



# Shelby County Government

MARK H. LUTTRELL, JR.  
MAYOR

January 4, 2012

Shelby County, Tennessee

## Plan of Debt Refunding

**General Obligation Refunding Bonds, 2012 Series A ("Series 2012A Bonds")**

**Special General Obligation School Refunding Bonds, 2012 Series B ("Series 2012B Bonds")**

Dear Ms. Collier:

We are submitting a plan of refunding for your review pursuant to TCA 9-21-903 et seq. Shelby County, Tennessee (the "County") intends to issue general obligation refunding bonds to refund certain general obligation debt of the County. The following professionals have provided advice or proposals on which Shelby County relied upon to prepare this plan:

Public Financial Management, Inc. – Co-Financial Advisor

Ms. Lisa Daniel, Managing Director, TEL: (901) 682-8356  
FAX: (901) 682-8386; [danielm@pfm.com](mailto:danielm@pfm.com)

Mr. Joshua McCoy, Consultant, TEL: (901) 682-8356  
FAX: (901) 682-8386; [mccoyj@pfm.com](mailto:mccoyj@pfm.com)

ComCap Advisors – Co-Financial Advisor

Ms. Pamela Z. Clary, Vice President, TEL: (901) 274-5666  
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Edwards Wildman Palmer LLP – Bond Counsel

Richard J. Miller, Esq., Partner, TEL: (561) 820-0274  
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Mark-David Adams, Esq., Partner, TEL: (561) 820-0281  
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This proposed bond refunding complies with the Shelby County Debt Management Policy, a copy of which is attached. Also, we have attached additional information noted below for your review:

- 1) Projection of proposed bond refunding prepared by Public Financial Management. (Exhibit "A").
- 2) Filed CT-0253 Reports of the Refunded Bonds (defined below). (Exhibit "B").
- 3) Filed CT-0253 Reports of the "earlier" generations of debt refunded by the Refunded Bonds. (Exhibit "C").
- 4) Reports of Review of Plan of refunding relative to the 2006C Bonds (defined below) and the earlier 1996 bond issue which were refunded in part with the 2006C Bonds. (Exhibit "D").
- 5) Compliance Reports for the swaps related to the 2006C Bonds and 2004B Bonds (defined below). (Exhibit "E").

### **Plan of Refunding:**

The County has a potential opportunity to decrease debt service cost by advance and current refunding certain maturities of its outstanding tax-exempt general obligation bonds. This projection reflects our intent based on current market conditions. The preliminary plan of finance includes refunding all or a portion of the outstanding bonds of the County's Special General Obligation School Bonds, 2003 Series A (the "2003 Rural School Bonds"), the General Obligation Public Improvement and School Bonds, 2003 Series A (the "2003A Bonds"), the General Obligation Variable Rate Demand Public Improvement and School Bonds, 2004 Series B (the "2004B Bonds") and the General Obligation Variable Rate Demand Refunding Bonds, 2006 Series C (the "2006C Bonds" and collectively with the 2003 Rural Bonds, the 2003A Bonds and the 2004B Bonds the "Refunded Bonds"). The Refunded Bonds were authorized by the County pursuant to certain Resolutions adopted by the Board of County Commissioners of Shelby County, Tennessee on September 15, 2003, May 5, 2003, March 8, 2004, and November 1, 2006.

The purpose of this Plan of Refunding is to achieve aggregate net present value cost savings of approximately \$7,635,280 or approximately 4.55% of refunded bonds based on current market conditions and to reduce variable rate debt risk. The Plan provides an overall reduction in the weighted average maturity of the Refunded Bonds from 7.6176 years to 6.9356 years. A description of how it complies with our Policy by bond issue is described below for each series of bonds to be refunded:

1. **2003 Rural School Bonds** – The Plan contemplates the refunding of \$23,930,000 of the 2003 Rural School Bonds that currently have annual maturities through 2028 with approximately \$8,000,000 of County cash and refunding bonds with annual maturities through 2019. These bonds are payable from a property tax levied only on properties outside the City of Memphis. Accumulated cash from this tax of at least \$8,000,000 will be used to pay off a portion of these bonds and the remainder will be refunded by a bond issue with a significantly shorter term and lower interest rates. The attached projection shows net present value savings

on the refunded bonds of 23.7% and it includes the amortization schedule for both the refunding and refunded debt. The purpose of this refunding is for cost savings and to shorten the maturities of this debt. One of the criteria for a bond refunding in our Debt Management Policy is a net present value savings of at least 3% which this refunding clearly complies with.

2. **2003A Bonds** – The Plan contemplates the refunding of the remaining three maturities of the 2003A Bonds i.e., 2026, 2027 and 2028, totaling \$25,550,000. The attached projection shows net present value savings on the refunded bonds of 12.4% and it includes the amortization schedule for both the refunding and refunded debt. The purpose of this refunding is for cost savings. One of the criteria for a bond refunding in our Debt Management Policy is a net present value savings of at least 3% which this refunding clearly complies.
3. **2004B Bonds** – The 2004B Bonds are variable rate bonds with two related variable to fixed rate swaps. The swaps are of shorter duration than the debt and the total outstanding debt at December 31, 2011 of \$237,705,000 exceeds the total amount of the swaps by \$49,950,000. The 2004B Bonds consist of a term bond that amortizes from April 1, 2015 through April 1, 2030. The earlier scheduled amortization can be refunded and one of the swaps cancelled at no cost or with minimal debt service cost to the County and additionally reduces risks involved with variable rate debt. The swap termination will be funded with cash and is currently estimated at \$6,607,000. The actual amount refunded may be increased or decreased depending on the market at the time of the sale. The purpose of this refunding is to reduce the risks of variable rate debt and exposure to third parties (liquidity provider – Landesbank Hessen-Thüringen Girozentrale, acting through its New York Branch (“Helaba”) and swap counterparties - Goldman Sachs Mitsui Marine Derivative Products, L.P. and Loop Financial Products I, LLC). The maturities of the refunding debt will be identical to the scheduled amortization of the refunded debt. This is consistent with the County’s debt management policy and as the Director of Administration and Finance and together with the County’s Financial Advisors deem this refunding to be in the best interest of the County, because it reduces risks associated with variable rate debt at minimal or no cost to the County. Because the County plans to terminate one of the swaps, the County commits to file with the Office of State and Local Finance, along with a copy of the CT-0253, a copy of the minutes of the County Commission meeting relative to the consideration of this financing.
4. **2006C Bonds** – The 2006C Bonds are variable rate bonds with a related swap variable to fixed rate swap. As of December 31, 2011, the outstanding 2006C Bonds (which is a term bond) total \$213,070,000 with amortization through December 1, 2031. Based on current market conditions, the earlier scheduled amortization can be refunded and the related portion of the swap cancelled at no cost or minimal cost to the County and reduces risks involved with variable rate debt. The swap termination will be funded with bond proceeds and is currently estimated at \$6,357,000. The actual amount refunded may be increased or

decreased depending on the market at the time of the sale. The purpose of this refunding is to reduce the risks of variable rate debt and exposure to third parties (liquidity provider JPMorgan Chase Bank, N.A. and swap counterparty Goldman Sachs Mitsui Marine Derivative Products, L.P.). To better match the County's collection of taxes the maturities of the refunding debt will be moved from December 1 to March 1 or April 1. This is consistent with the County's debt management policy and as the Director of Administration and Finance and together with the County's Financial Advisors deem this refunding to be in the best interest of the County, because it reduces risks associated with variable rate debt at minimal or no cost to the County. Because the County plans to terminate the swap, the County commits to file with the Office of State and Local Finance, along with a copy of the CT-0253, a copy of the minutes of the County Commission meeting relative to the consideration of this financing.

The attached refunding numbers and breakdown of costs of issuance provide a projection of the proposed refunding which includes the amortization of both the current debt and the refunding debt. Regarding the refunding debt, the projection includes the anticipated size, final maturity, weighted average maturity, sources and uses of cash and breakdown of costs of issuance. As discussed in the introduction, the overall weighted average maturities of the Refunded Bonds will be reduced by the proposed refunding. To provide the greatest amount of flexibility as our intent is to reduce the variable rate debt exposure as much as possible with minimal or no cost to the County, the Shelby County Commission will be requested to approve refunding up to the full amount of debt outstanding on the four debt issues as follows:

2003 Rural School Bonds	\$ 23,390,000
2003A Bonds	25,550,000
2004B Bonds	237,705,000
2006C Bonds	213,070,000
<u>Total</u>	<u>\$ 499,715,000</u>

However, as noted in the projection, we currently expect to refund a total of \$167,645,000.

The County plans to sell the bonds via a negotiated basis upon my recommendation and the recommendation of the County's Co-Financial Advisors based on the size of the issues and the complex financing structure (i.e. issue size, refinancing of variable rate bonds, and termination of derivatives). The underwriting team will be selected through an RFP process as outlined in the County's Debt Management Policy. The sale is anticipated to occur mid-February 2012.

**In Summary**

Prior to adoption of the resolutions authorizing the 2012 Series A Bonds and 2012 Series B Bonds on January 23, 2011; the County seeks your refunding report pursuant to the provisions of Title 9, Chapter 21, Tennessee Code Annotated.

If you have any questions or comments on the above plan of refunding or require any additional information with respect thereto, please do not hesitate to contact me at (901) 222-2081 or [mike.swift@shelbycountyttn.gov](mailto:mike.swift@shelbycountyttn.gov), Joshua McCoy from Public Financial Management at (901) 682-8356, Pamela Z. Clary from ComCap Advisors at (901) 274-5666 or Richard J. Miller, Esq. from Edwards Wildman Palmer LLP at (561) 820-0274.

Sincerely,



Michael A. Swift  
Shelby County, Tennessee  
Director of Administration and Finance

CC: Mr. Richard J. Miller, Esq., *Edwards Wildman Palmer LLP*  
Mr. Mark Adams, Esq., *Edwards Wildman Palmer LLP*  
Ms. Lisa Daniel, *Public Financial Management, Inc.*  
Mr. Joshua McCoy, *Public Financial Management, Inc.*  
Ms. Pamela Z. Clary, *ComCap Advisors*

*Exhibit A – Projection of proposed bond refunding prepared by Public Financial Management*

## SOURCES AND USES OF FUNDS

Shelby County, Tennessee  
 General Obligation Refunding Bonds 2012 Series A & B  
 AAA MMD Rates as of 12/27/2011 plus 25bps

Dated Date           03/01/2012  
 Delivery Date       03/01/2012

Sources:	2012 Series A	2012 Series B (Rural School Bonds)	Total
<b>Bond Proceeds:</b>			
Par Amount	133,755,000.00	15,150,000.00	148,905,000.00
Premium	17,689,245.10	1,643,374.90	19,332,620.00
	<u>151,444,245.10</u>	<u>16,793,374.90</u>	<u>168,237,620.00</u>
<b>Other Sources of Funds:</b>			
Cash on Hand	6,607,000.00	8,000,000.00	14,607,000.00
Equity Cont. - A/I to Delivery Date		363,713.75	363,713.75
	<u>6,607,000.00</u>	<u>8,363,713.75</u>	<u>14,970,713.75</u>
	<u>158,051,245.10</u>	<u>25,157,088.65</u>	<u>183,208,333.75</u>

Uses:	2012 Series A	2012 Series B (Rural School Bonds)	Total
<b>Refunding Escrow Deposits:</b>			
Cash Deposit	0.05	1.26	1.31
SLGS Purchases	143,808,151.00	25,008,004.00	168,816,155.00
	<u>143,808,151.05</u>	<u>25,008,005.26</u>	<u>168,816,156.31</u>
<b>Delivery Date Expenses:</b>			
Cost of Issuance	409,605.34	46,394.66	456,000.00
Underwriter's Discount	869,407.50	98,475.00	967,882.50
06C Goldman Sachs Swap Termination	6,357,000.00		6,357,000.00
04B Goldman Sachs Swap Termination	6,607,000.00		6,607,000.00
	<u>14,243,012.84</u>	<u>144,869.66</u>	<u>14,387,882.50</u>
<b>Other Uses of Funds:</b>			
Additional Proceeds	81.21	4,213.73	4,294.94
	<u>158,051,245.10</u>	<u>25,157,088.65</u>	<u>183,208,333.75</u>

## SUMMARY OF BONDS REFUNDED

Shelby County, Tennessee  
General Obligation Refunding Bonds 2012 Series A & B  
AAA MMD Rates as of 12/27/2011 plus 25bps

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
2003 A Schools Portion, 03ASCH:					
SER	03/01/2026	4.375%	7,720,000.00	03/31/2012	100.000
	03/01/2027	4.375%	8,490,000.00	03/31/2012	100.000
	03/01/2028	4.375%	<u>9,340,000.00</u>	03/31/2012	100.000
			25,550,000.00		
Series 2003A Special General Obligation Bonds, 03ASPEC:					
SERIAL	11/01/2013	5.000%	1,060,000.00	11/01/2012	100.000
	11/01/2014	5.000%	1,105,000.00	11/01/2012	100.000
	11/01/2015	4.000%	1,150,000.00	11/01/2012	100.000
	11/01/2016	4.100%	1,200,000.00	11/01/2012	100.000
	11/01/2017	4.125%	1,250,000.00	11/01/2012	100.000
	11/01/2018	4.250%	1,310,000.00	11/01/2012	100.000
	11/01/2019	4.300%	1,365,000.00	11/01/2012	100.000
	11/01/2020	4.400%	1,430,000.00	11/01/2012	100.000
	11/01/2021	4.500%	1,495,000.00	11/01/2012	100.000
	11/01/2022	4.600%	1,570,000.00	11/01/2012	100.000
	11/01/2023	4.625%	1,645,000.00	11/01/2012	100.000
	11/01/2024	4.700%	1,725,000.00	11/01/2012	100.000
TERM	11/01/2025	4.750%	1,810,000.00	11/01/2012	100.000
	11/01/2026	4.750%	1,905,000.00	11/01/2012	100.000
	11/01/2027	4.750%	2,000,000.00	11/01/2012	100.000
	11/01/2028	4.750%	<u>1,910,000.00</u>	11/01/2012	100.000
			23,930,000.00		
G. O. Variable Rate Bonds, Series 2004, 2004VRBM:					
SERIALS	04/01/2015	4.115%	8,290,000.00	03/31/2012	100.000
	04/01/2016	4.115%	9,120,000.00	03/31/2012	100.000
	04/01/2017	4.115%	10,030,000.00	03/31/2012	100.000
	04/01/2018	4.115%	11,030,000.00	03/31/2012	100.000
	04/01/2019	4.115%	12,140,000.00	03/31/2012	100.000
	04/01/2020	4.115%	13,350,000.00	03/31/2012	100.000
	04/01/2021	4.115%	<u>4,090,000.00</u>	03/31/2012	100.000
			68,050,000.00		
2006C VR Bonds, 2006C:					
GSSWAP	12/01/2012	4.390%	4,725,000.00	03/31/2012	100.000
	12/01/2013	4.390%	4,910,000.00	03/31/2012	100.000
	12/01/2014	4.390%	5,105,000.00	03/31/2012	100.000
	12/01/2015	4.390%	5,300,000.00	03/31/2012	100.000
	12/01/2016	4.390%	5,515,000.00	03/31/2012	100.000
	12/01/2017	4.390%	5,725,000.00	03/31/2012	100.000
	12/01/2018	4.390%	9,195,000.00	03/31/2012	100.000
	12/01/2019	4.390%	<u>9,640,000.00</u>	03/31/2012	100.000
			50,115,000.00		
			167,645,000.00		

Note: 2006C Interest Rate = Swap Rate @ 3.83% and Auxillary expenses @ .56%



## SUMMARY OF REFUNDING RESULTS

Shelby County, Tennessee  
General Obligation Refunding Bonds 2012 Series A & B  
AAA MMD Rates as of 12/27/2011 plus 25bps

Dated Date	03/01/2012
Delivery Date	03/01/2012
Arbitrage yield	1.782602%
Escrow yield	0.038721%
Bond Par Amount	148,905,000.00
True Interest Cost	2.120196%
Net Interest Cost	2.321646%
Average Coupon	4.116752%
Average Life	6.870
Par amount of refunded bonds	167,645,000.00
Average coupon of refunded bonds	4.339006%
Average life of refunded bonds	7.635
PV of prior debt to 03/01/2012 @ 1.782602%	193,351,112.39
Net PV Savings	7,635,280.88
Percentage savings of refunded bonds	4.554434%
Percentage savings of refunding bonds	5.127619%

## SAVINGS

Shelby County, Tennessee  
 General Obligation Refunding Bonds 2012 Series A & B  
 AAA MMD Rates as of 12/27/2011 plus 25bps

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 03/01/2012 @ 1.7826015%
06/30/2012	1,308,880.47	363,713.75	945,166.72		945,166.72	938,191.41
06/30/2013	11,099,689.00		11,099,689.00	10,915,675.00	184,014.00	190,631.66
06/30/2014	12,106,700.75		12,106,700.75	13,062,350.00	-955,649.25	-917,832.42
06/30/2015	20,314,427.54		20,314,427.54	20,379,950.00	-65,522.46	-67,781.71
06/30/2016	20,848,476.17		20,848,476.17	20,786,625.00	61,851.17	52,637.50
06/30/2017	21,455,843.71		21,455,843.71	21,311,200.00	144,643.71	128,307.43
06/30/2018	22,107,903.58		22,107,903.58	21,878,300.00	229,603.58	203,175.82
06/30/2019	26,024,898.80		26,024,898.80	25,535,400.00	489,498.80	442,959.89
06/30/2020	26,888,055.56		26,888,055.56	23,905,000.00	2,983,055.56	2,614,553.77
06/30/2021	7,428,649.24		7,428,649.24	4,093,300.00	3,335,349.24	2,846,371.12
06/30/2022	3,238,013.75		3,238,013.75	1,030,500.00	2,207,513.75	1,857,199.32
06/30/2023	3,243,266.25		3,243,266.25	1,030,500.00	2,212,766.25	1,829,140.90
06/30/2024	3,244,115.63		3,244,115.63	1,030,500.00	2,213,615.63	1,797,929.15
06/30/2025	3,245,537.50		3,245,537.50	1,030,500.00	2,215,037.50	1,767,724.34
06/30/2026	10,967,012.50		10,967,012.50	7,895,500.00	3,071,512.50	2,404,986.35
06/30/2027	11,406,031.25		11,406,031.25	8,326,575.00	3,079,456.25	2,369,009.04
06/30/2028	11,886,850.00		11,886,850.00	8,809,350.00	3,077,500.00	2,326,094.18
06/30/2029	1,955,362.50		1,955,362.50		1,955,362.50	1,454,688.17
	218,769,714.20	363,713.75	218,406,000.45	191,021,225.00	27,384,775.45	22,237,985.93

Savings Summary

PV of savings from cash flow	22,237,985.93
Less: Prior funds on hand	-14,607,000.00
Plus: Refunding funds on hand	4,294.94
Net PV Savings	7,635,280.87

FORM 8038 STATISTICS

Shelby County, Tennessee  
 General Obligation Refunding Bonds 2012 Series A & B  
 AAA MMD Rates as of 12/27/2011 plus 25bps

Dated Date 03/01/2012  
 Delivery Date 03/01/2012

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
G.O. Bonds:						
	03/01/2013	5,015,000.00	2.500%	101.992	5,114,898.80	5,015,000.00
	11/01/2013	2,290,000.00	2.500%	103.213	2,363,577.70	2,290,000.00
	03/01/2014	5,115,000.00	3.000%	104.743	5,357,604.45	5,115,000.00
	11/01/2014	2,355,000.00	3.000%	106.010	2,496,535.50	2,355,000.00
	03/01/2015	12,585,000.00	3.500%	107.894	13,578,459.90	12,585,000.00
	11/01/2015	2,430,000.00	3.500%	109.128	2,651,810.40	2,430,000.00
	03/01/2016	13,435,000.00	4.000%	111.401	14,966,724.35	13,435,000.00
	11/01/2016	2,525,000.00	4.000%	113.057	2,854,689.25	2,525,000.00
	03/01/2017	14,495,000.00	4.000%	113.757	16,489,077.15	14,495,000.00
	11/01/2017	2,630,000.00	4.000%	115.056	3,025,972.80	2,630,000.00
	03/01/2018	15,640,000.00	4.000%	115.473	18,059,977.20	15,640,000.00
	11/01/2018	2,735,000.00	4.000%	116.423	3,184,169.05	2,735,000.00
	03/01/2019	19,925,000.00	4.000%	116.481	23,208,839.25	19,925,000.00
	11/01/2019	185,000.00	4.000%	117.092	216,620.20	185,000.00
	03/01/2020	21,700,000.00	4.000%	116.891	25,365,347.00	21,700,000.00
	11/01/2020		4.000%	117.141		
	03/01/2021	2,945,000.00	4.000%	116.667	3,435,843.15	2,945,000.00
	11/01/2021		4.000%	116.827		
	11/01/2022		4.000%	116.511		
	03/01/2026	6,865,000.00	4.500%	114.175	7,838,113.75	6,865,000.00
	03/01/2027	7,605,000.00	4.500%	112.968	8,591,216.40	7,605,000.00
	03/01/2028	8,430,000.00	4.500%	111.959	9,438,143.70	8,430,000.00
		148,905,000.00			168,237,620.00	148,905,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	03/01/2028	4.500%	9,438,143.70	8,430,000.00		
Entire Issue			168,237,620.00	148,905,000.00	6.9356	1.7826%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	1,423,882.50
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	143,808,151.05
Proceeds used to advance refund prior issues	16,644,291.51
Remaining weighted average maturity of the bonds to be currently refunded	7.2206
Remaining weighted average maturity of the bonds to be advance refunded	10.0016

FORM 8038 STATISTICS

Shelby County, Tennessee  
 General Obligation Refunding Bonds 2012 Series A & B  
 AAA MMD Rates as of 12/27/2011 plus 25bps

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
<b>2003 A Schools Portion:</b>					
SER	03/01/2026	7,720,000.00	4.375%	99.494	7,680,936.80
SER	03/01/2027	8,490,000.00	4.375%	99.482	8,446,021.80
SER	03/01/2028	9,340,000.00	4.375%	99.470	9,290,498.00
		<u>25,550,000.00</u>			<u>25,417,456.60</u>
<b>Series 2003A Special General Obligation Bonds:</b>					
SERIAL	11/01/2013	1,060,000.00	5.000%	109.156	1,157,053.60
SERIAL	11/01/2014	1,105,000.00	5.000%	108.212	1,195,742.60
SERIAL	11/01/2015	1,150,000.00	4.000%	100.000	1,150,000.00
SERIAL	11/01/2016	1,200,000.00	4.100%	100.000	1,200,000.00
SERIAL	11/01/2017	1,250,000.00	4.125%	99.004	1,237,550.00
SERIAL	11/01/2018	1,310,000.00	4.250%	99.233	1,299,952.30
SERIAL	11/01/2019	1,365,000.00	4.300%	98.860	1,349,439.00
SERIAL	11/01/2020	1,430,000.00	4.400%	99.054	1,416,472.20
SERIAL	11/01/2021	1,495,000.00	4.500%	99.267	1,484,041.65
SERIAL	11/01/2022	1,570,000.00	4.600%	99.496	1,562,087.20
SERIAL	11/01/2023	1,645,000.00	4.625%	98.994	1,628,451.30
SERIAL	11/01/2024	1,725,000.00	4.700%	98.997	1,707,698.25
TERM	11/01/2025	1,810,000.00	4.750%	98.630	1,785,203.00
TERM	11/01/2026	1,905,000.00	4.750%	98.630	1,878,901.50
TERM	11/01/2027	2,000,000.00	4.750%	98.630	1,972,600.00
TERM	11/01/2028	1,910,000.00	4.750%	98.630	1,883,833.00
		<u>23,930,000.00</u>			<u>23,909,025.60</u>
<b>G. O. Variable Rate Bonds, Series 2004:</b>					
SERIALS	04/01/2015	8,290,000.00	4.115%	100.000	8,290,000.00
SERIALS	04/01/2016	9,120,000.00	4.115%	100.000	9,120,000.00
SERIALS	04/01/2017	10,030,000.00	4.115%	100.000	10,030,000.00
SERIALS	04/01/2018	11,030,000.00	4.115%	100.000	11,030,000.00
SERIALS	04/01/2019	12,140,000.00	4.115%	100.000	12,140,000.00
SERIALS	04/01/2020	13,350,000.00	4.115%	100.000	13,350,000.00
SERIALS	04/01/2021	4,090,000.00	4.115%	100.000	4,090,000.00
		<u>68,050,000.00</u>			<u>68,050,000.00</u>
<b>2006C VR Bonds:</b>					
GSSWAP	12/01/2012	4,725,000.00	4.390%	100.001	4,725,047.25
GSSWAP	12/01/2013	4,910,000.00	4.390%	100.001	4,910,049.10
GSSWAP	12/01/2014	5,105,000.00	4.390%	100.001	5,105,051.05
GSSWAP	12/01/2015	5,300,000.00	4.390%	100.001	5,300,053.00
GSSWAP	12/01/2016	5,515,000.00	4.390%	100.001	5,515,055.15
GSSWAP	12/01/2017	5,725,000.00	4.390%	100.001	5,725,057.25
GSSWAP	12/01/2018	9,195,000.00	4.390%	100.001	9,195,091.95
GSSWAP	12/01/2019	9,640,000.00	4.390%	100.001	9,640,096.40
		<u>50,115,000.00</u>			<u>50,115,501.15</u>
		<u>167,645,000.00</u>			<u>167,491,983.35</u>

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
2003 A Schools Portion	03/31/2012	06/10/2003	15.0633
Series 2003A Special General Obligation Bonds	11/01/2012	12/02/2003	10.0016
G. O. Variable Rate Bonds, Series 2004	03/31/2012	04/15/2004	6.0535
2006C VR Bonds	03/31/2012	11/30/2006	4.8277
All Refunded Issues	11/01/2012		7.6176

## COST OF ISSUANCE

Shelby County, Tennessee  
General Obligation Refunding Bonds 2012 Series A & B  
AAA MMD Rates as of 12/27/2011 plus 25bps

Cost of Issuance	\$/1000	Amount
Financial Advisors	0.83946	125,000.00
Bond Counsel	1.00735	150,000.00
Rating Agencies	1.10809	165,000.00
Paying/ Escrow Agent	0.01007	1,500.00
Verification Agent	0.01007	1,500.00
I-Deal	0.01007	1,500.00
Printer	0.01007	1,500.00
Misc.	0.06716	10,000.00
	3.06236	456,000.00

UNDERWRITER'S DISCOUNT

Shelby County, Tennessee  
General Obligation Refunding Bonds 2012 Series A & B  
AAA MMD Rates as of 12/27/2011 plus 25bps

Underwriter's Discount	\$/1000	Amount
Underwriters Discount	6.50	967,882.50
	6.50	967,882.50

## SOURCES AND USES OF FUNDS

Shelby County, Tennessee  
2012 Series A

Dated Date	03/01/2012
Delivery Date	03/01/2012

## Sources:

## Bond Proceeds:

Par Amount	133,755,000.00
Premium	17,689,245.10
	<u>151,444,245.10</u>

## Other Sources of Funds:

Cash on Hand	6,607,000.00
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	<u>158,051,245.10</u>
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## Uses:

## Refunding Escrow Deposits:

Cash Deposit	0.05
SLGS Purchases	143,808,151.00
	<u>143,808,151.05</u>

## Delivery Date Expenses:

Cost of Issuance	409,605.34
Underwriter's Discount	869,407.50
06C Goldman Sachs Swap Termination	6,357,000.00
04B Goldman Sachs Swap Termination	6,607,000.00
	<u>14,243,012.84</u>

## Other Uses of Funds:

Additional Proceeds	81.21
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	<u>158,051,245.10</u>
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## SUMMARY OF REFUNDING RESULTS

Shelby County, Tennessee  
2012 Series A

Dated Date	03/01/2012
Delivery Date	03/01/2012
Arbitrage yield	1.782602%
Escrow yield	0.038721%
Bond Par Amount	133,755,000.00
True Interest Cost	2.177700%
Net Interest Cost	2.385631%
Average Coupon	4.141905%
Average Life	7.160
Par amount of refunded bonds	143,715,000.00
Average coupon of refunded bonds	4.275385%
Average life of refunded bonds	7.228
PV of prior debt to 03/01/2012 @ 1.782602%	162,947,835.72
Net PV Savings	1,961,207.72
Percentage savings of refunded bonds	1.364651%
Percentage savings of refunding bonds	1.466269%



SAVINGS

Shelby County, Tennessee  
2012 Series A

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/01/2012 @ 1.7826015%
06/30/2012	763,309.85		763,309.85	757,945.86
06/30/2013	10,008,547.75	10,290,400.00	-281,852.25	-267,331.73
06/30/2014	9,982,059.50	10,265,025.00	-282,965.50	-262,355.09
06/30/2015	18,198,911.29	17,581,575.00	617,336.29	585,935.00
06/30/2016	18,738,584.92	17,991,100.00	747,484.92	697,616.81
06/30/2017	19,343,552.46	18,513,700.00	829,852.46	761,760.64
06/30/2018	19,995,993.58	19,078,900.00	917,093.58	827,763.53
06/30/2019	23,906,607.55	22,738,300.00	1,168,307.55	1,049,059.05
06/30/2020	24,771,949.31	23,716,300.00	1,055,649.31	935,116.01
06/30/2021	5,308,350.49	4,093,300.00	1,215,050.49	1,030,844.05
06/30/2022	1,117,812.50	1,030,500.00	87,312.50	73,440.08
06/30/2023	1,117,812.50	1,030,500.00	87,312.50	72,148.23
06/30/2024	1,117,812.50	1,030,500.00	87,312.50	70,879.11
06/30/2025	1,117,812.50	1,030,500.00	87,312.50	69,632.31
06/30/2026	8,837,812.50	7,895,500.00	942,312.50	735,309.29
06/30/2027	9,270,062.50	8,326,575.00	943,487.50	723,176.78
06/30/2028	9,748,625.00	8,809,350.00	939,275.00	707,186.57
	183,345,616.70	173,422,025.00	9,923,591.70	8,568,126.50

Savings Summary

PV of savings from cash flow	8,568,126.50
Less: Prior funds on hand	-6,607,000.00
Plus: Refunding funds on hand	81.21
Net PV Savings	1,961,207.71

BOND SUMMARY STATISTICS

Shelby County, Tennessee  
2012 Series A

Dated Date	03/01/2012
Delivery Date	03/01/2012
Last Maturity	03/01/2028
Arbitrage Yield	1.782602%
True Interest Cost (TIC)	2.177700%
Net Interest Cost (NIC)	2.385631%
All-In TIC	3.691769%
Average Coupon	4.141905%
Average Life (years)	7.160
Duration of Issue (years)	6.348
Par Amount	133,755,000.00
Bond Proceeds	151,444,245.10
Total Interest	39,667,025.00
Net Interest	22,847,187.40
Total Debt Service	173,422,025.00
Maximum Annual Debt Service	23,716,300.00
Average Annual Debt Service	10,838,876.56
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	6.500000
Total Underwriter's Discount	6.500000
Bid Price	112.575109

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
G.O. Bonds	133,755,000.00	113.225	4.142%	7.160	84,386.30
	133,755,000.00			7.160	84,386.30

	TIC	All-In TIC	Arbitrage Yield
Par Value	133,755,000.00	133,755,000.00	133,755,000.00
+ Accrued Interest			
+ Premium (Discount)	17,689,245.10	17,689,245.10	17,689,245.10
- Underwriter's Discount	-869,407.50	-869,407.50	
- Cost of Issuance Expense		-409,605.34	
- Other Amounts		-12,964,000.00	
Target Value	150,574,837.60	137,201,232.26	151,444,245.10
Target Date	03/01/2012	03/01/2012	03/01/2012
Yield	2.177700%	3.691769%	1.782602%

BOND PRICING

Shelby County, Tennessee  
2012 Series A

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Premium (-Discount)
G.O. Bonds:							
	03/01/2013	5,015,000	2.500%	0.500%	101.992		99,898.80
	03/01/2014	5,115,000	3.000%	0.610%	104.743		242,604.45
	03/01/2015	12,585,000	3.500%	0.830%	107.894		993,459.90
	03/01/2016	13,435,000	4.000%	1.080%	111.401		1,531,724.35
	03/01/2017	14,495,000	4.000%	1.160%	113.757		1,994,077.15
	03/01/2018	15,640,000	4.000%	1.310%	115.473		2,419,977.20
	03/01/2019	19,925,000	4.000%	1.510%	116.481		3,283,839.25
	03/01/2020	21,700,000	4.000%	1.730%	116.891		3,665,347.00
	03/01/2021	2,945,000	4.000%	1.970%	116.667		490,843.15
	03/01/2026	6,865,000	4.500%	2.860%	114.175 C	3.233%	973,113.75
	03/01/2027	7,605,000	4.500%	2.990%	112.968 C	3.390%	986,216.40
	03/01/2028	8,430,000	4.500%	3.100%	111.959 C	3.516%	1,008,143.70
<b>133,755,000</b>							<b>17,689,245.10</b>

Dated Date	03/01/2012	
Delivery Date	03/01/2012	
First Coupon	09/01/2012	
Par Amount	133,755,000.00	
Premium	17,689,245.10	
Production	151,444,245.10	113.225109%
Underwriter's Discount	-869,407.50	-0.650000%
Purchase Price	150,574,837.60	112.575109%
Accrued Interest		
Net Proceeds	150,574,837.60	

## BOND DEBT SERVICE

Shelby County, Tennessee  
2012 Series A

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2013	5,015,000	2.500%	5,275,400	10,290,400
06/30/2014	5,115,000	3.000%	5,150,025	10,265,025
06/30/2015	12,585,000	3.500%	4,996,575	17,581,575
06/30/2016	13,435,000	4.000%	4,556,100	17,991,100
06/30/2017	14,495,000	4.000%	4,018,700	18,513,700
06/30/2018	15,640,000	4.000%	3,438,900	19,078,900
06/30/2019	19,925,000	4.000%	2,813,300	22,738,300
06/30/2020	21,700,000	4.000%	2,016,300	23,716,300
06/30/2021	2,945,000	4.000%	1,148,300	4,093,300
06/30/2022			1,030,500	1,030,500
06/30/2023			1,030,500	1,030,500
06/30/2024			1,030,500	1,030,500
06/30/2025			1,030,500	1,030,500
06/30/2026	6,865,000	4.500%	1,030,500	7,895,500
06/30/2027	7,605,000	4.500%	721,575	8,326,575
06/30/2028	8,430,000	4.500%	379,350	8,809,350
	133,755,000		39,667,025	173,422,025

## ESCROW REQUIREMENTS

Shelby County, Tennessee  
Series 2012A General Obligation Refunding Bonds

2003 A Schools Portion (03ASCH)

Period Ending	Interest	Principal Redeemed	Total
03/31/2012	93,151.04	25,550,000.00	25,643,151.04
	93,151.04	25,550,000.00	25,643,151.04

ESCROW REQUIREMENTS

Shelby County, Tennessee  
Series 2012A General Obligation Refunding Bonds

2006C VR Bonds (2006C)

Period Ending	Principal Redeemed	Total
03/31/2012	50,115,000.00	50,115,000.00
	50,115,000.00	50,115,000.00

ESCROW REQUIREMENTS

Shelby County, Tennessee  
Series 2012A General Obligation Refunding Bonds

G. O. Variable Rate Bonds, Series 2004 (2004VRBM)

Period Ending	Principal Redeemed	Total
03/31/2012	68,050,000.00	68,050,000.00
	68,050,000.00	68,050,000.00

FORM 8038 STATISTICS

Shelby County, Tennessee  
2012 Series A

Dated Date 03/01/2012  
Delivery Date 03/01/2012

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
G.O. Bonds:						
	03/01/2013	5,015,000.00	2.500%	101.992	5,114,898.80	5,015,000.00
	03/01/2014	5,115,000.00	3.000%	104.743	5,357,604.45	5,115,000.00
	03/01/2015	12,585,000.00	3.500%	107.894	13,578,459.90	12,585,000.00
	03/01/2016	13,435,000.00	4.000%	111.401	14,966,724.35	13,435,000.00
	03/01/2017	14,495,000.00	4.000%	113.757	16,489,977.15	14,495,000.00
	03/01/2018	15,640,000.00	4.000%	115.473	18,059,977.20	15,640,000.00
	03/01/2019	19,925,000.00	4.000%	116.481	23,208,839.25	19,925,000.00
	03/01/2020	21,700,000.00	4.000%	116.891	25,365,347.00	21,700,000.00
	03/01/2021	2,945,000.00	4.000%	116.667	3,435,843.15	2,945,000.00
	03/01/2026	6,865,000.00	4.500%	114.175	7,838,113.75	6,865,000.00
	03/01/2027	7,605,000.00	4.500%	112.968	8,591,216.40	7,605,000.00
	03/01/2028	8,430,000.00	4.500%	111.959	9,438,143.70	8,430,000.00
		133,755,000.00			151,444,245.10	133,755,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	03/01/2028	4.500%	9,438,143.70	8,430,000.00		
Entire Issue			151,444,245.10	133,755,000.00	7.2182	1.7826%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	1,279,012.84
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	143,808,151.05
Proceeds used to advance refund prior issues	0.00
Remaining weighted average maturity of the bonds to be currently refunded	7.2206
Remaining weighted average maturity of the bonds to be advance refunded	0.0000



## FORM 8038 STATISTICS

Shelby County, Tennessee  
2012 Series ARefunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
2003 A Schools Portion:					
SER	03/01/2026	7,720,000.00	4.375%	99.494	7,680,936.80
SER	03/01/2027	8,490,000.00	4.375%	99.482	8,446,021.80
SER	03/01/2028	9,340,000.00	4.375%	99.470	9,290,498.00
		<u>25,550,000.00</u>			<u>25,417,456.60</u>
G. O. Variable Rate Bonds, Series 2004:					
SERIALS	04/01/2015	8,290,000.00	4.115%	100.000	8,290,000.00
SERIALS	04/01/2016	9,120,000.00	4.115%	100.000	9,120,000.00
SERIALS	04/01/2017	10,030,000.00	4.115%	100.000	10,030,000.00
SERIALS	04/01/2018	11,030,000.00	4.115%	100.000	11,030,000.00
SERIALS	04/01/2019	12,140,000.00	4.115%	100.000	12,140,000.00
SERIALS	04/01/2020	13,350,000.00	4.115%	100.000	13,350,000.00
SERIALS	04/01/2021	4,090,000.00	4.115%	100.000	4,090,000.00
		<u>68,050,000.00</u>			<u>68,050,000.00</u>
2006C VR Bonds:					
GSSWAP	12/01/2012	4,725,000.00	4.390%	100.001	4,725,047.25
GSSWAP	12/01/2013	4,910,000.00	4.390%	100.001	4,910,049.10
GSSWAP	12/01/2014	5,105,000.00	4.390%	100.001	5,105,051.05
GSSWAP	12/01/2015	5,300,000.00	4.390%	100.001	5,300,053.00
GSSWAP	12/01/2016	5,515,000.00	4.390%	100.001	5,515,055.15
GSSWAP	12/01/2017	5,725,000.00	4.390%	100.001	5,725,057.25
GSSWAP	12/01/2018	9,195,000.00	4.390%	100.001	9,195,091.95
GSSWAP	12/01/2019	9,640,000.00	4.390%	100.001	9,640,096.40
		<u>50,115,000.00</u>			<u>50,115,501.15</u>
		143,715,000.00			143,582,957.75

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
2003 A Schools Portion	03/31/2012	06/10/2003	15.0633
G. O. Variable Rate Bonds, Series 2004	03/31/2012	04/15/2004	6.0535
2006C VR Bonds	03/31/2012	11/30/2006	4.8277
All Refunded Issues	03/31/2012		7.2206

## SUMMARY OF REFUNDING RESULTS

Shelby County, Tennessee  
2012 Series A (Ref 2003A)

Dated Date	03/01/2012
Delivery Date	03/01/2012
Arbitrage yield	1.782602%
Escrow yield	0.038721%
Bond Par Amount	22,900,000.00
True Interest Cost	3.445392%
Net Interest Cost	3.683161%
Average Coupon	4.500000%
Average Life	15.068
Par amount of refunded bonds	25,550,000.00
Average coupon of refunded bonds	4.375000%
Average life of refunded bonds	15.063
PV of prior debt to 03/01/2012 @ 1.782602%	34,263,278.52
Net PV Savings	3,180,167.87
Percentage savings of refunded bonds	12.446841%
Percentage savings of refunding bonds	13.887196%

## SAVINGS

Shelby County, Tennessee  
2012 Series A (Ref 2003A)

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/01/2012 @ 1.7826015%
06/30/2013	1,117,812.50	1,030,500.00	87,312.50	86,158.89
06/30/2014	1,117,812.50	1,030,500.00	87,312.50	84,643.32
06/30/2015	1,117,812.50	1,030,500.00	87,312.50	83,154.40
06/30/2016	1,117,812.50	1,030,500.00	87,312.50	81,691.67
06/30/2017	1,117,812.50	1,030,500.00	87,312.50	80,254.68
06/30/2018	1,117,812.50	1,030,500.00	87,312.50	78,842.96
06/30/2019	1,117,812.50	1,030,500.00	87,312.50	77,456.07
06/30/2020	1,117,812.50	1,030,500.00	87,312.50	76,093.58
06/30/2021	1,117,812.50	1,030,500.00	87,312.50	74,755.06
06/30/2022	1,117,812.50	1,030,500.00	87,312.50	73,440.08
06/30/2023	1,117,812.50	1,030,500.00	87,312.50	72,148.23
06/30/2024	1,117,812.50	1,030,500.00	87,312.50	70,879.11
06/30/2025	1,117,812.50	1,030,500.00	87,312.50	69,632.31
06/30/2026	8,837,812.50	7,895,500.00	942,312.50	735,309.29
06/30/2027	9,270,062.50	8,326,575.00	943,487.50	723,176.78
06/30/2028	9,748,625.00	8,809,350.00	939,275.00	707,186.57
	42,388,062.50	38,427,925.00	3,960,137.50	3,174,822.99

Savings Summary

PV of savings from cash flow	3,174,822.99
Plus: Refunding funds on hand	5,344.88
Net PV Savings	<u>3,180,167.87</u>

## SUMMARY OF REFUNDING RESULTS

Shelby County, Tennessee  
2012 Series A (Ref 2006C)

Dated Date	03/01/2012
Delivery Date	03/01/2012
Arbitrage yield	1.782602%
Escrow yield	0.038721%
Bond Par Amount	50,805,000.00
True Interest Cost	1.503098%
Net Interest Cost	1.620972%
Average Coupon	3.899734%
Average Life	5.028
Par amount of refunded bonds	50,115,000.00
Average coupon of refunded bonds	4.390000%
Average life of refunded bonds	4.828
PV of prior debt to 03/01/2012 @ 1.782602%	55,892,123.32
Net PV Savings	-8,309.00
Percentage savings of refunded bonds	-0.016580%
Percentage savings of refunding bonds	-0.016355%

## SAVINGS

Shelby County, Tennessee  
2012 Series A (Ref 2006C)

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/01/2012 @ 1.7826015%
06/30/2012	366,674.75		366,674.75	362,888.78
06/30/2013	6,821,334.75	6,894,625.00	-73,290.25	-59,117.23
06/30/2014	6,794,846.50	6,869,250.00	-74,403.50	-57,803.19
06/30/2015	6,770,017.25	6,840,800.00	-70,782.75	-51,866.90
06/30/2016	6,736,627.50	6,807,400.00	-70,772.50	-49,360.41
06/30/2017	6,714,238.25	6,786,800.00	-72,561.75	-48,358.35
06/30/2018	6,677,520.25	6,748,400.00	-70,879.75	-44,244.91
06/30/2019	9,820,026.25	9,892,600.00	-72,573.75	-30,131.50
06/30/2020	9,851,598.00	9,926,800.00	-75,202.00	-28,716.52
	60,552,883.50	60,766,675.00	-213,791.50	-6,710.23

Savings Summary

PV of savings from cash flow	-6,710.23
Plus: Refunding funds on hand	-1,598.77
Net PV Savings	-8,309.00

## SUMMARY OF REFUNDING RESULTS

Shelby County, Tennessee  
2012 Series A (Ref 2004B)

Dated Date	03/01/2012
Delivery Date	03/01/2012
Arbitrage yield	1.782602%
Escrow yield	0.038721%
Bond Par Amount	60,050,000.00
True Interest Cost	1.552290%
Net Interest Cost	1.678993%
Average Coupon	3.969155%
Average Life	5.948
Par amount of refunded bonds	68,050,000.00
Average coupon of refunded bonds	4.115000%
Average life of refunded bonds	6.054
PV of prior debt to 03/01/2012 @ 1.782602%	72,792,433.88
Net PV Savings	-1,210,651.15
Percentage savings of refunded bonds	-1.779061%
Percentage savings of refunding bonds	-2.016072%

SAVINGS

Shelby County, Tennessee  
2012 Series A (Ref 2004B)

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/01/2012 @ 1.7826015%
06/30/2012	396,635.10		396,635.10	395,057.08
06/30/2013	2,069,400.50	2,365,275.00	-295,874.50	-294,373.39
06/30/2014	2,069,400.50	2,365,275.00	-295,874.50	-289,195.22
06/30/2015	10,311,081.54	9,710,275.00	600,806.54	554,647.51
06/30/2016	10,884,144.92	10,153,200.00	730,944.92	665,285.55
06/30/2017	11,511,501.71	10,696,400.00	815,101.71	729,864.32
06/30/2018	12,200,660.83	11,300,000.00	900,660.83	793,165.49
06/30/2019	12,968,768.80	11,815,200.00	1,153,568.80	1,001,734.48
06/30/2020	13,802,538.81	12,759,000.00	1,043,538.81	887,738.95
06/30/2021	4,190,537.99	3,062,800.00	1,127,737.99	956,088.99
	80,404,670.70	74,227,425.00	6,177,245.70	5,400,013.75

Savings Summary

PV of savings from cash flow	5,400,013.75
Less: Prior funds on hand	-6,607,000.00
Plus: Refunding funds on hand	-3,664.90
Net PV Savings	-1,210,651.15

## SOURCES AND USES OF FUNDS

Shelby County, Tennessee  
2012 Series B (Rural School Bonds)

Dated Date	03/01/2012
Delivery Date	03/01/2012

## Sources:

## Bond Proceeds:

Par Amount	15,150,000.00
Premium	<u>1,643,374.90</u>
	16,793,374.90

## Other Sources of Funds:

Equity Cont. - A/I to Delivery Date	363,713.75
Cash on Hand	<u>8,000,000.00</u>
	8,363,713.75

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25,157,088.65

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## Uses:

## Refunding Escrow Deposits:

Cash Deposit	1.26
SLGS Purchases	<u>25,008,004.00</u>
	25,008,005.26

## Delivery Date Expenses:

Cost of Issuance	46,394.66
Underwriter's Discount	<u>98,475.00</u>
	144,869.66

## Other Uses of Funds:

Additional Proceeds	4,213.73
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25,157,088.65

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## SUMMARY OF REFUNDING RESULTS

Shelby County, Tennessee  
2012 Series B (Rural School Bonds)

Dated Date	03/01/2012
Delivery Date	03/01/2012
Arbitrage yield	1.782602%
Escrow yield	0.038721%
Bond Par Amount	15,150,000.00
True Interest Cost	1.294333%
Net Interest Cost	1.383886%
Average Coupon	3.748106%
Average Life	4.313
Par amount of refunded bonds	23,930,000.00
Average coupon of refunded bonds	4.612898%
Average life of refunded bonds	10.083
PV of prior debt to 03/01/2012 @ 1.782602%	30,403,276.67
Net PV Savings	5,674,073.16
Percentage savings of refunded bonds	23.711129%
Percentage savings of refunding bonds	37.452628%

## SAVINGS

Shelby County, Tennessee  
2012 Series B (Rural School Bonds)

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 03/01/2012 @ 1.7826015%
06/30/2012	545,570.63	363,713.75	181,856.88		181,856.88	180,245.55
06/30/2013	1,091,141.25		1,091,141.25	625,275.00	465,866.25	457,963.39
06/30/2014	2,124,641.25		2,124,641.25	2,797,325.00	-672,683.75	-655,477.32
06/30/2015	2,115,516.25		2,115,516.25	2,798,375.00	-682,858.75	-653,716.72
06/30/2016	2,109,891.25		2,109,891.25	2,795,525.00	-685,633.75	-644,979.31
06/30/2017	2,112,291.25		2,112,291.25	2,797,500.00	-685,208.75	-633,453.21
06/30/2018	2,111,910.00		2,111,910.00	2,799,400.00	-687,490.00	-624,587.71
06/30/2019	2,118,291.25		2,118,291.25	2,797,100.00	-678,808.75	-606,099.16
06/30/2020	2,116,106.25		2,116,106.25	188,700.00	1,927,406.25	1,679,437.76
06/30/2021	2,120,298.75		2,120,298.75		2,120,298.75	1,815,527.07
06/30/2022	2,120,201.25		2,120,201.25		2,120,201.25	1,783,759.25
06/30/2023	2,125,453.75		2,125,453.75		2,125,453.75	1,756,992.67
06/30/2024	2,126,303.13		2,126,303.13		2,126,303.13	1,727,050.04
06/30/2025	2,127,725.00		2,127,725.00		2,127,725.00	1,698,092.03
06/30/2026	2,129,200.00		2,129,200.00		2,129,200.00	1,669,677.06
06/30/2027	2,135,968.75		2,135,968.75		2,135,968.75	1,645,832.26
06/30/2028	2,138,225.00		2,138,225.00		2,138,225.00	1,618,907.62
06/30/2029	1,955,362.50		1,955,362.50		1,955,362.50	1,454,688.17
	35,424,097.50	363,713.75	35,060,383.75	17,599,200.00	17,461,183.75	13,669,859.43

Savings Summary

PV of savings from cash flow	13,669,859.43
Less: Prior funds on hand	-8,000,000.00
Plus: Refunding funds on hand	4,213.73
Net PV Savings	5,674,073.16

BOND SUMMARY STATISTICS

Shelby County, Tennessee  
2012 Series B (Rural School Bonds)

Dated Date	03/01/2012
Delivery Date	03/01/2012
Last Maturity	11/01/2019
Arbitrage Yield	1.782602%
True Interest Cost (TIC)	1.294333%
Net Interest Cost (NIC)	1.383886%
All-In TIC	1.363221%
Average Coupon	3.748106%
Average Life (years)	4.313
Duration of Issue (years)	4.068
Par Amount	15,150,000.00
Bond Proceeds	16,793,374.90
Total Interest	2,449,200.00
Net Interest	904,300.10
Total Debt Service	17,599,200.00
Maximum Annual Debt Service	2,799,400.00
Average Annual Debt Service	2,295,547.83
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	6.500000
Total Underwriter's Discount	6.500000
Bid Price	110.197359

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
G.O. Bonds	15,150,000.00	110.847	3.748%	4.313	6,721.25
	15,150,000.00			4.313	6,721.25

	TIC	All-In TIC	Arbitrage Yield
Par Value	15,150,000.00	15,150,000.00	15,150,000.00
+ Accrued Interest			
+ Premium (Discount)	1,643,374.90	1,643,374.90	1,643,374.90
- Underwriter's Discount	-98,475.00	-98,475.00	
- Cost of Issuance Expense		-46,394.66	
- Other Amounts			
Target Value	16,694,899.90	16,648,505.24	16,793,374.90
Target Date	03/01/2012	03/01/2012	03/01/2012
Yield	1.294333%	1.363221%	1.782602%

## BOND PRICING

Shelby County, Tennessee  
2012 Series B (Rural School Bonds)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
G.O. Bonds:						
	11/01/2013	2,290,000	2.500%	0.560%	103.213	73,577.70
	11/01/2014	2,355,000	3.000%	0.720%	106.010	141,535.50
	11/01/2015	2,430,000	3.500%	0.960%	109.128	221,810.40
	11/01/2016	2,525,000	4.000%	1.120%	113.057	329,689.25
	11/01/2017	2,630,000	4.000%	1.240%	115.056	395,972.80
	11/01/2018	2,735,000	4.000%	1.410%	116.423	449,169.05
	11/01/2019	185,000	4.000%	1.620%	117.092	31,620.20
	11/01/2020		4.000%	1.850%	117.141	
	11/01/2021		4.000%	2.070%	116.827	
	11/01/2022		4.000%	2.250%	116.511	
		15,150,000				1,643,374.90

Dated Date	03/01/2012	
Delivery Date	03/01/2012	
First Coupon	11/01/2012	
Par Amount	15,150,000.00	
Premium	1,643,374.90	
Production	16,793,374.90	110.847359%
Underwriter's Discount	-98,475.00	-0.650000%
Purchase Price	16,694,899.90	110.197359%
Accrued Interest		
Net Proceeds	16,694,899.90	

BOND DEBT SERVICE  
Shelby County, Tennessee  
2012 Series B (Rural School Bonds)

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2013			625,275	625,275
06/30/2014	2,290,000	2.500%	507,325	2,797,325
06/30/2015	2,355,000	3.000%	443,375	2,798,375
06/30/2016	2,430,000	3.500%	365,525	2,795,525
06/30/2017	2,525,000	4.000%	272,500	2,797,500
06/30/2018	2,630,000	4.000%	169,400	2,799,400
06/30/2019	2,735,000	4.000%	62,100	2,797,100
06/30/2020	185,000	4.000%	3,700	188,700
	15,150,000		2,449,200	17,599,200

## ESCROW REQUIREMENTS

Shelby County, Tennessee  
Series 2012B General Obligation Refunding Bonds (2003 Rural)

Series 2003A Special General Obligation Bonds (03ASPEC)

Period Ending	Interest	Principal Redeemed	Total
05/01/2012	545,570.63		545,570.63
11/01/2012	545,570.63	23,930,000.00	24,475,570.63
	1,091,141.25	23,930,000.00	25,021,141.25

## FORM 8038 STATISTICS

Shelby County, Tennessee  
2012 Series B (Rural School Bonds)Dated Date 03/01/2012  
Delivery Date 03/01/2012

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
G.O. Bonds:						
	11/01/2013	2,290,000.00	2.500%	103.213	2,363,577.70	2,290,000.00
	11/01/2014	2,355,000.00	3.000%	106.010	2,496,535.50	2,355,000.00
	11/01/2015	2,430,000.00	3.500%	109.128	2,651,810.40	2,430,000.00
	11/01/2016	2,525,000.00	4.000%	113.057	2,854,689.25	2,525,000.00
	11/01/2017	2,630,000.00	4.000%	115.056	3,025,972.80	2,630,000.00
	11/01/2018	2,735,000.00	4.000%	116.423	3,184,169.05	2,735,000.00
	11/01/2019	185,000.00	4.000%	117.092	216,620.20	185,000.00
	11/01/2020		4.000%	117.141		
	11/01/2021		4.000%	116.827		
	11/01/2022		4.000%	116.511		
		15,150,000.00			16,793,374.90	15,150,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	11/01/2022	4.000%				
Entire Issue			16,793,374.90	15,150,000.00	4.3873	1.7826%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	144,869.66
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00
Proceeds used to currently refund prior issues	0.00
Proceeds used to advance refund prior issues	16,644,291.51
Remaining weighted average maturity of the bonds to be currently refunded	0.0000
Remaining weighted average maturity of the bonds to be advance refunded	10.0016

FORM 8038 STATISTICS  
 Shelby County, Tennessee  
 2012 Series B (Rural School Bonds)

Refunded Bonds

Bond Component	Date	Principal	Coupon	Price	Issue Price
Series 2003A Special General Obligation Bonds:					
SERIAL	11/01/2013	1,060,000.00	5.000%	109.156	1,157,053.60
SERIAL	11/01/2014	1,105,000.00	5.000%	108.212	1,195,742.60
SERIAL	11/01/2015	1,150,000.00	4.000%	100.000	1,150,000.00
SERIAL	11/01/2016	1,200,000.00	4.100%	100.000	1,200,000.00
SERIAL	11/01/2017	1,250,000.00	4.125%	99.004	1,237,550.00
SERIAL	11/01/2018	1,310,000.00	4.250%	99.233	1,299,952.30
SERIAL	11/01/2019	1,365,000.00	4.300%	98.860	1,349,439.00
SERIAL	11/01/2020	1,430,000.00	4.400%	99.054	1,416,472.20
SERIAL	11/01/2021	1,495,000.00	4.500%	99.267	1,484,041.65
SERIAL	11/01/2022	1,570,000.00	4.600%	99.496	1,562,087.20
SERIAL	11/01/2023	1,645,000.00	4.625%	98.994	1,628,451.30
SERIAL	11/01/2024	1,725,000.00	4.700%	98.997	1,707,698.25
TERM	11/01/2025	1,810,000.00	4.750%	98.630	1,785,203.00
TERM	11/01/2026	1,905,000.00	4.750%	98.630	1,878,901.50
TERM	11/01/2027	2,000,000.00	4.750%	98.630	1,972,600.00
TERM	11/01/2028	1,910,000.00	4.750%	98.630	1,883,833.00
23,930,000.00					23,909,025.60

	Last Call Date	Issue Date	Remaining Weighted Average Maturity
Series 2003A Special General Obligation Bonds	11/01/2012	12/02/2003	10.0016
All Refunded Issues	11/01/2012		10.0016



***Exhibit B – Filed CT-0253 Reports of the Refunded Bonds***

***Exhibit C – Filed CT-0253 Reports of the “earlier” generations of debt refunded by the Refunded Bonds***

***Exhibit D – Reports of Review of Plan of refunding relative to the 2006C bonds and the earlier 1996 bond issue which were refunded in part with the 2006C Bonds***

***Exhibit E - Compliance Reports for the swaps related to the 2006C Bonds and 2004B Bonds***