

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
\$1,310,000 General Obligation Bonds, Series 2013A

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: \$1,310,000.00

Premium/Discount: \$31,354.50

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: 10/21/2013

4. Purpose of Issue:

- a. General Government _____ %
- 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 _____ %
 - ii. Sewer _____ %
 - iii. Electric _____ %
 - iv. Gas _____ %
- k. Refunding or Renewal _____ %
- l. Other Aquatics Ctr 100.00 %

specify

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:

- 3.759005 % 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

13. Maturity Dates, Amounts and Interest Rates

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2015	\$45,000	3.00 %	2030	\$155,000	4.00 %
2016	\$50,000	3.00 %	2032	\$165,000	4.00 %
2017	\$50,000	3.00 %	2034	\$175,000	4.00 %
2018	\$50,000	3.00 %			%
2019	\$55,000	3.00 %			%
2020	\$55,000	4.00 %			%
2021	\$55,000	4.00 %			%
2022	\$60,000	4.00 %			%
2024	\$125,000	3.00 %			%
2026	\$130,000	3.13 %			%
2028	\$140,000	4.00 %			%

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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	\$1,417,000	4.24
5	\$195,000	14.89	5	\$8,127,000	24.30
10	\$545,000	41.60	10	\$17,412,000	52.06
15	\$890,000	67.94	15	\$28,652,000	85.66
20	\$1,220,000	93.13	20	\$33,357,000	99.73
25	\$1,310,000	100.00	25	\$33,447,000	100.00
30			30		

T = TERM BOND
WAM = 11.826 YRS

15. Itemized Description of the Cost of Issuance

(Round to Nearest Dollar)

		Name of Firm
a. Financial Advisor Fees*	\$1,649.85	Raymond James
b. Legal Fees:		
i. Bond Counsel	\$1,539.86	Adams and Reece LLP
ii. Issuer's Counsel		
iii. Trustee's Counsel		

c. Paying Agent Fees and Registration Fees	\$30.80	Regions Bank
d. Trustee Fees		
e. Remarketing Agent Fees		
f. Liquidity Fees		
g. Rating Agency Fees	\$1,623.45	Moody's and S&P
h. Credit Enhancement Fees		
i. Underwriter's Discount <u>2.38</u> %	\$31,235.67	FTN Capital Markets
i. Take Down		
ii. Management Fee		
iii. Risk Premium		
iv. Underwriter's Counsel		
v. Other Expenses		
j. Printing and Advertising Fees	\$285.97	Kingo's; RJ; I-dealprospectus
k. Issuer Fees		
l. Real Estate Fees		
m. Bank Closing Costs		
n. Other Costs	\$65.99	Misc.; CUSIP
Total Costs	\$36,431.59	

*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

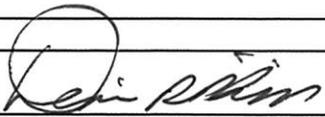
17. Description of Compliance with Written Debt Management Policy:
 (Use additional pages if necessary)

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 amortization period of the Bond issue; No derivative 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.

	
_____	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

\$1,310,000
City of Kingsport, Tennessee
General Obligation Bonds, Series 2013A Dated October 21, 2013

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

<http://emma.msrb.org/EA568974-EA443302-EA839214.pdf>