

**CITY CLERK MEMORANDUM**  
**13-41**

**DATE:** August 9, 2013

**TO:** Honorable Mayor and Members of City Council

**FROM:** Diana R. Stanley, City Clerk

**SUBJECT:** ADDITIONS TO THE AUGUST 12, 2013 CITY COUNCIL AGENDA

Since the agenda's posting on Monday, August 5, 2013, city staff has two (2) additional items that need to be added to the August 12, 2013 City Council Agenda.

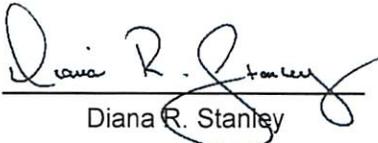
First, as a result of new requirements from the State of Tennessee Comptroller of the Treasury, the Finance Department needs to include two (2) Report on Debt Obligation Forms—CT 0253—regarding the City's two (2) State Revolving Fund Loans in the "Special Reports" section of the agenda. These forms indicate that the information is to be presented at a governing body's public meeting. This will allow an opportunity for discussion amongst the City Council and City Staff regarding the information contained on the forms. This item will be recorded in the minutes for the record; it does not require any action.

Second, the City Clerk's Office has received a request from Mr. Lyn Hart for a proclamation to be presented on August 24, 2013 declaring said day as "Wildcat Day." City Council's new Rules and Procedures require all proclamations to be approved by City Council before issuance. In order to efficiently complete this request, the City Clerk recommends adding the proclamation to the Consent Agenda for approval.

At the August 12, 2013 meeting, please consider the following motion in order to complete the two (2) aforementioned items:

Move to amend the agenda to include the Report on Debt Obligation Forms—CT 0253—as an item under "Special Reports," as well as add the "Wildcat Day" Proclamation to the Consent Agenda for approval.

Attached, please find the "Wildcat Day" Proclamation, as well as material from the Finance Department which includes the Report on Debt Obligation Forms. All of this information has also been posted on the City of Oak Ridge's website.

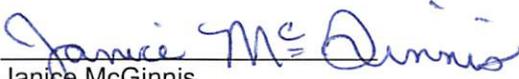
  
\_\_\_\_\_  
Diana R. Stanley

cc: Mark S. Watson, City Manager  
Kenneth R. Krushenski, City Attorney

**FINANCE DEPARTMENT MEMORANDUM**  
**13-19**

DATE: August 9, 2013  
TO: Mark S. Watson, City Manager  
FROM: Janice E. McGinnis, Finance Director  
SUBJECT: Transmittal of Report on Debt Obligation – State Form CT-0253 on State Revolving Fund Loans

Attached is State Forms CT-0253 Report on Debt Obligation for transmittal to City Council for the City's two State Revolving Fund Loans totaling a combined principal balance of \$17,600,000. The resolutions authorizing these loans were approved at the February 25, 2013 Special Meeting of City Council. The two loans were approved by the Tennessee Local Development Authority on June 25, 2013. A new requirement of the loan program is that the CT-0253 form be completed and returned to the Office of State and Local Finance and distributed to the governing body. The completed CT-0253 form is also required to be presented to the governing body at a public meeting. City staff will be happy to answer questions regarding the information contained on the CT-0253 forms at the August 12, 2013 City Council meeting. The presentation is for transparency regarding debt transactions; no action is required by City Council.

  
Janice McGinnis

cc: Honorable Mayor and Members of City Council

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

**1. Public Entity:**  
 Name City of Oak Ridge  
 Address P.O. Box 1  
Oak Ridge, TN 37831-0001

**2. Debt Obligation:**

<input type="checkbox"/>	a. Bond
<input type="checkbox"/>	b. CON
<input type="checkbox"/>	c. BAN
<input type="checkbox"/>	d. GAN
<input type="checkbox"/>	e. TRAN
<input type="checkbox"/>	f. CRAN
<input type="checkbox"/>	g. Capital Lease
<input checked="" type="checkbox"/>	h. Loan Agreement

Note: Enclose a copy of the executed NOTE FORM if applicable.

**5. Face Amount of Debt Obligation:** \$14,000,000.00  
**Premium/Discount:** \_\_\_\_\_

**6. Type of Sale:**

<input type="checkbox"/>	a. Competitive Public Sale
<input type="checkbox"/>	b. Informal Bid
<input type="checkbox"/>	c. Negotiated Sale
<input checked="" type="checkbox"/>	d. Loan Program

State Revolving Fund Loan

**3. Security For Debt Obligation:**

<input type="checkbox"/>	a. General Obligation
<input checked="" type="checkbox"/>	b. General Obligation+Revenue+Tax
<input type="checkbox"/>	c. Revenue
<input type="checkbox"/>	d. TIF
<input type="checkbox"/>	e. Annual Appropriations

**7. Tax Status:**

<input checked="" type="checkbox"/>	a. Tax Exempt
<input type="checkbox"/>	b. Tax Exempt - Bank Qualified
<input type="checkbox"/>	c. Taxable

**8. Dated Date:** 06/25/2013

**9. Issue Date (Closing Date):** 06/25/2013

**4. Purpose of Issue:**

<input type="checkbox"/>	a. General Government	_____ %
<input type="checkbox"/>	b. Education	_____ %
<input type="checkbox"/>	c. Highways and Streets	_____ %
<input type="checkbox"/>	d. Public Safety	_____ %
<input type="checkbox"/>	e. Solid Waste Disposal	_____ %
<input type="checkbox"/>	f. Industrial Park	_____ %
<input type="checkbox"/>	g. Manufacturing Facilities	_____ %
<input type="checkbox"/>	h. Health Facilities	_____ %
<input type="checkbox"/>	i. Airports	_____ %
<input type="checkbox"/>	j. Utilities	_____ %
<input type="checkbox"/>	i. Water	_____ %
<input checked="" type="checkbox"/>	ii. Sewer	<u>100.00</u> %
<input type="checkbox"/>	iii. Electric	_____ %
<input type="checkbox"/>	iv. Gas	_____ %
<input type="checkbox"/>	k. Refunding or Renewal	_____ %
<input type="checkbox"/>	l. Other _____	_____ %

specify

**10. Ratings:**

a. Moody's	_____
b. Standard & Poor's	_____
c. Fitch	_____
d. Unrated	<u>x</u> _____

**11. Interest Cost:**  
1.150000 %

<input type="checkbox"/>	a. TIC
<input type="checkbox"/>	b. NIC
<input type="checkbox"/>	c. Variable: Index _____ plus _____ bps
<input checked="" type="checkbox"/>	d. Other <u>.08%</u> Administrative Fee

**12. Recurring Costs:** Not Applicable

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

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

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2016	\$626,208	1.15 %	2027	\$710,604	1.15 %
2017	\$633,444	1.15 %	2028	\$718,824	1.15 %
2018	\$640,764	1.15 %	2029	\$727,128	1.15 %
2019	\$648,180	1.15 %	2030	\$735,540	1.15 %
2020	\$655,668	1.15 %	2031	\$744,036	1.15 %
2021	\$663,252	1.15 %	2032	\$752,640	1.15 %
2022	\$670,920	1.15 %	2033	\$761,340	1.15 %
2023	\$678,672	1.15 %	2034	\$770,148	1.15 %
2024	\$686,520	1.15 %	2035	\$779,180	1.15 %
2025	\$694,452	1.15 %			%
2026	\$702,480	1.15 %			%

If additional space is needed, attach additional sheet.

**14. Repayment Schedule**

This Issue			Total Debt Outstanding *		
Year	Cum. Principal Redeemed	% Total	Year	Cum. Principal Redeemed	% Total
1	\$0	0.00	1	\$2,026,331	2.91
5	\$1,900,416	13.57	5	\$11,355,436	16.32
10	\$5,217,108	37.26	10	\$27,654,969	39.75
15	\$8,729,988	62.36	15	\$47,891,602	68.84
20	\$12,450,672	88.93	20	\$65,776,796	94.55
25	\$14,000,000	100.00	25	\$69,564,714	100.00
30			30		

\*Total Debt Waterworks Fund Only





Item No. 17 - Description of Compliance with Written Debt Management Policy

The loan complies with the City's debt policy as follows:

- (1) The loan fits within the definition of Debt set forth in such Debt Policy;
- (2) The loan is permitted under Tennessee law;
- (3) The loan was formally authorized by resolutions adopted by the City Council at a public meeting for which adequate public notice was given in compliance with the authority and transparency provisions of the Debt Policy.
- (4) The information relating to the loan was made available to the City Council, citizens and other interested parties pursuant to the transparency provisions of the Debt Policy. A public meeting was held to provide information about the City's application for the loan.
- (5) The term of the loan does not exceed the useful economic life of the improvements to be financed as required by the Debt Policy;
- (6) The loan is structured to achieve relatively level debt service ;
- (7) Call provisions are less than 10 years from the date of issuance of the debt;
- (8) The loan in addition to being a general obligation of the City which fits within the security structure of the Debt Policy, it is also payable from the revenues of the wastewater systems since the improvements to be financed have a revenue stream;
- (9) The loan complies with the long term debt provisions of the Debt Policy due to the City determining that the improvements to be financed should not be financed from current revenues or short-term borrowings;
- (10) The loan carries a fixed interest rate;
- (11) The loan complies with the method of issuance of debt by the City since the loan is permitted under State law.

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

**1. Public Entity:**

Name City of Oak Ridge

Address P.O. Box 1  
Oak Ridge, TN 37831-0001

**2. Debt Obligation:**

a. Bond  
 b. CON  
 c. BAN  
 d. GAN  
 e. TRAN  
 f. CRAN  
 g. Capital Lease  
 h. Loan Agreement

Note: Enclose a copy of the executed NOTE FORM if applicable.

**5. Face Amount of Debt Obligation:** \$3,600,000.00

**Premium/Discount:** \_\_\_\_\_

**6. Type of Sale:**

a. Competitive Public Sale  
 b. Informal Bid  
 c. Negotiated Sale  
 d. Loan Program

State Revolving Fund Loan

**3. Security For Debt Obligation:**

a. General Obligation  
 b. General Obligation+Revenue+Tax  
 c. Revenue  
 d. TIF  
 e. Annual Appropriations

**7. Tax Status:**

a. Tax Exempt  
 b. Tax Exempt - Bank Qualified  
 c. Taxable

**8. Dated Date:** 06/25/2013

**9. Issue Date (Closing Date):** 06/25/2013

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<input type="checkbox"/>	b. Education	_____ %
<input type="checkbox"/>	c. Highways and Streets	_____ %
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<input type="checkbox"/>	e. Solid Waste Disposal	_____ %
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<input type="checkbox"/>	i. Airports	_____ %
<input type="checkbox"/>	j. Utilities	_____ %
<input type="checkbox"/>	i. Water	_____ %
<input checked="" type="checkbox"/>	ii. Sewer	<u>100.00</u> %
<input type="checkbox"/>	iii. Electric	_____ %
<input type="checkbox"/>	iv. Gas	_____ %
<input type="checkbox"/>	k. Refunding or Renewal	_____ %
<input type="checkbox"/>	l. Other _____	_____ %

specify

**10. Ratings:**

a. Moody's \_\_\_\_\_  
b. Standard & Poor's \_\_\_\_\_  
c. Fitch \_\_\_\_\_  
d. Unrated x \_\_\_\_\_

**11. Interest Cost:**

1.150000 %  a. TIC  
 b. NIC  
 c. Variable: Index \_\_\_\_\_ plus \_\_\_\_\_ bps  
 d. Other .08% Administrative Fee \_\_\_\_\_

**12. Recurring Costs:** Not Applicable

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

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

Year	Amount	Interest Rate	Year	Amount	Interest Rate
2016	\$161,028	1.15 %	2027	\$182,724	1.15 %
2017	\$162,876	1.15 %	2028	\$184,836	1.15 %
2018	\$164,772	1.15 %	2029	\$186,972	1.15 %
2019	\$166,668	1.15 %	2030	\$189,132	1.15 %
2020	\$168,600	1.15 %	2031	\$191,328	1.15 %
2021	\$170,544	1.15 %	2032	\$193,536	1.15 %
2022	\$172,524	1.15 %	2033	\$195,768	1.15 %
2023	\$174,516	1.15 %	2034	\$198,036	1.15 %
2024	\$176,532	1.15 %	2035	\$200,400	1.15 %
2025	\$178,572	1.15 %			%
2026	\$180,636	1.15 %			%

If additional space is needed, attach additional sheet.

**14. Repayment Schedule**

This Issue			Total Debt Outstanding *		
Year	Cum. Principal Redeemed	% Total	Year	Cum. Principal Redeemed	% Total
1	\$0	0.00	1	\$2,026,331	2.91
5	\$488,676	13.57	5	\$11,355,436	16.32
10	\$1,341,528	37.26	10	\$27,654,969	39.75
15	\$2,244,828	62.36	15	\$47,891,602	68.84
20	\$3,201,564	88.93	20	\$65,776,796	94.55
25	\$3,600,000	100.00	25	\$69,564,714	100.00
30			30		

\*Total Debt is Waterworks Fund Only





City of Oak Ridge - \$3,600,000 Principal State Revolving Program Loan CWI 2013  
State Form CT-0253 Attachment

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- (9) The loan complies with the long term debt provisions of the Debt Policy due to the City determining that the improvements to be financed should not be financed from current revenues or short-term borrowings;
- (10) The loan carries a fixed interest rate;
- (11) The loan complies with the method of issuance of debt by the City since the loan is permitted under State law.

# PROCLAMATION

**WHEREAS**, Oak Ridge is gearing up for a new football season; and

**WHEREAS**, a community "pep rally" will be presented by the Oak Ridge Quarterback Club on Saturday, August 24, 2013 to support the various Oak Ridge football programs and provide enhancement of the community's athletic heritage; and

**WHEREAS**, the celebration will occur at the Ben Martin Track and Practice Field from 7:00 p.m. to 9:00 p.m.; and

**WHEREAS**, the mission of the Quarterback Club is to promote, cultivate, and encourage amateur competitive football within the City of Oak Ridge; and

**WHEREAS**, during this Saturday event the public is invited to partake in the festivities planned and celebrate football time in Oak Ridge.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE**, that August 24, 2013 be proclaimed

## WILDCAT DAY

in the City of Oak Ridge, Tennessee, and that all citizens are invited to celebrate the sports heritage of Oak Ridge and all of the local football programs at this "pep rally" event, and continue to show their support be attending community football games.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Great Seal of the City of Oak Ridge to be affixed this 12<sup>th</sup> day of August in the year of 2013.

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**THOMAS L. BEEHAN**  
MAYOR