.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Commercial paper obligations of \$250,200,000 with interest rates ranging from .09% to .14% were outstanding at June 30, 2021. The obligations are considered short-term debt at June 30, 2021 and are recorded as a liability in the Capital Project Funds, Department of Water and Sewerage Services, and the District Energy System of the Government.

Commercial paper activity for the year ended June 30, 2021 was as follows:

	Balance		Balance
	July 1, 2020	Additions	Reductions
	<u>\$ 625,200,000</u>	<u>\$ 275,000,000</u>	<u>\$ (650,000,000)</u>
Commercial paper payable			<u>\$ 250,200,000</u>

The commercial paper is classified in the Statement of Net Position as follows:

Governmental activities:	
Commercial paper payable	\$ 49,723,880
Total governmental activities	<u>49,723,880</u>
 Business-type activities:	
Commercial paper payable	200,476,120
Total business-type activities	<u>200,476,120</u>
 Total commercial paper payable	<u>\$ 250,200,000</u>

G. Issuance of Bonds

On February 18, 2021, the Government issued \$131,295,000 General Obligation Refunding Bonds, Series 2021A, maturing on July 1, 2026, with an interest rate of 5.00%. The Series 2021A Bonds refunded certain maturities of General Obligation Refunding Bonds, Series 2010A and General Obligation Refunding Bonds, Series 2010D. By issuing the Series 2021A Bonds, the Government obtained an estimated economic gain (difference between the present values of the debt service payments on the defeased and new debt) of \$11,349,908. The refunding will reduce the Government's debt service payments over the next six years by an estimated \$11,459,190.

On February 18, 2021, the Government issued \$497,030,000 General Obligation Refunding Bonds, Series 2021B, maturing on July 1, 2034, with an interest rate of 1.786%. The Series 2021B Bonds refunded certain maturities of General Obligation Refunding Bonds, Series 2011, General Obligation Refunding Bonds, Series 2012, General Obligation Refunding Bonds, Series 2013, General Obligation Improvement Bonds, Series 2015C, and General Obligation Refunding Bonds, Series 2016. By issuing the Series 2021B Bonds, the Government obtained an estimated economic gain (difference between the present values of the debt service payments on the defeased and new debt) of \$43,979,564. The refunding will reduce the Government's debt service payments over the next fourteen years by an estimated \$48,680,721.

On February 25, 2021, the Government issued \$571,725,000 of General Obligation Improvement Bonds, Series 2021C, maturing on January 1, 2041, with interest rates ranging from 1.75% to 5.00%. The net proceeds of the Series 2021C Bonds totaled \$652,460,290 (including original issue premium of \$80,735,290). \$650,000,000 of the net proceeds were used to fund maturing commercial paper notes, and \$2,460,290 was used to cover underwriting fees and other costs of issuance.

H. Defeased Bonds

The Government has defeased certain other bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service requirements on the retired bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Government's financial statements. As of June 30, 2021, \$784,480,000 of general obligation bonds and \$66,315,000 of revenue bonds are considered defeased.

I. Redemption Options

Certain bonds are subject to redemption prior to maturity at the option of the Government. The stated payments of principal and interest on the Department of Water and Sewerage Services Series 1992 and Series 2010A, B, C and D are insured by municipal bond insurance policies which cannot be canceled.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

J. Qualified Zone Academy Notes

Qualified Zone Academy Bonds (QZAB) are issued by the Tennessee State School Bond Authority (TSSBA) to finance improvement loans for qualifying primary and secondary schools in the State. The QZAB's are a part of a federal government program administered by the Tennessee Department of Education in which a federal tax credit is given to investors in lieu of interest on the bonds.

The Government entered into a loan agreement with the TSSBA in December 2005 whereby the Government would receive an amount not to exceed \$6,350,000 of the proceeds from the TSSBA QZAB, Series 2005. Actual proceeds totaled \$6,218,500. Under the provisions of the agreement, the proceeds of the loan must be spent on specific authorized projects within a limited time period. The TSSBA will hold and invest the proceeds from the Series 2005 Bonds, and as allowable expenditures are incurred, the Government will request reimbursement. The Government is required to make annual principal payments to TSSBA. An investment credit applied to the Government's portion of the bond proceeds will be used to reduce future payments.

The outstanding QZAB balance was paid in full at June 30, 2021.

K. Qualified School Construction Bond Loan

Qualified School Construction Bonds (QSCB) are issued by the Tennessee State School Bond Authority (TSSBA) to finance improvement loans for qualifying primary and secondary schools in the State. The QSCB's are part of the federal government's American Recovery and Reinvestment Act of 2009 (ARRA).

The Government entered a loan agreement with the TSSBA in December 2009 whereby the Government received an amount not to exceed \$21,760,000 of the proceeds from the TSSBA QSCB, Series 2009. Actual proceeds totaled \$21,120,000. Interest on the loan is 1.515%, and the loan matures in 2027. Under the provisions of the agreement, the proceeds of the loan must be spent on specific authorized projects within a limited time period. The TSSBA will hold and invest the proceeds from the Series 2009 Bonds, and as allowable expenditures are incurred, the Government will request reimbursement. The Government is required to make annual principal payments to TSSBA. An investment credit applied to the Government's portion of the bond proceeds will be used to reduce future payments.

On October 7, 2010, the Government entered a loan agreement with the TSSBA whereby the Government received \$35,555,000 from the TSSBA's QSCB's issued on October 7, 2010. Interest on the loan is 4.848%, and the loan matures in 2028. The Government also receives a share of the TSSBA's interest subsidy payments received from the Federal government. The Government's share of the subsidy is estimated to offset its interest payments. Under the provisions of the agreement, the proceeds of the loan must be spent on specific authorized projects within a limited time period. The TSSBA will hold and invest the proceeds from the Series 2010 Bonds, and as allowable expenditures are incurred, the Government will request reimbursement. The Government is required to make annual principal payments to TSSBA. Interest earned by the TSSBA on the Government's portion of the bond proceeds will be used to reduce future payments.

QSCB note principal maturities at June 30, 2021 are summarized below:

Year Ending June 30	Principal	Interest	Subsidy
2022	\$ 3,536,429	\$ 2,043,674	\$ 1,723,706
2023	3,536,429	2,043,674	1,723,706
2024	3,536,429	2,043,674	1,723,706
2025	3,536,429	2,043,674	1,723,706
2026	3,666,155	2,043,674	1,723,706
2027-2028	2,770,392	1,920,129	2,585,560
Total qualified school construction bond loan payable	<u>\$ 20,582,263</u>	<u>\$ 12,138,499</u>	<u>\$ 11,204,090</u>

L. Derivative Financial Instruments

In connection with outstanding variable rate debt, the Government competitively bid the sale of a pay-fixed receive-variable Securities Industry and Financial Market Association (SIFMA), formerly the Bond Market Association, swaption (Swaption). This transaction generated an upfront payment of \$3,800,000, which is deferred and being amortized over the term of the related interest rate swap in the government-wide statements. The Swaption was sold on a SIFMA floating to fixed interest rate swap and, when it was exercised by the winning bidder, SunTrust

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Bank (Counterparty), the Government was placed into a variable to fixed interest rate swap commencing on May 15, 2006. The interest rate swap is a hedging derivative instrument (cash flow hedge) maintained by the Government in order to manage its exposure to market risk from fluctuations in interest rates on its variable rate debt. On February 2, 2012, the Government refunded the Tennessee Municipal Bond Fund (TMBF) Loan, which was the debt previously associated with the hedging derivative instrument. Upon the refunding of the TMBF Loan, the Government terminated hedge accounting for the derivative instrument. The related deferral account totaled \$16,126,556 at the date of the refunding and has been included in the net carrying amount of the TMBF Loan for purposes of determining the deferred charge related to its refunding. The Government has subsequently employed the interest rate swap as a hedging derivative instrument maintained in order to manage its exposure to market risk from fluctuations in interest rates on its commercial paper program. The interest rate swap was terminated on June 21, 2021.

M. Unissued Bonds or Notes

At June 30, 2021, authorized but unissued general obligation bonds totaled \$1,185,900,686. Commercial paper borrowings are used to fund capital spending prior to the issuance of bonds.

N. Tax Anticipation Notes

On July 1, 2020, the Government issued tax anticipation notes (TAN's) in the amount of \$285,000,000 maturing on June 30, 2021 at an interest rate of 1.65%. The TAN's were used to fund operating expenditures prior to the collection of property taxes and were repaid in full prior to June 30, 2021.

	Balance				Balance
	July 1, 2020	Additions	Reductions	June 30, 2021	
Tax anticipation notes payable	\$ -	\$ 285,000,000	\$ (285,000,000)	\$ -	

Component Units

A. Transaction Summary

Bonds, notes, and other liabilities activity for the year ended June 30, 2021 was as follows:

	Balance				Balance	Due Within
	July 1, 2020	Additions	Reductions	June 30, 2021		One Year
Governmental types:						
Revenue bonds payable:						
Sports Authority	\$ 117,724,894	\$ 329,340,000	\$ (93,696,202)	\$ 353,368,692	\$ 6,685,000	
Total revenue bonds payable - governmental types	117,724,894	329,340,000	(93,696,202)	353,368,692	6,685,000	
Proprietary types:						
Revenue bonds payable:						
Electric Power Board	554,063,000	182,273,000	(99,265,000)	637,071,000	35,225,000	
Metropolitan Nashville Airport Authority	1,366,884,878	-	(14,525,912)	1,352,358,966	7,863,385	
Convention Center Authority	576,617,967	-	(14,045,494)	562,572,473	14,435,000	
Total revenue bonds payable - proprietary types	2,497,565,845	182,273,000	(127,836,406)	2,552,002,439	57,523,385	
Notes payable:						
Metropolitan Development and Housing Agency	197,641,091	46,983,166	(43,574,540)	201,049,717	26,340,795	
Metropolitan Nashville Airport Authority	13,476,680	13,036,377	(1,799,232)	24,713,825	21,668,353	
Total notes payable - proprietary types	211,117,771	60,019,543	(45,373,772)	225,763,542	48,009,148	
Total revenue bonds and notes payable	2,826,408,510	571,632,543	(266,906,380)	3,131,134,673	112,217,533	
Governmental types:						
Other liabilities payable:						
Sports Authority:						
Other liabilities	10,148,146	11,040	(10,106,387)	52,799	-	
Total other liabilities payable - governmental types	10,148,146	11,040	(10,106,387)	52,799	-	

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Balance July 1, 2020		Additions		Reductions	Balance June 30, 2021		Due Within One Year
Proprietary types:								
Other liabilities payable:								
Hospital Authority:								
Capitalized lease obligation	\$ 15,741,898	\$ -	\$ (3,141,274)	\$ 12,600,624	\$ 3,376,647	-		
Net pension liability	3,218,553	-	(3,218,553)	-	-	-		
Metropolitan Development and Housing Agency:								
Other liabilities	1,619,640	1,825,034	(1,641,511)	1,803,163	-	-		
Electric Power Board:								
TVA advances and other	8,527,000	8,891,000	(9,732,000)	7,686,000	-	-		
Net pension liability	209,700,000	68,868,000	(177,687,000)	100,881,000	-	-		
Net OPEB liability	191,048,000	33,391,000	(90,378,000)	134,061,000	-	-		
Metropolitan Transit Authority:								
Advance lease receipts	7,377,453	-	(590,004)	6,787,449	-	-		
Refundable grants	431,663	-	(431,663)	-	-	-		
Net pension liability	11,835,343	10,817,844	(6,522,902)	16,130,285	-	-		
Net OPEB liability	92,575,015	15,587,416	(4,993,699)	103,168,732	-	-		
Convention Center Authority:								
Net pension liability	702,009	-	(702,009)	-	-	-		
Total other liabilities payable - proprietary types	<u>542,776,574</u>	<u>139,380,294</u>	<u>(299,038,615)</u>	<u>383,118,253</u>	<u>-</u>	<u>3,376,647</u>		
Total revenue bonds, notes and other liabilities payable - component units	<u>\$ 3,379,333,230</u>	<u>\$ 711,023,877</u>	<u>\$ (576,051,382)</u>	<u>\$ 3,514,305,725</u>	<u>\$ 115,594,180</u>	<u>-</u>		

B. Description of Amounts Payable

Amounts payable at June 30, 2021 are as follows:

	Interest Rates	Amount
Governmental types:		
Revenue bonds payable:		
Taxable Public Facility Revenue Refunding Bonds (Stadium Project), Series 2012A, due in varying amounts to July 1, 2033	1.142 - 5.231%	\$ 1,910,000
Taxable Public Facility Revenue Improvement Bonds (Hockey Project), Series 2013A, due in varying amounts to July 1, 2033	.793 - 5.150%	1,875,000
Taxable Public Improvement Revenue Refunding Bonds, Series 2013B, due in varying amounts to July 1, 2025	.793 - 4.050%	11,775,000
Public Improvement Revenue Bonds (Ballpark Project), Series 2013A, due in varying amounts to August 1, 2043	3.00 - 5.250%	3,735,000
Taxable Public Improvement Revenue Bonds (Ballpark Project), Series 2013B, due in varying amounts to August 1, 2043	1.25 - 5.625%	765,000
Public Improvement Revenue Refunding Bonds, Series 2014, due in varying amounts to July 1, 2026	4.00 - 5.000%	3,645,000
Taxable Public Improvement Revenue Bonds (MLS Project), Series 2020, due in varying amounts to August 1, 2035	.947 - 2.660%	225,000,000
Taxable Public Improvement Revenue Refunding Bonds (Stadium Project), Series 2021A, due in varying amounts to July 1, 2033	.321 - 2.794%	34,645,000
Taxable Public Improvement Revenue Refunding Bonds (Arena Project), Series 2021B, due in varying amounts to July 1, 2033	.629 - 2.584%	9,460,000
Taxable Public Improvement Revenue Refunding Bonds (Ballpark Project), Series 2021C, due in varying amounts to August 1, 2036	.629 - 2.854%	60,235,000
Deferred premium (discount)		323,692
Total revenue bonds payable - governmental types		<u>353,368,692</u>

Proprietary types:

Revenue bonds payable:

Electric Power Board Electric System Revenue Bonds, 2013 Series A, due in varying amounts to May 15, 2029	3.25 - 5.00%	59,028,000
Electric Power Board Electric System Revenue Bonds, 2014 Series A, due in varying amounts to May 15, 2039	2.00 - 5.00%	98,837,000
Electric Power Board Electric System Revenue Bonds, 2015 Series A, due in varying amounts to May 15, 2039	5.00%	90,347,000

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Interest Rates	Amount
Electric Power Board Electric System Revenue Bonds, 2017 Series A, due in varying amounts to May 15, 2042	3.00 - 5.00%	\$ 111,426,000
Electric Power Board Electric System Revenue Bonds, 2017 Series B, due in varying amounts to May 15, 2031	5.00%	84,617,000
Electric Power Board Electric System Revenue Bonds, 2021 Series A, due in varying amounts to May 15, 2046	4.00 - 5.00%	192,816,000
Airport Improvement Revenue Bonds, Series 2003B, due in varying amounts to July 1, 2033	5.49 - 5.94%	12,050,000
due in varying amounts to July 1, 2029 (includes terms bonds at 6.79%)	2.25 - 6.19%	-
Airport Improvement Revenue Bonds, Series 2015A, due in varying amounts to July 1, 2045	4.00 - 5.00%	86,655,000
Airport Improvement Revenue Bonds, Series 2015B, due in varying amounts to July 1, 2045	4.00 - 5.00%	102,365,000
Special Facility Revenue Bonds, Series 2018, due in varying amounts to July 1, 2028 (includes terms bonds at 3.4%)	2.25 - 6.19%	27,358,295
Airport Improvement Revenue Bonds, Series 2019A, due in varying amounts to July 1, 2054	4.00 - 5.00%	254,435,000
Airport Improvement Revenue Bonds, Series 2019B, due in varying amounts to July 1, 2054	4.00 - 5.00%	665,150,000
Metropolitan Nashville Airport Authority: Deferred premium (discount)		204,345,671
Convention Center Authority Revenue Bonds, 2010A-1 due in varying amounts to July 1, 2026	3.35 - 5.00%	29,885,000
Convention Center Authority Revenue Bonds, 2010A-2 due in varying amounts to July 1, 2043	7.431%	152,395,000
Convention Center Authority Revenue Bonds, 2010B due in varying amounts to July 1, 2043	4.862 - 6.731%	379,890,000
Convention Center Authority: Deferred premium (discount)		402,473
Total revenue bonds payable - proprietary types		<u>2,552,002,439</u>
Notes payable: Metropolitan Development and Housing Agency		201,049,717
Metropolitan Nashville Airport Authority		<u>24,713,825</u>
Total notes payable - proprietary types		225,763,542
Total revenue bonds and notes payable		<u>3,131,134,673</u>
Other liabilities payable: Sports Authority: Other liabilities		52,799
Hospital Authority: Capitalized lease obligation		12,600,624
Metropolitan Development and Housing Agency: Other liabilities		1,803,163
Electric Power Board: TVA advances		353,000
Other		7,333,000
Net pension liability		100,881,000
Net OPEB liability		134,061,000
Metropolitan Transit Authority: Advance lease receipts		6,787,449
Net pension liability		16,130,285
Net OPEB liability		<u>103,168,732</u>
Total other liabilities payable - proprietary types		383,171,052
Total bonds, notes, and other liabilities payable - component units		<u>\$ 3,514,305,725</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The bonds, notes and other liabilities of the component units are classified in the Statement of Net Position as follows:

Liabilities payable from restricted assets:	
Current portion of long-term liabilities	\$ 85,216,706
Noncurrent liabilities:	
Due within one year	30,377,474
Due in more than one year	<u>3,398,711,545</u>
Total component units long-term liabilities	<u>\$ 3,514,305,725</u>

C. Collateral for Obligations of the Component Units

Sports Authority

The Public Improvement Revenue Refunding Bonds, Series 2004, are limited obligations of the Sports Authority payable solely from the revenues and receipts pledged to the payment of these bonds and secured by the non-tax revenues of the General Fund of the Government. Neither the faith and credit of the Sports Authority nor the faith and credit or the taxing power of the Government is pledged to the payment of the principal or interest on the bonds.

D. Description of Bonds

Sports Authority

On December 19, 2013, the Sports Authority issued \$53,760,000 Public Improvement Revenue Bonds (Ballpark), Series 2013A, maturing on August 1, 2043, with interest rates ranging from 3.00% to 5.25%, and \$11,240,000 Public Improvement Revenue Bonds (Ballpark), Series 2013B (Federally Taxable), maturing on August 1, 2043, with interest rates ranging from 1.25% to 5.625%. The proceeds of the 2013A and 2013B Ballpark Bonds were used to pay costs to acquire land and construct a minor league baseball park and related public improvements, capitalized interest, and costs related to issuance. The net proceeds of the 2013A and 2013B Ballpark Bonds totaled \$66,397,938 (net of underwriting fees) and were deposited with the Sports Authority.

In conjunction with the issuance of the Series 2013 Ballpark Bonds, the Sports Authority entered into a loan and security agreement with the Metropolitan Development and Housing Agency (the Agency) whereby a tax increment revenue note was issued by the Agency to the Sports Authority in exchange for the loan of \$28,000,000 to the Agency from the Tax Increment Financing (TIF) Loan Account of the Construction Fund. The loan dated December 19, 2013, maturing July 1, 2043, with interest at a fixed rate of 4.55% per annum, was used to pay for certain TIF eligible expenses for the redevelopment project. Collateral for this loan is ninety-five percent (95%) of all ad valorem real property tax increment revenues for specific projects in the vicinity of the Ballpark and the ballpark development.

In addition to the aforementioned TIF payments from the Agency, state and local sales tax revenues generated at the ballpark, ballpark lease payments and – to the extent the foregoing revenues are insufficient – non-tax revenues collected in the General Fund of the Urban Services District of the Government are pledged for the payment of principal and interest on the Series 2013 Ballpark Bonds.

E. Issuance of Bonds

Sports Authority

On December 17, 2020, the Sports Authority issued \$225,000,000 of Federally Taxable Public Improvement Revenue Bonds (MLS Project), Series 20210, maturing on August 1, 2035, with interest rates ranging from .947% to 2.66%. The net proceeds of the Series 2020 Bonds totaled \$214,944,451 and will be used for the construction of a major league soccer stadium, \$8,461,028 will be used for capitalized interest, and \$1,594,521 was used to cover underwriting fees and other costs of issuance.

On May 27, 2021, the Sports Authority issued \$34,645,000 Federally Taxable Public Facility Revenue Refunding Bonds (East Bank Stadium Project) Series 2021A, maturing on July 1, 2033, with interest rates ranging from .321% to 2.794%, \$9,460,000 Federally Taxable Public Facility Revenue Refunding Bonds (Arena Project) Series 2021B, maturing on July 1, 2033, with interest rates ranging from .629% to 2.584%, and \$60,235,000 Federally Taxable Public Facility Revenue Refunding Bonds (Ballpark Project) Series 2021C, maturing on August 1, 2036, with interest rates ranging from .629% to 2.854%. The Bonds refunded certain maturities of the Series 2021A (Stadium Project), Series 2013A (Hockey Project), Series 2013A (Ballpark Project), Series 2013B (Ballpark Project), and Series 2014 Bonds, and repaid the outstanding balance on the non-revolving credit line as discussed below. By issuing the Bonds, the Sports Authority obtained an estimated economic gain (difference between the present values of the debt

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

service payments on the defeased and new debt) of \$11,334,195. The refunding will reduce the Sports Authority's debt service payments over the next sixteen years by an estimated \$13,718,274.

F. Conduit Debt Obligations

Industrial Development Board

The Government, through the Industrial Development Board, has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entities served by the bond issuances. Neither the Government nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities of the Government.

The aggregate principal amount as of June 30, 2021 for the Industrial Revenue Bonds issued after April 1, 1996 was approximately \$588,084,164. The aggregate principal amount payable for the Industrial Revenue Bonds issued prior to April 1, 1996 could not be determined; however, their original issue amount totaled \$1,414,846,369.

Health and Educational Facilities Board

The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee, (The Board) is a public, non-profit corporation and instrumentality of the Government organized in 1974 pursuant to Chapter 101, Part 3, Title 48 of the TCA as amended (the Act). The Board is not considered to be part of the Government's reporting entity. The Act empowers the Board, among other things, to acquire and furnish property suitable for use by educational institutions, hospital institutions, or multifamily housing facilities in connection with their operations, and to loan to such entities the proceeds from the sale of its bonds to finance such security for the payment of the principal and interest on bonds issued. The Government is not liable for the payment of the principal or any interest on any of the revenue bonds of the Board. Accordingly, the revenue bonds of the Board are not reported as liabilities of the Government.

The aggregate principal amount of revenue bonds issued by the Board on or after April 1, 1996 totals approximately \$6,943,190,865. The aggregate principal amount of revenue bonds which were issued by the Board and were still outstanding as of April 1, 1996 could not be determined; however, the total aggregate principal amount of revenue bonds issued by the Board prior to April 1, 1996 was \$1,367,025,500.

G. Other Matters

Sports Authority

The Authority had a \$15,000,000 non-revolving credit line with Pinnacle Bank (Administrative Agent), First Tennessee Bank and Fifth Third Bank for the purpose of financing capital improvements at the Nissan Stadium. The loan dated October 19, 2015 matured on October 1, 2027. Interest was due quarterly at a variable rate as set forth in the loan agreement based on the outstanding principal balance of the loan. Conditions of lending included that the Authority expend at least \$1,100,000 of its own funds toward project costs; set aside a cash reserve of \$1,900,000 held by the Authority; and maintain a minimum balance of \$1,000,000 in the revenue fund held by the Administrative Agent. Pledged revenues included ticket tax collections (excluding that which is allocated to prior bonds Series 2012A as specified in the agreement) and CMA Fest revenues. Collected revenues were remitted monthly by the Metropolitan Government to the revenue account held by Pinnacle Bank. Remittances were applied toward principal; quarterly the Administrative Agent transferred the amount due for accrued interest. The outstanding balance on the credit line was repaid on May 27, 2021 with proceeds from the issuance of the Federally Taxable Public Facility Revenue Refunding Bonds (East Bank Stadium Project) Series 2021A. The outstanding balance as of June 30, 2021 is zero.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

H. Annual Debt Service Requirements

The annual principal maturities of all bonds payable as of June 30, 2021 for the Sports Authority are as follows:

Year Ending June 30	Revenue Bonds	
	Principal	Interest
2022	\$ 6,685,000	\$ 9,227,176
2023	8,450,000	8,948,045
2024	9,465,000	9,646,376
2025	16,660,000	8,354,995
2026	16,545,000	8,127,284
2027-2031	62,510,000	39,455,971
2032-2036	56,380,000	31,031,186
2037-2041	55,430,000	23,465,947
2042-2046	56,445,000	14,431,606
2047-2051	52,875,000	6,131,619
2052-2056	11,600,000	183,802
2057-2061	-	-
Total	353,045,000	159,004,007
Deferred charges	323,692	-
Total	<u>\$ 353,368,692</u>	<u>\$ 159,004,007</u>

The annual principal maturities of all bonds and notes payable as of June 30, 2021 for all component units are as follows:

Year Ending June 30	Revenue Bonds		Notes Payable		Total Revenue Bonds and Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 64,208,385	\$ 128,846,894	\$ 38,579,137	\$ 6,348,796	\$ 102,787,522	\$ 135,195,690
2023	68,747,780	125,663,396	24,992,657	6,160,903	93,740,437	131,824,299
2024	62,715,774	122,239,352	5,903,413	5,997,015	68,619,187	128,236,367
2025	86,230,795	119,164,631	6,016,604	5,826,311	92,247,399	124,990,942
2026	88,358,000	115,575,881	19,161,964	5,644,961	107,519,964	121,220,842
2027-2031	420,087,561	517,640,592	29,945,758	21,710,668	450,033,319	539,351,260
2032-2036	402,500,000	413,735,232	26,474,842	16,938,790	428,974,842	430,674,022
2037-2041	408,370,000	302,850,287	25,233,358	11,946,354	433,603,358	314,796,641
2042-2046	411,935,000	176,748,589	25,832,681	6,043,479	437,767,681	182,792,068
2047-2051	283,245,000	89,864,919	10,555,065	2,907,503	293,800,065	92,772,422
2052-2056	316,770,000	18,504,550	8,811,305	1,217,107	325,581,305	19,721,657
2057-2061	-	-	4,256,758	203,877	4,256,758	203,877
Total	2,613,168,295	2,230,834,323	225,763,542	90,945,764	2,838,931,837	2,221,780,087
Deferred charges	292,202,836	-	-	-	292,202,836	-
Total	<u>\$ 2,905,371,131</u>	<u>\$ 2,130,834,323</u>	<u>\$ 225,763,542</u>	<u>\$ 90,945,764</u>	<u>\$ 3,131,134,673</u>	<u>\$ 2,221,780,087</u>

Deferred amounts for the Electric Power Board are netted with principal.

I. Additional Information

Additional information regarding the bonds, notes and other obligations of the component units can be found in their separately issued financial statements.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 – PENSION PLANS

The Government has the following single-employer pension plans:

<u>Name</u>	<u>Type</u>	<u>Status</u>	<u>Administering Fund</u>
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Primary Government

Fiduciary Fund Types:

County	Defined Benefit	Closed 1963	Davidson County Employees' Retirement
Metro - Division A	Defined Benefit	Closed 1995	Metropolitan Employees Benefit Trust
Metro - Division B	Defined Benefit	Open	Metropolitan Employees Benefit Trust
County Education	Defined Benefit	Closed 1963	Employees' Pension and Insurance
Metro Education	Defined Benefit	Closed 1969	Teachers' Retirement Plan
City	Defined Benefit	Closed 1963	Closed City Plan
City Education	Defined Benefit	Closed 1963	Teachers' Civil Service and Pension

The City, County, Metro Education, City Education, and County Education plans are participants in the Guaranteed Payment Program (GPP), an umbrella program created by the Metropolitan Council to ensure actuarially sound funding for the five closed plans. Under the GPP, unfunded liabilities of the aggregate program are amortized over a period of no more than thirty years. Contributions on behalf of the five individual plans move to a payment account from which distributions are paid to the constituent plans of the GPP as necessary to satisfy current benefit needs and to satisfy long-term funding objectives of the GPP.

No separate financial reports are issued for these plans.

The Government also participates in cost-sharing, multiple-employer plans administered by the Tennessee Consolidated Retirement System (TCRS).

Component Units

Sports Authority, Hospital Authority, and Convention Center Authority	Included in primary government plans (1)		
Hospital Authority	Defined Contribution	Open	N/A
Convention Center Authority	Defined Contribution	Open	N/A
Metropolitan Development and Housing Agency	Defined Contribution	Open	N/A
Electric Power Board	Defined Benefit	Open	N/A
Metropolitan Transit Authority	Defined Benefit	Open	N/A
Metropolitan Nashville Airport Authority	Defined Benefit	Closed	N/A
Metropolitan Nashville Airport Authority	Defined Contribution	Open	N/A

(1) Employees of the Sports Authority are eligible to participate in the plans of the Government. Employees of Hospital Authority and Convention Center Authority hired before certain dates are eligible to participate in the plans of the Government. Employees hired subsequent to those dates are only eligible to participate in the plans administered by those Authorities. The allocation of the primary government plans to the component units is not material for disclosure.

The Metropolitan Transit Authority guarantees the plan sponsored by the Davidson Transit Organization (DTO), which provides Metropolitan Transit Authority labor.

Additional information regarding the pension plans of the component units can be found in their separately issued financial statements.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Plans Administered by the Government

A. Summary of Significant Accounting Policies

Measurement Focus, Basis of Account and Financial Statement Presentation

The pension funds are reported using the accrual basis of accounting. Employer and employee contributions are recognized in the period due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans. The net pension liability (asset) is reported in the applicable governmental and business-type activities in the Statements of Net Position and Activities.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Real estate plan assets are reported at fair value utilizing an income approach to valuation. An independent appraisal is obtained once every year to determine the fair market value of the real estate assets. Accounts receivable include amounts due from investment brokers for pending trades.

B. Plan Descriptions

Plan Administration

All plans of the primary government were established or continue under the authority of the Metropolitan Charter, Article XIII, effective April 1, 1963. Approval of the Metropolitan Council is required to establish and amend benefit provisions. Article XIII also requires that all pension plans be actuarially sound. Administrative costs of the plans are financed through plan assets. The plans are managed and administered by the Metropolitan Employee Benefit Board (the Board), an independent board created by the Metropolitan Charter. The Board is composed of ten members, as follows: Finance Director, Human Resources Director, three members appointed by the Mayor, and five members selected by employees and retirees of the Metropolitan Government.

Plan Membership

Plan membership is summarized on the Selected Pension Information Schedules on pages B-80 to B-81.

Benefits Provided

Metro Plan

Division A

This plan (The Metropolitan Employees' Benefit Trust Fund) was established at the inception of the 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 of the Metro Plan was closed to new members on July 1, 1995.

Normal retirement for employees other than police officers and fire fighters occurs at age 65 and entitles employees to a lifetime monthly benefit of 1/12 of the sum of 1% of average base earnings, as defined by the Social Security Administration, plus 1.75% of average excess earnings as defined in the Plan, multiplied by the years of credited service, plus cost-of-living adjustments. Average earnings are the average earnings for the last 60 consecutive months in which earnings were highest. Benefits fully vest on completing 10 years of service.

Normal retirement for police officers and fire fighters occurs upon reaching age 55 and completing 20 years of service. The lifetime monthly benefit is calculated as 1/12 of the sum of 2% of average earnings up to 25 years of credited service plus 1.75% of average earnings for all years of credited service in excess of 25, reduced by the amount of primary social security benefits at age 65 and increased by cost-of-living adjustments. In no event shall police and fire pensions be less than that due to employees who are not policemen or firemen. Benefits fully vest on completing 10 years of service.

Any employee who terminates after the completion of at least 10 years of service and before eligibility for normal retirement shall be eligible to receive a monthly deferred pension which shall commence on the first day of the month following the attainment of age 65, computed and payable in accordance with the Metro Plan.

Division B

As of July 1, 1995, Division B of the Metro Plan was established for all non-certificated employees of the Metropolitan Nashville Public Schools and all other Government employees. Employees with an effective hire date of July 1,

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1995 or later are only eligible to participate in Division B of the Metro Plan. Also, Government employees as of June 30, 1995 who were qualified members of Division A were given the option to transfer to Division B as of January 1, 1996, subject to written application approved by the Benefit Board. Substantially all employees transferred to Division B of the Metro Plan.

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; or (b) the date when the employee reaches age 65 and completes 5 years of credited employee service. The lifetime monthly benefit is calculated as 1/12 of the sum of 1.75% of average earnings based upon the previous 60 consecutive months of credited service which produce the highest earnings. Benefits fully vest on completing 5 years of service for employees employed on or between October 1, 2001 and December 31, 2012 who vest before leaving employment. Benefits fully vest on completing 10 years of service for employees and non-vested employees hired or rehired on or after January 1, 2013.

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 the completed years of credited police and fire service equals 75, but not before age 53 nor after age 60. The lifetime monthly benefit is 1/12 of the sum of 2% of average earnings for each year of credited fire and police service not in excess of 25 years; plus 1.75% of average earnings for each year that the credited police or fire service exceeds 25 years. Benefits fully vest on completing 5 years of service for employees employed on or between October 1, 2001 and December 31, 2012 who vest before leaving employment. Benefits fully vest on completing 10 years of service for employees and non-vested employees hired or rehired on or after January 1, 2013.

An early retirement pension is available for retired employees if the termination occurs prior to the eligibility under normal retirement but after age 50 (45 for police and fire) and after the completion of 10 years of credited employee service. Such shall be payable as either a monthly deferred early employee service pension beginning the month after the attainment of the normal retirement age or an immediate monthly early employee service pension beginning on the first day of the month following termination. The lifetime monthly benefit for the immediate monthly early employee service pension is reduced by 4% for each of the first 5 years by which the retirement date precedes the normal retirement age, and by 8% for each additional year by which the retirement date precedes the normal retirement age; provided, however, that the immediate monthly benefit shall not be less than the actuarial equivalent of the deferred pension provided by the Metro Plan.

Any employee who terminates after the completion of at least 10 years of service (or 5 years of service if hired before January 1, 2013) and before eligibility for normal retirement or early retirement shall be eligible to receive a monthly deferred pension which shall commence on the first day of the month following the attainment of unreduced retirement age, computed and payable in accordance with the Metro Plan.

Any employee with unused sick leave time at service retirement shall receive 100% credit for the time, subject to an affirmative election at the time of retirement.

Any employee who terminates and is rehired is eligible to reconnect prior service after being regularly employed continuously for one year.

Dependent children of vested employees are eligible for a survivor benefit if the employee should die leaving no surviving spouse.

All assets of the Metropolitan Employees' Benefit Trust Fund may legally be used to pay benefits to any plan members or beneficiaries, regardless of whether the members participate in Division A or Division B of the Metro Plan.

City Plan

This plan (the Closed City Plan Fund) covers certain employees of the former city of Nashville who have elected to remain under this plan and not transfer to the Metro Plan. This plan was closed to new members on April 1, 1963. Normal retirement for police officers and fire fighters occurs upon completing 25 years of service; for other participants, age 60 must be reached in addition to completing 25 years of service. The monthly lifetime benefit of all participants is 50% of the final monthly salary. All participants in the City Plan are fully vested.

County Plan

This plan (the Davidson County Employees' Retirement Fund) covers employees of the former government of Davidson County who have elected to remain under this plan and not transfer to the Metro Plan. This plan was closed to new members on April 1, 1963.

Participants elected coverage under Division A or B. Normal retirement under Division A occurs at age 65; lifetime monthly benefits are the years of credited service multiplied by 0.75% of defined average base earnings per month

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

plus 1.5% of average excess earnings as defined in the Plan per month. Average earnings are the average earnings for the 10 full consecutive calendar years in which earnings were highest. Normal retirement under Division B occurs after 30 years of service or after 24 years of service and reaching age 60; lifetime monthly benefits are 1/12 of 50% of the highest calendar year earnings. All participants in the County Plan are fully vested.

Metro Education Plan

This plan (the Teachers' Retirement Plan Fund) covers participants who elected to transfer from the City Education Plan and County Education Plan and professional employees of Metropolitan Nashville Public Schools hired between April 1, 1963 and July 1, 1969. Normal retirement occurs upon reaching age 60 with 20 years of service, completing 25 years of service, or reaching age 65. The lifetime monthly benefit is determined as 1/12 of 2% of the highest average earnings multiplied by the years of service, plus cost-of-living adjustments. Highest average earnings are the average earnings for the 36 consecutive months in which earnings were highest. All participants in the Metro Education Plan are fully vested.

After July 1, 1969 professional employees hired became members of the State Employees, Teachers, and Higher Education Employees' Pension Plan, a cost-sharing multiple employers defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS) that provides retirement, death, and disability benefits.

City Education Plan

This plan (the Teachers' Civil Service and Pension Fund) covers employees who were teachers of the former City of Nashville who elected to remain under this plan and not transfer to the Metro Education Plan. This plan was closed to new members on April 1, 1963.

Normal retirement occurs upon reaching age 60 and completing 15 years of service or completing 25 years of service before reaching age 60. With 15 years of service, the lifetime monthly benefit is 1/12 of 2.5% of the highest annual salary multiplied by the years of service up to 24. With 25 years of service, the lifetime monthly benefit is 1/12 of 2% of the highest annual salary multiplied by the years of service up to 30. Benefits are adjusted for cost-of-living increases. All participants in the City Education Plan are fully vested.

County Education Plan

This plan (the Employees' Pension and Insurance Fund) covers teachers and classified employees of the former Davidson County Board of Education who have elected to remain under this plan and not transfer to the Metro Education Plan. This plan was closed to new members on April 1, 1963.

Normal retirement occurs upon reaching age 60 and completing 15 years of service or completing 25 years of service before reaching age 60. With 15 years of service, the lifetime monthly benefit is 1/12 of 2.5% of the highest annual salary multiplied by the years of service up to 24. With 25 years of service, the lifetime monthly benefit is 1/12 of 2% of the highest annual salary multiplied by the years of service up to 30. Benefits are adjusted for cost-of-living increases. All participants in the County Education Plan are fully vested.

Contributions

Metro Plan

The funding policy is to provide for periodic contributions at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. All other funding is provided by the Government with an actuarially recommended employer contribution rate of 12.881% for the non-certificated employees of Metropolitan Nashville Public Schools and all other Metro employees.

City Plan

Funding is on a pay-as-you-go basis whereby contributions are made in amounts sufficient to cover benefits paid during the year.

County Plan

Funding is on a pay-as-you-go basis whereby contributions are made in amounts sufficient to cover benefits paid during the year.

Metro Education Plan

The Metro Education Plan is financed by contributions from Metropolitan Nashville Public Schools, participating employees, and the State of Tennessee. Employees contribute a specified percentage of their earnings; the State of Tennessee contributes an amount to reimburse current benefits paid equivalent to the benefits which would have

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

been earned under the Tennessee Consolidated Retirement System (TCRS) and Metropolitan Nashville Public Schools contributes an additional amount to provide for periodic contributions as actuarially determined to accumulate sufficient assets to pay benefits when due.

City Education Plan

The plan is financed by contributions from the Government, participating employees, and the State of Tennessee. Employees contribute a specified percentage of their earnings; the State of Tennessee contributes an amount to reimburse current benefits paid equivalent to the benefits which would have been earned under TCRS and the Government contributes an additional amount to cover current benefits (pay-as-you-go).

County Education Plan

The plan is financed by contributions from the Government, participating employees, and the State of Tennessee. Employees contribute a specified percentage of their earnings; the State of Tennessee contributes an amount to reimburse current benefits paid equivalent to the benefits which would have been earned under TCRS and the Government contributes an additional amount to cover current benefits (pay-as-you-go).

C. Investments

Investment Policy

The investments of the Metro Plan and Metro Education Plans are administered in accordance with the Statement of Investment Policy of the Government's Employee Benefit System. The Investment Committee of the Government's Employee Benefit System has been given the authority under Section 13.04 of the Metropolitan Charter to regulate and determine all matters dealing with the investments of the Plans.

The policy emphasizes a long-term investment strategy. Short-term fluctuations in the market value of the portfolio should not influence the investment structure under normal circumstances. In November 2018, the Investment Committee adopted asset allocation targets for the System. The policy outlines asset allocation targets as follows:

Asset Class	Target Range	
Domestic Equity	10-25	%
International Equity	10-25	
Fixed Income	10-30	
Fixed income Alternatives	5-25	
Real Assets	5-15	
Equity L/S	0-10	
Cash Equivalents	0-3	
Private Equity	5-15	

The System will maintain a target allocation while considering outstanding commitments, drawn capital, the System's long-term allocation goals and relevant market conditions.

Concentrations

There are no individual investments in the Metro Plan or the Metro Education Plan that exceed 5% of plan assets at June 30, 2021.

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments of the Metro Plan and Metro Education Plan, net of investment expense, was 29.02%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

D. Net Pension Liability (Asset)

Actuarial Assumptions

The total pension liability (asset) was determined by an actuarial valuation as of July 1, 2020. Actuarial assumptions are summarized on the Selected Pension Information Schedules on pages B-80 to B-81.

Mortality rates were based on the 115% RP-2014 Blue Collar Table (projected to 2023 using Scale MP-17) and the 130% RP-2014 Disabled Mortality, as determined by the periodic actuarial experience study.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The actuarial assumptions used in the July 1, 2020 valuations were based on the results of an actuarial experience study for the period 2012 to 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class from historical returns and consensus expectations of future returns. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plans' target asset allocation are summarized in the following table:

Asset Class	Long-Term Historical Real		Long-Term Expected Real	
	Rate of Return	%	Rate of Return	%
Domestic Equity	7.30	%	5.10	%
International Equity	7.10		5.30	
Equity Hedge	8.00		7.90	
Fixed Income	4.40		2.30	
Fixed Income Alternatives	2.80		2.70	
Real Estate	4.80		4.90	
Private Equity	10.70		7.90	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. Based on the Plan assumptions and funding policy, the fiduciary net position for each Plan was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability(asset), calculated using the discount rate of 7.25%, as well as what the net pension liability(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

Plan	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
County	\$ 4,619,322	\$ 4,454,364	\$ 4,288,868
Metro	(184,963,567)	(572,237,811)	(923,473,683)
County Education	16,281,199	15,570,252	14,916,506
Metro Education	(12,551,449)	(10,142,392)	(7,977,357)
City	22,600,043	21,781,136	20,959,566
City Education	6,557,313	6,283,967	6,031,278
Total net pension liability (asset)	<u>\$ (147,457,139)</u>	<u>\$ (534,290,484)</u>	<u>\$ (885,254,822)</u>

E. Pension Expense

For the year ended June 30, 2021, the Government recognized (negative) pension expense for each of the plans as follows:

	Pension Expense
County	\$ (36,894)
Metro	(33,949,822)
County Education	983,469
Metro Education	429,793
City	1,408,290
City Education	<u>(346,673)</u>
 Total (negative) pension expense	 <u>\$ (31,511,837)</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Pension expense is comprised of various elements including service cost, interest, changes in benefit terms, investment experience, and the amortization of deferred outflows and inflows of resources, which are all factors used by the actuaries in the calculation of the net pension liability (asset).

F. Special Funding Situations

The County Education, Metro Education, and City Education Plans are funded by the State of Tennessee as well as the Government. The determination of proportionate shares has been made in a manner consistent with the actual provision of benefits by each contributor.

	County Education		Metro Education		City Education	
	Plan	%	Plan	%	Plan	%
Employer's proportionate share	72.39	%	(18.82)	%	72.61	%
Collective pension expense	\$ 1,358,570		\$ (2,283,705)		\$ (477,445)	
Proportionate share of pension expense	983,469		429,793		(346,673)	
Support of State of Tennessee	(375,101)		2,713,498		130,772	
Collective net pension liability	21,509,195		53,877,766		8,654,652	
Proportionate share of net pension liability	15,570,252		(10,142,392)		6,283,967	
Proportionate share of deferred outflows of resources	108,895		3,297,514		90,304	

G. Additional Pension Information

Additional information regarding the changes in the net pension liability(asset) and deferred outflows of resources and deferred inflows of resources related to pensions for the plans of the primary government is summarized on the Selected Pension Information Schedules on pages B-82 to B-85.

The significant actuarial assumptions underlying the plans of the primary government and plan membership are summarized on the Selected Pension Information Schedules on pages B-80 to B-81. The assumptions used to calculate the actuarially determined contribution requirements are the same as those used to compute the net pension liability(asset) except where indicated.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SELECTED PENSION INFORMATION

	County	Metro	Education
ACTUARIAL VALUATION INFORMATION			
Valuation date	July 1, 2020	July 1, 2020	July 1, 2020
Measurement date	June 30, 2021	June 30, 2021	June 30, 2021
Actuarial cost method	entry age normal	entry age normal	entry age normal
Amortization method	level dollar open	level dollar closed	level dollar open
Amortization period	9 years	30 years closed	8 years
Asset valuation method	market	5 year smoothed market	market
Actuarial assumptions:			
Investment rate of return*	7.25%	7.25%	7.25%
Projected salary increases*	N/A	4.00%	N/A
Inflation	2.50%	2.50%	2.60%
Postretirement benefit increase adjustments	2.50%	2.50% Division A 1.25% Division B	3.00%
* Includes inflation			
PLAN MEMBERSHIP			
Active:			
Fully vested	-	7,765	-
Non-vested and partially vested	-	4,290	-
Total active	-	12,055	-
Retirees and beneficiaries receiving benefits	50	9,459	128
Terminated vested	-	3,751	-
Total	<u>50</u>	<u>25,265</u>	<u>128</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SELECTED PENSION INFORMATION		
Metro Education	City	City Education
July 1, 2020	July 1, 2020	July 1, 2020
June 30, 2021	June 30, 2021	June 30, 2021
entry age normal	entry age normal	entry age normal
level dollar closed	level dollar open	level dollar open
30 years from July 1, 2000	8 years	8 years
5 year smoothed market	market	market
7.25%	7.25%	7.25%
N/A	N/A	N/A
2.60%	2.50%	2.60%
3.00%	2.50%	3.00%
-	-	-
-	-	-
773	247	56
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
773	247	56

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SELECTED PENSION INFORMATION

**CHANGES IN THE NET PENSION LIABILITY(ASSET)
FOR THE YEAR ENDED JUNE 30, 2021**

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)- (b)
	\$	\$	\$
<u>County Plan (Closed)</u>			
Balance at June 30, 2020	\$ 5,301,313	\$ -	\$ 5,301,313
Changes for the year:			
Interest	328,486	-	328,486
Difference between expected and actual experience	(365,509)	-	(365,509)
Contributions - employer	-	809,964	(809,964)
Net investment income(loss)	-	(38)	38
Benefit payments, including refunds of member contributions	(809,926)	(809,926)	-
Net changes	(846,949)	-	(846,949)
Balance at June 30, 2021	<u>\$ 4,454,364</u>	<u>\$ -</u>	<u>\$ 4,454,364</u>
Plan fiduciary net position as a percentage of the total pension liability		- %	
<u>Metro Plan (Open)</u>			
Balance at June 30, 2020	\$ 3,489,330,619	\$ 3,272,529,918	\$ 216,800,701
Changes for the year:			
Service cost	58,817,155	-	58,817,155
Interest	252,207,915	-	252,207,915
Difference between expected and actual experience	29,038,814	-	29,038,814
Contributions - employer	-	86,414,449	(86,414,449)
Contributions - members	-	56,680	(56,680)
Transfers in	-	164,401	(164,401)
Net investment income	-	1,160,079,672	(1,160,079,672)
Benefit payments, including refunds of member contributions	(196,800,090)	(196,800,090)	-
Administrative expenses	-	(117,612,806)	117,612,806
Net changes	143,263,794	932,302,306	(789,038,512)
Balance at June 30, 2021	<u>\$ 3,632,594,413</u>	<u>\$ 4,204,832,224</u>	<u>\$ (572,237,811)</u>
Plan fiduciary net position as a percentage of the total pension liability		115.75 %	
<u>County Education Plan (Closed)</u>			
Balance at June 30, 2020	\$ 25,503,712	\$ 1,177,677	\$ 24,326,035
Changes for the year:			
Interest	1,675,152	-	1,675,152
Difference between expected and actual experience	(304,353)	-	(304,353)
Changes in assumptions	-	-	-
Contributions – employer	-	2,312,572	(2,312,572)
Contributions – State of Tennessee	-	1,873,332	(1,873,332)
Net investment income	-	1,735	(1,735)
Benefit payments, including refunds of member contributions	(4,187,639)	(4,187,639)	-
Net changes	(2,816,840)	-	(2,816,840)
Balance at June 30, 2021	<u>\$ 22,686,872</u>	<u>\$ 1,177,677</u>	<u>\$ 21,509,195</u>
Plan fiduciary net position as a percentage of the total pension liability		5.19 %	
Proportionate share of collective net pension liability:			
Employer			\$ 15,570,252
State of Tennessee			5,938,943

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SELECTED PENSION INFORMATION

**CHANGES IN THE NET PENSION LIABILITY(ASSET)
FOR THE YEAR ENDED JUNE 30, 2021**

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Metro Education Plan (Closed)			
Balance at June 30, 2020	\$ 228,798,834	\$ 117,450,564	\$ 111,348,270
Changes for the year:			
Interest	15,265,123	-	15,265,123
Difference between expected and actual experience	(4,224,090)	-	(4,224,090)
Changes in assumptions	-	-	-
Contributions - employer	-	25,350,034	(25,350,034)
Contributions - State of Tennessee	-	9,196,198	(9,196,198)
Net investment income	-	34,078,743	(34,078,743)
Benefit payments, including refunds of member contributions	(28,042,637)	(28,042,637)	-
Administrative expenses	-	(113,438)	113,438
Net changes	(17,001,604)	40,468,900	(57,470,504)
Balance at June 30, 2021	<u>\$ 211,797,230</u>	<u>\$ 157,919,464</u>	<u>\$ 53,877,766</u>
Plan fiduciary net position as a percentage of the total pension liability		74.56	%
Proportionate share of collective net pension liability:			
Employer			\$ (10,142,392)
State of Tennessee			64,020,158
City Plan (Closed)			
Balance at June 30, 2020	\$ 24,670,532	\$ -	\$ 24,670,532
Changes for the year:			
Interest	1,617,623	-	1,617,623
Difference between expected and actual experience	(209,964)	-	(209,964)
Contributions - employer	-	4,297,250	(4,297,250)
Net investment income (loss)	-	(195)	195
Benefit payments, including refunds of member contributions	(4,297,055)	(4,297,055)	-
Net changes	(2,889,396)	-	(2,889,396)
Balance at June 30, 2021	<u>\$ 21,781,136</u>	<u>\$ -</u>	<u>\$ 21,781,136</u>
Plan fiduciary net position as a percentage of the total pension liability		-	%
City Education Plan (Closed)			
Balance at June 30, 2020	\$ 12,115,560	\$ 962,965	\$ 11,152,595
Changes for the year:			
Interest	718,780	-	718,780
Difference between expected and actual experience	(1,185,978)	-	(1,185,978)
Changes in assumptions	-	-	-
Contributions - employer	-	807,579	(807,579)
Contributions - State of Tennessee	-	1,221,710	(1,221,710)
Net investment income	-	1,456	(1,456)
Benefit payments, including refunds of member contributions	(2,030,745)	(2,030,745)	-
Net changes	(2,497,943)	-	(2,497,943)
Balance at June 30, 2021	<u>\$ 9,617,617</u>	<u>\$ 962,965</u>	<u>\$ 8,654,652</u>
Plan fiduciary net position as a percentage of the total pension liability		10.01	%
Proportionate share of collective net pension liability:			
Employer			\$ 6,283,967
State of Tennessee			2,370,685

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SELECTED PENSION INFORMATION

DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
 INFLOWS OF RESOURCES RELATED TO PENSIONS

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>County Plan</u>		
Net difference between projected and actual earnings on pension plan investments	\$ 335	\$ -
Balance at June 30, 2021	<u>\$ 335</u>	<u>\$ -</u>
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:		
Year ended June 30,		
2022	\$ 120	
2023	113	
2024	95	
2025	7	
2026	-	
Thereafter	-	
<u>Metro Plan</u>		
Changes of assumptions	\$ 51,973,162	\$ -
Difference between expected and actual experience	66,602,690	(34,565,097)
Net difference between projected and actual earnings on pension plan investments	-	(743,229,788)
Balance at June 30, 2021	<u>\$ 118,575,852</u>	<u>\$ (777,794,885)</u>
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:		
Year ended June 30,		
2022	\$ (191,214,038)	
2023	(168,096,890)	
2024	(150,592,895)	
2025	(164,948,687)	
2026	10,992,350	
Thereafter	4,641,127	
<u>County Education Plan</u>		
Net difference between projected and actual earnings on pension plan investments	\$ 108,895	\$ -
Balance at June 30, 2021	<u>\$ 108,895</u>	<u>\$ -</u>
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:		
Year ended June 30,		
2022	\$ 42,030	
2023	31,518	
2024	23,246	
2025	12,101	
2026	-	
Thereafter	-	

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SELECTED PENSION INFORMATION

**DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES RELATED TO PENSIONS**

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Metro Education Plan</u>		
Net difference between projected and actual earnings on		
pension plan investments	\$ 3,297,514	\$ -
Balance at June 30, 2021	<u>\$ 3,297,514</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,		
2022	\$ 771,046	
2023	786,817	
2024	786,157	
2025	953,495	
2026	-	
Thereafter	-	

City Plan

Net difference between projected and actual earnings on		
pension plan investments	\$ 1,691	\$ -
Balance at June 30, 2021	<u>\$ 1,691</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,		
2022	\$ 605	
2023	566	
2024	478	
2025	42	
2026	-	
Thereafter	-	

City Education Plan

Net difference between projected and actual earnings on		
pension plan investments	\$ 90,304	\$ -
Balance at June 30, 2021	<u>\$ 90,304</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,		
2022	\$ 34,552	
2023	26,275	
2024	19,557	
2025	9,920	
2026	-	
Thereafter	-	

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Plans Administered by the Tennessee Consolidated Retirement System (TCRS)

H. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Legacy Pension Plan and Teacher Retirement Plan (TCRS Plans) in the TCRS and additions to/deductions from each of the TCRS Plan's fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the TCRS Plans. Investments are reported at fair value.

I. General Information about the Pension Plan

Plan Description

Teachers of the Government with membership in the TCRS before July 1, 2014 of Davidson County Schools are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014 but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEA's) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov.

Benefits Provided

Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly.

Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service-related disability eligibility. The service related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Members of the Teacher Retirement Plan are eligible to retire with an unreduced benefit at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80. Members are vested with five years of service credit. Service-related disability benefits are provided regardless of length of service. Five years of service is required for non-service-related disability eligibility. The service related and non-service-related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan and the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Contributions

Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The LEA's make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the TCRS Plans are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by Davidson County Schools for the year ended June 30, 2021 to the Teacher Legacy Pension Plan were \$25,546,503 which is 10.27% of covered payroll. Employer contributions for the year ended June 30, 2021 to the Teacher Retirement Plan were \$3,020,960 which is 2.02% of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability of the TCRS Plans.

J. Pension Liability (Asset), Pension Expense, and Deferred Outflows and Deferred Inflows of Resources

Pension Liability (Asset)

At June 30, 2021, the Government reported an asset of (\$56,699,625) for its proportionate share of net pension asset of the Teacher Legacy Pension Plan. The net pension asset was measured as of June 30, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Government's proportion of the net pension asset was based on its employer contributions to the pension plan relative to the contributions of all LEA's. At the June 30, 2020 measurement date, the Government's proportion was 7.43%. The proportion measured as of June 30, 2019 was 7.68%.

At June 30, 2021, the Government reported an asset of (\$5,853,778) for its proportionate share of the net pension asset of Teacher Retirement Plan. The net pension asset was measured as of June 30, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Government's proportion of the net pension asset was based on its employer contributions to the pension plan during the year ended June 30, 2020 relative to the contributions of all LEA's for the year ended June 30, 2020. At the June 30, 2020 measurement date, the Government's proportion was 10.29%. The proportion measured as of June 30, 2019 was 10.65%.

Pension Income and Expense

For the year ended June 30, 2021, the Government recognized a (negative) pension expense (\$13,714) for the TCRS Plans ((negative) pension expense of (\$2,447,389) in the Teacher Legacy Pension Plan and expense of \$2,433,675 in the Teacher Retirement Plan).

Deferred Outflows and Inflows of Resources

For the year ended June 30, 2021, the Government reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Teacher Legacy Pension Plan</u>		
Difference between expected and actual experience	\$ 2,155,468	\$ 27,260,171
Net difference between projected and actual earnings on pension plan investments	12,633,283	-
Changes in assumptions	5,150,897	-
Change in proportion of net pension liability (asset)	693,092	713,315
Contributions subsequent to the measurement date of June 30, 2019	<u>25,546,503</u>	<u>-</u>
Total	<u>\$ 46,209,243</u>	<u>\$ 27,973,486</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Teacher Retirement Plan	Deferred Outflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ 217,470	\$ 1,466,940
Net difference between projected and actual earnings on pension plan investments	476,867	-
Changes in assumptions	183,548	-
Change in proportion of net pension liability (asset)	717,614	-
Contributions subsequent to the measurement date of June 30, 2020	3,020,960	-
Total	\$ 4,616,459	\$ 1,466,940

The Government's employer contributions of \$25,546,503 reported as pension related deferred outflows of resources, made subsequent to the measurement date but before June 30, 2021, will be recognized as an increase in net pension asset in the year ended June 30, 2021 for the Teacher Legacy Pension Plan. The Government's employer contributions of \$3,020,960 reported as pension related deferred outflows of resources, made subsequent to the measurement date but before June 30, 2021, will be recognized as an increase in net pension asset in the year ended June 30, 2021 for the Teacher Retirement Plan. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Teacher Legacy Pension Plan	Teacher Retirement Plan
2022	\$ (14,523,408)	\$ 18,776
2023	(1,853,408)	87,689
2024	677,553	122,823
2025	8,388,516	132,833
2026	-	(28,687)
Thereafter	-	(204,874)

Positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions

The total pension liability (asset) in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	Graded salary ranges from 8.72% to 3.44% based on age, including inflation, averaging 4.00%
Investment rate of return	7.25%, net of pension plan investment expenses, including inflation
Cost of living adjustment	2.25%

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2.5%. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-Term Historical Real Rate of Return	Target Allocation
U.S. Equity	5.69 %	31.00 %
Developing Market International Equity	5.29	14.00
Emerging Market International Equity	6.36	4.00
Private Equity and Strategic Lending	5.79	20.00
U.S. Fixed Income	2.01	20.00
Real Estate	4.32	10.00
Short-term Securities	-	1.00
		<u>100.00 %</u>

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25% based on a blending of the three factors described above.

Discount Rate

The discount rate used to measure the total pension liability (asset) was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all LEA's will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Government's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25%, as well as what the Government's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

Plan	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Teacher Legacy Pension Plan	\$ 176,334,578	\$ (56,699,625)	\$ (249,939,717)
Teacher Retirement Plan	4,553,265	(5,853,778)	(11,861,027)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

K. Payable to the Pension Plan

At June 30, 2021, the Government reported a payable of \$1,464,965 for the outstanding amount of contributions to the pension plans required at the year ended June 30, 2021.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

L. Defined Contribution Component to the Teacher Retirement Plan

The Teacher Retirement Plan is a hybrid plan that consists of a defined benefit plan plus a defined contribution plan. Employers contribute 4% of payroll to the defined benefit component and 5% of payroll to the defined contribution component, for an aggregate employer contribution of 9%. Employees may elect to defer a percentage of their salary into the defined contribution plan. Defined contribution plan amounts are deposited into the State's 401 (k) plan with Great West Financial, where the employee manages the investments. Employees immediately vest in both the employee and employer contributions to the defined contribution plan. Future employer contributions may be decreased as part of the cost controls for the defined benefit portion of the plan. Tennessee Code Annotated Title 8, Chapters 34-37, establishes the benefit terms and can only be amended by the Tennessee General Assembly. The Government contributed \$7,476,386 to the defined contribution plan for the fiscal year ended June 30, 2021, equal to 5% of the covered payroll of \$149,527,727.

Classification in the Statement of Net Position

The total net pension liability (asset) and deferred outflows and inflows of resources related to pensions are allocated between governmental activities, business-type activities, and component units. The following reconciles the total net pension liability (asset), deferred outflows of resources, and deferred inflows of resources by plan to the classification in the Statement of Net Position:

	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Plans:				
County	\$ -	\$ (4,454,364)	\$ 335	\$ -
Metro	572,237,811	-	118,575,852	(777,794,885)
County Education	-	(15,570,252)	108,895	-
Metro Education	10,142,392	-	3,297,514	-
City	-	(21,781,136)	1,691	-
City Education	-	(6,283,967)	90,304	-
Teacher Legacy (TCRS)	56,699,625	-	46,209,243	(27,973,486)
Teacher Retirement (TCRS)	5,853,778	-	4,616,459	(1,466,940)
Total by plan	\$ 644,933,606	\$ (48,089,719)	\$ 1172,900,293	\$ (807,235,311)
Reconciliation:				
Statement of Net Position:				
Primary government:				
Governmental activities	\$ 584,134,191	\$ (48,089,719)	\$ 160,301,785	\$ (724,595,764)
Business-type activities	39,349,400	-	8,153,758	(53,484,341)
Total primary government	\$ 623,483,591	\$ (48,089,719)	\$ 168,455,543	\$ (778,08,105)
Component units:				
Hospital Authority	6,318,829	-	1,309,352	\$ (8,588,655)
Convention Center Authority	1,461,674	-	302,880	(1,986,730)
Total component units	7,780,503	-	1,612,232	(10,575,385)
Total Statement of Net Position	631,264,094	\$ (48,089,719)	\$ 170,067,775	\$ (788,655,490)
Add Charter Schools (1)	13,669,512	-	2,832,518	(18,579,821)
Total allocation	\$ 644,933,606	\$ (48,089,719)	\$ 172,900,293	\$ (807,235,311)

(1) State statutes allow support employees of charter schools to participate in Metro pension plans similar to Metro school support employees. Therefore, a portion of the pension related balances are allocated to the various charter schools.

Since the internal service functions primarily support governmental activities, the portion of the net pension liability (asset) applicable to internal service functions is considered an obligation of the governmental activities and is not allocated to the internal service funds, as the obligation will not be funded through the internal service rate structure.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 7 – OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS

Primary Government

A. General Information about the OPEB Plans

Plan Descriptions

Metropolitan Government

Retirees in the Metro, City or County Plans may elect to participate in the Metro Employees' Medical Benefit Plan, a single-employer defined benefit healthcare plan. The Metro Plan is administered by the Employee Benefit Board and provides medical, dental and life insurance. The other postemployment benefits for Government employees were authorized by the Government's Charter and Code. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The Metro Plan does not issue a stand-alone financial report.

Metropolitan Nashville Public Schools

Retirees in the Metro, City or County Education Plans may elect to participate in the School Professional Employees' Insurance Plan, a single-employer defined benefit healthcare plan. The School Plan is administered by the Metro Nashville Board of Education and provides medical and dental insurance. The other postemployment benefits for teachers of Metropolitan Nashville Public Schools were authorized by the Government's charter and code. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The School Plan does not issue a stand-alone financial report.

Benefits Provided

Metropolitan Government

The Government provides medical, dental and life insurance to retirees. For medical insurance, the Government contributes 75% of all premium payments, and the retirees contribute 25%. The Government also provides a 50% matching contribution on dental insurance for any retiree who elects to participate. Finally, the Government provides life insurance at no charge to the retirees. The contribution requirements of Metro Employees' Medical Benefit Plan members and the Government are established and may be amended by the Employee Benefit Board. The required contribution is based on projected pay-as-you-go financing requirements under which contributions are made in amounts sufficient to cover benefits paid, administrative costs and anticipated inflationary increases.

Metropolitan Nashville Public Schools

The Government provides medical and dental insurance to retirees. The contribution requirements of the School Professional Employees' Insurance Plan members and the Government are established and may be amended by the Metro Nashville Board of Education. The required contribution is based on projected pay-as-you-go financing requirements under which contributions are made in amounts sufficient to cover benefits paid. The Government contributes 75% of all premium payments, and the retirees contribute 25%.

Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

	Metro Employees' Medical Benefit Plan	School Professional Employees' Insurance Plan	Total
Active employees	12,775	15,487	28,262
Retired employees	8,387	5,477	13,864
Beneficiaries	3,944	1,419	5,363
Deferred vested employees	3,153	42	3,195
Retired employees receiving IOD benefits	823	-	823
Total participants	29,082	22,425	51,507

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

B. Total OPEB Liability

The Government's total OPEB liability of \$4,302,183,871 (\$3,240,451,063 for the Metropolitan Government and \$1,061,732,808 for Metropolitan Nashville Public Schools) was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	Metro Employees' Medical Benefit Plan	School Professional Employees' Insurance Plan
Valuation date	July 1, 2021	July 1, 2021
Measurement date	June 30, 2021	June 30, 2021
Actuarial valuation method	entry age normal	entry age normal
Healthcare cost trends:		
Medical and Rx prescription drugs	6.25% graded uniformly to 5.75% over 2 years and following the 2020 Getzen model thereafter to an ultimate rate of 4.04% in the year 2075	6.25% graded uniformly to 5.75% over 2 years and following the 2020 Getzen model thereafter to an ultimate rate of 4.04% in the year 2075
Dental and vision	4% per annum	4% per annum
Administrative fees	5% per annum	5% per annum
Discount rate	2.18%	2.18%
Salary increases	age weighted assumption, approximately 4% at average age	age weighted assumption, approximately 4% at average age
Asset valuation method	Not applicable	Not applicable
Investment rate of return	Not applicable	Not applicable
Amortization period	20 years (closed) beginning July 1, 2017	20 years (closed) beginning July 1, 2017
Funding policy	Pay-as-you-go	Pay-as-you-go

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2021.

For the Metropolitan Government, mortality rates were based on RP-2014 Healthy Annuitant Mortality Table for Males or Females, as appropriate. For Metropolitan Nashville Public Schools, the mortality rates were based on the decrement rate study completed for the State of Tennessee Teacher Plans.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2017.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

C. Changes in the Total OPEB Liability

	Metro Employees' Medical Benefit Plan	School Professional Employees' Insurance Plan	Total
Balance at June 30, 2020	\$ 3,064,106,607	\$ 1,196,937,989	\$ 4,261,044,596
Changes for the year:			
Service cost	97,839,349	48,375,642	146,214,991
Interest	82,076,857	32,381,731	114,458,588
Difference between expected and actual experience	17,898,162	(222,139,755)	(204,241,593)
Changes in assumptions	54,879,946	34,132,524	89,012,470
Benefit payments	<u>(74,349,858)</u>	<u>(27,955,323)</u>	<u>(104,305,181)</u>
Net changes	<u>176,344,456</u>	<u>(135,205,181)</u>	<u>41,139,275</u>
Balance at June 30, 2021	<u><u>\$ 3,240,451,063</u></u>	<u><u>\$ 1,061,732,808</u></u>	<u><u>\$ 4,302,183,871</u></u>

There are no changes in the benefit terms for the Metro Employee's Medical Benefits Plan and the School Professional Employee' Insurance Plan.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Government, as well as what the Government's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.18%) or 1-percentage-point higher (3.18%) than the current discount rate:

	1% Decrease (1.18%)	Current Discount Rate (2.18%)	1% Increase (3.18%)
Metro Employees' Medical Benefit Plan	\$ 3,840,778,438	\$ 3,240,451,063	\$ 2,771,213,372
School Professional Employees' Insurance Plan	<u>1,248,734,057</u>	<u>1,061,732,808</u>	<u>912,141,171</u>
Total OPEB liability	<u><u>\$ 5,089,512,495</u></u>	<u><u>\$ 4,302,183,871</u></u>	<u><u>\$ 3,683,354,543</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Government, as well as what the Government's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Metro Employees' Medical Benefit Plan	\$ 2,733,016,115	\$ 3,240,451,063	\$ 3,899,022,222
School Professional Employees' Insurance Plan	<u>885,717,188</u>	<u>1,061,732,808</u>	<u>1,293,252,247</u>
Total OPEB liability	<u><u>\$ 3,618,733,303</u></u>	<u><u>\$ 4,302,183,871</u></u>	<u><u>\$ 5,192,274,469</u></u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

D. OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the Government recognized OPEB expense of \$164,238,143 for the Metro Employee's Medical Benefits Plan and \$88,348,232 for the School Professional Employee' Insurance Plan. For the year ended June 30, 2021, the Government reported deferred outflows of resources and deferred inflows of resources related to OPEB for the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Metro Employees' Medical Benefit Plan</u>		
Experience losses (gains)	\$ 15,442,803	\$ (499,199,291)
Changes in assumptions	318,332,677	-
Total	<u>\$ 333,775,480</u>	<u>\$ (499,199,291)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year ended June 30,

2022	\$ (15,678,063)
2023	(15,678,063)
2024	(12,801,453)
2025	(69,759,167)
2026	(64,430,229)
Thereafter	12,923,164

School Professional Employees' Insurance Plan

Experience losses (gains)	\$ 10,374,920	\$ (195,889,935)
Changes in assumptions	198,782,298	-
Total	<u>\$ 209,157,218</u>	<u>\$ (195,889,935)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year ended June 30,

2022	\$ 7,590,859
2023	7,590,859
2024	7,590,859
2025	7,590,859
2026	7,590,861
Thereafter	(24,687,014)

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Component Units

Information regarding the other postemployment benefits provided by component units can be found in their separately issued financial statements.

NOTE 8 – DEFERRED COMPENSATION AND PROFIT SHARING PLANS

Primary Government

Metro Plan

The Government offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits deferral of a portion of salary until future years.

The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Because the assets are not held in a trustee capacity by the Government, they are not included in the Government's financial statements. No contributions are made to this plan by the Government.

Component Units

Information regarding deferred compensation and profit sharing plans provided by component units can be found in their separately issued financial statements.

NOTE 9 – LEASES

Primary Government

The Government entered a lease agreement commencing November 2005, for additional office space. The terms of the agreement call for a base annual rent of \$600,191 before a 50% credit for tenant improvements. Thereafter, rent will be adjusted upward based on either the consumer price index or 3.5% annually, whichever is less. The credit for tenant improvements is capped at \$5 million; the Government has incurred in excess of that amount through June 30, 2021. There is an additional credit in excess of \$1 million available for roof replacement. The roof replacement was completed in fiscal 2009. The lease agreement expired February 2016; however, the Government exercised the first of six renewal options for five additional years. As part of the renewal, the base annual rent increased to \$656,609. Rent expense for the year ended June 30, 2021 was \$678,469.

The Government entered into operating lease agreements in 2008 and 2013 for downtown office space. These leases were amended during the year ended June 30, 2014 to provide for additional space through 2024. Rent expense for the year ended June 30, 2021 totaled \$2,224,972. Future minimum rental payments are as follows:

Year Ending June 30,	
2022	\$ 2,253,111
2023	2,297,895
2024	727,156
Total future minimum lease payments	<u>\$ 5,278,162</u>

The Government entered into an operating lease agreement during the year ended June 30, 2014 for space to be used as a clinic for employees who are injured in the line of duty. The lease expires September 30, 2023 with the option to extend an additional two terms of five years each. Rent expense for the year ended June 30, 2021 was \$112,828. Future minimum rental payments are as follows:

Year Ending June 30	
2022	\$ 124,333
2023	130,707
2024	134,603
2025	138,257
2026	142,405
Total future minimum lease payments	<u>\$ 670,304</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The Government entered into a lease agreement in 2016 for classroom space. This lease expires on July 31, 2024 with the option to extend an additional two terms of five years each. Rent expense for the year ended June 30, 2021 was \$310,764. Future minimum rental payments are as follows:

Year Ending June 30	\$	
2022	310,764	
2023	326,076	
2024	326,076	
2025	27,173	
Total future minimum lease payments	<u>\$ 990,089</u>	

The Government entered into a lease agreement in 2017 for temporary office space for employees of the Sheriff's Office during the construction of a new jail facility. The lease ran on a month to month basis ending on July 31, 2021, with the Government having the right to cancel the lease upon a 90-day written notice after the end of the second lease year. Rent expense for the year ended June 30, 2021 was \$373,943.

The Government leases certain other facilities from various lessors under operating lease agreements. Total rental expenditures under these leases are nominal for the year ended June 30, 2021.

The Government leases certain warehouse and office space and various other places for periodic use to various lessees. Such leases are accounted for as operating leases and range in duration from less than one year to five years. The lease agreements provide for fixed rental payments. Annual rental income under these operating leases is nominal.

Component Units

Nashville District Management Corporation

The Corporation leased office space under a noncancelable operating lease which was set to expire in December 31, 2027. The space is paid for and used by Nashville Downtown Partnership, Inc., a related nonprofit organization sharing management and staff with the Corporation. The lease provided for additional rent to be payable in the event property taxes and/or building operating costs increased from base year amounts. Rent expense totaled \$39,744 for the year ended December 31, 2020. The lease was terminated effective September 30, 2020.

Effective October 1, 2020, the Corporation entered into an operating lease for office space. The agreement requires monthly rental payments ranging from approximately \$2,200 to \$6,200. Future minimum lease payments under this operating lease approximate \$37,000 through lease maturity in June 2021.

General Hospital

The Government, on behalf of General Hospital, entered into a capital lease agreement with Meharry Medical College for the use of the Hubbard Hospital site on the Meharry campus. Under the terms of the agreement, the Government will lease the building for 30 years at \$4 million per year, including imputed interest at 7.5% per annum. Lease payments began in December 1994 after Meharry Medical College and the Board of Hospitals agreed on a program of renovations by Meharry Medical College to the property. This lease has been subleased to the Hospital Authority. At June 30, 2021, the leased building is carried in the proprietary type component units at the present value of minimum future lease payments of \$48,000,000, less accumulated depreciation.

A summary of future minimum lease payments required under the agreements as of June 30, 2021 follows:

Year Ending June 30	\$	
2022	4,193,052	
2023	4,177,120	
2024	4,417,729	
2025	1,773,077	
2026	-	
Thereafter	-	
Total future minimum lease payments	<u>14,290,978</u>	
Less:		
Amount representing interest	1,690,354	
Current portion of capital lease	<u>3,376,647</u>	
Long-term capitalized lease obligation	<u>\$ 9,223,977</u>	

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Convention Center Authority

On December 30, 2010 the Convention Center Authority (the Authority) entered into a Development Agreement for the Country Music Hall of Fame and Museum Expansion with Omni and into a Development, Lease and Operating Agreement with the County Music Foundation, Inc. (Hall of Fame). Under the terms of the agreements, Omni constructed a connector (expansion project) between its headquarters hotel and the Hall of Fame with funding from tax increment financing provided by the Metropolitan Development and Housing Agency. Upon completion of construction, the connector was transferred to the Authority on June 20, 2014 and is now leased to the Hall of Fame for an initial term of 60 years. Future minimum lease payments to the Authority will be as follows:

Years Ending June 30,	Annual Rent
2022-2024	\$ 350,000
2025-2064	500,000
2065-2069	650,000
2070-2074	750,000

The Hall of Fame is responsible for all interior and exterior operating costs, insurance, maintenance and repairs. As required by the agreements, the Authority has established a reserve fund for the majority of the rental income received from the Hall of Fame to cover future capital costs related to the connector. The cost and carrying amount of the connector on the Authority's statement of net position at June 30, 2021 is \$30,689,053.

Information regarding the lease transactions of the other component units can be found in their separately issued financial reports.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 10 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at June 30, 2021, are attributable to unsettled balances at year-end, primarily for internal service billings, transfers between funds, and uncleared grant repayment transactions.

All interfund balances are considered short-term and will be repaid prior to June 30, 2022.

Balances at June 30, 2021 are as follows:

SCHEDULE OF INTERFUND RECEIVABLES AND PAYABLES

For the Year Ended June 30, 2021

Due To	Due From									
	General		Education		GSD General		GSD School		USD General	
	General Fund	Purpose School Fund	Services Fund	Service Fund	Purposes Debt Service Fund	Service Fund	Purposes Debt Service Fund	Service Fund	GSD Capital Projects Fund	USD Capital Projects Fund
General Fund	\$ -	\$ 2,906	\$ 2,542	\$ 868	\$ 368	\$ 138	\$ 246,753	\$ 72,503		
General Purpose School Fund	6,454,465	-	65,732,869	-	-	-	-	-		
Education Services Fund	1,841,319	-	-	-	-	-	-	-		
GSD General Purposes Debt Service Fund	45,839	-	-	-	-	-	-	-		
Schools General Purposes Debt Service Fund	321	-	-	-	-	-	-	-		
USD General Purposes Debt Service Fund	138	-	-	-	-	-	-	-		
GSD Capital Projects Fund	1,060,347	-	-	-	-	-	-	-	4,279	
Education Capital Projects Fund	-	-	933,314	-	-	-	-	-		
Nonmajor Governmental Funds	3,730,165	701,551	2,675	-	-	-	-	10,159	-	
Department of Water and Sewerage Services	350,869	495,762	-	-	-	-	-	-		
District Energy System	81,896	-	-	-	-	-	-	-		
Stormwater Operations	35,095	54,520	-	-	-	-	-	-		
Nonmajor Enterprise Funds	67	-	-	-	-	-	-	-		
Internal Service Funds	1,176,944	1,898,239	320,062	12,645	6,158	1,428	-	-		
Fiduciary Funds	91,966	6,856,720	9,445	-	-	-	-	-		
Total Due to Other Funds of the Primary Government	\$ 14,869,431	\$ 10,009,698	\$ 67,000,907	\$ 13,513	\$ 6,526	\$ 1,566	\$ 256,912	\$ 76,782		

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SCHEDULE OF INTERFUND RECEIVABLES AND PAYABLES (CONTINUED)

For the Year Ended June 30, 2021

Due From												
		Department of										
Education Capital Projects Fund	Nonmajor Governmental Funds	Water and Sewerage Services	District Energy System	Stormwater Operations	Nonmajor Enterprise Funds	Internal Service Funds	Fiduciary Funds	Total Due from Other Funds of the Primary Government				
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	6,206,566	46,701	142,279	10,744	26,238	2,215	509,974	7,270,795				
859,879	-	-	-	-	18,199	-	31	73,065,443				
-	-	-	-	-	-	-	8	1,841,327				
-	158,209	-	-	-	-	-	-	204,048				
-	-	-	-	-	-	-	-	321				
-	-	-	422,558	-	-	-	-	422,696				
-	3,462,223	-	-	-	5,725	9,366	-	4,541,940				
-	-	-	-	-	-	-	-	933,314				
2,567,089	7,809,035	1,539,253	-	-	3,202	9,819	-	16,372,948				
-	19,326,740	-	85,775	8,858	35,223	518	-	20,303,745				
-	-	-	-	-	-	-	-	81,896				
-	1,193,207	1,756,047	300	-	1,600	-	-	3,040,769				
-	1,074	16,493	-	-	2,062	-	-	19,696				
600	47,939	391	-	-	1,925	19,374	45,736	3,531,441				
-	209	33	-	-	-	-	730,244	7,688,617				
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 3,427,568	\$ 38,205,202	\$ 3,358,918	\$ 650,912	\$ 19,602	\$ 94,174	\$ 41,292	\$ 1,285,993	\$ 139,318,996				

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 11 – INTERFUND TRANSFERS

Interfund transfers are attributable to the budgeted allocation of resources from one fund to another, primarily for debt service requirements, operating subsidies and the funding of capital items.

Transfers from fiduciary funds represent unused employee contributions to the flexible benefit plans, which reverted to the Government.

Interfund transfers for the year ended June 30, 2021 consist of the following:

SCHEDULE OF INTERFUND TRANSFERS

For the Year Ended June 30, 2021

Transferred From	Transferred To						
	General Fund	General Purpose School Fund	Education Services Fund		GSD General Purposes	GSD School Purposes	
			General Fund	School Fund	Services Fund	Debt Service Fund	
General Fund	\$ -	\$ 31,922,500	\$ 1,608,000	\$ 3,388,900	\$ -	\$ -	\$ -
General Purpose School Fund	\$ 192,000	\$ -	\$ 166,642,027	\$ -	\$ -	\$ -	\$ -
Education Services Fund	\$ -	\$ 4,261,198	\$ -	\$ -	\$ -	\$ 1,623,731	\$ -
GSD Capital Projects Fund	\$ 30,000	\$ -	\$ -	\$ 612,582	\$ -	\$ -	\$ -
Nonmajor Governmental Funds	\$ 9,825,569	\$ -	\$ -	\$ 1,448,542	\$ -	\$ -	\$ 583,400
Department of Water and Sewerage Services	\$ 6,697,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Energy System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,159,200
Stormwater Operations	\$ 928,500	\$ -	\$ -	\$ 6,935,200	\$ -	\$ -	\$ -
Nonmajor Enterprise Funds	\$ 877,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Internal Service Funds	\$ 1,933,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fiduciary Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transfers In	<u>\$ 20,483,569</u>	<u>\$ 36,183,698</u>	<u>\$ 168,250,027</u>	<u>\$ 12,385,224</u>	<u>\$ 1,623,731</u>	<u>\$ 1,742,600</u>	

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

SCHEDULE OF INTERFUND TRANSFERS (CONTINUED)

For the Year Ended June 30, 2021

Transferred To									
GSD Capital Projects	Nonmajor Governmental	District Energy System	Nonmajor Enterprise	Internal Service	Fiduciary	Total			
Fund	Funds		Funds	Funds	Funds		Transfers Out		
\$ -	\$ 92,613,102	\$ 630,700	\$ 2,321,100	\$ 18,469,600	\$ 10,342	\$ 150,964,244			
-	5,642,576	-	-	1,290,600	139,137	173,906,340			
-	-	-	-	-	-	5,884,929			
-	116,373	-	884,571	3,034,360	-	4,677,886			
500,000	722,031	-	561,754	7,243,816	14,922	20,900,034			
-	4,093,070	-	-	2,767,850	-	13,557,920			
-	-	-	-	-	-	1,159,200			
-	-	-	-	737,107	-	8,600,807			
-	-	-	-	-	-	877,500			
-	-	-	-	-	-	1,933,000			
-	-	-	-	-	-	-			
<u>\$ 500,000</u>	<u>\$ 103,187,152</u>	<u>\$ 630,700</u>	<u>\$ 3,767,425</u>	<u>\$ 33,543,333</u>	<u>\$ 164,401</u>	<u>\$ 382,461,860</u>			

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A. Litigation

The Metropolitan Department of Law estimated a potential liability for claims, suits and judgments filed for damages to persons and property and for other alleged claims arising out of matters incidental to the operation of the Government. The estimated liability is not expected to be liquidated with expendable available resources and is recorded in the applicable governmental activities in the Statements of Net Position and Activities. Any estimated liabilities attributable to proprietary funds and component units are recorded in those funds and units.

B. Insurance and Benefits

The Government and its component units are subject to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; illnesses or injuries to employees; and natural disasters.

Primary Government

The Government is self-insured with respect to liability claims. Liabilities for all accidents are generally limited under the Governmental Tort Liability Act of the Tennessee Code as follows:

<u>Accidents</u>			
Bodily injury	\$ 300,000	per person	
	700,000	per accident	
Property damage	100,000	per accident	

The Government is also self-insured with respect to casualty losses on real and personal property. Each loss is subject to a per occurrence deductible of \$10,000 to a maximum of \$1,000,000 per occurrence. If a single loss reaches \$1,000,000, the property insurance policy will respond. Losses from the perils of wind and hail will respond after the loss exceeds 5,000,000. Settled claims have not exceeded the self-insured retention in any of the past three fiscal years. The Government is also self-insured with respect to medical benefits and employee blanket bond coverage. Estimated losses for all self-insured risks of \$39,459,672 are recorded as liabilities in internal service funds.

The following summarizes the changes in the estimated claims payable in the respective internal service funds for the years ended June 30, 2020 and 2021.

	School Self Insurance	General Government Self Insurance	School Professional Employees' Insurance	Employees' Medical Benefit	Injured on Duty	Total Internal Service Fund Types
Claims payable June 30, 2019	\$ 3,641,257	\$ 7,290,329	\$ 7,089,842	\$ 15,724,000	\$ 5,053,000	\$ 38,798,428
Add: Provision for events of the current fiscal year	675,997	2,435,872	125,629,015	256,629,707	14,275,358	399,645,949
Deduct: Payments on claims during the fiscal year	1,638,270	2,849,729	125,216,940	257,000,707	15,035,358	401,741,004
Claims payable June 30, 2020	2,678,984	6,876,472	7,501,917	15,353,000	4,293,000	36,703,373
Add: Provision for events of the current fiscal year	377,344	3,662,000	134,662,525	267,272,442	15,922,881	421,897,192
Deduct: Payments on claims during the fiscal year	914,553	4,872,856	132,430,161	266,225,442	14,697,881	419,140,893
Claims payable June 30, 2021	<u>\$ 2,141,775</u>	<u>\$ 5,665,616</u>	<u>\$ 9,734,281</u>	<u>\$ 16,400,000</u>	<u>\$ 5,518,000</u>	<u>\$ 39,459,672</u>

Component Units

The Hospital Authority participates in the Government's insurance programs.

The Convention Center Authority is exposed to various risks of loss incidental to its operations and has obtained several insurance policies after performing risk assessment analyses. The Convention Center Authority retains risk up to a maximum deductible of \$100,000 for each covered claim and has obtained excess insurance for any claims above that amount. These policies provide insurance for property, builder's risk, workers' compensation, automobile,

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

general liability and other exposures. There have been no settlements exceeding insurance coverage since the inception of the Convention Center Authority.

Information regarding the insurance and benefits of the other component units can be found in their separately issued financial reports.

C. Federal and State Financial Assistance

The Government and its component units have received federal and state financial assistance for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the programs, the Government believes that any required reimbursements would not be material to the basic financial and individual fund and component unit financial statements. Accordingly, no provision has been made for any potential reimbursements to the grantor agencies.

Prior to the issuance of the Water and Sewer Revenue Refunding Bonds, Series 2010A, on December 16, 2010, the full faith and credit of the Government was pledged for possible deficiencies in the collection of required state sewer user fees established in connection with certain grants received from the State Funding Board (TCA 68-221-202 through 68-221-214). The Department of Water and Sewerage Services acted as a conduit with respect to sewer user fees imposed by the state. These user fees were set at an amount sufficient to recover the project costs, including related interest expense. A portion of the proceeds from the Series 2010A Bonds was used to fully prepay the Tennessee Local Development Authority (TLDA) loans. Subsequent to the issuance of the Bonds, the user fees are considered a general sewer charge and reflected as revenue. The amount of prepayment is \$31,846,034 at June 30, 2021 and is reported as other noncurrent assets. The amounts received were recorded as capital grants and contributions by the Department of Water and Sewerage Services.

D. Construction Commitments

Primary Government

At June 30, 2021, the governmental activities of the Government had commitments of \$102,945,331 for construction contracts.

At June 30, 2021, the Department of Water and Sewerage Services had commitments of \$368,433,440 for construction contracts.

The Department of Water and Sewerage Services (the Department), the Metropolitan Council, the State of Tennessee Department of Environment and Conservation (TDEC), the United States Department of Justice (DOJ) and the United States Environmental Protection Agency (EPA), have agreed on a consent decree to address and correct deficiencies within the Department's sewer system that have caused violations of the Clean Water Act (CWA). The consent decree was approved by the Federal Court in March 2009. Per the original decree, the Department was required to fully develop, in two years, a Corrective Action Plan/Engineering Report (CAP/ER) for its sanitary sewer system and a Long-term Control Plan (LTCP) for its combined sewer system to achieve the goals of the CWA and meet water quality requirements in the Cumberland River. Upon submittal and approval of the Plans, the Department would have an additional nine years to complete the work as developed by the Plans.

Due to the historic floods that occurred in Nashville in May 2010, the Department petitioned EPA and TDEC for a six-month extension for developing the CAP/ER and LTCP and a two year extension for completing the work (final compliance) under the force majeure clause of the consent decree. Approval has been granted for both extensions. The due date for the CAP/ER and LTCP was September 11, 2011, and the due date for all work coming out of those two Plans (final compliance) is eleven years after approval of the Plans by EPA and TDEC. The Department submitted both Plans on September 9, 2011. On August 10, 2017, the EPA approved the CAP/ER and the timeline of eleven years to complete the work. Negotiation for approval of the LTCP continues with EPA and TDEC.

The Department is proceeding with the work under both Plans. The Department has hired an internal program director as well as an external program management team composed of engineering consultants to manage planning, design and oversight of the program. The Department has also contracted for a construction management team to protect the investment in construction projects. A group of five small business project set designers have been selected to assist with the design of rehabilitation projects. Designers for other types of projects have been selected on a case by case basis.

The future related capital expenditures are expected to be between \$1 billion and \$1.65 billion. Continuing to have sewer overflows along with failure to comply with the mandate and meet future established deadlines could result in stipulated penalties of up to \$3,000 per occurrence for sanitary sewer overflows, and up to \$5,000 per day for failure to implement the improvements on a timely basis. EPA sent a demand letter for \$147,000 in stipulated penalties for sanitary overflow on September 9, 2011. This was for a negotiated 147 violations for 2010 and the first quarter of 2011. The Department paid \$304,500 related to an EPA consent decree for the period 2017 to 2019. No penalties have been demanded for any delays in submitting reports and deliverables nor from the failure to timely implement

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

work. Proposed plans to fund capital expenditures for the next few years include internally generated cash and borrowings.

E. Liquidity

Component Units

The Hospital Authority operates General Hospital, and the Government has budgeted and legally approved an appropriation of \$49.6 million to the Hospital Authority for the year ended June 30, 2022. The Government has also not committed to provide additional funding to the Hospital Authority should such funding become necessary.

General Hospital experienced an operating loss of \$39.7 million for the year ended June 30, 2021 and reflected a net surplus of \$10.8 million at June 30, 2021. The operating loss was funded primarily by the Government in the form of revenue or capital contributions reflected in the financial statements. General Hospital will continue to be dependent upon the Government to subsidize current and future operations.

F. Financial Pledges

The Government has pledged certain nontax revenues in conjunction with various revenue bonds and other agreements of component units as approved by the Metropolitan Council and in accordance with the Sports Authorities Act of 1993 and the Convention Center Authorities Act of 2009, as applicable, under Title 7 of the Tennessee Code Annotated, and the Amended and Restated Intergovernmental Project Agreement dated October 22, 2014, between the Government and the Metropolitan Development and Housing Agency. The issuers, the Government's pledges, the length of time of the pledges, and the amount of the pledges outstanding at June 30, 2021 (including total future interest of \$522,632,527) are as follows:

Component Unit Revenue Bonds or Agreements	Pledged Non-Tax Revenues of:	Date of Final Maturity/Payment	Outstanding at June 30, 2021
Sports Authority Refunding Series 2013B Taxable Revenue Bonds (Refunded 2004 Revenue Stadium)	GSD General Fund	Jul. 1, 2025	\$ 12,679,061
Sports Authority Refunding Series 2014 Bonds (Refunded 2004 Revenue Stadium)	GSD General Fund	Jul. 1, 2026	4,100,625
Sports Authority Taxable Revenue Bonds Series 2013A (Hockey Facility)	GSD General Fund	Jul. 1, 2033	1,985,967
Sports Authority Series 2012A Taxable Revenue Bonds (Upgrade to LP Field)	GSD General Fund	Jul. 1, 2033	1,985,687
Sports Authority Series 2021A Taxable Revenue Bonds (Refunded 2014, 2012A, 2015 Pinnacle Bank Loan)	GSD General Fund	Jul. 1, 2033	38,170,803
Sports Authority Series 2021B Taxable Revenue Bonds (Refunded 2013A)	GSD General Fund	Jul. 1, 2033	10,968,204
Development and Funding Agreement Between Omni Nashville, LLC, and the Convention Center Authority of the Metropolitan Government of Nashville and Davidson County	GSD General Fund	Oct. 31, 2032	165,000,000
Sports Authority Series 2020 Federally Taxable (MLS Project)	GSD General Fund	Aug. 1, 2035	351,388,543
Sports Authority Series 2013B Taxable Revenue Bonds (Ballpark)	USD General Fund	Jul. 1, 2043	812,196
Sports Authority Series 2013A Revenue Bonds (Ballpark)	USD General Fund	Jul. 1, 2043	4,021,125
Convention Center Authority Tourism Tax Taxable Revenue Bonds Series 2010B	GSD General Fund	Jul. 1, 2043	719,418,930
Sports Authority Series 2021C Taxable Revenue Bonds (Refunded 2013B)	GSD General Fund	Aug. 1, 2043	82,936,795
Public Finance Authority Taxable Parking Revenue Bonds Series 2014	USD General Fund	Nov. 1, 2044	66,274,591
 Total Guarantees Extended			 <hr style="width: 100px; margin-left: 0; border: 0.5px solid black;"/> \$ 1,459,742,527

No payments related to these pledges have been made and the Government has not recognized a liability related to any pledges. Should any payments be required in the future, each of the agreements provide for recovering any such payments from the issuer – generally from the issuer's revenues after the subsequent year's annual principal and interest payments and certain other obligations are met.

G. Other Commitments

Primary Government

The Government has entered into several economic and community development incentive grant agreements. These grants are available to large successful companies that are moving international, national or regional headquarters into Davidson County or expanding headquarters within Davidson County and are expected to create at least five hundred additional jobs during the first five years of operations or the expansion of operations. The amount of the annual grant is determined by multiplying the average number of incremental full-time equivalent employees at the

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

end of each grant year by an amount up to five hundred dollars. The total amount of each grant and the period of each grant can vary based on the number of jobs created the amount of revenue that is anticipated to be received by the Government and other economic and community development opportunities that the company is expected to create. Unless otherwise noted, none of the grants in place have a maximum annual amount. Each grant is to be used to reimburse the company for all or part of the documented expenditures related to the acquisition, preparation or occupancy of facilities, costs of moving to or relocating within Davidson County, and costs associated with employee training.

The following is a summary of economic and community development incentive grant agreements in place at June 30, 2021:

Company	Grant Approval Date	Grant Commencement Date	Grant Period	Additional Grant Terms	Amount Payable for June 30, 2021	Amount Budgeted for 2021-2022
Dell Computer Corporation	August 1999	October 1, 1999	40 years	None	\$ 250,000	\$ 500,000
UBS AG, New York Branch	October 2013	January 1, 2015	5 years	Base jobs of 240, minimum of 500 incremental jobs with annual salaries over published average required for grant.	210,000	-
Bridgestone Americas, Inc.	December 2014 Amended November 2016	January 1, 2018	7 years	Minimum of 500 incremental jobs with annual salaries over published average required for grant. Amendment extends to an additional location, relocating more jobs.	215,300	387,500
WCP Properties, LLC - affiliate of HCA Holdings, Inc.	July 2015 Amended August 2015	January 1, 2016	7 years	Minimum of 500 incremental jobs required for grant for headquarters. Amendment extends to two locations relocating more jobs.	648,500	1,234,500
Warner Music	February 2016	January 1, 2017	7 years	Base jobs of 100. If less than 500 additional jobs as of December 31, 2020 or any subsequent grant year through the grant term, grant payment for such grant year will be zero. Annual salaries over published average required for grant.	34,700	60,500
Philips Holding USA, Inc.	April 2018	January 1, 2019	7 years	Minimum of 500 incremental jobs with annual salaries over published average required for grant. Excludes any individuals in functions previously filled by an individual based at another Philips Entity in Davidson County.	158,800	383,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Company	Grant Approval Date	Grant Commencement Date	Grant Period	Additional Grant Terms	Amount Payable for June 30, 2021	Amount Budgeted for 2021-2022
AllianceBernstein LP	March 2019	Company to specify by written notice not later than 30 days before commencement date. Must begin on a January 1.	7 years	Minimum of 500 incremental jobs relocated to Davidson County with annual salaries over published average required for grant. Excludes any individuals in functions previously filled by an individual based at another AllianceBernstein Entity in Davidson County.	-	-
Amazon.com Services, Inc	May 2019	Company to specify by written notice not later than 30 days before commencement date. Must begin on a January 1.	7 years	Minimum of 500 incremental jobs with annual salaries over published average required for grant. Excludes any individual in a position previously filled by such individual at a non-Project location operated by an Amazon Entity in Davidson County as of November 2, 2018. Maximum of 5,000 jobs, \$2.5M per grant year.	-	-

In October 2016, the Government entered into an operating lease and transfer agreement with Signature Healthcare, LLC (Signature) to lease the property and operations of the Bordeaux Long Term Care (Bordeaux) to Signature. As Bordeaux is currently operating at a loss, Signature is obligated to pay rent of \$10 annually. The Government will submit quarterly payments to Signature in the amount of \$750,000 as reimbursement for the operating loss. To the extent the annual operating loss exceeds \$3 million, the Government will reimburse for the excess not to exceed a total of \$3.5 million annually. If the annual operating loss is less than \$3 million, Signature will remit the difference back to the Government. Under the terms of the agreement, Signature will identify and purchase a site (Relocation Site) for the purpose of constructing a new nursing home facility with a capacity of at least 120 skilled nursing home beds to replace Bordeaux. Once the replacement facility is constructed, approved for occupancy, and licensed by the required regulatory agencies, Signature will transfer the appraised value of all rights related to the relocated skilled nursing home beds less fifty percent of the outstanding amount owed to Signature for providing ancillary services at Bordeaux to the Government (the Purchase Price). The term of the agreement began on May 1, 2016 and would have expired on June 30, 2020 but was extended for six months on an emergency basis. During that time, the Metropolitan Government solicited but did not receive any proposals to operate the facility going forward. In accordance with contract terms, the Metropolitan Government directed Signature to wind down operations. All patients were transferred to other licensed nursing homes, and the Bordeaux facility has now been closed.

In January 2017, the Government entered into a management agreement with AnthemCare to manage the operations of the J.B. Knowles Home (Knowles) with an initial term beginning January 31, 2017 to January 30, 2018. The contract was subsequently extended with a new end date of June 30, 2021. In accordance with the agreement, the Government will pay a management fee to AnthemCare of \$35,000 per month for the first two months and \$30,000 per month for the remainder of the term. As Knowles is currently operating at a loss, the Government also agreed to reimburse AnthemCare for losses incurred in the operation of Knowles with advances of \$40,000 per month to cover the operational losses for that period. At the end of the term, the net facility operating loss will be calculated, and the Government will remit the difference between the calculation and advances if additional funds are due, or AnthemCare will remit the difference if the advances exceed the calculation. The total paid to AnthemCare in management fees and advances during the year ended June 30, 2021 was \$2,046,036.

Component Units

The healthcare industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, Medicare fraud and abuse and patient records privacy. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

In March 2010, Congress adopted comprehensive healthcare insurance legislation, Patient Care Protection and Affordable Care Act and Healthcare and Education Reconciliation Act. The legislation, among other matters, is designated to expand access to coverage to substantively all citizens by 2019 through a combination of public program expansion and private industry health insurance. Changes to existing TennCare and Medicaid coverage and payments are also expected to occur as a result of this legislation. Implementing regulations are generally required for these legislative acts, which are to be adopted over a period of years and, accordingly, the specific impact of any future regulations is not determinable.

The Nashville District Management Corporation has an agreement with the Government to provide program administration of the Nashville Central Business Improvement District (the District) in accordance with Tennessee law. The Corporation's duties and responsibilities under the agreement include but are not limited to providing services for improvement and operation of the District through security enhancement, downtown marketing, and improving downtown beautification, sanitation and maintenance. The agreement may be terminated upon written petition filed by either (a) the owners of 75% of the assessed value of the taxable real property in the District, or (b) 50% of the owners of record within the District.

The Nashville District Management Corporation has entered into an agreement with Nashville Downtown Partnership, a related nonprofit organization, to perform all the duties and responsibilities for day-to-day management and implementation of services and improvements for the Nashville Central Business Improvement District (CBID), as defined in the Memorandum of Agreement with the Government, in exchange for substantially all revenues received from CBID assessments. The agreement expires December 31, 2022. During the year ended December 31, 2021, the Corporation recognized expense of \$2,549,474 related to the agreement.

The Nashville District Management Corporation has entered into an agreement with Metropolitan Development and Housing Agency (MDHA) where the Corporation will operate a program for homeless individuals and families providing housing assistance and supportive services. Funding for services will be provided by MDHA through an allocation from the U.S. Housing and Urban Development to Nashville-Davidson County for Emergency Solutions Grants under the Coronavirus Aid, Relief, and Economic Security Act ("ESG-CV") Program. The ESG-CV Program allows for funding of \$248,664 to be used through September 30, 2021 or upon termination. The Corporation had limited activity relating to the grant in 2020.

The Gulch Business Improvement District, Inc. has an agreement with the Government in accordance with Tennessee law to provide services for improvement and operation of the Gulch Business Improvement District (the District) through security enhancement, marketing, and improving beautification, sanitation, and maintenance. The term of the agreement extends to December 31, 2026, and may be terminated upon receipt of written petition filed by either (a) the owners of 75% of the assessed value of the taxable property in the District, or (b) 50% of the owners of record within the District.

The Gulch Business Improvement District, Inc. has entered into an agreement with Nashville Downtown Partnership, a related nonprofit organization, to provide cleaning and safety services for the Gulch Business Improvement District, as defined in the Memorandum of Agreement with the Government, in exchange for a monthly fee. Under the terms of the new agreement, the Gulch Business Improvement District will pay Nashville Downtown Partnership an amount equal to 10% of annual expenditures. The agreement expires December 31, 2024. During the year ended December 31, 2021, \$39,454 was recognized as expense related to the agreement.

On October 19, 2010 the Convention Center Authority (the Authority) entered into a Development and Funding Agreement with Omni Nashville, LLC (Omni) to facilitate the development of a premier headquarters hotel adjacent to the Music City Center. Under the terms of the development and funding agreement, the Authority will pay Omni annual economic development payments and incentives from excess tourism tax revenues collected. These payments are additionally secured by a pledge of the Government's nontax revenues of the General Fund of the General Services District, subject to prior pledge and application of certain requirements related to bonds issued by the Sports Authority. No payments related to this financial guarantee have been made by the Government. Should any payments be made by the Government in the future, the agreements provide for recovering any such payments from the Authority's revenues after operating expenses are covered and annual principal and interest payments and certain other obligations are met. These payments began after the hotel opened for business, including the renting of rooms. The amount remitted to Omni during the year ended June 30, 2021 was \$12,000,000. The schedule of future annual payments is expected to be as follows:

Year Ending June 30	Annual Payment
2022-2026	\$ 12,000,000
2027-2033	15,000,000

In May 2015 the Metropolitan Council approved a redevelopment agreement related to the sale and development of the old Nashville Convention Center site that was under the management of the Authority. The sale of the Nashville

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Convention Center property closed in December 2016. Under the redevelopment agreement, the Authority agreed to contribute \$38.5 million to partially fund the parking garage and conference center space at the new complex. The commitment was fully met during fiscal year 2021.

In March 2017 the Authority entered into a room block agreement with the Joseph Hotel that would require the Authority to make a one-time payment of \$2,500,000 upon successful opening of the hotel. The hotel opened in the fall of 2020 and the Authority remitted the required one-time payment in November 2020.

In November 2019, the Government and the Authority entered into a payment in lieu of taxes (PILOT) agreement whereby the Authority will make yearly payments to the Government based on the property tax rate and value of the Music City Center. The amount was \$16.9 million in fiscal year 2021.

In November 2019, the Authority entered into an agreement with the National Museum of African American Music to provide a total of \$6 million to the Museum in exchange for the naming rights of their theater in honor of the Authority's late board member, Francis S. Guess. In accordance with the payment installment schedule, \$2 million was paid in each of fiscal years 2021 and 2020 and the remaining \$2 million will be paid in full in fiscal year 2022.

In May 2020, the Government and the Authority executed another agreement to transfer revenues generated from campus sales tax and/or Music City Center operating revenues to the Government in the amounts of \$5 million in fiscal year 2020 and \$35 million in fiscal year 2021. These amounts were transferred in May 2020 and July 2020, respectively.

Information regarding the other commitments of the other component units can be found in their separately issued financial reports.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 13 - FUND BALANCES

Certain categories of fund balance are presented on the Balance Sheets for Governmental Funds in the aggregate. The detail components of the nonspendable, restricted, committed, and assigned fund balances are as follows:

FUND BALANCES					
For the Year Ended June 30, 2021					
	General Fund	General Purpose School Fund	Education Services Fund	GSD General Purposes Debt Service Fund	GSD School Purposes Debt Service Fund
FUND BALANCES (DEFICITS):					
Nonspendable:					
Inventories of supplies	\$ 213,715	\$ 2,201,073	\$ 1,488,170	\$ -	\$ -
Prepaid expenditures	647,560	-	-	-	-
Permanent fund principal	-	-	-	-	-
Total nonspendable	<u>861,275</u>	<u>2,201,073</u>	<u>1,488,170</u>	<u>-</u>	<u>-</u>
Restricted for:					
Public welfare	-	-	-	-	-
Convention center and tourism promotion	-	-	-	-	-
Education	-	-	11,924,945	-	-
Tennessee Consolidated Retirement					
System pension contributions	-	-	8,590,075	-	-
Internal school funds	-	-	6,650,469	-	-
Solid waste	-	-	-	-	-
Flood recovery	-	-	-	-	-
General government	-	-	-	-	-
Public health	-	-	-	-	-
Public works, highways and streets	-	-	-	-	-
Administration of justice	-	-	-	-	-
Law enforcement and care of prisoners	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Public library system	-	-	-	-	-
Total restricted	<u>-</u>	<u>-</u>	<u>27,165,489</u>	<u>-</u>	<u>-</u>
Committed for:					
Education	-	113,821,114	-	-	-
Debt service	-	-	-	18,629,376	48,335,815
Equipment acquisitions (appropriated)	-	-	-	-	-
Equipment acquisitions (unappropriated)	-	-	-	-	-
Solid waste	-	-	-	-	-
General government	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Total committed	<u>-</u>	<u>113,821,114</u>	<u>-</u>	<u>18,629,376</u>	<u>48,335,815</u>
Assigned for:					
Subsequent year budgetary appropriation	-	-	-	-	-
Specific projects	19,649,800	-	-	-	-
Total assigned	<u>19,649,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	264,975,456	-	-	-	-
Total fund balances (deficits)	<u>\$ 285,486,531</u>	<u>\$ 116,022,187</u>	<u>\$ 28,653,659</u>	<u>\$ 18,629,376</u>	<u>\$ 48,335,815</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FUND BALANCES (CONTINUED)

For the Year Ended June 30, 2021

USD General Purposes Debt Service Fund	GSD Capital Projects Fund	Education Capital Projects Fund	USD Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 290,781	\$ 4,193,739
-	-	-	-	5,771	653,331
-	-	-	-	185,112	185,112
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>441,664</u>	<u>5,032,182</u>
-	-	-	-	7,002,198	7,002,198
-	-	-	-	18,386,437	18,386,437
-	-	-	-	116,182	12,041,097
-	-	-	-	-	8,590,075
-	-	-	-	-	6,650,469
-	-	-	-	931,367	931,367
-	-	-	-	13,490,129	13,490,129
-	-	-	-	1,079,855	1,079,855
-	-	-	-	3,249,321	3,249,321
-	-	-	-	2,804,696	2,804,696
-	-	-	-	571,255	571,255
-	-	-	-	3,744,136	3,744,136
-	-	-	-	56,823	56,823
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,222,524</u>	<u>1,222,524</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,654,893</u>	<u>79,820,382</u>
2,900,706	-	-	-	-	113,821,114
-	-	-	-	-	69,865,897
-	-	-	-	63,920,042	63,920,042
-	-	-	-	4,992,380	4,992,380
-	-	-	-	3,643,298	3,643,298
-	-	-	-	31,058,797	31,058,797
<u>2,900,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,154,881</u>	<u>1,154,881</u>
<u>2,900,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>104,769,398</u>	<u>288,456,409</u>
-	-	-	-	-	19,649,800
-	-	-	-	-	19,649,800
-	(39,213,121)	(24,678,899)	(301,781)	(45,001,242)	155,780,413
<u>\$ 2,900,706</u>	<u>\$ (39,213,121)</u>	<u>\$ (24,678,899)</u>	<u>\$ (301,781)</u>	<u>\$ 112,904,713</u>	<u>\$ 548,739,186</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 14 – FUEL HEDGING PROGRAM

The Metropolitan Government maintains a fuel hedging program, the objective of which is to hedge the changes in cash flows due to market price fluctuations related to a portion of expected purchases of diesel and gasoline fuel. Details of the Metropolitan Government's participation in the fuel hedging program at June 30, 2021 are as follows:

Notional Amount	Effective Date	Maturity Date	Terms	Counterparty Credit Rating
42,000 gallons, diesel	July 1, 2021	June 30, 2022	Pay \$1.2290 per gallon; Settlement based on NYMEX HO	A3
29,839 gallons, gasoline	July 1, 2021	June 30, 2022	Pay \$1.0090 per gallon; Settlement based on NYMEX NYH RBOB	A3
42,000 gallons, diesel	July 1, 2021	June 30, 2022	Pay \$1.2300 per gallon; Settlement based on HO-NYMEX-FUTURES	Aa2
59,678 gallons, gasoline	July 1, 2021	June 30, 2022	Pay \$0.9490 per gallon; Settlement based on XB-NYMEX-FUTURES	Aa2
29,484 gallons, gasoline	July 1, 2021	June 30, 2022	Pay \$1.0315 per gallon; Settlement based on XB-NYMEX-FUTURES	Aa2
56,600 gallons, diesel	July 1, 2021	June 30, 2022	Pay \$1.2220 per gallon; Settlement based on HO-NYMEX-FUTURES	Aa2

The fair value of the fuel hedging instruments was an asset of \$3,084,804 at June 30, 2021, which has been recorded in noncurrent assets in the Statement of Net Position. The fair value was estimated based on the present value of the estimated future cash flows. The fuel hedges were determined to be effective hedges; accordingly, the change in fair value of the hedges is a deferred outflow or inflow of resources.

The Metropolitan Government is exposed to credit risk on hedging derivative instruments that are in asset positions. This represents the maximum loss that would be recognized at the reporting date if the counterparty failed to perform as contracted. The Metropolitan Government is exposed to basis risk on its fuel hedging contracts because the expected commodity purchase being hedged will price based on a pricing point different than the pricing point at which the forward contract is expected to settle (NYMEX). The Metropolitan Government or its counterparty may terminate the contracts if the other party fails to perform under the terms of the contract. If at the time of termination, a hedging derivative instrument is in a liability position, the Metropolitan Government would be liable to the counterparty for a payment equal to the liability.

NOTE 15 – TAX ABATEMENTS

The Industrial Development Board (Board) is authorized by Tennessee Code Annotated (TCA) Section 7-53-305, a provision of the Tennessee Industrial Development Corporations Act, and by Ordinance of the Metropolitan Government to negotiate and accept payments in lieu of ad valorem taxes in furtherance of the Board's public purposes of economic welfare to maintain and increase employment opportunities and household income as set forth in TCA Section 7-53-102. As such, the Board acts as a conduit organization for property tax abatements through payment in lieu of taxes (PILOT) agreements. The Director of the Mayor's Office of Economic and Community Development serves as the Executive Director of the Board and negotiates PILOT agreements, presents to the Metropolitan Council for approval, and if approved, presents the agreements to the Board for approval. The abatements, which may be as much as 100% of the standard real and/or personal property taxes, may be granted to any qualified business located within or relocating to property within the boundaries of the Metropolitan Government, making significant capital investments and retaining or increasing a significant number of full-time employees. Consideration is given on a case-by-case basis and includes analyses of job creation, economic impact, capital investment and wage rates.

During the fiscal year ended June 30, 2021 there were thirteen PILOT agreements in force with tax abatements totaling \$15,611,952. Each of these tax abatement agreements is described below with the terms in effect for the fiscal year reported. None of these agreements include a provision for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement. The following is a description of each PILOT agreement:

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

- Dell Computer Corporation – The abatement commenced September 28, 1999 with Dell committing to locate computer manufacturing, assembly and distribution facilities and technological support operations within the boundaries of the Metropolitan Government. Dell will remit the lesser of (1) 2% of the standard tax for each 15 employees (determined as set forth in the agreement) less than 1,500 employees that are employed during the immediately preceding year; or (2) 100% of the standard tax. The agreement is applicable to real property subleased and used by Dell and personal property acquired and used by Dell at the aforementioned real property.
- HealthSpring, Inc. – The abatement commenced August 16, 2011 with the construction (in two phases) of a new consolidated campus for use by HealthSpring. HealthSpring will remit 40% and 0% of the standard tax in Phase I and Phase II, respectively, for real property.
- Omni Nashville, LLC – The abatement commenced September 20, 2011 with the construction of a hotel adjacent to the Music City Center. Omni will remit 37.5% of the standard tax for real property and personal property included in the equipment lease. If Omni defaults on or assigns, transfers or conveys (except to an affiliate) the facility lease or equipment lease, the PILOT period will terminate as of the day of such action.
- LifePoint Hospitals, Inc. – The abatement commenced December 1, 2013 with the relocation and consolidation of headquarters and certain central corporate operations to a location within the boundaries of the Metropolitan Government. LifePoint will remit 0% of the standard tax for real property excluding 15% of a garage which is not subleased by LifePoint) and 0% of the standard tax for personal property only on personal property of and related to their IT center.
- HCA Information and Technology Services, Inc. – The abatement commenced on December 31, 2013 with the construction of a new regional data center. HCA will remit 40% of the standard tax for real property applicable to the new regional data center and 40% of the standard tax for personal property acquired for the new regional data center and used in connection with the existing facilities expansion.
- AmSurg Corp. – The abatement commenced January 23, 2015 with the construction of new consolidated headquarters. AmSurg will remit 0% of the standard tax for real property.
- Asurion, LLC – The abatement commenced January 1, 2016 with the rehabilitation of an existing office building and construction of a parking lot in Antioch. Asurion will remit tax for real property for the building equal to \$126,448 (tax year 2013 standard tax) plus 0% of the increase in standard tax; and for the parking lot, \$10,000 (tax year 2013 standard tax) plus 0% of the increase in the standard tax. Personal property tax abatement began tax year 2017.
- WCP Properties, LLC, a subsidiary of HCA Holdings, Inc. – The abatement commenced on December 28, 2016 with the relocation and consolidation of headquarters for HCA subsidiaries Parallon Business Solutions, HealthTrust Purchasing Group and Sarah Cannon Holdings to a newly constructed facility. WCP will remit 100% of the standard tax minus a PILOT deduction of \$3,000,000 (deduction subject to any adjustment required if there is a shortfall of projected incremental positions for the calendar year). If the deduction is greater than the standard tax in any given year, the remainder will be accrued and carried forward to the following year.
- RHP Hotels, LLC (Ryman) – The abatement commenced on June 15, 2017 with construction of an indoor/outdoor waterpark attraction located in Gaylord Opryland Resort & Convention Center. Ryman will remit the lesser of the standard tax or the 2017 property tax payment for such year.
- Bridgestone Americas, Inc. – The abatement commenced on August 7, 2017 with the relocation and consolidation of its headquarters and the headquarters of certain of its subsidiaries to a newly constructed facility. Subsidiaries include but are not limited to Bridgestone Americas Retail Operations, LLC, Firestone Industrial Products Company, LLC and Firestone Building Products Company, LLC. Bridgestone will remit 0% of the standard tax for real property (excluding office building space not subleased by Bridgestone and garage parking spaces not subleased or otherwise made available to Bridgestone).

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

- Keystone Automotive Industries, Inc. – The abatement commenced January 3, 2019 with expansion of its operations with construction of a new North American support headquarters on Crossings Boulevard. Keystone will remit 100% of the 2015 standard real property taxes (base) plus 40% of the increase in real property taxes resulting from the new construction; Keystone must meet the target jobs count as specified in the agreement or the abatement will be adjusted according to calculations provided in the agreement. Keystone is expected to occupy the entire space, if not, the abatement will be reduced based upon square footage used by other entities. Personal property tax abatement will begin in tax year 2020.
- CHS Realty Holdings III, LLC – The abatement commenced November 17, 2017 with the construction of a central business office located in Antioch. CHS will remit 40% of the standard tax for real property.
- National Museum of African American Music – The abatement commenced August 30, 2019 with the construction of a museum of African American music. The Museum will remit 0% of the standard tax for real property.

The following is a summary of the property tax abatements for the fiscal year ended June 30, 2021:

PILOT Agreement	Start Date	End Date	Abatement
Dell Computer Corporation	September 28, 1999	December 31, 2039	\$ 385,264
HealthSpring, Inc.	August 16, 2011	August 15, 2021	197,479
Omni Nashville, LLC	September 20, 2011	December 31, 2030	2,976,970
LifePoint Hospitals, Inc.	December 1, 2013	November 30, 2028	516,787
HCA Information and Technology Services, Inc.	December 31, 2013	December 30, 2020	871,977
AmSurg Corp.	January 23, 2015	December 31, 2023	432,703
Asurion, LLC	January 1, 2016	December 31, 2019	18,997
WCP Properties, LLC - affiliate of HCA Holdings, Inc.	December 28, 2016	December 27, 2031	3,000,000
RHP Hotels, LLC (Ryman)	June 15, 2017	December 31, 2025	3,829,362
Bridgestone Americas, Inc.	August 7, 2017	August 6, 2037	2,805,539
Keystone Automotive Industries, Inc.	January 3, 2019	December 31, 2023	185,860
CHS Realty Holdings III, LLC	November 17, 2017	November 17, 2029	296,352
National Museum of African American Music	August 30, 2019	December 31, 2039	94,662
Total Abatement			\$ 15,611,952

NOTE 16 – RISKS AND UNCERTAINTIES

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus, COVID-19. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in global exposure.

The full impact of the pandemic continues to evolve as of the date of this report and has significantly affected the operational and financial performance of the Government and its component units. While expected to be temporary, the Government cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time. If the pandemic continues, it may have a significant impact on future operating results, financial position, and liquidity of the Government and/or its component units.

NOTE 17 – RESTATEMENT OF NET POSITION

Primary Government

For the year ended June 30, 2020, certain revenues in the Education Services Fund were incorrectly reported as unearned revenues. The impact on the financial statements was an increase to beginning net position.

The Government adopted GASB Statement No. 84, Fiduciary Activities, for the year ended June 30, 2021. The Statement establishes accounting and financial reporting requirements that, among other things, require that certain activities be reported in custodial funds, and that a Statement of Changes in Fiduciary Activity be reported for those funds. The impact on the financial statements was an increase to beginning net position

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Statement of Activities Primary Government Governmental Activities	Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds	Statement of Changes in Fiduciary Net Position Fiduciary Funds Custodial Funds
Net position - beginning of year, as previously reported	\$ (3,671,542,456)	\$ (286,031,723)	\$ -
Adjustment for revenues previously reported as unearned	4,617,896	4,617,896	-
Adjustment to record net position for custodial funds	-	-	<u>45,640,589</u>
Net position - beginning of year, as restated	<u>(3,666,924,560)</u>	<u>\$ (281,413,827)</u>	<u>\$ 45,640,589</u>

Component Units

The Sports Authority is obligated to reimburse the Tennessee Titans for certain property improvements at the Nissan Stadium facility. In prior fiscal years, the obligations were not reported as a liability. However, the amounts are considered a liability of the Sport Authority. The impact on the financial statements is a decrease to beginning net position.

In prior fiscal years, the Convention Center Authority contributed \$4 million to the developer of the Fifth & Broadway complex to utilize toward the construction at the complex which was reported as capital assets. However, the Convention Center Authority will not retain ownership of the assets. The impact on the financial statements is a decrease to beginning net position.

In prior fiscal years, the Metropolitan Development and Housing Agency (MDHA) provided \$5 million in funding to the Martha O'Bryan Explore School. However, during the current fiscal year, additional information was provided that indicated that the funding should have been recorded as a note receivable. The impact on the financial statements is an increase to beginning net position.

	Statement of Activities Component Units	Statement of Revenues, Expenditures and Changes in Fund Balances Sports Authority Fund	
Net position - beginning of year, as previous reported	\$ 2,587,771,633	\$ 22,522,018	
Adjustment for Sports Authority liability	(6,727,308)	(18,364,704)	
Adjustment for Convention Center Authority contribution	(4,000,000)	-	
Adjustment for MDHA contribution	<u>5,000,000</u>	<u>-</u>	
Net position - beginning of year, as restated	<u>\$ 2,582,044,325</u>	<u>\$ 4,157,314</u>	

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 18 – SUBSEQUENT EVENTS

Primary Government

On July 7, 2021, the Metropolitan Council approved legislation to remove all Medicare-eligible Metro retirees with a platinum Medicare Advantage plan to a Hybrid Medical plan. This change in benefits is expected to reduce the Government's total OPEB liability by an estimated \$1.1 billion and reduce annual operating costs by approximately \$17 million.

On October 14, 2021, the Government issued \$377,520,000 of Water and Sewer Revenue Bonds, Series 2021A, maturing on July 1, 2041, with interest rates ranging from 3% to 5%, and \$232,075,000 of Water and Sewer Revenue Refunding Bonds, Series 2021B, maturing on July 1, 2038, with interest rates ranging from .288% to 2.731%. The net proceeds of the Series 2021A Bonds totaled \$432,403,293 (including original issue premium of \$54,883,293). \$255,200,000 of the net proceeds were used to fund maturing commercial paper notes including interest, \$175,000,000 to fund new projects, and \$2,203,293 was used to cover underwriting fees and other costs of issuance. The net proceeds of the Series 20201 Bonds totaled \$246,813,928 (including debt service and debt service reserve funds of \$14,738,928). \$245,494,233 of the net proceeds were used to refund a portion of the Water and Sewer Revenue Refunding Bonds, Series 2013, and \$1,319,695 was used to cover underwriting fees and other costs of issuance. By issuing the Series 2021B Bonds, the Government obtained an estimated economic gain (difference between the present values of the debt service payments on the defeased and new debt) of \$35,358,038. The refunding will reduce the Government's debt service payments over the next 23 years by an estimated \$61,974,342.

On July 1, 2021, the Government issued tax anticipation notes (TAN's) in the amount of \$100,000,000 maturing on June 30, 2022 at an interest rate of .6579%. The TAN's were used to fund operating expenditures prior to the collection of property taxes and are intended to be repaid in full prior to June 30, 2022.

On July 19, 2021, the Government issued general obligation commercial paper notes in the amount of \$50,000,000 maturing on December 7, 2021 at an interest rate of .09%. These obligations were or will be refunded with rollover notes at their maturity dates.

On October 8, 2021, the Government issued general obligation commercial paper notes in the amount of \$50,000,000 maturing on January 6, 2022 at an interest rate of .11%. These obligations were or will be refunded with rollover notes at their maturity dates.

On July 16, 2021, the Government issued Water and Sewer commercial paper notes in the amount of \$25,000,000 maturing on October 14, 2021 at an interest rate of .10%. These obligations were or will be refunded with rollover notes at their maturity dates or through the issuance of revenue bonds.

On September 16, 2021, the Government issued Water and Sewer commercial paper notes in the amount of \$30,000,000 maturing on October 19, 2021 at an interest rate of .09%. These obligations were or will be refunded with rollover notes at their maturity dates or through the issuance of revenue bonds.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

CONDITION RATING OF TRANSPORTATION NETWORK

Unaudited – See Accompanying Accountants' Report

The transportation network of the Government is segregated into two subsystems: roads and streets, and bridges and underpasses. Information regarding condition and needed, budgeted and actual maintenance costs is presented below.

ROADS AND STREETS PAVING

<u>Percentage of Lane Miles in Fair or Better Condition</u>					
<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	
76.1 %	74.1 %	71.3 %	71.6 %	71.6 %	

The Overall Condition Index (OCI) for the pavement of each roadway segment is measured using a vehicle called the South Dakota Road Profiler and calculated using the OMS Cartograph Pavement Management System (OMS System). The OCI is calculated based on data collected from lasers located beneath the Profiler. The lasers collect roughness (IRI), weathering (Rn), and some distress data (PCI). The remaining pavement distress data is collected from roadway images taken from cameras mounted on the Profiler. The data collected is imputed into the OMS System, and the OCI is calculated using the following formula: $OCI = (0.75PCI) + (0.10IRI) + (0.15Rn)$. Other roadway and pavement data stored in the OMS System are functional class, street length, area and location. The OMS System uses a measurement scale that is based on a condition index ranging from zero for a pavement in very poor condition to 100 for a pavement in excellent condition. The condition index is used to classify roads and streets as excellent (100-85), good (84-80), fair (79-70) and below standard (less than 69). It is the policy of the Government to maintain at least 70 percent of its road and street system at a fair or better condition.

Condition assessments are collected on an annual basis for half of the county. For assessment purposes, the county is divided into 5 groups with groups 1, 3 and 4 assessed in one year and groups 2 and 5 assessed in the alternate year. The condition of groups 2 and 5 was assessed and reported in fiscal year 2021. The condition of groups 1, 3 and 4 were assessed and reported in fiscal year 2020.

There were 15 lane miles of roads added in 2021, bringing the total to 5,968 lane miles of roads and streets in the transportation network. The majority of the growth is due to additions of two-lane roads from new developments.

Comparison of Needed and Budgeted to Actual Maintenance

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Needed	\$ 30,000,000	\$ 6,000,000	\$ 30,000,000	\$ 35,000,000	\$ 35,000,000	\$ 20,000,000
Budgeted	\$ 30,000,000	\$ 6,000,000	\$ 30,000,000	\$ 35,000,000	\$ 35,000,000	\$ 20,000,000
Cumulative Spent	750,000	3,914,565	29,544,847	34,904,484	34,839,189	19,997,541
Difference	\$ 29,250,000	\$ 2,085,435	\$ 455,153	\$ 95,516	\$ 160,811	\$ 2,459

The **needed** amount represents the estimated amount that would need to be spent annually to maintain 70% of the roads and streets at a fair or better condition. The **budgeted** amount is the amount approved in each year's capital spending plan. The **cumulative spent** is total actual expenditures across all fiscal years for each capital spending plan.

Maintaining the condition of the roads and streets in accordance with the policy referenced above continues to be a priority as evidenced by the continual funding in the capital plans and the improving condition ratings.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

CONDITION RATING OF TRANSPORTATION NETWORK (CONTINUED)

Unaudited – See Accompanying Accountants' Report

BRIDGES AND UNDERPASSES

<u>Percentage of Deck Area in Fair or Better Condition</u>									
2021		2020		2019		2018		2017	
99.0	%	99.0	%	98.0	%	98.0	%	97.0	%

Condition assessments are determined by the State every two years. Results are released by the State late in the calendar year. Thus, the most recent assessment results were provided in calendar year 2020 and reported for fiscal 2020. Due to this timing, condition assessments reported above for each even year are the results provided by the State. The condition for each odd year is reported at the previous year's value unless the Public Works Department of the Government has a basis for recalculation internally.

The condition of bridges and underpasses is measured using the Federal Aid Bridge Inspection System supervised by the Tennessee Department of Transportation (TDOT), which is based on a two-year cycle of inspections of structures designated in two categories: Non-Federal Aid and Federal Aid Urban. The inspection system uses a measurement that classifies the condition as good, fair, poor or critical. The Public Works Department of the Government reviews all findings on all inspections. It is the policy of the Government to maintain at least 75 percent of its bridges and underpasses in fair or better condition.

There are currently 216 Non-Federal Aid and 107 Federal Aid Urban bridges and underpasses in the transportation network determined from the final analysis of the 2019 inspection. Total square feet of deck area is estimated to be 1,342,726. Deck area is calculated based on TDOT inspection reports for bridges conveying vehicular traffic only.

Comparison of Needed and Budgeted to Actual Maintenance

	2021	2020	2019	2018	2017	2016
Needed	\$ 7,750,000	\$ -	\$ 4,000,000	\$ -	\$ 15,000,000	\$ 10,000,000
Budgeted	\$ 7,750,000	\$ -	\$ 4,000,000	\$ -	\$ 10,000,000	\$ 10,000,000
Cumulative Spent	2,674,633	-	3,997,540	-	9,901,772	10,000,000
Difference	\$ 5,075,367	\$ -	\$ 2,460	\$ -	\$ 98,228	\$ -

The **needed** amount represents the estimated amount that would need to be spent annually to maintain 75% of the bridges, underpasses culverts and guardrails at a fair or better condition. The **budgeted** amount is the amount approved in each year's capital spending plan. The **cumulative spent** is total actual expenditures across all fiscal years for each capital spending plan.

Maintaining the condition of bridges and underpasses in accordance with the Government's policy referenced above continues to be a priority as evidenced by the consistently high condition ratings.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2021	2020	2019	2018
<u>County Plan</u>				
Actuarily determined contribution	\$ 809,964	\$ 927,421	\$ 1,023,934	\$ 1,098,462
Contributions	<u>809,964</u>	<u>927,421</u>	<u>1,023,934</u>	<u>1,098,462</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	- %	- %	- %	- %
<u>Metro Plan</u>				
Actuarily determined contribution	\$ 80,410,793	\$ 72,319,584	\$ 70,638,794	\$ 66,281,669
Contributions	<u>86,414,449</u>	<u>78,632,924</u>	<u>77,242,171</u>	<u>76,539,373</u>
Contribution deficiency (excess)	<u>\$ (6,003,656)</u>	<u>\$ (6,313,340)</u>	<u>\$ (6,603,377)</u>	<u>\$ (10,257,704)</u>
Covered payroll	<u>\$ 662,803,760</u>	<u>\$ 638,020,539</u>	<u>\$ 623,435,266</u>	<u>\$ 577,129,309</u>
Contributions as a percentage of covered payroll	13.04 %	12.32 %	12.39 %	13.26 %
<u>County Education Plan</u>				
Actuarily determined contribution	\$ 2,312,572	\$ 2,572,411	\$ 2,729,955	\$ 2,932,320
Contributions	<u>2,312,572</u>	<u>2,572,411</u>	<u>2,729,955</u>	<u>2,932,320</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	- %	- %	- %	- %
<u>Metro Education Plan</u>				
Actuarily determined contribution	\$ 4,888,535	\$ 7,437,048	\$ 7,900,193	\$ 9,424,805
Contributions	<u>25,350,034</u>	<u>24,342,682</u>	<u>23,525,080</u>	<u>22,681,681</u>
Contribution deficiency (excess)	<u>\$ (20,461,499)</u>	<u>\$ (16,905,634)</u>	<u>\$ (15,624,887)</u>	<u>\$ (13,256,876)</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	- %	- %	- %	- %
<u>City Plan</u>				
Actuarily determined contribution	\$ 4,297,250	\$ 4,705,843	\$ 5,060,376	\$ 5,466,526
Contributions	<u>4,297,250</u>	<u>4,705,843</u>	<u>5,060,376</u>	<u>5,466,526</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	- %	- %	- %	- %
<u>City Education Plan</u>				
Actuarily determined contribution	\$ 807,579	\$ 1,029,043	\$ 1,238,054	\$ 1,307,430
Contributions	<u>807,579</u>	<u>1,029,043</u>	<u>1,238,054</u>	<u>1,307,430</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	- %	- %	- %	- %

(1) Information regarding contributions is only available for the last eight fiscal years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

2017	2016	2015	2014
\$ 1,226,793	\$ 1,376,864	\$ 1,473,420	\$ 1,413,489
1,226,793	1,376,864	1,473,442	1,571,769
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22)</u>	<u>\$ (158,280)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
- %	- %	- %	- %
\$ 58,957,156	\$ 60,266,986	\$ 79,682,979	\$ 87,643,045
73,868,818	85,676,490	94,045,896	87,643,045
<u>\$ (14,911,662)</u>	<u>\$ (25,409,504)</u>	<u>\$ (14,362,917)</u>	<u>\$ -</u>
<u>\$ 538,698,977</u>	<u>\$ 531,266,978</u>	<u>\$ 513,759,048</u>	<u>\$ 556,220,289</u>
13.71 %	16.13 %	18.31 %	15.76 %
\$ 3,451,079	\$ 3,760,411	\$ 4,594,448	\$ 4,570,592
3,451,079	3,760,411	4,594,448	3,975,666
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 594,926</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
- %	- %	- %	- %
\$ 10,943,447	\$ 12,289,725	\$ 13,593,369	\$ 14,708,257
21,539,285	20,620,889	18,340,834	18,808,832
<u>\$ (10,595,838)</u>	<u>\$ (8,331,164)</u>	<u>\$ (4,747,465)</u>	<u>\$ (4,100,575)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
- %	- %	- %	- %
\$ 5,760,814	\$ 6,134,921	\$ 6,688,724	\$ 6,650,683
5,760,814	6,134,921	6,688,827	7,223,872
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (103)</u>	<u>\$ (573,189)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
- %	- %	- %	- %
\$ 1,512,381	\$ 1,600,371	\$ 2,427,465	\$ 2,190,063
1,512,381	1,600,371	2,427,465	1,932,219
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 257,844</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
- %	- %	- %	- %

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLANS

LAST EIGHT FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

Notes to Schedule	County Plan	Metro Plan	County Education Plan	Metro Education Plan
Valuation date:				
Actuarially determined contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported.				
Methods and assumptions used to determine contribution rates:				
Actuarial cost method	entry age normal	entry age normal	entry age normal	entry age normal
Amortization method	level dollar open	level dollar closed	level dollar open	level dollar closed
Amortization period	9 years	30 years closed	8 years	30 years from July 1, 2000
Asset valuation method	market	5 year smoothed market	market	5 year smoothed market
Investment rate of return	7.25%	7.25%	7.25%	7.25%
Projected salary increases	N/A	4.00%	N/A	N/A
Inflation	2.50%	2.50%	2.60%	2.60%
Postretirement benefit increase adjustments	2.50%	2.50% Division A 1.25% Division B	3.00%	3.00%

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLANS

LAST EIGHT FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

City Plan	City Education Plan
--------------	---------------------------

entry age normal	entry age normal
level dollar open	level dollar open
8 years	8 years
market	market
7.25%	7.25%
N/A	N/A
2.50%	2.60%
2.50%	3.00%

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>County Plan</u>				
Total pension liability				
Interest	\$ 328,486	\$ 389,696	\$ 395,459	\$ 438,808
Difference between expected and actual experience	(365,509)	500,471	24,411	(352,447)
Changes in assumptions	-	-	-	342,520
Benefit payments, including refunds of member contributions	<u>(809,926)</u>	<u>(926,997)</u>	<u>(1,023,848)</u>	<u>(1,098,425)</u>
Net change in total pension liability	(846,949)	(36,830)	(603,978)	(669,544)
Total pension liability - beginning	<u>5,301,313</u>	<u>5,338,143</u>	<u>5,942,121</u>	<u>6,611,665</u>
Total pension liability - ending (a)	<u>\$ 4,454,364</u>	<u>\$ 5,301,313</u>	<u>\$ 5,338,143</u>	<u>\$ 5,942,121</u>
Plan fiduciary net position				
Contributions - employer	\$ 809,964	\$ 927,421	\$ 1,023,934	\$ 1,098,462
Net investment income (loss)	(38)	(424)	(86)	(37)
Benefit payments, including refunds of member contributions	<u>(809,926)</u>	<u>(926,997)</u>	<u>(1,023,848)</u>	<u>(1,098,425)</u>
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net pension liability(asset) - ending (a) - (b)	<u>\$ 4,454,364</u>	<u>\$ 5,301,313</u>	<u>\$ 5,338,143</u>	<u>\$ 5,942,121</u>
Plan fiduciary net position as a percentage of the total pension liability(asset)	- %	- %	- %	- %
Covered payroll	\$ -	\$ -	\$ -	\$ -
Net pension liability(asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A

(1) Information regarding the change in the net pension liability(asset) is only available for the last eight fiscal years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 504,073	\$ 570,348	\$ 638,093	\$ 695,032
(151,873)	(115,892)	68,376	-
-	-	-	-
<u>(1,226,758)</u>	<u>(1,377,519)</u>	<u>(1,473,420)</u>	<u>(1,571,769)</u>
(874,558)	(923,063)	(766,951)	(876,737)
<u>7,486,223</u>	<u>8,409,286</u>	<u>9,176,237</u>	<u>10,052,974</u>
<u>\$ 6,611,665</u>	<u>\$ 7,486,223</u>	<u>\$ 8,409,286</u>	<u>\$ 9,176,237</u>
\$ 1,226,793 (35)	\$ 1,376,864 655	\$ 1,473,442 (22)	\$ 1,571,769 (39)
<u>(1,226,758)</u>	<u>(1,377,519)</u>	<u>(1,473,420)</u>	<u>(1,571,730)</u>
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 6,611,665</u>	<u>\$ 7,486,223</u>	<u>\$ 8,409,286</u>	<u>\$ 9,176,237</u>
- %	- %	- %	- %
\$ -	\$ -	\$ -	\$ -

N/A

N/A

N/A

N/A

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2021	2020	2019	2018
Metro Plan				
Total pension liability				
Service cost	\$ 58,817,155	\$ 56,611,963	\$ 55,009,556	\$ 51,260,915
Interest	252,207,915	241,868,898	234,271,280	221,805,983
Difference between expected and actual experience	29,038,814	(9,333,101)	66,297,147	(21,739,996)
Changes in assumptions	-	-	-	103,946,322
Benefit payments, including refunds of member contributions	<u>(196,800,090)</u>	<u>(177,326,037)</u>	<u>(176,248,788)</u>	<u>(166,196,565)</u>
Net change in total pension liability	143,263,794	111,821,723	179,329,195	189,076,659
Total pension liability - beginning	<u>3,489,330,619</u>	<u>3,377,508,896</u>	<u>3,198,179,701</u>	<u>3,009,103,042</u>
Total pension liability - ending (a)	<u>\$ 3,632,594,413</u>	<u>\$ 3,489,330,619</u>	<u>\$ 3,377,508,896</u>	<u>\$ 3,198,179,701</u>
Plan fiduciary net position				
Contributions - employer	\$ 86,414,449	\$ 78,632,924	\$ 77,242,171	\$ 76,539,373
Contributions - members	56,680	2,005	34,011	79,136
Net investment income	1,160,079,672	119,808,852	240,858,276	242,164,720
Transfers in	164,401	180,056	317,040	316,543
Benefit payments, including refunds of member contributions	<u>(196,800,090)</u>	<u>(177,326,037)</u>	<u>(176,248,788)</u>	<u>(166,196,565)</u>
Administrative expense	<u>(117,612,806)</u>	<u>(3,751,702)</u>	<u>(3,790,632)</u>	<u>(4,590,257)</u>
Net change in plan fiduciary net position	932,302,306	17,546,098	138,412,078	148,312,950
Plan fiduciary net position - beginning	<u>3,272,529,918</u>	<u>3,254,983,820</u>	<u>3,116,571,742</u>	<u>2,968,258,792</u>
Plan fiduciary net position - ending (b)	<u>\$ 4,204,832,224</u>	<u>\$ 3,272,529,918</u>	<u>\$ 3,254,983,820</u>	<u>\$ 3,116,571,742</u>
Net pension liability(asset) - ending (a) - (b)	<u>\$ (572,237,811)</u>	<u>\$ 216,800,701</u>	<u>\$ 122,525,076</u>	<u>\$ 81,607,959</u>
Plan fiduciary net position as a percentage of the total pension liability(asset)	115.75 %	93.79 %	96.37 %	97.45 %
Covered payroll	\$ 662,803,760	\$ 638,020,539	\$ 623,435,266	\$ 577,129,309
Net pension liability(asset) as a percentage of covered payroll	(86.34) %	33.98 %	19.65 %	14.14 %

(1) Information regarding the change in the net pension liability(asset) is only available for the last eight fiscal years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2017	2016	2015	2014
\$	47,633,085 215,468,983	47,248,901 208,309,697	45,995,228 202,724,640	49,413,232 200,086,120
	(4,850,344) -	(25,817,354) -	(67,376,484) -	- -
	<u>(158,693,272)</u>	<u>(152,601,796)</u>	<u>(146,745,385)</u>	<u>(140,187,828)</u>
	99,558,452	77,139,448	34,597,999	109,311,524
	<u>2,909,544,590</u>	<u>2,832,405,142</u>	<u>2,797,807,144</u>	<u>2,688,495,620</u>
\$	<u>3,009,103,042</u>	<u>2,909,544,590</u>	<u>2,832,405,143</u>	<u>2,797,807,144</u>
\$	73,868,818 60,916 369,032,095 281,871	85,676,490 73,171 6,343,038 244,632	94,045,896 57,996 124,578,432 169,363	87,643,045 73,973 410,309,219 132,383
	<u>(158,693,272)</u> <u>(4,518,466)</u>	<u>(152,601,796)</u> <u>(15,004,614)</u>	<u>(146,745,385)</u> <u>(5,974,504)</u>	<u>(140,187,828)</u> <u>(2,888,963)</u>
	280,031,962	(75,269,079)	66,131,798	355,081,829
	<u>2,688,226,830</u>	<u>2,763,495,909</u>	<u>2,697,364,111</u>	<u>2,342,282,282</u>
\$	<u>2,968,258,792</u>	<u>2,688,226,830</u>	<u>2,763,495,909</u>	<u>2,697,364,111</u>
\$	<u>40,844,250</u>	<u>221,317,760</u>	<u>68,909,234</u>	<u>100,443,033</u>
	98.64 %	92.39 %	97.57 %	96.41 %
\$	538,698,977	531,266,978	513,759,048	556,220,289
	7.58 %	41.66 %	13.41 %	18.06 %

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2021	2020	2019	2018
County Education Plan				
Total pension liability				
Interest	\$ 1,675,152	\$ 1,881,239	\$ 1,889,633	\$ 2,094,216
Difference between expected and actual experience	(304,353)	1,031,767	161,058	(526,214)
Changes in assumptions	-	1,750,707	-	349,762
Benefit payments, including refunds of member contributions	<u>(4,187,639)</u>	<u>(4,651,310)</u>	<u>(4,924,449)</u>	<u>(5,229,770)</u>
Net change in total pension liability	(2,816,840)	12,403	(2,873,758)	(3,312,006)
Total pension liability - beginning	<u>25,503,712</u>	<u>25,491,309</u>	<u>28,365,067</u>	<u>31,677,073</u>
Total pension liability - ending (a)	<u>\$ 22,686,872</u>	<u>\$ 25,503,712</u>	<u>\$ 25,491,309</u>	<u>\$ 28,365,067</u>
Plan fiduciary net position				
Contributions - employer	\$ 2,312,572	\$ 2,572,411	\$ 2,729,955	\$ 2,932,320
Contributions - State of Tennessee	1,873,332	2,071,338	2,170,140	2,286,856
Net investment income	1,735	8,086	27,134	12,047
Benefit payments, including refunds of member contributions	<u>(4,187,639)</u>	<u>(4,651,310)</u>	<u>(4,924,449)</u>	<u>(5,229,770)</u>
Net change in plan fiduciary net position	-	525	2,780	1,453
Plan fiduciary net position - beginning	<u>1,177,677</u>	<u>1,177,152</u>	<u>1,174,372</u>	<u>1,172,919</u>
Plan fiduciary net position - ending (b)	<u>\$ 1,177,677</u>	<u>\$ 1,177,677</u>	<u>\$ 1,177,152</u>	<u>\$ 1,174,372</u>
Net pension liability(asset) - ending (a) - (b)	<u>\$ 21,509,195</u>	<u>\$ 24,326,035</u>	<u>\$ 24,314,157</u>	<u>\$ 27,190,695</u>
Plan fiduciary net position as a percentage of the total pension liability(asset)	5.19 %	4.62 %	4.62 %	4.14 %
Covered payroll	\$ -	\$ -	\$ -	\$ -
Net pension liability(asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A
Proportionate share of collective net pension liability:				
Employer	\$ 15,570,252	\$ 17,595,078	\$ 17,514,607	\$ 19,479,165
State of Tennessee	5,938,943	6,730,957	6,799,550	7,711,530
Employer's share of net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

(1) Information regarding the change in the net pension liability(asset) is only available for the last eight fiscal years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2017	2016	2015	2014
\$	2,410,942	\$ 2,679,861	\$ 2,944,102	\$ 3,138,071
(270,339)		(16,830)	1,090,757	-
-		-	-	-
<u>(5,759,535)</u>	<u>(6,230,661)</u>	<u>(6,670,328)</u>	<u>(6,959,832)</u>	
(3,618,932)	(3,567,630)	(2,635,469)	(3,821,761)	
<u>35,296,005</u>	<u>38,863,635</u>	<u>41,499,104</u>	<u>45,320,865</u>	
<u>\$ 31,677,073</u>	<u>\$ 35,296,005</u>	<u>\$ 38,863,635</u>	<u>\$ 41,499,104</u>	
\$	3,451,079	\$ 3,760,411	\$ 4,594,448	\$ 3,975,666
2,502,109	2,683,194	2,831,644	2,983,251	
5,177	4,979	402	915	
<u>(5,759,535)</u>	<u>(6,230,661)</u>	<u>(6,670,328)</u>	<u>(6,959,832)</u>	
198,830	217,923	756,166	-	
<u>974,089</u>	<u>756,166</u>	<u>-</u>	<u>-</u>	
<u>\$ 1,172,919</u>	<u>\$ 974,089</u>	<u>\$ 756,166</u>	<u>\$ -</u>	
<u>\$ 30,504,154</u>	<u>\$ 34,321,916</u>	<u>\$ 38,107,469</u>	<u>\$ 41,499,104</u>	
	3.70 %	2.76 %	1.95 %	-
\$	-	\$ -	\$ -	\$ -
N/A	N/A	N/A	N/A	N/A
\$	21,856,380	\$ 25,230,145	\$ 28,119,171	\$ 30,819,136
8,647,774	9,091,771	9,988,298	10,679,968	
N/A	N/A	N/A	N/A	N/A

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Metro Education Plan				
Total pension liability				
Interest	\$ 15,265,123	\$ 16,456,126	\$ 16,197,740	\$ 17,166,802
Difference between expected and actual experience	(4,224,090)	1,017,573	147,505	(1,192,513)
Changes in assumptions	-	16,124,107	-	3,758,964
Benefit payments, including refunds of member contributions	<u>(28,042,637)</u>	<u>(29,276,667)</u>	<u>(30,274,284)</u>	<u>(31,087,074)</u>
Net change in total pension liability	(17,001,604)	4,321,139	(13,929,039)	(11,353,821)
Total pension liability - beginning	<u>228,798,834</u>	<u>224,477,695</u>	<u>238,406,734</u>	<u>249,760,555</u>
Total pension liability - ending (a)	<u>\$ 211,797,230</u>	<u>\$ 228,798,834</u>	<u>\$ 224,477,695</u>	<u>\$ 238,406,734</u>
Plan fiduciary net position				
Contributions - employer	\$ 25,350,034	\$ 24,342,682	\$ 23,525,080	\$ 22,681,681
Contributions - State of Tennessee	9,196,198	9,903,430	10,482,030	10,935,092
Net investment income	34,078,743	3,631,787	7,262,507	6,156,974
Benefit payments, including refunds of member contributions	<u>(28,042,637)</u>	<u>(29,276,667)</u>	<u>(30,274,284)</u>	<u>(31,087,074)</u>
Administrative expense	<u>(113,438)</u>	<u>(159,842)</u>	<u>(100,913)</u>	<u>(20,154)</u>
Net change in plan fiduciary net position	40,468,900	8,441,390	10,894,420	8,666,519
Plan fiduciary net position - beginning	<u>117,450,564</u>	<u>109,009,174</u>	<u>98,114,754</u>	<u>89,448,235</u>
Plan fiduciary net position - ending (b)	<u>\$ 157,919,464</u>	<u>\$ 117,450,564</u>	<u>\$ 109,009,174</u>	<u>\$ 98,114,754</u>
Net pension liability(asset) - ending (a) - (b)	<u>\$ 53,877,766</u>	<u>\$ 111,348,270</u>	<u>\$ 115,468,521</u>	<u>\$ 140,291,980</u>
Plan fiduciary net position as a percentage of the total pension liability(asset)	74.56 %	51.33 %	48.56 %	41.15 %
Covered payroll	-	-	-	\$ -
Net pension liability(asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A
Proportionate share of collective net pension liability:				
Employer	(10,142,392)	41,015,831	46,089,960	\$ 65,572,138
State of Tennessee	64,020,158	70,332,439	69,378,561	74,719,842
Employer's share of net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

(1) Information regarding the change in the net pension liability(asset) is only available for the last eight fiscal years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2017	2016	2015	2014
\$	18,530,511	\$ 19,702,025	\$ 20,961,496	\$ 22,092,743
(3,102,795)		(4,470,482)	(2,986,289)	-
-		-	-	-
<u>(31,686,860)</u>		<u>(32,751,992)</u>	<u>(33,815,913)</u>	<u>(34,563,595)</u>
(16,259,144)		(17,520,449)	(15,840,706)	(12,470,852)
<u>266,019,699</u>		<u>283,540,148</u>	<u>299,380,854</u>	<u>311,851,706</u>
<u>\$ 249,760,555</u>		<u>\$ 266,019,699</u>	<u>\$ 283,540,148</u>	<u>\$ 299,380,854</u>
\$	21,539,285	\$ 20,620,889	\$ 18,340,834	\$ 18,808,832
11,315,146		11,713,047	12,196,548	12,635,252
8,965,201		180,416	3,663,454	12,453,816
<u>(31,686,860)</u>		<u>(32,751,992)</u>	<u>(33,815,913)</u>	<u>(34,563,595)</u>
<u>(17,914)</u>		<u>(64,951)</u>	<u>(29,951)</u>	<u>(30,318)</u>
10,114,858		(302,591)	354,972	9,303,987
<u>79,333,377</u>		<u>79,635,968</u>	<u>79,280,996</u>	<u>69,977,009</u>
<u>\$ 89,448,235</u>		<u>\$ 79,333,377</u>	<u>\$ 79,635,968</u>	<u>\$ 79,280,996</u>
<u>\$ 160,312,320</u>		<u>\$ 186,686,322</u>	<u>\$ 203,904,180</u>	<u>\$ 220,099,858</u>
	35.81 %	29.82 %	28.09 %	26.48 %
\$	-	\$ -	\$ -	-
	N/A	N/A	N/A	N/A
\$	80,651,942	\$ 101,574,332	\$ 112,853,583	123,003,473
79,660,378		85,111,990	91,050,597	97,096,385
	N/A	N/A	N/A	N/A

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2021	2020	2019	2018
<u>City Plan</u>				
Total pension liability				
Interest	\$ 1,617,623	\$ 1,826,689	\$ 1,996,349	\$ 2,213,373
Difference between expected and actual experience	(209,964)	545,353	56,340	(2,051,468)
Changes in assumptions	-	-	-	1,957,960
Benefit payments, including refunds of member contributions	(4,297,055)	(4,703,733)	(5,059,950)	(5,466,337)
Net change in total pension liability	(2,889,396)	(2,331,691)	(3,007,261)	(3,346,472)
Total pension liability - beginning	<u>24,670,532</u>	<u>27,002,223</u>	<u>30,009,484</u>	<u>33,355,956</u>
Total pension liability - ending (a) hard coded - should be per formula	<u>\$ 21,781,136</u>	<u>\$ 24,670,532</u>	<u>\$ 27,002,223</u>	<u>\$ 30,009,484</u>
Plan fiduciary net position				
Contributions - employer	\$ 4,297,250	\$ 4,705,843	\$ 5,060,376	\$ 5,466,526
Net investment income (loss)	(195)	(2,110)	(426)	(189)
Benefit payments, including refunds of member contributions	(4,297,055)	(4,703,733)	(5,059,950)	(5,466,337)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net pension liability(asset) - ending (a) - (b)	<u>\$ 21,781,136</u>	<u>\$ 24,670,532</u>	<u>\$ 27,002,223</u>	<u>\$ 30,009,484</u>
Plan fiduciary net position as a percentage of the total pension liability(asset)	- %	- %	- %	- %
Covered payroll	\$ -	\$ -	\$ -	\$ -
Net pension liability(asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A

(1) Information regarding the change in the net pension liability(asset) is only available for the last eight fiscal years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

2017	2016	2015	2014
\$ 2,528,113	\$ 2,603,078	\$ 2,946,519	\$ 3,276,664
2,347,731	(1,111,344)	(722,290)	-
-	-	-	-
<u>(5,760,650)</u>	<u>(6,140,053)</u>	<u>(6,688,724)</u>	<u>(7,223,872)</u>
(884,806)	(4,648,319)	(4,464,495)	(3,947,208)
<u>34,240,762</u>	<u>38,889,081</u>	<u>43,353,576</u>	<u>47,300,784</u>
<u>\$ 33,355,956</u>	<u>\$ 34,240,762</u>	<u>\$ 38,889,081</u>	<u>\$ 43,353,576</u>
\$ 5,760,814 (164)	\$ 6,134,921 5,132	\$ 6,688,827 (103)	\$ 7,223,872 (186)
<u>(5,760,650)</u>	<u>(6,140,053)</u>	<u>(6,688,724)</u>	<u>(7,223,686)</u>
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 33,355,956</u>	<u>\$ 34,240,762</u>	<u>\$ 38,889,081</u>	<u>\$ 43,353,576</u>
- %	- %	- %	- %
\$ -	\$ -	\$ -	\$ -
N/A	N/A	N/A	N/A

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>City Education Plan</u>				
Total pension liability				
Interest	\$ 718,780	\$ 900,067	\$ 912,142	\$ 1,027,350
Difference between expected and actual experience	(1,185,978)	743,529	153,472	1,129,389
Changes in assumptions	-	708,890	-	158,057
Benefit payments, including refunds of member contributions	(2,030,745)	(2,398,459)	(2,663,768)	(2,876,029)
Net change in total pension liability	(2,497,943)	(45,973)	(1,598,154)	(561,233)
Total pension liability - beginning	<u>12,115,560</u>	<u>12,161,533</u>	<u>13,759,687</u>	<u>14,320,920</u>
Total pension liability - ending (a)	<u>\$ 9,617,617</u>	<u>\$ 12,115,560</u>	<u>\$ 12,161,533</u>	<u>\$ 13,759,687</u>
Plan fiduciary net position				
Contributions - employer	\$ 807,579	\$ 1,029,043	\$ 1,238,054	\$ 1,307,430
Contributions - State of Tennessee	1,221,710	1,366,564	1,444,804	1,560,512
Net investment income	1,456	3,316	21,285	9,464
Benefit payments, including refunds of member contributions	(2,030,745)	(2,398,459)	(2,663,768)	(2,876,029)
Net change in plan fiduciary net position	-	464	40,375	1,377
Plan fiduciary net position - beginning	<u>962,965</u>	<u>962,501</u>	<u>922,126</u>	<u>920,749</u>
Plan fiduciary net position - ending (b)	<u>\$ 962,965</u>	<u>\$ 962,965</u>	<u>\$ 962,501</u>	<u>\$ 922,126</u>
Net pension liability(asset) - ending (a) - (b)	<u>\$ 8,654,652</u>	<u>\$ 11,152,595</u>	<u>\$ 11,199,032</u>	<u>\$ 12,837,561</u>
Plan fiduciary net position as a percentage of the total pension liability(asset)	10.01 %	7.95 %	7.91 %	6.70 %
Covered payroll	\$ -	\$ -	\$ -	\$ -
Net pension liability(asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A
Proportionate share of collective net pension liability:				
Employer	\$ 6,283,967	\$ 7,956,709	\$ 7,948,842	\$ 9,125,373
State of Tennessee	2,370,685	3,195,886	3,250,190	3,712,188
Employer's share of net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

(1) Information regarding the change in the net pension liability(asset) is only available for the last eight fiscal years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY(ASSET) AND RELATED RATIOS - PENSION PLANS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2017		2016		2015		2014
\$	1,105,404	\$	1,305,770	\$	1,463,455	\$	1,567,660
(823,677)		(102,207)		830,248		-	-
-		-		-		-	-
	<u>(3,046,404)</u>		<u>(3,260,870)</u>		<u>(3,666,567)</u>		<u>(3,908,042)</u>
	(2,764,677)		(2,057,307)		(1,372,864)		(2,340,382)
	<u>17,085,597</u>		<u>19,142,904</u>		<u>20,515,768</u>		<u>22,856,150</u>
\$	<u>14,320,920</u>	\$	<u>17,085,597</u>	\$	<u>19,142,904</u>	\$	<u>20,515,768</u>
\$	1,512,381	\$	1,600,371	\$	2,427,465	\$	1,932,219
1,667,091		1,804,508		1,874,231		1,975,167	
4,096		4,141		306		656	
	<u>(3,046,404)</u>		<u>(3,260,870)</u>		<u>(3,666,567)</u>		<u>(3,908,042)</u>
	137,164		148,150		635,435		-
	<u>783,585</u>		<u>635,435</u>		<u>-</u>		<u>-</u>
\$	<u>920,749</u>	\$	<u>783,585</u>	\$	<u>635,435</u>	\$	<u>-</u>
\$	<u>13,400,171</u>	\$	<u>16,302,012</u>	\$	<u>18,507,469</u>	\$	<u>20,515,768</u>
	6.43 %		4.59 %		3.32 %		- %
\$	-	\$	-	\$	-	\$	-
	N/A		N/A		N/A		N/A
\$	9,431,053	\$	11,599,369	\$	13,104,977	\$	14,738,952
3,969,118		4,702,643		5,402,492		5,776,816	
	N/A		N/A		N/A		N/A

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF INVESTMENT RETURNS - PENSION PLANS

LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

Annual Money-Weighted
Rate of Return, Net of
Investment Expense

For the year ended June 30,

2021	29.02 %
2020	1.92
2019	6.14
2018	6.79
2017	12.87
2016	0.64
2015	4.87
2014	17.83
2013	13.72
2012	1.07



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE GOVERNMENT'S CONTRIBUTIONS
TEACHER PENSION PLANS OF THE TCRS

LAST EIGHT FISCAL YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2021 (3)	2020 (3)	2019 (3)	2018
Teacher Legacy Pension Plan				
Contractually required contribution	\$ 25,546,503	\$ 26,305,624	\$ 26,954,693	\$ 25,370,355
Contributions	<u>25,546,503</u>	<u>26,305,624</u>	<u>26,954,693</u>	<u>25,370,355</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered payroll	\$ 248,750,810	\$ 247,479,221	\$ 257,691,123	\$ 279,409,159
Contributions as a percentage of covered payroll	10.27 %	10.63 %	10.46 %	9.08 %
Teacher Retirement Plan (2)				
Contractually required contribution	\$ 3,020,960	\$ 2,637,096	\$ 2,185,885	\$ 1,650,658
Contributions	<u>3,020,960</u>	<u>2,637,096</u>	<u>2,185,885</u>	<u>4,048,842</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (2,398,184)</u></u>
Covered payroll	\$ 149,527,727	\$ 129,891,213	\$ 112,675,025	\$ 101,721,173
Contributions as a percentage of covered payroll	2.02 %	2.03 %	1.94 %	3.98 %

(1) Information regarding contributions is only available for the last seven fiscal years.

(2) The Teacher Retirement Plan was established July 1, 2014. Information for 2014 is not applicable.

(3) In FY2019, the Government placed the actuarially determined contribution rate (1.94%) of covered payroll in the pension plan and 2.06% in the TCRS Stabilization Reserve Trust. In FY2020, the Government placed the actuarially determined contribution rate (2.03%) of covered payroll in the pension plan and 1.97% in the TCRS Stabilization Reserve Trust. In FY2021, the Government placed the actuarially determined contribution rate (2.02%) of covered payroll in the pension plan and 1.98% in the TCRS Stabilization Reserve Trust.

Changes in assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE GOVERNMENT'S CONTRIBUTIONS
TEACHER PENSION PLANS OF THE TCRS

LAST EIGHT YEARS (1)

Unaudited - See Accompanying Accountants' Report

2017	2016	2015	2014
\$ 26,023,655	\$ 27,095,828	\$ 28,722,365	\$ 30,470,761
26,023,655	27,095,828	28,722,365	30,470,761
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
\$ 288,101,769	\$ 299,732,644	\$ 317,726,673	\$ 343,139,202
9.03 %	9.04 %	9.04 %	8.88 %
\$ 3,222,337	\$ 1,401,866	\$ 29,367	\$ N/A
3,222,337	2,240,133	1,174,675	N/A
<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
\$ 80,335,323	\$ 56,002,899	\$ 29,366,650	\$ N/A
4.01 %	4.00 %	4.00 %	N/A %

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
TEACHER PENSION PLANS OF THE TCRS

For the Year Ended June 30, (1)

Unaudited - See Accompanying Accountants' Report

	2020	2019	2018	2017
<u>Teacher Legacy Pension Plan</u>				
The Government's proportion of the net pension liability (asset)	7.44 %	(7.68) %	(7.98) %	(8.14) %
The Government's proportionate share of the net pension liability (asset)	\$ (56,699,625)	\$ (79,016,852)	\$ (28,078,491)	\$ (2,664,452)
The Government's covered payroll	\$ 247,479,221	\$ 257,691,223	\$ 279,409,159	\$ 288,101,769
The Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(22.91) %	(30.66) %	(10.05) %	(0.92) %
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.09 %	104.28 %	101.49 %	100.14 %
<u>Teacher Retirement Plan (2)</u>				
The Government's proportion of the net pension liability (asset)	10.29 %	(10.65) %	(11.58) %	(12.27) %
The Government's proportionate share of the net pension liability (asset)	\$ (5,853,778)	\$ (6,010,487)	\$ (5,253,192)	\$ (3,238,283)
The Government's covered payroll	\$ 129,891,213	\$ 112,675,025	\$ 101,221,173	\$ 80,335,323
The Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(4.51) %	(5.33) %	(5.19) %	(4.03) %
Plan fiduciary net position as a percentage of the total pension liability (asset)	116.52 %	123.07 %	126.97 %	126.81 %

(1) The amount presented were determined as of June 30 of the prior fiscal year.

(2) The Teacher Retirement Plan was established July 1, 2014. Information for 2014 is not applicable.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY(
TEACHER PENSION PLANS OF THE TCRS

For the Year Ended June 30, (1)

Unaudited - See Accompanying Accountants' Report

2016	2015	2014
------	------	------

8.30 %	8.49 %	(8.74) %
\$ 51,891,059	\$ 3,476,720	\$ (1,420,602)

\$ 299,732,644	\$ 317,726,673	\$ 343,139,202
----------------	----------------	----------------

17.31 %	1.09 %	(0.41) %
---------	--------	----------

97.14 %	99.81 %	(100.08) %
---------	---------	------------

(12.73) %	(14.13) %	N/A %
\$ (1,325,015)	\$ (568,609)	\$ N/A

\$ 56,002,899	\$ 29,366,650	\$ N/A
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(2.37) %	(1.94) %	N/A %
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121.88 %	127.46 %	N/A %
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THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS - OPEB PLANS

LAST FOUR YEARS (1)

Unaudited - See Accompanying Accountants' Report

	2021	2020	2019	2018
<u>Metro Employees Medical Benefit Plan</u>				
Total OPEB liability				
Service cost	\$ 97,839,349	\$ 109,903,288	\$ 102,953,900	\$ 89,976,557
Interest	82,076,857	98,173,111	85,537,309	88,163,614
Differences between expected and actual experience	17,898,162	(667,588,719)	(38,208,225)	-
Changes in assumptions	54,879,946	114,772,720	365,571,459	-
Benefit payments	(76,349,858)	(69,907,701)	(83,774,695)	(75,805,562)
Net change in total OPEB liability	176,344,456	(414,647,301)	432,079,748	102,334,609
Total OPEB liability - beginning	<u>3,064,106,607</u>	<u>3,478,753,908</u>	<u>3,046,674,160</u>	<u>2,944,339,551</u>
Total OPEB liability - ending	<u>\$ 3,240,451,063</u>	<u>\$ 3,064,106,607</u>	<u>\$ 3,478,753,908</u>	<u>\$ 3,046,674,160</u>
Covered-employee payroll	\$ 577,277,064	\$ 567,220,085	\$ 563,034,083	\$ 551,057,810
Total OPEB liability as a percentage of covered-employee payroll	561.3 %	540.2 %	617.9 %	552.9

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

There were no changes of benefit terms.

Changes in assumptions. Effective July 1, 2021, the following changes were made: The discount rate is 2.18% based on the S&P Municipal Bond 20 year High Grade Rate Index as of June 30, 2021; the assumed trend rate for the medical claims was reset to 6.25% grading uniformly to 5.75% over 2 years, and will follow the 2020 Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.

(1) Information regarding the change in the total OPEB liability is only available for the last four years.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS - OPEB PLANS

LAST FOUR YEARS (1)

Unaudited - See Accompanying Accountants' Report

<u>School Professional Employees' Insurance Plan</u>	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 48,375,642	\$ 51,087,548	\$ 47,857,188	\$ 40,017,730
Interest	32,381,731	30,820,535	23,973,454	24,376,739
Differences between expected and actual experience	(222,139,755)	14,524,888	(2,276,475)	(34,132,524)
Changes in assumptions	34,132,524	46,913,890	203,109,626	34,132,524
Benefit payments	(27,955,323)	(30,479,055)	(30,981,714)	(32,370,649)
Net change in total OPEB liability	(135,205,181)	112,867,806	241,682,079	32,023,820
Total OPEB liability - beginning	<u>1,196,937,989</u>	<u>1,084,070,183</u>	<u>842,388,104</u>	<u>810,364,284</u>
Total OPEB liability - ending	<u>\$ 1,061,732,808</u>	<u>\$ 1,196,937,989</u>	<u>\$ 1,084,070,183</u>	<u>\$ 842,388,104</u>
Covered-employee payroll	\$ 350,295,397	\$ 314,457,532	\$ 317,261,633	\$ 327,042,788
Total OPEB liability as a percentage of covered-employee payroll	303.1 %	380.6 %	341.7 %	257.6 %

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

There were no changes of benefit terms.

Changes in assumptions. Effective July 1, 2021, the following changes were made: The discount rate is 2.18% based on the S&P Municipal Bond 20 year High Grade Rate Index as of June 30, 2021, compared to the prior discount rate of 2.98%; the assumed trend rate for the medical claims was reset to 6.25% grading uniformly to 5.75% over 2 years, and will follow the 2020 Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075.

(1) Information regarding the change in the total OPEB liability is only available for the last four years.





THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2021

	Special Revenue Funds		
	Metropolitan Action Commission	General Fund 4% Reserve	Solid Waste Operations
ASSETS:			
Cash and cash equivalents	\$ 27,192,312	\$ 68,398,581	\$ 7,253,222
Accounts receivable	7,183,727	6,690	794,352
Accrued interest receivable	1,515	4,187	480
Due from other funds of the primary government	56,458	1,663,170	65,843
Inventories of supplies	-	-	-
Other assets	-	-	-
Total assets	\$ 34,434,012	\$ 70,072,628	\$ 8,113,897
LIABILITIES:			
Accounts payable	\$ 2,399,100	\$ 1,123,539	\$ 3,071,838
Accrued payroll	1,022,659	-	443,139
Due to other funds of the primary government	188,845	36,667	24,254
Due to component units	-	-	-
Commercial paper payable	-	-	-
Unearned revenue	25,172,404	-	-
Other liabilities	-	-	-
Total liabilities	28,783,008	1,160,206	3,539,231
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue - grants	-	-	-
Unavailable revenue - other revenues	-	-	-
Total deferred inflows of resources	-	-	-
FUND BALANCES (DEFICITS):			
Nonspendable	-	-	-
Restricted for other purposes	5,651,004	-	931,367
Committed for:			
Equipment acquisitions (appropriated)	-	63,920,042	-
Equipment acquisitions (unappropriated)	-	4,992,380	-
Other purposes	-	-	3,643,299
Unassigned	-	-	-
Total fund balances (deficits)	5,651,004	68,912,422	4,574,666
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 34,434,012	\$ 70,072,628	\$ 8,113,897

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

June 30, 2021

Special Revenue Funds

Flood 2010 Recovery	COVID-19 Recovery	Hotel Occupancy Tax	Convention Center Tax	Events And Marketing	CBID Events And Marketing
\$ 32,811,920	\$ 42,839,257	\$ 18,754,805	\$ 1,402,147	\$ 3,609,424	\$ 3,129,536
16,043,436	20,725,681	9,894,068	325,306	-	357,383
4,027	750	977	64	193	184
-	4,047,031	-	2,710,474	671,717	-
-	-	-	-	-	-
-	-	500,000	-	-	-
\$ 48,859,383	\$ 67,612,719	\$ 29,149,850	\$ 4,437,991	\$ 4,281,334	\$ 3,487,103
\$ 9,543	\$ 1,838,856	\$ 2,848,452	\$ -	\$ 5,000	\$ 100,000
-	38,110	-	-	-	-
19,316,275	72,377	6,682,132	-	4,801	-
-	-	8,891,465	4,437,991	-	-
-	-	-	-	-	-
-	67,414,668	-	-	-	-
-	-	-	-	-	-
19,325,818	69,364,011	18,422,049	4,437,991	9,801	100,000
16,043,436	20,725,681	-	-	-	-
-	-	-	-	-	-
16,043,436	20,725,681	-	-	-	-
13,490,129	-	10,727,801	-	4,271,533	3,387,103
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(22,476,973)	-	-	-	-
13,490,129	(22,476,973)	10,727,801	-	4,271,533	3,387,103
\$ 48,859,383	\$ 67,612,719	\$ 29,149,850	\$ 4,437,991	\$ 4,281,334	\$ 3,487,103

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

June 30, 2021

	Special Revenue Funds		Permanent Funds		Total Nonmajor Governmental Funds	
	Other Government Services		General Government			
				Education		
ASSETS:						
Cash and cash equivalents	\$ 15,199,993		\$ 164,324	\$ 195,429	\$ 220,950,950	
Accounts receivable	50,428,922		-	-	105,759,565	
Accrued interest receivable	2,880		10	12	15,279	
Due from other funds of the primary government	7,158,255		-	-	16,372,948	
Inventories of supplies	290,781		-	-	290,781	
Other assets	5,771		-	-	505,771	
Total assets	\$ 73,086,602		\$ 164,334	\$ 195,441	\$ 343,895,294	
LIABILITIES:						
Accounts payable	\$ 6,288,033		\$ -	\$ 171	\$ 17,684,532	
Accrued payroll	1,516,732		-	-	3,020,640	
Due to other funds of the primary government	11,879,851		-	-	38,205,202	
Due to component units	-		-	-	13,329,456	
Commercial paper payable	1,606,377		-	-	1,606,377	
Unearned revenue	28,103		-	-	92,615,175	
Other liabilities	1,243,699		-	-	1,243,699	
Total liabilities	22,562,795		-	171	167,705,081	
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue - grants	17,420,172		-	-	54,189,289	
Unavailable revenue - other revenues	9,096,211		-	-	9,096,211	
Total deferred inflows of resources	26,516,383		-	-	63,285,500	
FUND BALANCES (DEFICITS):						
Nonspendable	296,552		105,994	79,118	481,664	
Restricted for other purposes	14,021,464		58,340	116,152	52,654,893	
Committed for:						
Equipment acquisitions (appropriated)	-		-	-	63,920,042	
Equipment acquisitions (unappropriated)	-		-	-	4,992,380	
Other purposes	32,213,677		-	-	35,856,976	
Unassigned	(22,524,269)		-	-	(45,001,242)	
Total fund balances (deficits)	24,007,424		164,334	195,270	112,904,713	
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 73,086,602		\$ 164,334	\$ 195,441	\$ 343,895,294	

The accompanying notes are an integral part of this financial statement.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2021

	Special Revenue Funds		
	Metropolitan Action Commission	General Fund 4% Reserve	Solid Waste Operations
REVENUES:			
Property taxes	\$ -	\$ -	\$ -
Other taxes, licenses and permits	-	-	-
Fines, forfeits and penalties	-	-	-
Revenues from the use of money or property	13,385	89,894	6,683
Revenues from other governmental agencies	31,274,949	-	64,804
Commissions and fees	-	-	-
Charges for current services	15	-	8,109,621
Compensation for loss, sale or damage to property	8,432	-	-
Contributions and gifts	625,952	-	-
Miscellaneous	-	-	86,036
Total revenues	31,922,733	89,894	8,267,144
EXPENDITURES:			
Current:			
General government	-	-	-
Fiscal administration	-	-	-
Administration of justice	-	-	-
Law enforcement and care of prisoners	-	-	-
Fire prevention and control	-	-	-
Regulation and inspection	-	-	-
Public welfare	37,868,465	-	-
Public health and hospitals	-	-	-
Public library system	-	-	-
Public works, highways and streets	-	-	32,177,656
Recreational and cultural	-	-	-
Education	-	-	-
Capital outlay	-	21,192,763	-
Total expenditures	37,868,465	21,192,763	32,177,656
Excess (deficiency) of revenues over expenditures	(5,945,732)	(21,102,869)	(23,910,512)
OTHER FINANCING SOURCES (USES):			
Transfers in	9,052,431	40,313,016	28,005,500
Transfers out	(14,922)	(7,579,837)	(636,800)
Total other financing sources (uses)	9,037,509	32,733,179	27,368,700
Net change in fund balances (deficits)	3,091,777	11,630,310	3,458,188
FUND BALANCES (DEFICITS), beginning of year	2,559,227	57,282,112	1,116,478
FUND BALANCES (DEFICITS), end of year	\$ 5,651,004	\$ 68,912,422	\$ 4,574,666

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2021

<u>Special Revenue Funds</u>					
Flood 2010 Recovery	COVID-19 Recovery	Hotel Occupancy Tax	Convention Center Tax	Events And Marketing	CBID Events And Marketing
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	40,362,528	12,422,390	2,538,070	-
-	-	-	-	-	-
98,444	46,400	11,167	695	3,181	6,626
1,232,641	104,297,772	-	-	-	1,242,442
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,331,085</u>	<u>104,344,172</u>	<u>40,373,695</u>	<u>12,423,085</u>	<u>2,541,251</u>	<u>1,249,068</u>
60,998	-	27,223,562	12,423,085	332,500	4,511,290
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	126,805,230	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>60,998</u>	<u>126,805,230</u>	<u>27,223,562</u>	<u>12,423,085</u>	<u>332,500</u>	<u>4,511,290</u>
<u>1,270,087</u>	<u>(22,461,058)</u>	<u>13,150,133</u>	<u>-</u>	<u>2,208,751</u>	<u>(3,262,222)</u>
-	-	-	-	500,000	-
-	(24,656)	(6,745,617)	-	-	-
-	(24,656)	(6,745,617)	-	500,000	-
1,270,087	(22,485,714)	6,404,516	-	2,708,751	(3,262,222)
<u>12,220,042</u>	<u>8,741</u>	<u>4,323,285</u>	<u>-</u>	<u>1,562,782</u>	<u>6,649,325</u>
<u>\$ 13,490,129</u>	<u>\$ (22,476,973)</u>	<u>\$ 10,727,801</u>	<u>\$ -</u>	<u>\$ 4,271,533</u>	<u>\$ 3,387,103</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	Special Revenue Funds		Permanent Funds		Total Nonmajor Governmental Funds	
			General Government	Education		
	Other Government Services					
REVENUES:						
Property taxes	\$ 3,721,016		-	-	3,721,016	
Other taxes, licenses and permits	436,409		-	-	55,759,397	
Fines, forfeits and penalties	1,736,340		-	-	1,736,340	
Revenues from the use of money or property	68,599	251	295		345,620	
Revenues from other governmental agencies	68,019,374	-	-		206,131,982	
Commissions and fees	8,466,222	-	-		8,466,222	
Charges for current services	6,299,940	-	-		14,409,576	
Compensation for loss, sale or damage to property	832,128	-	-		840,560	
Contributions and gifts	6,345,170	-	-		6,971,122	
Miscellaneous	99,758	-	-		185,794	
Total revenues	96,024,956	251	295		298,567,629	
EXPENDITURES:						
Current:						
General government	19,181,742	9,041	-		63,742,218	
Fiscal administration	234,154	-	-		234,154	
Administration of justice	13,140,010	-	-		13,140,010	
Law enforcement and care of prisoners	9,671,723	-	-		9,671,723	
Fire prevention and control	958,372	-	-		958,372	
Regulation and inspection	43,533	-	-		43,533	
Public welfare	9,875,946	-	-		174,549,641	
Public health and hospitals	32,081,393	-	-		32,081,393	
Public library system	779,695	-	-		779,695	
Public works, highways and streets	13,296,260	-	-		45,473,916	
Recreational and cultural	1,815,558	-	-		1,815,558	
Education		-	171		171	
Capital outlay	5,849,731	-	-		27,042,494	
Total expenditures	106,928,117	9,041	171		369,532,878	
Excess (deficiency) of revenues over expenditures	(10,903,161)	(8,790)	124		(70,965,249)	
OTHER FINANCING SOURCES (USES):						
Transfers in	25,316,205	-	-		103,187,152	
Transfers out	(5,898,202)	-	-		(20,900,034)	
Total other financing sources (uses)	19,418,003	-	-		82,287,118	
Net change in fund balances (deficits)	8,514,842	(8,790)	124		11,321,869	
FUND BALANCES (DEFICITS), beginning of year	15,492,582	173,124	195,146		101,582,844	
FUND BALANCES (DEFICITS), end of year	\$ 24,007,424	\$ 164,334	\$ 195,270		\$ 112,904,713	

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GSD GENERAL PURPOSES DEBT SERVICE FUND

For the Year Ended June 30, 2021

	Budgeted Amounts	Actual Amounts	Variance with Final Budget -
	Original	Final	Positive (Negative)
REVENUES:			
Property taxes	\$ 188,054,000	\$ 188,054,000	\$ 188,957,142
Local option sales tax	1,202,000	1,202,000	930,256
Fines, forfeits and penalties	241,000	241,000	197,512
Revenues from the use of money or property	-	-	107,777
Revenues from other governmental agencies	4,596,000	4,596,000	-
Compensation for loss, sale or damage to property	-	-	(4,596,000)
Bond interest tax credit	4,843,400	4,843,400	222,063
			222,063
Total revenues	198,936,400	198,936,400	4,922,502
			79,102
			(3,599,148)
EXPENDITURES:			
Principal retirement	115,830,000	115,830,000	115,829,974
Interest	88,849,400	88,849,400	87,570,844
Fiscal charges	2,169,100	2,169,100	4,749,445
			(2,580,345)
Total expenditures	206,848,500	206,848,500	208,150,263
			(1,301,763)
Excess (deficiency) of revenues over expenditures	(7,912,100)	(7,912,100)	(12,813,011)
			(4,900,911)
OTHER FINANCING SOURCES (USES):			
Issuance of refunding debt	-	-	404,145,744
Debt issue premium (discount)	-	-	7,193,899
Payments to refunded bond escrow agent	-	-	(409,331,354)
Transfers in	14,555,600	14,555,600	409,331,354
			(2,170,376)
Total other financing sources (uses)	14,555,600	14,555,600	12,385,224
			(4,178,665)
Net change in fund balances	6,643,500	6,643,500	1,580,502
FUND BALANCES, beginning of year	17,048,874	17,048,874	17,048,874
FUND BALANCES, end of year	\$ 23,692,374	\$ 23,692,374	\$ 18,629,376
			\$ (9,079,576)

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GSD SCHOOL PURPOSES DEBT SERVICE FUND

For the Year Ended June 30, 2021

	Budgeted Amounts	Actual Amounts	Variance with Final Budget -
	Original	Final	Positive (Negative)
REVENUES:			
Property taxes	\$ 68,147,300	\$ 68,147,300	\$ 68,633,403
Local option sales taxes	49,745,100	49,745,100	68,111,105
Revenues from the use of money or property	-	-	1,499,731
Total revenues	<u>117,892,400</u>	<u>117,892,400</u>	<u>20,351,839</u>
EXPENDITURES:			
Principal retirement	66,956,200	66,956,200	64,912,504
Interest	41,945,200	41,945,200	41,939,602
Fiscal charges	6,994,100	6,994,100	1,598,228
Total expenditures	<u>115,895,500</u>	<u>115,895,500</u>	<u>7,445,166</u>
Excess (deficiency) of revenues over expenditures	<u>1,996,900</u>	<u>1,996,900</u>	<u>29,793,905</u>
OTHER FINANCING SOURCES (USES):			
Issuance of refunding debt	-	-	179,701,566
Debt issue premium (discount)	-	-	(179,701,566)
Payments to refunded bond escrow agent	-	-	3,198,735
Transfers in	1,599,600	1,599,600	(3,198,735)
Total other financing sources (uses)	<u>1,599,600</u>	<u>1,599,600</u>	<u>182,337,300</u>
Net change in fund balances	<u>3,596,500</u>	<u>3,596,500</u>	<u>182,337,300</u>
FUND BALANCE, beginning of year	<u>16,355,178</u>	<u>16,355,178</u>	<u>-</u>
FUND BALANCE, end of year	<u><u>\$ 19,951,678</u></u>	<u><u>\$ 19,951,678</u></u>	<u><u>\$ 48,335,815</u></u>
			<u><u>\$ 27,258,135</u></u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
USD GENERAL PURPOSES DEBT SERVICE FUND

For the Year Ended June 30, 2021

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final	
REVENUES:			
Property taxes	\$ 19,026,600	\$ 19,026,600	\$ 18,847,623 \$ (178,977)
Other taxes, licenses and permits	215,300	215,300	188,681 (26,619)
Revenues from the use of money or property	-	-	1,033 1,033
Total revenues	<u>19,241,900</u>	<u>19,241,900</u>	<u>19,037,337</u> <u>(204,563)</u>
EXPENDITURES:			
Principal retirement	11,070,800	11,070,800	10,648,266 422,534
Interest	8,204,100	8,204,100	8,059,091 145,009
Fiscal charges	1,092,400	1,092,400	221,888 870,512
Total expenditures	<u>20,367,300</u>	<u>20,367,300</u>	<u>18,929,245</u> <u>1,438,055</u>
Excess (deficiency) of revenues over expenditures	<u>(1,125,400)</u>	<u>(1,125,400)</u>	<u>108,092</u> <u>1,233,492</u>
OTHER FINANCING SOURCES (USES):			
Issuance of refunding debt	-	-	44,148,147 (44,148,147)
Debt issue premium (discount)	-	-	785,848 (785,848)
Payments to refunded bond escrow agent	-	-	(44,795,680) 44,795,680
Transfers in	<u>1,742,600</u>	<u>1,742,600</u>	<u>1,742,600</u> <u>-</u>
Total other financing sources (uses)	<u>1,742,600</u>	<u>1,742,600</u>	<u>1,880,915</u> <u>(138,315)</u>
Net change in fund balances	617,200	617,200	1,989,007 1,095,177
FUND BALANCES, beginning of year	<u>911,699</u>	<u>911,699</u>	<u>911,699</u> <u>-</u>
FUND BALANCES, end of year	<u>\$ 1,528,899</u>	<u>\$ 1,528,899</u>	<u>\$ 2,900,706</u> <u>\$ 1,095,177</u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

METROPOLITAN ACTION COMMISSION FUND

The Metropolitan Action Commission Fund accounts for the various programs of the Commission which provide education, social skills, meals and before and after care assistance to low-income and disadvantaged children, and energy assistance to low-income individuals.

GENERAL FUND 4% RESERVE FUND

The General Fund 4% Reserve Fund accounts for 4% of locally generated revenues deposited in the GSD General Fund. Expenditures from this fund are for capital items and are authorized by resolutions of the Metropolitan Council.

SOLID WASTE OPERATIONS FUND

The Solid Waste Operations Fund accounts for activities of the Department of Public Works involving refuse collection, recycling, chipper service and other miscellaneous activities as well as federal and state funds for enhancing solid waste management in local communities and solid waste special projects approved by the Metropolitan Council.

FLOOD 2010 RECOVERY FUND

The Flood 2010 Recovery Fund accounts for expenditures and revenues from insurance, federal, and state reimbursements, and other sources, related to May 2010 flooding.

COVID-19 RECOVERY FUND

The COVID-19 Recovery Fund accounts for revenues received through the CARES Act, the American Rescue Act, and other federal and state COVID programs, and allowable expenditures.

HOTEL OCCUPANCY TAX FUND

The Hotel Occupancy Tax Fund is under the administrative responsibility of the Finance Department and was established to account for hotel occupancy tax receipts first levied in 1976. Currently these tax receipts are utilized two-sixths for direct promotion of tourism, three-sixths for the construction, financing and operation of the new Music City Center, and one-sixth for distribution to the General Fund.

CONVENTION CENTER TAX FUND

The Convention Center Tax Fund is under the administrative responsibility of the Finance Department and was established to account for additional hotel occupancy and other tourist-related tax receipts levied beginning in 2007 to be utilized for the construction, financing and operation of the new Music City Center.

EVENTS AND MARKETING FUND

The Events and Marketing Fund is under the administrative responsibility of the Finance Department and was established to account for additional hotel occupancy and other tourist-related tax receipts levied beginning in 2008 to be utilized to support events or projects which have a positive economic impact on the Government.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CBID EVENTS AND MARKETING FUND

The CBID Events and Marketing Fund is under the administrative responsibility of the Finance Department and was established to account for fees beginning in 2014 on retail sales with the Central Business Improvement District to be utilized to support events or projects which have a positive economic impact on the Government.

OTHER GOVERNMENT SERVICES FUND

The Other Government Services Fund accounts for funds which support various government activities through federal, state and private grants and contributions, proceeds from the sale of seized property used to support various law enforcement programs, and special revenues supporting other governmental operations.

PERMANENT FUNDS

GENERAL GOVERNMENT FUND

The General Government Fund is used to account for restricted trusts under the administrative responsibility of various departments of the general government.

EDUCATION FUND

The Education Fund is used to account for restricted trusts under the administrative responsibility of the Metropolitan Board of Education.





THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

June 30, 2021

	Board of Fair Commissioners	Farmers Market	Surplus Property Auction
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 1,287,519	\$ 671,729	\$ 2,156,367
Accounts receivable	16,842	-	5,048
Accrued interest receivable	76	12	126
Due from other funds of the primary government	17,634	697	-
Other current assets	3,807	-	-
Total current assets	1,325,878	672,438	2,161,541
Noncurrent assets:			
Net pension asset	663,353	177,871	317,227
Capital assets:			
Land	175,293	-	-
Buildings and improvements	29,883,969	5,110,757	-
Improvements other than buildings	14,135,943	150,708	-
Furniture, machinery and equipment	1,126,924	531,308	-
Property under capital lease	-	3,645,000	-
Construction in progress	7,289,351	94,864	-
Less accumulated depreciation	(13,876,339)	(4,917,112)	-
Capital assets - net	38,735,141	4,615,525	-
Total noncurrent assets	39,398,494	4,793,396	317,227
Total assets	40,724,372	5,465,834	2,478,768
DEFERRED OUTFLOWS OF RESOURCES:			
Pensions	137,456	36,858	65,734
Total deferred outflows of resources	137,456	36,858	65,734

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (CONTINUED)

June 30, 2021

Municipal Auditorium	Police Impound	Total Nonmajor Enterprise Funds
\$ 998,312	\$ 390,993	\$ 5,504,920
299,532	-	321,422
58	24	296
-	1,365	19,696
-	-	3,807
<u>1,297,902</u>	<u>392,382</u>	<u>5,850,141</u>
 282,236	-	1,440,687
 587,400	-	762,693
13,366,681	-	48,361,407
84,651	-	14,371,302
821,356	-	2,479,588
-	-	3,645,000
-	-	7,384,215
<u>(10,860,163)</u>	<u>-</u>	<u>(29,653,614)</u>
 <u>3,999,925</u>	<u>-</u>	<u>47,350,591</u>
 <u>4,282,161</u>	<u>-</u>	<u>48,791,278</u>
 <u>5,580,063</u>	<u>392,382</u>	<u>54,641,419</u>
 <u>58,484</u>	<u>-</u>	<u>298,532</u>
 <u>58,484</u>	<u>-</u>	<u>298,532</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (CONTINUED)

June 30, 2021

	Board of Fair Commissioners	Farmers Market	Surplus Property Auction
LIABILITIES:			
Current liabilities:			
Accounts payable	\$ 110,361	\$ 173,434	\$ 10,175
Accrued payroll	240,352	25,846	83,454
Due to other funds of the primary government	18,863	13,736	34,685
Due to component units	-	-	40
Customer deposits	35,375	10,206	-
Unearned revenue	<u>64,950</u>	<u>-</u>	<u>-</u>
	<u>469,901</u>	<u>223,222</u>	<u>128,354</u>
Total current liabilities	<u>469,901</u>	<u>223,222</u>	<u>128,354</u>
Total liabilities	<u>469,901</u>	<u>223,222</u>	<u>128,354</u>
DEFERRED INFLOWS OF RESOURCES:			
Pensions	<u>901,641</u>	<u>241,766</u>	<u>431,180</u>
Total deferred inflows of resources	<u>901,641</u>	<u>241,766</u>	<u>431,180</u>
NET POSITION:			
Net investment in capital assets	38,735,141	4,615,525	-
Unrestricted	<u>755,145</u>	<u>422,179</u>	<u>1,984,968</u>
Total net position	<u>\$ 39,490,286</u>	<u>\$ 5,037,704</u>	<u>\$ 1,984,968</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS (CONTINUED)

June 30, 2021

Municipal Auditorium	Police Impound	Total Nonmajor Enterprise Funds
\$ 117,853	\$ -	\$ 411,823
73,969	-	423,621
26,890	-	94,174
-	-	40
-	-	45,581
<u>506,857</u>	<u>-</u>	<u>571,807</u>
<u>725,569</u>	<u>-</u>	<u>1,547,046</u>
<u>725,569</u>	<u>-</u>	<u>1,547,046</u>
<u>383,621</u>	<u>-</u>	<u>1,958,208</u>
<u>383,621</u>	<u>-</u>	<u>1,958,208</u>
<u>3,999,925</u>	<u>-</u>	<u>47,350,591</u>
<u>529,432</u>	<u>392,382</u>	<u>4,084,106</u>
<u>\$ 4,529,357</u>	<u>\$ 392,382</u>	<u>\$ 51,434,697</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS

For the Year Ended June 30, 2021

	Board of Fair Commissioners	Farmers Market	Surplus Property Auction
OPERATING REVENUES:			
Charges for services	\$ 412,705	\$ 1,375,390	\$ 1,505,008
Total operating revenues	<u>412,705</u>	<u>1,375,390</u>	<u>1,505,008</u>
OPERATING EXPENSES:			
Personal services	1,064,640	262,385	497,060
Contractual services	723,599	1,253,373	134,682
Supplies and materials	45,683	10,447	3,875
Depreciation	1,405,514	327,400	-
Other	<u>167,964</u>	<u>19,802</u>	<u>4,873</u>
Total operating expenses	<u>3,407,400</u>	<u>1,873,407</u>	<u>640,490</u>
OPERATING INCOME (LOSS)	<u>(2,994,695)</u>	<u>(498,017)</u>	<u>864,518</u>
NONOPERATING REVENUE (EXPENSE):			
Investment income (expense)	460	344	2,768
Gain (loss) on sale of property	6,552	1,421	-
Other	<u>-</u>	<u>265,000</u>	<u>-</u>
Total nonoperating revenue (expense)	<u>7,012</u>	<u>266,765</u>	<u>2,768</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(2,987,683)</u>	<u>(231,252)</u>	<u>867,286</u>
TRANSFERS IN	2,855,671	575,733	-
TRANSFERS OUT	<u>(229,100)</u>	<u>(119,400)</u>	<u>(389,000)</u>
CHANGE IN NET POSITION	<u>(361,112)</u>	<u>225,081</u>	<u>478,286</u>
NET POSITION, beginning of year	<u>39,851,398</u>	<u>4,812,623</u>	<u>1,506,682</u>
NET POSITION, end of year	<u>\$ 39,490,286</u>	<u>\$ 5,037,704</u>	<u>\$ 1,984,968</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

Municipal Auditorium	Police Impound	Total Nonmajor Enterprise Funds
\$ 453,401	\$ 504,946	\$ 4,251,450
<u>453,401</u>	<u>504,946</u>	<u>4,251,450</u>
460,454	-	2,284,539
446,221	375,000	2,932,875
3,943	-	63,948
376,741	-	2,109,655
91,330	-	283,969
<u>1,378,689</u>	<u>375,000</u>	<u>7,674,986</u>
(925,288)	129,946	(3,423,536)
2,547	482	6,601
-	-	7,973
-	-	<u>265,000</u>
<u>2,547</u>	<u>482</u>	<u>279,574</u>
(922,741)	130,428	(3,143,962)
336,021	-	3,767,425
(140,000)	-	(877,500)
(726,720)	130,428	(254,037)
<u>5,256,077</u>	<u>261,954</u>	<u>51,688,734</u>
<u>\$ 4,529,357</u>	<u>\$ 392,382</u>	<u>\$ 51,434,697</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the Year Ended June 30, 2021

	Board of Fair Commissioners	Farmers Market	Surplus Property Auction
Cash flows from operating activities:			
Receipts from customers and users	\$ 844,402	\$ 1,438,311	\$ 1,534,230
Payments to suppliers	(926,105)	(1,234,969)	(135,534)
Payments to employees	(1,251,084)	(336,179)	(569,578)
Other receipts	-	265,000	-
Net cash provided by (used in) operating activities	(1,332,787)	132,163	829,118
Cash flows from noncapital financing activities:			
Transfers in	2,855,671	575,733	-
Transfers out	(229,100)	(119,400)	(389,000)
Net cash provided by (used in) noncapital financing activities	2,626,571	456,333	(389,000)
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(511,991)	(225,733)	-
Proceeds from the sale of property	6,552	1,421	-
Net cash provided by (used in) capital and related financing activities	(505,439)	(224,312)	-
Cash flows from investing activities:			
Interest on investments	(16,458)	332	3,593
Net cash provided by (used in) investing activities	(16,458)	332	3,593
Net changes in cash and cash equivalents	771,887	364,516	443,711
Cash and cash equivalents at beginning of year	515,632	307,213	1,712,656
Cash and cash equivalents at end of year	\$ 1,287,519	\$ 671,729	\$ 2,156,367

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

Municipal Auditorium	Police Impound	Total Nonmajor Enterprise Funds
\$ 30,996	\$ 503,581	\$ 4,351,520
(670,036)	(375,000)	(3,341,644)
(489,450)	-	(2,646,291)
<u>-</u>	<u>-</u>	<u>265,000</u>
<u>(1,128,490)</u>	<u>128,581</u>	<u>(1,371,415)</u>
336,021	-	3,767,425
<u>(140,000)</u>	<u>-</u>	<u>(877,500)</u>
<u>196,021</u>	<u>-</u>	<u>2,889,925</u>
(336,020)	-	(1,073,744)
<u>-</u>	<u>-</u>	<u>7,973</u>
<u>(336,020)</u>	<u>-</u>	<u>(1,065,771)</u>
<u>3,711</u>	<u>601</u>	<u>(8,221)</u>
<u>3,711</u>	<u>601</u>	<u>(8,221)</u>
(1,264,778)	129,182	444,518
<u>2,263,090</u>	<u>261,811</u>	<u>5,060,402</u>
<u>\$ 998,312</u>	<u>\$ 390,993</u>	<u>\$ 5,504,920</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	Board of Fair Commissioners	Farmers Market	Surplus Property Auction
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (2,994,695)	\$ (498,017)	\$ 864,518
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,405,514	327,400	-
Other receipts	-	265,000	-
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:			
Accounts receivable	76,681	39,360	(4,554)
Due from other funds of the primary government	353,023	23,561	-
Other current assets	(3,807)	-	-
Net pension asset	(663,353)	(177,871)	(317,227)
Deferred outflows pensions	5,598	8,649	(2,126)
Accounts payable	24,700	37,962	7,896
Accrued payroll	8,928	(6,605)	10,969
Due to other funds of the primary government	(9,752)	10,691	33,940
Due to component units	-	-	(164)
Customer deposits	(3,502)	-	-
Unearned revenue	5,495	-	-
Net pension liability	(307,796)	(97,913)	(136,860)
Deferred inflows pensions	770,179	199,946	372,726
Total adjustments	1,661,908	630,180	(35,400)
Net cash provided by (used in) operating activities	\$ (1,332,787)	\$ 132,163	\$ 829,118

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

Municipal Auditorium	Police Impound	Total Nonmajor Enterprise Funds
\$	\$	\$
(925,288)	129,946	(3,423,536)
376,741	-	2,109,655
-	-	265,000
(262,485)	-	(150,998)
12,305	(1,365)	387,524
-	-	(3,807)
(282,236)	-	(1,440,687)
(9,962)	-	2,159
(154,553)	-	(83,995)
28,571	-	41,863
26,011	-	60,890
-	-	(164)
-	-	(3,502)
(172,225)	-	(166,730)
(104,400)	-	(646,969)
339,031	-	1,681,882
(203,202)	(1,365)	2,052,121
<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>(1,128,490)</u>	<u>128,581</u>	<u>(1,371,415)</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

June 30, 2021

	<u>Office of Fleet Management</u>	<u>Information Systems</u>	<u>School Self Insurance</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 10,783,257	5,065,510	3,068,628
Accounts receivable	11,274	251,299	-
Accrued interest receivable	737	378	190
Due from other funds of the primary government	165,793	102,442	-
Due from component units	-	-	-
Inventories of supplies	141,077	-	-
Other current assets	<u>-</u>	<u>-</u>	<u>-</u>
Total current assets	<u>11,102,138</u>	<u>5,419,629</u>	<u>3,068,818</u>
Noncurrent assets:			
Capital assets:			
Furniture, machinery and equipment	198,867,811	21,864,137	-
Less accumulated depreciation	(153,077,465)	(15,911,545)	-
Capital assets - net	<u>45,790,346</u>	<u>5,952,592</u>	<u>-</u>
Total assets	<u>56,892,484</u>	<u>11,372,221</u>	<u>3,068,818</u>
LIABILITIES:			
Current liabilities:			
Accounts payable	1,910,977	2,216,881	55,127
Accrued payroll	714,831	2,522,336	-
Claims payable	-	-	966,931
Due to other funds of the primary government	<u>16,147</u>	<u>22,412</u>	<u>-</u>
Total current liabilities	<u>2,641,955</u>	<u>4,761,629</u>	<u>1,022,058</u>
Noncurrent liabilities:			
Claims payable	<u>-</u>	<u>-</u>	<u>1,174,844</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,174,844</u>
Total liabilities	<u>2,641,955</u>	<u>4,761,629</u>	<u>2,196,902</u>
NET POSITION:			
Net investment in capital assets	45,790,346	5,952,592	-
Unrestricted	<u>8,460,183</u>	<u>658,000</u>	<u>871,916</u>
Total net position	<u>\$ 54,250,529</u>	<u>\$ 6,610,592</u>	<u>\$ 871,916</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS (CONTINUED)

June 30, 2021

<u>General Government Self Insurance</u>	<u>School Professional Employees' Insurance</u>	<u>Employees' Medical Benefit</u>	<u>Injured on Duty</u>	<u>Treasury Management</u>
19,332,309	10,701,480	87,942,263	7,201,725	\$ 119,334
-	5,668	312,161	35	-
1,170	593	5,240	771	7
1,845,400	481,718	183,834	-	65,505
451,300	-	-	-	-
-	-	-	-	-
-	512,873	-	-	-
<u>21,630,179</u>	<u>11,702,332</u>	<u>88,443,498</u>	<u>7,202,531</u>	<u>184,846</u>
-	-	-	-	10,626
-	-	-	-	(10,626)
-	-	-	-	-
<u>21,630,179</u>	<u>11,702,332</u>	<u>88,443,498</u>	<u>7,202,531</u>	<u>184,846</u>
166,225	1,343,735	6,553,253	135,652	1,317
304	22,921	18,761	-	114,807
2,652,483	9,734,281	16,400,000	5,518,000	-
1,212	518	-	284	719
<u>2,820,224</u>	<u>11,101,455</u>	<u>22,972,014</u>	<u>5,653,936</u>	<u>116,843</u>
3,013,133	-	-	-	-
<u>3,013,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5,833,357	11,101,455	22,972,014	5,653,936	116,843
-	-	-	-	-
<u>15,796,822</u>	<u>600,877</u>	<u>65,471,484</u>	<u>1,548,595</u>	<u>68,003</u>
<u>\$ 15,796,822</u>	<u>\$ 600,877</u>	<u>\$ 65,471,484</u>	<u>\$ 1,548,595</u>	<u>\$ 68,003</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS (CONTINUED)

June 30, 2021

	<u>Technology Revolving</u>	<u>School Print Shop</u>	<u>Total Internal Service Funds</u>
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 2,177,348	836,170	\$ 147,228,024
Accounts receivable	-	-	580,437
Accrued interest receivable	82	54	9,222
Due from other funds of the primary government	6,167	680,582	3,531,441
Due from component units	17	-	451,317
Inventories of supplies	-	-	141,077
Other current assets	-	-	512,873
 Total current assets	 <u>2,183,614</u>	 <u>1,516,806</u>	 <u>152,454,391</u>
Noncurrent assets:			
Capital assets:			
Furniture, machinery and equipment	-	276,896	221,019,470
Less accumulated depreciation	-	(276,896)	(169,276,532)
Capital assets - net	-	-	51,742,938
 Total assets	 <u>2,183,614</u>	 <u>1,516,806</u>	 <u>204,197,329</u>
LIABILITIES:			
Current liabilities:			
Accounts payable	26,862	52,395	12,462,424
Accrued payroll	-	24,206	3,418,166
Claims payable	-	-	35,271,695
Due to other funds of the primary government	-	-	41,292
 Total current liabilities	 <u>26,862</u>	 <u>76,601</u>	 <u>51,193,577</u>
Noncurrent liabilities:			
Claims payable	-	-	4,187,977
 Total noncurrent liabilities	 <u>-</u>	 <u>-</u>	 <u>4,187,977</u>
 Total liabilities	 <u>26,862</u>	 <u>76,601</u>	 <u>55,381,554</u>
NET POSITION:			
Net investment in capital assets	-	-	51,742,938
Unrestricted	<u>2,156,752</u>	<u>1,440,205</u>	<u>97,072,837</u>
 Total net position	 <u>\$ 2,156,752</u>	 <u>\$ 1,440,205</u>	 <u>\$ 148,815,775</u>



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2021

	Office of Fleet Management	Information Systems	School Self Insurance
OPERATING REVENUES:			
Charges for services	\$ 22,972,598	32,313,905	-
Other	-	-	-
Total operating revenues	22,972,598	32,313,905	-
OPERATING EXPENSES:			
Personal services	4,138,156	14,751,244	24,730
Contractual services	7,347,721	9,754,141	703,061
Supplies and materials	8,651,452	348,233	-
Depreciation	18,353,857	1,171,356	-
Compensation for damages	-	-	377,344
Medical and insurance benefits	-	-	-
Other	109,461	7,535,177	1,757
Total operating expenses	38,600,647	33,560,151	1,106,892
OPERATING INCOME (LOSS)	(15,628,049)	(1,246,246)	(1,106,892)
NONOPERATING REVENUE (EXPENSE):			
Investment income	12,096	6,458	4,961
Gain (loss) on sale of property	(255,522)	-	-
Other	267,287	-	30,128
Total nonoperating revenue (expense)	23,861	6,458	35,089
INCOME (LOSS) BEFORE TRANSFERS	(15,604,188)	(1,239,788)	(1,071,803)
TRANSFERS IN	11,219,733	-	1,290,600
TRANSFERS OUT	-	-	-
CHANGE IN NET POSITION	(4,384,455)	(1,239,788)	218,797
NET POSITION, beginning of year	58,634,984	7,850,380	653,119
NET POSITION, end of year	\$ 54,250,529	\$ 6,610,592	\$ 871,916

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

<u>General Government Self Insurance</u>	<u>School Professional Employees' Insurance</u>	<u>Employees' Medical Benefit</u>	<u>Injured On Duty</u>	<u>Treasury Management</u>
10,642,300	132,141,253	245,658,403	1,830,400	848,624
-	17,390	15,411,369	-	-
<u>10,642,300</u>	<u>132,158,643</u>	<u>261,069,772</u>	<u>1,830,400</u>	<u>848,624</u>
273,653	471,802	442,081	-	810,282
6,896,649	8,609,265	6,784,245	2,411,971	42,199
54	77,321	-	-	14,132
-	-	-	-	-
3,662,000	-	-	-	-
-	134,662,525	267,272,442	15,922,881	-
-	3,301	16,273	112,828	5,262
<u>10,832,356</u>	<u>143,824,214</u>	<u>274,515,041</u>	<u>18,447,680</u>	<u>871,875</u>
(190,056)	(11,665,571)	(13,445,269)	(16,617,280)	(23,251)
20,788	9,161	118,729	24,228	149
-	-	-	-	-
<u>18,122</u>	<u>9,161</u>	<u>118,729</u>	<u>24,228</u>	<u>149</u>
38,910	(11,656,410)	(13,326,540)	(16,593,052)	(23,102)
(151,146)	-	-	-	-
7,800,000	-	-	10,669,600	-
(1,933,000)	-	-	-	-
5,715,854	(11,656,410)	(13,326,540)	(5,923,452)	(23,102)
<u>10,080,968</u>	<u>12,257,287</u>	<u>78,798,024</u>	<u>7,472,047</u>	<u>91,105</u>
<u>\$ 15,796,822</u>	<u>\$ 600,877</u>	<u>\$ 65,471,484</u>	<u>\$ 1,548,595</u>	<u>\$ 68,003</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	<u>Technology</u> <u>Revolving</u>	<u>School</u> <u>Print Shop</u>	<u>Total</u> <u>Internal</u> <u>Service</u> <u>Funds</u>
OPERATING REVENUES:			
Charges for services	\$ 180,514	1,952,820	\$ 448,540,817
Other	-	-	15,428,759
Total operating revenues	180,514	1,952,820	463,969,576
OPERATING EXPENSES:			
Personal services	-	139,076	21,051,024
Contractual services	3,770	1,097,869	43,650,891
Supplies and materials	1,267,275	-	10,358,467
Depreciation	-	-	19,525,213
Compensation for damages	-	-	4,039,344
Medical and insurance benefits	-	-	417,857,848
Other	-	-	7,784,059
Total operating expenses	1,271,045	1,236,945	524,266,846
OPERATING INCOME (LOSS)	(1,090,531)	715,875	(60,297,270)
NONOPERATING REVENUE (EXPENSE):			
Investment income	1,128	827	198,525
Gain (loss) on sale of property	-	-	(255,522)
Other	-	-	315,537
Total nonoperating revenue (expense)	1,128	827	258,540
INCOME (LOSS) BEFORE TRANSFERS	(1,089,403)	716,702	(60,038,730)
TRANSFERS IN	2,563,400	-	33,543,333
TRANSFERS OUT	-	-	(1,933,000)
CHANGE IN NET POSITION	1,473,997	716,702	(28,428,397)
NET POSITION, beginning of year	682,755	723,503	177,244,172
NET POSITION, end of year	\$ 2,156,752	\$ 1,440,205	\$ 148,815,775

The accompanying notes are an integral part of this financial statement.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2021

	<u>Office of Fleet Management</u>	<u>Information Systems</u>	<u>School Self Insurance</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 22,884,947	\$ 32,572,477	\$ -
Payments to suppliers	(15,333,077)	(16,899,707)	(1,592,028)
Payments to employees	(4,136,493)	(14,603,726)	-
Other receipts	<u>267,287</u>	<u>-</u>	<u>30,128</u>
Net cash provided by (used in) operating activities	<u>3,682,664</u>	<u>1,069,044</u>	<u>(1,561,900)</u>
Cash flows from noncapital financing activities:			
Transfers in	11,219,733	-	1,290,600
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	<u>11,219,733</u>	<u>-</u>	<u>1,290,600</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(11,219,733)	-	-
Proceeds from the sale of property	<u>38,181</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) capital and related financing activities	<u>(11,181,552)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest on investments	<u>15,384</u>	<u>8,765</u>	<u>6,599</u>
Net cash provided by (used in) investing activities	<u>15,384</u>	<u>8,765</u>	<u>6,599</u>
Net changes in cash and cash equivalents	3,736,229	1,077,809	(264,701)
Cash and cash equivalents at beginning of year	<u>7,047,028</u>	<u>3,987,701</u>	<u>3,333,329</u>
Cash and cash equivalents at end of year	<u>\$ 10,783,257</u>	<u>\$ 5,065,510</u>	<u>\$ 3,068,628</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

General Government Self Insurance	School Professional Employees' Insurance	Employees' Medical Benefit	Injured On Duty	Treasury Management
\$ 8,345,600 (11,990,096)	\$ 134,061,093 (142,925,096) (471,009)	\$ 270,762,945 (272,401,017) (443,835)	\$ 1,856,970 (17,329,090) -	\$ 886,924 (60,177) (795,499)
18,122	-	-	-	-
(3,626,374)	(9,335,012)	(2,081,907)	(15,472,120)	31,248
7,800,000 (1,933,000)	- -	- -	10,669,600 -	-
5,867,000	-	-	10,669,600	-
-	-	-	-	-
-	-	-	-	-
29,045	8,568	151,397	35,652	193
29,045	8,568	151,397	35,652	193
2,269,671	(9,326,444)	(1,930,510)	(4,766,868)	31,441
17,062,638	20,027,924	89,872,773	11,968,593	87,893
<u>\$ 19,332,309</u>	<u>\$ 10,701,480</u>	<u>\$ 87,942,263</u>	<u>\$ 7,201,725</u>	<u>\$ 119,334</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	Technology Revolving	School Print Shop	Total Internal Service Funds
Cash flows from operating activities:			
Receipts from customers and users	\$ 279,229	\$ 1,298,213	\$ 472,948,398
Payments to suppliers	(1,282,471)	(1,048,529)	(480,861,288)
Payments to employees	-	(137,765)	(20,588,327)
Other receipts	-	-	315,537
Net cash provided by (used in) operating activities	<u>(1,003,242)</u>	<u>111,919</u>	<u>(28,185,680)</u>
Cash flows from noncapital financing activities:			
Transfers in	2,563,400	-	33,543,333
Transfers out	-	-	(1,933,000)
Net cash provided by (used in) noncapital financing activities	<u>2,563,400</u>	<u>-</u>	<u>31,610,333</u>
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	-	(11,219,733)
Proceeds from the sale of property	-	-	38,181
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(11,181,552)</u>
Cash flows from investing activities:			
Interest on investments	<u>1,415</u>	<u>1,178</u>	<u>258,196</u>
Net cash provided by (used in) investing activities	<u>1,415</u>	<u>1,178</u>	<u>258,196</u>
Net changes in cash and cash equivalents	1,561,573	113,097	(7,498,703)
Cash and cash equivalents at beginning of year	<u>615,775</u>	<u>723,073</u>	<u>154,726,727</u>
Cash and cash equivalents at end of year	<u>\$ 2,177,348</u>	<u>\$ 836,170</u>	<u>\$ 147,228,024</u>

The accompanying notes are an integral part of this financial statement.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	<u>Office of Fleet Management</u>	<u>Information Systems</u>	<u>School Self Insurance</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (15,628,049)	\$ (1,246,246)	\$ (1,106,892)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	18,353,857	1,171,356	-
Other receipts	267,287	-	30,128
Changes in assets and liabilities:			
Accounts receivable	(1,392)	28,643	-
Due from other funds of the primary government	(86,259)	229,929	-
Due from component units	-	-	-
Inventories of supplies	883,417	-	-
Accounts payable	141,488	895,881	52,073
Accrued payroll	1,663	147,518	-
Claims payable	-	-	(537,209)
Due to other funds of the primary government	(249,348)	(158,037)	-
Total adjustments	19,310,713	2,315,290	(455,008)
Net cash provided by (used in) operating activities	<u>\$ 3,682,664</u>	<u>\$ 1,069,044</u>	<u>\$ (1,561,900)</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

General Government Self Insurance	School Professional Employees' Insurance	Employees' Medical Benefit	Injured On Duty	Treasury Management
\$ (190,056)	\$ (11,665,571)	\$ (13,445,269)	\$ (16,617,280)	\$ (23,251)
-	-	-	-	-
18,122	-	-	-	-
-	(5,301)	4,438,882	26,570	-
(1,845,400)	1,907,751	5,254,291	-	38,300
(451,300)	-	-	-	-
-	-	-	-	-
53,499	(1,805,388)	624,943	(106,325)	1,079
(1,387)	793	(1,754)	-	14,783
(1,210,856)	2,232,364	1,047,000	1,225,000	-
1,004	340	-	(85)	337
<u>(3,436,318)</u>	<u>2,330,559</u>	<u>11,363,362</u>	<u>1,145,160</u>	<u>54,499</u>
<u>\$ (3,626,374)</u>	<u>\$ (9,335,012)</u>	<u>\$ (2,081,907)</u>	<u>\$ (15,472,120)</u>	<u>\$ 31,248</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS (CONTINUED)

For the Year Ended June 30, 2021

	Technology Revolving	School Print Shop	Total Internal Service Funds
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (1,090,531)	\$ 715,875	\$ (60,297,270)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	-	-	19,525,213
Other receipts	-	-	315,537
Changes in assets and liabilities:			
Accounts receivable	-	593	4,487,995
Due from other funds of the primary government	96,708	(655,200)	4,940,120
Due from component units	2,007	-	(449,293)
Inventories of supplies	-	-	883,417
Accounts payable	(11,426)	49,340	(104,836)
Accrued payroll	-	1,311	162,927
Claims payable	-	-	2,756,299
Due to other funds of the primary government	-	-	(405,789)
Total adjustments	87,289	(603,956)	32,111,590
Net cash provided by (used in) operating activities	\$ (1,003,242)	\$ 111,919	\$ (28,185,680)

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DESCRIPTION OF PROPRIETARY FUNDS

NONMAJOR ENTERPRISE FUNDS

BOARD OF FAIR COMMISSIONERS

The Board of Fair Commissioners performs administrative and fiscal duties relative to the Tennessee State Fair and fairgrounds. Revenues are derived primarily from the annual State Fair, monthly flea markets and the Nashville Speedway.

FARMERS MARKET

The Farmers Market provides farmers with a setting in which to sell their agricultural products to the general public. Revenues are derived from fees collected from vendors for indoor retail space, farmers for display space, and other private vendors for flea market space.

SURPLUS PROPERTY AUCTION

The Surplus Property Auction was created to sell used capital assets, excess inventory and confiscated property of the Government. Revenues are derived from the proceeds received from individuals and entities that purchase the items through an on-line auction.

MUNICIPAL AUDITORIUM

The Municipal Auditorium provides space primarily for entertainment and sports events on a user charge basis.

POLICE IMPOUND

Police Impound provides storage for impounded vehicles. Revenues are derived from user fees paid for vehicle retrieval.

INTERNAL SERVICE FUNDS

OFFICE OF FLEET MANAGEMENT FUND

The Office of Fleet Management Fund is under the administrative responsibility of the Department of General Services. Fleet Management acts as the central service agency with regard to the acquisition, use, maintenance and replacement of vehicles and rolling equipment owned by the Government.

INFORMATION SYSTEMS FUND

The Information Systems Fund is under the administrative responsibility of the Information Technology Services Department. Revenues are derived from internal charges to various departments for voice and data communication services and for the use of computer equipment.

SCHOOL SELF INSURANCE FUND

The School Self Insurance Fund is used to pay for general liability claims, vehicular liability claims and administrative claims that relate to schools. Premiums are paid from the schools' operating budget to this fund in lieu of paying insurance premiums to private insurance carriers.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
DESCRIPTION OF PROPRIETARY FUNDS (CONTINUED)

GENERAL GOVERNMENT SELF INSURANCE FUND

The General Government Self Insurance Fund is used to pay claims from a pooling of funds, including claims for bodily injury and property damage. Premiums are paid from various departments to this fund in lieu of paying insurance premiums to private insurance carriers.

SCHOOL PROFESSIONAL EMPLOYEES' INSURANCE FUND

The School Professional Employees' Insurance Fund is under the administrative responsibility of the Metropolitan Nashville Public Schools and is used for the accumulation of assets for the payment of self insured medical claims.

EMPLOYEES' MEDICAL BENEFIT FUND

The Employees' Medical Benefit Fund is under the administrative responsibility of the Employee Benefit Board and is used for the accumulation of assets for the payment of self insured medical claims.

INJURED ON DUTY FUND

The Injured on Duty Fund is under the administrative responsibility of the Department of Human Resources and is used for the accumulation of assets for the payment of self insured injured on duty claims.

TREASURY MANAGEMENT FUND

The Treasury Management Fund is under the administrative responsibility of the Department of Finance. Treasury Management is the central service agency responsible for the management of cash, pension investments and debt. Revenue to cover the fund's activity is from the Metro Investment Pool, Pension Trust Fund and Debt Service Funds.

TECHNOLOGY REVOLVING FUND

The Technology Revolving Fund is under the administrative responsibility of the Information Technology Services Department and is used to account for the replacement of computer equipment and software. Revenues are derived from internal charges to various departments based on equipment usage.

SCHOOL PRINT SHOP FUND

The School Print Shop Fund is under the administrative responsibility of the Metropolitan Nashville Public Schools. It is used to account for the operations of printing services and derives its revenues from internal service charges to schools for printing services.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

June 30, 2021

	Davidson County Employees' Retirement	Metropolitan Employees' Benefit Trust	Employees' Pension and Insurance	Teachers' Retirement Plan
ASSETS:				
Cash and cash equivalents	\$ -	\$ 403,949,596	\$ 1,018,827	\$ 27,225,308
Investments, at fair value:				
Commingled funds U.S. debt	-	34,600,766	-	1,137,937
Conventional mortgages	-	26,122,695	-	859,113
Preferred stock	-	10,453,274	-	343,783
Common stock	-	387,107,620	-	12,731,050
Corporate bonds and notes	-	275,299,155	-	9,053,935
Emerging markets	-	1,218,460	-	40,072
Equity commingled funds	-	84,825,548	-	2,789,711
Bank loans	-	16,132,818	-	530,570
Non agency mortgages/collateralized mortgage obligations	-	62,146,240	-	2,043,842
Other fixed income	-	263,922,336	-	8,679,778
Other securities	-	171,028,358	-	5,624,716
Venture capital and partnerships	-	2,175,105,720	-	71,534,057
Municipals	-	712,537	-	23,434
Registered investment companies	-	145,356,920	-	4,780,444
U.S. treasury securities	-	187,284,055	-	6,159,327
Cash collateral received - securities lending program	-	73,182,816	-	-
Accounts receivable	-	353,704,522	-	11,631,475
Accrued interest receivable	-	5,565,452	72	183,946
Due from other funds of the primary government	<u>1</u>	<u>953,094</u>	<u>158,909</u>	<u>6,422,117</u>
Total assets	<u>1</u>	<u>4,678,671,982</u>	<u>1,177,808</u>	<u>171,794,615</u>
LIABILITIES:				
Accounts payable	1	644,122	2	-
Due to brokers	-	399,464,752	-	13,137,446
Payable for collateral received - securities lending program	-	73,182,816	-	-
Due to other funds of the primary government	<u>-</u>	<u>548,068</u>	<u>129</u>	<u>737,705</u>
Total liabilities	<u>1</u>	<u>473,839,758</u>	<u>131</u>	<u>13,875,151</u>
NET POSITION:				
Restricted for pensions	-	4,204,832,224	1,177,677	157,919,464
Held in trust for other employee benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position	<u>\$ -</u>	<u>\$ 4,204,832,224</u>	<u>\$ 1,177,677</u>	<u>\$ 157,919,464</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS (CONTINUED)

June 30, 2021

Closed City Plan	Teachers' Civil Service and Pension	Metropolitan Employees' Flexible Benefits Plan	Education Flexible Benefits Plan	Total Pension (and Other Employee Benefit) Trust Funds
\$	\$	\$	\$	\$
-	900,443	3,650,862	1,203,468	437,948,504
-	-	-	-	35,738,703
-	-	-	-	26,981,808
-	-	-	-	10,797,057
-	-	-	-	399,838,670
-	-	-	-	284,353,090
-	-	-	-	1,258,532
-	-	-	-	87,615,259
-	-	-	-	16,663,388
-	-	-	-	64,190,082
-	-	-	-	272,602,114
-	-	-	-	176,653,074
-	-	-	-	2,246,639,777
-	-	-	-	735,971
-	-	-	-	150,137,364
-	-	-	-	193,443,382
-	-	-	-	73,182,816
-	-	-	-	365,335,997
-	59	220	73	5,749,822
7	62,523	4,085	-	7,600,736
7	963,025	3,655,167	1,203,541	4,857,466,146
7	-	24,257	-	668,389
-	-	-	-	412,602,198
'	-	-	-	73,182,816
-	60	-	31	1,285,993
7	60	24,257	31	487,739,396
-	962,965	-	-	4,364,892,330
-	-	3,630,910	1,203,510	4,834,420
\$	\$ 962,965	\$ 3,630,910	\$ 1,203,510	\$ 4,369,726,750

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 CUSTODIAL FUNDS

June 30, 2021

	Richard R. Rooker, Circuit Court Clerk	Maria M. Salas, Clerk and Master	Brenda Wynn, County Clerk	Howard Gentry, Criminal Court Clerk
ASSETS:				
Cash and cash equivalents	\$ 25,868,866	\$ 9,021,520	\$ 528,595	\$ 10,611,133
Investments:				
Mortgages and real estate	-	-	-	581,100
Accrued interest receivable	22,310	-	-	-
Due from other funds of the primary government	-	-	-	-
Total assets	25,891,176	9,021,520	528,595	11,192,233
LIABILITIES:				
Due to individuals, organizations and other governments	3,248,042	-	528,595	3,308,704
Other liabilities	-	7,026	-	-
Total liabilities	3,248,042	7,026	528,595	3,308,704
NET POSITION:				
Restricted for individuals, organizations and other governments	22,643,134	9,014,494	-	7,883,529
Total net position	\$ 22,643,134	\$ 9,014,494	\$ -	\$ 7,883,529

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 CUSTODIAL FUNDS (CONTINUED)

June 30, 2021

Karen Johnson, County Register	Lonnell Matthews, Juvenile Court Clerk	Sold Property Tax Receivables	Sheriff Work Release and Inmate Trust	Planning Performance Bonds	Total Custodial Funds
\$ 14,383,412	\$ 1,689,600	\$ 95,723	\$ 289,931	\$ 648,074	\$ 63,136,854
-	-	-	-	-	581,100
-	-	15	-	-	22,325
-	-	87,881	-	-	87,881
<u>14,383,412</u>	<u>1,689,600</u>	<u>183,619</u>	<u>289,931</u>	<u>648,074</u>	<u>63,828,160</u>
9,174,663 122,273	204,525	115,948	289,931	-	16,870,408 129,299
<u>9,296,936</u>	<u>204,525</u>	<u>115,948</u>	<u>289,931</u>	<u>-</u>	<u>16,999,707</u>
5,086,476	1,485,075	67,671	-	648,074	46,828,453
<u>\$ 5,086,476</u>	<u>\$ 1,485,075</u>	<u>\$ 67,671</u>	<u>\$ -</u>	<u>\$ 648,074</u>	<u>\$ 46,828,453</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

For the Year Ended June 30, 2021

	Davidson County Employees' Retirement	Metropolitan Employees' Benefit Trust	Employees' Pension and Insurance	Teachers' Retirement Plan
ADDITIONS:				
Investment income:				
Interest and dividend income	\$ -	\$ 169,773,614	\$ 1,745	\$ 5,554,679
Net appreciation (depreciation) of investments	-	990,088,801	-	32,222,419
Miscellaneous	-	105,917	-	-
Net increase (decrease) in fair value of investments	-	1,159,968,332	1,745	37,777,098
Net income earned on securities lending transactions:				
Securities lending income	-	139,166	-	-
Securities lending expense	-	(27,826)	-	-
Net income earned on securities lending transactions	-	111,340	-	-
Less investment expenses	(38)	(113,615,754)	(10)	(3,698,355)
Net investment income (loss)	(38)	1,046,463,918	1,735	34,078,743
Contributions:				
Employee contributions	-	56,680	-	-
Employer contributions	809,964	86,414,449	2,312,572	25,350,034
Transfers in	-	164,401	-	-
Contributions from the State of Tennessee	-	-	1,873,332	9,196,198
Miscellaneous	-	-	-	-
Total contributions	809,964	86,635,530	4,185,904	34,546,232
Total additions	809,926	1,133,099,448	4,187,639	68,624,975
DEDUCTIONS:				
Pension and other employee benefits	809,926	196,800,090	4,187,639	28,042,637
Administrative expenses	-	3,997,052	-	113,438
Transfers out	-	-	-	-
Total deductions	809,926	200,797,142	4,187,639	28,156,075
Change in net position	-	932,302,306	-	40,468,900
NET POSITION, beginning of year	-	3,272,529,918	1,177,677	117,450,564
NET POSITION, end of year	<u>\$ -</u>	<u>\$ 4,204,832,224</u>	<u>\$ 1,177,677</u>	<u>\$ 157,919,464</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS (CONTINUED)

For the Year Ended June 30, 2021

Closed City Plan	Teachers' Civil Service and Pension	Employees' Flexible Benefits Plan	Education Flexible Benefits Plan	Total Pension (and Other Employee Benefit) Trust Funds
\$ -	\$ 1,456	\$ 3,525	\$ 1,741	\$ 175,336,760
-	-	-	-	1,022,311,220
-	-	-	-	105,917
				<u>1,197,753,897</u>
-	-	-	-	139,166
-	-	-	-	(27,826)
				<u>111,340</u>
(195)	-	-	(136)	(117,314,488)
(195)	1,456	3,525	1,605	1,080,550,749
4,297,250	807,579	1,282,000	1,214,380	2,553,060
-	-	-	-	119,991,848
-	1,221,710	-	-	164,401
-	-	2,774,881	-	12,291,240
				<u>2,774,881</u>
4,297,250	2,029,289	4,056,881	1,214,380	137,775,430
4,297,055	2,030,745	4,060,406	1,215,985	1,218,326,179
4,297,055	2,030,745	1,564,122	1,023,506	238,755,720
-	-	-	-	4,110,490
				<u>-</u>
4,297,055	2,030,745	1,564,122	1,023,506	242,866,210
-	-	2,496,284	192,479	975,459,969
-	962,965	1,134,626	1,011,031	3,394,266,781
<u>\$ -</u>	<u>\$ 962,965</u>	<u>\$ 3,630,910</u>	<u>\$ 1,203,510</u>	<u>\$ 4,369,726,750</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 CUSTODIAL FUNDS

June 30, 2021

	Richard R. Rooker, Circuit Court Clerk	Maria M. Salas, Clerk and Master	Brenda Wynn, County Clerk	Howard Gentry, Criminal Court Clerk
ADDITIONS:				
Collections of costs, fees, fines and other taxes for county and state governments	\$ 10,733,255	\$ 72,245	\$ 97,064,052	\$ 3,530,549
Fines, fees and other collections	11,477,249	12,826,046	-	2,119,348
Collections of property taxes and interest	-	6,865,096	-	-
Collections of deposits	-	-	-	-
Interest income	23,972	-	-	7,427
Total additions	22,234,476	19,763,387	97,064,052	5,657,324
DEDUCTIONS:				
Payments to county and state governments	4,785,360	7,583,355	97,064,052	4,177,946
Payments to individuals and organizations	11,912,249	10,769,705	-	1,274,378
Administrative expenses	5,975,079	2,395	-	-
Total deductions	22,672,688	18,355,455	97,064,052	5,452,324
Change in net position	(438,212)	1,407,932	-	205,000
NET POSITION, beginning of year, as restated	23,081,346	7,606,562	-	7,678,529
NET POSITION, end of year	\$ 22,643,134	\$ 9,014,494	\$ -	\$ 7,883,529

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 CUSTODIAL FUNDS (CONTINUED)

June 30, 2021

Karen Johnson, County Register	Lonnell Matthews, Juvenile Court Clerk	Sold Property Tax Receivables	Sheriff Work Release and Inmate Trust	Planning Performance Bonds	Total Custodial Funds
\$ 78,649,487	\$ 263,037	\$ -	\$ -	\$ -	\$ 190,312,625
526,514	254,662	-	10,120	-	27,213,939
-	-	23,915,595	-	-	30,780,691
-	-	-	-	120,000	120,000
27,505	-	570	-	1,304	60,778
<u>79,203,506</u>	<u>517,699</u>	<u>23,916,165</u>	<u>10,120</u>	<u>121,304</u>	<u>248,488,033</u>
75,786,645	372,171	-	-	-	189,769,529
-	314,045	23,915,595	10,120	649,323	48,845,415
<u>2,707,751</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,685,225</u>
78,494,396	686,216	23,915,595	10,120	649,323	247,300,169
709,110	(168,517)	570	-	(528,019)	1,187,864
<u>4,377,366</u>	<u>1,653,592</u>	<u>67,101</u>	<u>-</u>	<u>1,176,093</u>	<u>45,640,589</u>
<u>\$ 5,086,476</u>	<u>\$ 1,485,075</u>	<u>\$ 67,671</u>	<u>\$ -</u>	<u>\$ 648,074</u>	<u>\$ 46,828,453</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
DESCRIPTION OF FIDUCIARY FUNDS

PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS

DAVIDSON COUNTY EMPLOYEES' RETIREMENT FUND

The Davidson County Employees' Retirement Fund covers certain employees of the former Davidson County and was closed to new members in 1963. Benefits are funded by contributions from the Government.

METROPOLITAN EMPLOYEES' BENEFIT TRUST FUND

Established in 1963, the Metropolitan Employees' Benefit Trust Fund covers substantially all employees who are not members of any other plan and is used to account for Divisions A & B of the Metro Plan. Division B of the Metro Plan is the only plan open to new members. This Plan is funded by the Government. Under the administrative responsibility of the Employee Benefit Board, this fund provides for the accumulation of assets for the payment of disability and retirement benefits for employees covered under this plan.

EMPLOYEES' PENSION AND INSURANCE FUND

The Employees' Pension and Insurance Fund covers teachers and classified employees of the Metropolitan Nashville Public Schools of the former Davidson County. The plan is closed to new members and is funded by contributions from the Government, employees and the State of Tennessee.

TEACHERS' RETIREMENT PLAN FUND

The Teachers' Retirement Plan Fund is funded by contributions from the Metropolitan Nashville Public Schools, employees and the State of Tennessee. The plan was closed to new members on July 1, 1969.

CLOSED CITY PLAN FUND

This fund accounts for two closed plans.

The Civil Service Employees' Pension Fund covers certain employees of the former City of Nashville and was closed to new members in 1963. Benefits are funded by contributions from the Government.

The Police and Fireman Pension Fund covers certain employees of the former City of Nashville and was closed to new members in 1963. Benefits are funded by contributions from the Government.

TEACHERS' CIVIL SERVICE AND PENSION FUND

The Teachers' Civil Service and Pension Fund covers eligible employees who were teachers of the former City of Nashville. Benefits are funded by contributions from the Government and the State of Tennessee.

METROPOLITAN EMPLOYEES' FLEXIBLE BENEFITS PLAN FUND

The Metropolitan Employees' Flexible Benefits Plan Fund was established to account for the pre-tax deductions withheld from compensation to employees of the Government for medical and dependent care reimbursement.

EDUCATION FLEXIBLE BENEFITS PLAN FUND

The Education Flexible Benefits Plan Fund was established to account for the pre-tax deductions withheld from compensation to employees of the Metropolitan Nashville Public School System for medical and dependent care reimbursement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DESCRIPTION OF FIDUCIARY FUNDS (CONTINUED)

CUSTODIAL FUNDS

ELECTED OFFICIALS

The following custodial funds are used to account for assets held by the Elected Officials as custodians for individuals, governmental entities and others. These include:

Richard R. Rooker, Circuit Court Clerk
Maria M. Salas, Clerk and Master
Brenda Wynn, County Clerk
Howard Gentry, Criminal Court Clerk
Karen Johnson, County Register
Lonnell Matthews, Juvenile Court Clerk

SOLD PROPERTY TAX RECEIVABLES FUND

The Sold Property Tax Receivables Fund accounts for property tax funds collected by the Government on behalf of the buyers of certain property tax receivable balances.

SHERIFF WORK RELEASE AND INMATE TRUST FUND

The Sheriff Work Release and Inmate Trust Fund administers and accounts for the receipt and usage of individual inmates' personal funds through the Commissary and Work Release accounts.

PLANNING PERFORMANCE BONDS FUND

The Planning Performance Bonds Fund accounts for performance bond funds received from contractors held until the completion of infrastructure development projects.





THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BALANCE SHEET
SPORTS AUTHORITY FUND

June 30, 2021

ASSETS:

Cash and cash equivalents	\$ 160,495,084
Investments	635,525
Accounts receivable	1,805,590
Accrued interest receivable	9,108
Notes receivable	27,948,374
Due from the primary government	<u>333,333</u>

Total assets \$ 191,227,014

LIABILITIES:

Accounts payable	\$ 56,862,985
Accrued payroll	19,941
Due to the primary government	<u>453,258</u>

Total liabilities 57,336,184

DEFERRED INFLOWS OF RESOURCES:

Unavailable revenue - tax increment financing	<u>28,000,000</u>
Total deferred inflows of resources	<u><u>28,000,000</u></u>

FUND BALANCES:

Restricted for capital projects	110,155,551
Restricted for debt service	8,606,687
Unassigned	<u>(12,871,408)</u>

Total fund balances	<u>105,890,830</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 191,227,014</u></u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
SPORTS AUTHORITY

June 30, 2021

Fund balances	\$	105,890,830
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Amounts reported in the Statement of Net Position are different because:

Capital assets of governmental component units are not financial resources and therefore not reported in the Balance Sheet. However, they are reported in the Statement of Net Position. This amount represents the net book value of capital assets at year-end.

464,044,466

Long-term liabilities, including revenue bonds payable, are not due and payable in the current period and therefore are not reported by governmental component units in the Balance Sheet. However, they are reported in the Statement of Net Position. Additionally, related interest is accrued when incurred in the Statement of Net Position.

Bonds payable	(353,045,000)
Less deferred charge on refunding	9,861,797
Add net bond premium/discount	(323,692)
Accrued interest payable	(4,679,157)
Compensated absences	<u>(52,799)</u>
Net position	<u>\$ 221,696,445</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPORTS AUTHORITY FUND

For the Year Ended June 30, 2021

REVENUES:

Local option sales tax	\$ 485,814
Other taxes, licenses and permits	499,566
Revenues from the use of money or property	1,425,076
Revenues from other governmental agencies	19,964,506
Charges for current services	523,233
Compensation for loss, sale or damage to property	1,408,375
Miscellaneous	1,272
	<hr/>
Total revenues	<u>24,307,842</u>

EXPENDITURES:

Personal services	392,444
Contractual services	11,748,160
Supplies and materials	1,059
Other costs	1,001,073
Capital outlay	119,394,293
Debt service:	
Principal retirement	16,111,386
Interest	6,539,971
Fiscal charges	3,182,658
	<hr/>
Total expenditures	<u>158,371,044</u>

OTHER FINANCING SOURCES (USES):

Issuance of new debt <input type="checkbox"/>	225,000,000
Issuance of refunding debt	104,340,000
Payments to refunded bond escrow agent	(93,543,282)
	<hr/>
Total other financing sources (uses) <input type="checkbox"/>	<u>235,796,718</u>

Net change in fund balances	101,733,516
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FUND BALANCES, beginning of year, as restated

4,157,314

FUND BALANCES, end of year

\$ 105,890,830

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES TO THE STATEMENT OF ACTIVITIES
SPORTS AUTHORITY

For the Year Ended June 30, 2021

Net change in fund balances	\$ 101,733,516
Amounts reported in the Statement of Activities are different because:	
Governmental component units report capital outlays as expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balances. However, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.	
Acquisition of capital assets	119,394,293
Depreciation expense	(18,180,882)
Donations of capital assets increase net position for governmental component unit activities, but do not appear in the governmental component unit funds because they are not financial resources.	
	4,768,386
The issuance of debt provides current financial resources to governmental component unit funds, but the issuance of debt increases long-term liabilities for governmental component unit activities. Repayment of principal is an expenditure in the governmental component unit funds but reduces long-term liabilities for governmental component unit activities. Also, governmental component unit funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized for governmental component unit activities.	
Issuance of new debt	(225,000,000)
Issuance of refunding debt	(104,340,000)
Payments to refunded bond escrow agent	93,543,282
Principal repayments	16,111,386
Amortization of deferred charge on refunding	(444,926)
Amortization of premium/discount	2,491,203
Change in accrued interest	(1,816,243)
Compensated absences reported for governmental activities do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds.	
	<u>(23,896)</u>
Change in net position	<u>\$ (11,763,881)</u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BALANCE SHEET
INDUSTRIAL DEVELOPMENT BOARD FUND

June 30, 2021

ASSETS:

Cash and cash equivalents	\$ 68,764
Accrued interest receivable	<u>9</u>
Total assets	<u><u>\$ 68,773</u></u>

LIABILITIES:

Accounts payable	\$ 180
Total liabilities	<u>180</u>

FUND BALANCES:

Unassigned	<u>68,593</u>
Total fund balances	<u>68,593</u>
Total liabilities and fund balances	<u><u>\$ 68,773</u></u>

The accompanying notes are an integral part of this financial statement.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
INDUSTRIAL DEVELOPMENT BOARD FUND

For the Year Ended June 30, 2021

REVENUES:

Revenue from the use of money or property	\$ 352
Revenue from other governmental agencies	14,282,289
Charges for current services	4,000
	<hr/>

Total revenues	<u>14,286,641</u>
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EXPENDITURES:

Other costs	<u>14,282,330</u>
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Total expenditures	<u>14,282,330</u>
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Net change in fund balances	4,311
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FUND BALANCES, beginning of year	<u>64,282</u>
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FUND BALANCES, end of year	<u>\$ 68,593</u>
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The accompanying notes are an integral part of this financial statement.





THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF COMBINING BALANCE SHEETS
GENERAL FUND

June 30, 2021

	General Services District	Urban Services District	Total General Fund
ASSETS:			
Cash and cash equivalents	\$ 256,459,835	\$ 19,056,902	\$ 275,516,737
Sales tax receivable	33,344,189	-	33,344,189
Accounts receivable	48,087,904	3,476,828	51,564,732
Accrued interest receivable	11,484	1,202	12,686
Property taxes receivable	607,663,246	124,736,163	732,399,409
Allowance for doubtful accounts	(13,516,581)	(992,469)	(14,509,050)
Due from other funds of the primary government (1)	10,922,484	107,958	11,030,442
Due from component units	90,362	-	90,362
Inventories of supplies	213,715	-	213,715
Other assets	416,278	-	416,278
 Total assets	 <u>\$ 943,692,916</u>	 <u>\$ 146,386,584</u>	 <u>\$ 1,090,079,500</u>
LIABILITIES:			
Accounts payable	\$ 17,368,272	\$ 1,261,955	\$ 18,630,227
Accrued payroll	30,279,652	3,013,583	33,293,235
Due to other funds of the primary government (1)	14,850,795	3,778,283	18,629,078
Unearned revenue	501,478	-	501,478
Other liabilities	9,665,090	-	9,665,090
 Total liabilities	 <u>72,665,287</u>	 <u>8,053,821</u>	 <u>80,719,108</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue - property taxes	598,783,058	122,780,824	721,563,882
Unavailable revenue - other revenues	<u>1,721,482</u>	<u>588,497</u>	<u>2,309,979</u>
 Total deferred inflows of resources	 <u>600,504,540</u>	 <u>123,369,321</u>	 <u>723,873,861</u>
FUND BALANCES:			
Nonspendable	861,275	-	861,275
Assigned for specific projects	18,095,700	1,554,100	19,649,800
Unassigned	<u>251,566,114</u>	<u>13,409,342</u>	<u>264,975,456</u>
 Total fund balances	 <u>270,523,089</u>	 <u>14,963,442</u>	 <u>285,486,531</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 943,692,916</u>	 <u>\$ 146,386,584</u>	 <u>\$ 1,090,079,500</u>

(1) Due from and due to other funds of the primary government include \$3,759,647 from Urban Services District to General Services District which is eliminated in the Basic Financial Statements.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND

For the Year Ended June 30, 2021

	General Services District	Urban Services District	Total General Fund
REVENUES:			
Property taxes	\$ 635,680,449	\$ 119,095,233	\$ 754,775,682
Local option sales tax	168,157,620	-	168,157,620
Other taxes, licenses and permits	143,882,463	16,026,756	159,909,219
Fines, forfeits and penalties	4,820,452	-	4,820,452
Revenues from the use of money or property	180,441	10,259	190,700
Revenues from other governmental agencies	172,487,518	521,600	173,009,118
Commissions and fees	17,718,359	-	17,718,359
Charges for current services	36,959,954	142,904	37,102,858
Compensation for loss, sale or damage to property	1,108,900	-	1,108,900
Contributions and gifts	33,025	-	33,025
Miscellaneous	871,032	-	871,032
Total revenues	<u>1,181,900,213</u>	<u>135,796,752</u>	<u>1,317,696,965</u>
EXPENDITURES:			
General government	53,109,511	-	53,109,511
Fiscal administration	26,274,627	-	26,274,627
Administration of justice	69,325,655	-	69,325,655
Law enforcement and care of prisoners	312,866,080	-	312,866,080
Fire prevention and control	61,017,000	77,426,891	138,443,891
Regulation and inspection	11,484,128	-	11,484,128
Conservation of natural resources	343,532	-	343,532
Public welfare	5,839,322	-	5,839,322
Public health and hospitals	64,863,227	-	64,863,227
Public library system	30,651,471	-	30,651,471
Public works, highways and streets	26,001,644	9,372,773	35,374,417
Recreational and cultural	43,779,702	-	43,779,702
Retiree benefits	69,554,224	19,741,680	89,295,904
Miscellaneous	91,276,749	2,576,588	93,853,337
Total expenditures	<u>866,386,872</u>	<u>109,117,932</u>	<u>975,504,804</u>
Excess of revenues over expenditures	<u>315,513,341</u>	<u>26,678,820</u>	<u>342,192,161</u>
OTHER FINANCING SOURCES (USES):			
Transfers in (1)	20,964,569	-	20,964,569
Transfers out (1)	(129,742,544)	(21,702,700)	(151,445,244)
Total other financing sources (uses)	<u>(108,777,975)</u>	<u>(21,702,700)</u>	<u>(130,480,675)</u>
Net change in fund balances	206,735,366	4,976,120	211,711,486
FUND BALANCES, beginning of year	<u>63,787,723</u>	<u>9,987,322</u>	<u>73,775,045</u>
FUND BALANCES, end of year	<u>\$ 270,523,089</u>	<u>\$ 14,963,442</u>	<u>\$ 285,486,531</u>

(1) Transfers include \$481,000 from Urban Services District to General Services District which is eliminated in the Basic Financial Statements.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended June 30, 2021

	General Services District			Variance with Final Budget -
	Budgeted Amounts		Actual Amounts	Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 624,547,100	\$ 624,547,100	\$ 635,680,449	\$ 11,133,349
Local option sales tax	122,814,300	122,814,300	168,157,620	45,343,320
Other taxes, licenses and permits	100,480,600	100,480,600	143,882,463	43,401,863
Fines, forfeits and penalties	5,619,600	5,619,600	4,820,452	(799,148)
Revenues from the use of money or property	-	-	180,441	180,441
Revenues from other governmental agencies	126,223,600	132,950,500	172,487,518	39,537,018
Commissions and fees	11,093,000	11,093,000	17,718,359	6,625,359
Charges for current services	43,375,900	43,375,900	36,959,954	(6,415,946)
Compensation for loss, sale or damage to property	631,300	631,300	1,108,900	477,600
Contributions and gifts	-	-	33,025	33,025
Miscellaneous	915,300	915,300	871,032	(44,268)
Total revenues	<u>1,035,700,700</u>	<u>1,042,427,600</u>	<u>1,181,900,213</u>	<u>139,472,613</u>
EXPENDITURES:				
General government	57,348,700	57,444,900	53,109,511	4,335,389
Fiscal administration	28,385,000	28,385,000	26,274,627	2,110,373
Administration of justice	72,007,000	73,105,300	69,325,655	3,779,645
Law enforcement and care of prisoners	310,873,300	318,996,000	312,866,080	6,129,920
Fire prevention and control	59,637,400	61,019,200	61,017,000	2,200
Regulation and inspection	12,056,700	12,084,400	11,484,128	600,272
Conservation of natural resources	331,900	343,700	343,532	168
Public welfare	6,752,100	6,752,100	5,839,322	912,778
Public health and hospitals	67,088,800	67,088,800	64,863,227	2,225,573
Public library system	31,765,300	31,765,300	30,651,471	1,113,829
Public works, highways and streets	26,958,600	26,958,600	26,001,644	956,956
Recreational and cultural	47,397,500	47,445,100	43,779,702	3,665,398
Retiree benefits	69,979,000	71,686,300	69,554,224	2,132,076
Miscellaneous	102,160,400	115,249,600	91,276,749	23,972,851
Total expenditures	<u>892,741,700</u>	<u>918,324,300</u>	<u>866,386,872</u>	<u>51,937,428</u>
Excess (deficiency) of revenues over expenditures	<u>142,959,000</u>	<u>124,103,300</u>	<u>315,513,341</u>	<u>191,410,041</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	20,307,300	20,307,300	20,964,569	657,269
Transfers out	(116,867,400)	(126,655,300)	(129,742,544)	(3,087,244)
Total other financing sources (uses)	<u>(96,560,100)</u>	<u>(106,348,000)</u>	<u>(108,777,975)</u>	<u>(2,429,975)</u>
Net change in fund balances	46,398,900	17,755,300	206,735,366	188,980,066
FUND BALANCES, beginning of year	<u>63,787,723</u>	<u>63,787,723</u>	<u>63,787,723</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 110,186,623</u>	<u>\$ 81,543,023</u>	<u>\$ 270,523,089</u>	<u>\$ 188,980,066</u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2021

Urban Services District				Variance with Final Budget -	Total General Fund				Variance with Final Budget -
Budgeted Amounts		Actual Amounts	Positive (Negative)		Budgeted Amounts		Actual Amounts	Positive (Negative)	
Original	Final				Original	Final			
\$ 125,591,600	\$ 125,591,600	\$ 119,095,233	\$ (6,496,367)	\$ 750,138,700	\$ 750,138,700	\$ 754,775,682	\$ 4,636,982		
-	-	-	-	122,814,300	122,814,300	168,157,620	45,343,320		
11,923,900	11,923,900	16,026,756	4,102,856	112,404,500	112,404,500	159,909,219	47,504,719		
-	-	-	-	5,619,600	5,619,600	4,820,452	(799,148)		
-	-	10,259	10,259	-	-	190,700	190,700		
402,600	402,600	521,600	119,000	126,626,200	133,353,100	173,009,118	39,656,018		
-	-	-	-	11,093,000	11,093,000	17,718,359	6,625,359		
1,458,500	1,458,500	142,904	(1,315,596)	44,834,400	44,834,400	37,102,858	(7,731,542)		
100,000	100,000	-	(100,000)	731,300	731,300	1,108,900	377,600		
-	-	-	-	-	-	33,025	33,025		
-	-	-	-	915,300	915,300	871,032	(44,268)		
139,476,600	139,476,600	135,796,752	(3,679,848)	1,175,177,300	1,181,904,200	1,317,696,965	135,792,765		
-	-	-	-	57,348,700	57,444,900	53,109,511	4,335,389		
-	-	-	-	28,385,000	28,385,000	26,274,627	2,110,373		
-	-	-	-	72,007,000	73,105,300	69,325,655	3,779,645		
-	-	-	-	310,873,300	318,996,000	312,866,080	6,129,920		
75,951,200	77,426,900	77,426,891	9	135,588,600	138,446,100	138,443,891	2,209		
-	-	-	-	12,056,700	12,084,400	11,484,128	600,272		
-	-	-	-	331,900	343,700	343,532	168		
-	-	-	-	6,752,100	6,752,100	5,839,322	912,778		
-	-	-	-	67,088,800	67,088,800	64,863,227	2,225,573		
-	-	-	-	31,765,300	31,765,300	30,651,471	1,113,829		
10,165,800	10,165,800	9,372,773	793,027	37,124,400	37,124,400	35,374,417	1,749,983		
-	-	-	-	47,397,500	47,445,100	43,779,702	3,665,398		
19,957,000	21,149,600	19,741,680	1,407,920	89,936,000	92,835,900	89,295,904	3,539,996		
4,531,300	3,246,200	2,576,588	669,612	106,691,700	118,495,800	93,853,337	24,642,463		
110,605,300	111,988,500	109,117,932	2,870,568	1,003,347,000	1,030,312,800	975,504,804	54,807,996		
28,871,300	27,488,100	26,678,820	(809,280)	171,830,300	151,591,400	342,192,161	190,600,761		
-	-	-	-	20,307,300	20,307,300	20,964,569	657,269		
(21,702,700)	(21,702,700)	(21,702,700)	-	(138,570,100)	(148,358,000)	(151,445,244)	(3,087,244)		
(21,702,700)	(21,702,700)	(21,702,700)	-	(118,262,800)	(128,050,700)	(130,480,675)	(2,429,975)		
7,168,600	5,785,400	4,976,120	(809,280)	53,567,500	23,540,700	211,711,486	188,170,786		
9,987,322	9,987,322	9,987,322	-	73,775,045	73,775,045	73,775,045	-		
\$ 17,155,922	\$ 15,772,722	\$ 14,963,442	\$ (809,280)	\$ 127,342,545	\$ 97,315,745	\$ 285,486,531	\$ 188,170,786		

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGET AND ACTUAL
GENERAL FUND - GENERAL SERVICES DISTRICT

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
GENERAL GOVERNMENT:				
Legislative (Office of Clerk and Council)	\$ 3,642,400	\$ 3,680,300	\$ 3,585,190	\$ 95,110
Executive (Office of the Mayor)	4,712,200	4,712,200	4,385,226	326,974
Office of Emergency Management	751,800	808,800	807,899	901
Election Commission	3,170,400	3,170,400	3,083,325	87,075
Department of Law	6,445,600	6,445,600	6,026,298	419,302
Planning Commission	5,459,900	5,459,900	5,003,534	456,366
Human Resources	5,839,400	5,839,400	5,240,030	599,370
County Register of Deeds	253,700	253,700	243,598	10,102
General Services	25,913,000	25,913,000	23,572,853	2,340,147
Historical Commission	1,160,300	1,161,600	1,161,558	42
Total General Government	<u>57,348,700</u>	<u>57,444,900</u>	<u>53,109,511</u>	<u>4,335,389</u>
FISCAL ADMINISTRATION:				
Department of Finance	10,759,300	10,759,300	10,110,378	648,922
Assessor of Property	8,531,300	8,531,300	7,794,283	737,017
Metropolitan Trustee	2,608,600	2,608,600	2,439,264	169,336
County Clerk	4,918,500	4,918,500	4,701,713	216,787
Internal Audit	1,567,300	1,567,300	1,228,989	338,311
Total Fiscal Administration	<u>28,385,000</u>	<u>28,385,000</u>	<u>26,274,627</u>	<u>2,110,373</u>
ADMINISTRATION OF JUSTICE:				
District Attorney	8,258,700	8,866,400	8,586,336	280,064
Public Defender	9,508,300	9,958,300	8,848,330	1,109,970
Juvenile Court Clerk	2,029,300	2,069,900	2,069,889	11
Circuit Court Clerk	3,446,600	3,446,600	2,902,371	544,229
Criminal Court Clerk	6,465,200	6,465,200	6,368,785	96,415
Clerk and Master	1,669,600	1,669,600	1,439,022	230,578
Juvenile Court	13,539,100	13,539,100	12,812,366	726,734
General Sessions Court	12,502,800	12,502,800	11,944,304	558,496
State Trial Courts	9,303,400	9,303,400	9,254,939	48,461
Justice Information System	2,907,300	2,907,300	2,882,988	24,312
Criminal Justice Planning	545,800	545,800	539,011	6,789
Office of Family Safety	1,830,900	1,830,900	1,677,314	153,586
Total Administration of Justice	<u>72,007,000</u>	<u>73,105,300</u>	<u>69,325,655</u>	<u>3,779,645</u>
LAW ENFORCEMENT AND CARE OF PRISONERS:				
Sheriff	79,941,500	87,547,200	87,547,124	76
Police Department	213,222,300	213,698,400	208,070,055	5,628,345
Emergency Communication Center	16,196,500	16,237,400	16,237,342	58
Community Oversight Board	1,513,000	1,513,000	1,011,559	501,441
Total Law Enforcement and Care of Prisoners	<u>310,873,300</u>	<u>318,996,000</u>	<u>312,866,080</u>	<u>6,129,920</u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGET AND ACTUAL
GENERAL FUND - GENERAL SERVICES DISTRICT (CONTINUED)

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>FIRE PREVENTION AND CONTROL:</u>				
Fire Department	\$ 59,637,400	\$ 61,019,200	\$ 61,017,000	\$ 2,200
<u>REGULATION AND INSPECTION:</u>				
Department of Codes Administration	11,526,200	11,526,200	10,926,008	600,192
Beer Board	530,500	558,200	558,120	80
Total Regulation and Inspection	12,056,700	12,084,400	11,484,128	600,272
<u>CONSERVATION OF NATURAL RESOURCES:</u>				
Agricultural Extension Service	331,900	343,700	343,532	168
Total Conservation of Natural Resources	331,900	343,700	343,532	168
<u>PUBLIC WELFARE:</u>				
Social Services Commission	6,230,800	6,230,800	5,320,578	910,222
Human Relations Commission	521,300	521,300	518,744	2,556
Total Public Welfare	6,752,100	6,752,100	5,839,322	912,778
<u>PUBLIC HEALTH AND HOSPITALS:</u>				
Board of Health	23,976,700	23,976,700	21,751,127	2,225,573
Hospital Authority	43,112,100	43,112,100	43,112,100	-
Total Public Health and Hospitals	67,088,800	67,088,800	64,863,227	2,225,573
<u>PUBLIC LIBRARY SYSTEM:</u>				
Public Library	31,765,300	31,765,300	30,651,471	1,113,829
<u>PUBLIC WORKS, HIGHWAYS AND STREETS:</u>				
Public Works	26,958,600	26,958,600	26,001,644	956,956
<u>RECREATIONAL AND CULTURAL:</u>				
Parks and Recreation	43,091,500	43,091,500	39,570,475	3,521,025
Arts Commission	3,457,000	3,457,000	3,312,627	144,373
Sports Authority	849,000	896,600	896,600	-
Total Recreational and Cultural	47,397,500	47,445,100	43,779,702	3,665,398

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGET AND ACTUAL
GENERAL FUND - GENERAL SERVICES DISTRICT (CONTINUED)

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
RETIREE BENEFITS:				
Contribution to Closed Pension Plans	\$ 10,402,300	\$ 10,402,300	\$ 10,402,300	\$ -
Employer's Contribution for Group Health Insurance	56,455,500	58,162,800	55,893,570	2,269,230
Employer's Contribution for Group Life Insurance	3,121,200	3,121,200	3,258,354	(137,154)
Total Retiree Benefits	<u>69,979,000</u>	<u>71,686,300</u>	<u>69,554,224</u>	<u>2,132,076</u>
MISCELLANEOUS:				
Contributions and Community Support	36,185,000	40,485,400	33,117,961	7,367,439
Subsidies	27,635,900	27,635,900	27,635,900	-
Administration and Internal Support	38,339,500	47,128,300	30,522,888	16,605,412
Total Miscellaneous	<u>102,160,400</u>	<u>115,249,600</u>	<u>91,276,749</u>	<u>23,972,851</u>
Total Expenditures	<u>\$ 892,741,700</u>	<u>\$ 918,324,300</u>	<u>\$ 866,386,872</u>	<u>\$ 51,937,428</u>
TRANSFERS IN:				
USD General Fund	\$ 481,000	\$ 481,000	\$ 481,000	\$ -
General Purpose School Fund	192,000	192,000	192,000	-
GSD Capital Projects Fund	30,000	30,000	30,000	-
Nonmajor Governmental Funds	9,168,300	9,168,300	9,825,569	657,269
Water and Sewerage Services	6,697,000	6,697,000	6,697,000	-
Stormwater Services	928,500	928,500	928,500	-
Nonmajor Enterprise Funds	877,500	877,500	877,500	-
Internal Service Funds	1,933,000	1,933,000	1,933,000	-
Total Transfers In	<u>20,307,300</u>	<u>20,307,300</u>	<u>20,964,569</u>	<u>657,269</u>
TRANSFERS OUT:				
General Purpose School Fund	(31,922,500)	(31,922,500)	(31,922,500)	-
Education Service Fund	(1,608,000)	(1,608,000)	(1,608,000)	
GSD General Purpose Debt Service Fund	(3,388,900)	(3,388,900)	(3,388,900)	-
Nonmajor Governmental Funds	(68,912,400)	(68,960,000)	(72,132,202)	(3,172,202)
District Energy System	(630,700)	(630,700)	(630,700)	-
Nonmajor Enterprise Funds	(180,800)	(2,321,100)	(2,321,100)	-
Internal Service Funds	(10,148,000)	(17,748,000)	(17,728,800)	19,200
Fiduciary Funds	(76,100)	(76,100)	(10,342)	65,758
Total Transfers Out	<u>(116,867,400)</u>	<u>(126,655,300)</u>	<u>(129,742,544)</u>	<u>(3,087,244)</u>
Total Other Financing Sources (Uses)	<u>\$ (96,560,100)</u>	<u>\$ (106,348,000)</u>	<u>\$ (108,777,975)</u>	<u>\$ (2,429,975)</u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGET AND ACTUAL
GENERAL FUND - URBAN SERVICES DISTRICT

For the Year Ended June 30, 2021

	Budgeted Amounts	Actual Amounts	Variance with Final Budget -
	Original	Final	Positive (Negative)
<u>FIRE PREVENTION AND CONTROL:</u>			
Fire Department	\$ 75,951,200	\$ 77,426,900	\$ 77,426,891 \$ 9
<u>PUBLIC WORKS, HIGHWAYS AND STREETS:</u>			
Public Works	10,165,800	10,165,800	9,372,773 793,027
<u>RETIREE BENEFITS:</u>			
Contribution to Closed Pension Plans	18,890,100	18,890,100	18,890,100 -
Employer's Contribution for Group Health Insurance	1,019,100	2,211,700	820,653 1,391,047
Employer's Contribution for Group Life Insurance	47,800	47,800	30,927 16,873
Total Retiree Benefits	19,957,000	21,149,600	19,741,680 1,407,920
<u>MISCELLANEOUS:</u>			
Administration and Internal Support	4,531,300	3,246,200	2,576,588 669,612
Total Miscellaneous	4,531,300	3,246,200	2,576,588 669,612
Total Expenditures	\$ 110,605,300	\$ 111,988,500	\$ 109,117,932 \$ 2,870,568
<u>TRANSFERS OUT:</u>			
GSD General Fund	\$ (481,000)	\$ (481,000)	\$ (481,000) \$ -
Nonmajor Governmental Funds	(20,480,900)	(20,480,900)	(20,480,900) -
Internal Service Funds	(740,800)	(740,800)	(740,800) -
Total Transfers Out	(21,702,700)	(21,702,700)	(21,702,700) -
Total Other Financing Sources (Uses)	\$ (21,702,700)	\$ (21,702,700)	\$ (21,702,700) \$ -

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF DELINQUENT PROPERTY TAXES RECEIVABLE - BY FUND

June 30, 2021

	Total Delinquent Property Taxes Receivable	General Services District			Debt Service Fund	School Debt Service Fund
		Total	General Fund	School Fund		
2020 Realty	\$ 16,700,569	\$ 15,210,804	\$ 6,842,788	\$ 5,232,545	2,299,886	\$ 835,585
2020 Personality	2,816,950	2,536,514	1,139,281	873,694	384,019	139,520
2020 Public Utility	<u>424,363</u>	<u>398,072</u>	<u>179,794</u>	<u>136,490</u>	<u>59,992</u>	<u>21,796</u>
Total 2020 Property Taxes	<u>19,941,882</u>	<u>18,145,390</u>	<u>8,161,863</u>	<u>6,242,729</u>	<u>2,743,897</u>	<u>996,901</u>
2019 Realty	452,925	393,868	187,912	144,474	43,168	18,314
2019 Personality	991,128	870,958	416,124	319,058	95,332	40,444
2019 Public Utility	<u>91,787</u>	<u>84,309</u>	<u>40,519</u>	<u>30,719</u>	<u>9,178</u>	<u>3,893</u>
Total 2019 Property Taxes	<u>1,535,840</u>	<u>1,349,135</u>	<u>644,555</u>	<u>494,251</u>	<u>147,678</u>	<u>62,651</u>
2018 & Prior - Realty	780,247	692,624	331,876	252,635	76,029	32,084
2018 & Prior - Personality	4,931,124	4,327,083	2,081,111	1,564,121	480,183	201,668
2018 & Prior - Public Utility	<u>433,696</u>	<u>370,881</u>	<u>177,834</u>	<u>132,929</u>	<u>41,275</u>	<u>18,843</u>
Total 2018 & Prior Property Taxes	<u>6,145,067</u>	<u>5,390,588</u>	<u>2,590,821</u>	<u>1,949,685</u>	<u>597,487</u>	<u>252,595</u>
Total Delinquent Property Taxes Receivable *	<u><u>\$ 27,622,789</u></u>	<u><u>\$ 24,885,113</u></u>	<u><u>\$ 11,397,239</u></u>	<u><u>\$ 8,686,665</u></u>	<u><u>\$ 3,489,062</u></u>	<u><u>\$ 1,312,147</u></u>

* Excludes 2021 Property Tax Levy

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF DELINQUENT PROPERTY TAXES RECEIVABLE - BY FUND (CONTINUED)

June 30, 2021

Urban Services District		
Total	General Fund	Debt Service Fund
\$ 1,489,765	\$ 1,261,519	\$ 228,246
280,436	237,471	42,965
26,291	22,263	4,028
<u>1,796,492</u>	<u>1,521,253</u>	<u>275,239</u>
59,057	50,395	8,662
120,170	102,545	17,625
7,478	6,381	1,097
<u>186,705</u>	<u>159,321</u>	<u>27,384</u>
87,623	73,933	13,690
604,041	506,751	97,290
62,815	52,671	10,144
<u>754,479</u>	<u>633,355</u>	<u>121,124</u>
<u><u>\$ 2,737,676</u></u>	<u><u>\$ 2,313,929</u></u>	<u><u>\$ 423,747</u></u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF DELINQUENT PROPERTY TAXES RECEIVABLE - BY TYPE

June 30, 2021

	<u>Year of Levy</u>	<u>Realty</u>	<u>Personalty</u>	<u>Public Utility</u>	<u>Total</u>
General Services District	2020	\$ 15,210,804	\$ 2,536,514	\$ 398,072	\$ 18,145,390
	2019	393,868	870,958	84,309	1,349,135
	2018	103,937	817,867	37,724	959,528
	2017	184,083	406,042	23,795	613,920
	2016	21,883	662,345	51,633	735,861
	2015	-	653,746	38,618	692,364
	2014	355,884	591,440	46,361	993,685
	2013	8,430	427,522	7,746	443,698
	2012	-	152,739	106,283	259,022
	2011	13,063	277,800	50,195	341,058
	2010	5,344	337,582	8,526	351,452
Total General Services District		<u>16,297,296</u>	<u>7,734,555</u>	<u>853,262</u>	<u>24,885,113</u>
Urban Services District	2020	1,489,765	280,436	26,291	1,796,492
	2019	59,057	120,170	7,478	186,705
	2018	16,625	122,006	6,102	144,733
	2017	30,385	55,667	3,958	90,010
	2016	3,504	92,410	8,792	104,706
	2015	-	92,010	6,748	98,758
	2014	31,700	76,383	6,561	114,644
	2013	723	56,635	1,352	58,710
	2012	-	26,983	18,766	45,749
	2011	2,395	40,413	9,168	51,976
	2010	2,291	41,534	1,368	45,193
Total Urban Services District		<u>1,636,445</u>	<u>1,004,647</u>	<u>96,584</u>	<u>2,737,676</u>
Total Delinquent Property Taxes Receivable *		<u>\$ 17,933,741</u>	<u>\$ 8,739,202</u>	<u>\$ 949,846</u>	<u>\$ 27,622,789</u>

* Excludes 2021 Property Tax Levy

See accompanying auditors' report.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF BONDS, NOTES AND LOANS PAYABLE

June 30, 2021

<u>Description</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Final Maturity</u>		<u>Amount of Issue</u>		
<u>GENERAL OBLIGATION BONDS PAYABLE</u>							
<u>For General Purposes:</u>							
GSD G.O. Improvement and Refunding Bonds, Series 2010A	2.75 - 5.00	June 10, 2010	July 1, 2026	\$	159,008,729		
GSD G.O. Improvement Bonds Federally Taxable (BAB's), Series 2010B	5.71	June 10, 2010	July 1, 2034		138,046,756		
GSD G.O. Refunding Bonds, Series 2010D	1.50 - 5.00	Sept. 21, 2010	July 1, 2024		144,150,016		
GSD G.O. Refunding Bonds, Series 2011	2.00 - 5.00	Sept. 29, 2011	July 1, 2023		49,712,377		
GSD G.O. Refunding Bonds, Series 2012	2.00 - 5.00	Feb. 2, 2012	July 1, 2025		154,956,701		
GSD G.O. Improvement Bonds (QEBC), Series 2012	3.367	Aug. 15, 2012	Aug. 1, 2027		6,440,000		
GSD G.O. Refunding Bonds, Series 2012B	.320 - 2.767	Aug. 15, 2012	July 1, 2024		67,480,283		
GSD G.O. Refunding Bonds, Series 2013	2.00 - 5.00	Feb. 21, 2013	July 1, 2027		138,755,487		
GSD G.O. Improvement Bonds, Series 2013A	3.00 - 5.00	May 9, 2013	Jan. 1, 2033		253,070,885		
GSD G.O. Refunding Bonds, Series 2015A	5.00	Feb. 19, 2015	July 1, 2026		33,884,829		
GSD G.O. Refunding Bonds, Series 2015B (Taxable)	.30 - 3.493	Feb. 19, 2015	July 1, 2029		72,314,470		
GSD G.O. Improvement Bonds, Series 2015C	4.00 - 5.00	July 30, 2015	July 1, 2034		240,454,031		
GSD G.O. Refunding Bonds, Series 2016	2.00 - 5.00	June 1, 2016	Jan. 1, 2033		231,949,343		
GSD G.O. Improvement Bonds, Series 2017	4.00 - 5.00	Feb. 2, 2017	July 1, 2036		280,675,679		
GSD G.O. Improvement Bonds, Series 2018	4.00 - 5.00	Oct. 25, 2018	July 1, 2038		487,502,922		
GSD G.O. Refunding Bonds, Series 2021A	5.00	Feb. 18, 2021	July 1, 2026		68,469,348		
GSD G.O. Refunding Bonds, Series 2021B (Taxable)	.121 - 1.786	Feb. 18, 2021	July 1, 2034		335,676,396		
GSD G.O. Improvement Bonds, Series 2021C	1.75 - 5.00	Feb. 25, 2021	Jan. 1, 2041		437,682,815		

Total General Obligation Bonds Payable For General Purposes	<u>3,300,231,067</u>
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<u>For School Purposes:</u>					
GSD G.O. Improvement and Refunding Bonds, Series 2010A	2.75 - 5.00	June 10, 2010	July 1, 2026		114,567,598
GSD G.O. Improvement Bonds Federally Taxable (BAB's), Series 2010B	5.71	June 10, 2010	July 1, 2034		70,516,649
GSD G.O. Refunding Bonds, Series 2010D	1.50 - 5.00	Sept. 21, 2010	July 1, 2024		120,126,326
GSD G.O. Refunding Bonds, Series 2011	2.00 - 5.00	Sept. 29, 2011	July 1, 2023		32,574,740
GSD G.O. Refunding Bonds, Series 2012	2.00 - 5.00	Feb. 2, 2012	July 1, 2025		53,280,200
GSD G.O. Refunding Bonds, Series 2012B	.320 - 2.767	Aug. 15, 2012	July 1, 2024		62,161,564
GSD G.O. Refunding Bonds, Series 2013	2.00 - 5.00	Feb. 21, 2013	July 1, 2027		82,814,365
GSD G.O. Improvement Bonds, Series 2013A	3.00 - 5.00	May 9, 2013	Jan. 1, 2033		84,932,213
GSD G.O. Refunding Bonds, Series 2015A	5.00	Feb. 19, 2015	July 1, 2026		22,804,914
GSD G.O. Refunding Bonds, Series 2015B (Taxable)	.30 - 3.493	Feb. 19, 2015	July 1, 2029		30,240,838
GSD G.O. Improvement Bonds, Series 2015C	4.00 - 5.00	July 30, 2015	July 1, 2034		97,563,777
GSD G.O. Refunding Bonds, Series 2016	2.00 - 5.00	June 1, 2016	Jan. 1, 2033		78,790,586
GSD G.O. Improvement Bonds, Series 2017	4.00 - 5.00	Feb. 2, 2017	July 1, 2036		171,785,733
GSD G.O. Improvement Bonds, Series 2018	4.00 - 5.00	Oct. 25, 2018	July 1, 2038		212,601,170
GSD G.O. Refunding Bonds, Series 2021A	5.00	Feb. 18, 2021	July 1, 2026		52,656,403
GSD G.O. Refunding Bonds, Series 2021B (Taxable)	.121 - 1.786	Feb. 18, 2021	July 1, 2034		127,045,163
GSD G.O. Improvement Bonds, Series 2021C	1.75 - 5.00	Feb. 25, 2021	Jan. 1, 2041		123,318,568

Total General Obligation Bonds Payable for School Purposes	<u>1,537,780,807</u>
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Total General Obligation Bonds Payable - General Services District	<u>\$ 4,838,011,874</u>
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See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF BONDS, NOTES AND LOANS PAYABLE (CONTINUED)

June 30, 2021

Principal Amount Outstanding June 30, 2020	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Principal Amount Outstanding June 30, 2021	Interest to Maturity as of June 30, 2021
\$ 41,393,045	\$ -	\$ 10,778,700	\$ 30,614,345	\$ -	\$ -
138,046,756	-	-	-	138,046,756	78,235,331
60,703,206	-	17,556,161	43,147,045	-	-
26,425,629	-	6,421,880	13,262,825	6,740,924	156,305
112,821,386	-	20,001,565	40,712,721	52,107,100	2,799,873
6,440,000	-	-	-	6,440,000	1,409,427
34,085,129	-	3,166,181	-	30,918,948	2,198,965
117,935,239	-	-	84,846,676	33,088,563	4,424,409
32,638,184	-	12,384,543	-	20,253,641	1,532,414
33,884,829	-	-	-	33,884,829	4,572,579
48,519,129	-	9,204,481	-	39,314,648	4,588,424
213,519,938	-	9,954,430	104,253,184	99,312,324	20,077,203
226,936,261	-	215,327	31,047,867	195,673,067	60,305,177
265,506,346	-	10,560,612	-	254,945,734	92,928,813
472,676,045	-	15,586,094	-	457,089,951	202,512,860
-	68,469,348	-	-	68,469,348	6,054,126
-	335,676,396	-	-	335,676,396	28,244,143
-	437,682,815	-	-	437,682,815	141,543,810
<u>1,831,531,122</u>	<u>841,828,559</u>	<u>115,829,974</u>	<u>347,884,663</u>	<u>2,209,645,044</u>	<u>651,583,859</u>
27,858,037	-	7,254,200	20,603,837	-	-
70,516,649	-	-	-	70,516,649	39,963,944
50,586,558	-	14,630,295	35,956,263	-	-
15,917,124	-	3,903,367	7,596,671	4,417,086	111,489
38,792,428	-	6,877,325	13,998,634	17,916,469	962,707
31,398,576	-	2,916,626	-	28,481,950	2,025,643
70,388,078	-	-	50,639,608	19,748,470	2,640,648
10,953,584	-	4,156,332	-	6,797,252	514,289
22,804,914	-	-	-	22,804,914	3,077,403
20,289,979	-	3,849,178	-	16,440,801	1,918,812
86,635,319	-	4,038,992	42,300,536	40,295,791	8,146,289
77,055,882	-	74,511	10,337,279	66,644,092	20,484,992
162,501,445	-	6,463,554	-	156,037,891	56,876,479
206,135,135	-	6,797,132	-	199,338,003	88,316,336
-	52,656,403	-	-	52,656,403	4,674,742
-	127,045,163	-	-	127,045,163	10,663,072
-	123,318,568	-	-	123,318,568	39,880,433
<u>891,833,708</u>	<u>303,020,134</u>	<u>60,961,512</u>	<u>181,432,828</u>	<u>952,459,502</u>	<u>280,257,278</u>
<u>\$ 2,723,364,830</u>	<u>\$ 1,144,848,693</u>	<u>\$ 176,791,486</u>	<u>\$ 529,317,491</u>	<u>\$ 3,162,104,546</u>	<u>\$ 931,841,137</u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF BONDS, NOTES AND LOANS PAYABLE (CONTINUED)

June 30, 2021

<u>Description</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Final Maturity</u>		<u>Amount of Issue</u>
<u>GENERAL OBLIGATION BONDS PAYABLE</u>					
USD G.O. Improvement and Refunding Bonds, Series 2010A	2.75 - 5.00	June 10, 2010	July 1, 2026	\$ 22,899,473	
USD G.O. Improvement Bonds Federally Taxable (BAB's), Series 2010B	5.71	June 10, 2010	July 1, 2034	43,441,595	
USD G.O. Refunding Bonds, Series 2010D	1.50 - 5.00	Sept. 21, 2010	July 1, 2024	25,925,413	
USD G.O. Refunding Bonds, Series 2011	2.00 - 5.00	Sept. 29, 2011	July 1, 2023	6,688,796	
USD G.O. Refunding Bonds, Series 2012	2.00 - 5.00	Feb. 2, 2012	July 1, 2025	18,873,099	
USD G.O. Refunding Bonds, Series 2012B	.320 - 2.767	Aug. 15, 2012	July 1, 2024	7,471,610	
USD G.O. Refunding Bonds, Series 2013	2.00 - 5.00	Feb. 21, 2013	July 1, 2027	23,915,148	
USD G.O. Improvement Bonds, Series 2013A	3.00 - 5.00	May 9, 2013	Jan. 1, 2033	30,135,613	
USD G.O. Refunding Bonds, Series 2015A	5.00	Feb. 19, 2015	July 1, 2026	3,040,257	
USD G.O. Refunding Bonds, Series 2015B (Taxable)	.30 - 3.493	Feb. 19, 2015	July 1, 2029	1,424,692	
USD G.O. Improvement Bonds, Series 2015C	4.00 - 5.00	July 30, 2015	July 1, 2034	8,531,298	
USD G.O. Refunding Bonds, Series 2016	2.00 - 5.00	June 1, 2016	Jan. 1, 2033	27,571,610	
USD G.O. Improvement Bonds, Series 2017	4.00 - 5.00	Feb. 2, 2017	July 1, 2036	2,538,666	
USD G.O. Improvement Bonds, Series 2018	4.00 - 5.00	Oct. 25, 2018	July 1, 2038	14,291,393	
USD G.O. Refunding Bonds, Series 2021A	5.00	Feb. 18, 2021	July 1, 2026	9,839,706	
USD G.O. Refunding Bonds, Series 2021B (Taxable)	.121 - 1.786	Feb. 18, 2021	July 1, 2034	34,308,441	
USD G.O. Improvement Bonds, Series 2021C	1.75 - 5.00	Feb. 25, 2021	Jan. 1, 2041	8,880,233	
Total General Obligation Bonds Payable (governmental activities)				289,777,043	
USD G.O. Refunding Bonds, Series 2010D (1)	1.50 - 5.00	Sept. 21, 2010	July 1, 2024	1,158,245	
USD G.O. Refunding Bonds, Series 2011 (1)	2.00 - 5.00	Sept. 29, 2011	July 1, 2023	504,087	
District Energy System Revenue Refunding Bonds, Series 2012A	2.00 - 5.00	Aug. 15, 2012	Oct. 1, 2033	47,450,000	
USD G.O. Refunding Bonds, Series 2012B (1)	.320 - 2.767	Aug. 15, 2012	July 1, 2024	3,231,543	
USD G.O. Improvement Bonds, Series 2013A (1)	3.00 - 5.00	May 9, 2013	Jan. 1, 2033	6,526,289	
USD G.O. Improvement Bonds, Series 2015C (1)	4.00 - 5.00	July 30, 2015	July 1, 2034	685,894	
USD G.O. Refunding Bonds, Series 2016 (1)	2.00 - 5.00	June 1, 2016	Jan. 1, 2033	5,663,461	
USD G.O. Improvement Bonds, Series 2017 (1)	4.00 - 5.00	Feb. 2, 2017	July 1, 2036	539,922	
USD G.O. Improvement Bonds, Series 2018 (1)	4.00 - 5.00	Oct. 25, 2018	July 1, 2038	1,559,515	
USD G.O. Refunding Bonds, Series 2021A	5.00	Feb. 18, 2021	July 1, 2026	329,543	
USD G.O. Improvement Bonds, Series 2021C	1.75 - 5.00	Feb. 25, 2021	Jan. 1, 2041	1,843,384	
Total General Obligation Bonds Payable (business-type activities)				69,491,883	
Total General Obligation Bonds Payable - Urban Services District				\$ 359,268,926	
<u>REVENUE BONDS PAYABLE</u>					
Department of Water and Sewerage Services:					
Revenue Refunding Bonds, Series 2010A	3.00 - 5.00	Dec. 9, 2010	July 1, 2027	\$ 104,050,000	
Revenue Bonds Federally Taxable (BAB's), Series 2010B	6.393 - 6.568	Dec. 9, 2010	July 1, 2037	135,000,000	
Revenue Bonds Federally Taxable, Series 2010C	6.693	Dec. 9, 2010	July 1, 2041	75,000,000	
Revenue Refunding Bonds, Series 2012	1.00 - 5.00	Feb. 2, 2012	July 1, 2023	129,625,000	
Revenue Bonds, Series 2013	3.00 - 5.00	Apr. 25, 2013	July 1, 2033	237,930,000	
Revenue Bonds, Series 2017A (Green Bonds)	3.00 - 5.00	Nov. 2, 2017	July 1, 2046	89,420,000	
Revenue Bonds, Series 2017B	5.00	Nov. 2, 2017	July 1, 2046	155,210,000	
Revenue Bonds, Series 2020A	4.00 - 5.00	Apr. 8, 2020	July 1, 2040	169,575,000	
Revenue Bonds, Series 2020B	5.00	Apr. 8, 2020	July 1, 2027	45,530,000	
Total Revenue Bonds Payable - Department of Water and Sewerage Services				\$ 1,141,340,000	
<u>NOTES AND LOANS PAYABLE</u>					
Qualified Zone Academy Notes	N/A	Dec. 28, 2005	Dec. 2, 2020	\$ 6,218,500	
Qualified School Construction Bond Loans Payable	1.515	Jun. 30, 2009	Jun. 30, 2027	\$ 56,675,000	
Total Notes and Loans Payable				\$ 62,893,500	

(1) Portions of these USD G.O. Bonds are directly related to the District Energy System, a proprietary fund, and intended to be repaid from resources of the District Energy System. Therefore, the liability is reported in business-type activities.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SCHEDULE OF BONDS, NOTES AND LOANS PAYABLE (CONTINUED)

June 30, 2021

Principal Amount Outstanding June 30, 2020	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Principal Amount Outstanding June 30, 2021	Interest to Maturity as of June 30, 2021
\$ 3,713,918	\$ -	\$ 967,100	\$ 2,746,818	\$ -	\$ -
43,441,595	-	-	-	43,441,595	24,619,682
10,917,484	-	3,157,478	7,760,006	-	-
4,578,160	-	1,149,753	3,025,504	402,903	21,651
13,741,186	-	2,436,110	4,958,645	6,346,431	341,014
3,774,002	-	350,569	-	3,423,433	243,474
20,326,683	-	-	14,623,716	5,702,967	762,567
3,886,546	-	1,474,748	-	2,411,798	182,480
3,040,257	-	-	-	3,040,257	410,267
955,892	-	181,341	-	774,551	90,399
7,575,678	-	353,183	3,996,280	3,226,215	712,338
26,976,756	-	25,551	4,529,854	22,421,351	7,168,422
2,401,467	-	95,519	-	2,305,948	840,527
13,856,736	-	456,914	-	13,399,822	5,936,768
	9,839,706	-	-	9,839,706	880,611
	34,308,441	-	-	34,308,441	2,471,964
	8,880,233	-	-	8,880,233	2,871,810
159,186,360	53,028,380	10,648,266	41,640,823	159,925,651	47,553,974
487,752	-	141,066	346,686	-	-
504,087	-	-	-	504,087	12,180
36,060,000	-	1,880,000	-	34,180,000	10,739,025
1,632,293	-	151,624	-	1,480,669	105,306
841,686	-	319,377	-	522,309	39,519
609,065	-	28,395	-	580,670	57,270
5,556,101	-	4,611	-	5,551,490	1,472,459
510,742	-	20,315	-	490,427	178,762
1,512,084	-	49,860	-	1,462,224	647,835
	329,543	-	-	329,543	30,081
	1,843,384	-	-	1,843,384	596,138
47,713,810	2,172,927	2,595,248	346,686	46,944,803	13,878,575
\$ 206,900,170	\$ 55,201,307	\$ 13,243,514	\$ 41,987,509	\$ 206,870,454	\$ 61,432,549
\$ 12,805,000	\$ -	\$ 7,555,000	\$ -	\$ 5,250,000	\$ 131,250
135,000,000	-	-	-	135,000,000	104,268,714
75,000,000	-	-	-	75,000,000	94,694,907
59,145,000	-	17,525,000	-	41,620,000	2,307,000
237,930,000	-	-	-	237,930,000	153,473,525
89,420,000	-	-	-	89,420,000	69,541,340
155,210,000	-	-	-	155,210,000	122,123,000
169,575,000	-	-	-	169,575,000	105,713,150
45,530,000	-	-	-	45,530,000	8,077,000
\$ 979,615,000	\$ -	\$ 25,080,000	\$ -	\$ 954,535,000	\$ 660,329,886
\$ 414,563	\$ -	\$ 414,563	\$ -	\$ -	\$ -
24,118,692	-	3,536,429	-	20,582,263	12,138,499
\$ 24,533,255	\$ -	\$ 3,950,992	\$ -	\$ 20,582,263	\$ 12,138,499

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS OF BONDS PAYABLE
GENERAL SERVICES DISTRICT - GENERAL OBLIGATION BONDS

Based on Bonded Debt as of June 30, 2021

Year Ending June 30	General Services District - General Obligation Bonds		
	Total General Obligation Bonds		
	Principal	Interest	Total
2022	\$ 214,033,787	\$ 112,802,045	\$ 326,835,832
2023	219,875,959	107,730,598	327,606,557
2024	230,255,473	99,102,905	329,358,378
2025	230,667,080	90,269,786	320,936,866
2026	214,592,806	82,009,212	296,602,018
2027	198,958,443	74,486,484	273,444,927
2028	199,379,873	66,585,575	265,965,448
2029	163,035,388	58,891,744	221,927,132
2030	168,910,515	52,201,519	221,112,034
2031	171,683,282	44,885,089	216,568,371
2032	179,902,662	37,415,296	217,317,958
2033	186,426,954	30,425,681	216,852,635
2034	154,465,968	23,846,162	178,312,130
2035	159,808,963	17,963,439	177,772,402
2036	111,901,118	12,898,116	124,799,234
2037	115,693,608	9,103,153	124,796,761
2038	83,867,093	5,882,092	89,749,185
2039	86,573,245	3,172,911	89,746,156
2040	35,678,010	1,441,447	37,119,457
2041	36,394,319	727,883	37,122,202
2042	-	-	-
2043	-	-	-
2044	-	-	-
2045	-	-	-
2046	-	-	-
2047	-	-	-
	<u>\$ 3,162,104,546</u>	<u>\$ 931,841,137</u>	<u>\$ 4,093,945,683</u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS OF BONDS PAYABLE (CONTINUED)
GENERAL SERVICES DISTRICT - GENERAL OBLIGATION BONDS

Based on Bonded Debt as of June 30, 2021

General Services District - General Obligation Bonds

Principal	For General Purposes		For School Purposes		
	Interest	Total	Principal	Interest	Total
\$ 143,024,668	\$ 78,004,722	\$ 221,029,390	\$ 71,009,119	\$ 34,797,323	\$ 105,806,442
150,759,174	74,815,398	225,574,572	69,116,785	32,915,200	102,031,985
152,135,229	69,034,871	221,170,100	78,120,244	30,068,034	108,188,278
154,264,581	63,206,600	217,471,181	76,402,499	27,063,186	103,465,685
152,790,118	57,592,519	210,382,637	61,802,688	24,416,693	86,219,381
141,683,998	52,312,305	193,996,303	57,274,445	22,174,179	79,448,624
143,785,606	46,691,555	190,477,161	55,594,267	19,894,020	75,488,287
114,965,562	41,211,690	156,177,252	48,069,826	17,680,054	65,749,880
119,262,678	36,518,221	155,780,899	49,647,837	15,683,298	65,331,135
121,239,576	31,360,462	152,600,038	50,443,706	13,524,627	63,968,333
126,437,140	26,111,772	152,548,912	53,465,522	11,303,524	64,769,046
130,987,464	21,240,511	152,227,975	55,439,490	9,185,170	64,624,660
107,472,443	16,685,042	124,157,485	46,993,525	7,161,120	54,154,645
111,151,434	12,648,996	123,800,430	48,657,529	5,314,443	53,971,972
78,188,647	9,161,814	87,350,461	33,712,471	3,736,302	37,448,773
80,775,732	6,573,069	87,348,801	34,917,876	2,530,084	37,447,960
61,274,770	4,332,919	65,607,689	22,592,323	1,549,173	24,141,496
63,216,738	2,388,924	65,605,662	23,356,507	783,987	24,140,494
27,835,318	1,124,590	28,959,908	7,842,692	316,857	8,159,549
28,394,168	567,879	28,962,047	8,000,151	160,004	8,160,155
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 2,209,645,044	\$ 651,583,859	\$ 2,861,228,903	\$ 952,459,502	\$ 280,257,278	\$ 1,232,716,780

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS OF BONDS PAYABLE (CONTINUED)
URBAN SERVICES DISTRICT - GENERAL OBLIGATION BONDS

Based on Bonded Debt as of June 30, 2021

Year Ending June 30	Urban Services District - General Obligation Bonds		
	Principal	Interest	Total
2022	\$ 14,381,213	\$ 8,057,318	\$ 22,438,531
2023	15,069,041	7,601,638	22,670,679
2024	16,859,527	7,040,710	23,900,237
2025	17,297,920	6,416,045	23,713,965
2026	14,842,194	5,850,386	20,692,580
2027	15,981,557	5,344,275	21,325,832
2028	15,705,127	4,712,192	20,417,319
2029	12,729,612	4,062,037	16,791,649
2030	13,539,485	3,512,080	17,051,565
2031	14,016,718	2,878,781	16,895,499
2032	13,342,338	2,217,199	15,559,537
2033	13,803,046	1,610,021	15,413,067
2034	11,739,032	982,594	12,721,626
2035	8,721,037	489,427	9,210,464
2036	1,893,882	245,709	2,139,591
2037	1,956,392	183,173	2,139,565
2038	1,777,907	123,208	1,901,115
2039	1,836,755	64,289	1,901,044
2040	681,990	27,553	709,543
2041	695,681	13,914	709,595
2042	-	-	-
2043	-	-	-
2044	-	-	-
2045	-	-	-
2046	-	-	-
2047	-	-	-
	<hr/> <u>\$ 206,870,454</u>	<hr/> <u>\$ 61,432,549</u>	<hr/> <u>\$ 268,303,003</u>

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS OF BONDS PAYABLE (CONTINUED)
DEPARTMENT OF WATER AND SEWERAGE SERVICES

Based on Bonded Debt as of June 30, 2021

Year Ending June 30	Revenue Bonds				
	Department of Water and Sewerage Services				
	Principal	Interest	Total		
2022	\$ 33,070,000	\$ 48,125,552	\$ 81,195,552		
2023	39,815,000	46,435,928	86,250,928		
2024	30,675,000	44,818,227	75,493,227		
2025	24,820,000	43,471,027	68,291,027		
2026	26,065,000	42,209,078	68,274,078		
2027	27,375,000	40,880,677	68,255,677		
2028	28,740,000	39,440,576	68,180,576		
2029	30,885,000	37,901,622	68,786,622		
2030	32,290,000	36,239,656	68,529,656		
2031	33,835,000	34,425,047	68,260,047		
2032	35,455,000	32,513,812	67,968,812		
2033	37,165,000	30,504,630	67,669,630		
2034	38,960,000	28,399,394	67,359,394		
2035	40,845,000	26,223,727	67,068,727		
2036	42,820,000	23,978,138	66,798,138		
2037	44,895,000	21,625,309	66,520,309		
2038	47,025,000	19,157,580	66,182,580		
2039	49,225,000	16,565,321	65,790,321		
2040	51,475,000	13,848,966	65,323,966		
2041	53,805,000	11,017,373	64,822,373		
2042	56,175,000	8,139,776	64,314,776		
2043	39,480,000	5,849,944	45,329,944		
2044	41,230,000	4,099,000	45,329,000		
2045	25,420,000	2,621,500	28,041,500		
2046	26,620,000	1,428,775	28,048,775		
2047	16,370,000	409,251	16,779,251		
	<hr/> <u>\$ 954,535,000</u>	<hr/> <u>\$ 660,329,886</u>	<hr/> <u>\$ 1,614,864,886</u>		

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BUDGETARY SCHEDULE OF ESTIMATED REVENUES AND FUND BALANCES
TO SUPPORT APPROPRIATIONS*

GENERAL SERVICES DISTRICT

For the Year July 1, 2021 Through June 30, 2022

<u>SOURCE OF REVENUE:</u>	General Fund	Debt Service Fund	School Debt Service Fund	School Funds	Total
Property Taxes - Current Year	\$ 556,826,100	\$ 206,093,300	\$ 70,802,300	\$ 454,120,400	\$ 1,287,842,100
Property Taxes - Non Current Year	64,609,100	24,600	29,800	4,188,500	68,852,000
Local Option Sales Tax	161,049,600	-	43,510,500	250,083,200	454,643,300
Other Taxes, Licenses, and Permits	142,965,000	-	-	12,995,600	155,960,600
Fines, Forfeits, and Penalties	4,744,200	170,000	-	1,200	4,915,400
Other Agencies - Federal Direct	3,248,700	4,843,400	-	-	8,092,100
Other Agencies - Federal Through State	3,078,300	-	-	500,000	3,578,300
Other Agencies - Other Pass - Through	7,200,000	-	-	-	7,200,000
Other Agencies - State Direct	103,264,100	-	-	285,619,700	388,883,800
Other Agencies - Other Governments	7,146,300	-	-	10,000	7,156,300
Commissions and Fees	12,847,300	-	-	-	12,847,300
Charges for Current Services	43,277,300	-	-	2,220,000	45,497,300
Compensation from Property	698,500	-	-	2,443,000	3,141,500
Contributions and Gifts	-	-	-	150,000	150,000
Miscellaneous	1,011,700	-	-	30,000	1,041,700
Subtotal	1,111,966,200	211,131,300	114,342,600	1,012,361,600	2,449,801,700
Operating Transfers In	12,407,900	13,943,400	1,599,600	2,300,000	30,250,900
Non-Operating Transfers In	10,703,900	-	-	-	10,703,900
Subtotal	23,111,800	13,943,400	1,599,600	2,300,000	40,954,800
Total Available for GSD Appropriations	<u>\$ 1,135,078,000</u>	<u>\$ 225,074,700</u>	<u>\$ 115,942,200</u>	<u>\$ 1,014,661,600</u>	<u>\$ 2,490,756,500</u>

* Excerpts from the Metropolitan Council Budget Substitute Bill Number BL2021-736 for the 2021-2022 fiscal year.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BUDGETARY SCHEDULE OF ESTIMATED REVENUES AND FUND BALANCES
TO SUPPORT APPROPRIATIONS* (CONTINUED)

URBAN SERVICES DISTRICT

For the Year July 1, 2021 Through June 30, 2022

<u>SOURCE OF REVENUE:</u>	General Fund	Debt Service Fund	Total
Property Taxes - Current Year	\$ 109,884,900	\$ 17,006,600	\$ 126,891,500
Property Taxes - Non Current Year	21,165,600	12,700	21,178,300
Other Taxes, Licenses, and Permits	9,152,900	187,100	9,340,000
Other Agencies - State Direct	522,600	-	522,600
Charges for Current Services	106,000	-	106,000
Operating Transfers In	-	1,847,300	1,847,300
 Total Available for USD Appropriations	 <u>\$ 140,832,000</u>	 <u>\$ 19,053,700</u>	 <u>\$ 159,885,700</u>

* Excerpts from the Metropolitan Council Budget Substitute Bill Number BL2021-736 for the 2021-2022 fiscal year.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BUDGETARY SCHEDULE OF APPROPRIATIONS BY FUNCTION AND/OR FUNDS *

For the Year July 1, 2021 Through June 30, 2022

	General Services District	Urban Services District	Duplicated By Interdistrict Interfund Transfers	Appropriation By Function And/Or Fund
GENERAL FUND				
General Government	\$ 283,182,500	\$ 27,162,200	\$ -	\$ 310,344,700
Fiscal Administration	30,024,000	-	-	30,024,000
Administration of Justice	77,558,300	-	-	77,558,300
Law Enforcement and Care of Prisoners	315,806,500	481,000	481,000	315,806,500
Fire Prevention and Control	66,805,700	79,776,000	-	146,581,700
Regulation, Inspection, & Economic Development	45,823,700	2,030,300	-	47,854,000
Social Services	8,408,100	-	-	8,408,100
Health and Hospitals	107,205,800	-	-	107,205,800
Public Library System	33,418,500	-	-	33,418,500
Recreational, Cultural, Conservation & Community Support	74,178,100	465,500	-	74,643,600
Infrastructure and Transportation	<u>92,666,800</u>	<u>30,917,000</u>	<u>-</u>	<u>123,583,800</u>
Total General Funds	1,135,078,000	140,832,000	481,000	1,275,429,000
DEBT SERVICE FUNDS				
(See detail on succeeding pages)	341,016,900	19,053,700	-	360,070,600
SCHOOL FUNDS				
(See detail on succeeding pages)	<u>1,014,661,600</u>	<u>-</u>	<u>-</u>	<u>1,014,661,600</u>
Total Appropriations By District	2,490,756,500	159,885,700	481,000	2,650,161,200
LESS INTERFUND TRANSFER:				
GSD Operating to GSD Debt	(3,388,900)	-	-	(3,388,900)
Schools to GSD General	<u>(192,000)</u>	<u>-</u>	<u>-</u>	<u>(192,000)</u>
Net Appropriation by District	<u>\$ 2,487,175,600</u>	<u>\$ 159,885,700</u>	<u>\$ 481,000</u>	<u>\$ 2,646,580,300</u>

* Excerpts from the Metropolitan Council Budget Substitute Bill Number BL2021-736 for the 2021-2022 fiscal year.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BUDGETARY SCHEDULE OF REQUIREMENTS OF THE DEBT SERVICE FUNDS BY FUNCTION *

DEBT SERVICE FUNDS - GENERAL SERVICES DISTRICT

For the Year July 1, 2021 Through June 30, 2022

	Principal/Interest	Other	Total
SCHOOL DEBT SERVICE FUND			
Outstanding General Obligation School Bonds	\$ 97,617,400	\$ -	\$ 97,617,400
New Debt FY21 Issue	11,233,500	-	11,233,500
Redemption, Cremation and Management Fees	-	546,900	546,900
Treasury Internal Service Fees	-	77,900	77,900
Qualified School Construction Bonds, 2009	-	1,637,800	1,637,800
Qualified School Construction Bonds, 2010	-	3,942,300	3,942,300
Commercial Paper (Bonds Anticipation Loans)	886,400	-	886,400
Total GSD School Purposes Debt Service Fund	\$ 109,737,300	\$ 6,204,900	\$ 115,942,200
GENERAL PURPOSES DEBT SERVICE FUND			
Outstanding General Obligation GSD Bonds	\$ 192,138,600	\$ -	\$ 192,138,600
New Debt FY21 Issue	25,758,900	-	25,758,900
Redemption, Cremation and Management Fees	-	1,167,000	1,167,000
Treasury Internal Service Fees	-	151,700	151,700
Commercial Paper (Bonds Anticipation Loans)	1,891,600	-	1,891,600
Tax Anticipation Notes	2,750,000	-	2,750,000
Swap Agreement	1,216,900	-	1,216,900
Total GSD General Purposes Debt Service Fund	\$ 223,756,000	\$ 1,318,700	\$ 225,074,700

* Excerpts from the Metropolitan Council Budget Substitute Bill Number BL2021-736 for the 2021-2022 fiscal year.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
 BUDGETARY SCHEDULE OF REQUIREMENTS OF THE DEBT SERVICE FUNDS BY FUNCTION *
 DEBT SERVICE FUNDS - URBAN SERVICES DISTRICT
 For the Year July 1, 2021 Through June 30, 2022

<u>URBAN SERVICES DISTRICT DEBT SERVICE FUND</u>	<u>Principal/Interest</u>	<u>Other</u>	<u>Total</u>
Outstanding General Obligation USD Bonds	\$ 17,912,100	\$ -	\$ 17,912,100
New Debt FY21 Issue	837,500	-	837,500
Redemption, Cremation and Management Fees	-	106,100	106,100
Treasury Internal Service Fees	-	26,000	26,000
Commercial Paper (Bonds Anticipation Loans)	<u>172,000</u>	<u>-</u>	<u>172,000</u>
Total USD General Purposes Debt Service Fund	<u>\$ 18,921,600</u>	<u>\$ 132,100</u>	<u>\$ 19,053,700</u>

* Excerpts from the Metropolitan Council Budget Substitute Bill Number BL2021-736 for the 2021-2022 fiscal year.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

BUDGETARY SCHEDULE OF APPROPRIATIONS*

SCHOOL FUNDS - GENERAL SERVICES DISTRICT

For the Year July 1, 2021 Through June 30, 2022

GENERAL PURPOSE SCHOOL FUND: (1)

General Purpose School Fund:

Operational	\$ 1,007,601,900
Property Tax Increment	<u>7,059,700</u>
Total General Purpose School Fund	<u>\$ 1,014,661,600</u>

- (1) From the funds appropriated to the Metropolitan Board of Public Education, there is appropriated the sum of \$4,285,000 for the purpose of funding the actuarial contribution to the Metro Teachers Pension Plan.

* Excerpts from the Metropolitan Council Budget Substitute Bill Number BL2021-736 for the 2021-2022 fiscal year.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

SUMMARY OF SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS

June 30, 2021

NAME OF OFFICIAL	TITLE	ANNUAL SALARY	AMOUNT OF SURETY BOND
John Cooper	Mayor	\$ 180,000	\$ 50,000
Kevin Crumbo	Director of Finance	202,000	250,000
Michell Bosch	Treasurer	138,290	2,000,000
Michelle Lane	Purchasing Agent	145,690	- (1)
Phil Carr	Chief Accountant	134,257	- (1)
Shannon Hall	Human Resources Director	157,280	- (1)
Richard R. Rooker	Circuit Court Clerk	164,700	100,000
Richard R. Rooker	Probate Clerk	-	250,000
Karen Johnson	Register of Deeds	150,450	150,000
Erica S. Gilmore	Trustee	150,450	14,000,000
Brenda P. Wynn	County Clerk	150,450	500,000
Howard C. Gentry, Jr.	Criminal Court Clerk	164,695	150,000
J. Daron Hall	Sheriff	181,960	100,000
Vivian M. Wilhoite	Assessor of Property	150,450	50,000
Maria Salas	Clerk & Master	150,450	50,000
Lonnell Matthews	Juvenile Court Clerk	150,450	100,000
Peggy Duncan Mathes	Public Administrator	-	100,000
Michael M. Castellarin	Public Trustee	-	200,000
Richard R. Rooker	Commissioner & Receiver	-	100,000
Richard R. Rooker	Official Revenue	-	100,000
Monica C. Fawknutson	Executive Director Sports Authority	135,900	50,000
Chris Henson	MNPS Assistant Superintendent of Business, Facility and Services	185,000	1,000,000

(1) A \$250,000 blanket surety bond is in place for these officials rather than separate bonds.

See accompanying auditors' report.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
STATISTICAL SECTION (UNAUDITED)
TABLE OF CONTENTS

This section of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Government's overall financial health.

	<u>Page Numbers</u>
FINANCIAL TRENDS	H-2
These schedules contain trend information to help the reader understand how the Government's financial performance and well-being have changed over time.	
REVENUE CAPACITY	H-16
These schedules contain information to help the reader assess the Government's most significant local revenue source, the property tax.	
DEBT CAPACITY	H-24
These schedules present information to help the reader assess the affordability of the Government's current levels of outstanding debt and the Government's ability to issue additional debt in the future.	
DEMOGRAPHIC AND ECONOMIC INFORMATION	H-32
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Government's financial activities take place.	
OPERATING INFORMATION	H-34
These schedules contain service and infrastructure data to help the reader understand how the information in the Government's financial report relates to the services the Government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015 (1)</u>
Governmental activities				
Net investment in capital assets	\$ 924,393	\$ 857,598	\$ 955,256	\$ 905,271
Restricted	31,771	35,802	39,551	41,647
Unrestricted	<u>(637,147)</u>	<u>(683,464)</u>	<u>(907,694)</u>	<u>(1,269,590)</u>
Total governmental activities net position	<u>319,017</u>	<u>209,936</u>	<u>87,113</u>	<u>(322,672)</u>
Business-type activities				
Net investment in capital assets	1,259,241	1,236,765	1,232,187	1,236,872
Restricted	49,700	56,720	64,253	55,270
Unrestricted	<u>32,057</u>	<u>27,268</u>	<u>37,930</u>	<u>41,747</u>
Total business-type activities net position	<u>1,340,998</u>	<u>1,320,753</u>	<u>1,334,370</u>	<u>1,333,889</u>
Primary government				
Net investment in capital assets	2,183,634	2,094,363	2,187,443	2,142,143
Restricted	81,471	92,522	103,804	96,917
Unrestricted	<u>(605,090)</u>	<u>(656,196)</u>	<u>(869,764)</u>	<u>(1,227,843)</u>
Total primary government net position	<u>\$ 1,660,015</u>	<u>\$ 1,530,689</u>	<u>\$ 1,421,483</u>	<u>\$ 1,011,217</u>

(1) In 2015, the Government implemented GASB Statement No. 68 which revised the reporting for its liability related to pensions.

Amounts for prior years have not been restated.

(2) In 2018, the Government implemented GASB Statement No. 75 which revised the reporting for its liability related to other postemployment benefits. Amounts for prior years have not been restated.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS (CONTINUED)
 (accrual basis of accounting)
 (amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

<u>2016</u>	<u>2017</u>	<u>2018 (2)</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 817,836	\$ 758,016	\$ 706,897	\$ 641,440	\$ 600,273	\$ 641,956
43,203	56,345	57,970	60,961	56,239	664,140
(1,333,519)	(1,528,114)	(3,956,494)	(4,135,579)	(4,328,054)	(4,478,600)
<u>(472,480)</u>	<u>(713,753)</u>	<u>(3,191,627)</u>	<u>(3,433,178)</u>	<u>(3,671,542)</u>	<u>(3,172,504)</u>
1,227,147	1,191,252	1,172,712	1,193,645	1,180,320	1,302,027
66,837	87,141	100,070	98,559	86,502	101,092
36,937	27,516	47,575	60,597	127,011	112,572
<u>1,330,921</u>	<u>1,305,909</u>	<u>1,320,357</u>	<u>1,352,801</u>	<u>1,393,833</u>	<u>1,515,691</u>
2,044,983	1,949,268	1,879,609	1,835,085	1,780,593	1,943,983
110,040	143,486	158,040	159,520	142,741	765,232
(1,296,582)	(1,500,598)	(3,908,919)	(4,074,982)	(4,201,043)	(4,366,028)
<u>\$ 858,441</u>	<u>\$ 592,156</u>	<u>\$ (1,871,270)</u>	<u>\$ (2,080,377)</u>	<u>\$ (2,277,709)</u>	<u>\$ (1,656,813)</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
 (accrual basis of accounting)
 (amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015 (2)
Expenses				
Governmental activities				
General government	\$ 117,669	\$ 118,107	\$ 134,592	\$ 188,330
Fiscal administration	31,802	32,675	31,357	33,277
Administration of justice	89,564	92,752	93,224	92,902
Law enforcement and care of prisoners	335,162	371,438	359,502	353,933
Fire prevention and control	158,763	170,843	149,551	152,045
Regulation and inspection	11,717	10,751	11,231	11,216
Conservation of natural resources	439	542	519	480
Public welfare	56,504	57,172	56,449	54,279
Public health and hospitals	114,145	119,695	119,828	106,365
Public library system	30,676	33,034	35,739	41,390
Public works, highways and streets	152,201	169,521	180,008	191,499
Recreational and cultural	61,259	68,515	76,759	70,841
Education	867,599	903,998	924,418	907,504
Interest and other debt related costs	86,223	77,525	96,842	93,210
Total governmental activities	<u>2,113,723</u>	<u>2,226,568</u>	<u>2,270,019</u>	<u>2,297,271</u>
Business-type activities				
Department of Water and Sewerage Services	185,385	205,278	208,945	213,926
District Energy System	18,102	17,573	18,774	18,761
Stormwater Operations	10,426	10,717	11,073	10,506
Nashville Convention Center	7,147	7,427	3,591	3,543
Board of Fair Commissioners	2,945	3,074	3,140	3,661
Farmers Market	1,265	1,788	1,605	1,849
Police Secondary Employment	832	1,131	190	-
Surplus Property Auction	713	735	790	650
Municipal Auditorium	1,808	1,787	2,001	2,041
Police Impound	967	376	375	375
Community Education Commission	297	352	324	357
Total business-type activities	<u>229,887</u>	<u>250,238</u>	<u>250,808</u>	<u>255,669</u>
Total primary government	<u>\$ 2,343,610</u>	<u>\$ 2,476,806</u>	<u>\$ 2,520,827</u>	<u>\$ 2,552,940</u>
Program Revenues				
Governmental activities				
Charges for services:				
General government	\$ 9,134	\$ 8,329	\$ 10,805	\$ 7,764
Fiscal administration	5,181	6,768	6,237	6,356
Administration of justice	32,772	33,232	32,929	31,052
Law enforcement and care of prisoners	33,172	32,210	30,281	30,667
Fire prevention and control	12,759	13,431	15,502	11,449
Regulation and inspection	10,846	12,368	14,252	18,576
Public welfare	1,208	1,098	1,162	1,007
Public health and hospitals	8,796	9,159	9,847	11,173
Public library system	474	450	438	409
Public works, highways and streets	12,594	12,066	12,573	14,272
Recreational and cultural	9,755	10,130	10,702	11,332
Education	18,485	19,502	18,740	16,936
Operating grants and contributions (1)	436,073	435,077	438,515	454,881
Capital grants and contributions (1)	58,447	55,267	58,286	37,301
Total governmental activities	<u>649,696</u>	<u>649,087</u>	<u>660,269</u>	<u>653,175</u>

(1) Operating and capital grants and contributions primarily represent amounts received from other governments to fund specific programs and projects and the value of roads and other infrastructure donated to the Government. The amounts vary based on the availability and timing of Federal and State funding and the timing and amount of road and infrastructure development within the metropolitan area.

(2) In 2015, the Government implemented GASB Statement No. 68 which revised the reporting for its liability related to pensions. Amounts for prior years have not been restated.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

	2016	2017	2018 (3)	2019	2020	2021
\$	196,012	\$ 206,436	\$ 229,632	\$ 241,330	\$ 230,356	\$ 203,513
31,729	33,551	34,478	36,497	41,067	46,251	
96,091	103,652	110,415	111,078	110,247	95,994	
378,291	392,032	389,728	421,429	457,130	403,318	
162,323	169,409	172,064	183,783	182,714	176,677	
10,931	12,103	12,600	13,878	14,209	13,095	
559	544	495	447	436	394	
56,186	67,609	72,270	77,151	56,783	84,584	
117,686	127,806	127,667	128,550	131,945	145,079	
45,268	46,440	45,086	48,463	48,057	40,577	
202,419	217,791	221,096	282,226	240,851	177,183	
77,342	81,081	96,612	90,277	79,718	82,913	
978,229	1,070,022	1,121,121	1,124,977	1,174,220	1,195,362	
95,228	103,969	110,836	121,201	113,137	109,170	
<u>2,448,294</u>	<u>2,632,445</u>	<u>2,744,100</u>	<u>2,881,287</u>	<u>2,880,870</u>	<u>2,774,110</u>	
232,501	231,793	227,588	240,195	255,803	238,082	
17,940	18,063	18,475	18,060	16,855	15,523	
10,945	12,661	15,625	18,170	20,189	16,949	
2,126	24,774	-	-	-	-	
3,654	3,737	3,673	3,497	3,918	3,460	
1,931	2,113	2,115	2,060	2,242	1,898	
-	-	-	-	-	-	
703	745	648	640	730	673	
1,995	2,035	2,074	2,221	1,791	1,402	
375	375	375	375	375	375	
391	-	-	-	-	-	
<u>272,561</u>	<u>296,296</u>	<u>270,573</u>	<u>285,218</u>	<u>301,903</u>	<u>278,362</u>	
<u>\$ 2,720,855</u>	<u>\$ 2,928,741</u>	<u>\$ 3,014,673</u>	<u>\$ 3,166,505</u>	<u>\$ 3,182,773</u>	<u>\$ 3,052,472</u>	
\$	8,989	\$ 9,597	\$ 18,781	\$ 15,161	\$ 25,233	\$ 46,544
7,570	9,527	9,807	8,904	8,638	10,339	
29,143	27,325	26,780	21,177	21,364	15,958	
30,247	32,451	28,207	30,015	28,808	29,452	
9,286	11,100	10,829	9,785	10,719	11,528	
25,407	24,607	23,742	25,419	27,837	32,439	
915	803	905	529	564	76	
12,495	11,874	12,447	12,250	10,960	12,125	
397	404	223	206	152	41	
15,922	19,971	19,637	20,349	20,891	20,521	
13,974	14,312	14,495	15,671	11,119	12,103	
19,259	18,990	18,026	19,235	13,879	15,395	
467,388	483,020	525,054	518,759	521,031	709,989	
30,970	30,891	30,162	60,733	53,804	51,360	
<u>671,962</u>	<u>694,872</u>	<u>739,095</u>	<u>758,193</u>	<u>754,999</u>	<u>967,870</u>	

(3) In 2018, the Government implemented GASB Statement No. 75 which revised the reporting for its liability related to other postemployment benefits. Amounts for prior years have not been restated.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015 (2)
Program Revenues (Continued)				
Business-type activities				
Charges for services:				
Department of Water and Sewerage Services	\$ 201,060	\$ 208,830	\$ 211,372	\$ 214,751
District Energy System	15,962	16,713	18,526	18,542
Stormwater Operations	13,883	14,199	14,613	14,295
Nashville Convention Center	5,490	5,746	2,124	1,768
Board of Fair Commissioners	2,658	2,786	3,021	3,367
Farmers Market	961	1,292	1,125	1,038
Police Secondary Employment	935	1,285	-	-
Surplus Property Auction	1,298	795	589	712
Municipal Auditorium	1,607	1,188	1,558	1,427
Police Impound	1,584	492	479	475
Community Education Commission	36	45	58	59
Operating grants and contributions	-	-	-	-
Capital grants and contributions	<u>25,307</u>	<u>11,890</u>	<u>16,478</u>	<u>20,655</u>
Total business-type activities	<u>270,781</u>	<u>265,261</u>	<u>269,943</u>	<u>277,089</u>
Total primary government	<u>\$ 920,477</u>	<u>\$ 914,348</u>	<u>\$ 930,212</u>	<u>\$ 930,264</u>
Net (Expense) Revenue				
Governmental activities	\$ (1,464,027)	\$ (1,577,481)	\$ (1,609,750)	\$ (1,644,096)
Business-type activities	<u>40,894</u>	<u>15,023</u>	<u>19,135</u>	<u>21,420</u>
Total primary government	<u>\$ (1,423,133)</u>	<u>\$ (1,562,458)</u>	<u>\$ (1,590,615)</u>	<u>\$ (1,622,676)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Property taxes	\$ 787,882	\$ 895,919	\$ 911,661	\$ 927,860
Local option sales taxes	281,294	301,430	315,479	340,077
Other taxes	150,856	160,802	174,556	193,729
Revenue from the use of money or property	1,121	1,195	3,244	1,044
Revenue from other governmental agencies	62,929	66,572	66,010	77,625
Compensation for loss, sale or damage to property	3,385	7,043	4,296	11,677
Transfers	6,248	35,439	11,681	11,154
Total governmental activities	<u>1,293,715</u>	<u>1,468,400</u>	<u>1,486,927</u>	<u>1,563,166</u>
Business-type activities				
Revenue from the use of money or property	119	111	1,655	1,088
Compensation for loss, sale or damage to property	157	60	196	2
Transfers	<u>(6,248)</u>	<u>(35,439)</u>	<u>(11,681)</u>	<u>(11,154)</u>
Total business-type activities	<u>(5,972)</u>	<u>(35,268)</u>	<u>(9,830)</u>	<u>(10,064)</u>
Total primary government	<u>\$ 1,287,743</u>	<u>\$ 1,433,132</u>	<u>\$ 1,477,097</u>	<u>\$ 1,553,102</u>
Change in Net Position				
Governmental activities	\$ (170,312)	\$ (109,081)	\$ (122,823)	\$ (80,930)
Business-type activities	<u>34,922</u>	<u>(20,245)</u>	<u>9,305</u>	<u>11,356</u>
Total primary government	<u>\$ (135,390)</u>	<u>\$ (129,326)</u>	<u>\$ (113,518)</u>	<u>\$ (69,574)</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (CONTINUED)
(accrual basis of accounting)
(amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

	2016		2017		2018 (3)		2019		2020		2021
\$	217,784	\$	218,816	\$	224,283	\$	228,054	\$	265,887	\$	310,841
17,597		17,408		17,111		17,607		16,581		16,980	
14,461		15,231		32,330		36,254		34,891		40,075	
45		-		-		-		-		-	
3,283		3,318		3,011		2,924		1,814		413	
961		974		1,095		1,000		1,062		1,375	
-		-		-		-		-		-	
1,231		1,253		2,088		1,200		1,247		1,505	
1,507		1,788		1,897		2,314		1,643		453	
475		491		502		502		500		505	
80		38		-		-		-		-	
-		-		-		-		-		265	
<u>22,770</u>		<u>27,848</u>		<u>18,753</u>		<u>20,652</u>		<u>26,568</u>		<u>46,909</u>	
<u>280,194</u>		<u>287,165</u>		<u>301,070</u>		<u>310,507</u>		<u>350,193</u>		<u>419,321</u>	
<u>\$ 952,156</u>		<u>\$ 982,037</u>		<u>\$ 1,040,165</u>		<u>\$ 1,068,700</u>		<u>\$ 1,105,192</u>		<u>\$ 1,387,191</u>	
\$ (1,776,332)		\$ (1,937,573)		\$ (2,005,005)		\$ (2,123,094)		\$ (2,125,871)		\$ (1,806,240)	
7,633		(9,131)		30,497		25,289		48,290		140,959	
<u>\$ (1,768,699)</u>		<u>\$ (1,946,704)</u>		<u>\$ (1,974,508)</u>		<u>\$ (2,097,805)</u>		<u>\$ (2,077,581)</u>		<u>\$ (1,665,281)</u>	
\$ 944,353		\$ 971,643		\$ 995,535		\$ 1,041,924		\$ 1,084,013		\$ 1,483,733	
365,704		382,934		414,156		450,234		443,868		481,412	
206,146		223,138		242,978		266,666		232,019		193,924	
3,886		3,350		5,865		11,678		7,298		4,537	
83,484		91,696		96,374		97,965		106,864		112,967	
9,963		6,386		1,874		19,747		4,045		4,290	
12,988		17,153		18,902		(6,671)		9,400		19,797	
<u>1,626,524</u>		<u>1,696,300</u>		<u>1,775,684</u>		<u>1,881,543</u>		<u>1,887,507</u>		<u>2,300,660</u>	
1,334		1,224		2,819		6,857		2,140		675	
1,053		48		34		30		2		21	
(12,988)		(17,153)		(18,902)		6,671		(9,400)		(19,797)	
<u>(10,601)</u>		<u>(15,881)</u>		<u>(16,049)</u>		<u>13,558</u>		<u>(7,258)</u>		<u>(19,101)</u>	
<u>\$ 1,615,923</u>		<u>\$ 1,680,419</u>		<u>\$ 1,759,635</u>		<u>\$ 1,895,101</u>		<u>\$ 1,880,249</u>		<u>\$ 2,281,559</u>	
\$ (149,808)		\$ (241,273)		\$ (229,321)		\$ (241,551)		\$ (238,364)		\$ 494,420	
(2,968)		(25,012)		14,448		38,847		41,032		121,858	
<u>\$ (152,776)</u>		<u>\$ (266,285)</u>		<u>\$ (214,873)</u>		<u>\$ (202,704)</u>		<u>\$ (197,332)</u>		<u>\$ 616,278</u>	

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015	2016
General fund					
Nonspendable	\$ 367,535	\$ 453,627	\$ 525,930	\$ 546,062	\$ 467,008
Assigned	539,600	16,030,900	34,840,900	54,311,800	59,542,600
Unassigned	<u>69,836,867</u>	<u>84,053,738</u>	<u>81,650,073</u>	<u>83,195,736</u>	<u>84,493,158</u>
Total general fund	<u>70,744,002</u>	<u>100,538,265</u>	<u>117,016,903</u>	<u>138,053,598</u>	<u>144,502,766</u>
All other governmental funds					
Nonspendable	2,891,941	2,723,873	3,122,352	4,079,964	3,276,149
Restricted	36,939,852	160,884,699	39,365,865	41,461,337	43,018,673
Committed	145,387,960	145,231,736	125,883,422	126,421,581	137,020,957
Assigned	-	29,966,900	40,441,000	25,800,000	21,000,000
Unassigned (1)	<u>(174,680,021)</u>	<u>(15,710,564)</u>	<u>(189,169,860)</u>	<u>(501,399,310)</u>	<u>(342,346,761)</u>
Total all other governmental funds	<u>10,539,732</u>	<u>323,096,644</u>	<u>19,642,779</u>	<u>(303,636,428)</u>	<u>(138,030,982)</u>
Total governmental funds	<u>\$ 81,283,734</u>	<u>\$ 423,634,909</u>	<u>\$ 136,659,682</u>	<u>\$ (165,582,830)</u>	<u>\$ 6,471,784</u>

(1) The deficit balances are due to capital projects funds that are temporarily funded with short-term commercial paper borrowings.

The balances vary due to the timing of capital expenditures and the issuance of bonds.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS (CONTINUED)
 (modified accrual basis of accounting)

Unaudited - See Accompanying Accountants' Report

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 986,266	\$ 842,106	\$ 512,113	\$ 707,906	\$ 861,275
50,533,800	16,939,600	13,607,278	11,994,500	19,649,800
<u>55,176,460</u>	<u>58,879,621</u>	<u>77,325,526</u>	<u>61,072,639</u>	<u>264,975,456</u>
<u>106,696,526</u>	<u>76,661,327</u>	<u>91,444,917</u>	<u>73,775,045</u>	<u>285,486,531</u>
3,332,511	3,040,245	3,404,379	4,881,068	4,170,907
56,160,164	57,785,371	60,687,925	56,053,323	79,820,382
137,058,350	134,273,729	132,150,162	139,745,835	288,456,409
25,440,300	550,000	2,569,824	-	-
<u>(192,217,171)</u>	<u>(653,295,939)</u>	<u>(254,593,420)</u>	<u>(560,486,994)</u>	<u>(109,195,043)</u>
<u>29,774,154</u>	<u>(457,646,594)</u>	<u>(55,781,130)</u>	<u>(359,806,768)</u>	<u>263,252,655</u>
<u>\$ 136,470,680</u>	<u>\$ (380,985,267)</u>	<u>\$ 35,663,787</u>	<u>\$ (286,031,723)</u>	<u>\$ 548,739,186</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
FUND BALANCES OF BUDGETED GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)
 Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015	2016
General fund					
GSD					
Nonspendable	\$ 367,535	\$ 453,627	\$ 525,930	\$ 546,062	\$ 467,008
Assigned	539,600	10,768,700	29,036,600	45,541,100	51,067,800
Unassigned	<u>61,358,778</u>	<u>74,758,944</u>	<u>70,094,923</u>	<u>74,818,956</u>	<u>80,265,059</u>
Total GSD	<u>62,265,913</u>	<u>85,981,271</u>	<u>99,657,453</u>	<u>120,906,118</u>	<u>131,799,867</u>
USD					
Assigned	-	5,262,200	5,804,300	8,770,700	8,474,800
Unassigned	8,478,089	9,294,794	11,555,150	8,376,780	4,228,099
Total USD	<u>8,478,089</u>	<u>14,556,994</u>	<u>17,359,450</u>	<u>17,147,480</u>	<u>12,702,899</u>
Total general fund	<u>70,744,002</u>	<u>100,538,265</u>	<u>117,016,903</u>	<u>138,053,598</u>	<u>144,502,766</u>
General purpose school fund					
Nonspendable	1,291,555	1,504,241	1,569,880	2,790,092	1,863,688
Committed	54,933,590	64,049,858	43,152,443	53,325,440	56,233,446
Assigned	-	12,000,000	38,005,000	16,000,000	16,000,000
Total general purpose school fund	<u>56,225,145</u>	<u>77,554,099</u>	<u>82,727,323</u>	<u>72,115,532</u>	<u>74,097,134</u>
GSD general purposes					
debt service fund					
Nonspendable	-	-	-	-	43,369
Committed	8,469,047	13,255,408	9,450,642	11,504,096	5,946,531
Assigned	-	5,966,900	-	5,000,000	5,000,000
Total GSD general purposes					
debt service fund	<u>8,469,047</u>	<u>19,222,308</u>	<u>9,450,642</u>	<u>16,504,096</u>	<u>10,989,900</u>
GSD school purposes					
debt service fund					
Nonspendable	475,583	-	-	-	5,454
Committed	12,898,334	1,479,123	6,392,039	5,143,998	7,133,994
Assigned	-	8,000,000	-	3,300,000	-
Total GSD school purposes					
debt service fund	<u>13,373,917</u>	<u>9,479,123</u>	<u>6,392,039</u>	<u>8,443,998</u>	<u>7,139,448</u>
USD general purposes					
debt service fund					
Nonspendable	-	-	-	-	1,177
Committed	7,325,354	4,628,697	3,275,429	1,642,363	4,152,908
Assigned	-	4,000,000	2,436,000	1,500,000	-
Total USD general purposes					
debt service fund	<u>7,325,354</u>	<u>8,628,697</u>	<u>5,711,429</u>	<u>3,142,363</u>	<u>4,154,085</u>
Total budgeted governmental funds	<u>\$ 156,137,465</u>	<u>\$ 215,422,492</u>	<u>\$ 221,298,336</u>	<u>\$ 238,259,587</u>	<u>\$ 240,883,333</u>

Note: The schedule above reflects fund balances for those governmental funds for which legally required budgets are prepared and approved. The general purpose school fund is reported as a special revenue fund. The three debt service funds are reported as debt service funds. All of these funds are considered major funds of the Government.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
 FUND BALANCES OF BUDGETED GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS (CONTINUED)
 (modified accrual basis of accounting)
 Unaudited - See Accompanying Accountants' Report

2017	2018	2019	2020	2021
\$ 986,266	\$ 842,106	\$ 512,113	\$ 707,906	\$ 861,275
50,533,800	15,389,900	5,887,278	10,801,900	18,095,700
48,913,495	52,291,879	70,147,693	52,277,917	251,566,114
<u>100,433,561</u>	<u>68,523,885</u>	<u>76,547,084</u>	<u>63,787,723</u>	<u>270,523,089</u>
-	1,549,700	7,720,000	1,192,600	1,554,100
6,262,965	6,587,742	7,177,833	8,794,722	13,409,342
<u>6,262,965</u>	<u>8,137,442</u>	<u>14,897,833</u>	<u>9,987,322</u>	<u>14,963,442</u>
<u>106,696,526</u>	<u>76,661,327</u>	<u>91,444,917</u>	<u>73,775,045</u>	<u>285,486,531</u>
1,534,233	1,680,304	1,573,499	2,141,115	2,201,073
42,633,597	33,200,541	37,173,788	27,722,378	113,821,114
19,059,900	-	2,569,824	-	-
<u>63,227,730</u>	<u>34,880,845</u>	<u>41,317,111</u>	<u>29,863,493</u>	<u>116,022,187</u>
8,537,916	5,663,153	6,276,864	17,048,874	18,629,376
<u>900,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>9,437,916</u>	<u>5,663,153</u>	<u>6,276,864</u>	<u>17,048,874</u>	<u>18,629,376</u>
138,166	28,515	-	-	-
5,212,267	4,085,521	11,390,257	16,355,178	48,335,815
<u>1,400,000</u>	<u>550,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>6,750,433</u>	<u>4,664,036</u>	<u>11,390,257</u>	<u>16,355,178</u>	<u>48,335,815</u>
-	-	-	-	-
406,031	524,152	285,379	911,699	2,900,706
<u>4,080,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,486,431</u>	<u>524,152</u>	<u>285,379</u>	<u>911,699</u>	<u>2,900,706</u>
<u>\$ 190,599,036</u>	<u>\$ 122,393,513</u>	<u>\$ 150,714,528</u>	<u>\$ 137,954,289</u>	<u>\$ 471,374,615</u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015
Revenues				
Property taxes (2)	\$ 790,774,878	892,398,894	\$ 914,121,619	\$ 928,796,242
Local option sales tax	281,294,520	301,430,612	315,478,742	340,076,515
Other taxes, licenses and permits	162,804,251	174,702,273	190,370,587	212,923,908
Fines, forfeits and penalties	16,253,081	18,652,738	18,225,785	17,727,633
Revenues from the use of money or property	362,910	489,242	1,895,305	1,720,061
Revenues from other governmental agencies (3)	576,547,108	559,780,403	556,743,508	575,416,455
Commissions and fees	24,002,476	24,211,549	24,120,359	23,102,323
Charges for current services	56,309,437	58,600,398	59,783,530	58,921,658
Compensation for loss, sale or damage to property	4,109,532	5,231,290	5,265,788	12,107,134
Contributions and gifts	14,418,670	8,948,728	10,160,516	7,583,631
Bond interest tax credit	5,895,527	4,900,351	4,837,386	4,839,480
Miscellaneous	2,269,697	2,081,927	2,200,931	2,390,797
Total revenues	<u>1,935,042,087</u>	<u>2,051,428,405</u>	<u>2,103,204,056</u>	<u>2,185,605,837</u>

Expenditures

Current:

General government	95,085,871	81,829,427	88,894,101	121,382,425
Fiscal administration	21,912,507	22,316,247	21,746,114	20,710,891
Administration of justice	53,575,166	68,479,472	70,290,863	69,233,942
Law enforcement and care of prisoners	255,276,886	259,384,359	263,774,603	272,907,074
Fire prevention and control	108,609,078	113,452,154	111,520,124	114,494,845
Regulation and inspection	7,760,963	8,057,406	7,782,724	7,629,325
Conservation of natural resources	333,713	398,931	357,658	348,293
Public welfare (3)	39,169,144	40,056,346	38,361,990	38,429,963
Public health and hospitals	85,975,912	89,757,405	86,084,524	74,416,321
Public library system	21,178,142	22,328,538	22,349,552	25,044,101
Public works, highways and streets	51,792,795	58,251,129	61,817,477	62,968,348
Recreational and cultural	34,454,492	36,110,497	36,336,635	38,335,515
Education	797,821,937	832,361,152	856,362,684	871,208,119
Employee benefits	72,920,868	76,165,493	79,043,492	80,114,975
Miscellaneous	75,985,530	80,080,144	87,709,934	87,245,357

Note: Certain amounts have been reclassified for comparability. Unless otherwise noted, significant variances in expenditures primarily relate to salaries and associated costs. Significant variances in revenues primarily relate to increases in property taxes and sales taxes due to economic growth.

(1) In fiscal year 2020, variances in revenues are primarily due to the impact of the COVID-19 pandemic on revenue collections.

(2) In fiscal year 2021, the GSD-USD property tax rate was increased by the Metropolitan Council.

(3) In fiscal year 2021, revenue from other governmental agencies and public welfare increased due to COVID-19 revenues and expenditures.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)
(modified accrual basis of accounting)

Unaudited - See Accompanying Accountants' Report

2016	2017	2018	2019	2020 (1)	2021
\$ 944,010,324	\$ 972,303,558	\$ 998,584,196	\$ 1,041,855,441	\$ 1,084,068,537	\$ 1,467,278,609
365,703,934	382,934,148	414,155,992	450,234,426	443,867,556	481,411,818
233,889,194	252,614,490	271,455,280	296,222,400	263,807,210	231,115,040
17,055,354	14,661,562	13,656,857	10,289,378	7,189,537	6,754,424
2,334,936	1,834,351	3,387,084	7,086,668	4,484,824	3,572,193
585,321,632	621,112,678	642,241,942	648,136,547	657,015,122	876,737,623
24,025,983	26,248,505	26,776,105	25,952,444	25,518,337	26,184,581
65,642,511	69,693,874	70,529,679	75,495,033	66,105,885	55,941,951
13,157,818	9,802,146	4,238,496	23,083,462	2,590,212	5,759,797
12,631,751	8,283,416	9,576,623	21,189,843	11,588,151	9,310,325
4,864,020	4,859,357	4,874,645	4,895,429	4,911,180	4,922,502
2,741,647	3,487,567	3,231,709	959,902	1,408,890	1,057,237
 <hr/>	 <hr/>	 <hr/>	 <hr/>	 <hr/>	 <hr/>
2,271,379,104	2,367,835,652	2,462,708,608	2,605,400,973	2,572,555,441	3,170,046,100
 <hr/>	 <hr/>	 <hr/>	 <hr/>	 <hr/>	 <hr/>
128,220,069	132,839,297	144,414,659	155,942,030	155,729,436	116,851,729
21,734,682	23,768,516	25,146,706	24,370,987	24,964,080	26,508,781
71,353,866	71,423,262	75,022,842	76,216,017	82,174,083	82,465,665
283,870,494	297,122,296	307,666,284	311,589,580	326,265,729	322,537,803
116,955,164	124,437,211	131,851,434	130,644,806	136,853,221	139,402,263
8,189,234	9,217,944	10,220,547	10,335,201	11,080,308	11,527,661
373,209	411,714	407,900	322,263	335,444	343,532
38,949,970	39,754,229	43,023,369	53,584,594	65,083,183	180,388,963
85,562,915	93,429,462	93,606,500	89,428,046	90,889,097	96,944,620
28,384,505	30,644,306	31,647,990	32,336,003	32,151,198	31,431,166
63,853,645	68,220,307	71,990,811	77,943,885	74,246,081	80,848,333
40,044,257	43,548,448	44,444,945	45,846,798	43,766,127	45,595,260
918,531,408	965,421,660	1,033,114,424	1,041,775,152	1,034,084,222	1,121,276,852
81,576,678	84,585,219	87,579,887	87,855,789	88,233,381	89,295,904
89,278,073	109,046,528	116,376,212	108,887,193	102,696,115	93,853,337

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)
(modified accrual basis of accounting)

Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015
Expenditures (Continued)				
Debt service:				
Principal retirement (1)	\$ 12,943,203	\$ 44,743,407	\$ 97,320,344	\$ 113,588,002
Interest	93,879,521	93,272,037	101,497,666	103,301,816
Fiscal charges	3,257,031	3,716,622	3,226,035	6,911,332
Debt issue costs	2,207,494	2,704,649	-	-
Capital outlay - capitalized (2)	133,571,317	110,878,249	202,968,322	214,809,446
Capital outlay - noncapitalized	63,091,834	110,821,632	131,042,781	141,684,515
Total expenditures	<u>2,030,803,404</u>	<u>2,155,165,296</u>	<u>2,368,487,623</u>	<u>2,464,764,605</u>
Excess of revenue over (under) expenditures	<u>(95,761,317)</u>	<u>(103,736,891)</u>	<u>(265,283,567)</u>	<u>(279,158,768)</u>
Other Financing Sources (Uses)				
Issuance of new debt	-	374,874,554	-	-
Issuance of refunding debt	316,085,913	382,598,457	-	163,710,000
Debt issue premium (discount)	67,444,362	131,109,907	-	13,815,134
Payments to refunded bond escrow agent	(383,595,322)	(433,836,850)	-	(176,341,921)
Insurance recovery (3)	-	-	-	-
Transfers in	180,292,626	199,600,840	183,807,020	190,050,738
Transfers out	(212,907,693)	(208,258,842)	(205,498,680)	(214,317,695)
Total other financing sources (uses)	<u>(32,680,114)</u>	<u>446,088,066</u>	<u>(21,691,660)</u>	<u>(23,083,744)</u>
Net change in fund balances	<u>\$ (128,441,431)</u>	<u>\$ 342,351,175</u>	<u>\$ (286,975,227)</u>	<u>\$ (302,242,512)</u>
Debt service as a percentage of noncapitalized expenditures (4)	5.63 %	6.75 %	9.18 %	9.64 %

(1) As the result of a bond refunding in June 2010, principal payments for the years ended June 30, 2011 through 2013 were significantly reduced.

(2) Only a portion of capital outlay expenditures qualify for capitalization under the Government's capitalization policy.

(3) Insurance recoveries in fiscal year 2020 are related to a tornado in March 2020.

(4) For purposes of calculating debt service as a percentage of noncapital expenditures, debt service includes principal retirement and interest. Noncapitalized expenditures equals total expenditures less capital outlay - capitalized.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (CONTINUED)
(modified accrual basis of accounting)

Unaudited - See Accompanying Accountants' Report

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (2)</u>	<u>2021</u>
\$ 115,957,762	\$ 132,859,891	\$ 140,797,840	\$ 155,391,020	\$ 183,512,484	\$ 191,390,744
104,982,211	103,366,006	125,106,557	126,187,299	146,209,535	137,569,537
7,898,402	6,792,950	6,848,877	3,954,518	3,687,504	6,569,561
-	-	-	-	-	-
139,450,169	210,753,687	312,043,055	192,242,125	138,427,951	97,304,455
134,787,666	174,861,981	172,170,172	199,621,588	147,889,841	108,875,689
<u>2,479,954,379</u>	<u>2,722,504,914</u>	<u>2,973,481,011</u>	<u>2,924,474,894</u>	<u>2,888,279,020</u>	<u>2,980,981,855</u>
<u>(208,575,275)</u>	<u>(354,669,262)</u>	<u>(510,772,403)</u>	<u>(319,073,921)</u>	<u>(315,723,579)</u>	<u>189,064,245</u>
346,549,106	455,000,078	-	714,395,485	-	569,881,616
338,311,539	-	-	-	-	627,995,457
127,100,018	48,071,097	-	60,815,772	-	91,653,461
(409,215,077)	-	-	-	-	(636,464,334)
-	-	-	-	4,000,000	-
195,258,693	243,930,794	270,899,050	338,234,278	296,585,273	344,356,001
(217,374,390)	(262,333,811)	(277,582,594)	(377,722,560)	(306,557,204)	(356,333,433)
<u>380,629,889</u>	<u>484,668,158</u>	<u>(6,683,544)</u>	<u>735,722,975</u>	<u>(5,971,931)</u>	<u>641,088,768</u>
<u>\$ 172,054,614</u>	<u>\$ 129,998,896</u>	<u>\$ (517,455,947)</u>	<u>\$ 416,649,054</u>	<u>\$ (321,695,510)</u>	<u>\$ 830,153,013</u>

9.44 % 9.40 % 9.99 % 10.31 % 11.99 % 11.41 %

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF GENERAL SERVICES DISTRICT TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

Fiscal Year	Realty	Personalty	Public Utility	Total GSD Taxable Assessed Value
2011-12	\$ 17,366,226,070	\$ 1,098,349,735	\$ 639,688,011	\$ 19,104,263,816
2012-13	17,404,334,210	1,115,387,381	640,800,994	19,160,522,585
2013-14	18,313,859,433	1,231,932,155	663,744,930	20,209,536,518
2014-15	18,498,390,332	1,177,300,927	700,367,364	20,376,058,623
2015-16	18,866,789,974	1,209,436,393	666,469,036	20,742,695,403
2016-17	19,435,521,082	1,187,902,496	691,397,076	21,314,820,654
2017-18	28,945,737,943	1,419,531,774	779,345,451	31,144,615,168
2018-19	29,899,297,712	1,509,226,429	812,276,537	32,220,800,678
2019-20	30,860,833,673	1,416,975,564	737,873,399	33,015,682,636
2020-21	31,846,226,706	1,479,419,917	802,347,589	34,127,994,212

Assessment date: January 1 (Pick-up assessments and cancellations for each year in minor amounts are not reflected in above figures).

Tax levy: General Services District tax is levied on the entire Metropolitan area. Urban Services District tax is an additional tax levied on properties within the Urban Services District. Personality and public utility taxes are levied on September 1st of each year, based upon assessed valuation at January 1st of that year. Real property taxes are levied on September 1st of each year, based upon assessed valuation through January 1st of that year. In addition, for the period January 1st through September 1st, supplemental assessments are made and related taxes are levied for improved, demolished or damaged property during such period, in accordance with T.C.A. Section 67-607.

Ratio of assessed value

to appraised value:

- Commercial and industrial properties - 40% for real property and 30% for tangible personal property
- Farm and residential properties - 25%
- Public utilities - 55%

Note: The State mandates a reappraisal valuation of property within Davidson County every four years.

(1) All properties within the General Services District are taxed at the GSD tax rate. Only those properties within the Urban Services

District are taxed the additional USD tax rate. See schedule on page H-18.

(2) Source: Tax Aggregate Reports for Tennessee State Board of Equalization

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF GENERAL SERVICES DISTRICT TAXABLE PROPERTY
LAST TEN FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

Total GSD Tax Rate (1)	Total Estimated Actual Property Value (2)	Assessed Value as a Percentage of Actual Value
\$ 3.560	\$ 63,127,519,037	30.26 %
4.040	63,259,449,113	30.29
3.924	65,810,054,890	30.71
3.924	66,270,673,259	30.75
3.924	67,533,296,332	30.71
3.924	78,262,509,134	27.24
2.755	99,659,583,923	31.25
2.755	102,919,516,660	31.31
2.755	123,954,384,027	26.64
3.788	128,201,489,337	26.62

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

ASSESSED VALUE OF URBAN SERVICES DISTRICT TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

Fiscal Year	Realty	Personalty	Public Utility	Total USD Taxable Assessed Value	Total USD Tax Rate
2011-12	\$ 11,847,282,828	\$ 915,167,902	\$ 482,396,101	\$ 13,244,846,831	\$ 0.570
2012-13	11,877,136,516	928,784,082	477,220,794	13,283,141,392	0.620
2013-14	12,743,560,657	1,042,522,606	500,973,282	14,287,056,545	0.592
2014-15	12,895,435,922	983,507,268	526,411,427	14,405,354,617	0.592
2015-16	13,184,753,548	1,023,107,282	495,162,952	14,703,023,782	0.592
2016-17	13,644,574,094	971,185,978	510,672,763	15,126,432,835	0.592
2017-18	21,923,461,416	1,230,063,669	589,517,294	23,743,042,379	0.400
2018-19	22,661,863,522	1,306,900,935	577,480,937	24,546,245,394	0.400
2019-20	23,503,170,791	1,219,307,776	512,710,959	25,235,189,526	0.400
2020-21	24,340,041,756	1,270,663,485	548,585,744	26,159,290,985	0.433

Note: The Urban Services District lies within the General Services District. The above schedule reflects the assessed value of the properties within the Urban Services District.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

Fiscal Year	General Services District					Urban Services District				Total Direct Tax Rate
	GSD General Fund (1)	General Purpose School Fund	GSD Debt Service Fund	School Debt Service Fund	Total GSD Rate	USD General Fund (1)	USD Debt Service Fund	Total USD Rate		
2011-12	\$ 1.820	\$ 1.170	\$ 0.420	\$ 0.150	\$ 3.560	\$ 0.460	\$ 0.110	\$ 0.570	\$ 4.130	
2012-13 (4)	1.960	1.400	0.430	0.250	4.040	0.510	0.110	0.620	4.660	
2013-14 (3)	1.905	1.416	0.423	0.180	3.924	0.480	0.112	0.592	4.516	
2014-15	1.905	1.416	0.423	0.180	3.924	0.480	0.112	0.592	4.516	
2015-16 (2)	1.905	1.416	0.423	0.180	3.924	0.495	0.097	0.592	4.516	
2016-17	1.905	1.416	0.423	0.180	3.924	0.495	0.097	0.592	4.516	
2017-18 (3)	1.338	0.994	0.297	0.126	2.755	0.334	0.066	0.400	3.155	
2018-19	1.338	0.994	0.297	0.126	2.755	0.334	0.066	0.400	3.155	
2019-20	1.338	0.994	0.297	0.126	2.755	0.334	0.066	0.400	3.155	
2020-21 (4)	1.725	1.290	0.567	0.206	3.788	0.359	0.074	0.433	4.221	

Tax rates are per \$100 of assessed valuation. Payments may be made through February 28 of the year following the year of assessment and levy without penalty.

On November 7, 2006, voters approved a ballot initiative prohibiting the Metropolitan Council from raising real property tax rates from their current and future levels without the approval of the voters in a referendum. Prior to the adoption of the ballot proposal, the Metropolitan Council was authorized to set the real property tax rate without any requirement of voter approval. The Government's legal department has issued a memo stating that the approved initiative violates the Tennessee Constitution because it places the power to set property tax rates with voters, rather than with the Metropolitan Council, as prescribed by the Constitution. However, the Government cannot predict whether there will be a court challenge as to the constitutionality of the approved initiative. If there is a challenge, the Government cannot predict the timing or be certain of the outcome of any court challenge as to the constitutionality of the approved initiative.

- (1) A portion of the revenue of the GSD General Fund generated from the tax levy collected for the area of the USD General Fund. Referred to as the levy for fire protection service, this amount of the levy has ranged from \$.05 to \$.08 over the last ten years
- (2) In these fiscal years, the property tax rate was reallocated among the funds receiving property tax revenue by the Metropolitan Council.
- (3) The State mandates a reappraisal valuation of property within Davidson County every four years resulting in a reduction of the combined GSD-USD tax rate. Also, the combined GSD-USD tax rate was reallocated among the funds receiving property tax revenue. The rates above reflect the net change of the reappraisal valuation and the reallocation by the Metropolitan Council.
- (4) In this year, the combined GSD-USD tax rate was increased by the Metropolitan Council and reallocated among the funds receiving property tax revenue. The rates above reflect the net change of the increase and reallocation by the Metropolitan Council.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Unaudited - See Accompanying Accountants' Report

Taxpayer	December 31, 2020				December 31, 2011			
	2020 Assessed Valuation	Amount of Tax	Rank	% of Total Tax Levy	2011 Assessed Valuation	Amount of Tax	Rank	% of Total Tax Levy
Electric Power Board (1)	\$ N/A	\$ 32,761,686	1	2.33 %	\$ N/A	\$ 26,334,029	1	3.49 %
HCA	383,642,846	15,974,236	2	1.14	311,862,070	12,425,328	2	1.65
RHP Hotels Inc./ Gaylord (3) (4)	92,199,367	13,595,537	3	0.97	229,534,725	9,477,474	3	1.26
The Mall at Green Hills	183,014,105	7,725,025	4	0.55	-	-	(2)	-
Vanderbilt	166,197,549	7,015,199	5	0.50	44,412,493	3,329,432	6	0.44
Highwoods Properties	153,224,826	6,549,370	6	0.47	-	-	(2)	-
Opry Mills Mall	144,278,180	6,089,982	7	0.43	38,778,203	1,601,540	8	0.21
Mid-America Apartments	138,267,927	5,606,830	8	0.40	-	-	(2)	-
Piedmont Natural Gas	135,015,404	5,546,099	9	0.39	88,194,185	3,551,881	5	0.47
AT&T Telephone/ BellSouth (3)	125,045,768	5,206,339	10	0.37	173,454,767	7,683,455	4	1.02
Davis Street Land	-	-	(2)	-	55,161,520	2,176,436	7	0.29
CBL & Associates	-	-	(2)	-	44,534,672	1,513,440	10	0.20
100 Oaks Plaza	-	-	(2)	-	38,423,800	1,586,903	9	0.21
	<u>\$ 1,520,885,972</u>	<u>\$ 106,070,303</u>		<u>7.55 %</u>	<u>\$ 1,024,356,435</u>	<u>\$ 69,679,918</u>		<u>9.24 %</u>

Source: Tax Assessor's Office, Trustee's Office

(1) The amount of tax for the Electric Power Board represents a payment in lieu of taxes and is not based on an assessed valuation.

(2) Values for taxpayers that are outside the top ten ranking are excluded.

(3) Certain properties have changed ownership between December 31, 2010 and December 31, 2019. For comparability purposes, the current and prior owners are shown jointly.

(4) RHP Hotels Inc. entered into a payment in lieu of taxes agreement in 2017. The assessed valuation represents the value for the portion of taxes based on an assessed valuation. The amount of tax represents the total of the tax based on assessed value and the payment in lieu of taxes.



THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

Fiscal Year	Amount GSD Levy	Amount USD Levy	Total Tax Levy	Collections Within the Fiscal Year of the Levy	
				Current Tax Amount (1)	Percent of Levy
2011-12	\$ 670,841,793	\$ 84,767,649	\$ 755,609,442	\$ 745,445,734	98.65 %
2012-13	763,462,757	92,982,763	856,445,520	845,378,327	98.71
2013-14	781,593,235	96,009,026	877,602,261	863,883,378	98.44
2014-15	788,032,918	96,803,988	884,836,906	876,959,909	99.11
2015-16	802,143,672	98,797,912	900,941,584	889,764,582	98.76
2016-17	824,429,176	101,837,165	926,266,341	918,570,697	99.17
2017-18	853,383,025	107,918,734	961,301,759	943,304,767	98.13
2018-19	875,613,206	110,487,794	986,101,000	981,026,792	99.49
2019-20	897,301,249	113,220,016	1,010,521,265	1,003,880,089	99.34
2020-21	1,279,689,584	126,349,445	1,406,039,029	1,374,980,097	97.79

Source: Metropolitan Trustee's Office

- (1) In June of each year through fiscal year 2019-2020, the Government sold to an outside party the majority of the real property taxes outstanding that had become delinquent the prior March 1. The sales generated property tax revenues and reductions of the property tax receivable balances which are reflected in current year collections per the table below. Beginning in fiscal year 2020-2021, the Government is no longer selling its delinquent real property tax receivables. The receivables that would have historically been sold will now be collected by the Government in future years.

<u>Current Year</u>	
2011-12	\$ 20,843,656
2012-13	21,437,137
2013-14	22,238,850
2014-15	21,679,890
2015-16	22,224,919
2016-17	16,158,670
2017-18	19,116,400
2018-19	24,735,088
2019-20	31,615,450

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

Adjustment to Levy	Total Levy After Adjustment	Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes	Percentage Uncollected
			Amount	Percent of Levy After Adjustment		
\$ (9,913,636)	\$ 745,695,806	\$ (142,962)	\$ 745,302,772	99.95 %	\$ 393,034	0.05 %
(8,683,594)	847,761,926	2,078,991	847,457,318	99.96	304,608	0.04
(13,088,407)	864,513,854	128,068	864,011,446	99.94	502,408	0.06
(5,839,096)	878,997,810	929,573	877,889,482	99.87	1,108,328	0.13
(8,063,347)	892,878,237	2,331,707	892,096,289	99.91	781,948	0.09
(4,873,412)	921,392,929	1,981,664	920,552,361	99.91	840,568	0.09
(21,244,126)	940,057,633	(3,951,064)	939,353,703	99.93	703,930	0.07
(6,621,939)	979,479,061	(2,651,992)	978,374,800	99.89	1,104,261	0.11
(5,926,448)	1,004,594,817	(821,112)	1,003,058,977	99.85	1,535,840	0.15
(11,117,050)	1,394,921,979	-	1,374,980,097	98.57	19,941,882	1.43

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Unaudited - See Accompanying Accountants' Report

Fiscal Year	Governmental Activities				Business-type Activities		
	General Obligation Bonds and Notes	Qualified Zone Academy Bond Notes	Qualified School Construction Bond Loan	Total Governmental Activities	Revenue Bonds	General Obligation Bonds	
2011-12	\$ 2,105,210	\$ 3,643	\$ 52,410	\$ 2,161,263	\$ 752,158	\$ 7,074	
2012-13	2,564,208	3,238	48,874	2,616,320	884,874	69,097	
2013-14	2,446,867	2,835	45,337	2,495,039	847,596	66,913	
2014-15	2,335,207	2,430	41,801	2,379,438	809,990	64,285	
2015-16	2,676,899	2,026	38,264	2,717,189	784,013	63,773	
2016-17	3,018,412	1,622	34,728	3,054,762	749,589	61,484	
2017-18	2,847,473	1,218	31,192	2,879,883	963,190	58,618	
2018-19	3,435,081	813	27,655	3,463,549	918,416	57,230	
2019-20	3,218,901	410	24,119	3,243,430	1,067,031	54,342	
2020-21	3,711,943	-	20,582	3,732,525	1,032,402	53,295	

Note: Details regarding the Government's outstanding debt can be found in the notes to the financial statements.

- (1) See the Schedules of Demographic and Economic Statistics on page H-32 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- (2) Per Capita Personal Income statistics for the most recent calendar year were not available at the reporting date.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS (CONTINUED)
 (amounts expressed in thousands, except per capita amount)

Unaudited - See Accompanying Accountants' Report

Business-type Activities (Continued)

<u>State Loans</u>	<u>Capitalized Lease Obligations</u>	<u>Total Business-type Activities</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ 197	\$ 695	\$ 760,124	\$ 2,921,387	9.72 %	\$ 4,597.17
150	475	954,596	3,570,916	10.69	5,508.17
101	245	914,855	3,409,894	10.10	5,177.47
51	-	874,326	3,253,764	8.96	4,868.38
-	-	847,786	3,564,975	9.48	5,251.19
-	-	811,073	3,865,835	9.69	5,648.42
-	-	1,021,808	3,901,691	8.95	5,644.46
-	-	975,646	4,439,195	9.70	6,409.58
-	-	1,121,373	4,364,803	8.83	6,164.62
-	-	1,085,697	4,818,222	N/A (2)	6,805.00

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 GENERAL AND URBAN SERVICES DISTRICTS
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands, except per capita amount)

Unaudited - See Accompanying Accountants' Report

Fiscal Year	General Obligation Bonds and Notes	Less: Amounts Available in Debt Service Funds			Total	Percentage of Estimated Actual Value of Taxable Property (1)		Per Capita (2)
				Total		%		
2011-12	\$ 2,105,210	\$ 29,168		\$ 2,076,042		3.29 %	\$ 3,266.91	
2012-13	2,564,208	37,330		2,526,878		3.99	3,897.73	
2013-14	2,446,867	21,554		2,425,313		3.69	3,682.52	
2014-15	2,335,207	28,090		2,307,117		3.48	3,451.97	
2015-16	2,676,899	22,283		2,654,616		3.93	3,910.24	
2016-17	3,018,412	20,675		2,997,737		3.83	4,380.03	
2017-18	2,847,473	10,851		2,836,622		2.85	4,103.65	
2018-19	3,435,081	17,953		3,417,128		3.32	4,933.86	
2019-20	3,218,901	34,316		3,184,585		2.57	4,497.74	
2020-21	3,711,943	69,866		3,642,077		2.84	5,090.32	

Note: Details regarding the Government's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on pages H-16 and H-17 for property value data.

(2) See the Schedules of Demographic and Economic Statistics on page H-32 for personal income and population data. This ratio is calculated using population for the prior calendar year.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
URBAN SERVICES DISTRICT
LAST TEN FISCAL YEARS**
(amounts expressed in thousands, except per capita amount)

Unaudited - See Accompanying Accountants' Report

Fiscal Year	General Obligation Bonds and Notes	Less: Amounts Available in Debt Service Funds			Total	Percentage of Estimated Actual Value of Taxable Property (1)		Per Capita (2)
				Total		%		
2011-12	\$ 181,076	\$ 7,325		\$ 173,751		N/A %	\$ N/A	
2012-13	196,077	8,629		187,448		N/A		N/A
2013-14	193,855	5,711		188,144		N/A		N/A
2014-15	183,558	3,142		180,416		N/A		N/A
2015-16	185,491	4,154		181,337		N/A		N/A
2016-17	178,174	4,486		173,688		N/A		N/A
2017-18	166,545	524		166,021		N/A		N/A
2018-19	169,479	285		169,194		N/A		N/A
2019-20	159,186	912		158,274		N/A		N/A
2020-21	159,926	2,901		157,025		N/A		N/A

Note: The above computation is an excerpt from the Ratios of General Bonded Debt Outstanding on page H-26 and reflects ratios of general bonded debt for the Urban Services District only. Details regarding the Government's outstanding debt can be found in the notes to the financial statements.

(1) The actual value of taxable property is not available for the Urban Services District.

(2) Population estimates are not available for the Urban Services District.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

LEGAL DEBT MARGIN INFORMATION
 URBAN SERVICES DISTRICT
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

Fiscal Year	Debt Limit	Total Amount of Debt Applicable to Debt Limit	Legal Debt Margin	Total Amount of Debt Applicable to Debt Limit as a Percentage of Debt Limit
2011-12	1,986,727	173,751	1,812,976	8.75 %
2012-13	1,992,471	187,448	1,805,023	9.41
2013-14	2,143,058	188,143	1,954,915	8.78
2014-15	2,160,803	180,415	1,980,388	8.35
2015-16	2,205,454	181,337	2,024,117	8.22
2016-17	2,268,965	173,687	2,095,278	7.65
2017-18	3,561,456	166,021	3,395,435	4.66
2018-19	3,681,937	169,194	3,512,743	4.60
2019-20	3,785,278	158,274	3,627,004	4.18
2020-21	3,923,894	157,025	3,766,869	4.00

Note: There is no legal debt margin for the General Services District. Therefore, the calculation is presented for the Urban Services District only.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

COMPUTATION OF LEGAL DEBT MARGIN
URBAN SERVICES DISTRICT
FOR THE YEAR ENDED JUNE 30, 2021

Unaudited - See Accompanying Accountants' Report

Assessed valuation of taxable property - Urban Services District	\$ <u>26,159,290,985</u>
Debt limit - 15 percent of assessed valuation	\$ 3,923,893,648
Amount of debt applicable to debt limit:	
Total bonded debt	\$ 159,925,651
Less:	
Amounts available in debt service funds	<u>2,900,706</u>
Total amount of debt applicable to debt limit	<u>157,024,945</u>
Legal debt margin	<u>\$ 3,766,868,703</u>

Note: The legal debt limit for the Urban Services District is established in the Charter for the Metropolitan Government as presented above. There is no legal debt limit for the General Services District.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
 GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

Fiscal Year		Principal	Interest	Total Debt Service	Total General Expenditures (1)	Percentage of Debt Service to Total General Expenditures
2011-12	(2)	\$ 7,377	\$ 86,808	\$ 94,185	\$ 1,881,454	5.0 %
2012-13	(2)	40,792	84,680	125,472	1,964,390	6.4
2013-14		93,369	93,059	186,428	2,059,327	9.1
2014-15		109,637	92,396	202,033	2,134,006	9.5
2015-16		112,007	94,221	206,228	2,231,093	9.2
2016-17		128,909	92,977	221,886	2,359,209	9.4
2017-18		136,847	114,986	251,833	2,517,414	10.0
2018-19		151,980	116,377	268,357	2,565,093	10.5
2019-20		179,561	136,403	315,964	2,626,506	12.0
2020-21		187,440	124,112	311,552	2,802,442	11.1

Note: Details regarding the Government's outstanding debt can be found in the notes to the financial statements.

(1) Includes General, Special Revenue and Debt Service Funds.

(2) As the result of a bond refunding in June 2010, principal payments for the years ended June 30, 2011 through 2013 were significantly reduced.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

PLEDGED REVENUE COVERAGE
DEPARTMENT OF WATER AND SEWERAGE SERVICES REVENUE BONDS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Unaudited - See Accompanying Accountants' Report

Fiscal Year	Gross Revenue (1)	Direct Operating Expense (2)	Net Revenue Available For Debt Service			Debt Service Requirement			Coverage
			Principal	Interest	Total				
2011-12	\$ 201,263	\$ 102,485	\$ 98,778	\$ 42,410	\$ 29,386	\$ 71,796			1.38
2012-13	209,110	103,423	105,687	30,765	34,189	64,954			1.63
2013-14	213,055	101,703	111,352	31,500	41,367	72,867			1.53
2014-15	215,709	100,825	114,884	20,275	40,175	60,450			1.90
2015-16	219,023	112,208	106,815	28,795	39,029	67,824			1.57
2016-17	219,964	112,654	107,310	37,475	37,476	74,951			1.43
2017-18	226,804	113,858	112,946	38,225	46,136	84,361			1.34
2018-19	233,951	111,335	122,616	39,120	44,225	83,345			1.47
2019-20	267,172	132,611	134,561	25,080	46,912	71,992			1.87
2020-21	311,449	108,824	202,625	33,070	48,126	81,196			2.50

Note: Details regarding the Government's outstanding debt can be found in the notes to the financial statements.

(1) Includes interest on investments and other income.

(2) Excludes depreciation and amortization expense.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Unaudited - See Accompanying Accountants' Report

Calendar Year	Population (1)	Per Capita Personal Income (2)	Personal Income (amounts expressed in thousands) (2)	Unemployment Rate (3)
2011	635,475	\$ 47,318	\$ 30,069,470	8.5 %
2012	648,295	51,526	33,403,945	7.2
2013	658,602	51,245	33,749,886	7.1
2014	668,347	54,307	36,295,950	6.3
2015	678,889	55,411	37,617,693	4.3
2016	684,410	58,283	39,889,221	3.9
2017	691,243	63,063	43,591,995	2.9
2018	692,587	66,060	45,752,132	3.0
2019	708,041	69,853	49,458,864	3.4
2020 (4)	715,491	N/A	N/A	4.7

(1) Source: U.S. Department of Commerce, Bureau of the Census and Labor, or Tennessee Department of Labor and Workforce Development

(2) Source: U.S. Department of Commerce, Bureau of Economic Analysis

(3) Source: Tennessee Department of Labor and Workforce Development

(4) Personal income statistics for calendar year 2020 were not available at the reporting date.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Unaudited - See Accompanying Accountants' Report

Employer	June 30, 2021			June 30, 2012		
	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Vanderbilt University (2)	33,146	1	3.32 %	21,398	1	2.74 %
State of Tennessee	24,039	2	2.41	18,411	2	2.36
Metro Nashville-Davidson Co. Government and Public Schools	19,152	3	1.92	18,069	3	2.31
U.S. Government	13,518	4	1.36	12,835	4	1.64
Nissan North America	11,000	5	1.10	5,400	7	0.69
HCA	10,500	6	1.05	7,000	5	0.90
Saint Thomas Health	8,335	7	0.84	6,500	7	0.83
Gaylord Entertainment Co.	-		- (1)	4,000	8	0.51
Randstad	4,550	8	0.46	3,260	10	0.42
Asurion	4,400	9	0.44	-		- (1)
Community Health Systems Inc.	3,925	10	0.39	-		- (1)
The Kroger Company	-		- (1)	3,500	9	0.45
	<u>132,565</u>		<u>13.29 %</u>	<u>100,373</u>		<u>12.85 %</u>

Sources:

Principal Employers and Number of Employees - Nashville Area Chamber of Commerce, Nashville Business Journal
Total Employment - TN Department of Labor & Workforce Development

Note: The schedule reflects employers and number of employees within the Metropolitan Statistical Area.

(1) Values for employers that are outside the top ten ranking are excluded.

(2) The variance in employees for Vanderbilt University is due to the consolidation of the university, medical center and other entities.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015
Governmental activities:				
General government (1)	306	308	302	364
Fiscal administration	282	281	282	280
Administration of justice	765	772	777	775
Law enforcement and care of prisoners (4)	2,802	2,826	2,831	2,893
Fire prevention and control	1,170	1,170	1,205	1,206
Regulation and inspection	99	93	94	111
Conservation of natural resources	8	8	8	8
Public welfare	492	491	492	494
Public health and hospitals	450	437	464	483
Public library system	295	297	309	330
Public works, highways and streets	368	381	389	388
Recreational and cultural	544	528	546	577
Education	<u>9,154</u>	<u>9,291</u>	<u>9,304</u>	<u>9,294</u>
Total governmental activities	<u>16,735</u>	<u>16,883</u>	<u>17,003</u>	<u>17,203</u>
Internal service activities:				
Office of Fleet Management (7)	89	88	89	95
Information Systems	110	111	112	115
Radio Shop (5)	15	15	15	15
Metro Postal Service	4	4	4	-
Treasury Management	7	7	7	7
General Services (1)	<u>47</u>	<u>47</u>	<u>47</u>	<u>-</u>
Total internal service activities	<u>272</u>	<u>272</u>	<u>274</u>	<u>232</u>
Business-type activities:				
Department of Water and Sewerage Services	700	707	715	713
Nashville Convention Center (3)	52	-	-	-
Board of Fair Commissioners	22	24	24	25
Farmers Market	7	7	7	7
Police Secondary Employment (4)	5	5	5	-
Surplus Property Auction	7	7	7	8
Police Impound (2)	29	-	-	-
Municipal Auditorium	8	9	9	10
Community Education Commission (6)	2	3	3	3
Stormwater Operations	<u>93</u>	<u>93</u>	<u>93</u>	<u>93</u>
Total business-type activities	<u>925</u>	<u>855</u>	<u>863</u>	<u>859</u>
Total primary government	<u><u>17,932</u></u>	<u><u>18,010</u></u>	<u><u>18,140</u></u>	<u><u>18,294</u></u>

Source: Department of Finance, Office of Management and Budgets, "Budget Book" for each fiscal year.

Note: Although the financial balances and operations of the internal service activities are allocated to the various governmental and business-type activities in the government-wide financial statements, the full-time equivalents are reported separately in the above schedule. Also, certain functions previously included in internal service activities were reclassified to governmental activities for consistency in presentation.

- (1) Effective July 1, 2014, various programs previously reported as General Services internal service activities were moved to the general fund and included in governmental activities - general government.
- (2) In the spring of 2012, the operations of Police Impound were outsourced.
- (3) With the opening of the Music City Center in the spring of 2013, the Nashville Convention Center employees were transitioned to the Convention Center Authority, a component unit of the Government.
- (4) Effective July 1, 2014, the operations of Police Secondary Employment were moved to the general fund and are included in governmental activities - law enforcement and care of prisoners.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

2016	2017	2018	2019	2020	2021
371	375	385	376	375	380
279	281	289	282	282	294
789	798	805	849	849	808
2,898	2,912	2,984	3,067	3,067	3,127
1,206	1,237	1,250	1,252	1,252	1,263
117	106	114	118	118	120
8	8	8	7	7	7
500	470	428	439	439	437
487	493	495	494	517	517
359	368	369	362	346	346
395	407	398	434	417	448
585	640	669	663	615	621
<u>9,658</u>	<u>9,910</u>	<u>9,950</u>	<u>9,854</u>	<u>9,052</u>	<u>9,055</u>
<u>17,652</u>	<u>18,005</u>	<u>18,144</u>	<u>18,197</u>	<u>17,336</u>	<u>17,423</u>
95	103	106	106	106	63
115	147	147	148	148	148
15	-	-	-	-	-
-	-	-	-	-	-
7	7	7	7	7	7
-	-	-	-	-	-
<u>232</u>	<u>257</u>	<u>260</u>	<u>261</u>	<u>261</u>	<u>218</u>
728	724	724	727	727	741
-	-	-	-	-	-
28	29	29	27	27	24
7	7	7	7	7	7
-	-	-	-	-	-
8	8	8	8	8	8
-	-	-	-	-	-
9	9	9	9	9	9
3	3	-	-	-	-
<u>89</u>	<u>93</u>	<u>97</u>	<u>114</u>	<u>114</u>	<u>118</u>
<u>872</u>	<u>873</u>	<u>874</u>	<u>892</u>	<u>892</u>	<u>907</u>
<u>18,756</u>	<u>19,135</u>	<u>19,278</u>	<u>19,350</u>	<u>18,489</u>	<u>18,548</u>

(5) Effective July 1, 2016, the operations of Radio Shop were moved to Information Systems and the Office of Fleet Management.

(6) Effective July 1, 2017, the operations of the Community Education Commission were moved to the general fund.

(7) During FY21, Fleet Management reduced full-time equivalent positions due to contract efficiency within the department.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

	2012	2013	2014	2015
Governmental activities:				
General government:				
Election Commission - registered voters	358,136	362,816	373,231	373,823
Assessor of Property - real property inspections (1)	103,837	238,107	48,559	108,401
Administration of justice:				
Public Defender - warrants and charges (2)	45,852	41,809	42,857	43,956
Circuit Court Clerk - circuit filings	10,738	10,729	10,915	10,062
Circuit Court Clerk - general sessions civil filings	49,978	46,445	46,116	43,859
Circuit Court Clerk - probate filings	1,906	2,048	2,027	2,126
Law enforcement and care of prisoners:				
Sheriff - inmate days county prisoners	804,641	771,630	721,508	655,734
Sheriff - inmate days locally sentenced felons (7) and state inmates	426,168	435,098	379,811	350,472
Police - total CAD calls received	1,585,228	1,384,481	1,333,945	1,357,306
Police - report numbers issued (3)	1,045,077	1,119,012	1,201,162	1,199,375
ECC - total 911 calls received	377,118	365,278	351,814	408,433
ECC - total non 911 calls received	625,120	605,693	634,280	634,124
Fire prevention and control:				
Fire - life threatening responses (4)	46,076	44,232	47,161	47,053
Fire - non life threatening responses (4)	26,739	25,403	28,332	34,812
Regulation and inspection:				
Codes - construction/land use permits	9,304	9,900	10,131	11,695
Public welfare:				
Social Services - clients served	13,785	13,271	13,122	13,990
Public health and hospitals:				
Health - clinic visits (5)	192,902	181,395	181,959	164,330
Health - restaurant inspections	12,082	13,050	13,440	13,689
Public library system:				
Library - circulating materials check-outs	4,340,657	4,368,494	4,663,347	5,133,351
Library - number of visits (8)	3,938,659	3,697,063	3,501,710	3,444,250

Source: Department of Finance, Office of Management and Budgets; Various departments of the Government

(1) Years 2013, 2017 and 2021 were reappraisal years where all values are updated with new base rates, depreciation schedules and land tables to produce values at 100% of market value. Beginning in 2017, the Assessor determined to do no inspections in reappraisal years.

(2) The decline in 2019 is due to a combination of workload controls and fewer warrants issued by judicial departments.

(3) Beginning in 2019, the total represents report numbers issued. Prior to 2019, the totals represented incident numbers issued.

(4) The categorization of responses as "life threatening" and "non life threatening" was revised at the end of 2018. Additionally, the methodology for calculating the totals was revised in 2019.

(5) The system for tracking health visits was changed in 2019. The number of clinic visits for the WIC program are no longer available resulting in a decline in the number presented for 2019.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

2016	2017	2018	2019	2020 (9)	2021 (9)
392,428	390,804	427,556	435,297	453,367	478,306
92,449	-	53,499	119,682	82,200	-
41,842	35,839	25,301	19,423	20,181	23,323
8,168	6,856	6,800	6,683	5,980	6,407
46,047	49,890	50,582	51,432	44,024	35,871
2,146	2,189	2,211	2,202	2,109	2,566
632,169	535,262	529,038	397,412	436,244	419,081
322,674	380,920	353,417	309,868	297,907	154,688
1,492,259	1,496,617	1,495,576	1,359,140	1,211,791	1,359,140
1,318,113	1,308,704	1,305,055	1,001,853	890,845	1,001,853
450,517	401,269	374,337	449,816	412,317	449,816
644,590	665,239	700,790	780,131	719,115	780,131
47,453	45,773	59,993	62,787	60,010	64,508
35,374	33,810	35,042	60,478	58,376	62,581
12,852	12,225	11,465	11,430	11,875	13,520
13,737	12,396	13,039	12,848	12,735	10,711
154,398	150,948	146,302	77,946	66,364	57,097
12,067	10,890	13,023	12,387	13,176	11,274
5,371,115	5,430,309	5,648,749	6,858,414	5,670,532	4,185,774
3,338,972	3,615,302	3,261,586	3,296,263	2,338,083	159,700

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Unaudited - See Accompanying Accountants' Report

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities (continued):				
Public works, highways and streets:				
Public Works - scheduled garbage collections	6,630,000	6,630,000	6,625,840	6,672,700
Public Works - tons of disposed waste	596,111	645,224	649,108	725,871
Public Works - rehabilitated street lane miles	89	167	173	169
Recreational and cultural:				
Parks - Sportsplex attendance	333,365	355,999	343,332	355,699
Parks - cultural enrichment class attendance	18,300	18,202	19,430	39,376
Parks - senior citizen program attendance	60,759	61,214	54,152	65,504
Education:				
Public Schools - students (second month enrollment)	79,121	81,001	82,307	84,353
Business-type activities:				
Department of Water and Sewerage Services:				
Customers - water	184,421	187,272	190,699	194,270
Average daily actual water pumped (millions of gallons per day)	100	95	101	87
Customers - wastewater	195,380	198,485	198,119	200,425
Average daily wastewater flow (millions of gallons per day)	148	164	169	168
District Energy System:				
Steam sales (thousand pounds)	250,414	374,366	410,084	381,755
Chilled water sales (thousand ton hours)	57,233	62,538	61,768	59,626
Board of Fair Commissioners:				
Flea market booth rentals	16,423	16,515	18,612	22,314
State fair attendance	62,352	67,805	67,635	66,752
Municipal Auditorium - events held	90	110	155	135
Component units:				
Music City Center - events (6)	-	-	342	305

Source: Department of Finance, Office of Management and Budgets; Various departments of the Government

(6) The Music City Center opened in May 2013. 2014 was the first full year of operations. Nashville Convention Center events decreased in 2014 as events move to the Music City Center. Nashville Convention Center ceased operations in 2017. Additionally, events vary in size and number of days which contributes to the variances.

(7) In 2021, the Metro Detention Facility was closed and combined with COVID-19, this resulted with a decrease in inmate days for locally sentenced felons and State inmates.

(8) In 2021, most of the libraries were closed to the public and did not open until March 2021 due to COVID-19.

(9) Various indicators were impacted by COVID-19 in 2020 and 2021 due to closures of government facilities and the cancellation of events.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

2016	2017	2018	2019	2020 (9)	2021 (9)
6,731,500	6,803,000	6,864,156	7,228,156	7,285,408	7,319,156
757,332	885,047	862,641	968,747	975,919	901,424
164	287	287	344	246	78
400,830	454,878	461,964	535,727	330,365	333,088
55,558	55,257	57,080	60,414	40,834	40,834
104,104	136,021	134,297	143,637	63,790	11,151
85,797	87,783	86,633	85,287	82,222	84,683
197,957	204,181	204,976	209,048	212,477	215,914
87	88	88	92	92	99
203,255	206,562	210,157	212,061	216,969	219,937
166	146	168	181	181	169
325,248	321,508	366,928	379,380	346,227	326,332
61,337	64,119	59,914	61,977	56,841	51,537
20,271	22,481	16,796	18,633	9,482	467
70,265	56,492	60,502	56,009	59,185	-
175	148	144	160	41	2
293	287	302	258	187	40

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
SCHEDULE OF UNACCOUNTED FOR WATER
DEPARTMENT OF WATER AND SEWERAGE SERVICES

June 30, 2021

AWWA Free Water Audit Software: Reporting Worksheet										WAS v5.0 American Water Works Association. Copyright © 2014, All Rights Reserved.																																																																					
<input type="button" value="?"/> Click to access definition <input type="button" value="+"/> Click to add a comment		Water Audit Report for: Metro Water Services Reporting Year: 2021 7/2020 - 6/2021																																																																													
Please enter data in the white cells below. Where available, metered values should be used; if metered values are unavailable, please estimate a value. Indicate your confidence in the accuracy of the input data by grading each component (n/a or 1-10) using the drop-down list to the left of the input cell. Hover the mouse over the cell to obtain a description of the grades. All volumes to be entered as: MILLION GALLONS (US) PER YEAR																																																																															
To select the correct data grading for each input, determine the highest grade where the utility meets or exceeds <u>all</u> criteria for that grade and all grades below it.																																																																															
WATER SUPPLIED <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Volume from own sources:</td> <td style="width: 10%; text-align: center;">?</td> <td style="width: 10%; text-align: right;">Enter grading in column 'E' and 'J'</td> </tr> <tr> <td>Water Imported:</td> <td>+</td> <td>?</td> <td>?</td> <td>n/a</td> <td>+</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>MG/YR</td> </tr> <tr> <td>Water exported:</td> <td>+</td> <td>?</td> <td>?</td> <td>5</td> <td>+</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>MG/YR</td> </tr> <tr> <td colspan="10" style="text-align: right;">WATER SUPPLIED:</td> <td style="text-align: right;">32,760.797 MG/YR</td> </tr> </table>											Volume from own sources:	?	?	?	?	?	?	?	?	?	?	Enter grading in column 'E' and 'J'	Water Imported:	+	?	?	n/a	+	?	?	+	?	?	MG/YR	Water exported:	+	?	?	5	+	?	?	+	?	?	MG/YR	WATER SUPPLIED:										32,760.797 MG/YR																						
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Apparent Losses <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Unauthorized consumption:</td> <td style="width: 10%; text-align: center;">?</td> <td style="width: 10%; text-align: right;">Enter grading in column 'E' and 'J'</td> </tr> <tr> <td>MG/YR</td> <td>+</td> <td>?</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>MG/YR</td> </tr> <tr> <td colspan="10" style="text-align: right;">Unauthorized consumption volume entered is greater than the recommended default value</td> <td style="text-align: right;">Customer metering inaccuracies: 311.780 MG/YR</td> </tr> <tr> <td colspan="10" style="text-align: right;">Systematic data handling errors: 4.389 MG/YR</td> <td style="text-align: right;">Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 133.014 MG/YR</td> </tr> <tr> <td colspan="10" style="text-align: right;">Apparent Losses: 449.183 MG/YR</td> <td style="text-align: right;">Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 311.780 MG/YR</td> </tr> <tr> <td colspan="10" style="text-align: right;">Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 4.389 MG/YR</td> <td style="text-align: right;">Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 133.014 MG/YR</td> </tr> </table>											Unauthorized consumption:	?	?	?	?	?	?	?	?	?	?	Enter grading in column 'E' and 'J'	MG/YR	+	?	?	?	+	?	?	+	?	?	MG/YR	Unauthorized consumption volume entered is greater than the recommended default value										Customer metering inaccuracies: 311.780 MG/YR	Systematic data handling errors: 4.389 MG/YR										Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 133.014 MG/YR	Apparent Losses: 449.183 MG/YR										Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 311.780 MG/YR	Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 4.389 MG/YR										Pct: <input type="radio"/> <input checked="" type="radio"/> <input type="radio"/> Value: 133.014 MG/YR	
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SYSTEM DATA <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Length of mains:</td> <td style="width: 10%; text-align: center;">?</td> <td style="width: 10%; text-align: right;">miles</td> </tr> <tr> <td>Number of active AND inactive service connections:</td> <td>+</td> <td>?</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>214,811</td> </tr> <tr> <td>Service connection density:</td> <td>+</td> <td>?</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>conn./mile main</td> </tr> <tr> <td colspan="10" style="text-align: right;">Are customer meters typically located at the curbside or property line?</td> <td style="text-align: right;">Yes</td> </tr> <tr> <td colspan="10" style="text-align: right;">(Average length of customer service line: 91.1 ft)</td> <td style="text-align: right;">(length of service line, beyond the property boundary, that is the responsibility of the utility)</td> </tr> <tr> <td colspan="10" style="text-align: right;">Average length of customer service line has been set to zero and a data grading score of 10 has been applied</td> <td style="text-align: right;">Average operating pressure: 91.1 psi</td> </tr> </table>											Length of mains:	?	?	?	?	?	?	?	?	?	?	miles	Number of active AND inactive service connections:	+	?	?	?	+	?	?	+	?	?	214,811	Service connection density:	+	?	?	?	+	?	?	+	?	?	conn./mile main	Are customer meters typically located at the curbside or property line?										Yes	(Average length of customer service line: 91.1 ft)										(length of service line, beyond the property boundary, that is the responsibility of the utility)	Average length of customer service line has been set to zero and a data grading score of 10 has been applied										Average operating pressure: 91.1 psi
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COST DATA <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Total annual cost of operating water system:</td> <td style="width: 10%; text-align: center;">?</td> <td style="width: 10%; text-align: right;">\$/Year</td> </tr> <tr> <td>Customer retail unit cost (applied to Apparent Losses):</td> <td>+</td> <td>?</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>\$/1000 gallons (US)</td> </tr> <tr> <td>Variable production cost (applied to Real Losses):</td> <td>+</td> <td>?</td> <td>?</td> <td>5</td> <td>+</td> <td>?</td> <td>?</td> <td>+</td> <td>?</td> <td>?</td> <td>\$/Million gallons</td> </tr> <tr> <td colspan="10" style="text-align: right;">□ Use Customer Retail Unit Cost to value real losses</td> <td style="text-align: right;">\$288.72</td> </tr> </table>											Total annual cost of operating water system:	?	?	?	?	?	?	?	?	?	?	\$/Year	Customer retail unit cost (applied to Apparent Losses):	+	?	?	?	+	?	?	+	?	?	\$/1000 gallons (US)	Variable production cost (applied to Real Losses):	+	?	?	5	+	?	?	+	?	?	\$/Million gallons	□ Use Customer Retail Unit Cost to value real losses										\$288.72																						
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WATER AUDIT DATA VALIDITY SCORE:																																																																															
*** YOUR SCORE IS: 82 out of 100 ***																																																																															
A weighted scale for the components of consumption and water loss is included in the calculation of the Water Audit Data Validity Score																																																																															
PRIORITY AREAS FOR ATTENTION:																																																																															
Based on the information provided, audit accuracy can be improved by addressing the following components:																																																																															
1: Variable production cost (applied to Real Losses) 2: Volume from own sources 3: Billed metered																																																																															

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
SCHEDULE OF UNACCOUNTED FOR WATER (CONTINUED)
DEPARTMENT OF WATER AND SEWERAGE SERVICES

June 30, 2021

 **AWWA Free Water Audit Software:**
System Attributes and Performance Indicators

WAB v5.0
American Water Works Association
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Water Audit Report for: Metro Water Services
Reporting Year: 2021 | 7/2020 - 6/2021

*** YOUR WATER AUDIT DATA VALIDITY SCORE IS: 82 out of 100 ***

System Attributes:

Apparent Losses:	449.183 MG/Yr
+ Real Losses:	10,189.635 MG/Yr
= Water Losses:	10,639.018 MG/Yr

Unavoidable Annual Real Losses (UARL): 1,629.65 MG/Yr

Annual cost of Apparent Losses: \$4,298,681

Annual cost of Real Losses: \$2,942,009 Valued at Variable Production Cost
Return to Reporting Worksheet to change this assumption

Performance Indicators:

Financial: { Non-revenue water as percent by volume of Water Supplied: 33.0%
Non-revenue water as percent by cost of operating system: 7.3% Real Losses valued at Variable Production Cost

Operational Efficiency: { Apparent Losses per service connection per day: 5.73 gallons/connection/day
Real Losses per service connection per day: 129.96 gallons/connection/day
Real Losses per length of main per day*: N/A
Real Losses per service connection per day per psi pressure: 1.43 gallons/connection/day/psi

From Above, Real Losses = Current Annual Real Losses (CARL): 10,189.84 million gallons/year

Infrastructure Leakage Index (ILI) [CARL/UARL]: 6.25

* This performance indicator applies for systems with a low service connection density of less than 32 service connections/mile of pipeline

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
 SCHEDULE OF UTILITY RATES
 DEPARTMENT OF WATER AND SEWERAGE SERVICES

June 30, 2021

The rate structure is composed of a meter charge and a volume charge.

The Department had the following rate structure July 1, 2020 through December 31, 2020:

METER:

Meter Size	Water	Sewer
5/8"	\$ 5.09	\$ 8.14
3/4"	12.12	36.00
1"	15.28	46.85
1 1/2"	26.85	90.67
2"	37.91	127.38
3"	60.58	158.59
4"	137.72	449.98
6"	171.93	536.44
8" and 10"	223.72	686.89

VOLUME:

Residential Volume Rate	Thresholds (Cubic Feet)	Water	Sewer
Base Usage	0-2	\$ -	\$ -
Tier 1	2-6	3.50	5.85
Tier 2	6-10	4.20	5.85
Tier 3	>11	5.25	5.85
<u>Non-Residential Volume Rate</u>			
All Usage		\$ 2.75	\$ 5.85

The Department had the following rate structure January 1, 2021 through June 30, 2021:

METER:

Meter Size	Water	Sewer
5/8"	\$ 5.30	\$ 8.46
3/4"	12.61	37.44
1"	15.89	48.44
1 1/2"	27.92	94.30
2"	39.42	132.48
3"	63.01	164.93
4"	143.23	467.97
6"	178.81	557.89
8" and 10"	232.67	714.36

VOLUME:

Residential Volume Rate	Thresholds (Cubic Feet)	Water	Sewer
Base Usage	0-2	\$ -	\$ -
Tier 1	2-6	3.64	6.08
Tier 2	6-10	4.37	6.08
Tier 3	>11	5.46	6.08
<u>Non-Residential Volume Rate</u>			
All Usage		\$ 2.86	\$ 6.08

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

OPERATING INDICATORS BY FUNCTION
SCHEDULE OF NUMBER OF CUSTOMERS
DEPARTMENT OF WATER AND SEWERAGE SERVICES

June 30, 2021

	<u>Residential</u>	<u>Commercial</u>	<u>Total</u>
Water Customers	187,118	28,792	215,910
Sewer Customers	<u>199,868</u>	<u>20,050</u>	<u>219,918</u>
Total Customers	<u><u>386,986</u></u>	<u><u>48,842</u></u>	<u><u>435,828</u></u>

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Unaudited - See Accompanying Accountants' Report

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities:				
General government:				
General government vehicles (1)	3,507	3,524	3,542	3,452
Law enforcement and care of prisoners:				
Sheriff inmate capacity - jails (4)	2,918	2,918	2,918	2,918
Sheriff inmate capacity - detention facility (4)	1,092	1,348	1,348	1,348
Police stations	7	7	7	8
Fire prevention and control:				
Fire stations	38	38	38	38
Public library system:				
Libraries	24	24	23	23
Public works, highways and streets:				
Streets and roads (lane miles)	5,814	5,832	5,852	5,866
Recreational and cultural:				
Parks (number)	127	126	126	132
Parks (acreage)	12,554	13,022	13,802	15,078
Miles of completed greenways	51	55	79	82
Education:				
Schools (2)	136	135	131	131
School buses	697	751	721	831
Business-type activities:				
Department of Water and Sewerage Services:				
Water mains (miles)	2,886	2,910	3,042	3,054
Maximum daily water capacity (thousands of gallons)	180,000	180,000	180,000	180,000
Sewers (miles)	3,063	3,096	3,082	3,091
Maximum daily treatment capacity (thousands of gallons)	465,000	483,000	510,000	510,000
District Energy System:				
Steam:				
Maximum contract capacity (pounds per hour)	295,998	299,053	297,389	321,289
Percentage maximum contract capacity represented by customers	73.16%	85.14%	99.70%	93.20%
Chilled water:				
Maximum contract capacity (tons)	30,044	30,415	30,533	34,230
Percentage maximum contract capacity represented by customers	73.58%	84.47%	82.33%	88.70%
Board of Fair Commissioners: (5)				
Indoor exhibition space (square footage)	115,459	115,459	120,919	120,919
Covered outdoor space (square footage)	50,400	50,400	50,400	50,400
Component units:				
Music City Center:				
Exhibition space (square footage) (3)	-	-	350,000	350,000

Source: Department of Finance, Division of Accounts; Various departments of the Government

(1) General government vehicles include vehicles that are used in various other functions of the Government.

(2) Beginning in 2014, charter schools, academic academies and pre-k sites are included in total schools.

(3) The Music Center opened in May 2013.

THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS (CONTINUED)

Unaudited - See Accompanying Accountants' Report

2016	2017	2018	2019	2020	2021
3,393	3,422	3,449	3,485	3,446	3,449
2,918	2,111	2,111	2,111	2,038	2,350
1,348	1,348	1,348	1,348	1,348	-
8	8	8	8	8	8
38	38	38	39	39	39
22	22	22	22	22	22
5,880	5,893	5,911	5,930	5,953	5,968
185	185	175	178	183	183
15,001	15,003	15,089	15,295	15,320	15,325
85	85	89	96	99	99
131	131	131	128	137	134
820	828	733	702	712	572
<hr/>					
3,053	3,086	3,043	3,086	3,061	3,089
180,000	180,000	180,000	180,000	180,000	180,000
3,120	3,137	3,150	3,180	3,200	3,212
510,000	510,000	510,000	510,000	510,000	513,000
<hr/>					
321,289	321,289	321,289	321,289	321,289	321,289
93.20%	93.20%	93.20%	88.60%	88.60%	88.60%
34,230	34,230	34,230	34,230	34,230	34,230
88.70%	88.70%	88.70%	88.70%	89.44%	89.44%
70,265	70,265	70,265	70,265	132,747	104,958
50,400	50,400	50,400	50,400	79,659	101,616
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350,000	350,000	350,000	350,000	350,000	350,000

(4) Due to the closing of the Criminal Justice Center in 2017 for construction, jail capacity has decreased. In 2021, the Metro Detention Facility closed.

(5) New exhibition facilities were completed at the fairgrounds in 2020 and the old facilities were demolished in preparation for the construction of a new soccer stadium. For 2021, square footage changed based on current operations at the Fair Grounds.



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