

This Preliminary Official Statement and the information contained herein are subject to change, completion or amendment without notice. The Bonds may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

NEW ISSUE

Book-Entry

PRELIMINARY OFFICIAL STATEMENT

Dated: May 18, 2016

Ratings: Moody's: "Aaa"

S&P: "___"

(See "Miscellaneous – Ratings")

In the opinion of Bass, Berry & Sims PLC, Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the Municipality, interest on the Bonds (as defined herein) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings of certain corporations for purposes of the alternative minimum tax on corporations. For a more detailed explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "LEGAL MATTERS – Tax Matters" herein. Under existing law, all of the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except inheritance, transfer and estate taxes, and Tennessee franchise and excise taxes. (See "Tax Matters" herein).



\$9,220,000*

**CITY OF BRENTWOOD, TENNESSEE
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016**

Dated: Date of Issuance

Due: March 1 (as shown below)

The \$9,220,000* General Obligation Refunding Bonds, Series 2016 (the "Bonds") of the City of Brentwood, Tennessee (the "Municipality") shall be issued as fully registered Bonds in denominations of \$5,000 and authorized integral multiples thereof. The Bonds will be issued in book-entry only form and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") except as otherwise described herein. DTC will act as securities depository of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, as the nominee for DTC, principal and interest with respect to the Bonds shall be payable to Cede & Co., as nominee for DTC, which will, in turn, remit such principal and interest to the DTC participants for subsequent disbursements to the beneficial owners of the Bonds. Individual purchases of the Bonds will be made in book-entry only form, in denominations of \$5,000 or integral multiples thereof and will bear interest at the annual rates as shown below. Interest on the Bonds is payable semi-annually from the date thereof commencing on each March 1st and September 1st commencing on September 1, 2016 by check or draft mailed to the owners thereof as shown on the books and records of Regions Bank, the registration, paying and escrow agent (the "Registration Agent"). In the event of discontinuation of the book-entry system, principal of and interest on the Bonds are payable at the corporate trust office of the Registration Agent.

The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the Municipality is irrevocably pledged. Any portion of the Bonds attributable to the refunding of the Series 2008 Water and Sewer Bonds are additionally payable from, although not secured by the revenues of the water and sewer system of the Municipality.

The Bonds are subject to redemption prior to maturity as described herein.

<u>March 1*</u>	<u>Bonds*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>	<u>March 1*</u>	<u>Bonds*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
2017	\$120,000				2024	\$870,000			
2018	80,000				2025	890,000			
2019	80,000				2026	905,000			
2020	575,000				2027	935,000			
2021	820,000				2028	950,000			
2022	840,000				2029	980,000			
2023	860,000				2030	315,000			

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire *Preliminary Official Statement* to obtain information essential to make an informed investment decision.

The Bonds are offered when, as and if issued, subject to the approval of the legality thereof by Bass, Berry & Sims PLC, Nashville, Tennessee, Bond Counsel, solely to the Municipality, whose opinion will be delivered with the Bonds. Certain legal matters will be passed upon for the Municipality by its counsel, Roger Horner, Esq., City Attorney. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company, New York, New York on or about June 3, 2016*.

RAYMOND JAMES®
Financial Advisor

May __, 2016

* Subject to revision and adjustment as set forth in the "Official Notice of Sale"

⁽¹⁾CUSIP numbers have been assigned by Standard & Poor's CUSIP Service Bureau, a Division of The McGraw-Hill Companies, Inc., and are included solely for convenience of the Bondholders. The Municipality is not responsible for the selection or use of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated herein.

This *Preliminary Official Statement* speaks only as of its date, and the information contained herein is subject to change.

This *Preliminary Official Statement* may contain forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this *Preliminary Official Statement*, the words "expects," "forecasts," "projects," "intends," "anticipates," "estimates," and analogous expressions are intended to identify forward-looking statements as defined in the Securities Act of 1933, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date of this *Preliminary Official Statement*. The Municipality disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Municipality's expectations with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

This *Preliminary Official Statement* and the Appendices hereto contain brief descriptions of, among other matters, the Municipality, the Bonds, the Resolution (as defined herein), the Disclosure Certificate, and the security and sources of payment for the Bonds. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions and statutes, the Resolution, the Disclosure Certificate, and other documents are intended as summaries only and are qualified in their entirety by reference to such documents and laws, and references herein to the Bonds are qualified in their entirety to the forms thereof included in the Resolution.

The Bonds have not been registered under the Securities Act of 1933 and the Resolution has not been qualified under the Trust Indenture Act of 1939, in reliance on exemptions contained in such Acts. This *Preliminary Official Statement* does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

No dealer, broker, salesman, or other person has been authorized by the Municipality, the Financial Advisor to give any information or to make any representations other than those contained in this *Preliminary Official Statement*, and, if given or made, such other information or representations should not be relied upon as having been authorized by the Municipality or Financial Advisor. Except where otherwise indicated, all information contained in this *Preliminary Official Statement* has been provided by the Municipality. The information set forth herein has been obtained by the Municipality from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the Financial Advisor. The information contained herein is subject to change without notice, and neither the delivery of this *Preliminary Official Statement* nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the Municipality, or the other matters described herein since the date hereof or the earlier dates set forth herein as of which certain information contained herein is given.

In connection with this offering, the Underwriter may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

CITY OF BRENTWOOD, TENNESSEE

BOARD OF COMMISSIONERS

Regina R. Smithson, *Mayor*

Jill Burgin
Vice Mayor & Commissioner

Mark W. Gorman
Commissioner

Anne Dunn
Commissioner

Rhea E. Little III
Commissioner

Betsy Crossley
Commissioner

Ken Travis
Commissioner

CITY OFFICIALS

Kirk E. Bednar
City Manager

Jay M. Evans
Assistant City Manager

Roger A. Horner
City Attorney

Karen W. Harper
Interim Finance Director

Deborah Hedgepath
City Recorder

REGISTRATION, PAYING AND ESCROW AGENT

Regions Bank
Nashville, Tennessee

BOND COUNSEL

Bass, Berry & Sims PLC
Nashville, Tennessee

FINANCIAL ADVISOR

Raymond James & Associates, Inc.
Nashville, Tennessee

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SUMMARY STATEMENT

The information set forth below is provided for convenient reference and does not purport to be complete and is qualified in its entirety by the information and financial statements appearing elsewhere in this *Preliminary Official Statement*. This Summary Statement shall not be reproduced, distributed or otherwise used except in conjunction with the remainder of this *Preliminary Official Statement*.

The Issuer City of Brentwood, Tennessee (the “Municipality”). See the section entitled “Supplemental Information Statement” (APPENDIX B) for more information.

Securities Offered..... \$9,220,000* General Obligation Refunding Bonds, Series 2016 (the “Bonds”) of the Municipality, dated the date of their delivery. The Bonds will mature each March 1 beginning March 1, 2017 through March 1, 2030, inclusive. See the section entitled “SECURITIES OFFERED – Authority and Purpose”.

Security The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the Municipality is irrevocably pledged. Any portion of the Bonds attributable to the refunding of the Series 2008 Water and Sewer Bonds (as defined below) are additionally payable from, although not secured by the revenues of the water and sewer system of the Municipality. See the section entitled “SECURITIES OFFERED – Security”.

Bank Qualification The Bonds have been designated as "qualified tax-exempt obligations" within the meaning of Section 265 of the Internal Revenue Code of 1986, as amended. See the section entitled “LEGAL MATTERS - Tax Matters” for additional information.

Purpose..... The Bonds are being issued for the purpose of providing funds to refund the Municipality’s outstanding Water and Sewer System Revenue and Tax Bonds, Series 2008, dated September 15, 2008, maturing March 1, 2021, March 1, 2023, March 1, 2026, March 1, 2028 and March 1, 2029 (the “Series 2008 Water and Sewer Bonds”) and its General Obligation Public Improvement Bonds, Series 2009, dated November 24, 2009, maturing March 1, 2021 through March 1, 2030, inclusive (the “2009 G.O. Bonds” and collectively with the Series 2008 Water and Sewer Bonds, the “Outstanding Bonds”) and pay all or a portion of the costs of issuance and sale of the Bonds.

See the section entitled “SECURITIES OFFERED – Authority and Purpose and the Refunding Plan” for additional information.

Optional Redemption..... The Bonds are subject to optional redemption prior to maturity on and after March 1, 2026 at the redemption price of par and accrued interest. See the section entitled “SECURITIES OFFERED - Optional Redemption”.

* Subject to reduction and adjustment as set forth in the “Official Notice of Sale”

Mandatory Redemption	[To Be Determined. See the “Official Notice of Sale” for bidding option].
Ratings	Moody’s Investor’s Service, Inc. (“Moody’s”) – “Aaa” and Standard & Poor’s (“S&P”) – “___”. See the section entitled “MISCELLANEOUS – Ratings” for more information.
Financial Advisor.....	Raymond James & Associates, Inc., Nashville, Tennessee (“Raymond James”). Also see the section entitled “MISCELLANEOUS –Financial Professionals”.
Underwriter	_____ (the “Underwriter”). Also see the section entitled “MISCELLANEOUS –Financial Professionals”.
Bond Counsel.....	Bass, Berry & Sims PLC, Nashville, Tennessee (the “Bond Counsel”). Also see the section entitled “MISCELLANEOUS – Financial Professionals”.
Book Entry Only	The Bonds will be issued under the Book Entry System except as otherwise described herein. For additional information, see the section entitled “BASIC DOCUMENTATION – Book Entry System”
Registration, Paying and Escrow Agent	Regions Bank, Nashville, Tennessee (the “Registration Agent”). Also see the section entitled “MISCELLANEOUS –Financial Professionals”.
Tax Matters	In the opinion of Bass, Berry & Sims PLC, Bond Counsel, based on existing law and assuming compliance with certain tax covenants of the Municipality, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings of certain corporations for purposes of the alternative minimum tax on corporations. For a more detailed explanation of certain tax consequences under federal law which may result from the ownership of the Bonds, see the discussion under the heading "LEGAL MATTERS – Tax Matters" herein. Under existing law, all of the Bonds and the income therefrom will be exempt from all state, county and municipal taxation in the State of Tennessee, except inheritance, transfer and estate taxes, and Tennessee franchise and excise taxes. See “LEGAL MATTERS—Tax Matters” herein. See also “APPENDIX A: Form of Legal Opinion included herein.
General.....	The Bonds are being issued in full compliance with Title 9, Chapter 21, Parts 1, 2 and 9, <u>Tennessee Code Annotated</u> , as supplemented and revised. The Bonds will be issued with CUSIP numbers through the facilities of The Depository Trust Company, New York, New York. See the section entitled “SECURITIES OFFERED – Authority and Purpose” for more information.
Disclosure	In accordance with Rule 15c2-12 of the Securities and Exchange

Commission as amended (the “Rule”), the Municipality will provide the Municipal Securities Rulemaking Board (“MSRB”) through the operation of the Electronic Municipal Market Access system (“EMMA”) and the State information depository (“SID”), if any, annual financial statements and other pertinent credit or event information, including the Annual Financial Reports, see the section entitled “MISCELLANEOUS - Continuing Disclosure”

Other Information The information in the *Preliminary Official Statement* is deemed "final" within the meaning of Rule 15c2-12(b)(5) of the SEC (the “Rule”) as of the date which appears on the cover hereof except for the omission of certain information allowed to be excluded under the Rule. For more information concerning the Municipality or the *Preliminary Official Statement*, contact Mr. Kirk Bednar, City Manager or Ms. Karen Harper, Interim Finance Director; Brentwood Municipal Center, 5211 Maryland Way, Brentwood, Tennessee 37024, Telephone: 615.371.0060 or the Financial Advisor, Raymond James & Associates, Inc., One Burton Hills Blvd. - Suite 225, Nashville, Tennessee 37215, Telephone: 615.665.6920 or 800.764.1002

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\$9,220,000*
CITY OF BRENTWOOD, TENNESSEE
General Obligation Refunding Bonds, Series 2016

SECURITIES OFFERED

AUTHORITY AND PURPOSE

This *Preliminary Official Statement* which includes the Summary Statement and appendices is furnished in connection with the offering by the City of Brentwood, Tennessee (the "Municipality") of its \$9,220,000* General Obligation Refunding Bonds, Series 2016 (the "Bonds").

The Bonds are authorized to be issued pursuant to the provisions of Title 9, Chapter 21, Parts 1, 2 and 9, Tennessee Code Annotated, as supplemented and amended, and other applicable provisions of law. The Bonds were authorized by the Board of Commissioners of the Municipality (the "Governing Body") pursuant to a resolution duly adopted on May 9, 2016 (the "Resolution").

The Bonds are being issued for the purpose of providing funds to refund the Municipality's outstanding Water and Sewer System Revenue and Tax Bonds, Series 2008, dated September 15, 2008, maturing March 1, 2021, March 1, 2023, March 1, 2026, March 1, 2028 and March 1, 2029 (the "Series 2008 Water and Sewer Bonds") and its General Obligation Public Improvement Bonds, Series 2009, dated November 24, 2009, maturing March 1, 2021 through March 1, 2030, inclusive (the "2009 G.O. Bonds" and collectively with the Series 2008 Water and Sewer Bonds, the "Outstanding Bonds") and pay all or a portion of the costs of issuance and sale of the Bonds.

DESCRIPTION OF THE BONDS

The Bonds initially will be dated the date of their issuance estimated to be June 3, 2016*. Interest on the Bonds will be payable semiannually on March 1 and September 1, commencing September 1, 2016. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds will be initially registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds.

See the section entitled "BASIC DOCUMENTATION - The Book-Entry System" and the "Registration Agent" for additional information.

REFUNDING PLAN

As required by prevailing State statutes, the Municipality submitted a Refunding Plan (the "Plan") to the Tennessee Comptroller of the Treasury - Director of State and Local Finance (the "Director") who reported directly to the Municipality on the Plan prior to formal action by the Governing Body authorizing the sale and issuance of the Bonds.

* Subject to revision and adjustment as outlined in the "Official Notice of Sale"

Consistent with the Municipality’s formal Debt Management Plan, the strategy developed in the “Refunding Plan” was to refund the Refunded Bonds (defined herein) and redeem those obligations on their first optional redemption dates in order to achieve measurable annual net aggregate and net present value savings by taking advantage of more favorable interest rates in the current market.

Pursuant to the terms and conditions of the resolution authorizing the Refunded Bonds, a portion of the proceeds from the Bonds will be deposited into an irrevocable escrow held by Registration Agent acting in its role of escrow agent (the “Escrow Agent”) to advance refund the Refunded Bonds. Proceeds of the Bonds will be invested in eligible U.S. Treasury obligations (either State and Local Series obligations or open market securities) consistent with the prevailing State law and other regulations. Proceeds from these investments including interest earnings thereon along with other proceeds, if any, will be structured and sized to retire and extinguish the Refunded Bonds. An independent verification of the sufficiency of funds and escrow investments held pursuant to the Escrow Agreement (defined herein) will be conducted and an opinion provided at closing by the Municipality’s Verification Agent.

Refunded Bonds. Previously, the Municipality authorized, issued and delivered the following bond issues, portions of which will be advance refunded (the “Refunded Bonds”) with proceeds from the Bonds:

<u>Refunded Bonds</u>	<u>Dated Date</u>	<u>Maturities Refunded*</u>	<u>Redemption Date</u>	<u>Refunded Amount*</u>	<u>Type</u>
Water and Sewer Revenue and Tax Bonds, Series 2008 (“Series 2008 Bonds”)	09/15/2008	03/01/2021, on 03/01/2023, on 03/01/2026, on 03/01/2028 and on 03/01/2029	03/01/2019	\$5,930,000	Advance
General Obligation Public Improvement Bonds, Series 2009 (“Series 2009 Bonds”)	11/24/2009	03/01/2021 – 03/01/2030	03/01/2020	\$2,795,000	Advance

See the sections entitled “BASIC DOCUMENTATION – Disposition of Proceeds” and “MISCELLANEOUS – Financial Professionals” for additional information.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Grant Thornton LLP (the “Verification Agent”), a firm of independent public accountants, will deliver to the Municipality, on or before the date of issuance of the Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the escrow investments, to pay, when due, the maturing principal of and interest on the Refunded Bonds and (b) the mathematical computations of yield used by Bond Counsel to support its opinion that interest on the Bonds will be excluded from gross income for federal income tax purposes.

The verification performed by Grant Thornton LLP will be solely based upon data, information and documents provided to Grant Thornton LLP by the Municipality and its

* Subject to revision and adjustment as outlined in the “Official Notice of Sale”

representatives. Grant Thornton LLP has restricted its procedures to recalculating the computations provided by the Municipality and its representatives and has not evaluated or examined the assumptions or information used in the computations.

SECURITY

The Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Municipality. For the prompt payment of principal of and interest on the Bonds, the full faith and credit of the Municipality is irrevocably pledged. Any portion of the Bonds attributable to the refunding of the Series 2008 Water and Sewer Bonds are additionally payable from, although not secured by the revenues of the water and sewer system of the Municipality* .

REDEMPTION

Optional Redemption. Bonds maturing March 1, 2017 through March 1, 2022, inclusive shall mature without option of prior redemption. Bonds maturing March 1, 2023 and thereafter shall be subject to redemption prior to maturity at the option of the Municipality on March 1, 2022 and thereafter, as a whole or in part, at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Governing Body of the Municipality, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

- (i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or
- (ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

Mandatory Redemption. [Subject to the credit hereinafter provided, the Municipality shall redeem the Bonds maturing _____ on the redemption dates set forth herein opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the Bonds or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC, or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or

* Although subject to revision, on a preliminary basis, approximately 67.6% of the Bonds are attributable to the refunding of the Series 2008 Bonds.

such other random manner as the Registration Agent in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds Redeemed</u>
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Final Maturity

[At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and canceled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]*

Notice of Redemption. Notice of call for redemption[, whether optional or mandatory,] shall be given by the Registration Agent on behalf of the Municipality not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. An optional redemption notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to affect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the Municipality nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the Municipality pursuant to written instructions from an authorized representative of the Municipality (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be

* Subject to terms and conditions outlined in the "Official Notice of Sale".

satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. On or before the date fixed for redemption, moneys shall be deposited with the Registration Agent to pay the principal of, redemption premium, if any, and interest accrued to the redemption date on the Bonds called for redemption. In the case of a Conditional Redemption, the failure of the Municipality to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

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BASIC DOCUMENTATION

BOOK ENTRY-ONLY SYSTEM

The Registration Agent, Regions Bank, its successor or the Municipality will make all interest payments with respect to the Bonds on each interest payment date directly to Cede & Co., as nominee of DTC, the registered owner as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the “Regular Record Date”) by check or draft mailed to such owner at its address shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the Municipality in respect of such Bonds to the extent of the payments so made, except as described above. Payment of principal of the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable.

So long as Cede & Co. is the Registered Owner of the Bonds, as nominee of DTC, references herein to the Bondholders, Holders or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds. For additional information, see the following section.

The Bonds, when issued, will be registered in the name of Cede & Co., DTC’s partnership nominee, except as described above. When the Bonds are issued, ownership interests will be available to purchasers only through a book entry system maintained by DTC (the “Book-Entry-Only System”). One or more fully registered bond certificates will be issued for each maturity, in the entire aggregate principal amount of the Bonds and will be deposited with DTC.

DTC and its Participants. DTC is a limited purpose trust company organized under the New York Bank Law, a “**banking organization**” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “**clearing corporation**” within the meaning of the New York Uniform Commercial Code, and a “**clearing agency**” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for securities that its participants (the “**Direct Participants**”) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry-only changes in DTC Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of its Direct Participants and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (the “NSCC”, “GSCC”, “MBSCC”, and “EMCC”, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc. (the “NYSE”), the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct DTC Participant, either directly or indirectly (the “**Indirect Participants**” and, together with the Direct Participants, the “**Participants**”). DTC has S&P’s

rating of “AA+.” The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtc.com.

Purchase of Ownership Interests. Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (a “**beneficial owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through whom such beneficial owners entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the Bonds, except as specifically provided in the Bonds in the event that use of the book-entry-only system is discontinued.

Payments of Principal and Interest. Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts, upon DTC’s receipt of funds and corresponding detail information from the Registration Agent on the payable date in accordance with their respective holdings shown on DTC’s records, unless DTC has reason to believe it will not receive payment on such date. Payments by Direct and Indirect Participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with municipal securities held for the accounts of customers in bearer form or registered in “**street name**”, and will be the responsibility of such Participant and not of DTC, the Municipality or the Registration Agent subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal, tender price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Registration Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the beneficial owners shall be the responsibility of Direct and Indirect Participants.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. Beneficial owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to beneficial owners, or in the alternative, beneficial owners may wish to provide their names and addresses to the Registration Agent and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s procedures. Under its usual procedures, DTC mails an

Omnibus Proxy to the Municipality as soon as practicable after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

NONE OF THE MUNICIPALITY, THE FINANCIAL ADVISOR, THE BOND COUNSEL OR THE REGISTRATION AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENT TO, OR THE PROVIDING OF NOTICE FOR, SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES.

Transfers of Bonds. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the beneficial owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

None of the Municipality, the Bond Counsel, the Registration Agent or the Underwriter will have any responsibility or obligation, legal or otherwise, to any party other than to the registered owners of any Bond on the registration books of the Registration Agent.

Discontinuance of Book-Entry-Only System. In the event that (i) DTC determines not to continue to act as securities depository for the Bonds or (ii) to the extent permitted by the rules of DTC, the Municipality determines to discontinue the Book-Entry System, the Book-Entry System shall be discontinued. Upon the occurrence of the event described above, the Municipality will attempt to locate another qualified securities depository, and if no qualified securities depository is available, Bond certificates will be printed and delivered to beneficial owners.

No Assurance Regarding DTC Practices. The foregoing information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Municipality believes to be reliable, but the Municipality, the Bond Counsel, the Registration Agent and the Underwriter do not take any responsibility for the accuracy thereof. So long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, references herein to the holders or registered owners of the Bonds will mean Cede & Co. and will not mean the beneficial owners of the Bonds. None of the Municipality, the Bond Counsel, the Registration Agent or the Underwriter will have any responsibility or obligation to the Participants, DTC or the persons for whom they act with respect to (i) the accuracy of any records maintained by DTC or by any Direct or Indirect Participant of DTC, (ii) payments or the providing of notice to Direct Participants, the Indirect Participants or the beneficial owners or (iii) any other action taken by DTC or its partnership nominee as owner of the Bonds.

TRANSFERS AND EXCHANGES

The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or its legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the Municipality to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations. For more information on the duties of the Registration Agent, please refer to the Resolution. Also, please see the section entitled "SECURITIES OFFERED – Redemption."

SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds relating to the proceeds from the Bonds:

Sources of Funds:

Par Amount
Plus: Net Original Issue Premium
TOTAL SOURCES:

Uses of Funds:

Deposit to the Escrow Fund
Underwriter's Discount
Costs of Issuance
TOTAL USES:

DISCHARGE AND SATISFACTION OF BONDS

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which Agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Federal Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds, respectively, and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds, respectively, are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice);

(c) By delivering such Bonds, to the Registration Agent, for cancellation by it; and if the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Bonds or make adequate provision therefor, and by resolution of the Governing Body instruct any such Escrow Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on the Bonds, when due, then and in that case the indebtedness evidenced by the Bonds, respectively, shall be discharged and satisfied and all covenants, agreements and obligations of the Municipality to the holders of the Bonds, shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Bonds, in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Federal Obligations deposited as aforesaid.

Except as otherwise provided, neither Federal Obligations nor moneys deposited with the Registration Agent nor principal or interest payments on any such Federal Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Federal Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on the Bonds, respectively, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent. Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee law for the purposes described herein, which bonds or other

obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

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BONDHOLDERS' RISKS

GENERAL

Set forth below are certain risks purchasers of the Bonds should consider when making an investment decision. All potential risks are not included and the discussion is not intended to be exhaustive.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions, which are often subject to discretion and delay. The enforceability of remedies or rights with respect to the Bonds may be limited by state and federal laws, rulings and decisions affecting remedies and by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. Under existing constitutional and statutory law and judicial decisions, certain remedies specified by the Resolution may not be readily available or may be limited. The legal opinion to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

ADDITIONAL BONDS

The Municipality may issue additional bonds in accordance with the provisions of the Act. The issuance of additional bonds would increase the debt service requirements and could adversely affect the sources of funds available to service the Bonds.

LOSS OF TAX EXEMPTION

There is no provision for the redemption of the Bonds or for the payment of additional interest on the Bonds in the event that interest on the Bonds becomes includable in gross income for federal income tax purposes. In the event that interest on the Bonds becomes includable in gross income for federal income tax purposes, the value and marketability of the Bonds would likely be adversely affected. The Municipality has covenanted not to do anything that would adversely affect the tax-exempt status of the Bonds.

See "LEGAL MATTERS – Tax Matters".

OTHER RISK FACTORS

In the future, the following additional factors, among others, may adversely affect the operations of the Municipality to an extent that cannot be determined at this time:

(1) The ability of the Municipality to insure or otherwise protect itself against property damage and general liability claims due to cost or other unknown factors.

(2) Proposals to eliminate the tax-exempt status of debt instruments issued by the Municipality or to limit the use of such tax-exempt bonds, which have been made in the past, and

which may be made again in the future. The adoption of such proposals would increase the cost to the Municipality of financing future capital needs.

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LEGAL MATTERS

LITIGATION

General. There are no suits threatened or pending challenging the legality or validity of the Bonds or the right of the Municipality to sell or issue the Bonds or to collect its ad valorem taxes to pay principal of and interest on the Bonds.

At the time of delivery of and payment for the Bonds, the Municipality will deliver, or cause to be delivered, a certificate of the Municipality stating that there is no controversy or litigation of any nature then pending or threatened, restraining or enjoining the issuance, sale execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Municipality taken with respect to the authorization, issuance or sale thereof or the pledge or application of any moneys or security provided for the payment of the Bonds or the existence, boundaries or powers of the Municipality, or the title of its officials to their respective offices. See the subsection in this section entitled "Closing Certificates" for additional information.

Litigation and Other Contingencies. The following information has been provided by the City Attorney regarding significant litigation and other contingencies that could affect the Municipality.

State Sewer Moratorium. In 2004, the Tennessee Department of Environment and Conservation ("TDEC") issued an order finding Brentwood in violation of clean water laws as a result of an overflow at a pumping station operated and maintained by the Metropolitan Government of Nashville and Davidson County ("Metro") to facilitate the transportation and treatment of sewage from Brentwood and some portions of Metro. The order imposed a moratorium on future sewer connections which had not yet been approved. A petition for review was filed on Brentwood's behalf, asserting that actions taken by Metro were largely to blame for pump station overflows, and Brentwood succeeded in persuading TDEC that a long-term solution could not be implemented without the involvement of Metro.

In 2006, an agreed order was approved by TDEC, revising the 2004 order and citing Metro, which was not a party to the 2004 order. Under the 2006 order, Brentwood and Metro agreed on an independent consultant to make recommendations for corrective action to prevent future overflows. The sewer moratorium affects only that portion of Brentwood served by the Brentwood/Metro pumping station. Properties in the eastern portion of Brentwood, where most new residential subdivision growth has occurred and is expected to occur, are not affected. Additionally, the moratorium exempted properties for which the Municipality had already made a legal commitment to provide sewer service. As a result, while sewer service to some individual parcels might not have been available until the moratorium was partially lifted, development continued in most areas.

The implementation of TDEC's order required an ongoing significant capital investment from the Municipality's water and sewer fund for sewer rehabilitation work. Substantial progress has been made toward documenting flow reductions and TDEC has authorized capacity increases in recognition of the progress that has been made. Additional relaxation and possibly complete removal of the moratorium is anticipated as capital work continues but, at this point, there are

currently no parcels or developments being impeded by the sewer moratorium. An updated compliance plan approved by TDEC in 2014 obligates the Municipality to continuing rehabilitation work at a reduced level of \$1.25 million annually through 2019. Debt service related to the prior sewer rehabilitation work is being paid from proceeds of the Municipality's 25.0% sewer rate increase approved and implemented in April 2008. Future sewer rehabilitation work is programmed to be funded from annual operating revenues of the water and sewer fund, including a planned 3% sewer rate increase effective July 1, 2016. No tax revenues have been used for the sewer rehabilitation work, and the Municipality does not anticipate any need for the use of tax revenues for future sewer rehabilitation projects.

Other Claims. There are certain claims against the Municipality and pending litigation in which the Municipality is a party in which financial exposure is considered to be insignificant or potential damages and costs are covered through insurance.

REMEDIES OF BONDHOLDERS

Under Tennessee law, any Bondholder has the right, in addition to all other rights:

(1) By mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce its rights against the Municipality, including, but not limited to, the right to require the Municipality to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes, fees, rents, tolls, or other charges, and to require the Municipality to carry out any other covenants and agreements, or

(2) By action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Bondholder.

TAX MATTERS

Federal

General. Bass, Berry & Sims PLC, Nashville, Tennessee, is Bond Counsel for the Bonds. Their opinion under existing law, relying on certain statements by the Municipality and assuming compliance by the Municipality with certain covenants, is that interest on the Bonds:

- is excluded from a bondholder's federal gross income under the Internal Revenue Code of 1986 (the "Code"),
- is not a preference item for a bondholder or under the federal alternative minimum tax, and
- is included in the adjusted current earnings of a corporation under the federal corporate alternative minimum tax.

The Code imposes requirements on the Bonds that the Municipality must continue to meet after the Bonds are issued. These requirements generally involve the way that the Bond proceeds must be invested and ultimately used. If the Municipality does not meet these requirements, it is possible that a bondholder may have to include interest on the Bonds in its federal gross income

on a retroactive basis to the date of issue. The Municipality has covenanted to do everything necessary to meet these requirements of the Code.

A bondholder or who is a particular kind of taxpayer may also have additional tax consequences from owning the Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit or
- a borrower of money to purchase or carry the Bonds.

If a bondholder is in any of these categories, it should consult its tax advisor.

Bond Counsel is not responsible for updating its opinion in the future. It is possible that future events or changes in applicable law could change the tax treatment of the interest on the Bonds or affect the market price of the Bonds. See also “Changes in Federal and State Tax Law” below in this heading.

Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Bonds, or under State, local or foreign tax law.

Bond Premium. If a bondholder purchases a Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder’s tax basis in that Bond will be reduced. The holder of a Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Bonds. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Bond with bond premium, even though the Bond is sold for an amount less than or equal to the owner’s original cost. If a bondholder owns any Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Original Issue Discount. A Bond will have “original issue discount” if the price paid by the original purchaser of such Bond is less than the principal amount of such Bond. Bond Counsel’s opinion is that any original issue discount on these Bonds as it accrues is excluded from a bondholder’s federal gross income under the Internal Revenue Code. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder’s tax basis in these Bonds will be increased. If a bondholder owns one of these Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Information Reporting and Backup Withholding. Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's Federal income tax once the required information is furnished to the Internal Revenue Service.

Qualified Tax-Exempt Obligations. Under the Code, in the case of certain financial institutions, no deduction from income under the federal tax law will be allowed for that portion of such institution's interest expense which is allocable to tax-exempt interest received on account of tax-exempt obligations acquired after August 7, 1986. The Code, however, provides that certain "qualified tax-exempt obligations", as defined in the Code, will be treated as if acquired on August 7, 1986. Based on an examination of the Code and the factual representations and covenants of the Municipality as to the Bonds, Bond Counsel has determined that the Bonds upon issuance will be "qualified tax-exempt obligations" within the meaning of the Code.

State Taxes.

Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on interest on the Bonds during the period the Bonds are held or beneficially owned by any organization or entity, or other than a sole proprietorship or general partnership doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee.

Changes In Federal And State Tax Law.

From time to time, there are Presidential proposals, proposals of various federal and Congressional committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Bonds or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. For example, various proposals have been made in Congress and by the President which, if enacted, would subject interest on bonds, such as the Bonds, that is otherwise excluded from gross income for federal income tax purposes, to a tax payable by certain bondholders with an adjusted gross income in

excess of certain proposed thresholds. It cannot be predicted whether, or in what form, these proposals might be enacted or if enacted, whether they would apply to Bonds prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

The form of the opinion of Bond Counsel is attached as “APPENDIX A: PROPOSED FORM OF OPINION”. Copies of the opinion will be available at the time of the initial delivery of the Bonds.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the Municipality will execute in a form satisfactory to Bond Counsel, certain closing certificates including the following: (i) A certificate as to the *Official Statement*, in final form (as defined herein), signed by the Mayor, Interim Finance Director and City Recorder acting in their official capacities to the effect that to the best of their knowledge and belief, and after reasonable investigation, (a) neither the *Official Statement*, in final form, nor any amendment or supplement thereto, contains any untrue statements of material fact or omits to state any material fact necessary to make statements therein, in light of the circumstances in which they are made, not misleading, (b) since the date of the *Official Statement*, in final form, no event has occurred which should have been set forth in such a memo or supplement, and (c) there is no litigation of any nature pending or threatened seeking to restrain the issuance, sale, execution and delivery of the Bonds, or contesting the validity of the Bonds or any proceeding taken pursuant to which the Bonds were authorized; (ii) a non-arbitrage certificate which supports the conclusions that based upon facts, estimates and circumstances in effect, upon delivery of the Bonds, the proceeds of the Bonds will not be used in a manner which would cause the Bonds to be arbitrage bonds; (iii) certificates as to the delivery and payment, signed by the Interim Finance Director acting in her official capacity evidencing delivery of and payment for the Bonds; (iv) a signature identification and incumbency certificate, signed by the Mayor, Interim Finance Director, City Attorney and City Recorder acting in their official capacities certifying as to the due execution of the Bonds; and (v) a Continuing Disclosure Certificate regarding certain covenants of the Municipality concerning the preparation and distribution of certain annual financial information and notification of certain material events, if any.

For additional information, see the section entitled “MISCELLANEOUS – Underwriting”, “MISCELLANEOUS - Additional Information” and MISCELLANEOUS - Continuing Disclosure”.

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters relating to the authorization and the validity of the Bonds are subject to the approval of Bass, Berry & Sims PLC, Nashville, Tennessee, bond counsel solely to the Municipality (“Bond Counsel”). Bond Counsel did not prepare the *Preliminary Official Statement* or the *Official Statement*, in final form, or verified their accuracy, completeness or fairness. Accordingly, Bond Counsel expresses no opinion of any kind concerning the *Preliminary Official Statement* or *Official Statement*, in final form, except for the information under the section entitled “TAX MATTERS”. The opinion of Bond Counsel will be limited to matters relating to authorization and validity of the Bonds and to the tax-exemption of interest on the Bonds under present federal income tax laws, both as described above. The legal opinion will be delivered with the Bonds and the form of the opinion is included in APPENDIX A.

Certain legal matters will be passed upon for the Municipality by its counsel, Roger A. Horner, Esq., City Attorney.

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MISCELLANEOUS

RATINGS

Moody's Investors Service, Inc., a division of Moody's Corp. ("Moody's") and Standard & Poor's Corporation, a Division of The McGraw – Hill Companies, Inc. ("S&P") have assigned the Bonds the credit ratings of "Aaa" and "___", respectively, each of which appears on the cover of this *Preliminary Official Statement*.

The Municipality furnished Moody's and S&P certain information and materials and had "due diligence" meetings with each rating agency concerning the Bonds and the Municipality. Generally, Moody's and S&P base their ratings on such information and materials and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that any rating will be maintained for any given period of time or that it will not be revised downward or withdrawn entirely by Moody's and/or S&P if, in their judgment, circumstances so warrant. The Municipality undertakes no responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of the ratings or other actions by a rating agency may have an adverse effect on the market price of the Bonds.

Any explanation of the significance of the ratings may be obtained only from Moody's and/or S&P.

COMPETITIVE PUBLIC SALE

The Bonds were offered for sale at competitive public bidding on May 26, 2016*. Details concerning the public sale were provided to potential bidders and others through the revised *Preliminary Official Statement* that was dated May 18, 2016.

Through IPREO's BiDCOMP®/Parity® system, ___ of the original ___ firms which indicated an interest in bidding for the Bonds submitted proposals ranging from the best bid of ___ % on a true interest cost basis ("TIC") to ___ %.

The successful bidder for the Bonds was an account led by _____, _____, _____ (the "Underwriter") who contracted with the Municipality, subject to the conditions set forth in the Detailed Notice of Sale to purchase the Bonds at a purchase price of \$_____ (consisting of the par amount of the Bonds, plus a premium of \$_____, less an original issue discount of \$_____, less an underwriter's discount of \$_____) or a bid price of _____ % of par.

FINANCIAL PROFESSIONALS

Financial Advisor. Raymond James & Associates, Inc., ("Raymond James") Nashville, Tennessee has served as Financial Advisor to the Municipality in connection with the Bonds and will receive compensation for duties performed in that role conditioned upon the sale and issuance of the Bonds.

Bond Counsel. Bass, Berry & Sims PLC represents Raymond James and Regions Bank on legal matters unrelated to the Municipality.

Regions Bank. From time to time, Regions has worked with Raymond James on other non-related transactions and may do so again. Additionally, Bass, Berry & Sims PLC has represented Regions on other unrelated transactions.

Bidding Agent. For this transaction, Raymond James or another firm may serve as the bidding agent (the “Bidding Agent”) to conduct a competitive bid procurement process for investment of the proceeds associated with the Escrow Agreement. In that role, any Bidding Agent would be compensated directly by the Municipality.

DEBT LIMITATIONS

Under the legal authority under which the Bonds are sold and issued, there is no limit on the amount of debt obligations that may be issued by the Municipality. (See DEBT STRUCTURE - Indebtedness and Debt Ratios for more information.)

ADDITIONAL DEBT OBLIGATIONS

The Municipality has not authorized the sale or issuance of any additional debt obligations at this time.

OFFICIAL STATEMENT

Certain information relative to the location, economy and finances of the Municipality is found in the *Preliminary Official Statement and the Official Statement*. While not guaranteed as to completeness or accuracy, the *Preliminary Official Statement and the Official Statement* are believed to be correct as of their respective dates based on information supplied by the Municipality and other reliable sources and by the certification by the Municipality as to the *Official Statement*.

Raymond James has not been engaged by Municipality to provide or validate any information in this *Official Statement* relating to Municipality, including (without limitation) any of Municipality’s financial and operating data, whether historical or projected. Raymond James is not a public accounting or auditing firm and has not been engaged by Municipality to review or audit any information in this *Official Statement* in accordance with accounting standards.

CONTINUING DISCLOSURE

At the time the Bonds are delivered, the Municipality will execute a Continuing Disclosure Certificate in which it will covenant for the benefit of holders and beneficial owners of the Bonds to provide certain financial information relating to the Municipality by not later than twelve months after each of the Municipality’s fiscal years, (the “Annual Report”), commencing with the fiscal year ending June 30, 2016 and to provide notice of the occurrence of certain enumerated events. The Annual Report (and audited financial statements, if filed separately) will be filed with the Municipal Securities Rulemaking Board (“MSRB”) through the operation of the Electronic Municipal Market Access system (“EMMA”) and with any State Information Depository established in the State of Tennessee (the “SID”). If the Municipality is unable to provide the Annual Report to the MSRB and the SID by the date required, notice of each failure will be sent to the MSRB and the SID on or before such date. The notices of events will be filed

by the Municipality with the MSRB and the SID. The specific nature of the information to be contained in the Annual Report or the notices of events will be summarized in the Municipality's *Official Statement* to be prepared and distributed in connection with the sale of the Bonds. These covenants have been made in order to assist the Underwriters in complying with SEC Rule 15c2-12(b) (the "Rule"). The Municipality has not failed to comply, in any material respect, in the last five years with any previous undertakings. See "APPENDIX C: Form of Continuing Disclosure Certificate" for additional information.

ADDITIONAL INFORMATION

References, excerpts and summaries contained herein of certain provisions of the laws of the State and any documents referred to herein do not purport to be complete statements of the provisions for such laws or documents, and reference should be made to the complete provisions thereof for a full and complete statement of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the holders thereof. The *Preliminary Official Statement* and the *Official Statement* in final forms, and any advertisement of the Bonds are not to be construed as a contract or agreement between the Municipality and the purchasers of any of the Bonds. Any statements or information printed in the *Preliminary Official Statement* and the *Official Statement*, in final forms, involving matters of opinion or of estimates, whether or not expressly so identified, is intended merely as such and not representations of fact.

The Municipality has deemed this *Preliminary Official Statement* as "final" as of its date within the meaning of Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC") (the "Rule") except for certain information allowed to be omitted by the Rule.

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CERTIFICATION OF THE MUNICIPALITY

At the time of payment for and delivery of the Bonds, the Municipality will furnish the purchaser a certificate, signed by the Mayor, the Interim Finance Director and City Recorder, to the effect that (a) the descriptions and statements of or pertaining to the Municipality contained in its *Official Statement* and any addendum thereto, for its Bonds, on the date of such *Official Statement*, on the date of sale of the Bonds and on the date of the delivery, were and are true and correct in all material respects; (b) insofar as the Municipality and its affairs, including its financial affairs, are concerned, such *Official Statement* did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements, including financial data of or pertaining to entities other than the Municipality, and their activities contained in such *Official Statement* are concerned, such statements and data have been obtained from sources which the Municipality believes to be reliable and that the Municipality has no reason to believe that they are untrue in any material respect; and (d) there has been no material adverse change in the financial condition of the Municipality since June 30, 2015, the date of the last audited financial statements of the Municipality, the electronic link to which appears in “APPENDIX D: Comprehensive Annual Financial Report”.

/s/ _____
Mayor

ATTEST:

/s/ _____
Interim Finance Director

ATTEST:

/s/ _____
City Recorder

APPENDIX A

PROPOSED FORM OF LEGAL OPINION

(Proposed Form of Opinion of Bond Counsel)

150 Third Avenue South, Suite 2800
Nashville, TN 37201
(615) 742-6200

(Closing Date)

[Purchaser]
Board of Commissioners
of the City of Brentwood, Tennessee

Ladies and Gentlemen:

We have acted as bond counsel to the City of Brentwood, Tennessee (the "Issuer") in connection with the issuance of \$_____ General Obligation Refunding Bonds, Series 2016, dated June __, 2016 (the "Bonds"). We have examined the law and such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify such facts by independent investigation.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds have been duly authorized, executed and issued in accordance with the constitution and laws of the State of Tennessee and constitute valid and binding general obligations of the Issuer.

2. The resolution of the Board of Commissioners of the Issuer authorizing the Bonds has been duly and lawfully adopted, is in full force and effect and is the valid and binding agreement of the Issuer enforceable in accordance with its terms.

3. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes to be levied on all taxable property within the corporate limits of the Issuer. The Bonds constitute general obligations of the Issuer for the payment of which the Issuer has validly and irrevocably pledged its full faith and credit.

4. Interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings of certain corporations for purposes of alternative minimum tax on corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be,

excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements. Except as set forth in this Paragraph 4 and Paragraph 6 below, we express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. Under existing law, the Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on all or a portion of the interest on any of the Bonds during the period such Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership doing business in the State of Tennessee.

6. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265 of the Code.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the resolutions authorizing the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

APPENDIX B

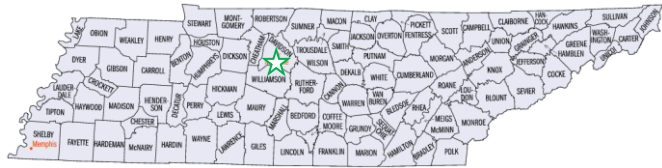
SUPPLEMENTAL INFORMATION STATEMENT

CITY OF BRENTWOOD, TENNESSEE

INTRODUCTION

Brentwood is located in middle Tennessee in the northeastern part of Williamson County. The Municipality is adjacent to the southern boundary of Metropolitan Nashville and Davidson County and immediately north of the City of Franklin. The incorporated area of the Municipality covers approximately 41.3 square miles.

The Municipality is a 15-minute drive from the Nashville International Airport, a multi-air carrier commercial aviation facility. Interstate 65 traverses the Municipality, and Interstates 24 and 40 are located nearby. Other land transportation is served by U.S. Highways 31 and 431, and State Highway 96. Rail transportation is provided by CSX Transportation Group.



Brentwood is a rapidly growing, highly affluent area of the State, known for its fashionable residential neighborhoods, commercial office parks and high quality of life. Historically, Brentwood and Williamson County have benefited from the highest per capita income and some of the lowest unemployment rates in the State.

GOVERNMENTAL STRUCTURE

General. The Municipality was incorporated on May 13, 1969 pursuant to the uniform City Manager-Commission Charter, Title 6, Chapter 18, Tennessee Code Annotated, as supplemented and amended. The governing body of the Municipality is the Board of Commissioners consisting of seven members who serve a four-year term of office. Non-partisan elections for Commissioners are held on a staggered basis every other odd year on the calendar. Commissioners are elected at-large, rather than by Municipality. Following each regular biennial election, the Commission elects two of its members to serve for a two-year period as Mayor and Vice Mayor, respectively. The Mayor is the presiding officer of the Commission. The Commission is responsible, among other things, for passing ordinances and resolutions, adopting the budget, appointing committees and appointing the City Manager who is the chief executive officer of the Municipality. The City Manager is responsible for carrying out the policies, ordinances and resolutions of the Commission, for overseeing day-to-day operations of the government and for appointing the heads of the various departments.

The Municipality provides a wide range of services characteristic of similar jurisdictions in the State, including public safety (police and fire protection), street maintenance, parks and recreation, library, public improvements, planning and zoning and general administrative services. For fiscal year 2015, there are 272 full-time equivalent employees authorized.

Utilities. The Municipality provides water to the majority of residents and businesses within its corporate limits through its water distribution system. Portions of the City also are served by the Harpeth Valley Utilities Municipality, the Mallory Valley Utility Municipality and the Nolensville-College Grove Utility Municipality.

The Municipality purchases water under long-term contracts with the Harpeth Valley Utilities Municipality and the Metropolitan Nashville-Davidson County Water and Sewer Services, which expire in 2028 and 2020, respectively. The water supply for each of these water systems is the Cumberland River. As of June 30, 2015, there were 9,206 water customers. Those customers are provided water service by approximately 217 miles of water lines. Water storage capacity is approximately 14.025 million gallons.

The Municipality's sewage collection and transmission network currently flows into the Metro Nashville and Davidson County Sewage Treatment System (the "Metro System"). As of June 30, 2015, there were 10,925 sewer customers. There were approximately 285 miles of sanitary sewer lines in place as of June 30, 2015.

Electric power is provided by the Nashville Electric Service (NES) and the Middle Tennessee Electric Membership Cooperative. Piedmont Natural Gas and Atmos Energy also serve the Municipality with natural gas service.

See the section entitled "FINANCIAL INFORMATION - Five Year Summary of Revenues, Expenses and Retained Earnings" for more information on the water and sewer system (the "System").

For additional information regarding the Municipality, see the website:

<http://www.brentwood-tn.org/>

COMMERCE

Within the Municipality, there is approximately 5 million square feet of total office space located in the northern business Municipality and the Cool Springs/Moores Lane area. Major companies with a presence include, but are not limited to, Mapco Express, Inc., Delek US Holdings, Inc., Comdata Holdings Corporation, Tractor Supply Company, Kirkland's, Diversicare Management, naviHealth, Compassus, Iasis Healthcare and Brookdale Senior Living each of which maintain their corporate headquarters in the Municipality.

Williamson County possesses the largest concentration of retail stores and services in Middle Tennessee. The Brentwood/Franklin retail market has one of the lowest vacancy rates, which makes it one of the best performing sectors of the Nashville metropolitan area.

In July 2008, Nissan USA completed and occupied a new 450,000 square foot headquarters for North American operations in the Cool Springs area just south of the Municipality. This building officially opened its doors to more than 1,200 executive level and support personnel. As a result of this major corporate relocation from Los Angeles, numerous

other businesses and jobs related to the automobile industry have located in Brentwood, Franklin and other areas in or near Williamson County and many employees live in the community.

EMPLOYMENT INFORMATION

The chart below depicts the average annual employment and unemployment trends in the Municipality, Williamson County and State (on a seasonally adjusted basis) for the last five years:

<u>Location</u>	<u>ANNUAL AVERAGE</u>									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
United States	6.2%	7.4%	8.1%	8.9%	9.6%	9.3%	5.8%	4.8%	4.3%	5.1%
Tennessee	6.7%	7.8%	8.0%	9.2%	9.7%	10.5%	6.4%	5.0%	4.4%	5.6%
Williamson County	4.5%	5.1%	5.4%	6.2%	7.1%	7.2%	4.4%	3.6%	3.5%	3.5%
✓ Workforce	101,240	101,830	99,320	96,460	90,920	88,040	87,320	88,380	86,500	81,490
✓ Employment	96,640	96,240	94,000	90,490	84,500	81,740	83,450	85,160	83,490	78,380
✓ Unemployment	4,600	5,210	5,320	5,970	6,420	6,300	3,870	3,220	3,010	3,110
City of Brentwood	5.7%	5.6%	5.2%	5.9%	6.2%	5.9%	4.3%	3.1%	3.3%	3.3%
✓ Workforce	n/a	18,820	18,700	18,140	17,650	17,090	17,170	17,240	16,170	15,280
✓ Employment	n/a	17,700	17,720	17,060	16,560	16,090	16,440	16,700	15,550	14,770
✓ Unemployment	n/a	1,050	980	1,080	1,090	1,010	730	540	620	510

Source: Tennessee Department of Employment Security, CPS Labor Force Estimates Summary

For the month of March 2016, the preliminary unemployment rate for the United States stood at 4.9% while Tennessee's preliminary rate was 4.9%, both on a seasonally adjusted basis. In Williamson County, the unemployment rate stood at 3.0% on a non-seasonally adjusted basis which was the lowest in Tennessee. On a non-seasonally adjusted basis, Brentwood's preliminary unemployment for March 2016 was at 3.0% with 19,840 persons employed out of an estimated labor force of 20,470.

Source: Tennessee Department of Employment Security, "The Labor Market Report".

LARGEST EMPLOYERS

The largest employers in the Municipality in FY 2015 compared to FY 2006 are shown on the following page:

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<u>Employer</u>	<u>Product/Service</u>	<u>Fiscal Year 2015</u>			<u>Fiscal Year 2006</u>		
		<u>Total</u>	<u>Rank</u>	<u>% City Total</u>	<u>Total</u>	<u>Rank</u>	<u>% City Total</u>
HCA	Healthcare Services	2,002	1	11.02%	-	-	-
Comdata Holdings Corporation	Financial Services	1,000	2	5.50	864	1	5.55%
Tractor Supply Company	Retail Headquarters	910	3	5.01	350	7	2.25
Brookdale Senior Living	Healthcare	730	4	4.02	-	-	-
DaVita (Acquired Gambro)	Healthcare	650	5	3.58	-	-	-
AT&T	Communications	515	6	2.83	500	4	3.21
Lampo Group (Dave Ramsey)	Broadcasting; Publishing	458	7	2.52	-	-	-
Lattimore Black Morgan & Cain	Financial Services	450	8	2.48	250	10	1.61
W Squared	Business Services	450	9	2.48	-	-	-
City of Brentwood	Government	270	10	1.49	263	9	1.69
Community Health Systems	Healthcare	-	-	-	701	2	4.51
EDS	Computer Services	-	-	-	570	3	3.65
Progency Marketing Innovations	Marketing	-	-	-	450	5	2.89
Gambro Healthcare	Healthcare	-	-	-	350	6	2.25
Cingular Wireless	Communications	-	-	-	300	8	1.93
EMI Christian Music Group	Music	-	-	-	250	10	1.61
St. Paul Travelers Co., Inc.	Insurance	-	-	-	250	10	1.61
Total:		7,435		49.92%	5,098		32.77%
Total Employment:		18,168			15,559		

Source: Comprehensive Annual Financial Report of the City of Brentwood, TN.

ECONOMIC DATA

Williamson County is number one in per capita income in the State of Tennessee. The chart on the following page shows both Williamson County and State trends for the last available 10 years.

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**ANNUAL AVERAGE
PER CAPITA PERSONAL INCOME**

<u>Location</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
National	\$47,669	\$46,049	\$44,438	\$44,266	\$42,453	\$40,277	\$39,376	\$41,082	\$39,821	\$38,144
Tennessee	\$42,069	\$40,457	\$39,312	\$39,137	\$37,323	\$35,601	\$34,468	\$35,307	\$34,227	\$33,072
Williamson County	n/a	\$71,761	\$69,555	\$69,451	\$62,711	\$59,374	\$54,825	\$58,255	\$56,520	\$52,633
County vs. National	n/a	155.8%	156.5%	156.9%	147.7%	147.4%	139.2%	141.8%	141.9%	138.0%
County vs. TN	n/a	177.4%	176.9%	177.5%	168.5%	166.8%	159.1%	165.0%	165.1%	159.1%
Brentwood⁽¹⁾	\$59,024	\$56,979	\$64,221	\$64,221	\$62,805	\$64,638	\$58,050	\$54,980	\$54,980	\$56,601
City vs. National	123.8%	123.7%	144.5%	145.0%	148.0%	160.5%	147.4%	133.8%	138.1%	148.4%
City Vs. TN	140.3%	140.8%	163.4%	164.1%	168.3%	178.8%	168.4%	155.7%	169.4%	171.4%

Source: U.S. Department of Commerce, Bureau of Economic Analysis – CA1-3 and SA1 Personal Income Summary

⁽¹⁾Williamson Economic Development Council

SOCIAL AND DEMOGRAPHIC DATA

The population of the Municipality has grown appreciably since 1970. While a portion of this expansion has resulted from annexation, the vast majority of the growth has occurred within the Municipality's original boundaries. This is also the main reason the Municipality is one of the fastest growing cities in the nation and one of Tennessee's top twenty cities in terms of overall population.

According to the results of the 5 most recent censuses, the estimated population of the Municipality, County and State, respectively, are depicted below:

<u>Census</u>	<u>%</u>	<u>Williamson</u>	<u>%</u>	<u>Tennessee</u>	<u>%</u>
<u>Population⁽¹⁾</u>	<u>Brentwood</u>	<u>County</u>	<u>Increase</u>	<u>Increase</u>	<u>Increase</u>
2010	37,060	183,182	58.07%	6,346,105	44.65%
2000	23,445	126,638	43.03%	5,689,283	56.30%
1990	16,392	81,021	73.81%	4,877,185	39.43%
1980	9,431	58,108	130.08%	4,591,120	68.81%
1970	4,099	34,423	n/a	3,926,018	36.24%

Based on a special census conducted in 2014, the population of the Municipality was 40,401⁽¹⁾ and Williamson County's population was estimated to be approximately 205,226. The extraordinary growth the Municipality and region have experienced since its incorporation in 1969 has resulted in significant single-family residential and commercial development.

⁽¹⁾ Pursuant to State law, a municipality may elect to conduct a special Census on three occasions between the regularly scheduled Censuses. The last special census was conducted in 2015. Municipalities that have experience significant growth choose to perform a special Census for among other reasons to increase their shares of certain shared State revenue streams. Source: US Census Bureau, Tennessee Department of Economic and Community Development.

BUILDING PERMITS

The nearby chart depicts building permits for all purposes issued for the last ten years. For fiscal year 2015, building permits totaled 931 for a value of \$175,649,670.

	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2013</u>	<u>FY 2012</u>	<u>FY 2011</u>	<u>FY 2010</u>	<u>FY 2009</u>	<u>FY 2008</u>	<u>FY 2007</u>	<u>FY 2006</u>
Building Permits	931	1,051	974	979	968	909	795	1,160	1,410	1,629
% Change	(11.42%)	7.90%	(0.5%)	1.14%	6.49%	13.34%	(31.47%)	(17.73%)	(13.44%)	21.84%

From 2006 to 2015, a total of 2,313 building permits for single family homes and 85 commercial buildings (55 new commercial buildings and 30 commercial shells) were issued.

Source: City of Brentwood, Tennessee

COMMUNITY FACILITIES

Public education is provided to residents by the Williamson County School System. Within the City limits, Williamson County operates five elementary schools, two middle schools and two high schools. There is also one private college preparatory school. Brentwood is within a 30-minute drive of 15 colleges and universities, including Vanderbilt University, Belmont University, Lipscomb University, Middle Tennessee State University, Tennessee State University and Fisk University, among others.

Comprehensive medical facilities are provided by Williamson Medical Center and a new satellite campus of Vanderbilt Children's Hospital, eight miles south of Brentwood. Additionally, there are many other top quality facilities in nearby Nashville. Numerous medical professionals provide a full range of health care services to residents.

In late 1998, the Municipality opened a new library, a state-of-the-art facility that was designed to meet the intellectual and cultural needs of the community. The original facility had 43,000 square feet of space but in 2009, it was expanded to 55,000 or by about 25 percent to better meet the needs of the community. The largest part of the expansion took place in the children's section of the library. Today, the facility is the most widely used service provided by the Municipality.

PARKS AND PLAYGROUNDS

The Municipality's goal is to provide a variety of active and passive park facilities and programs to accommodate the needs, interests and expectations of local residents and other users. The primary focus is centered upon the proper development and maintenance of the Municipality's "state of the art" parks and greenways totaling approximately 960 acres located throughout Brentwood, much of which is open space. The grounds and facilities provide for opportunities to enjoy social, cultural, and athletic and/or nature oriented activities through individual or organized group participation without great travel distances. The Municipality is always looking for opportunities to expand the park system and available open space which is facilitated when there is a slowdown in the economy with more affordable land prices.

The Municipality's parks as well as the Brentwood Library, Williamson County Indoor Sports Center, Williamson County Indoor Soccer Center, the Martin Senior Center and the Brentwood YMCA are linked to neighborhoods by a comprehensive system of bikeways and pedestrian paths. This comprehensive approach to leisure services not only addresses the physical needs of residents, it also makes the Brentwood neighborhoods more attractive to potential new residents and enhances property values.

Tower Park. This nearly 50-acre park is immediately north of the WSM Radio Tower, the historic 808-foot tall landmark that marks the center of the Municipality. Tower Park has lighted, multi-purpose fields, a dog park, restroom facilities and additional walking/bikeway paths connecting nearby neighborhoods, the Williamson County indoor sports complex and the Martin Senior Citizen Center.

Primm Park. This historic, archeological site encompasses approximately 31 acres on Moores Lane a major thoroughfare. This historic one-room school building (Boiling Springs Academy) was restored to its original condition in 2004. The adjoining Native American burial mounds were preserved as well.

Crockett Park. This comprehensive park, composed of around 164 acres, now offers 8 lighted fields for youth baseball/softball with concessions/restrooms at each, 11 multi-purpose fields (including 3 lighted), one of which is a competition/championship field with bleacher seating and press box, a 7 lighted tennis court complex with a championship style center court and a concessions/restrooms/meeting building. Other features of the park include a state-of-the-art outdoor amphitheater, picnic shelter with an adjacent restroom building, disc golf course, community playground, maintenance shop, and extensive pedestrian/bikeway system throughout the park. Several years ago, an indoor soccer facility opened in Crockett Park. This facility was a joint development effort between the Municipality and Williamson County.

Concord Park. In the center of this more than 40-acre park is Brentwood's library. This facility consists of a bikeway/walking trail and practice areas for local sports teams.

Deerwood Arboretum and Nature Center. This 27-acre park is located on Deerwood Lane off Johnson Chapel Drive and borders the Little Harpeth River. Park activities include self-guided nature trails. An outdoor classroom shelter provides an opportunity to enhance learning in this nature park.

Granny White Park. This 30-acre park has extensive walking paths plus 3 lighted ball fields and 4 lighted tennis courts. The park also has a renovated playground, picnic pavilion with adjacent bathroom facilities, a multi-purpose field, 2 sand volleyball courts and a lighted jog/walk trail.

Maryland Way Park. A 7-acre park with walking trails and exercise stations located on Maryland Way in the Maryland Farms office park. This park will connect to the new Hill Center commercial mixed use development.

Owl Creek Park. This neighborhood park located between Concord Pass and Chestnut Springs Road is composed of approximately 21 acres and includes picnic facilities, basketball courts, a playground and walking/jogging trails.

River Park. This park, totaling more than 70 acres, is located adjacent to sections of the Little Harpeth River. This park includes a major section of the Municipality's bikeway system that connects various parks, plus a picnic shelter, outdoor basketball courts, playgrounds and restrooms.

Margaret Hayes Powell Park. This 22-acre passive park was developed as part of the Virginia Springs office development, which includes the new Tractor Supply headquarters. The park provides a one plus mile walking trail and a wooded hiking trail. The park is intended to serve both the office development and the adjoining neighborhoods.

Marcella Vivrette Smith Park. The first phase of this new 398-acre park was recently completed. The park includes the renovated Ravenswood Mansion, hiking trails and parking areas. The park fronts along Wilson Pike a major north-south thoroughfare paralleling I-65. Phase II of the Park which includes 2 unlit multipurpose athletic fields, a picnic shelter, playground and adjacent restroom facilities is expected to get underway in 2016.

Flagpole Park. This is active park is approximately 8.7 acres located adjacent to the Mallory Park commercial office park, includes 2 unlit multipurpose fields and walking and jogging paths. Flagpole Park is expected to open in the summer of 2016.

Wikle Park. This 15-acre passive park is currently under construction and is expected to open in the summer of 2016. The park includes playgrounds, open play areas, walking/jogging trails and other amenities primarily targeted as a neighborhood park to serve surrounding neighborhoods.

Source: City of Brentwood

RECENT DEVELOPMENTS

Property Reappraisal. Williamson County is currently completing a reappraisal of all property in the County. Preliminary results indicate property values in Brentwood will reflect valuation increases in excess of 20.0% compared to data for 2015.

Commercial Development. Work is underway on Hill Center Brentwood. The entire site will consist of 600,000 square feet of office, retail and restaurant space fronting on Franklin Road (US-31) and Maryland Way in the heart of Brentwood's commercial Municipality. The project also includes nearly 2,400 structured and surface parking spaces.

In 2014, the new headquarters campus for Tractor Supply was completed and became operational. The headquarters includes 2 four-story buildings with 260,000 square feet of leasable space connected by an atrium. Located in Maryland Farms, the project composes approximately one-third of the 55-acre Virginia Springs development. The project also includes a 952-space parking garage.

In July 2013, the Planning Commission approved plans for the redevelopment of the Synergy Office Park in the northern commercial area of Brentwood. The development, now known as CityPark Brentwood, includes a recently opened 126-room Hilton Garden Inn which is integrated with the historic Mooreland Mansion which is being restored and upgraded. Additionally, there is approximately 62,000 square feet of new retail/restaurant space.

In December 2012, the Planning Commission approved the site plan for 2 additional offices buildings in the Virginia Springs development site. Each building will be approximately 106,000 square feet. Development of these 2 buildings is expected to begin in late 2016 or early 2017.

New Porsche, Audi and Mini automobile dealerships opened in recent years in Mallory Park adjacent to I-65. The 3 separate facilities are about 77,500 square feet plus other maintenance and storage areas for each of the 3 dealers. Additional dealerships for BMW for Nashville and a combined dealership facility for Masserati/Bentley/Aston Martin/Rolls Royce have been approved for this development. Also in the Mallory Park development, construction is nearing completion on an office building totaling over 83,000 square feet that will be home of the corporate headquarters for hospital management firm Quorum Health Corporation, a recent spinoff of Community Health Systems, Inc.

Residential Development. Consistent with its historic past, Brentwood continues to be a desirable location for single family homes. In 2015, Brentwood issued a total of 245 single family building permits which is consistent with the numbers for the past 5 years. New construction activity around the Municipality continues to be strong with a number of new or recently approved subdivisions the focus of the most interest. The Municipality is also seeing increased turnover of older existing homes in established neighborhoods with large, 1 acre lots. Younger families are acquiring these older homes and doing significant renovations, including complete tear-downs, to provide modern homes in an older neighborhood setting.

In mid-2011, the Commission voted to rezone 7.03 Acres of property located on the East Side of Centerview Drive from the C-2 (Commercial - Retail) Zoning Municipality to the C-4 (Commercial-Town Center) zoning Municipality. This rezoning paves the way for a \$49 million mixed use development, primarily consisting of 393 residential units in two four-story buildings, with 8,948 square feet of retail space on the ground level of Building Two. This commercial tract is located adjacent to the CityPark Brentwood development and within ½ mile of the original C-4 Town Center area and the Hill Center development project. Having residential units in the area should help support redevelopment activity in the norther commercial center by providing a critical residential component that is needed for a successful pedestrian oriented commercial area. The development began accepting tenants in May 2015 and currently is 80% leased.

Town Center Improvements. The Municipality has initiated a comprehensive approach to encourage redevelopment by the private sector in the Municipality's original commercial center. The approach included construction of a new east/west street to facilitate access into the area and improve traffic flow. The approach also included the establishment of a new C-4 zoning Municipality for the area to encourage more compact, mixed use urban development in the area.

The Municipality is committed to working with interested private property owners and developers to improve the overall quality of the area and enhance the Municipality's tax base. In 2014, a new hotel and associated mixed use building was approved and hotel construction is expected to begin in 2017. While no other large scale development projects have been approved in this older commercial area, the surrounding redevelopment of the Hill Center and CityPark Brentwood will draw more activity to the overall northern commercial area increasing the potential for additional interest in the Town Center area.

Annexation. In the early 2000's, the Municipality successfully completed a series of annexations that were carried out under the requirement of state law and in a manner consistent with the adopted urban growth plan for Williamson County. All services have been extended to the area in a manner consistent with those services provided in the originally in the Municipality. There are about 6.96 square miles left in the urban growth area that are suitable for future annexation as development activities occur in the area.

In the 2014 session of the Tennessee General Assembly, the State enacted new legislation (Public Acts of 2014, Chapter 707) that generally prohibited future annexations by ordinance. Under the new law, residential and agricultural properties only may be annexed by cities upon petition of the property owners or through a referendum resulting in favorable approval from residents in an affected area. A city may no longer annex by ordinance on its own initiative. This change to state law will have no immediate effect as Brentwood has no short-term annexation plans. Decisions to pursue annexation of areas are determined based on a jurisdiction's ability to cost effectively deliver essential services. A cost-benefit analysis is prepared in advance to determine if the cost of extending services to the area will be covered from the additional property tax collections and per capita state-shared taxes that will be generated from the area. Future annexations solely for residential development purposes are unlikely given that such development provides less economic benefit compared to commercial development.

The Brentwood 2020 Plan. The 2020 Plan is a comprehensive plan for development in the Municipality between now and the year 2020. This award winning plan, developed with assistance of scores of residents, is a dynamic document developed to guide the future of the Municipality while preserving the heritage and appeal of the community. The plan was subject to a progress review and minor revisions in 2007. A full update of the plan is nearing completion and has included community meetings and city-wide surveys of both residents and businesses. The Municipality continues to use this plan as the basis for decisions related to growth management, environmental and scenic protection, commercial development, mobility and fiscal policies.

For more information on the Municipality's, see the website – www.brentwood-tn.org

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CITY OF BRENTWOOD, TENNESSEE
DEBT STRUCTURE
SUMMARY OF BONDED INDEBTEDNESS

As of June 30, 2015 Plus the Bonds

The following section outlines various important factors related to the outstanding debt of the City.

Amount Issued ⁽¹⁾	Purpose	Debt Outstanding ⁽⁴⁾
\$ 4,800,000	General Obligation Public Improvement Bonds, Series 2006	\$ 240,000
2,430,000	General Obligation Refunding Bonds, Series 2006	2,130,000
4,935,000	General Obligation Improvement Bonds, Series 2007	3,625,000
4,760,000	General Obligation Public Improvement Bonds, Series 2009	3,855,000
4,845,000	General Obligation Public Improvement Bonds, Series 2011	4,275,000
7,385,000	General Obligation Public Improvement Refunding Bonds, Series 2011	4,175,000
3,250,000	General Obligation Public Improvement Refunding Bonds, Series 2012	3,135,000
4,895,000	General Obligation Public Improvement Bonds, Series 2013	4,705,000
1,005,000	General Obligation Refunding Bonds, Series 2013	1,005,000
3,620,000	Sewer Revenue and Tax Refunding Bonds, Series 2003*	30,000
1,775,000	Water Revenue and Tax Refunding Bonds, Series 2006*	1,245,000
10,000,000	Water and Sewer System Revenue and Tax Bonds, Series 2008*	7,720,000
10,000,000	General Obligation Public Improvement Bonds, Series 2010*	8,295,000
6,560,000	General Obligation Public Improvement Bonds, Series 2012*	5,985,000
3,300,000	General Obligation Improvement Bonds, Series 2013*	3,170,000
590,000	General Obligation Refunding Bonds, Series 2013*	590,000
<u>\$63,700,000</u>	Total Existing Debt	<u>\$ 54,180,000</u>
9,220,000	Plus: General Obligation Refunding Bonds, Series 2016 ⁽²⁾	9,220,000
<u>(8,725,000)</u>	Less: Refunded Bonds ⁽³⁾	<u>(8,725,000)</u>
\$64,195,000	Total Bonded Debt After Issuance	\$ 54,675,000
<u>(35,845,000)</u>	Less: Revenue Supported Bonds*	<u>(27,335,000)</u>
<u>\$28,350,000</u>	Net Direct Bonded Debt	<u>\$ 27,340,000</u>

⁽¹⁾ Does not include capitalized leases, interfund loans or compensated absences, if any. Also does not include unamortized premium.

⁽²⁾ On a preliminary basis, includes approximately 32.4% of general government tax supported debt and about 67.6% of water and sewer revenue supported debt.

⁽³⁾ For additional information on the Refunded Bonds, see the section entitled "SECURITIES OFFERED - Refunding Plan" herein.

⁽⁴⁾ As of June 30, 2015 plus activity associated with the Bonds. Subject to adjustment and revision as outlined in the "Official Notice of Sale"

* Revenue supported Water and Sewer Enterprise Fund Debt backed by General Obligation Pledge of the Municipality

**CITY OF BRENTWOOD, TENNESSEE
INDEBTEDNESS AND DEBT RATIOS**

INTRODUCTION

The information set forth in the following table is based upon information derived in part from the City's Comprehensive Annual Financial Reports for fiscal year 2012 which are attached herein and the table should be read in conjunction with those statements. The table does not include future funding plans whether disclosed or not in this document.

INDEBTEDNESS - (1)	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>After Issuance</u>
TAX SUPPORTED											
General Obligation Bonds	\$ 27,195,000	\$ 25,405,000	\$ 28,305,000	\$ 26,050,000	\$ 28,915,000	\$ 26,800,000	\$ 29,745,000	\$ 27,310,000	\$ 29,700,000	\$ 27,145,000	\$ 27,340,000
TOTAL TAX SUPPORTED	\$ 27,195,000	\$ 25,405,000	\$ 28,305,000	\$ 26,050,000	\$ 28,915,000	\$ 26,800,000	\$ 29,745,000	\$ 27,310,000	\$ 29,700,000	\$ 27,145,000	\$ 27,340,000
REVENUE SUPPORTED											
Water & Sewer Bonds	\$ 9,012,104	\$ 7,869,459	\$ 6,673,768	\$ 15,250,000	\$ 14,153,311	\$ 23,225,000	\$ 28,305,000	\$ 27,005,000	\$ 28,675,000	\$ 27,035,000	\$ 27,335,000
TOTAL REVENUE SUPPORTED	\$ 9,012,104	\$ 7,869,459	\$ 6,673,768	\$ 15,250,000	\$ 14,153,311	\$ 23,225,000	\$ 28,305,000	\$ 27,005,000	\$ 28,675,000	\$ 27,035,000	\$ 27,335,000
TOTAL DEBT	\$ 36,207,104	\$ 33,274,459	\$ 34,978,768	\$ 41,300,000	\$ 43,068,311	\$ 50,025,000	\$ 58,050,000	\$ 54,315,000	\$ 58,375,000	\$ 54,180,000	\$ 54,675,000
Less: Revenue Supported Debt	(9,012,104)	(7,869,459)	(6,673,768)	(15,250,000)	(14,153,311)	(23,225,000)	(28,305,000)	(27,005,000)	(28,675,000)	(27,035,000)	(27,335,000)
Less: Debt Service Fund Balance - (2)	(3,023,388)	(3,537,262)	(3,864,768)	(3,732,563)	(3,979,063)	(3,979,063)	(3,793,311)	(3,712,435)	(3,706,319)	(3,621,272)	(3,621,272)
NET DIRECT DEBT	\$ 24,171,612	\$ 21,867,738	\$ 24,440,232	\$ 22,317,437	\$ 24,935,937	\$ 22,820,937	\$ 25,951,689	\$ 23,597,565	\$ 25,993,681	\$ 23,523,728	\$ 23,718,728
OVERLAPPING DEBT - (3)	\$ 116,034,000	\$ 118,204,000	\$ 114,940,000	\$ 129,642,000	\$ 138,953,000	\$ 152,260,000	\$ 137,210,263	\$ 133,204,000	\$ 133,204,000	\$ 149,735,000	\$ 149,735,000
NET DIRECT & OVERLAPPING DEBT	\$ 140,205,612	\$ 140,071,738	\$ 139,380,232	\$ 151,959,437	\$ 163,888,937	\$ 175,080,937	\$ 163,161,952	\$ 156,801,565	\$ 159,197,681	\$ 173,258,728	\$ 173,453,728
PROPERTY TAX BASE - (4)											
Estimated Actual Value	\$ 5,888,137,174	\$ 6,720,411,384	\$ 7,209,306,812	\$ 8,718,633,530	\$ 9,011,910,857	\$ 8,307,106,133	\$ 8,607,257,616	\$ 8,720,227,534	\$ 9,069,053,968	\$ 9,311,578,192	\$ 9,311,578,192
Appraised Value	5,888,137,174	6,720,411,384	7,209,306,812	7,653,216,513	7,910,655,350	7,621,768,877	8,607,257,616	7,965,055,830	8,283,673,894	9,081,582,211	9,081,582,211
Assessed Value	1,512,988,213	1,890,675,214	2,023,495,065	2,127,162,070	2,205,957,068	2,223,963,761	2,438,980,097	2,462,267,779	2,492,599,611	2,558,479,939	2,558,479,939
Source: City of Brentwood, Tennessee and the Tax Aggregate Reports.											

⁽¹⁾ Does not include compensated absences, capitalized leases or unamortized premiums. See the Notes to the Annual Financial Statements of the City referenced herein for additional details. The "After Issuance Column" contains estimates. Based on best available information.

⁽²⁾ The most recent fund balance from audited financial statements.

⁽³⁾ OVERLAPPING DEBT Includes the Municipality's estimated portion of Williamson County's debt. Source: City of Brentwood Comprehensive Annual Financial Reports.

⁽⁴⁾ The most recent reappraisal of property was effective January 1, 2011. The next reappraisal of property is underway for Tax Year 2016.

DEBT RATIOS	For Fiscal Years Ended June 30										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	After Issuance
TOTAL DEBT to Estimated Actual Value	0.78%	0.68%	0.57%	0.47%	0.48%	0.60%	0.67%	0.62%	0.64%	0.58%	0.59%
TOTAL DEBT to Appraised Value	0.82%	0.71%	0.63%	0.54%	0.54%	0.66%	0.67%	0.68%	0.70%	0.60%	0.60%
TOTAL DEBT to Assessed Value	2.84%	2.46%	2.21%	1.94%	1.95%	2.25%	2.38%	2.21%	2.34%	2.12%	2.14%
NET DIRECT DEBT to Estimated Actual Value	0.47%	0.41%	0.32%	0.26%	0.28%	0.27%	0.30%	0.27%	0.29%	0.25%	0.25%
NET DIRECT DEBT to Appraised Value	0.50%	0.43%	0.36%	0.29%	0.32%	0.30%	0.30%	0.30%	0.31%	0.26%	0.26%
NET DIRECT DEBT to Assessed Value	1.72%	1.50%	1.24%	1.05%	1.13%	1.03%	1.06%	0.96%	1.04%	0.92%	0.93%
OVERLAPPING DEBT to Estimated Actual Value	2.36%	2.25%	2.20%	1.49%	1.54%	1.83%	1.59%	1.53%	1.47%	1.61%	1.61%
OVERLAPPING DEBT to Appraised value	2.48%	2.36%	2.43%	1.69%	1.76%	2.00%	1.59%	1.67%	1.61%	1.65%	1.65%
OVERLAPPING DEBT to Assessed Value	8.61%	8.19%	8.51%	6.09%	6.30%	6.85%	5.63%	5.41%	5.34%	5.85%	5.85%
NET DIRECT & OVERLAPPING DEBT to Estimated Actual Value	2.84%	2.67%	2.52%	1.74%	1.82%	2.11%	1.90%	1.80%	1.76%	1.86%	1.86%
NET DIRECT & OVERLAPPING DEBT to Appraised Value	2.98%	2.80%	2.78%	1.99%	2.07%	2.30%	1.90%	1.97%	1.92%	1.91%	1.91%
NET DIRECT & OVERLAPPING DEBT to Assessed Value	10.33%	9.69%	9.75%	7.14%	7.43%	7.87%	6.69%	6.37%	6.39%	6.77%	6.78%
PER CAPITA RATIOS											
POPULATION (1)	30,617	35,262	35,262	35,262	35,262	37,060	37,060	37,060	40,021	40,401	40,401
PER CAPITA PERSONAL INCOME (2)	\$56,601	\$54,980	\$54,980	\$58,050	\$64,638	\$62,805	\$64,221	\$64,221	\$59,979	\$59,024	\$59,024
Estimated Actual Value to POPULATION	\$185,307	\$194,428	\$191,642	\$247,253	\$255,570	\$224,153	\$232,252	\$235,300	\$226,607	\$230,479	\$230,479
Assessed Value to POPULATION	\$50,893	\$53,489	\$49,488	\$60,324	\$62,559	\$60,010	\$65,812	\$66,440	\$62,282	\$63,327	\$63,327
Total Debt to POPULATION	\$1,444	\$1,315	\$1,092	\$1,171	\$1,221	\$1,350	\$1,566	\$1,466	\$1,459	\$1,341	\$1,353
Net Direct Debt to POPULATION	\$876	\$803	\$616	\$633	\$707	\$616	\$700	\$637	\$650	\$582	\$587
Overlapping Debt to POPULATION	\$4,381	\$4,381	\$4,210	\$3,677	\$3,941	\$4,108	\$3,702	\$3,594	\$3,328	\$3,706	\$3,706
Net Direct & Overlapping Debt to POPULATION	\$5,257	\$5,184	\$4,826	\$4,309	\$4,648	\$4,724	\$4,403	\$4,231	\$3,978	\$4,288	\$4,293
Total Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	3.17%	2.76%	2.29%	2.02%	1.89%	2.15%	2.44%	2.28%	2.43%	2.27%	2.29%
Net Direct Debt Per Capita as a percent of PER CAPITA PERSONAL INCOME	1.92%	1.68%	1.29%	1.09%	1.09%	0.98%	1.09%	0.99%	1.08%	0.99%	0.99%
Overlapping Debt Per Capita as a % of PER CAPITA PERSONAL INCOME	9.62%	9.18%	8.82%	6.33%	6.10%	6.54%	5.77%	5.60%	5.55%	6.28%	6.28%
Net Direct & Overlapping Debt Per Capita as a % of PER CAPITA PERSONAL INCOME	11.54%	10.87%	10.11%	7.42%	7.19%	7.52%	6.86%	6.59%	6.63%	7.27%	7.27%

(1) POPULATION data according to the 2004 special census, the 2007 special census, and the 2010 U.S. Census.

(2) PER CAPITA PERSONAL INCOME is based upon the most current data available from the Bureau of Economic Analysis for Williamson County.

CITY OF BRENTWOOD, TENNESSEE
DEBT SERVICE REQUIREMENTS - Tax Supported

Year Ending June 30	Principal - General Obligation Bonds				Percent Total Debt Retired	Interest - General Obligation Bonds				Total Debt Service Requirements ⁽²⁾
	Outstanding Debt ⁽¹⁾	Current Issue ⁽²⁾	Less: Bonds Refunded ⁽³⁾	Total Principal ⁽²⁾		Outstanding Debt ⁽¹⁾	Current Issue ⁽²⁾	Less: Bonds Refunded ⁽³⁾	Total Interest ⁽²⁾	
2016	\$2,615,000	\$ -	\$ -	\$ 2,615,000		\$ 816,937	\$ -	\$ -	\$ 816,937	\$ 3,431,937
2017	2,260,000	40,000	-	2,300,000		750,374	49,383	(110,131)	689,626	2,989,626
2018	2,330,000	25,000	-	2,355,000		685,858	63,612	(110,131)	639,339	2,994,339
2019	2,070,000	25,000	-	2,095,000		618,857	63,113	(110,131)	571,839	2,666,839
2020	2,125,000	30,000	-	2,155,000		551,746	62,612	(110,131)	504,227	2,659,227
2021	1,765,000	265,000	(235,000)	1,795,000	48.70%	490,775	62,013	(110,132)	442,656	2,237,656
2022	1,830,000	270,000	(245,000)	1,855,000		436,696	56,713	(100,732)	392,677	2,247,677
2023	1,525,000	275,000	(255,000)	1,545,000		385,708	51,312	(89,706)	347,314	1,892,314
2024	1,570,000	275,000	(260,000)	1,585,000		342,089	45,813	(81,100)	306,802	1,891,802
2025	1,610,000	280,000	(270,000)	1,620,000		295,884	40,312	(72,000)	264,196	1,884,196
2026	1,450,000	285,000	(280,000)	1,455,000	78.18%	249,420	34,713	(61,200)	222,933	1,677,933
2027	1,155,000	295,000	(295,000)	1,155,000		207,330	29,012	(50,000)	186,342	1,341,342
2028	1,195,000	300,000	(305,000)	1,190,000		166,206	22,375	(38,200)	150,381	1,340,381
2029	880,000	310,000	(320,000)	870,000		122,869	15,625	(26,000)	112,494	982,494
2030	910,000	315,000	(330,000)	895,000		90,826	7,875	(13,200)	85,501	980,501
2031	600,000	-	-	600,000	95.41%	57,163	-	-	57,163	657,163
2032	620,000	-	-	620,000		35,238	-	-	35,238	655,238
2033	310,000	-	-	310,000		18,000	-	-	18,000	328,000
2034	325,000	-	-	325,000		6,094	-	-	6,094	331,094
	<u>\$ 27,145,000</u>	<u>\$ 2,990,000</u>	<u>\$ (2,795,000)</u>	<u>\$ 27,340,000</u>	100.00%	<u>\$ 6,328,070</u>	<u>\$ 604,483</u>	<u>\$ (1,082,794)</u>	<u>\$ 5,849,759</u>	<u>\$ 33,189,759</u>

⁽¹⁾ Does not include capitalized leases, compensated absences, if any, or unamortized premiums. For more information, see the Summary of Bonded Indebtedness and the Notes to the Financial Statements referenced herein.

⁽²⁾ Subject to revision and adjustment as outlined in the "Official Notice of Sale"

⁽³⁾ For more information on the Refunded Bonds, see the section entitled "SECURITIES OFFERED - Refunding Plan".

CITY OF BRENTWOOD, TENNESSEE
DEBT SERVICE REQUIREMENTS - Revenue Supported

PRINCIPAL REQUIREMENTS					INTEREST REQUIREMENTS					
WATER AND SEWER SYSTEM - (1)					WATER AND SEWER SYSTEM					
Year Ending June 30	Outstanding Debt ⁽¹⁾	Current Issue ⁽²⁾	Less: Bonds Refunded ⁽³⁾	Total Principal	Percent Total Debt Retired	Outstanding Issue ⁽²⁾	Current Issue ⁽³⁾	Less: Bonds Refunded	Total Interest	Total Debt Service Requirements ⁽²⁾
2016	\$ 1,670,000	\$ -	\$ -	\$ 1,670,000		\$ 815,926	\$ -	\$ -	\$ 815,926	\$ 2,485,926
2017	1,720,000	80,000	-	1,800,000		773,304	100,567	(237,713)	636,158	2,436,158
2018	1,770,000	55,000	-	1,825,000	19.37%	722,404	129,575	(237,714)	614,265	2,439,265
2019	1,595,000	55,000	-	1,650,000		674,960	128,475	(237,714)	565,721	2,215,721
2020	1,640,000	545,000	(490,000)	1,695,000		628,818	127,375	(237,714)	518,479	2,213,479
2021	1,700,000	555,000	(510,000)	1,745,000		580,128	116,475	(218,849)	477,754	2,222,754
2022	1,505,000	570,000	(530,000)	1,545,000		534,415	105,375	(199,214)	440,576	1,985,576
2023	1,550,000	585,000	(555,000)	1,580,000	49.42%	490,720	93,975	(178,279)	406,416	1,986,416
2024	1,600,000	595,000	(575,000)	1,620,000		444,600	82,275	(156,356)	370,519	1,990,519
2025	1,650,000	610,000	(600,000)	1,660,000		396,426	70,375	(133,356)	333,445	1,993,445
2026	1,700,000	620,000	(625,000)	1,695,000		346,423	58,175	(109,356)	295,242	1,990,242
2027	1,755,000	640,000	(655,000)	1,740,000		292,775	45,775	(84,356)	254,194	1,994,194
2028	1,815,000	650,000	(680,000)	1,785,000	80.52%	235,576	31,375	(57,338)	209,613	1,994,613
2029	1,875,000	670,000	(710,000)	1,835,000		174,945	16,750	(29,287)	162,408	1,997,408
2030	1,200,000	-	-	1,200,000		110,500	-	-	110,500	1,310,500
2031	1,240,000	-	-	1,240,000		68,844	-	-	68,844	1,308,844
2032	620,000	-	-	620,000		25,388	-	-	25,388	645,388
2033	210,000	-	-	210,000	99.20%	12,188	-	-	12,188	222,188
2034	220,000	-	-	220,000		4,125	-	-	-	220,000
	<u>\$ 27,035,000</u>	<u>\$ 6,230,000</u>	<u>\$ (5,930,000)</u>	<u>\$ 27,335,000</u>		<u>\$ 7,332,465</u>	<u>\$ 1,106,542</u>	<u>\$ (2,117,246)</u>	<u>\$ 6,317,636</u>	<u>\$ 33,652,636</u>

⁽¹⁾ Does not include capitalized leases, compensated absences, if any, or unamortized premiums. For more information, see the Summary of Bonded Indebtedness and the Notes to the Financial Statements referenced herein.

⁽²⁾ Subject to revision and adjustment as outlined in the "Official Notice of Sale"

CITY OF BRENTWOOD, TENNESSEE
Summary of Revenues, Expenditures and
Changes In Fund Balances - General Fund

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
Revenues										
Taxes	\$ 22,344,048	\$ 23,586,822	\$ 24,871,016	\$ 24,482,463	\$ 24,572,917	\$ 25,884,203	\$ 25,774,520	\$ 26,478,832	\$ 27,166,209	\$ 28,453,126
Licenses and Permits	1,284,070	1,013,159	806,996	491,249	485,325	699,016	850,613	1,000,562	1,008,427	1,022,951
Fines and Fees	392,005	457,610	631,595	572,763	378,878	277,949	373,100	367,427	307,980	306,362
Charges for Services	234,322	294,554	287,936	292,644	284,184	335,962	372,913	344,521	360,633	355,626
Intergovernmental	4,348,002	5,348,484	6,411,329	6,482,555	5,177,890	5,902,092	7,354,066	8,335,291	8,922,387	9,564,652
Uses of Money and Property	660,909	1,089,626	881,664	631,809	527,356	601,631	463,465	534,327	514,771	481,544
Other	29,105	28,120	31,214	21,155	74,522	147,561	82,717	9,913	93,154	120,410
Total Revenues	\$ 29,292,461	\$ 31,818,375	\$ 33,921,750	\$ 32,974,638	\$ 31,501,072	\$ 33,848,414	\$ 35,271,394	\$ 37,070,873	\$ 38,373,561	\$ 40,304,671
Expenditures										
General government	\$ 4,457,292	\$ 4,723,535	\$ 5,171,168	\$ 5,523,337	\$ 5,304,198	\$ 5,376,904	\$ 5,705,757	\$ 6,126,659	\$ 6,056,590	\$ 6,384,913
Public Safety:	9,405,597	10,009,079	10,863,119	11,379,395	11,477,366	12,387,195	11,859,078	12,178,507	12,898,119	13,237,000
Roads and Streets	2,793,246	2,948,912	3,317,743	3,397,677	3,446,906	4,166,958	3,737,577	3,776,891	4,106,761	4,281,152
Public Health	63,753	76,310	80,890	80,858	78,519	81,248	79,638	81,182	88,068	88,524
Recreation and Parks	1,284,465	1,458,493	1,582,625	1,640,627	1,615,046	1,737,854	1,794,215	1,969,273	1,993,508	2,311,010
Public Library	1,645,071	1,755,700	1,845,720	1,982,039	1,974,656	2,020,271	2,001,510	2,141,269	2,255,226	2,291,101
Community Support/Other	241,243	264,226	259,756	256,220	258,112	265,068	294,259	280,627	312,295	336,562
Contribution to OBEB Fund	617,000	620,000	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 20,507,667	\$ 21,856,255	\$ 23,121,021	\$ 24,260,153	\$ 24,154,803	\$ 26,035,498	\$ 25,472,034	\$ 26,554,408	\$ 27,710,567	\$ 28,930,262
Excess of Revenues										
Over (Under) Expenditures	\$ 8,784,794	\$ 9,962,120	\$ 10,800,729	\$ 8,714,485	\$ 7,346,269	\$ 7,812,916	\$ 9,799,360	\$ 10,516,465	\$ 10,662,994	\$ 11,374,409
Other Financing Sources										
(Uses)										
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	(6,816,068)	(9,927,523)	(6,237,792)	(6,840,545)	(6,910,975)	(9,785,200)	(5,380,386)	(6,908,700)	(9,300,220)	(8,913,700)
Total	\$ (6,816,068)	\$ (9,927,523)	\$ (6,237,792)	\$ (6,840,545)	\$ (6,910,975)	\$ (9,785,200)	\$ (5,380,386)	\$ (6,908,700)	\$ (9,300,220)	\$ (8,913,700)
Excess of Revenues										
Over (Under) Expenditures	\$ 1,968,726	\$ 34,597	\$ 4,562,937	\$ 1,873,940	\$ 435,294	\$ (1,972,284)	\$ 4,418,974	\$ 3,607,765	\$ 1,362,774	\$ 2,460,709
& Other Uses										
Fund Balance July 1	16,508,469	18,477,195	18,511,792	23,074,729	24,948,669	25,383,963	25,378,015	30,428,074	34,035,839	35,398,613
Restatement	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	1,966,336	631,085	-	-	-
Residual Equity Transfers	-	-	-	-	-	-	-	-	-	-
Fund Balance June 30	\$ 18,477,195	\$ 18,511,792	\$ 23,074,729	\$ 24,948,669	\$ 25,383,963	\$ 25,378,015	\$ 30,428,074	\$ 34,035,839	\$ 35,398,613	\$ 37,859,322

Source: Comprehensive Annual Financial Reports of the City of Brentwood, Tennessee.

CITY OF BRENTWOOD, TENNESSEE
Summary of Revenues, Expenses and
Changes in Net Assets - Water and Sewer Fund

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
Operating Revenues										
Metered Water Sales	\$ 5,782,348	\$ 6,378,675	\$ 7,246,448	\$ 6,965,172	\$ 5,996,801	\$ 6,976,998	\$ 7,013,623	\$ 7,115,198	\$ 7,290,592	\$ 7,826,920
Sewer Service Charges	4,361,055	4,562,924	4,808,429	5,697,003	6,080,734	6,134,641	6,345,639	6,264,218	6,543,858	6,606,267
Installation Charges/Other	2,922,065	3,961,470	1,379,559	1,504,616	1,391,058	2,058,398	1,180,665	566,834	600,028	611,638
Total Operating Revenues	<u>\$ 13,065,468</u>	<u>\$ 14,903,069</u>	<u>\$ 13,434,436</u>	<u>\$ 14,166,791</u>	<u>\$ 13,468,593</u>	<u>\$ 15,170,037</u>	<u>\$ 14,539,927</u>	<u>\$ 13,946,250</u>	<u>\$ 14,434,478</u>	<u>\$ 15,044,825</u>
Operating Expenses										
Water Purchased	\$ 3,083,177	\$ 3,475,325	\$ 4,121,183	\$ 3,990,430	\$ 3,445,089	\$ 3,972,284	\$ 4,066,069	\$ 4,315,811	\$ 4,805,013	\$ 5,435,298
Depreciation/Amortization	1,857,639	1,922,287	2,005,789	2,073,257	2,237,849	2,409,185	2,556,287	2,592,710	2,716,986	2,790,610
Materials and Supplies	-	-	-	-	-	-	-	422,016	435,230	415,537
Sewerage treatment charges	1,101,849	1,418,935	1,796,257	1,664,918	2,604,044	2,651,687	2,653,214	3,357,441	3,338,451	2,716,187
Salaries and benefits	1,300,506	1,411,020	1,595,345	1,701,766	1,737,941	1,720,369	1,593,109	1,793,292	1,909,229	1,750,239
Maintenance	701,891	559,997	731,728	852,665	807,587	697,994	618,637	692,132	1,310,741	1,071,099
Utilities	249,049	240,244	299,260	290,352	250,305	276,125	263,300	291,013	280,353	298,027
Professional services	425,296	286,831	211,075	275,027	110,007	83,709	71,086	89,455	100,076	126,237
Communications/Other	629,932	432,433	532,641	507,910	561,886	565,733	552,801	158,289	215,189	165,237
Total Operating Expenses	<u>\$ 9,349,339</u>	<u>\$ 9,747,072</u>	<u>\$ 11,293,278</u>	<u>\$ 11,356,325</u>	<u>\$ 11,754,708</u>	<u>\$ 12,377,086</u>	<u>\$ 12,374,503</u>	<u>\$ 13,712,159</u>	<u>\$ 15,111,268</u>	<u>\$ 14,768,471</u>
Operating Income	<u>\$ 3,716,129</u>	<u>\$ 5,155,997</u>	<u>\$ 2,141,158</u>	<u>\$ 2,810,466</u>	<u>\$ 1,713,885</u>	<u>\$ 2,792,951</u>	<u>\$ 2,165,424</u>	<u>\$ 234,091</u>	<u>\$ (676,790)</u>	<u>\$ 276,354</u>
Non-Operating Revenues (Expenses)										
Contribution to OPEB Fund	\$ (60,000)	\$ (60,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on Investments	255,234	430,566	376,490	131,862	80,471	216,802	140,495	157,458	75,510	72,725
Sale of Equipment	-	-	-	-	-	-	-	-	-	3,330
Interest Expense	(401,982)	(358,131)	(257,747)	(315,627)	(423,732)	(732,818)	(795,532)	(825,187)	(872,004)	(850,729)
Total Non-Operating Rev. (Exp.)	<u>\$ (206,748)</u>	<u>\$ 12,435</u>	<u>\$ 118,743</u>	<u>\$ (183,765)</u>	<u>\$ (343,261)</u>	<u>\$ (516,016)</u>	<u>\$ (655,037)</u>	<u>\$ (667,729)</u>	<u>\$ (796,494)</u>	<u>\$ (774,674)</u>
Operating Income Before Other	<u>\$ 3,509,381</u>	<u>\$ 5,168,432</u>	<u>\$ 2,259,901</u>	<u>\$ 2,626,701</u>	<u>\$ 1,370,624</u>	<u>\$ 2,276,935</u>	<u>\$ 1,510,387</u>	<u>\$ (433,638)</u>	<u>\$ (1,473,284)</u>	<u>\$ (498,320)</u>
Capital Contributions - Tap Fees	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,163,900</u>	<u>\$ 2,522,068</u>	<u>\$ 2,762,989</u>	<u>\$ 2,192,730</u>
Other										
Transfers Out	\$ -	\$ -	\$ -	\$ (5,700)	\$ (62,500)	\$ -	\$ (19,310)	\$ -	\$ -	\$ -
Total Other	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,700)</u>	<u>\$ (62,500)</u>	<u>\$ -</u>	<u>\$ (19,310)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Change In Net Position	<u>\$ 3,509,381</u>	<u>\$ 5,168,432</u>	<u>\$ 2,259,901</u>	<u>\$ 2,621,001</u>	<u>\$ 1,308,124</u>	<u>\$ 2,276,935</u>	<u>\$ 4,654,977</u>	<u>\$ 2,088,430</u>	<u>\$ 1,289,705</u>	<u>\$ 1,694,410</u>
Totl Net Position - Begin FY as Restated	<u>44,116,556</u>	<u>47,625,937</u>	<u>52,794,369</u>	<u>55,054,270</u>	<u>57,675,271</u>	<u>58,983,395</u>	<u>61,260,330</u>	<u>65,692,586</u>	<u>67,781,016</u>	<u>68,906,535</u>
Change in Contributed Capital	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets (Equity)	<u>\$ 47,625,937</u>	<u>\$ 52,794,369</u>	<u>\$ 55,054,270</u>	<u>\$ 57,675,271</u>	<u>\$ 58,983,395</u>	<u>\$ 61,260,330</u>	<u>\$ 65,915,307</u>	<u>\$ 67,781,016</u>	<u>\$ 69,070,721</u>	<u>\$ 70,600,945</u>

Source: Comprehensive Annual Financial Reports of the City

RATE STRUCTURE - WATER AND SEWER CUSTOMERS

Note: For the complete rate structure for water and sewer residential and commercial customers, see page 89 of the Comprehensive Annual Financial Report of the City for FY 2015.

Source: City Finance Department.

FINANCIAL INFORMATION

BUDGETARY PROCESS

Operating Budget. On or before May 15 of each year, the City Manager is required to submit to the Board of Commissioners a proposed operating budget for the fiscal year which begins on the following July 1. Public hearings are conducted by the Board of Commissioners to obtain citizen comments on the budget. Prior to June 30 of each year, the budget is legally enacted through passage of a budget ordinance. Annual appropriated budgets for the general, special revenue and debt service funds are adopted on a basis consistent with generally accepted accounting principles (“GAAP”). Total expenditures for these funds may not exceed total appropriations during the succeeding fiscal year. The City Manager is authorized to transfer budgeted amounts between departments within an individual fund; and revisions that alter the total appropriations for any fund must be approved through the passage of an ordinance by the Board of Commissioners. All annual appropriations lapse at the end of the fiscal year.

Capital Improvement Program. The FY 2016-2021 Capital Improvements Program is an ambitious plan that calls for the investment of \$106,530,000 in local, State, Federal, and private funds to upgrade and expand infrastructure in the major program areas of transportation, utilities, parks and recreation, general facilities and equipment, technology, and storm drainage. A program of this magnitude cannot be undertaken with local resources alone; therefore, local funding is being used to strategically leverage state and federal aid to the program, particularly for transportation improvements. About \$26.6 million of the \$106.5 million program is dependent upon receipt of inter-governmental revenues (state and federal), targeted mostly to the improvement of state highways in Brentwood.

Distinguished Budget Presentation Award. The Municipality has received the GFOA Distinguished Budget Presentation Award for its annual budget for 23 consecutive years. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. The award is valid for a period of one year only.

For additional information on the Operating Budget and the Capital Improvement Plan, see the Brentwood website:

<http://www.brentwood-tn.org/index.aspx?page=48>

INVESTMENT AND CASH MANAGEMENT PRACTICES

The Municipality has adopted a formal investment policy which is consistent with Tennessee law and meets daily cash flow demands with the primary objectives, in priority order, being a) safety of principal, b) liquidity, and c) yield.

Investment of idle operating funds is controlled by State statute. Generally, such policies limit investment instruments to direct U.S. Government obligations, those issued by U.S. Agencies or Certificates of Deposit. Unless deposited in a financial institution participating in the State

Consolidated Collateral Pool, all demand deposits or Certificates of Deposit must be secured by similar grade collateral (i.e., to direct U.S. Government obligations, those issued by U.S. Agencies or Certificates of Deposit) pledged at 105 percent of market value for amounts in excess of that guaranteed through federally sponsored insurance programs. For reporting purposes, all investments are stated at cost, which approximates market value.

For additional information, see the Investment Policy and other financial policies of the Municipality located the Operating Budget for the most recent fiscal year located on the Brentwood website:

<http://www.brentwood-tn.org/index.aspx?page=48>

PROPERTY TAX

Introduction. The Municipality is authorized to levy a tax on all property within its corporate limits without limitation as to rate or amount.

In accordance with the State constitutional and statutory provisions, all property (real and personal) is assessed by the County Property Tax Assessor. Most utility property is assessed directly by the State, although certain local assessments may occur. All property taxes are due on October 1st of each year based upon appraisals as of January 1 of the same calendar year. All property taxes are delinquent on March 1 of the subsequent calendar year. Delinquent taxes begin accumulating interest and penalties on that date. In order to collect delinquent taxes, lawsuits must be filed in Chancery Court within a 10 year period of the delinquency date. After the Chancery Court suit is filed by the Municipality, additional costs are incurred and attached to delinquent property

Reappraisal Program. Title 67, Chapter 5, Part 16, Tennessee Code Annotated, as supplemented and amended mandates that all property in the State be reappraised on a continuous cycle composed of an on-sight review of each parcel. Periodic valuations and indices are established for the jurisdiction by the State Board of Equalization in order to maintain real property values at full value as defined in Title 67, Chapter 5, Part 6, Tennessee Code Annotated. The State Board of Equalization is also required to consider a plan submitted by a local assessor that may be used in lieu of indexing which would have the effect of maintaining real property values at full value.

Title 67, Chapter 5, Part 17, Tennessee Code Annotated, provides that at such time as such reappraisal and reassessment processes are completed in a particular county, the respective governing bodies of the county and the municipalities located therein shall determine and certify a tax rate which will provide the same ad valorem tax revenue for the respective jurisdiction as was levied prior to reappraisal and reassessment. In computing the new tax rate, the estimated assessed value of all new construction and improvements placed on the tax rolls since the previous year, and the assessed value of all deletions from the previous tax roll are excluded. The new tax rate therefore, is derived from a comparison of tax revenues, tax rates and assessed values of property on the tax roll in both the year before and the year after the reappraisal. The effect of the reappraisal and reassessment statutes is to adjust the property tax rate downward to prevent a taxing unit from collecting additional property tax revenues as a result of reappraisal. Once a municipality or county

complies with State law and certifies a tax rate which provides the same property tax revenue as was collected for reappraisal, its governing body may vote to approve a tax rate change which would produce more or less tax revenue.

Assessed Valuations. Property in Williamson County and in the Municipality reflected a ratio of appraised value to true market value of 0.9753. Williamson County is on a 5 year appraisal cycle. Public utility assessments have been equalized and certified by the State after adjustment resulting from reappraisals or from sales studies for prior years. Most utility assessments are conducted by the State. A ratio adjustment was made in 2015 and the next reappraisal will occur in 2016 for Fiscal Year 2017.

Williamson County is currently completing a reappraisal of all property in the County. Preliminary results indicate property values in Brentwood will reflect valuation increases in excess of 20.0% compared to data for 2015.

		<u>Real Property</u>								
<u>FY</u>	<u>Tax Year</u>	<u>Industrial/ Commercial⁽¹⁾</u>	<u>Residential</u>	<u>Farm/ Other Property⁽²⁾</u>	<u>Tangible/ Personal Property⁽³⁾</u>	<u>Public Utility Property⁽⁴⁾</u>	<u>Total Assessed Value</u>	<u>Estimated Actual Value</u>	<u>City Tax Rate</u>	
2015	2014	\$677,125,122	\$1,746,730,160	\$20,910,225	\$78,099,066	\$35,615,366	\$2,558,479,939	\$9,311,578,192	\$0.44	
2014	2013	620,333,962	1,703,757,635	18,731,900	74,740,734	75,035,380	2,492,599,611	9,069,053,968	0.44	
2013	2012	615,081,282	1,661,897,110	19,319,400	79,521,200	86,448,787	2,462,267,779	8,720,227,534	0.44	
2012	2011*	624,223,809	1,626,874,510	19,035,100	78,672,001	90,174,677	2,438,980,097	8,607,257,616	0.44	
2011	2010	503,799,096	1,513,611,332	20,457,257	78,432,298	107,663,778	2,223,963,761	8,307,106,133	0.49	
2010	2009	503,853,573	1,497,020,907	21,536,484	71,769,715	111,776,389	2,205,957,068	9,011,910,857	0.49	
2009	2008	501,854,491	1,455,146,862	22,144,747	68,866,903	79,149,467	2,127,162,070	8,718,633,530	0.49	
2008	2007	468,298,840	1,372,673,625	26,790,150	70,199,061	85,533,389	2,023,495,065	7,209,306,812	0.49	
2007	2006*	442,350,280	1,274,199,450	32,343,825	64,516,536	77,265,123	1,890,675,214	6,720,411,384	0.49	
2006	2005	366,105,640	990,004,350	19,816,550	52,580,577	81,130,845	1,512,988,213	5,888,137,174	0.59	
	Rate	40%	25%	25%	30%	55%				

* Reappraisal. The effective date of the next reappraisal program is January 1, 2016. The effect of the State reappraisal and reassessment statutes is to adjust the property tax rate downward to prevent a taxing unit from collecting additional property tax revenues as a result of reappraisal. See the discussion in the preceding section entitled "FINANCIAL INFORMATION - Property Tax – Reappraisal Program". In tax year 2011 following the reappraisal process, Williamson County elected to raise its tax rate by \$0.23 after the effects of the "roll back" were considered. The increase in the County tax rate of \$0.23 brought in additional dollars. The County tax rate for tax year 2011 and 2012 is the same rate as for tax years 2006 through 2010 even though more dollars will be levied due to the reappraisal program. The Municipality's tax rate was "rolled back" from \$0.49 to \$0.44 consistent with State requirements.

(1) Includes mineral assessments, if any.

(2) Includes Farm/Other Property.

(3) Includes intangible assessments at 40 percent as follows: 2005 – \$3,353,604; 2006 - \$4,424,946; 2007 - \$4,129,159; 2008 - \$5,154,532; 2009 - \$4,953,461; 2010 - \$5,565,936; 2011 - \$7,834,372; 2012 - \$6,554,749; 2013 - \$1,638,549 and 2014 - \$65,973.

(4) Includes local utility assessments as follows: 2005 - \$4,782; 2006 - \$33,149; 2007 – \$361,905; 2008 - \$0; 2009 - \$0; 2010 - \$0; 2011 - \$0; 2012 - \$0; 2013 - \$0 and 2014 - \$0.

Source: Tax Aggregate Report of Tennessee published by the State Board of Equalization and the City of Brentwood

Property Tax Rates and Collections. The following table shows the property tax rates and collections of the Municipality for the 10 most recent as well as the aggregate uncollected balances for each fiscal year ending June 30th.

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Assessed Valuation</u>	<u>Ratio</u>	<u>City Tax Rates</u>	<u>Co. Tax Rates</u>	<u>Fiscal Year Collections</u>			<u>Total Collections To Date</u>
						<u>Taxes Levied</u>	<u>Fiscal Year Collections</u>	<u>Percent of Levy</u>	
2015	2014	\$2,558,479,939	0.9753	\$0.44	\$2.26	\$11,100,760	\$10,945,964	98.6%	\$10,954,964
2014	2013	2,492,599,611	0.9134	0.44	2.26	10,637,930	10,473,750	98.5%	10,624,932
2013	2012	2,462,267,779	0.9134	0.44	2.26	10,453,923	10,297,356	98.5%	10,452,339
2012	2011*	2,438,980,097	1.0000	0.44	2.26	10,335,554	10,224,371	98.9%	10,333,665
2011	2010	2,223,963,761	0.9175	0.49	2.26	10,356,406	10,098,663	97.5%	10,349,872
2010	2009	2,205,957,068	0.8778	0.49	2.26	10,262,147	9,983,488	97.3%	10,254,792
2009	2008	2,127,162,070	0.8778	0.49	2.26	10,034,692	9,835,526	98.0%	10,028,115
2008	2007	2,023,495,065	1.0000	0.49	2.26	9,497,764	9,329,872	98.2%	9,494,004
2007	2006	1,890,675,214	1.0000	0.49	2.26	8,885,916	8,761,268	98.6%	8,883,580
2006	2005	1,512,988,213	1.0000	0.59	2.79	8,448,015	8,153,723	96.5%	8,445,355

Note: Reappraisal occurred in tax year 2001, 2006 and 2011. The effect of the State reappraisal and reassessment statutes is to adjust the property tax rate downward to prevent a taxing unit from collecting additional property tax revenues as a result of reappraisal. See the discussion in the preceding section entitled "FINANCIAL INFORMATION - Property Tax – *Reappraisal Program*". In tax year 2011 following the reappraisal process, Williamson County elected to raise its tax rate by \$0.23 after the effects of the "roll back" were considered. The increase in the County tax rate of \$0.23 will bring in additional dollars. The County tax rate for tax year 2011 is the same rate as for tax years 2006 through 2010 even though more dollars will be levied due to the reappraisal program. The Municipality's tax rate was "rolled back" from \$0.49 to \$0.44 consistent with State requirements.

Source: Tax Aggregate Reports of the State of Tennessee, Tennessee State Board of Equalization and the City of Brentwood.

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Ten Largest Taxpayers. The ten largest taxpayers in the Municipality during fiscal year 2015 versus fiscal year 2006 were as follows:

<u>TAXPAYER</u>	<u>Fiscal Year 2015</u>			<u>Fiscal Year 2006</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>% City Total</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>% City Total</u>
Highwoods/Tenn Holdings LP	\$61,898,600	1	2.38%	\$41,769,440	2	2.79%
Bellsouth Telecommunications	37,000,000	2	1.42	60,341,322	1	4.03
Boyle Investments	36,312,800	3	1.40	-	-	-
Carter Validus Properties	34,342,700	4	1.32	-	-	-
Duke Reality	33,153,200	5	1.28	10,190,480	4	0.68
Brentwood Place Holding	23,202,400	6	0.89	-	-	-
Heritage Retirement Facility	17,840,000	7	0.69	-	-	-
Hospitality Properties Trust	16,966,300	8	0.65	-	-	-
PEM Investments	16,385,400	9	0.63	-	-	-
Gateway Kentfield, Inc.	11,257,700	10	0.43	8,627,640	6	0.58
Wells Fargo XII – Reit Joint	-	-	-	8,563,120	7	0.57
SBP Nashville, LLC	-	-	-	14,942,520	3	1.00
Brentwood Retail LP	-	-	-	9,317,760	5	0.62
Developers Diversified	-	-	-	8,375,960	8	0.56
Total:	<u>\$288,359,100</u>		<u>11.10%</u>	<u>\$162,128,242</u>		<u>10.83%</u>
Total Assessment:	<u>\$2,597,902,028</u>			<u>\$1,496,914,298</u>		

Source: City of Brentwood Comprehensive Annual Financial Report for Fiscal Year 2015

LOCAL OPTION SALES AND USE TAX

Pursuant to applicable provisions of Title 67, Chapter 6, Part 7 of Tennessee Code Annotated as amended, (the "Local Tax Act"), the City levies a county - wide local option sales tax. Under the Act, counties and incorporated cities may levy a sales tax on the same privileges on which the State levies its sales tax. The rate of any sales tax levied by a county or city is limited to 2.75%.

Pursuant to the Local Tax Act, the levy of a sales tax by a county precludes any city from within the county from levying a sales tax. A city may levy a sales tax in addition to the county's sales tax at a rate not exceeding the difference between the county sales tax rate and the maximum local option sales tax rate of 2.75%. If a city is located in more than one county, each portion of the city that is located in a separate county is treated as a separate city for purposes of determining the maximum sales tax rate.

The revenues from the county-wide sales taxes are distributed pursuant to the provisions of the Local Tax Act and other provisions of the Tennessee Code Annotated. Fifty percent (50 percent) of the revenues raised through the county-wide sales taxes are directed to educational

purposes and are distributed to all organized school systems, in the county in which the taxes are collected based upon the average daily attendance of each school system. The balance of the sales tax collections are divided between the general fund of the county in which the taxes are collected and all incorporated cities or towns in such county based upon the situs of collection. The Municipality's share of the county-wide sales tax of 2.25% is depicted below:

<u>Fiscal Year</u>	<u>Collections</u>	<u>% Change Prior Year</u>
2015	\$13,820,565	6.68%
2014	12,954,622	1.50%
2013	12,762,673	6.31%
2012	12,005,650	8.87%
2011	11,027,909	8.40%
2010	10,173,406	(0.87%)
2009	10,261,707	(5.83%)
2008	10,897,522	3.66%
2007	10,510,078	4.08%
2006	10,098,176	16.18%

Source: Comprehensive Annual Financial Reports of the City of Brentwood, Tennessee

The Local Tax Act authorizes a local jurisdiction, by resolution of its governing body, to pledge proceeds raised by the power and authority granted by the Act to the punctual payment of principal of and interest on bonds, notes or other evidence of indebtedness issued for purposes for which such proceeds were intended to be spent. The Governing Body has not pledged any local option sales tax proceeds to bonded indebtedness of the Municipality.

PENSION PLANS

For information on the Municipality's retirement programs including, but not limited to, funding status, trend information and actuarial status of the Municipality's retirement programs, please refer to the appropriate Notes to Financial Statements located in the Comprehensive Annual Financial Report of the Municipality accessed electronically via the link depicted in APPENDIX D.

OTHER POST EMPLOYMENT BENEFITS

The Municipality provides post-retirement health care benefits, in accordance with policies established by its resolutions, to all employees who retire from the Municipality. Pursuant to applicable enabling statutory authority, the Municipality became the first community in Tennessee in late August 2007 to establish an irrevocable trust fund to manage and account for its other post-employment benefits.

For additional information on post-employment benefits provided by the Municipality including, but not limited to, funding status, trend information and actuarial status, please refer to the appropriate Notes to Financial Statements located in the Comprehensive Annual Financial Report of the Municipality accessed electronically via the link depicted in APPENDIX D.

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**FORM OF CONTINUING DISCLOSURE
AGREEMENT**

CITY OF BRENTWOOD, TENNESSEE

\$_____

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered this ___th day of June __, 2016 by the City of Brentwood, Tennessee (the "Issuer") in connection with the issuance of its \$_____ General Obligation Refunding Bonds, Series 2016 (the "Bonds"). The Bonds are being issued pursuant to a resolution adopted by the Board of Commissioners of the Issuer on May 9, 2016 (the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to the Rule and this Disclosure Certificate.

"Beneficial Owner" shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" means the Issuer or any successor designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Fiscal Year" shall mean any period of twelve consecutive months adopted by the Issuer as its fiscal year for financial reporting purposes and shall initially mean the period beginning on July 1 of each calendar year and ending June 30 of the following calendar year.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any successor thereto.

"Official Statement" shall mean the *Official Statement* dated May 25, 2016 relating to the Bonds.

"Participating Underwriter" shall mean _____.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Tennessee.

"State Depository" shall mean any public or private depository or entity designated by the State as a state depository to which continuing disclosure information shall be sent pursuant to State law. As of the date of this Disclosure Certificate, there is no State Depository.

SECTION 3. Provision of Annual Reports. Not later than one year after the end of the Fiscal Year, commencing with Fiscal Year ending June 30, 2016, the Issuer shall provide an Annual Report to the MSRB at www.emma.msrb.com and to the State Depository, if any. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate. Notwithstanding the foregoing, the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report when such audited financial statements are available. In the event that the audited financial statements are not included with the Annual Report and will be submitted at a later date, the Issuer shall include unaudited financial statements of the Issuer in the Annual Report and shall indicate in the Annual Report the date on which the audited financial statements of the Issuer will be submitted. The audited financial statements of the Issuer, when available, will be provided to the MSRB and to the State Depository, if any. If the Annual Report (or audited financial statements which were to be separately submitted) is not timely filed, the Issuer shall in a timely manner send a notice to the MSRB and to the State Depository, if any.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the Comprehensive Annual Financial Report of the Issuer for the fiscal year, prepared in accordance with generally accepted accounting principles; provided, however, if the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained herein, and the audited financial statements shall be filed when available. The Annual Report shall also include in a similar format the following information included in Appendix B to this *Official Statement* as follows:

1. Summary of bonded indebtedness as of the end of such fiscal year;

2. The indebtedness and debt ratios as of the end of such fiscal year, together with information about the property tax base;
3. Information regarding tax backed debt service requirements;
4. Information about the water and sewer revenue and tax backed debt service requirements as of the end of such fiscal year;
5. The fund balances and net assets for the fiscal year;
6. Summary of revenues, expenditures and changes in fund balances - general fund for the fiscal year;
7. Summary of revenues, expenses and changes in net assets - water and sewer fund for the fiscal year;
8. Water and Sewer rates;
9. The estimated assessed value of property in the City for the tax year ending in such fiscal year and the total estimated actual value of all taxable property for such year;
10. Property tax rates and tax collections of the City for the tax year ending in such fiscal year as well as the uncollected balance for such fiscal year;
11. The ten largest taxpayers;
12. Local Option Sales and Use Tax Collections.

Any or all of the items above may be incorporated by reference from other documents, including Official Statements in final form for debt issues of the Issuer or related public entities, which have been filed with the Securities and Exchange Commission or are available from the MSRB at emma.msrb.org. If the document incorporated by reference is a final Official Statement, in final form, it will be available from the MSRB at <http://www.emma.msrb.org>. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events. The Issuer will file notice regarding certain significant events with the MSRB and SID, if any, as follows:

1. Upon the occurrence of a Listed Event (as defined in (3) below), the Issuer shall in a timely manner, but in no event more than ten (10) business days after the occurrence of such event, file a notice of such occurrence with the MSRB and State Depository, if any.

2. For Listed Events where notice is only required upon a determination that such event would be material under applicable Federal securities laws, the Issuer shall determine the materiality of such event as soon as possible after learning of its occurrence.
3. The following are the Listed Events:
 - a. Principal and interest payment delinquencies;
 - b. Non-payment related defaults, if material;
 - c. Unscheduled draws on debt service reserves reflecting financial difficulties;
 - d. Unscheduled draws on credit enhancements reflecting financial difficulties;
 - e. Substitution of credit or liquidity providers, or their failure to perform;
 - f. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
 - g. Modifications to rights of Bondholders, if material;
 - h. Bond calls, if material, and tender offers;
 - i. Defeasances;
 - j. Release, substitution, or sale of property securing repayment of the securities, if material;
 - k. Rating changes;
 - l. Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - m. The consummation of a merger, consolidation or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - n. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

SECTION 6. Dissemination Agent. The Issuer may, from time to time, appoint a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and the Issuer may, from time to time, discharge the dissemination agent, with or without appointing a successor dissemination agent. If at any time there is not a designated dissemination agent, the Issuer shall be the dissemination agent.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Amendment. Notwithstanding any other provision of the Disclosure Certificate, the Issuer may amend the Disclosure Certificate, and any provision of the Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions concerning the Annual Report and Reporting of Significant Events it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized Bond Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of the Holders, or (ii) does not, in the opinion of nationally recognized Bond Counsel, materially impair the interests of the Holders or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of the Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have

no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of any party to comply with this Disclosure Certificate shall be an action to compel performance. The cost to the Issuer of performing its obligations under the provisions of this Disclosure Certificate shall be paid solely from funds lawfully available for such purpose.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The Dissemination Agent may consult with counsel (who may, but need not, be counsel for any party hereto or the Issuer), and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriter and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Intermediaries; Expenses. The Dissemination Agent is hereby authorized to employ intermediaries to carry out its obligations hereunder. The Dissemination Agent shall be reimbursed immediately for all such expenses and any other reasonable expense incurred hereunder (including, but not limited to, attorneys' fees).

SECTION 14. Governing Law. This Disclosure Certificate shall be governed by and construed in accordance with the laws of the State.

SECTION 15. Severability. In case any one or more of the provisions of this Disclosure Certificate shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Disclosure Certificate, but this Disclosure Certificate shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

SECTION 16. Filings with the MSRB. All filings required to be made with the MSRB shall be made electronically at www.emma.msrb.org, shall be accompanied by identifying information as prescribed by the MSRB and shall be submitted in any other manner pursuant to, and in accordance with, SEC Release No. 34-59062.

CITY OF BRENTWOOD, TENNESSEE

By: _____
Mayor

APPENDIX D

CITY OF BRENTWOOD, TENNESSEE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED

JUNE 30, 2015

ELECTRONIC LINK

The Comprehensive Annual Financial for the City of Brentwood, Tennessee as of and for the fiscal year ending June 30, 2015 together with the independent auditors' report is available through the City of Brentwood, Tennessee's official website at:

<http://www.brentwood-tn.org/index.aspx?page=409>

This document is hereby incorporated by reference as APPENDIX D.

To the extent there are any differences between the electronically posted Comprehensive Annual Financial Report of the City of Brentwood and the printed Comprehensive Annual Financial Report of the City of Brentwood, the printed version shall control.

The Municipality's current independent external auditor has not been engaged to perform and has not performed any procedures on the financial statements addressed in that report since the date of its report referenced herein nor have they performed any procedures relating to this *Official Statement*.