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

1. Public Entity:

Name: City of Kingsport, Tennessee

Address: 225 West Center Street
Kingsport, Tennessee

$27,510,000 G O. Public Improvement Bonds, Series 2013B

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.

3. Security For Debt Obligation:

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

4. Purpose of Issue:

[✓]	a. General Government	46.52 %
[ ]	b. Education	%
[ ]	c. Highways and Streets	%
[ ]	d. Public Safety	%
[ ]	e. Solid Waste Disposal	%
[ ]	f. Industrial Park	%
[ ]	g. Manufacturing Facilities	%
[ ]	h. Health Facilities	%
[ ]	i. Airports	%
[✓]	j. Utilities	%
[✓]	i. Water	16.49 %
[✓]	ii. Sewer	36.99 %
[ ]	iii. Electric	%
[ ]	iv. Gas	%
[ ]	k. Refunding or Renewal	%
[ ]	l. Other _____ (specify)	%

5. Face Amount of Debt Obligation: $27,510,000.00

Premium/Discount: $1,777,777.00

6. Type of Sale:

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

7. Tax Status:

- [✓] a. Tax Exempt
- [ ] b. Tax Exempt - Bank Qualified
- [ ] c. Taxable

8. Dated Date: 10/21/2013

9. Issue Date (Closing Date): 10/21/2013

10. Ratings:

a. Moody's	Aa
b. Standard & Poor's	AA
c. Fitch	n/a
d. Unrated	

11. Interest Cost:

3.510102 %

- [✓] a. TIC
- [ ] b. NIC
- [ ] c. Variable: Index _____ plus _____ bps
- [ ] d. Other _____

12. Recurring Costs:

a. Remarketing Agent (bps)	n/a
b. Liquidity (bps)	n/a
c. Credit Enhancements (bps)	n/a

CT-0253 (Rev. 12/11)

13. Maturity Dates, Amounts and Interest Rates

Year	Amount	Interest Rate		Year	Amount	Interest Rate
2015	$990,000	3.00 %		2026	$1,365,000	4.25 %
2016	$1,025,000	4.00 %		2027	$1,420,000	4.25 %
2017	$1,055,000	5.00 %		2028	$1,485,000	4.00 %
2018	$1,115,000	2.00 %		2029	$1,545,000	4.25 %
2019	$1,130,000	3.00 %		2030	$1,610,000	4.25 %
2020	$1,165,000	5.00 %		2031	$1,675,000	4.00 %
2021	$1,225,000	3.00 %		2032	$1,745,000	4.00 %
2022	$1,265,000	4.00 %		2033	$1,810,000	4.00 %
2023	$1,315,000	5.00 %		2034	$1,880,000	4.10 %
2024	$1,380,000	5.00 %				%
2025	$1,310,000	4.13 %				%

If additional space is needed, attach additional sheet.

14. Repayment Schedule

This Issue				Total Debt Outstanding		
Year	Cum. Principal Redeemed	% Total		Year	Cum. Principal Redeemed	% Total
1	$0	0.00		1	$14,220,859	6.94
5	$4,185,000	15.21		5	$71,102,437	34.68
10	$10,285,000	37.39		10	$127,014,584	61.96
15	$17,245,000	62.69		15	$179,621,172	87.62
20	$25,630,000	93.17		20	$203,125,917	99.08
25	$27,510,000	100.00		25	$205,005,917	100.00
30				30		

WAM = 11.730 yrs.

15. Itemized Description of the Cost of Issuance

(Round to Nearest Dollar)

		Name of Firm
a. Financial Advisor Fees*	$35,850.15	Raymond James
b. Legal Fees:		
i. Bond Counsel	$33,460.14	Adams and Reece LLP
ii. Issuer's Counsel		
iii. Trustee's Counsel		
c. Paying Agent Fees and Registration Fees	$669.20	Regions Bank
d. Trustee Fees		
e. Remarking Agent Fees		
f. Liquidity Fees		
g. Rating Agency Fees	$35,276.55	Moody's and S&P
h. Credit Enhancement Fees		
i. Underwriter's Discount 0.83 %	$227,561.49	Hutchinson Shockey Erley & Co.
i. Take Down		
ii. Management Fee		
iii. Risk Premium		
iv. Underwriter's Counsel		
v. Other Expenses		
j. Printing and Advertising Fees	$6,214.03	Kingo's; RJ; I-dealprospectus
k. Issuer Fees		
l. Real Estate Fees		
m. Bank Closing Costs		
n. Other Costs	$1,434.01	Misc.; CUSIP
Total Costs	$340,465.57	

*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: City Recorder/CFO

Date Annual Disclosure is due: June 30

The City will file its audit and financial information annually and notices of material events when and as described in the Continuing Disclosure Certificate attached as Appendix C to the Official Statement

17. Description of Compliance with Written Debt Management Policy:
(Use additional pages if necessary)

All meetings properly sunshined; All professionals had written agreements; All professional relationships, if any, disclosed; All fees and expenses fully disclosed; Transaction was a fixed rate bond issue; Bonds sold at competitive public sale; Useful life of financed assets were greater than the amoritization period of the Bond issue; No deriviative instruments; No unusual financing structures employed.

18. (If any) Description of Derivative and Compliance with Written Derivative Management Policy:
(Use additional pages if necessary)

n/a

19.

Dennis Phillips	Richard T. Dulaney
Authorized Representative	Preparer
Mayor	Managing Director
Title	Title
10/21/2013	Raymond James
Date	Firm
DennisPhillips@kingsporttn.gov	10/21/2013
Email	Date
	richard.dulaney@raymondjames.co
	Email

20.
Submitted to Governing Body on 11/4/2013 and presented at its public meeting held on 11/5/2013

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

$27,510,000
City of Kingsport, Tennessee
General Obligation Public Improvement Bonds, Series 2013B Dated October 21, 2013

The following web address accesses the Final Official Statement for the captioned transaction:

http://emma.msrb.org/EA568924-EA443264-EA839180.pdf