

This Preliminary Official Statement and the information contained herein are subject to change, completion or amendment without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

NEW ISSUE

Book-Entry

PRELIMINARY OFFICIAL STATEMENT

DATED: SEPTEMBER 11, 2020

Rating: Moody's - "Aa3"
(See "Miscellaneous – Rating")

In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the City, interest on the Bonds will be excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "Tax Matters" herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, City and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See "Tax Matters" herein).

\$5,525,000*

**CITY OF GOODLETTSVILLE, TENNESSEE
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2020**

Dated: September 30, 2020*

Due: March 1 (as shown below)

The \$5,525,000* General Obligation Refunding and Improvement Bonds, Series 2020 (the "Bonds") of the City of Goodlettsville, Tennessee (the "City") shall be issued as fully registered Bonds in denominations of \$5,000 and authorized integral multiples thereof. The Bonds will be issued in book-entry only form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") except as otherwise described herein. DTC will act as securities depository of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as the nominee for DTC, principal and interest with respect to the Bonds shall be payable to Cede & Co., as nominee for DTC, which will, in turn, remit such principal and interest to the DTC participants for subsequent disbursements to the beneficial owners of the Bonds. Individual purchases of the Bonds will be made in book-entry only form, in denominations of \$5,000 or integral multiples thereof and will bear interest at the annual rates as shown below. Interest on the Bonds will be payable semi-annually on each March 1 and September 1 beginning on March 1, 2021 by check or draft mailed to the owners thereof as shown on the books and records of Regions Bank Corporate Trust, Nashville, Tennessee, the registration and paying agent (the "Registration Agent"). In the event of discontinuation of the book-entry system, principal of and interest on the Bonds are payable at the designated corporate trust office of the Registration Agent.

The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the City. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the City are irrevocably pledged. The portion of the Bonds allocable to the refinancing of the SRF Loan (as described herein) shall be additionally payable from, but not secured by a pledge of or lien on, the revenues of the City's wastewater system.

The Bonds are subject to redemption prior to maturity on March 1, 2027 as described herein.

<u>March 1</u>	<u>Principal</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> ¹	<u>March 1</u>	<u>Principal</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> ¹
2022	\$365,000			382372 CJ7	2032	\$515,000			382372 CU2
2023	385,000			382372 CK4	2033	195,000			382372 CV0
2024	405,000			382372 CL2	2034	45,000			382372 CW8
2025	425,000			382372 CM0	2035	50,000			382372 CX6
2026	445,000			382372 CN8	2036	50,000			382372 CY4
2027	465,000			382372 CP3	2037	50,000			382372 CZ1
2028	475,000			382372 CQ1	2038	50,000			382372 DA5
2029	485,000			382372 CR9	2039	55,000			382372 DB3
2030	500,000			382372 CS7	2040	55,000			382372 DC1
2031	510,000			382372 CT5					

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire "Preliminary Official Statement" to obtain information essential to make an informed investment decision.

The Bonds are offered when, as and if issued, subject to the approval of the legality thereof by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, whose opinion will be delivered with the Bonds. Certain legal matters will be passed upon for the City by its counsel, Freeman & Bracey, PLC, Goodlettsville, Tennessee. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company, New York, New York on or about September 30, 2020*.

RAYMOND JAMES®

Municipal Advisor

September 21, 2020*

* Subject to revision and adjustment as outlined in the "Official Notice of Sale" which is an integral part hereof and incorporated herein by reference.

This “Preliminary Official Statement” speaks only as of its date, and the information contained herein is subject to change.

This “Preliminary Official Statement” may contain forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this “Preliminary Official Statement”, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this “Preliminary Official Statement”. The City disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the City’s expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

This “Preliminary Official Statement” and the Appendices hereto contain brief descriptions of, among other matters, the City, the Bonds, the Resolution (as defined herein), the Disclosure Certificate, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions and statutes, the Resolution, the Disclosure Certificate, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents and laws, and references herein to the Bonds are qualified in their entirety to the forms thereof included in the Resolution.

The Bonds have not been registered under the Securities Act of 1933 and the Resolution has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts. This “Preliminary Official Statement” does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

No dealer, broker, salesman, or other person has been authorized by the City or the Municipal Advisor to give any information or to make any representations other than those contained in this “Preliminary Official Statement”, and, if given or made, such other information or representations should not be relied upon as having been authorized by the City or Municipal Advisor. Except where otherwise indicated, all information contained in this “Preliminary Official Statement” has been provided by the City. The information set forth herein has been obtained by the City from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the Municipal Advisor. The information contained herein is subject to change without notice, and neither the delivery of this “Preliminary Official Statement” nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the City, or the other matters described herein since the date hereof or the earlier dates set forth herein as of which certain information contained herein is given.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

Any CUSIP data included in this “Preliminary Official Statement” is subject to Copyright, American Bankers Association (the “ABA”), and is provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Market Intelligence, a division of S&P Global Inc. The CUSIP numbers listed herein are being provided solely for the convenience of Bondholders only at the time of issuance of the Bonds, and the City makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

CITY OF GOODLETTSVILLE, TENNESSEE

BOARD OF COMMISSIONERS

Jeff G. Duncan, Mayor

Harry Bell, Commissioner

Rusty Tinnin, Vice Mayor

Jimmy D. Anderson, Commissioner
Zack Young, Commissioner

CITY ADMINISTRATION

Tim Ellis, City Manager

Julie High, Assistant City Manager and Finance Director

Allison Baker, City Recorder

COUNSEL TO THE CITY

Freeman & Bracey, PLC
Goodlettsville, Tennessee

BOND COUNSEL

Bass, Berry & Sims PLC
Nashville, Tennessee

REGISTRATION AND PAYING AGENT

Regions Bank Corporate Trust
Nashville, Tennessee

MUNICIPAL ADVISOR

Raymond James & Associates, Inc.
Nashville, Tennessee

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SUMMARY STATEMENT

The information set forth below is provided for convenient reference and does not purport to be complete and is qualified in its entirety by the information and financial statements appearing elsewhere in this “Preliminary Official Statement”. This Summary Statement shall not be reproduced, distributed or otherwise used except in conjunction with the remainder of this “Preliminary Official Statement”.

- The Issuer City of Goodlettsville, Tennessee (the “City”). See the section entitled “Supplemental Information Statement” (APPENDIX B) for more information.
- Securities Offered..... \$5,525,000* General Obligation Refunding and Improvement Bonds, Series 2020 (the “Bonds”) of the City, dated September 30, 2020*. The Bonds will mature each March 1 beginning March 1, 2021 through March 1, 2040, inclusive. See the section entitled “SECURITIES OFFERED – Authority and Purpose”.
- Bank Qualification.....The Bonds have been designated as "qualified tax-exempt obligations" within the meaning of Section 265 of the Internal Revenue Code of 1986, as amended. See the section entitled “LEGAL MATTERS - Tax Matters” for additional information.
- SecurityThe Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the City. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the City are irrevocably pledged. The portion of the Bonds allocable to the refinancing of the SRF Loan (as described below) shall be additionally payable from, but not secured by a pledge of or lien on, the revenues of the City’s wastewater system. See the section entitled “SECURITIES OFFERED – Security”.
- Purpose.....The Bonds are being issued for the purpose of financing, in whole or in part, the (i) acquisition, construction and equipping of capital improvements for the City’s street light system; (ii) acquisition of all property real or personal, appurtenant thereto, or connected with the foregoing; (iii) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing; (iv) reimbursement to the City for funds previously expended for any of the foregoing; (v) refunding the City’s outstanding State Revolving Loan Agreement (CWA 09-224); and (vi) payment of the costs related to the issuance and sale of such Bonds. See the sections entitled “SECURITIES OFFERED – Authority and Purpose and the Refunding Plan” for additional information.
- Optional Redemption.....The Bonds are subject to optional redemption prior to maturity on and after March 1, 2027 at the redemption price of par and accrued interest. See the section entitled “SECURITIES OFFERED - Optional Redemption”.
- Rating.....Moody’s Investors Service, Inc. (“Moody’s”) – “Aa3”. See the section entitled “MISCELLANEOUS – Rating” for more information.

* Subject to revision and adjustment as outlined in the “Official Notice of Sale” which is an integral part hereof and incorporated herein by reference.

Municipal AdvisorRaymond James & Associates, Inc., Nashville, Tennessee (“Raymond James”). Also see the section entitled “MISCELLANEOUS – Financial Professionals”.

Underwriter _____, _____, _____ (the “Underwriter”). Also see the section entitled “MISCELLANEOUS –Financial Professionals”.

Bond Counsel Bass, Berry & Sims PLC, Nashville, Tennessee (the “Bond Counsel”). Also see the section entitled “MISCELLANEOUS – Financial Professionals”.

Registration and Paying Agent... Regions Bank Corporate Trust, Nashville, Tennessee (the “Registration Agent”). Also see the section entitled “MISCELLANEOUS –Financial Professionals”.

Book Entry Only The Bonds will be issued under the Book Entry System except as otherwise described herein. For additional information, see the section entitled “BASIC DOCUMENTATION – Book Entry System”

Tax Matters In the opinion of Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the City (i) interest on the Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Bonds is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code. For an explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading “Tax Matters” herein. Under existing law, the Bonds and the income therefrom will be exempt from all state, City and municipal taxation in the State of Tennessee, except Tennessee franchise and excise taxes. (See “Tax Matters” herein).See also “APPENDIX A: Form of Legal Opinion included herein.

General.....The Bonds are being issued in full compliance with Sections 49-3-1001 et seq., Tennessee Code Annotated, as supplemented and revised. The Bonds will be issued with CUSIP numbers through the facilities of The Depository Trust Company, New York, New York. See the section entitled “SECURITIES OFFERED – Authority and Purpose” for more information.

DisclosureIn accordance with Rule 15c2-12 of the Securities and Exchange Commission as amended (the “Rule”), the City will provide the Municipal Securities Rulemaking Board (“MSRB”) through the operation of the Electronic Municipal Market Access system (“EMMA”) and the State information depository (“SID”), if any, annual financial statements and other pertinent credit or event information, including the Annual Financial Reports, see the section entitled “MISCELLANEOUS - Continuing Disclosure”

Other Information The information in the “Preliminary Official Statement” is deemed "final" within the meaning of Rule 15c2-12(b)(5) of the SEC (the “Rule”) as of the date which appears on the cover except for information allowed to be omitted pursuant to the Rule. For more information concerning the City or the “Preliminary Official Statement”, contact Mr. Tim Ellis, City Manager or Ms. Julie High, Assistant City Manager and Finance Director, City of

City Hall, 105 South Main Street, Goodlettsville, Tennessee 37072,
Telephone: 615-851-2200 or the Municipal Advisor, Raymond James &
Associates, Inc., One Burton Hills Blvd., Suite 225, Nashville, Tennessee
37215, Telephone: 615-665-6920 or 800-764-1002.

\$5,525,000*
CITY OF GOODLETTSVILLE, TENNESSEE
General Obligation Refunding and Improvement Bonds, Series 2020

SECURITIES OFFERED

AUTHORITY AND PURPOSE

This “Preliminary Official Statement” which includes the “Summary Statement” and “Appendices” is furnished in connection with the offering by City of Goodlettsville, Tennessee (the “City”) of its \$5,525,000* General Obligation Refunding and Improvement Bonds, Series 2020 (the “Bonds”).

The Bonds are authorized to be issued pursuant to the provisions of Sections 9-21-101 et seq., Tennessee Code Annotated, as supplemented and amended (the “Act”) and other applicable provisions of law. The Bonds were authorized by the City Commission of the City (the “Governing Body”) pursuant to a resolution duly adopted on August 27, 2020 (the “Resolution”).

The Bonds are being issued for the purpose of financing, in whole or in part, the (i) acquisition, construction and equipping of capital improvements for the City’s street light system; (ii) acquisition of all property real or personal, appurtenant thereto, or connected with the foregoing; (iii) payment of architectural, engineering, legal, fiscal and administrative costs incident to the foregoing; (iv) reimbursement to the City for funds previously expended for any of the foregoing; (v) refunding the City’s outstanding State Revolving Loan Agreement (CWA 09-224); and (vi) payment of the costs related to the issuance and sale of such Bonds. See the sections entitled “SECURITIES OFFERED – Authority and Purpose and the Refunding Plan” for additional information.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Under the Code, in the case of certain financial institutions, no deduction from income under the federal tax law will be allowed for that portion of such institution's interest expense which is allocable to tax-exempt interest received on account of tax-exempt obligations acquired after August 7, 1986. The Code, however, provides that certain "qualified tax-exempt obligations", as defined in the Code, will be treated as if acquired on August 7, 1986. Based on an examination of the Code and the factual representations and covenants of the City as to the Bonds, Bond Counsel has determined that the Bonds upon issuance will be "qualified tax-exempt obligations" within the meaning of the Code. See the section entitled “LEGAL MATTERS - Tax Matters” for additional information.

DESCRIPTION OF THE BONDS

The Bonds initially will be dated the date of their issuance estimated to be September 30, 2020*. Interest on the Bonds will be payable semiannually on March 1 and September 1, commencing March 1, 2021. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds will be initially registered only in the name of Cede & Co., as nominee

*Subject to revision and adjustment as outlined in the “Official Notice of Sale” which is an integral part hereof and incorporated herein by reference.

of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds.

See the section entitled “BASIC DOCUMENTATION - The Book-Entry System” and the “Registration Agent” for additional information.

REFUNDING PLAN

As required by the Act, the City submitted a “Refunding Plan” (the “Plan”) to the Tennessee Director of Local Government Finance (the “Director”). The Director reported directly to the City on the Plan prior to formal action by the Governing Body authorizing the sale and issuance of the Bonds.

Consistent with the City’s formal Debt Management Plan, the strategy developed in the “Refunding Plan” was to refinance the Refunded Loan Agreement (defined below) and redeem those obligations as quickly as possible in order to achieve measurable annual net aggregate and net present value savings by taking advantage of more favorable interest rates in the current market without any extension of the final maturity.

Refunded Loan Agreement. Previously, the City authorized and borrowed funds for improvements and extensions to its wastewater facilities through a State Revolving Fund Loan Agreement between the City, the Tennessee Local Development Authority and the Tennessee Department of Environment and Conservation (the “SRF Loan”). The outstanding portion of the SRF Loan will be refunded with proceeds from the Bonds as described below:

<u>SRF Loan</u>	<u>Type</u>	<u>Maturities Refunded</u>	<u>Redemption Date</u>	<u>Refunded Amount*</u>
State of Tennessee Revolving Fund Loan Agreement, Series CWA 09-224	Current Refunding	Maturing monthly through October 2032	Anytime	\$5,059,578

See the sections entitled “BASIC DOCUMENTATION – Disposition of Proceeds” and “MISCELLANEOUS – Financial Professionals” for additional information.

SECURITY

The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the City. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the City are irrevocably pledged. The portion of the Bonds allocable to the refinancing of the SRF Loan shall be additionally payable from, but not secured by a pledge of or lien on, the revenues of the City’s wastewater system.

REDEMPTION

Optional Redemption. Bonds maturing on or before March 1, 2027 shall mature without option of prior redemption and Bonds maturing March 1, 2028 and thereafter, shall be subject to

* Subject to revision and adjustment

redemption prior to maturity at the option of the City on March 1, 2027 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Governing Body of the City, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

- (i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or
- (ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[*Mandatory Redemption.* Subject to the credit hereinafter provided, the City shall redeem Bonds maturing _____ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds Redeemed</u>
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*Final Maturity

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the City may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the City on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed

by operation of this mandatory sinking fund provision shall be accordingly reduced. The City shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of Redemption. Notice of call for redemption[, whether optional or mandatory] shall be given by the Registration Agent on behalf of the City not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date (“Conditional Redemption”). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the City nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the City pursuant to written instructions from an authorized representative of the City (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. In the case of a Conditional Redemption, the failure of the City to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

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BASIC DOCUMENTATION

BOOK ENTRY-ONLY SYSTEM

The Registration Agent, U.S. Bank National Association, Nashville, Tennessee, its successor or the City will make all interest payments with respect to the Bonds on each interest payment date directly to Cede & Co., as nominee of DTC, the registered owner as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the “Regular Record Date”) by check or draft mailed to such owner at its address shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the City in respect of such Bonds to the extent of the payments so made, except as described above. Payment of principal of the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable.

So long as Cede & Co. is the Registered Owner of the Bonds, as nominee of DTC, references herein to the Bondholders, Holders or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds. For additional information, see the following section.

The Bonds, when issued, will be registered in the name of Cede & Co., DTC’s partnership nominee, except as described above. When the Bonds are issued, ownership interests will be available to purchasers only through a book entry system maintained by DTC (the “Book-Entry-Only System”). One or more fully registered bond certificates will be issued for each maturity, in the entire aggregate principal amount of the Bonds and will be deposited with DTC.

DTC and its Participants. DTC is a limited purpose trust company organized under the New York Bank Law, a “**banking organization**” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “**clearing corporation**” within the meaning of the New York Uniform Commercial Code, and a “**clearing agency**” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for securities that its participants (the “**Direct Participants**”) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry-only changes in DTC Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of its Direct Participants and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (the “NSCC”, “GSCC”, “MBSCC”, and “EMCC”, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc. (the “NYSE”), the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct DTC Participant, either directly or indirectly (the “**Indirect Participants**” and, together with the Direct Participants, the “**Participants**”). DTC has S&P’s rating of “AA+.” The rules

applicable to DTC and its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtc.com.

Purchase of Ownership Interests. Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (a "**beneficial owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through whom such beneficial owners entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the Bonds, except as specifically provided in the Bonds in the event that use of the book-entry-only system is discontinued.

Payments of Principal and Interest. Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Registration Agent on the payable date in accordance with their respective holdings shown on DTC's records, unless DTC has reason to believe it will not receive payment on such date. Payments by Direct and Indirect Participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with municipal securities held for the accounts of customers in bearer form or registered in "**street name**", and will be the responsibility of such Participant and not of DTC, the City or the Registration Agent subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal, tender price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Registration Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the beneficial owners shall be the responsibility of Direct and Indirect Participants.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. Beneficial owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to beneficial owners, or in the alternative, beneficial owners may wish to provide their names and addresses to the Registration Agent and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy

to the City as soon as practicable after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

NONE OF THE CITY, THE MUNICIPAL ADVISOR, THE BOND COUNSEL OR THE REGISTRATION AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENT TO, OR THE PROVIDING OF NOTICE FOR, SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES.

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

None of the City, the Bond Counsel, the Registration Agent or the Underwriter will have any responsibility or obligation, legal or otherwise, to any party other than to the registered owners of any Bond on the registration books of the Registration Agent.

Discontinuance of Book-Entry-Only System. In the event that (i) DTC determines not to continue to act as securities depository for the Bonds or (ii) to the extent permitted by the rules of DTC, the City determines to discontinue the Book-Entry System; the Book-Entry System shall be discontinued. Upon the occurrence of the event described above, the City will attempt to locate another qualified securities depository, and if no qualified securities depository is available, Bond certificates will be printed and delivered to beneficial owners.

No Assurance Regarding DTC Practices. The foregoing information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City, the Bond Counsel, the Registration Agent and the Underwriter do not take any responsibility for the accuracy thereof. So long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, references herein to the holders or registered owners of the Bonds will mean Cede & Co. and will not mean the beneficial owners of the Bonds. None of the City, the Bond Counsel, the Registration Agent or the Underwriter will have any responsibility or obligation to the Participants, DTC or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or by any Direct or Indirect Participant of DTC, (ii) payments or the providing of notice to Direct Participants, the Indirect Participants or the beneficial owners or (iii) any other action taken by DTC or its partnership nominee as owner of the Bonds.

TRANSFERS AND EXCHANGES

The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be

transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the City to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the City nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

For more information on the duties of the Registration Agent, please refer to the Resolution. Also, please see the section entitled “SECURITIES OFFERED – Redemption.”

SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds relating to the proceeds from the Bonds:

Sources of Funds:

Par Amount
Plus: Net Premium
TOTAL SOURCES:

Uses of Funds:

Deposit to the Construction Fund
Prepayment of SRF Loan
Underwriter’s Discount
Costs of Issuance
TOTAL USES:

DISCHARGE AND SATISFACTION OF BONDS

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Federal Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds, respectively, and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds, respectively, are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds, to the Registration Agent, for cancellation by it; and if the City shall also pay or cause to be paid all other sums payable hereunder by the City with respect to such Bonds or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on the Bonds, when due, then and in that case the indebtedness evidenced by the Bonds, respectively, shall be discharged and satisfied and all covenants, agreements and obligations of the City to the holders of the Bonds, shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the City shall pay and discharge the indebtedness evidenced by any of the Bonds, in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Federal Obligations deposited as aforesaid.

Except as otherwise provided, neither Federal Obligations nor moneys deposited with the Registration Agent nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the City as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on the Bonds, respectively, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Registration Agent. Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

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BONDHOLDERS' RISKS

GENERAL

Set forth below are certain risks purchasers of the Bonds should consider when making an investment decision. All potential risks are not included and the discussion is not intended to be exhaustive.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions, which are often subject to discretion and delay. The enforceability of remedies or rights with respect to the Bonds may be limited by state and federal laws, rulings and decisions affecting remedies and by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. Under existing constitutional and statutory law and judicial decisions, certain remedies specified by the Resolution may not be readily available or may be limited. The legal opinion to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

ADDITIONAL BONDS

The City may issue additional bonds in accordance with the provisions of the Act. The issuance of additional bonds would increase the debt service requirements and could adversely affect the sources of funds available to service the Bonds.

COVID-19 PANDEMIC

The worldwide outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread to every county and most cities and towns in the State of Tennessee, including the City and is considered by the World Health Organization to be a Public Health Emergency of International Concern. The spread of COVID-19 has led to quarantine and other “social distancing” measures in affected regions globally. While effects of COVID-19 on the City may be temporary, the virus has affected travel, commerce and financial markets across the world. Earlier in 2020, U.S. and global stock markets experienced significant volatility and overall declines that attributed to COVID-19 concerns leading to significant monetary and fiscal intervention into the nation’s financial system by the Federal Reserve and Congress. Such monetary and fiscal intervention may continue for an indefinite period.

The City is unable to predict: (i) the extent or duration of the COVID-19 or any other epidemic or pandemic; (ii) the extent or duration of existing and additional quarantines, travel restrictions or other measures relating to COVID-19 or any other epidemic or pandemic; or (iii) whether and to what extent the COVID-19 or any other epidemic or pandemic may disrupt the local or global economy, manufacturing or the supply chain or whether any such disruption may adversely affect the operations of the City. Given the evolving nature of the spread of the virus and the behavior of governments, businesses and individuals in response thereto, the City cannot accurately predict the magnitude of the impact of COVID-19 on the City, its financial condition or

on its credit rating (See the section entitled “Miscellaneous – Rating”, herein). The City is proactively taking steps to mitigate the spread of COVID-19 and to preserve effective staffing for all essential City operations. Additionally, the City is carefully monitoring the immediate effect of the COVID-19 pandemic on the City’s finances during the current fiscal year. The City’s largest sources of revenue come from property taxes and its local option sales and use taxes, but fees and shared revenues are also important sources of revenue for the City.

Property Taxes. Property taxes are due each year on October 1 and are delinquent on the last day of February of the following year, so all tax year 2019 taxes (Fiscal Year 2020) were required to be paid without any penalty by February 29, 2020. Tax year 2019 (Fiscal Year 2020) was a re-appraisal year in the Sumner County portion of the City. Due to uncertainties leading into Fiscal Year 2020 resulting from that re-appraisal and the State required adjustment of the property tax rate, the City followed guidance from the State and budgeted approximately \$4.6 million. Unaudited results for Fiscal Year 2020 were more and were around \$5.6 million. For Fiscal Year 2021 (tax year 2020), property taxes were budgeted at approximately the same level as realized in Fiscal year 2020, but the allowance for delinquencies was increased by 1.65% to 2.5% resulting in a projected 97.50% collection rate. Property taxes for Fiscal Year 2020 are not due until October 1, 2020. Economic uncertainties resulting from COVID-19 may affect collections in the current year as well as in future years if the COVID-19 pandemic and resulting regional economic slowdown, unemployment or furloughs continue. For additional information, see the section entitled “Real Property Assessment, Tax Levy and Collection Procedures” in APPENDIX B: Supplemental Information Statement” (“APPENDIX B”).

Local Option Sales and Use Tax. All local option sales and use taxes are collected by the State and the City does not typically receive notice amount collected for approximately 50 days after the close of each month. With respect to sales and use tax revenues for Fiscal Year 2020, collections were up slightly on an unaudited basis at a little more than \$4.8 million versus the budgeted amount of approximately \$4.6 million. For additional information, see the section entitled “Local Option Sales and Use Tax” in APPENDIX B).

The City also collects other tax revenues such as business taxes including State shared taxes which are expected to be materially affected by business closures and reduced economic activity resulting from the COVID-19 outbreak.

Budget. Overall, the City’s adopted a budget for the FY 2021 which commenced on July 1, 2020 anticipated approximately 10.0% less in revenue that originally projected for FY 2021 or around 3.0% less than in the FY 2020 budget. The City budgeted about a 13.0% decrease in expenditures overall in FY 2021, compared to FY 2020. Given the uncertainties as to when the economy will be fully operational, any projected declines are uncertain and the ultimate amount of revenues from property taxes, local options sales and use taxes and other business taxes and fees may be less or more than what has been projected in the City’s adopted budget. The City will continue to monitor the situation as it unfolds and make adjustments accordingly.

The City expects to receive some federal and/or State assistance to offset costs to the City of addressing the COVID-19 pandemic. As this point, the City has not been informed as to the timing or amount of federal assistance, if any, but it recently received State grant assistance of \$402,052 which will be used for non-recurring expenses. At this time, the City does not know the scope of expenses that will be payable from any possible federal or future State assistance. Overall,

the City cannot determine whether any decline in revenues will be mitigated, in whole or part, by and such future federal or State assistance. The City's budget for the 2021 fiscal year currently includes only the aforementioned known State grant assistance.

The City has been informed that it will receive approximately \$250,000 from the Cares Act to offset expenditures related to COVID-19, and well as approximately \$40,000 from the Cares Act specifically directed to assisting the City's tourism industry. The City also expects to be able to recover some of its direct expenditures related to COVID-19 from FEMA Public Assistance.

The City's current liquidity position is expected to be adequate to fund essential services and make timely debt service payments on debt of the City. The City also maintains reserves in several funds over and above actual annual requirements.

Various types of information regarding employment and income trends within the City are detailed in APPENDIX B. This information reflects data prior to the COVID-19 outbreak and may not be reflective of current financial conditions. For example, unemployment rates throughout the United States, including the City, have increased significantly since the COVID-19 pandemic. Furthermore, APPENDIX B lists the largest employers in the City. The COVID-19 pandemic has affected businesses throughout the United States, including businesses in the City and around the region and some of the employers listed in APPENDIX B may have been forced to reduce their employment from the levels described in APPENDIX B. The City's FY 2021 budget does not assume any layoffs or furloughs of City employees or curtailment of City services and none are expected. Given the fluidity of the current economic environment, the City is not able to provide sufficiently accurate updates to this information, but is closely monitoring the situation on multiple levels.

OTHER RISK FACTORS

In the future, the following additional factors, among others, may adversely affect the operations of the City to an extent that cannot be determined at this time:

- (1) The ability of the City to insure or otherwise protect itself against property damage and general liability claims due to cost or other unknown factors.
- (2) Proposals to eliminate the tax-exempt status of debt instruments issued by the City or to limit the use of such tax-exempt bonds, which have been made in the past, and which may be made again in the future. The adoption of such proposals would increase the cost to the City of financing future capital needs.

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LEGAL MATTERS

LITIGATION

General. There are no suits threatened or pending challenging the legality or validity of the Bonds or the right of the City to sell or issue the Bonds or to collect its ad valorem taxes to pay principal of and interest on the Bonds.

At the time of delivery of and payment for the Bonds, the City will deliver, or cause to be delivered, a certificate of the City stating that there is no controversy or litigation of any nature then pending or threatened, restraining or enjoining the issuance, sale execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the authorization, issuance or sale thereof or the pledge or application of any moneys or security provided for the payment of the Bonds or the existence, boundaries or powers of the City, or the title of its officials to their respective offices. See the subsection in this section entitled “Closing Certificates” for additional information.

The City, like other similar bodies, is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. After reviewing the current status of all pending and threatened litigation, the City believes that, while the outcome of litigation cannot be predicted, the final settlement of all lawsuits that have been filed and of any actions or claims presently pending or threatened against the City or its officials in such capacity are adequately covered by insurance or by sovereign immunity or will not have a material adverse effect upon the City’s financial condition.

REMEDIES OF BONDHOLDERS

Under Tennessee law, any Bondholder has the right, in addition to all other rights:

(1) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce its rights against the City, including, but not limited to, the right to require the City to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the City to carry out any other covenants and agreements, or

(2) By action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Bondholder.

TAX MATTERS

Federal

General. Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Bonds. Their opinion under existing law, relying on certain statements by the City and assuming compliance by the City with certain covenants, is that interest on the Bonds:

- is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and
- is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Code.

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

A bondholder or who is a particular kind of taxpayer may also have additional tax consequences from owning the Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Bonds.

If a bondholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Bonds or affect the market price of the Bonds. See also “Changes in Federal and State Tax Law” below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Bonds, or under State, local or foreign tax law.

Bond Premium. If a bondholder purchases a Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder’s tax basis in that Bond will be reduced. The holder of a Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Bond with bond premium, even though the Bond is sold for an amount less than or equal to the owner’s original cost. If a bondholder owns any Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Original Issue Discount. A Bond will have “original issue discount” if the price paid by the original purchaser of such Bond is less than the principal amount of such Bond. Bond Counsel’s opinion is that any original issue discount on these Bonds as it accrues is excluded from a bondholder’s federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a

bondholder's tax basis in these Bonds will be increased. If a bondholder owns one of these Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Information Reporting and Backup Withholding. Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Qualified Tax-Exempt Obligations

Under the Code, in the case of certain financial institutions, no deduction from income under the federal tax law will be allowed for that portion of such institution's interest expense which is allocable to tax-exempt interest received on account of tax-exempt obligations acquired after August 7, 1986. The Code, however, provides that certain "qualified tax-exempt obligations", as defined in the Code, will be treated as if acquired on August 7, 1986. Based on an examination of the Code and the factual representations and covenants of the Authority as to the Series 2020 Bonds, Bond Counsel has determined that the Series 2020 Bonds upon issuance will be "qualified tax-exempt obligations" within the meaning of the Code.

State Taxes

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

Changes In Federal And State Tax Law

From time to time, there are Presidential proposals, proposals of various federal and Congressional committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect

the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. It cannot be predicted whether, or in what form, these proposals might be enacted or if enacted, whether they would apply to Bonds prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

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

The form of the opinion of Bond Counsel is attached as “APPENDIX A: FORM OF OPINION”. Copies of the opinion will be available at the time of the initial delivery of the Bonds.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the City will execute in a form satisfactory to Bond Counsel, certain closing certificates including the following: (i) A certificate as to the “Official Statement”, in final form (as defined herein), signed by the City Mayor and the City Clerk acting in their official capacities to the effect that to the best of their knowledge and belief, and after reasonable investigation, (a) neither the “Official Statement”, in final form, nor any amendment or supplement thereto, contains any untrue statements of material fact or omits to state any material fact necessary to make statements therein, in light of the circumstances in which they are made, not misleading, (b) since the date of the “Official Statement”, in final form, no event has occurred which should have been set forth in such a memo or supplement, and (c) there is no litigation of any nature pending or threatened seeking to restrain the issuance, sale, execution and delivery of the Bonds, or contesting the validity of the Bonds or any proceeding taken pursuant to which the Bonds were authorized; (ii) a non-arbitrage certificate which supports the conclusions that based upon facts, estimates and circumstances in effect, upon delivery of the Bonds, the proceeds of the Bonds will not be used in a manner which would cause the Bonds to be arbitrage bonds; (iii) certificates as to the delivery and payment, signed by the Mayor and City Recorder acting in their official capacities evidencing delivery of and payment for the Bonds; (iv) a signature identification and incumbency certificate, signed by the Mayor, City Recorder and Assistant City Manager/Finance Director acting in their official capacities certifying as to the due execution of the Bonds; and (v) a Continuing Disclosure Certificate regarding certain covenants of the City concerning the preparation and distribution of certain annual financial information and notification of certain material events, if any.

For additional information, see the section entitled “MISCELLANEOUS – Underwriting”, “MISCELLANEOUS - Additional Information” and MISCELLANEOUS - Continuing Disclosure”.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters relating to the authorization and the validity of the Bonds are subject to the approval of Bass, Berry & Sims PLC, Nashville, Tennessee, bond counsel solely to the City (“Bond Counsel”). Bond Counsel did not prepare the “Preliminary Official Statement” or the “Official Statement”, in final form, or verified their accuracy, completeness or fairness. Accordingly, Bond Counsel expresses no opinion of any kind concerning the “Preliminary Official Statement” or “Official Statement”, in final form, except for the information under the section entitled “TAX MATTERS”. The opinion of Bond Counsel will be limited to matters relating to authorization and validity of the Bonds and to the tax-exemption of interest on the Bonds under present federal income tax laws, both as described above. The legal opinion will be delivered with the Bonds and the form of the opinion is included in APPENDIX A. Certain legal matters will be passed upon for the City by its counsel, Freeman & Bracey, PLC, Goodlettsville, Tennessee.

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MISCELLANEOUS

RATING

Moody's Investors Service, Inc. ("Moody's") has assigned the Bonds the credit rating of "Aa3" which appears on the cover of this "Preliminary Official Statement".

The City furnished Moody's certain information and materials and had "due diligence" meetings concerning the Bonds and the City. Generally, Moody's bases its ratings on such information and materials and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that any rating will be maintained for any given period of time or that it will not be revised downward or withdrawn entirely by Moody's if, in its judgment, circumstances so warrant. The City undertakes no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of the ratings or other actions by a rating agency may have an adverse effect on the market price of the Bonds.

Any explanation of the significance of the ratings may be obtained only from Moody's.

COMPETITIVE PUBLIC SALE

The Bonds will be offered for sale at competitive public bidding on September 21, 2020*. Details concerning the public sale were provided to potential bidders and others through the "Preliminary Official Statement" that is dated September 11, 2020.

Through IHS Markit's IPREO's BiDCOMP®/Parity® system, ___ of the original ___ firms which indicated an interest in bidding for the Bonds submitted proposals ranging from the best bid of _____% on a true interest cost basis ("TIC") to _____%.

The successful bidder for the Bonds was an account led by _____, _____ (the "Underwriter") who contracted with the City, subject to the conditions set forth in the "Official Notice of Sale" including permitted adjustments, to purchase the Bonds at a price of \$_____ (consisting of the par amount of the Bonds of \$_____, plus a premium of \$_____, less an underwriter's discount of \$_____) or a bid price of _____% of par.

FINANCIAL PROFESSIONALS

Municipal Advisor. Raymond James & Associates, Inc., ("Raymond James") Nashville, Tennessee has served as Municipal Advisor to the City in connection with the Bonds and will receive compensation for duties performed in that role conditioned upon the sale and issuance of the Bonds.

Bond Counsel. Bass, Berry & Sims PLC presently represents the Municipal Advisor on legal matters unrelated to the City and may continue to do so in the future.

* Subject to revision or adjustment

Investments. Among other services, Raymond James also assists local jurisdictions in the investment of idle funds and may serve in various other capacities. If the City chooses to use one or more of these other services, then Raymond James may be entitled to separate compensation for such services which may be shared with other divisions of the firm including Public Finance. Whether such fees are shared or not, the standard fees will be the same. On prior occasions, Raymond James may have served the City in such a capacity may do so again in the future.

Dissemination Agent. Raymond James may be employed to serve the City as its dissemination agent with respect to its continuing disclosure undertakings for the Bonds and other debt obligations. For such services, Raymond James would receive a separate annual fee.

DEBT LIMITATIONS

Under the legal authority under which the Bonds are sold and issued, there is no limit on the amount of debt obligations that may be issued by the City. (See DEBT STRUCTURE - Indebtedness and Debt Ratios for more information).

ADDITIONAL DEBT OBLIGATIONS

No other debt obligations have been authorized at this time.

OFFICIAL STATEMENT

Certain information relative to the location, economy and finances of the City is found in the “Preliminary Official Statement” and the “Official Statement”. While not guaranteed as to completeness or accuracy, the “Preliminary Official Statement” and the “Official Statement” are believed to be correct as of their respective dates based on information supplied by the City and other reliable sources and by the certification by the City as to the “Official Statement”.

Raymond James has not been engaged by City to provide or validate any information in this “Official Statement” relating to City, including (without limitation) any of City’s financial and operating data, whether historical or projected. Raymond James is not a public accounting or auditing firm and has not been engaged by City to review or audit any information in this “Official Statement” in accordance with accounting standards.

CONTINUING DISCLOSURE

At the time the Bonds are delivered, the City will execute a Continuing Disclosure Certificate in which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information relating to the City by not later than twelve months after each of the City’s fiscal years (the “Annual Report”), commencing with the fiscal year ending June 30, 2020, and to provide notice of the occurrence of certain enumerated events. The Annual Report (and audited financial statements, if filed separately) will be filed with the Municipal Securities Rulemaking Board (“MSRB”) through the operation of the Electronic Municipal Market Access system (“EMMA”) and with any State Information Depository established in the State of Tennessee (the “SID”). If the City is unable to provide the Annual Report to the MSRB and the SID by the date required, notice of each failure will be sent to the MSRB and the SID on or before such date. The notices of events will be filed by the City with the MSRB and the SID. The specific nature of

the information to be contained in the Annual Report and the notices of events is set forth in “Appendix D: Form of Continuing disclosure Certificate”. These covenants have been made in order to assist the underwriters in complying with SEC Rule 15c2-12(b) (the "Rule"). The City has not failed to comply, in any material respect, in the last five years with any previous undertakings with regard to said Rule to provide Annual Reports or notices of events.

Pursuant to the amendments to the Rule which became effective on February 27, 2019, officials of the City were briefed on the additional notice requirements and the importance of compliance with the Rule and the new amendments. The Assistant City Manager is the designated official responsible for the City’s continuing disclosure obligations. The City may employ a Dissemination Agent to assist it in all filings.

See “APPENDIX C: Form of Continuing Disclosure Certificate” for additional information.

ADDITIONAL INFORMATION

References, excerpts and summaries contained herein of certain provisions of the laws of the State and any documents referred to herein do not purport to be complete statements of the provisions for such laws or documents, and reference should be made to the complete provisions thereof for a full and complete statement of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the holders thereof. The “Preliminary Official Statement” and the “Official Statement” in final forms, and any advertisement of the Bonds are not to be construed as a contract or agreement between the City and the purchasers of any of the Bonds. Any statements or information printed in the “Preliminary Official Statement” and the “Official Statement”, in final forms, involving matters of opinion or of estimates, whether or not expressly so identified, is intended merely as such and not representations of fact.

The City has deemed this “Preliminary Official Statement” as "final" as of its date within the meaning of Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC") (the “Rule”) except for certain information allowed to be omitted by the Rule.

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CERTIFICATION OF THE CITY

At the time of payment for and delivery of the Bonds, the City will furnish the purchaser a certificate, signed by the Mayor and the City Recorder, to the effect that (a) the descriptions and statements of or pertaining to the City contained in its “Official Statement” and any addendum thereto, for its Bonds, on the date of such “Official Statement”, on the date of sale of the Bonds and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the City and its affairs, including its financial affairs, are concerned, such “Official Statement” did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data of or pertaining to entities other than the City, and their activities contained in such “Official Statement” are concerned, such statements and data have been obtained from sources which the City believes to be reliable and that the City has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the City since June 30, 2019, the date of the last audited financial statements of the City, the electronic link to which appears in “APPENDIX D: Annual Financial Report”.

/s/ _____
Mayor

ATTEST:

/s/ _____
Assistant City Manager and Finance Director

/s/ _____
City Recorder

APPENDIX A

FORM OF LEGAL OPINION

(Closing Date)

Board of Commissioners of the
City of Goodlettsville, Tennessee
Goodlettsville, Tennessee

Ladies and Gentlemen:

We have acted as bond counsel to the City of Goodlettsville, Tennessee (the "Issuer") in connection with the issuance of \$ _____ General Obligation Refunding and Improvement Bonds, Series 2020, dated the date hereof (the "Bonds"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.
2. The resolution of the Board of Commissioners of the Issuer authorizing the Bonds has been duly and lawfully adopted, is in full force and effect and is a valid and binding agreement of the Issuer enforceable in accordance with its terms.
3. The Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Issuer.
4. Interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference in calculating the alternative minimum tax imposed on individuals under the Internal Revenue Code of 1986, as amended (the "Code"). The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all

requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements. Except as set forth in this Paragraph 4 and in Paragraph 6, we express no opinion regarding other federal tax consequences arising with respect to the Bonds.

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

6. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265 of the Code.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolution authorizing the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

APPENDIX B

SUPPLEMENTAL INFORMATION STATEMENT

CITY OF GOODLETTSVILLE, TENNESSEE

The City of Goodlettsville, Tennessee (the “City”) is located in portions of The Metropolitan Government of Nashville and Davidson County (Tennessee) and Sumner County, Tennessee.

While more than 50.0% of the land area of the City which totals about 14.49 square miles is in Sumner County, while approximately 60.0% of the City’s residents live within the border of The Metropolitan Government portion of the City. The City is located in Middle Tennessee approximately 16 miles north of downtown Nashville. Nashville is the capital of the State of Tennessee and is situated in the Nashville Basin, between the Tennessee River on the west and the Eastern Highland Rim on the east.



<u>Census Population</u>	<u>Goodlettsville</u>	<u>% Increase</u>	<u>The Metropolitan Government</u>	<u>% Increase</u>	<u>Sumner County</u>	<u>% Increase</u>	<u>Tennessee</u>	<u>% Increase</u>
2019	16,798	5.5%	694,144	10.8%	191,283	19.1%	6,829,174	7.6%
2010	15,921	13.9%	626,681	10.0%	160,645	23.2%	6,346,105	11.5%
2000	13,780	25.7%	569,892	11.6%	130,449	26.3%	5,689,283	16.7%
1990	10,965	31.9%	510,784	6.9%	103,281	20.1%	4,877,185	6.2%
1980	8,327	35.0%	477,811	6.7%	85,790	52.9%	4,591,120	16.9%
1970	6,168	95.0%	447,877	12.0%	56,106	54.9%	3,926,018	10.1%

Source: U.S. Census Bureau

TRANSPORTATION

The City is served by numerous major transportation systems. Interstate 65, U.S. 41, U.S. 31-W and State Route 386 serve the community. Interstate 24 and Interstate 40 are also conveniently located nearby.

Nashville serves as a conduit or trans-shipment point for much of the traffic between the northeast and southeast United States. Barge service on the Cumberland River, together with good rail and air services, give Nashville and the City an excellent four-way transportation network.

The Cumberland River, connecting Nashville and the surrounding area to the Gulf of Mexico and intermediate points on the Ohio and Mississippi Rivers, is used by numerous commercial operators, many of which serve the Nashville area. With the completion of the Tennessee-Tombigbee Waterway in 1985, Cumberland River freight is able to reach the Port of Mobile, thereby eliminating approximately 600 miles of the distance from Nashville to the open sea and contributing to the development of foreign trade in Nashville. In addition, the Federal Government in 1982 approved Nashville as a Foreign Trade Zone, a secured area supervised by the United States Custom Service, which provides for the storing of foreign merchandise without duty payments.

The CSX System, a major national railroad, serves the Nashville area. In addition, five major rail lines link Nashville to all major markets in the nation. Rail carriers interchange freight

and cooperate in providing and extending transit privileges covering both dry and cold storage and the processing or conversion of materials.

The Sumner County Regional Airport is the County's municipal airport with a 5,000-foot asphalt runway. The nearest commercial airport is Nashville International Airport, which is located 20 miles away. The International Airport has concrete and asphalt runways up to 11,029 feet that is served by about 13 airlines with 375 average daily flights.

The Metropolitan Transit Authority ("MTA" or "WeGo") provides a comprehensive public transportation system covering the entire metropolitan area. In addition to regularly scheduled bus routes, MTA provides special transportation services for the handicapped and operates trolley cars and free circular bus routes in the downtown area for shoppers, tourists and downtown workers.

Sources: Official Statements of The Metropolitan Government of Nashville and Davidson County (TN), the City and various reference sites.

GOVERNMENT STRUCTURE

The City was incorporated on in 1958 under the City Commission/City Manager form of government. The City's legislative body is a five-member Board of Commissioners that is elected at-large. Each Commissioner is elected to a four-year alternating term with elections conducted every two years. The Mayor is ceremonial head of the City and presides at meetings of the Board. The City Manager is the chief administrative officer of the City. The City Manager is appointed by the Board of Commissioners and serves at their pleasure.

The City provides a wide range of services characteristic of similar jurisdictions in the State including public safety (police and fire protection), maintenance of highways, streets and other infrastructure, sanitation services, recreation and cultural services, planning and zoning and general administrative services. In addition, the City operates a sewer collection system that currently serves 5,050 customers as of June 30, 2019. Sewer treatment services are provided by The Metropolitan Government of Nashville and Davidson County. Electric Service is provided to residents by Nashville Electric Service (NES). Natural gas service is provided by Nashville Gas. Water is supplied to the City through Metro Water Services, the Madison-Suburban Utility District of Davidson County and the White House Utility District. The City contracts for solid waste disposal and recycling with a private contractor.

Source: Comprehensive Annual Financial Report of the City

For additional information, see the City's website: <http://www.cityofgoodlettsville.org/>

EDUCATIONAL OPPORTUNITIES

K Through 12 Schools. Residents of the City are served by The Metropolitan Government School System and the Sumner County School Systems and a number of independent and parochial schools.

Public Colleges and Universities

Tennessee State University. Tennessee State University ("TSU") is located in Nashville. TSU is a major, comprehensive urban land-grant institution offering 45 bachelor's degrees and 24 master's degrees. Doctoral degrees are also offered in several areas. The 500-acre main campus,

with more than 65 buildings, is located in a residential setting; the Avon Williams Campus is located a few miles away in downtown Nashville, near the center of the Nashville business and government district. Founded in 1912, TSU had a fall 2019 enrollment of 7,772 students.

Source: Tennessee State University.

Volunteer State Community College (“Vol State”). Vol State is a public two-year community college in nearby Gallatin serving a twelve-county region including the counties of Clay, Davidson, Jackson, Macon, Overton, Pickett, Putnam, Robertson, Smith, Sumner, Trousdale and Wilson.

Source: Volunteer State Community College and TN Higher Education Commission.

Private Colleges and Universities

Belmont University (“Belmont”). Belmont is a private Christian university located in Nashville. Belmont is among the fastest growing Christian universities in the nation. Since 2000, enrollment has risen from just under 3,000 to more than 8,250 students for 2019, marking an increase of over 100%.

Source: Belmont University.

Fisk University (“Fisk”). Fisk is a private, historically black college that was established in Nashville in 1866. Fisk ranks among the top-fifty baccalaureate institutions in producing African-American science and engineering doctoral degree recipients, in a study by the National Science Foundation.

Source: Fisk University.

John A. Gupton College (“Gupton”). Gupton offers a program of study leading to a diploma in the field of Mortuary Science. The College is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award the Associate of Arts Degree in Funeral Service.

Source: John A Gupton College.

Lipscomb University (“Lipscomb”). Located in Nashville, Lipscomb is a private, coeducational, liberal arts institution associated with the Churches of Christ established in 1891. Lipscomb offers more than 130 programs of study in 66 majors leading to bachelor of arts, bachelor of business administration, bachelor of music in music education, bachelor of science and bachelor of science in nursing degrees. Graduate degrees are offered in Bible, business, conflict management, counseling, education and pharmacy. The 2019 official enrollment was 4,620 students.

Source: Lipscomb University.

Meharry Medical College (“Meharry”). Located in Nashville, Meharry is the largest private, comprehensive historically black institution for education health professional and scientists in the United States. Meharry was founded in 1876 and is affiliated with the United Methodist Church. Fall 2019 enrollment was around 877 students.

Source: Meharry Medical College.

Nossi College of Art (“Nossi”). Nossi is located on a 10 acre campus in Goodlettsville. Nossi offers a range of art degrees in Commercial Illustration, Graphic Art & Design, Digital Photography and Video. The school’s construction was completed in the fall of 2010

Source: Nossi College of Art.

Trevecca Nazarene University (“Trevecca”). Located in Nashville and founded in 1901, Trevecca is one of eight U.S. colleges and universities affiliated with the Church of the Nazarene. Fall 2019 enrollment was 3,927 students. Trevecca offers 53 undergraduate majors and 4 associate's degrees. Master's degrees are available in religion, education, management, physician assistant, library and information science, counseling psychology, and interdisciplinary (online). Doctorates are offered in education and in clinical counseling.

Source: Trevecca Nazarene University.

Vanderbilt University (Vanderbilt”). Located on a 330 acre campus in Nashville, Vanderbilt is a private research university and medical center founded in 1873. Fall 2019 Enrollment was about 6,886 undergraduates and 6,245 graduate and professional students. An independent, privately supported university employing more than 4,261 full-time faculty and a staff of more than 20,000, Vanderbilt is the largest private employer in Middle Tennessee and the second largest private employer in the state. The university comprises 10 schools, a distinguished medical center, a public policy center and The Freedom Forum First Amendment Center. Vanderbilt offers undergraduate programs in the liberal arts and sciences, engineering, music, education and human development as well as a full range of graduate and professional degrees.

Vanderbilt University Medical Center is a comprehensive healthcare facility dedicated to patient care, research, and biomedical education. It has 916 licensed beds and consists of 910 million square feet. It was founded in 1875. The Medical Center consists of four hospitals with several clinics located all over Middle Tennessee. In addition to Vanderbilt University Hospital, there is the Monroe Carell Jr. Children’s Hospital at Vanderbilt with 222 licensed beds, the Vanderbilt Psychiatric Hospital with 88 licensed beds and the Vanderbilt Stallworth Rehabilitation Hospital with 80 beds. The Medical Center also houses the School of Medicine.

Source: Vanderbilt University.

Technical Colleges

Miller-Motte Technical College (“Miller-Motte”). Miller-Mott was founded in 1916 in Wilmington, North Carolina. There are three campuses in Tennessee including those in Chattanooga, Clarksville and nearby Madison. The Madison Campus offers programs in Electrical Systems, Welding Technology, and Heating and Air Conditioning/Refrigeration Technology, Solar Technology, Wind Technology, Sustainable Construction, Security Systems, Cosmetology and Esthetics.

Source: Miller-Motte College.

Nashville State Technical Community College (“Nashville State”). Nashville State shares a 109-acre campus with the Tennessee Technology Center at Nashville. Nashville State offers 49 degree programs and 12 certificate programs. In addition, Nashville State offers continuing education courses ranging from technical skills to management training and programs providing training in such areas as computer-aided drafting and office technology. The College serves an area comprised of Davidson, Cheatham, Dickson, Houston, Humphreys and Stewart Counties, and the Upper Cumberland region. There are four satellite campuses: Cookeville, Humphreys County, Dickson and Southeast Nashville.

Source: Nashville State Community College and TN Higher Education Commission.

Tennessee College of Applied Technology at Nashville (the “TCAT-N”). TCAT-N is part of a statewide system of 26 vocational-technical schools. TCAT-N serves the central region of the state including Davidson, Cheatham, and Robertson Counties. The TCAT-N began operations in

1963. Tennessee Technology Center at Nashville shares a 109-acre campus with Nashville State Technical Community College in Davidson County.

Source: Tennessee College of Applied Technology at Hartsville and Nashville, and TN Higher Education Commission.

HEALTHCARE

Davidson County

Nashville is one of the nation's leaders in the healthcare field. There are several health systems headquartered in Nashville, for example Community Health Systems, Hospital Corporation of America, LifePoint Health, Ascension Saint Thomas Health and the TriStar Health System. The Metropolitan Government relocated the city-owned hospital, the Metropolitan Nashville General Hospital, to Hubbard Hospital of Meharry Medical College in 1998.

Ascension Saint Thomas Health

Saint Thomas Health is a member of Ascension Health, a Catholic organization that is the largest not-for-profit health system in the United States.

Saint Thomas Midtown Hospital. Licensed for 683 acute and rehab care beds, Saint Thomas Midtown Hospital is the largest not-for-profit community hospital in Middle Tennessee. The main campus covers nearly 2 million square feet and spans more than six city blocks, or 38 acres. There are approximately 2,800-member staff and more than 30 medical and surgical specialties.

Saint Thomas West Hospital. Located in West Nashville, Saint Thomas West provides 541 acute care beds, including 40 critical care, 80 special care and 140 telemetry beds. Approximately 1,700 associates and 750 affiliated physicians work in the hospital.

Saint Thomas Hospital for Specialty Surgery. The Saint Thomas Hospital for Specialty Surgery, located in Nashville, is the only dedicated spinal surgery hospital in the southeast.

Source: Saint Thomas Health.

Hospital Corporation of America

Hospital Corporation of America (“HCA”). Nashville-based HCA was one of the nation's first hospital companies and owns the TriStar Health System. Today, HCA is one of the nation's leading providers of healthcare services. The company is comprised of locally managed facilities that include about 162 hospitals and 113 freestanding surgery centers in 20 states and England and employing approximately 199,000 people. Approximately four to five percent of all inpatient care delivered in the country today is provided by HCA facilities.

Source: Tri-Star Health System and Hospital Corporation of America.

There are seven TriStar Health System facilities in Davidson County, as shown below:

TriStar Centennial Medical Center (“Centennial”). Centennial is the flagship of the TriStar Health System and is located in Nashville. Centennial is a 657-bed comprehensive facility offering medical and surgical programs including behavioral health, 24-hour emergency, heart and vascular, imaging, neurosciences, oncology, orthopedics, pediatrics, rehabilitation, sleep disorder, and women’s services. The TriStar Centennial is home to *TriStar Centennial Women’s &*

Children's, TriStar Sarah Cannon Cancer Center, TriStar Centennial Parthenon Pavilion, as well as TriStar Centennial Heart & Vascular Center.

TriStar Skyline Medical Center & TriStar Skyline Madison Campus. Located in nearby Madison, TriStar Skyline is known for its cardiology, oncology, orthopedics/spine, rehabilitation and emergency services. As an Accredited Chest Pain Center with PCI, TriStar Skyline is a leading provider of emergency heart care for people throughout Middle Tennessee and Southern Kentucky. Recognized nationally for its neuroscience services, it was the first hospital in Tennessee to earn "Primary Stroke Center" certification from the Joint Commission on Accreditation of Healthcare Organizations. On both campuses, there are 458 beds, over 1,200 staff employed with about 420 physicians.

Source: Tri-Star Health System and Hospital Corporation of America.

Sumner County

Sumner Regional Medical Center ("SRMC"). SRMC" is a 155-bed acute care hospital that has been serving Gallatin and the surrounding communities since 1959. The hospital serves as the flagship hospital for HighPoint Health System, formerly Sumner Regional Health Systems, Inc. The hospital also provides inpatient rehabilitation services, a cardiac catheterization lab, a sleep lab, an accredited radiation oncology program, a wound care center offering hyperbaric oxygen therapy, and a state-of-the-art outpatient diagnostic center that houses a dedicated women's imaging program.

Source: Sumner Regional Medical Center.

TriStar Hendersonville. TriStar Hendersonville is a 148-bed community-based medical center with comprehensive medical and surgical programs. The facility was first opened in 1979 under the name of Hendersonville Community Hospital.

Source: Tri-Star Health System and Hospital Corporation of America.

REGIONAL TOURISM

Tourism is a major industry in the Nashville area. The Convention and Visitors Bureau and U. S. Travel Data Center estimate that more than 16.1 million tourists came to Nashville in 2019 and they spent more than \$7.0 billion. Music, history, art and generous hospitality attract convention delegates and leisure visitors. Excellent air service combined with geographic location and a superior highway transportation system contribute to the cities success. According to the Nashville, Music City website, there are more than 49,000 hotel rooms in the Metro area with many more under construction.

The Convention Center Authority of the Metropolitan Government of Nashville and Davidson County completed a new facility in May 2013. The 2.1 million-square-foot Music City Center features more than 375,000 square feet of exhibit space, 128,000 square feet of meeting space, two ballrooms, a business center, and a 2,500-seat theater. In addition, there are about 30,000 square feet of retail space and a parking garage with nearly 1,800 spaces. The Convention Center is located downtown in the Metropolitan Government's central business district, and is within walking distance of many notable attractions, including, but not limited to, the Bridgestone Arena, the Ryman Auditorium, the Country Music Hall of Fame and the Schermerhorn Symphony Center.

The Country Music Hall of Fame in downtown Nashville is a striking architectural statement featuring music related icons both outside and inside the building. From a distance, the front façade of the building looks like a piano keyboard. The shape of the building is that of the musical notation for a bass clef. The conservatory entrance is available for after-hour events and spaces of varying sizes offer attractive event spaces. The Hall of Fame features live entertainment daily with musical instruments demonstrations, songwriting sessions, and performances each day at lunch.

Each year, the Country Music Association coordinates a music festival known as CMA Music Festival. The event includes performances by more than 100 entertainers and groups, autograph sessions and activities directed at the attendees. In 2001, the music festival moved to downtown Nashville and attendance has steadily increased each year since then.

The Grand Ole Opry is America's longest running live radio show. The Opry first broadcast in 1925 and the country music variety show now plays in a 4,400 seat theater in the Gaylord Opryland complex a few miles from downtown and not far from the City. Each show features many acts and performers. The Opry draws fans from around the world.

The Bridgestone Arena ("Arena") is a premier entertainment facility located in downtown Nashville. The Arena is home of the NHL Nashville Predators and features numerous major events each year.

The Tennessee NFL Stadium, opened in 1999 and now named LP Field, is the home of the Tennessee Titans, an NFL team. The stadium seats slightly fewer than 69,000 fans.

The Tennessee State Museum, the Cheekwood Botanical Gardens and Fine Arts Center, President Andrew Jackson's Home: The Hermitage, Belmont Mansion, The Tennessee Performing Arts Center, the Adventure Science Center, and the Parthenon supplement educational and cultural opportunities in the area.

Sources: Various publications of The Metropolitan Government of Nashville and Davidson County (TN) and the Music City website: www.visitmusiccity.com

MANUFACTURING AND COMMERCE

Nashville is the major wholesale and retail trade center for the Nashville MSA and some 50 counties in the central region of the State, southern Kentucky and northern Alabama, a retail trade area with millions of people.

Two of the super-regional centers are located in or near the City. Opry Mills Mall located nearby, but outside the City. Rivergate Mall, one of the MSA's largest shopping centers with nearly 200 stores is located in Goodlettsville and is a major economic engine for the MSA and the City.

Sources: Official Statements of The Metropolitan Government of Nashville and Davidson County (TN), the City and various reference sites.

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MAJOR EMPLOYERS IN THE CITY

<u>Employer</u>	<u>Product/Service</u>	<u>Employment</u>
Tyson Foods, Inc.	Case-Ready Meats	1,993
Dollar General Corporate Headquarters	General Mercantile	1,100
Associate Wholesale Grocers	Grocery Distribution	315
USF Holland Motor Freight	Transportation	300
City of Goodlettsville	Government	141
Des-Case	Filters	90
American Bottling Company	Bottled Drinks	70
Prevost Motorcar	Luxury Motor Coaches	52
Richards & Southern	Entertainment Marketing	50

Source: Middle Tennessee Industrial Development Association and the City of Goodlettsville 2019 CAFR

ECONOMIC DATA

ANNUAL AVERAGE EMPLOYMENT					
<u>Location</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
United States	5.3%	4.9%	4.4%	3.6%	3.7%
Tennessee	5.6%	4.7%	3.8%	3.5%	3.4%
Davidson County	4.4%	3.6%	2.8%	2.7%	2.5%
✓ Co. Workforce	362,895	372,624	383,649	393,923	409,810
✓ Co. Employment	346,987	359,204	372,829	383,409	399,502
✓ Co. Unemployment	15,908	13,420	10,820	10,514	10,308
Sumner County	4.6%	3.9%	3.0%	2.8%	2.7%
✓ Co. Workforce	88,284	92,013	95,538	99,758	103,810
✓ Co. Employment	84,211	88,448	92,656	96,967	101,033
✓ Co. Unemployment	4,073	3,565	2,882	2,791	2,777

Source: Tennessee Department of Labor and Workforce Development "Labor Force and Nonfarm Employment Estimates"

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ANNUAL AVERAGE PER CAPITA PERSONAL INCOME					
<u>Location</u>	<u>2015</u>	<u>2016</u>	<u>2014</u>	<u>2017</u>	<u>2018</u>
United States	\$47,669	\$46,335	\$46,049	\$48,762	\$50,154
Tennessee	\$42,069	\$44,156	\$40,457	\$45,537	\$47,422
Davidson County*	\$59,135	\$62,876	\$66,060	\$66,060	\$66,060
Davidson County vs U. S.	124%	136%	143%	135%	132%
Davidson County vs Tennessee	141%	142%	163%	145%	139%
Sumner County*	\$45,083	\$46,465	\$48,656	\$48,656	\$48,656
Sumner County vs US	94.6%	100%	106%	98%	97%
Sumner County vs. Tennessee	107%	105%	120%	107%	103%

*Based on data for Davidson County, the City's dominant County, and Sumner County, published by the Bureau of Economic Analysis. Additional Source: Economic Research – Federal Reserve Bank of St. Louis (FRED)

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FINANCIAL INFORMATION

BUDGETARY PROCESS

All of the City's Governmental funds are annually appropriated. The Board of Commissioners is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City of Goodlettsville's financial planning and control. A staff budget kick-off meeting is held in January each year. In February, the Board of Commissioners conduct two work sessions to prioritize the city's capital needs. Department Heads then are required to submit their budget requests to the Assistant City Manager/Finance Director. The City Manager conducts departmental meetings in March of each year. The City Manager and Assistant City Manager/Finance Director make revenue estimates for the upcoming year. The budget is submitted to the Board of Commissioners in March/April, with a Board of Commissioners Budget Study Session held in April. First reading of the Budget is usually in May, with a final reading and public hearing by June 30, the close of the City's fiscal year. The budget is prepared by fund (i.e. general), department (i.e. police), and object code. Department heads are authorized to expend funds within total departmental appropriations. However, amendments to the budget that change departmental and/or total appropriations require the adoption of an ordinance by the Board of Commissioners. Budget transfers between departments require approval of the Board of Commissioners. Budget to actual comparisons are provided in this report for each governmental fund for which an appropriated annual budget has been adopted.

Source: Comprehensive Annual Financial Report of the City

INVESTMENT AND CASH MANAGEMENT PRACTICES

The City has no formal deposit and investment policies other than those prescribed by State of Tennessee statute and explained below.

Deposits in financial institutions are required by State statute to be secured and collateralized by the 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 Deposit Insurance Corporation insurance (FDIC). Collateral requirements are not applicable for financial institutions that participate in the State of Tennessee's collateral pool.

All of the City's deposits and investments were held by financial institutions which participate in the bank collateral pool administered by the Treasurer of the State of Tennessee or in the State of Tennessee Local Government Investment Pool ("LGIP"). Participating banks in the bank collateral pool determine the aggregate balance of their public fund accounts. The amount of collateral required to secure these public deposits must be at least 105% of the average daily balance of public deposits held. Collected securities required to be pledged by the participant banks to protect their public fund accounts are pledged to the State Treasurer on behalf of the bank collateral pool.

The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under the additional assessment agreement,

public fund accounts covered by the pool are considered to be insured for purposes of custodial credit risk disclosure.

Proprietary fund restricted cash and investments are, from time to time, on deposit with a participant in the bank collateral pool and the revenue bond paying agent. These assets are restricted to use as revenue bond interest payments and bond retirement in accordance with provisions of the various bond resolutions.

Source: Comprehensive Annual Financial Report of the City

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CITY OF GOODLETTSVILLE
SUMMARY OF BONDED INDEBTEDNESS

As of June 30, 2020 Plus the Bonds

AMOUNT ISSUED⁽¹⁾	PURPOSE	DUE DATE	INTEREST RATES	DEBT OUTSTANDING
\$ 2,970,000	General Obligation Public Improvement Bonds, Series 2013	03/01/2033	Fixed	\$ 2,080,000
1,801,512	Various Capital Leases	2021	Fixed	91,222
3,000,000	PBA Local Government Loan Program Agreement (TMBF) ⁽²⁾	04/01/2031	Drawdown	470,888
3,200,000	State Revolving Fund Loan Series 18-420 ⁽²⁾	06/01/2038	Drawdown	1,061,048
1,000,000	State Revolving Fund Loan Series 18-419 ⁽³⁾	06/01/2038	Fixed	900,000
7,500,000	State Revolving Fund Loan Series CWA 09-224 ⁽⁴⁾	10/2032	Fixed	5,120,383
<u>\$ 19,471,512</u>	Total Existing Debt			<u>\$ 9,723,541</u>
5,520,000	General Obligation Refunding and Improvement Bonds, Series 2020 ⁽⁵⁾		Fixed	5,525,000
<u>(5,120,383)</u>	Less: Loan Agreement Refunded ⁽⁴⁾			<u>(5,059,578)</u>
19,871,129	Total Debt Authorized and/or Outstanding After Issuance			\$ 10,188,963
<u>(10,700,000)</u>	Revenue Supported Debt			<u>(6,716,853)</u>
<u>\$ 9,171,129</u>	NET DIRECT DEBT			<u>\$ 3,472,110</u>

⁽¹⁾ Does not include compensated absences, if any.

⁽²⁾ Each of these loans are drawdown facilities. The amount outstanding reflects the amount drawdown as of June 30, 2020.

⁽³⁾ Of the original Loan Agreement \$1,000,000, \$100,000 was forgiven.

⁽⁴⁾ Of the original Loan Agreement of \$12,500,000, \$5,000,000 was forgiven.

CITY OF GOODLETTSVILLE

Indebtedness and Debt Ratios

INTRODUCTION

The information set forth in the following table is based upon information derived in part from the City's Comprehensive Annual Financial Reports which are attached herein and the table should be read in conjunction with those statements. The table does not include future funding plans whether disclosed or not in this document.

INDEBTEDNESS	For Fiscal Year Ended June 30					
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>After Issuance</u>
TAX SECURED						
General Obligation Bonds, Loan Agreements & Leases	\$ 4,452,511	\$ 4,069,089	\$ 2,924,393	\$ 3,111,411	\$ 2,642,110	\$ 3,472,110
TOTAL TAX SUPPORTED	<u>\$ 4,452,511</u>	<u>\$ 4,069,089</u>	<u>\$ 2,924,393</u>	<u>\$ 3,111,411</u>	<u>\$ 2,642,110</u>	<u>\$ 3,472,110</u>
REVENUE SUPPORTED						
Sewer Loan Agreements	\$ 7,721,102	\$ 6,944,307	\$ 6,115,291	\$ 5,782,948	\$ 7,081,431	\$ 6,816,853
TOTAL REVENUE SUPPORTED	<u>\$ 7,721,102</u>	<u>\$ 6,944,307</u>	<u>\$ 6,115,291</u>	<u>\$ 5,782,948</u>	<u>\$ 7,081,431</u>	<u>\$ 6,816,853</u>
TOTAL DEBT	\$ 12,173,613	\$ 11,013,396	\$ 9,039,684	\$ 8,894,359	\$ 9,723,541	\$ 10,288,963
Less: Revenue Supported Debt	<u>(7,721,102)</u>	<u>(6,944,307)</u>	<u>(6,115,291)</u>	<u>(5,782,948)</u>	<u>(7,081,431)</u>	<u>(6,816,853)</u>
NET DIRECT DEBT	\$ 4,452,511	\$ 4,069,089	\$ 2,924,393	\$ 3,111,411	\$ 2,642,110	\$ 3,472,110
OVERLAPPING DEBT⁽²⁾	\$ 61,242,193	\$ 75,264,064	\$ 68,095,682	\$ 63,981,586	\$ 63,981,586	\$ 63,981,586
NET DIRECT & OVERLAPPING DEBT	\$ 65,694,704	\$ 79,333,153	\$ 71,020,075	\$ 67,092,997	\$ 66,623,696	\$ 67,453,696
COMBINED PROPERTY TAX BASE⁽³⁾						
Estimated Actual Value	\$ 1,696,106,610	\$ 1,785,551,958	\$ 1,953,716,561	\$ 2,128,384,226	\$ 2,406,074,805	\$ 2,406,074,805
Appraised Value	1,455,067,404	1,598,085,970	1,896,888,057	1,957,682,017	2,169,233,790	2,169,233,790
Assessed Value	484,430,677	521,249,936	594,244,433	613,430,031	670,120,970	670,120,970

Source: Tax Aggregate Reports and City of Goodlettsville.

⁽¹⁾ Does not include compensated absences, if any. See the Notes to the Financial Statements attached herein for additional details.

⁽²⁾ OVERLAPPING DEBT Includes the City's portion of debt of Metropolitan Government of Nashville and Davidson County and Sumner County. Best available information.

⁽³⁾ The most recent reappraisal of property for Davidson County and Sumner County was effective January 2017 and 2019, respectively.

⁽⁴⁾ Based on best available information. After Issuance column includes estimates.

For Fiscal Year Ended June 30

DEBT RATIOS	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>After Issuance</u>
TOTAL DEBT to Estimated Actual Value	0.72%	0.62%	0.46%	0.42%	0.40%	0.43%
TOTAL DEBT to Appraised Value	0.84%	0.69%	0.48%	0.45%	0.45%	0.47%
TOTAL DEBT to Assessed Value	2.51%	2.11%	1.52%	1.45%	1.45%	1.54%
NET DIRECT DEBT to Estimated Actual Value	0.26%	0.23%		0.15%	0.11%	0.14%
NET DIRECT DEBT to Appraised Value	0.31%	0.25%	0.15%	0.16%	0.12%	0.16%
NET DIRECT DEBT to Assessed Value	0.92%	0.78%	0.49%	0.51%	0.39%	0.52%
OVERLAPPING DEBT to Estimated Actual Value	3.61%	4.22%	3.49%	3.01%	2.66%	2.66%
OVERLAPPING DEBT to Appraised value	4.21%	4.71%	3.59%	3.27%	2.95%	2.95%
OVERLAPPING DEBT to Assessed Value	12.64%	14.44%	11.46%	10.43%	9.55%	9.55%
NET DIRECT & OVERLAPPING DEBT to Estimated Actual Value	3.87%	4.44%	3.64%	3.15%	2.77%	2.80%
NET DIRECT & OVERLAPPING DEBT to Appraised Value	4.51%	4.96%	3.74%	3.43%	3.07%	3.11%
NET DIRECT & OVERLAPPING DEBT to Assessed Value	13.56%	15.22%	11.95%	10.94%	9.94%	10.07%
PER CAPITA RATIOS						
POPULATION (1)	16,946	16,831	16,859	16,798	16,798	16,798
PER CAPITA PERSONAL INCOME (2)	\$45,083	\$46,465	\$48,656	\$48,656	\$48,656	\$48,656
Estimated Actual Value to POPULATION	\$100,089	\$106,087	\$115,886	\$126,705	\$143,236	\$143,236
Assessed Value to POPULATION	\$28,587	\$30,970	\$35,248	\$36,518	\$39,893	\$39,893
Total Debt to POPULATION	\$718	\$654	\$536	\$529	\$579	\$613
Net Direct Debt to POPULATION	\$263	\$242	\$173	\$185	\$157	\$207
Overlapping Debt to POPULATION	\$3,614	\$4,472	\$4,039	\$3,809	\$3,809	\$3,809
Net Direct & Overlapping Debt to POPULATION	\$3,877	\$4,714	\$4,213	\$3,994	\$3,966	\$4,016
Total Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	1.59%	1.41%	1.10%	1.09%	1.19%	1.26%
Net Direct Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	0.58%	0.52%	0.36%	0.38%	0.32%	0.42%
Overlapping Debt Per Capita as a % of PER CAPITA PERSONAL INCOME	8.02%	9.62%	8.30%	7.83%	7.83%	7.83%
Net Direct & Overlapping Debt Per Capita as a % of PER CAPITA PERSONAL INCOME	8.60%	10.14%	8.66%	8.21%	8.15%	8.25%

(1) Per Capita computations are based upon POPULATION data according the U.S. Census data.

(2) PER CAPITA PERSONAL INCOME is based upon data in Sumner County published by the Bureau of Economic Analysis.

CITY OF GOODLETTSVILLE
BONDED DEBT SERVICE REQUIREMENTS - GENERAL
As of June 30, 2020 Plus the Bonds

FY Ended 6/30	Existing Debt as of June 30, 2020 ⁽¹⁾			General Obligation Improvement Bonds, Series 2020 ⁽²⁾			Total Bonded Debt Service Requirements ⁽¹⁾⁽²⁾			Principal Repaid	%
	Principal	Interest	TOTAL	Principal	Interest	TOTAL	Principal	Interest (2)	TOTAL		
2021	\$ 424,222	\$ 62,573	\$ 486,795	\$ -	\$ 11,346	\$ 11,346	\$ 424,222	\$ 73,919	\$ 498,141		
2022	344,000	56,023	400,023	30,000	27,050	57,050	374,000	83,073	457,073		
2023	223,888	52,148	276,036	35,000	25,550	60,550	258,888	77,698	336,586		
2024	150,000	39,405	189,405	35,000	23,800	58,800	185,000	63,205	248,205		
2025	150,000	36,405	186,405	35,000	22,050	57,050	185,000	58,455	243,455		
2026	155,000	33,405	188,405	40,000	20,300	60,300	195,000	53,705	248,705	46.72%	
2027	160,000	30,305	190,305	40,000	18,700	58,700	200,000	49,005	249,005		
2028	160,000	26,905	186,905	40,000	17,500	57,500	200,000	44,405	244,405		
2029	165,000	23,225	188,225	40,000	16,700	56,700	205,000	39,925	244,925		
2030	170,000	19,100	189,100	45,000	15,900	60,900	215,000	35,000	250,000		
2031	175,000	14,850	189,850	45,000	15,000	60,000	220,000	29,850	249,850	76.67%	
2032	180,000	10,038	190,038	45,000	14,100	59,100	225,000	24,138	249,138		
2033	185,000	5,088	190,088	45,000	13,200	58,200	230,000	18,288	248,288		
2034	-	-	-	45,000	12,300	57,300	45,000	12,300	57,300		
2035	-	-	-	50,000	11,400	61,400	50,000	11,400	61,400		
2036	-	-	-	50,000	9,900	59,900	50,000	9,900	59,900	93.95%	
2037	-	-	-	50,000	8,400	58,400	50,000	8,400	58,400		
2038	-	-	-	50,000	6,400	56,400	50,000	6,400	56,400		
2039	-	-	-	55,000	4,400	59,400	55,000	4,400	59,400		
2040	-	-	-	55,000	2,200	57,200	55,000	2,200	57,200	100.00%	
	<u>\$ 2,642,110</u>	<u>\$ 409,470</u>	<u>\$ 3,051,580</u>	<u>\$ 830,000</u>	<u>\$ 296,196</u>	<u>\$ 1,126,196</u>	<u>\$ 3,472,110</u>	<u>\$ 705,666</u>	<u>\$ 4,177,776</u>		

NOTES:

(1) Does not include compensated absences, in any. See the Notes to the Comprehensive Annual Financial Report in ADDENDUM D for additional information.

(2) Subject to revision and adjustment as outlined in the "Official Notice of Sale"

CITY OF GOODLETTSVILLE
BONDED DEBT SERVICE REQUIREMENTS - SEWER
As of June 30, 2020 Plus the Bonds

FY Ended	Existing Debt as of June 30, 2020 ⁽¹⁾			Less: Refunded Loan Agreement ⁽²⁾			General Obligation Refunding Bonds, Series 2020 ⁽³⁾			Total Bonded Debt Service Requirements ⁽¹⁾⁽²⁾			Principal Repaid	%	
	Principal	Interest	TOTAL	Principal	Interest	TOTAL	Principal	Interest	TOTAL	Principal	Interest	TOTAL			
6/30															
2021	\$ 433,627	\$ 179,796	\$ 613,423	\$ (265,479)	\$ (104,970)	\$ (370,449)	\$ -	\$ 62,749	\$ 62,749	\$ 168,148	\$ 137,575	\$ 305,723			
2022	445,434	167,984	613,418	(363,000)	(130,932)	(493,932)	335,000	149,600	484,600	417,434	186,652	604,086			
2023	457,580	155,836	613,416	(373,593)	(120,339)	(493,932)	350,000	132,850	482,850	433,987	168,347	602,334			
2024	470,068	143,349	613,417	(384,496)	(109,436)	(493,932)	370,000	115,350	485,350	455,572	149,263	604,835			
2025	482,896	130,519	613,415	(395,717)	(98,216)	(493,932)	390,000	96,850	486,850	477,179	129,154	606,333			
2026	496,102	117,320	613,422	(407,265)	(86,667)	(493,932)	405,000	77,350	482,350	493,837	108,003	601,840	36.42%		
2027	509,650	103,767	613,417	(419,150)	(74,782)	(493,932)	425,000	61,150	486,150	515,500	90,135	605,635			
2028	523,587	89,829	613,416	(431,382)	(62,550)	(493,932)	435,000	48,400	483,400	527,205	75,679	602,884			
2029	537,915	75,504	613,419	(443,971)	(49,961)	(493,932)	445,000	39,700	484,700	538,944	65,243	604,187			
2030	552,646	60,772	613,418	(456,928)	(37,004)	(493,932)	455,000	30,800	485,800	550,718	54,568	605,286			
2031	567,791	45,633	613,424	(470,263)	(23,669)	(493,932)	465,000	21,700	486,700	562,528	43,664	606,192	76.54%		
2032	583,340	30,076	613,416	(483,986)	(9,946)	(493,932)	470,000	12,400	482,400	569,354	32,530	601,884			
2033	267,404	16,865	284,269	(164,349)	(295)	(164,644)	150,000	3,000	153,000	253,055	19,570	272,625			
2034	105,770	13,901	119,671	-	-	-	-	-	-	105,770	13,901	119,671			
2035	107,784	11,887	119,671	-	-	-	-	-	-	107,784	11,887	119,671			
2036	109,842	9,829	119,671	-	-	-	-	-	-	109,842	9,829	119,671	93.60%		
2037	111,946	7,725	119,671	-	-	-	-	-	-	111,946	7,725	119,671			
2038	114,071	5,600	119,671	-	-	-	-	-	-	114,071	5,600	119,671	96.96%		
2039	116,255	3,416	119,671	-	-	-	-	-	-	116,255	3,416	119,671			
2040	87,723	1,330	89,053	-	-	-	-	-	-	87,723	1,330	89,053			
	<u>\$ 7,081,431</u>	<u>\$ 1,370,938</u>	<u>\$ 8,452,369</u>	<u>\$ (5,059,578)</u>	<u>\$ (908,768)</u>	<u>\$ (5,968,346)</u>	<u>\$ 4,695,000</u>	<u>\$ 851,899</u>	<u>\$ 5,546,899</u>	<u>\$ 6,716,853</u>	<u>\$ 1,314,069</u>	<u>\$ 8,030,922</u>			

NOTES:

- (1) Does not include compensated absences, if any. For more information, see the notes to the Financial Statements in the Comprehensive Annual Financial Report of the City found in APPENDIX D.
- (2) For additional information, see the section entitled "SECURITIES OFFERED - Refunding Plan".
- (3) Subject to revision and adjustment as outlined in the "Official Notice of Sale"

CITY OF GOODLETTSVILLE
 Five Year Summary of Revenues, Expenditures and
 Changes In Fund Balances - General Fund
 For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019
Local Taxes	\$ 9,910,703	\$ 10,255,979	\$ 10,511,884	\$ 10,886,148	\$ 11,039,140
Licenses and Permits	295,837	229,301	630,271	265,681	298,178
Fines	376,750	405,552	340,545	258,512	288,706
Intergovernmental Revenues	2,263,258	2,649,138	2,265,235	2,444,016	2,452,777
Charges for Services	268,432	316,550	349,216	347,054	325,713
Miscellaneous Revenues	66,738	94,261	46,800	101,833	179,421
Total Revenues	\$ 13,181,718	\$ 13,950,781	\$ 14,143,951	\$ 14,303,244	\$ 14,583,935
Expenditures:					
General Government	\$ 2,318,405	\$ 2,431,952	\$ 2,532,488	\$ 2,635,033	\$ 2,790,996
Public Safety	6,158,702	6,754,191	6,855,051	7,326,259	8,005,033
Public Works	1,165,939	1,043,591	955,780	1,050,972	1,083,372
Parks and Recreation	1,362,222	1,579,708	1,581,887	1,668,439	1,831,198
Tourism	-	-	909	-	-
Debt Service:					
Principal	683,453	803,403	867,803	642,947	740,774
Interest	107,348	101,667	134,168	92,342	87,859
Capital Outlay	1,836,650	1,258,011	1,520,266	1,562,765	1,748,702
Total Expenditures	\$ 13,632,719	\$ 13,972,523	\$ 14,448,352	\$ 14,978,757	\$ 16,287,934
Excess of Revenues Over (Under) Expenditures	\$ (451,001)	\$ (21,742)	\$ (304,401)	\$ (675,513)	\$ (1,703,999)
Other Sources & Uses:					
Operating Transfers In	\$ 156,112	\$ (59,475)	\$ 143,730	\$ 142,073	\$ 126,942
Operating Transfers Out	(171,000)	-	-	-	-
Debt Proceeds / Capital Leases	811,000	432,000	410,857	-	-
Sales of General Fixed Assets	91,480	75,922	33,874	58,525	8,884
Insurance Recoveries	29,298	253,110	13,551	107,138	43,856
Total Other Sources & Uses	\$ 916,890	\$ 701,557	\$ 602,012	\$ 307,736	\$ 179,682
Excess of Revenues Over (Under) Expenditures	\$ 465,889	\$ 679,815	\$ 297,611	\$ (367,777)	\$ (1,524,317)
Fund Balance July 1	7,064,809	7,530,698	8,210,513	8,508,124	8,140,347
Fund Balance June 30	\$ 7,530,698	\$ 8,210,513	\$ 8,508,124	\$ 8,140,347	\$ 6,616,030

Source: Comprehensive Annual Financial Reports of the City

CITY OF GOODLETTSVILLE
 Five Year Summary of Revenues, Expenses and
 Changes in Fund Net Position - Sewer Fund
 For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019
Operating Revenues:					
Sewer Fees	\$ 5,247,318	\$ 5,627,634	\$ 5,414,748	\$ 5,487,483	\$ 4,897,741
Sewer Flow Charges	44,506	96,291	120,057	143,817	131,499
Permits / Connection Fees	57,089	41,029	45,400	42,475	29,500
Miscellaneous Revenues	-	-	-	-	4,350
Total Operating Revenues	\$ 5,348,913	\$ 5,764,954	\$ 5,580,205	\$ 5,673,775	\$ 5,063,090
Operating Expenses:					
Costs of Services	\$ 2,078,162	\$ 2,409,188	\$ 2,563,679	\$ 3,200,179	\$ 3,179,004
Administration	757,058	870,677	1,039,866	985,877	1,128,652
Depreciation and Amortization	953,816	1,011,176	1,027,416	1,091,533	1,090,209
Insurance	16,242	16,214	19,320	24,793	17,431
Repairs and Maintenance	103,949	126,194	154,455	190,271	147,139
Total Operating Expenses	\$ 3,909,227	\$ 4,433,449	\$ 4,804,736	\$ 5,492,653	\$ 5,562,435
Operating Income/(Loss)	\$ 1,439,686	\$ 1,331,505	\$ 775,469	\$ 181,122	\$ (499,345)
Non-Operating Revenues (Expenses):					
Interest Revenue	\$ 30,669	\$ 52,464	\$ 71,988	\$ 141,296	\$ 208,455
Rental Revenue	28,000	28,000	28,000	28,000	33,600
Miscellaneous Revenue/Expenses (Net)	37,112	-	3,150	-	-
Interest Expense	(232,047)	(210,383)	(167,109)	(182,973)	(174,515)
Total Non-Operating Rev. (Exp.)	\$ (136,266)	\$ (129,919)	\$ (63,971)	\$ (13,677)	\$ 67,540
Income Gain (Loss) Before Contributions and Transfers	1,303,420	1,201,586	711,498	167,445	(431,805)
Tap Fees - Contributions	35,850	130,550	228,800	73,000	53,500
Transfers	(156,112)	(135,525)	(143,730)	(142,073)	(126,942)
Increase (Decrease) in Net Position	\$ 1,183,158	\$ 1,196,611	\$ 796,568	\$ 98,372	\$ (505,247)
Net Position - Prior Year	\$ 30,731,992	\$ 31,843,108	\$ 33,039,719	\$ 33,836,287	\$ 33,934,659
Prior Period Adjustment	(72,042)	-	-	-	-
Net Position FYE	\$ 31,843,108	\$ 33,039,719	\$ 33,836,287	\$ 33,934,659	\$ 33,429,412

Source: Comprehensive Annual Financial Reports of the City of Goodlettsville.

Meter Size	SEWER RATES			
	Small Commercial	Small Commercial	Intermediate Commercial	Large Commercial
5/8 "	\$ 10.98	\$ 12.27	\$40.17	\$ 1,550.46
3/4 "	31.15	34.89	55.97	1,567.22
1 "	37.52	42.02	62.41	1,572.67
1 1/2 "	55.16	61.78	77.51	1,587.75
2 "	74.28	83.19	94.68	1,604.93
3 "	98.01	109.77	118.50	1,620.00
4 "	159.72	178.88	187.57	1,689.16
6 "	250.80	280.91	289.00	1,791.17
8 "	392.22	439.28	450.81	1,961.07
10 "	392.22	439.28	450.81	1,961.07
Usage Over 200 cubic feet (per 100 cubic feet)	\$6.82	\$7.64	\$6.23	\$4.70
Minimum Charge for up to 200 cubic feet				

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

General. Under the Constitution and laws of the State, all real and personal property is subject to taxation, except to the extent that the General Assembly of the State of Tennessee (the "General Assembly") exempts certain constitutionally permitted categories of property from taxation. Property exempt from taxation includes federal, state and local government property, property of housing authorities, certain low cost housing for elderly persons, property owned and used exclusively for certain religious, charitable, scientific and educational purposes and certain other property as provided under Tennessee law.

Property is classified into three separate classes for purposes of taxation: Real Property; Tangible Personal Property; and Intangible Personal Property.

Real Property includes lands, structures, improvements, machinery and equipment affixed to realty and related rights and interests. Real Property is required to be classified into four sub-classifications and assessed at the rates as follows:

- (a) Public Utility Property - includes all property of every kind used or held for use in the operation of a public utility, such as railroad companies, freight and private car companies, street car companies, power companies, express companies and other public utility companies, to be assessed at 55% of its value;
- (b) Industrial and Commercial Property - includes all property of every kind used or held for use for any commercial, mining, industrial, manufacturing, business or similar purpose, to be assessed at 40% of its value;
- (c) Residential Property - includes all property which is used or held for use for dwelling purposes and contains no more than one rental unit, to be assessed at 25% of its value; and
- (d) Farm Property - includes all real property used or held for use in agriculture, to be assessed at 25% of its value.

Tangible Personal Property includes personal property such as goods, chattels and other articles of value, which are capable of manual or physical possession and certain machinery and equipment. Tangible Personal Property is required to be classified into three sub-classifications and assessed at the rates as follows:

- (a) Public Utility Property - assessed at 55% of its value;
- (b) Industrial and Commercial Property - assessed at 30% of its value; and
- (c) All other Tangible Personal Property - assessed at 5% of its value, subject to an exemption of \$7,500 worth of Tangible Personal Property for personal household goods and furnishings, wearing apparel and other tangible personal property in the hands of a taxpayer.

Intangible Personal Property includes personal property, such as money, any evidence of debt owed to a taxpayer, any evidence of ownership in a corporation or other business organization having multiple owners and all other forms of property, the value of which is expressed in terms of what the property represents rather than its own intrinsic value. The Constitution of the State of Tennessee (the “Constitution”) empowers the General Assembly to classify Intangible Personal Property into sub-classifications and to establish a ratio of assessment to value in each class or subclass and to provide fair and equitable methods of apportionment of the value to the State for purposes of taxation.

The Constitution requires that the ratio of assessment to value of property in each class or subclass be equal and uniform throughout the State and that the General Assembly direct the method to ascertain the value and definition of property in each class or subclass. Each respective taxing authority is constitutionally required to apply the same tax rate to all property within its jurisdiction.

Taxation of Property. The Constitution empowers the General Assembly to authorize the several counties and incorporated towns in the State to impose taxes for City and municipal purposes in the manner prescribed by law. Under Tennessee Code Annotated, the General Assembly has authorized the counties and incorporated municipalities to levy an ad valorem tax on all taxable property within their respective jurisdictions, the amount of which is required to be fixed by the legislative body of each jurisdiction based upon tax rates to be established on the first Monday of July of each year or as soon thereafter as practicable.

Assessment of Property. All assessments of real and personal property are required to be made annually and as of January 1 for the year to which the assessment applies. Not later than May 20 of each year, the assessor of property in each City is required to (a) make an assessment of all property in the City and (b) note upon the assessor's records the current classification and assessed value of all taxable property within the assessor's jurisdiction.

The assessor is required to notify each taxpayer of any change in the classification or assessed value of the taxpayer's property and to cause a notice to be published in a newspaper of general circulation stating where and when such records may be inspected and describing certain information concerning the convening of the board of equalization. The notice to taxpayers and such published notice are required to be provided and published at least 10 days before the local boards of equalization begin their annual sessions.

The boards of equalization are required (among other things) to carefully examine, compare and equalize the City assessments; assure that all taxable properties are included on the assessments lists and that exempt properties are eliminated from the assessment lists; hear and act upon taxpayer complaints; and correct errors and assure conformity to State law and regulations.

State Assessments of Public Utility Property. The State Comptroller of the Treasury (the “Comptroller”) is authorized and directed under State law to assess for taxation, for State, City and municipal purposes, all public utility properties of every description, tangible and intangible, within the State. Such assessment is required to be made annually as of the same day as other properties are assessed by law (as described above) and takes into account such factors as are prescribed by law.

On or before the first Monday in August of each year, the assessments are required to be completed and the Comptroller is required to send a notice of assessment to each company assessable. Within ten days after the first Monday in August of each year, any owner or user of property so assessed may file an exception to such assessment together with supporting evidence to the Comptroller, who may change or affirm the valuation. On or before the first Monday in September of each year, the Comptroller is required to file with the State Board of Equalization ("State Board") assessments so made. The State Board is required to examine such assessments and is authorized to increase or diminish the valuation placed upon any property valued by the Comptroller.

The State Board has jurisdiction over the valuation, classification and assessment of all properties in the State. The State Board is authorized to create an assessment appeals commission to hear and act upon taxpayer complaints. The action of the State Board is final and conclusive as to all matters passed upon by the State Board, subject to judicial review consisting of a new hearing in chancery court.

Periodic Reappraisal and Equalization. Tennessee law requires reappraisal in each City by a continuous six-year cycle comprised of an on-site review of each parcel of real property over a five-year period, or, upon approval of the State Board, by a continuous four-year cycle comprised of an on-site review of each parcel of real property over a three-year period, followed by revaluation of all such property in the year following completion of the review period. Alternatively, if approved by the assessor and adopted by a majority vote of the City legislative body, the reappraisal program may be completed by a continuous five-year cycle comprised of an on-site review of each parcel of real property over a four-year period followed by revaluation of all such property in the year following completion of the review period.

After a reappraisal program has been completed and approved by the Director of Property Assessments, the value so determined must be used as the basis of assessments and taxation for property that has been reappraised. The State Board is responsible to determine whether or not property within each City of the State has been valued and assessed in accordance with the Constitution and laws of the State.

Certified Tax Rate. Upon a general reappraisal of property as determined by the State Board, the City assessor of property is required to (1) certify to the governing bodies of the City and each town within the City the total assessed value of taxable property within the jurisdiction of each governing body and (2) furnish to each governing body an estimate of the total assessed value of all new construction and improvements not included on the previous assessment roll and the assessed value of deletions from the previous assessment roll. Exclusive of such new construction, improvements and deletions, each governing body is required to determine and certify a tax rate ("Certified Tax Rate") which will provide the same ad valorem revenue for that jurisdiction as was levied during the previous year. The governing body of a City or Town may adjust the Certified Tax Rate to reflect extraordinary assessment changes or to recapture excessive adjustments.

No tax rate in excess of the Certified Tax Rate may be levied by the governing body of any City or of any town until a resolution or ordinance has been adopted by the governing body after publication of a notice of the governing body's intent to exceed the Certified Tax Rate in a newspaper of general circulation and the holding of a public hearing.

Tax Freeze for the Elderly Homeowner. The Constitution was amended in November, 2006 to authorize the General Assembly to enact legislation providing property tax relief for homeowners age 65 and older. The General Assembly subsequently adopted the Property Tax Freeze Act permitting local governments to implement a program for "freezing" the property taxes of eligible taxpayers at an amount equal to the taxes for the year the taxpayer becomes eligible.

Tax Collection and Tax Lien. City Property taxes are payable the first Monday in December of each year although cities and towns may follow different calendars based on their Charter requirements. Unless a city or town collects its own taxes as it is permitted to do, the City trustee of each City acts as the collector of all City property taxes.

The taxes assessed by the State, a City, a town, a taxing district or other local governmental entity, upon any property of whatever kind, and all penalties, interest and costs accruing thereon become and remain a first lien on such property from January 1 of the year for which such taxes are assessed. In addition, property taxes are a personal debt of the property owner as of January and, when delinquent, may be collected by suit as any other personal debt. Tennessee law prescribes the procedures to be followed to foreclose tax liens and to pursue legal proceedings against property owners whose property taxes are delinquent.

The City. The Sumner County portion of the City is on a 5-year appraisal cycle, but the Davidson County portion is on a 4-year appraisal cycle. Sumner County had a ratio adjustment in 2020 and another will occur in 2022. The most recent County-wide appraisals took place in Sumner in 2019 (fiscal year 2020) and in Davidson County in 2017 (fiscal year 2018), respectively. The next County-wide appraisals in Sumner and Davidson Counties are due in 2024 (fiscal year 2025) and 2021 (fiscal year 2022), respectively. Public utility assessments have been equalized and certified in each county by the State after adjustment resulting from reappraisals or from sales studies. The current assessment ratios for Tax Year 2020 (Fiscal Year 2021) are 1.000 and 0.8477 for Sumner and Davidson Counties, respectively.

		<u>Real Property</u>								
<u>FY</u>	<u>Tax Year</u>	<u>Industrial/Commercial⁽¹⁾</u>	<u>Residential</u>	<u>Farm/Other Property⁽²⁾</u>	<u>Tangible/Intangible Personal Property</u>	<u>Public Utility Property</u>	<u>Total Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Davidson City Tax Rate</u>	<u>Sumner City Tax Rate</u>
2020	2019*	\$308,692,508	\$307,417,075	\$6,295,720	\$35,331,169	\$12,384,498	\$670,120,970	\$2,406,074,805	\$0.9100	\$0.7900
2019	2018	299,775,861	260,515,650	4,742,488	35,645,287	12,750,745	613,430,031	2,128,384,226	0.7484	0.8163
2018	2017**	289,940,071	351,568,300	4,714,492	35,737,274	12,284,296	594,244,433	1,953,716,561	0.7484	0.8163
2017	2016	253,841,541	223,067,775	4,390,030	28,788,186	11,162,404	521,249,936	1,785,551,958	0.9018	0.9018
2016	2015	220,329,471	220,903,475	4,218,174	27,580,460	11,399,097	484,430,677	1,696,106,610	0.9018	0.9018
	Rate	40%	25%	25%	30%/40%	55%				

* Reappraisal occurred in tax year 2019 in Sumner County. The effect of the State reappraisal and reassessment statutes is to adjust the property tax rate downward to prevent a taxing unit from collecting additional property tax revenues as a result of reappraisal. See the discussion in the preceding section entitled "FINANCIAL INFORMATION – Real Property Assessment, Tax Levy and Collection Procedures – Certified Tax Rate".

** Reappraisal occurred in Davidson County in tax year 2017.

(1) Includes mineral assessments, if any.

(2) Includes Farm/Other Property.

Source: Tax Aggregate Report of Tennessee published by the State Board of Equalization

Property Tax Rates and Collections. The following table shows the property tax rates and collections of the City for the five most recent fiscal years as well as the aggregate uncollected balances for each fiscal year ending June 30.

PROPERTY ASSESSMENTS, TAXES & LEVIES				FY COLLECTIONS		TOTAL COLLECTIONS	
<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Assessed Valuations</u>	<u>Taxes Levied</u>	<u>Fiscal Year Collections</u>	<u>Percent of Levy</u>	<u>Amount</u>	<u>Percent</u>
2020	2019*	\$670,120,970	\$5,792,081	\$5,696,302	98.35%	In Process	
2019	2018	613,430,031	4,669,113	4,413,599	94.53%	4,551,610	97.48%
2018	2017**	594,244,433	4,440,167	4,387,392	98.81%	4,431,399	99.80%
2017	2016	521,249,936	4,328,565	4,301,438	99.37%	4,320,704	99.82%
2016	2015	484,430,677	4,309,204	4,292,519	99.61%	4,305,714	99.92%

* Reappraisal occurred in tax year 2019 in Sumner County. The effect of the State reappraisal and reassessment statutes is to adjust the property tax rate downward to prevent a taxing unit from collecting additional property tax revenues as a result of reappraisal. See the discussion in the preceding section entitled "FINANCIAL INFORMATION – Real Property Assessment, Tax Levy and Collection Procedures – Certified Tax Rate".

** Reappraisal occurred in Davidson County in tax year 2017.

¹ Residents that live inside Sumner or Davidson Counties also pay a separate tax to those jurisdictions.

Sources: City of Goodlettsville Comprehensive Annual Financial Reports and Tax Aggregate Report of Tennessee published by the State Board of Equalization and the City

Largest Taxpayers. The largest taxpayers (excluding utilities) in the City during fiscal year 2019 compared to fiscal year 2010 were as follows:

<u>Taxpayer</u>	<u>Total Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>	<u>Taxpayer</u>	<u>Total Assessed Value</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>
Dollar General	\$26,034,218	1	4.24%	Dollar General	\$17,816,920	1	3.80%
IBP/Tyson	17,610,216	2	2.87%	IBP/Tyson	15,219,616	2	3.31%
Piccadilly Apts.	12,423,080	3	2.03%	Rivergate Mall	14,898,848	3	3.17%
Milburn SPN, LLC	11,370,680	4	1.85%	Realty Associates Iowa Corp	10,758,720	4	2.29%
Preston Run	10,400,000	5	1.70%	KC Investors	8,917,800	5	1.90%
Associate Wholesale Grocers	9,560,60	6	1.56%	Piccadilly	7,680,000	6	1.64%
United Fidelity Bank/Pedcor	8,748,640	7	1.43%	Lenoxgate	6,269,080	7	1.34%
KCI Rivergate Mall	8,731,420	8	1.42%	Preston Run	5,865,200	8	1.25%
M3Cent (Lenoxgate)	8,382,240	9	1.37%	United Fidelity Bank/Pedcor	4,337,280	9	0.92%
USF Holland	<u>5,639,936</u>	10	<u>0.92%</u>	Armed Services Mutual Benefit	<u>3,799,246</u>	10	<u>0.81%</u>
TOTAL:	<u>\$118,900,590</u>		<u>19.38%</u>		<u>\$95,862,710</u>		<u>20.43%</u>
TOTAL ASSESSED VALUE:	\$618,430,031						

Source: City of Goodlettsville Comprehensive Annual Financial Report for FY 2019

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LOCAL OPTION SALES AND USE TAX

Pursuant to applicable provisions of Title 67, Chapter 6, Part 7 of Tennessee Code Annotated as amended, (the "Local Tax Act"), the City levies a City - wide local option sales tax. Under the Act, counties and incorporated cities may levy a sales tax on the same privileges on which the State levies its sales tax. The rate of any sales tax levied by a City or city is limited to 2.75%.

The revenues from the City-wide sales taxes are distributed pursuant to the provisions of the Local Tax Act and other provisions of the Tennessee Code Annotated. Of the revenues raised through the City-wide sales taxes, 50.0% are directed to educational purposes and are distributed to all organized school systems, in the City in which the taxes are collected based upon the average daily attendance of each school system. There are no other public school systems in the City, currently. Unless waived as permitted by the Local Tax Act, the balance of sales tax collections are divided between the general fund of the City in which the taxes are collected and all incorporated cities or towns in such City based upon the situs of collection.

Revenues from the county-wide sales taxes are distributed pursuant to the provisions of Tennessee Code Annotated. Fifty percent (50.0%) of the revenues raised through the county-wide sales taxes are directed to educational purposes and are distributed to all organized school systems in the county in which the taxes are collected based upon the average daily attendance of each school system. Goodlettsville is served by The Metropolitan Government of Nashville-Davidson County and the Sumner County School Systems for such portions of the City located in each respective jurisdiction. There are no other public school systems that share in the Local Sales Tax collected in the City. The balance of the sales tax collections are divided between the general fund of the county and all incorporated cities or towns in the county based upon the site of collection, unless a separate agreement has been ratified concerning the distribution of these funds. There are no separate agreements between any parties and the City.

Local Sales Taxes collected by the County and distributed to the City are based on the current rate of 2.25%. Depicted below are the audited collections received by the City for the most recent five fiscal years:

<u>Fiscal Year</u>	<u>Total Collections</u>	<u>% Change Prior Year</u>
2019	\$4,829,534	4.78%
2018	4,609,216	4.21%
2017	4,422,930	3.77%
2016	4,262,318	8.80%
2015	3,917,651	(0.99%)

Source: Comprehensive Annual Financial Reports of City

The Local Tax Act authorizes a local jurisdiction, by resolution of its governing body, to pledge proceeds raised by the power and authority granted by the Local Tax Act to the punctual payment of principal of and interest on bonds, notes or other evidence of indebtedness issued for purposes for which such proceeds were intended to be spent. The Governing Body has not pledged any local option sales tax proceeds to any such indebtedness of the City.

PENSION PLANS

For information on the City's retirement programs including, but not limited to, funding status, trend information and actuarial status of the City's retirement programs, please refer to the appropriate Notes to Financial Statements located in the Comprehensive Annual Financial Report of the City accessed electronically via the link depicted in APPENDIX D.

OTHER POST-EMPLOYMENT BENEFITS

The City provides post-retirement health care benefits, in accordance with policies established by its resolutions, to employees who retire from the City.

For additional information on post-employment benefits provided by the City including, but not limited to, funding status, trend information and actuarial status, please refer to the appropriate Notes to Financial Statements located in the Comprehensive Annual Financial Report of the City accessed electronically via the link depicted in APPENDIX D.

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**FORM OF CONTINUING DISCLOSURE
AGREEMENT**

CITY OF GOODLETTSVILLE, TENNESSEE

§ _____ GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS,
SERIES 2020

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this “Disclosure Agreement”) is executed and delivered this ___ day of September, 2020 by the City of Goodlettsville, Tennessee (the “Issuer”) in connection with the issuance of its \$ _____ General Obligation Refunding and Improvement Bonds, Series 2020 (the “Bonds”). The Issuer hereby covenants and agrees as follows:

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

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

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

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

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Official Statement” shall mean the Official Statement of the Issuer, dated September __, 2020, relating to the Bonds.

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

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

“Resolution” shall mean the bond resolution adopted by the Board of Commissioners of the Issuer on August 27, 2020.

“State” shall mean the State of Tennessee.

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

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

(a) *Annual Financial Information*. For Fiscal Years ending on or after June 30, 2020, the Issuer shall provide annual financial information and operating data within 12 months after the end of the Fiscal Year. The annual financial information and operating data shall include (i) the Issuer’s audited financial statements, prepared in accordance with generally accepted accounting principles, or, if the Issuer’s audited financial statements are not available, then the Issuer’s unaudited financial statements, and (ii) any other publicly available financial information related to the Issuer.

(b) *Audited Financial Statements*. For Fiscal Years ending on or after June 30, 2020, the Issuer shall provide audited financial statements, prepared in accordance with generally accepted accounting principles, if and when available, if such audited financial statements are not included with the annual financial information described in subsection (a) above.

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

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances (including disclosure as to whether the Bonds have been defeased to their maturity or to a preceding call date);
- (x) Release, substitution, or sale of property securing repayment of the securities, if material;
- (xi) Rating changes;

- (xii) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (xiii) The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a financial obligation* of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

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

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

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

SECTION 4. Methods of Providing Information.

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

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

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

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

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

SECTION 5. Amendment.

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

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

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

SECTION 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include

any information in any disclosure required hereunder, in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure.

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

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

SECTION 10. Dissemination Agent. The Issuer may, from time to time, appoint a dissemination agent to assist it in carrying out its obligations under this Disclosure Agreement, and the Issuer may, from time to time, discharge the dissemination agent, with or without appointing a successor dissemination agent.

SECTION 11. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State.

SECTION 12. Severability. In case any one or more of the provisions of this Disclosure Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Agreement, but this Disclosure Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Dated: _____, 2020.

CITY OF GOODLETTSVILLE, TENNESSEE

By: _____
Mayor

**CITY OF GOODLETTSVILLE, TENNESSEE
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED**

JUNE 30, 2019

ELECTRONIC LINK

The Comprehensive Annual Financial Report of the City of Goodlettsville, Tennessee as of and for the fiscal year ending June 30, 2019 together with the independent auditors' report is available through the City of Goodlettsville, Tennessee's official website at:

<https://comptroller.tn.gov/content/dam/cot/la/advanced-search/2019/city/1697-2019-c-goodlettsville-rpt-cpa811-12-30-19.pdf>

This document is hereby incorporated by reference as APPENDIX D.

To the extent there are any differences between the electronically posted Comprehensive Annual Financial Report of City of Goodlettsville and the printed Comprehensive Annual Financial Report of City of Goodlettsville, the printed version shall control.

The City's current independent external auditor has not been engaged to perform and has not performed any procedures on the financial statements addressed in that report since the date of its report referenced herein nor have they performed any procedures relating to this "Preliminary Official Statement".