

**REPORT ON DEBT OBLIGATION**  
(Pursuant to Tennessee Code Annotated Section 9-21-151)

**RECEIVED**

SEP 17 2012

**1. Public Entity:**

Name The Metropolitan Government of Nashville and Davidson County  
 Address 1 Public Square, Suite 106  
Nashville, Tennessee 37201

STATE AND LOCAL FINANCE

**2. Debt Obligation:**

- a. Bond
- b. CON
- c. BAN
- d. GAN
- e. TRAN
- f. CRAN
- g. Capital Lease
- h. Loan Agreement

Note: Enclose a copy of the executed NOTE FORM if applicable.

**5. Face Amount of Debt Obligation:** \$6,440,000.00

**Premium/Discount:** \$0.00

**6. Type of Sale:**

- a. Competitive Public Sale
- b. Informal Bid
- c. Negotiated Sale
- d. Loan Program

**3. Security For Debt Obligation:**

- a. General Obligation
- b. General Obligation+Revenue+Tax
- c. Revenue
- d. TIF
- e. Annual Appropriations

**7. Tax Status:**

- a. Tax Exempt
- b. Tax Exempt - Bank Qualified
- c. Taxable

**8. Dated Date:** 08/15/2012

**9. Issue Date (Closing Date):** 08/15/2012

**4. Purpose of Issue:**

<input checked="" type="checkbox"/>	a. General Government	100.00 %
<input type="checkbox"/>	b. Education	_____ %
<input type="checkbox"/>	c. Highways and Streets	_____ %
<input type="checkbox"/>	d. Public Safety	_____ %
<input type="checkbox"/>	e. Solid Waste Disposal	_____ %
<input type="checkbox"/>	f. Industrial Park	_____ %
<input type="checkbox"/>	g. Manufacturing Facilities	_____ %
<input type="checkbox"/>	h. Health Facilities	_____ %
<input type="checkbox"/>	i. Airports	_____ %
<input type="checkbox"/>	j. Utilities	_____ %
<input type="checkbox"/>	i. Water	_____ %
<input type="checkbox"/>	ii. Sewer	_____ %
<input type="checkbox"/>	iii. Electric	_____ %
<input type="checkbox"/>	iv. Gas	_____ %
<input type="checkbox"/>	k. Refunding or Renewal	_____ %
<input type="checkbox"/>	l. Other _____	_____ %

specify

**10. Ratings:**

- a. Moody's Aa1
- b. Standard & Poor's AA
- c. Fitch \_\_\_\_\_
- d. Unrated \_\_\_\_\_

**11. Interest Cost:**

0.523053 %  a. TIC  
 b. NIC  
 c. Variable: Index \_\_\_\_\_ plus \_\_\_\_\_ bps  
 d. Other \_\_\_\_\_

**12. Recurring Costs:**

- a. Remarketing Agent (bps) 0
- b. Liquidity (bps) 0
- c. Credit Enhancements (bps) 0

**13. Maturity Dates, Amounts and Interest Rates**

Year	Amount	Interest Rate		Year	Amount	Interest Rate
2027	\$6,440,000	3.37 %				%
		%				%
		%				%
		%				%
		%				%
		%				%
		%				%
		%				%
		%				%
		%				%
		%				%
		%				%
		%				%

If additional space is needed, attach additional sheet.

**14. Repayment Schedule**

<b>This Issue</b>			<b>Total Debt Outstanding</b>		
Year	Cum. Principal Redeemed	% Total	Year	Cum. Principal Redeemed	% Total
1	\$0	0.00	1	\$41,055,000	2.11
5	\$0	0.00	5	\$479,680,000	24.62
10	\$0	0.00	10	\$1,089,635,000	55.92
15	\$6,440,000	100.00	15	\$1,651,410,000	84.75
20			20	\$1,851,065,000	94.99
25			25	\$1,948,640,000	100.00
30			30		



**17. Description of Compliance with Written Debt Management Policy:**

(Use additional pages if necessary)

Issuance Process -- Form of Preliminary Official Statement attached to bond resolution to achieve transparency and Official Statement will be published on web site.

Issuance Process -- Method of Sale -- Negotiated sale chosen to ensure effective market timing

Bond Structure -- Term -- weighted average maturity and final maturity of debt less than expected lives of assets financed

Bond Structure -- Debt Service Structure -- debt issued in the form of a bullet maturity because effective interest rate, when factoring federal subsidy payments, is less than the Metro's available investment rate. Metro will establish a debt service sinking fund, invested at rate in excess of effective rate on bonds, thereby reducing effective interest cost below that achievable with level debt service structure.

Interest -- Fixed Rate Debt -- Bonds issued at fixed rates, as preferred by policy

Professionals -- Bond Counsel and Financial Advisor engaged through written agreements. Bond counsel and Financial Advisor exclusively represented Metro in this transaction. Underwriter engaged through RFP process conducted with the assistance and advice of Financial Advisor.

**18. (If any) Description of Derivative and Compliance with Written Derivative Management Policy:**

(Use additional pages if necessary)

Not applicable

19.

  
\_\_\_\_\_  
Authorized Representative  
Mayor  
\_\_\_\_\_  
Title  
08/15/2012  
\_\_\_\_\_  
Date  
richard.riebeling@nashville.gov  
\_\_\_\_\_  
Email

Jeffrey A. Oldham  
\_\_\_\_\_  
Preparer  
Bond Counsel  
\_\_\_\_\_  
Title  
Bass, Berry & Sims PLC  
\_\_\_\_\_  
Firm  
08/15/2012  
\_\_\_\_\_  
Date  
joldham@bassberry.com  
\_\_\_\_\_  
Email

20.

Submitted to Governing Body on 8/21/12 and presented at its public meeting held on 8/21/12

COPY TO: Director - Office of State and Local Finance, 505 Deaderick Street, Suite 1600,  
James K. Polk State Office Building, Nashville TN 37243-1402

Attachment to State Form No. CT-0253  
of The Metropolitan Government of Nashville and Davidson County

\$6,440,000 General Obligation Bonds Federally Taxable, Series 2012 (Qualified Energy  
Conservation Bonds – Direct Payment)

Part 11:

Interest cost (TIC) accounts for the scheduled receipt from the Federal Treasury of subsidy payments equal to 2.88% of outstanding principal.

Part 13:

The weighted average maturity of the Bonds is 14.96 years.

The stated coupon rate does not account for the scheduled receipt from the Federal Treasury of subsidy payments equal to 2.88% of outstanding principal.

Part 15:

Official Statement attached

Part 16:

See attached Official Statement for form of Continuing Disclosure Certificate

Part 17:

Debt management policy previously submitted to Office of State and Local Finance