

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

**RECEIVED**

FEB 23 2012

**STATE AND LOCAL FINANCE**

**1. Public Entity:**

Name The Sports Authority of The Metropolitan Government of Nashville  
 Address and Davidson County  
730 2nd Ave S, Ste 103, Nashville, TN 37210  
Taxable Public Facility Rev Ref Bonds, S2012B (Arena Project)

**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:** \$10,545,000.00

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:** 01/19/2012

**9. Issue Date (Closing Date):** 01/19/2012

**4. Purpose of Issue:**

- |                                     |                             |          |
|-------------------------------------|-----------------------------|----------|
| <input type="checkbox"/>            | a. General Government       | _____ %  |
| <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 checked="" type="checkbox"/> | k. Refunding or Renewal     | 100.00 % |
| <input type="checkbox"/>            | l. Other _____              | _____ %  |

specify

**10. Ratings:**

- |                      |            |
|----------------------|------------|
| a. Moody's           | <u>Aa2</u> |
| b. Standard & Poor's | <u>AA-</u> |
| c. Fitch             | _____      |
| d. Unrated           | _____      |

**11. Interest Cost:**

- 2.488506 %  a. TIC
- b. NIC
- c. Variable: Index \_\_\_\_\_ plus \_\_\_\_\_ bps
- d. Other \_\_\_\_\_

**12. Recurring Costs:**

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

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

Year	Amount	Interest Rate
2012	\$1,450,000.00	0.38 %
2013	\$1,450,000.00	1.14 %
2014	\$1,465,000.00	1.66 %
2015	\$1,490,000.00	2.06 %
2016	\$1,525,000.00	2.41 %
2017	\$1,560,000.00	2.66 %
2018	\$1,605,000.00	2.94 %
		%
		%
		%
		%

Year	Amount	Interest Rate
		%
		%
		%
		%
		%
		%
		%
		%
		%

If additional space is needed, attach additional sheet.

**14. Repayment Schedule**

Year	This Issue		Total Debt Outstanding	
	Cum. Principal Redeemed	% Total	Cum. Principal Redeemed	% Total
1	\$1,450,000.00	13.75	\$1,450,000.00	13.75
5	\$7,380,000.00	69.99	\$7,380,000.00	69.99
10	\$10,545,000.00	100.00	\$10,545,000.00	100.00
15				
20				
25				
30				

**15. Itemized Description of the Cost of Issuance**

(Round to Nearest Dollar)

		Name of Firm
a. Financial Advisor Fees*	<u>\$20,000.00</u>	<u>FirstSouthwest Company</u>
b. Legal Fees:		
i. Bond Counsel	<u>\$25,000.00</u>	<u>Bass, Berry &amp; Sims, PLC</u>
ii. Issuer's Counsel	<u>                    </u>	<u>                                    </u>
iii. Trustee's Counsel	<u>                    </u>	<u>                                    </u>
Underwriters' Counsel	<u>\$12,627.00</u>	<u>Charles E. Carpenter, PC</u>
	<u>                    </u>	<u>                                    </u>
	<u>                    </u>	<u>                                    </u>
c. Paying Agent Fees and Registration Fees		
d. Trustee Fees	<u>\$2,750.00</u>	<u>U.S. Bank</u>
e. Remarketing Agent Fees	<u>                    </u>	<u>                                    </u>
f. Liquidity Fees	<u>                    </u>	<u>                                    </u>
g. Rating Agency Fees	<u>\$22,207.00</u>	<u>Moody's, S&amp;P</u>
h. Credit Enhancement Fees	<u>                    </u>	<u>                                    </u>
i. Underwriter's Discount <u>0.38</u> %	<u>\$39,551.00</u>	<u>Morgan Keegan</u>
i. Take Down	<u>                    </u>	<u>                                    </u>
ii. Management Fee	<u>                    </u>	<u>                                    </u>
iii. Risk Premium	<u>                    </u>	<u>                                    </u>
iv. Underwriter's Counsel	<u>                    </u>	<u>                                    </u>
v. Other Expenses	<u>                    </u>	<u>                                    </u>
j. Printing and Advertising Fees	<u>\$1,578.00</u>	<u>MuniOS</u>
k. Issuer Fees	<u>                    </u>	<u>                                    </u>
l. Real Estate Fees	<u>                    </u>	<u>                                    </u>
m. Bank Closing Costs	<u>                    </u>	<u>                                    </u>
n. Other Costs	<u>\$7,276.00</u>	<u>Miscellaneous expenses</u>
<b>Total Costs</b>	<u><b>\$130,989.00</b></u>	

\*If other costs are included, please itemize

Note: Enclose a copy of the DISCLOSURE DOCUMENT/ OFFICIAL STATEMENT if applicable.

**16. Description of Continuing Disclosure Obligations**

(Use additional pages if necessary)

Individual Responsible for Completion:

Lannie Holland

Date Annual Disclosure is due:

Not later than 9 months after the end of the

Fiscal Year, commencing with Fiscal Year ending June 30, 2012.

The Metropolitan Government has executed a Continuing Disclosure Certificate on behalf of the Sports Authority to assist the underwriters in complying with the requirements of Rule 15c2-12. A copy of such Continuing Disclosure Certificate is attached as an appendix to the Official Statement for the Bonds. A hard copy of the Official Statement is attached, and the Official Statement can also be accessed online at [http://www.nashville.gov/finance/investor-relations/bond\\_issues.asp](http://www.nashville.gov/finance/investor-relations/bond_issues.asp).

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

(Use additional pages if necessary)

Purpose of Debt: The bonds were issued for the purpose of achieving debt service savings, which is consistent with the "Refinancing Outstanding Debt" section of our debt management policy (incorporated by reference to the debt management policy of the Metropolitan Government). Our debt management policy contemplates a target of 3.5% PV debt service savings. The bonds achieved 11.9% PV (\$1.23 million) debt service savings. Metropolitan Council Approval: The bonds were approved by the Metropolitan Council, as required by our policy ("Authority Debt" section). Receipt of Requisite Opinions and Documentation: All opinions and documentation required by the "Debt Issuance Policies" section were received as contemplated. Transparency: All consideration and approvals of bond resolution were given at open, public and properly noticed meetings. Estimated debt service and issuance costs were presented to the Governing Body in a timely manner, all as contemplated by the "Debt Issuance Policies" section of the policy. Professionals/Conflicts: Financial Advisor and Bond Counsel engaged by Metropolitan Government on behalf of the Authority, pursuant to engagement letters. Neither represented any other party to the transaction. Structure of debt: Debt service on the bonds was modeled to match outstanding refunded bond debt service, consistent with the "Refinancing Outstanding Debt" section of our policy (incorporated by reference to the debt management policy of the Metropolitan Government). (Continued on attachment.)

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

(Use additional pages if necessary)

N/A

19.

  
\_\_\_\_\_  
Authorized Representative  
Board Chair  
\_\_\_\_\_  
Title  
01/19/2012  
\_\_\_\_\_  
Date  
sports\_authority@nashville.gov  
\_\_\_\_\_  
Email

Jeffrey A. Oldham  
\_\_\_\_\_  
Preparer  
Member  
\_\_\_\_\_  
Title  
Bass, Berry & Sims PLC  
\_\_\_\_\_  
Firm  
01/19/2012  
\_\_\_\_\_  
Date  
joldham@bassberry.com  
\_\_\_\_\_  
Email

20.

Submitted to Governing Body on 02/23/2012 and presented at its public meeting held on 02/23/2012

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 Sports Authority of The Metropolitan Government of Nashville and Davidson County  
Taxable Public Facility Revenue Refunding Bonds, Series 2012B (Arena Project)

Box 13: The weighted average maturity for the Bonds is 3.5206.

Box 15: Below is an itemization of the Underwriter's Discount:

<b>Underwriter's Discount</b>	<b>\$/1000</b>	<b>Amount</b>
<b>Average Takedown</b>	<b>3.06069</b>	<b>32,275.00</b>
<b>Management Fee</b>	<b>0.50000</b>	<b>5,272.50</b>
<b>Expenses</b>	<b>0.19000</b>	<b>2,003.55</b>
	<b>3.75069</b>	<b>39,551.05</b>

Box 17: Method of Sale: The debt was sold at negotiated sale, as expressly approved by the Governing Body and the Metropolitan Council, due to market fluctuation and the complications inherent in competitively-selling a refunding issue. This is permitted by the "Issuance Process" section of our debt management policy (incorporated by reference to the debt management policy of the Metropolitan Government). A copy of the debt management policy is attached to this form.