



JASON E. MUMPOWER
Comptroller

June 4, 2025

John Brown, General Manager
and Board of Commissioners
Harpeth Valley Utilities District
P.O. Box 210319
Nashville, TN 37221

Dear Mr. Brown and Board of Commissioners:

Thank you for your request. We acknowledge receipt on May 28, 2025 of a request from the Harpeth Valley Utilities District (the "District") for a report on a plan of finance (the "Plan") for the District's proposed issuance of an estimated \$26,125,000 Utilities Revenue Refunding Bonds, Series 2025A.

Pursuant to the provisions of Tenn. Code Ann. Title 7 Chapter 82, enclosed is a report based upon our review of the District's Plan. The Plan, this letter, and the enclosed report should be made available on the District's website and must be presented to each member of the Commission for review prior to the adoption of the bond authorizing resolution.

This report does not address compliance with federal tax regulations and is not to be relied upon for that purpose. The District should discuss these issues with bond counsel.

Publication Requirement

The enclosed report must be published once during the week following its receipt in a newspaper of general circulation in the counties served by the District.

Balloon Indebtedness

The district currently has a S&P's rating of AA+ on some of its existing debt, therefore, the proposed structure of the Series 2025 Bonds is not balloon indebtedness as defined in Tenn. Code Ann. § 9-21-133.

After Issuance

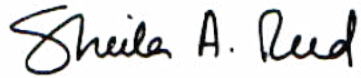
Our website contains specific compliance requirements your local government will be responsible for once the bonds are issued: <http://tncot.cc/debt>. The listing is not all inclusive and you should work with your financial advisor and bond counsel to ensure compliance with legal and regulatory requirements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

June 4, 2025

Letter to Harpeth Valley Utility District

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

Sincerely,

A handwritten signature in black ink that reads "Sheila A. Reed". The signature is written in a cursive, flowing style.

Sheila Reed, Director
Division of Local Government Finance

cc:

Mr. Sam Crewse, Stephens Inc.

Mr. Jeff Oldham, Bass Berry & Sims

Ms. Beth Finney, Harpeth Valley Utilities District

SR:cl

Enclosure: Report of the Director of the Division of Local Government Finance



Report on Utilities Revenue Refunding Bonds, Series 2025A The Harpeth Valley Utilities District, Davidson and Williamson Counties Tennessee

This report is being issued pursuant to Tenn. Code Ann. §§ 7-82-501 and 9-21-1003 and is based upon information as presented in a plan of refunding (the “Plan”) received by our office on May 28, 2025, from Harpeth Valley Utilities District, Tennessee (the “District”). Our report provides information to assist the governing body in its responsibility to understand the nature of the refunding transaction, including the costs and benefits, prior to approving the issuance of the refunding bonds and is designed to provide consistent and comparable information for all local governments in Tennessee. This report does not constitute approval or disapproval of the Plan or a determination that a refunding is advantageous or necessary. This report and the District’s Plan must be presented to the governing body prior to the adoption of a resolution authorizing the refunding bonds.

PROPOSED REFUNDING TRANSACTION:

The District plans to issue an estimated \$26,125,000 Utilities Revenue Refunding Bonds, Series 2025A, by competitive bid, to current refund the following:

- \$14,940,000 Utilities Revenue Refunding Bonds, Series 2015; and
- \$24,400,000 Utilities Revenue Refunding Bonds, Series 2016.

Total refunded principal is 39,340,000.

COSTS:

Estimated costs of issuance are summarized below and based upon the estimated principal amount of \$26,125,000 of the Series 2025 Refunding Bonds:

	Amount	Price per \$1,000 Bond
Underwriter's Discount	\$ 130,625	\$ 5.00
Municipal Advisor (Stephens Inc.)	62,500	2.39
Bond Counsel (Bass, Berry & Sims PLC)	40,000	1.53
Rating Agency Fees	31,600	1.21
Miscellaneous	5,900	0.23
	\$ 270,625	\$ 10.36

The District plans to contribute \$16,200,288 from prior issue debt service funds and debt service reserve funds to help fund the refunding transaction.

Harpeth Valley Utilities District
Report on Utilities Revenue Refunding Bonds

BENEFITS:

The District's stated objective for the refunding is to achieve savings. The anticipated net present value savings are \$1,003,513, achieved by reducing the average interest rate on the debt. Additionally, by refunding the 2015 Bonds, the district benefits from the removal of restrictive bond covenants.

FINANCIAL POSITION:

The District is currently not under the oversight of the Tennessee Board of Utility Regulation. For the fiscal year ended December 31, 2024, the District increased its total net position by \$7,128,376 and reported current assets sufficient to pay its current liabilities.

Effective Date for this Report

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



Sheila Reed
Director of the Division of Local Government Finance
Date: June 4, 2025