

## **REGULAR MEETING KINGSTON CITY COUNCIL**

**TUESDAY, AUGUST 10, 2021 – 6:00 P.M.**

**KINGSTON CITY HALL**

The Kingston City Council met in regular session on Tuesday, August 10, 2021 at 6:00 p.m. Mayor Tim Neal called the meeting to order. City Attorney Jack McPherson gave the Invocation and Council Member Jeff Griffis led the pledge. Upon roll call the following members were present: Council Member Randy Childs, Council Member Jeff Griffis, Vice-Mayor Becky Humphreys, Council Member Tara Stockton, Council Member Stephanie Wright and Mayor Tim Neal. Staff present: City Manager David Bolling, City Clerk Kelly Jackson, Finance Director Michelle Kelley and City Attorney Jack McPherson. Council Member Tony Brown was absent.

### **PREVIOUS MINUTES**

A motion was made by Member Griffis, second by Vice Mayor Humphreys to waive the reading and approve as written the minutes of the regular meeting on July 13, 2021.

The motion passed with a unanimous roll call vote. 6 Ayes

### **PERSONS TO APPEAR/CITIZEN COMMENTS:**

- None

### **REPORTS – MAYOR AND COUNCIL –**

- Member Stockton-Announced that Outdoor Kingston has a scheduled roadblock on September 24, 2021 to raise money for the new Veterans Mural on Court Street.
- Member Childs- complimented the Parks & Recreation Dept. and Public Works Dept. Stated that the City looks good.
- Vice Mayor Humphreys- Parks & Recreation is busy planning for the Fall Street Fest. More discussion to ensue as listed on the agenda.

### **CITY MANAGER – Mr. Bolling provided updates on the following topics:**

- Ladd Landing Blvd Project-Received the report from Arcadis. Plans to place this topic on next month's Work Session agenda.
- Attended the Pre-Construction meeting today regarding the Community Center Roof project. Plans to start some work within the next 7-10 days. May have to complete the project in phases due to materials being back-ordered.
- Resumed discussions with Harriman Utility Board regarding additional street lighting in the Midtown area.

### **ADDITION OF ITEMS TO THE MEETING AGENDA RECEIVED AFTER CLOSE OF AGENDA DEADLINE (BY UNANIMOUS CONSENT OF ALL MEMBERS PRESENT). NONE**

### **UNFINISHED BUSINESS: NONE**

NEW BUSINESS –

**A. Consideration of Resolution 21-08-10-01, a resolution formalizing the details of the 2021 bond issue for the re-financing of existing debt and the funding of capital improvements**

A motion was made by Member Childs, second by Member Griffis to adopt Resolution 21-08-10-01 Option #1 formalizing the details of the 2021 bond issue for the re-financing of existing debt and the funding of capital improvements

The motion passed with a unanimous roll call vote. 6 Ayes

**B. Consideration of Resolution 21-08-10-02, a resolution for the appointment of a property maintenance and codes enforcement Board of Appeals for the City of Kingston, Tennessee**

A motion was made by Member Wright, second by Member Stockton to adopt Resolution 21-08-10-02, a resolution for the appointment of a property maintenance and codes enforcement Board of Appeals for the City of Kingston, Tennessee

The motion passed with a unanimous roll call vote. 6 Ayes

**C. Discussion of the location for the Fall Festival**

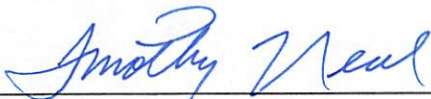
Discussion included the following topics: \$500 fee requested from the Roane County Heritage Commission for electricity costs during the event (Member Stockton advised on August 7, 2021 the Heritage Commission met and voted to waive this fee), Approximately \$2500 of electrical improvements being made on the grounds of the Heritage Commission provided by the City to prevent us from having to install temporary electrical service for each event (This work will benefit not only the City during the festivals but also the Heritage Commission for their future events), Construction timeline for the brick patio project and previous verbal agreements.

Council requested that the City Manager begin discussions with the Brian Collins, Chairman of the Heritage Commission, about implementing a user agreement between the two entities.

Mayor Neal adjourned the meeting at 6:34 p.m.

APPROVED

9-14-2021



Tim Neal, Mayor

ATTEST:



City Clerk

RESOLUTION NO. 21-08-10-1

**A RESOLUTION FORMALIZING THE DETAILS OF THE 2021 BOND ISSUE FOR THE RE-FINANCING OF EXISTING DEBT AND THE FUNDING OF CAPITAL IMPROVEMENTS**

WHEREAS, the City Council of the City of Kingston recognizes that significant savings can be realized by paying off currently held variable rate debt and re-financing at a low fixed rate; and

WHEREAS, the City has a significant number of unfunded capital needs, as reflected in the ongoing five year capital plan; and

WHEREAS, Resolution 21-07-13-03 authorized the issuance of general obligation bonds of the City of Kingston, Tennessee in the aggregate principal amount of not to exceed \$8,650,000, in one or more series; making provision for the issuance, sale and payment of said bonds, establishing the terms thereof and the disposition of proceeds therefrom; and providing for the levy of taxes for the payment of principal of, premium, if any, and interest on the bonds; and

WHEREAS, the City Council has been presented with two options, herein referred to as "Option 1" and Option 2" for the re-financing of current debt and the borrowing of an additional \$2.5 million for unfunded capital needs; and

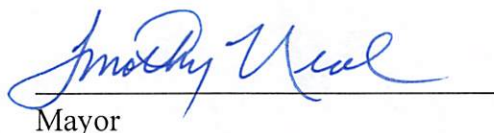
WHEREAS, "Option 1" authorizes the re-financing of all existing municipal and utility debt at a fixed rate, and the borrowing of an additional \$2.5 million to fund existing capital needs; and

WHEREAS, "Option 2" authorizes the re-financing of the TMBF General Obligation Refunding Bon, Series 2017, referred to in general terms as "the City Hall loan" and all utility debt at a fixed rate and the borrowing of an additional \$2.5 million to fund existing capital needs.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Kingston, Tennessee, that, after review of both "Option 1" and "Option 2", Option 1 is found to be in the best interest of the City and that Cumberland Securities is hereby authorized to proceed accordingly.

Attested:

  
City Clerk

  
Mayor

# CITY OF KINGSTON, TENNESSEE



## Preliminary Funding Analysis

July 6, 2021

### Main Structure - No Cash Prepayment - Option 1

Prepared By:



CUMBERLAND SECURITIES

SINCE 1931

CUMBERLAND SECURITIES COMPANY, INC

Independent Registered Municipal Advisors

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### Risk Disclosures:

Fixed Rate Bonds		
Material Risk Consideration	Description of Risk	Potential Consequences
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents	<ul style="list-style-type: none"> <li>Range of available remedies may be brought against Issuer (e.g. forcing Issuer to raise taxes or rates)</li> <li>Credit ratings negatively impacted</li> <li>Access to capital markets impaired</li> <li>Possibility of receivership or bankruptcy for certain issuers</li> </ul>
Redemption Risk	The ability to redeem the bonds prior to maturity may be limited	<ul style="list-style-type: none"> <li>Inability to refinance at lower interest rates</li> </ul>
Refinancing Risk	Possibility that the bonds cannot be refinanced	<ul style="list-style-type: none"> <li>Inability to refinance at lower interest rates</li> </ul>
Reinvestment Risk	Possibility that the Issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds	<ul style="list-style-type: none"> <li>Negative arbitrage resulting in a higher cost of funds</li> </ul>
Tax Compliance Risk	For tax-exempt bonds, possibility that failure to comply with tax-related covenants results in the bonds becoming taxable obligations	<ul style="list-style-type: none"> <li>Increase in debt service costs retroactively to date of issuance</li> <li>Possible mandatory redemption of bonds affected</li> <li>Risk of IRS Audit</li> <li>Difficulty in refinancing the bonds</li> <li>Access to tax-exempt market impacted</li> <li>Difficulty in issuing future tax-exempt debt</li> </ul>

Variable Rate Demand Bonds ("VRDB") / Floating Rate Notes ("FRN") / Bank Index Loan ("Index") / "Put Loan" (e.g. Fixed Rate for Five (5) Years, then Rate Resets to New Rate)		
Material Risk Consideration	Description of Risk (Type of Debt Risk Applicable to)	Potential Consequences
Interest Rate Risk	Possibility that the interest rate may increase on an interest reset date (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service cost (up to maximum rate)</li> <li>Lower debt service coverage</li> <li>Lower cash reserves</li> </ul>
Index Risk	Possibility that the method of determining the index (LIBOR or SIFMA) could change Indices may be affected by factors unrelated to FRN's/Index Loan or the tax-exempt market (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service costs</li> <li>Lower debt service coverage</li> <li>Lower cash reserves</li> <li>Provision should be made for alternate mechanism to determine rate</li> </ul>
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Range of available remedies may be brought against Issuer (e.g., forcing Issuer to raise taxes or revenues)</li> <li>Credit ratings negatively impacted</li> <li>Default could impact remarketing which could cause increase in debt service costs</li> <li>Access to capital markets impaired</li> </ul>
Issuer Ratings Downgrade Risk	Possibility that a downgrade of the issuer's rating(s) may result in optional tenders or an increase in fees payable to the bank providing the liquidity facility (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Ratings change could impact remarketing which could cause an increase in debt service cost</li> <li>Higher liquidity facility fees resulting in higher cost of funds</li> </ul>
Liquidity Risk	Possibility that VRDB's cannot be successfully remarketing, resulting in Bank Bonds (VRDB)	<ul style="list-style-type: none"> <li>Increase in debt service costs due to higher bank bond rate and accelerated principle repayment</li> <li>May be required to refinance or term out the VRDO's</li> <li>Inability to refinance or possibly higher interest rates</li> </ul>
Liquidity Provider Default Risk	Possibility that the bank providing the liquidity facility supporting the VRDO's defaults in its obligations under the liquidity facility (VRDB)	<ul style="list-style-type: none"> <li>Issuer required to repay principal and accrued interest if Issuer is not able to refinance</li> <li>Increase in debt service costs</li> </ul>
Liquidity Provider Ratings Downgrade	Possibility that a downgrade of the liquidity provider's rating(s) may result in optional tenders (VRDB)	<ul style="list-style-type: none"> <li>Ratings change could impact remarketing which could cause an increase in debt service cost</li> </ul>
Refinancing Risk	Possibility that the FRN, Index or Put Loan cannot be remarketed or refinanced (FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Hard Put: must repay principal and accrued interest or Event of Default</li> <li>Soft Put: higher interest rate on debt and higher debt service costs up to maximum rate</li> <li>Increase in debt service costs upon any refinancing</li> <li>Inability to refinance or possibly higher interest rates</li> </ul>
Regulatory Risk	Possibility that prospective regulatory requirements increase cost of obtaining and maintaining the liquidity facility (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service costs</li> <li>Higher liquidity facility fees resulting in higher cost of funds</li> </ul>
Reinvestment Risk	Possibility that the Issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Negative arbitrage resulting in higher cost of funds</li> </ul>
Remarketing Risk	Possibility that the remarketing agent does not perform its duties in a satisfactory manner or may resign or cease its remarketing efforts (VRDB)	<ul style="list-style-type: none"> <li>Higher interest rates</li> <li>Difficulty remarketing the VRDO's</li> <li>May require appointment of a successor remarketing agent</li> </ul>
Renewal Risk	Possibility that the facility or loan will not be extended for a successive commitment period or not be replaced at a reasonable cost (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Issuer required to repay principal and accrued interest on tender date if Issuer is not able to refinance</li> <li>Increase in debt service costs</li> </ul>
Tax Compliance Risk	For tax exempt bonds, possibility that failure to comply with tax related covenants result in the bonds becoming taxable obligations (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service costs retroactively to date of issuance</li> <li>Possible mandatory redemption of bonds affected</li> <li>Risk of IRS audit</li> <li>Difficulty in refinancing the bonds</li> <li>Access to tax exempt market impacted</li> <li>Difficulty in issuing future tax-exempt debt</li> </ul>





# CUMBERLAND SECURITIES

## City of Kingston, Tennessee

### Preliminary Funding Analysis

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# Summary of Plan – Main Plan

## City Portion

Issue \$2,500,000 of fixed rate debt for new projects

Budget Neutral Debt Payment - \$350,000 per year

Reduce City's Variable Interest Rates by converting to Fixed Interest Rates

Create a downward sloping debt structure (i.e. future debt payments are equal or lower)

Save cash of approximately \$539,000 for future capital needs or emergencies versus prepaying variable rate debt

Estimated True Interest Cost on 2021 Bonds is 1.58%

## Water and Sewer System

Reduce Debt payments 2022 to 2025

Reduce City's Variable Interest Rates by converting to Fixed Interest Rates

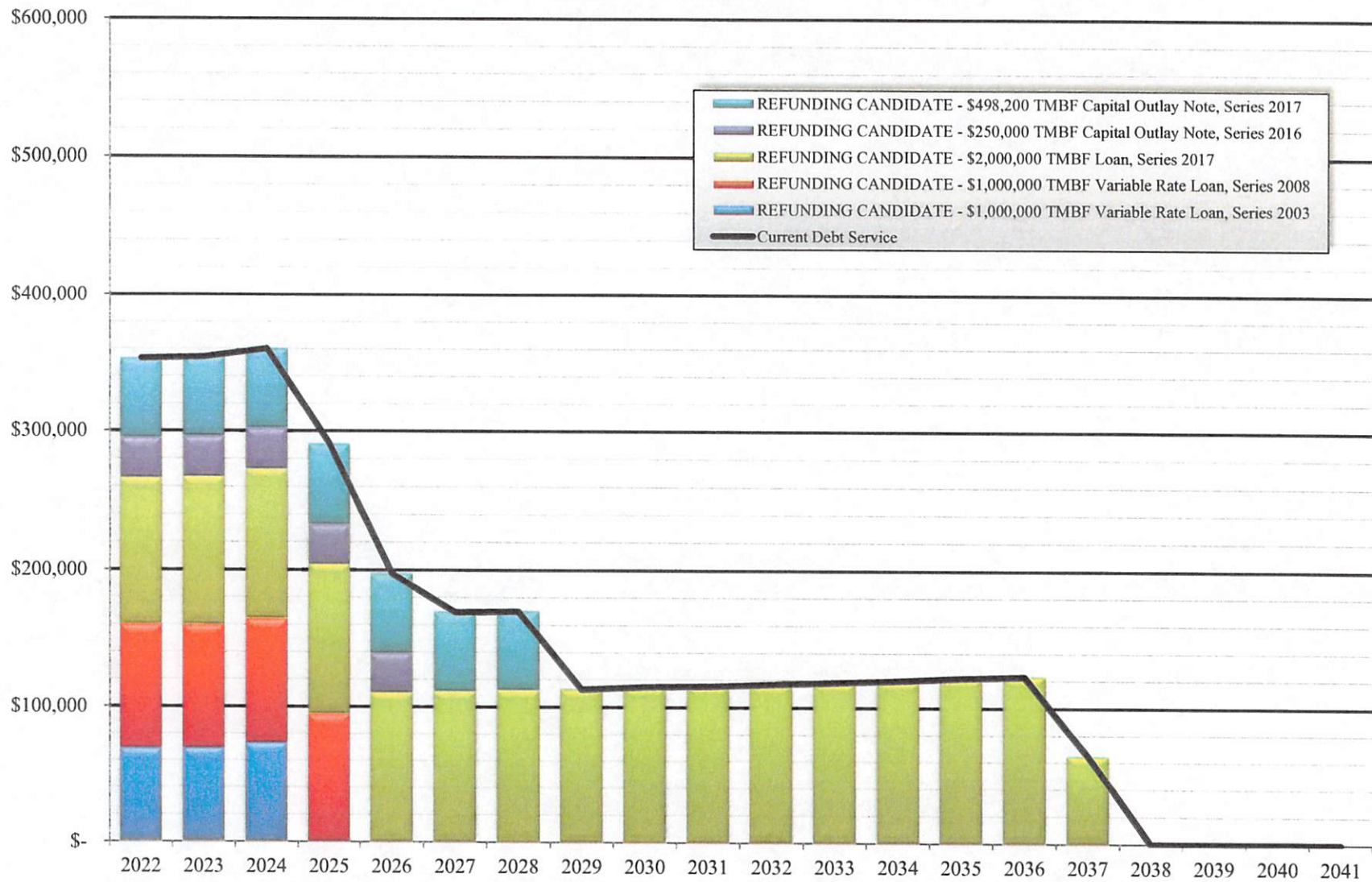
Shorten debt payment by 18 years versus debt being refunded

Create a downward sloping debt structure (i.e. future debt payments are lower)

Save \$500,000+ as shown on page 7

Estimated True Interest Cost on 2021 Bonds is 1.58%

# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - General Fund** **Current Estimated Debt Service**





**ESTIMATED SAVINGS ANALYSIS**

**City of Kingston, Tennessee  
General Obligation Bonds, Series 2021 (General Fund)  
Refunding - General Fund Portion**

Date	Principal	Estimated Interest Rate	Interest	Total P+I	Refunded D/S	Savings	Present Value to 10/24/2021 at 1.454664%
06/01/2022	175,000.00	0.600%	19,031.20	194,031.20	326,926.07	132,894.87	131,907.27
06/01/2023	160,000.00	0.650%	30,522.50	190,522.50	353,025.00	162,502.50	159,038.93
06/01/2024	160,000.00	0.700%	29,482.50	189,482.50	360,636.50	171,154.00	165,061.77
06/01/2025	160,000.00	0.800%	28,362.50	188,362.50	290,784.20	102,421.70	97,409.14
06/01/2026	160,000.00	0.900%	27,082.50	187,082.50	196,778.20	9,695.70	9,228.96
06/01/2027	160,000.00	1.000%	25,642.50	185,642.50	169,398.40	(16,244.10)	(14,923.26)
06/01/2028	160,000.00	1.100%	24,042.50	184,042.50	169,688.50	(14,354.00)	(12,994.41)
06/01/2029	160,000.00	1.200%	22,282.50	182,282.50	112,873.50	(69,409.00)	(62,121.23)
06/01/2030	160,000.00	1.300%	20,362.50	180,362.50	114,585.30	(65,777.20)	(58,024.10)
06/01/2031	160,000.00	1.400%	18,282.50	178,282.50	115,193.40	(63,089.10)	(54,853.23)
06/01/2032	155,000.00	1.500%	16,042.50	171,042.50	116,726.70	(54,315.80)	(46,542.86)
06/01/2033	155,000.00	1.600%	13,717.50	168,717.50	118,158.00	(50,559.50)	(42,700.86)
06/01/2034	155,000.00	1.700%	11,237.50	166,237.50	119,487.30	(46,750.20)	(38,915.59)
06/01/2035	155,000.00	1.800%	8,602.50	163,602.50	121,716.30	(41,886.20)	(34,364.18)
06/01/2036	155,000.00	1.850%	5,812.50	160,812.50	122,816.10	(37,996.40)	(30,724.31)
06/01/2037	155,000.00	1.900%	2,945.00	157,945.00	64,713.60	(93,231.40)	(74,351.64)
	2,545,000.00		303,451.20	2,848,451.20	2,873,507.07	25,055.87	92,130.42

Net Present Value Benefit	92,130.42
Net PV Benefit/ Refunded Principal	3.7270%
Dated	10/24/2021
First Coupon Date	12/01/2021
Weighted Average Maturity	8.00
Average Coupon	1.4905%
Bond Yield for Arbitrage Purpose	1.4546643%
True Interest Cost (TIC)	1.5855423%

Note: Savings assumes 3.00% variable rate on variable loans.



## ESTIMATED DEBT SERVICE

City of Kingston, Tennessee  
General Obligation Bonds, Series 2021 (General Fund)  
New Money Portion - General Fund

Date	Principal	Estimated Coupon	Interest	Total P+I	Fiscal Total
12/01/2021			3,674.82	3,674.82	
06/01/2022	135,000.00	0.600%	17,877.50	152,877.50	156,552.32
12/01/2022			17,472.50	17,472.50	
06/01/2023	130,000.00	0.650%	17,472.50	147,472.50	164,945.00
12/01/2023			17,050.00	17,050.00	
06/01/2024	130,000.00	0.700%	17,050.00	147,050.00	164,100.00
12/01/2024			16,595.00	16,595.00	
06/01/2025	130,000.00	0.800%	16,595.00	146,595.00	163,190.00
12/01/2025			16,075.00	16,075.00	
06/01/2026	130,000.00	0.900%	16,075.00	146,075.00	162,150.00
12/01/2026			15,490.00	15,490.00	
06/01/2027	130,000.00	1.000%	15,490.00	145,490.00	160,980.00
12/01/2027			14,840.00	14,840.00	
06/01/2028	130,000.00	1.100%	14,840.00	144,840.00	159,680.00
12/01/2028			14,125.00	14,125.00	
06/01/2029	130,000.00	1.200%	14,125.00	144,125.00	158,250.00
12/01/2029			13,345.00	13,345.00	
06/01/2030	130,000.00	1.300%	13,345.00	143,345.00	156,690.00
12/01/2030			12,500.00	12,500.00	
06/01/2031	125,000.00	1.400%	12,500.00	137,500.00	150,000.00
12/01/2031			11,625.00	11,625.00	
06/01/2032	125,000.00	1.500%	11,625.00	136,625.00	148,250.00
12/01/2032			10,687.50	10,687.50	
06/01/2033	125,000.00	1.600%	10,687.50	135,687.50	146,375.00
12/01/2033			9,687.50	9,687.50	
06/01/2034	125,000.00	1.700%	9,687.50	134,687.50	144,375.00
12/01/2034			8,625.00	8,625.00	
06/01/2035	125,000.00	1.800%	8,625.00	133,625.00	142,250.00
12/01/2035			7,500.00	7,500.00	
06/01/2036	125,000.00	1.850%	7,500.00	132,500.00	140,000.00
12/01/2036			6,343.75	6,343.75	
06/01/2037	125,000.00	1.900%	6,343.75	131,343.75	137,687.50
12/01/2037			5,156.25	5,156.25	
06/01/2038	125,000.00	1.950%	5,156.25	130,156.25	135,312.50
12/01/2038			3,937.50	3,937.50	
06/01/2039	125,000.00	2.100%	3,937.50	128,937.50	132,875.00
12/01/2039			2,625.00	2,625.00	
06/01/2040	125,000.00	2.100%	2,625.00	127,625.00	130,250.00
12/01/2040			1,312.50	1,312.50	
06/01/2041	125,000.00	2.100%	1,312.50	126,312.50	127,625.00
	2,550,000.00		431,537.32	2,981,537.32	

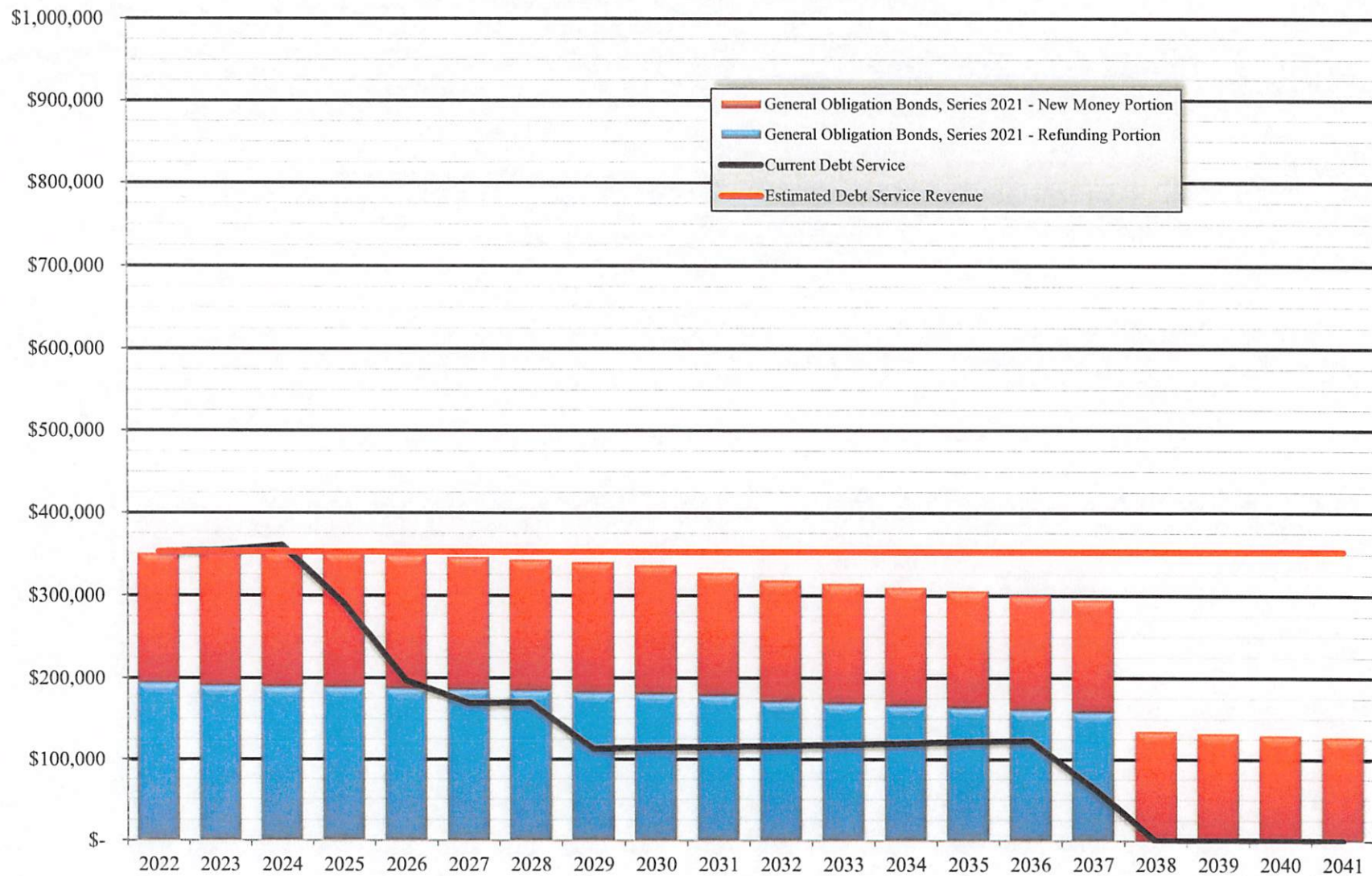
### Date Structure

Date 10/24/2021  
First Coupon Date 12/01/2021

### Yield Statistics

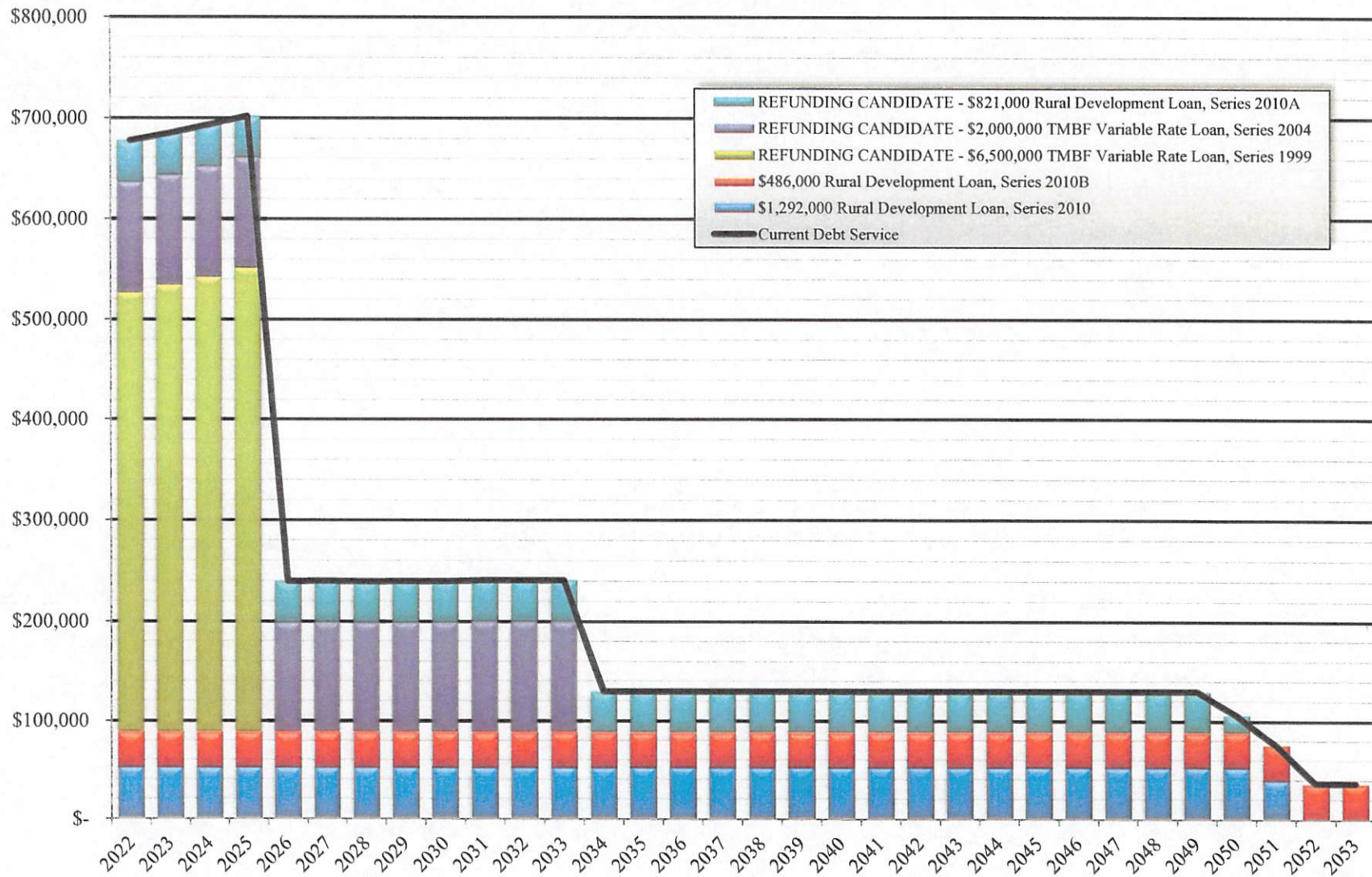
Average Coupon 1.6944905%  
Weighted Average Maturity 9.987  
True Interest Cost (TIC) 1.7786859%

# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - General Fund** **Estimated Post 2021 Bond Issuance**





# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - Water/Sewer Fund** **Current Estimated Debt Service**





## ESTIMATED SAVINGS ANALYSIS

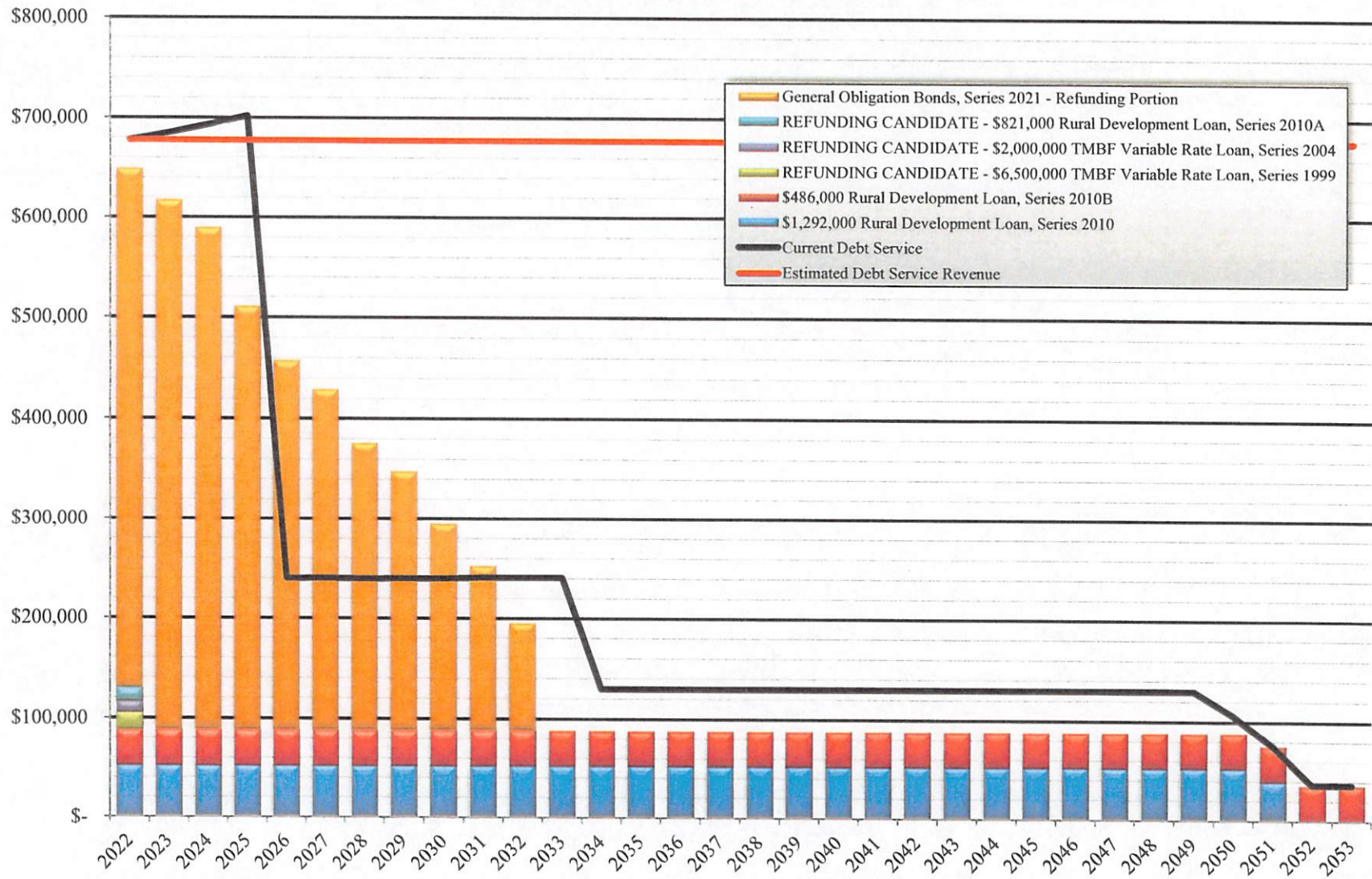
### City of Kingston, Tennessee General Obligation Bonds, Series 2021 (Water/Sewer) Refunding - Water/Sewer Fund Portion

Date	Principal	Estimated Interest Rate	Interest	Total P+I	Refunded D/S	Savings	Present Value to 10/24/2021 at 1.454664%
06/01/2022	500,000.00	0.600%	19,056.82	519,056.82	539,042.93	19,986.11	20,019.50
06/01/2023	500,000.00	0.650%	28,615.00	528,615.00	595,683.42	67,068.42	66,067.78
06/01/2024	475,000.00	0.700%	25,365.00	500,365.00	604,101.83	103,736.83	100,390.22
06/01/2025	400,000.00	0.800%	22,040.00	422,040.00	612,831.73	190,791.73	181,532.08
06/01/2026	350,000.00	0.900%	18,840.00	368,840.00	150,843.28	(217,996.72)	(203,634.85)
06/01/2027	325,000.00	1.000%	15,690.00	340,690.00	151,234.61	(189,455.39)	(174,387.56)
06/01/2028	275,000.00	1.100%	12,440.00	287,440.00	150,531.92	(136,908.08)	(124,124.94)
06/01/2029	250,000.00	1.200%	9,415.00	259,415.00	150,775.24	(108,639.76)	(97,019.12)
06/01/2030	200,000.00	1.300%	6,415.00	206,415.00	150,919.66	(55,495.34)	(48,708.20)
06/01/2031	160,000.00	1.400%	3,815.00	163,815.00	151,983.20	(11,831.80)	(10,017.85)
06/01/2032	105,000.00	1.500%	1,575.00	106,575.00	151,924.69	45,349.69	39,159.69
06/01/2033					151,772.21	151,772.21	128,540.65
06/01/2034					40,533.64	40,533.64	33,991.80
06/01/2035					40,529.84	40,529.84	33,499.53
06/01/2036					40,533.53	40,533.53	33,020.50
06/01/2037					40,532.50	40,532.50	32,544.53
06/01/2038					40,530.55	40,530.55	32,074.69
06/01/2039					40,532.30	40,532.30	31,614.52
06/01/2040					40,532.32	40,532.32	31,159.61
06/01/2041					40,530.19	40,530.19	30,709.63
06/01/2042					40,532.46	40,532.46	30,269.43
06/01/2043					40,533.43	40,533.43	29,834.59
06/01/2044					40,530.69	40,530.69	29,403.30
06/01/2045					40,532.49	40,532.49	28,981.48
06/01/2046					40,533.03	40,533.03	28,564.84
06/01/2047					40,531.60	40,531.60	28,152.81
06/01/2048					40,530.34	40,530.34	27,746.84
06/01/2049					40,531.30	40,531.30	27,348.22
06/01/2050					16,888.17	16,888.17	11,278.71
3,540,000.00			163,266.82	3,703,266.82	4,227,043.10	523,776.28	378,012.42

Net Present Value Benefit	378,012.42
Net PV Benefit/ Refunded Principal	10.8837%
Dated	10/24/2021
First Coupon Date	12/01/2021
Weighted Average Maturity	4.32
Average Coupon	1.0672%
Bond Yield for Arbitrage Purpose	1.4546643%
True Interest Cost (TIC)	1.2601717%

Note: Savings assumes 3.00% variable rate on variable loans.

# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - Water/Sewer Fund** **Estimated Post 2021 Bond Issuance**





## ESTIMATED DEBT SERVICE

### City of Kingston, Tennessee General Obligation Refunding Bonds, Series 2021

Date	Principal	Estimated Coupon	Interest	Total P+I	Fiscal Total
12/01/2021			10,169.09	10,169.09	
06/01/2022	810,000.00	0.600%	49,471.25	859,471.25	869,640.34
12/01/2022			47,041.25	47,041.25	
06/01/2023	790,000.00	0.650%	47,041.25	837,041.25	884,082.50
12/01/2023			44,473.75	44,473.75	
06/01/2024	765,000.00	0.700%	44,473.75	809,473.75	853,947.50
12/01/2024			41,796.25	41,796.25	
06/01/2025	690,000.00	0.800%	41,796.25	731,796.25	773,592.50
12/01/2025			39,036.25	39,036.25	
06/01/2026	640,000.00	0.900%	39,036.25	679,036.25	718,072.50
12/01/2026			36,156.25	36,156.25	
06/01/2027	615,000.00	1.000%	36,156.25	651,156.25	687,312.50
12/01/2027			33,081.25	33,081.25	
06/01/2028	565,000.00	1.100%	33,081.25	598,081.25	631,162.50
12/01/2028			29,973.75	29,973.75	
06/01/2029	540,000.00	1.200%	29,973.75	569,973.75	599,947.50
12/01/2029			26,733.75	26,733.75	
06/01/2030	490,000.00	1.300%	26,733.75	516,733.75	543,467.50
12/01/2030			23,548.75	23,548.75	
06/01/2031	445,000.00	1.400%	23,548.75	468,548.75	492,097.50
12/01/2031			20,433.75	20,433.75	
06/01/2032	385,000.00	1.500%	20,433.75	405,433.75	425,867.50
12/01/2032			17,546.25	17,546.25	
06/01/2033	280,000.00	1.600%	17,546.25	297,546.25	315,092.50
12/01/2033			15,306.25	15,306.25	
06/01/2034	280,000.00	1.700%	15,306.25	295,306.25	310,612.50
12/01/2034			12,926.25	12,926.25	
06/01/2035	280,000.00	1.800%	12,926.25	292,926.25	305,852.50
12/01/2035			10,406.25	10,406.25	
06/01/2036	280,000.00	1.850%	10,406.25	290,406.25	300,812.50
12/01/2036			7,816.25	7,816.25	
06/01/2037	280,000.00	1.900%	7,816.25	287,816.25	295,632.50
12/01/2037			5,156.25	5,156.25	
06/01/2038	125,000.00	1.950%	5,156.25	130,156.25	135,312.50
12/01/2038			3,937.50	3,937.50	
06/01/2039	125,000.00	2.100%	3,937.50	128,937.50	132,875.00
12/01/2039			2,625.00	2,625.00	
06/01/2040	125,000.00	2.100%	2,625.00	127,625.00	130,250.00
12/01/2040			1,312.50	1,312.50	
06/01/2041	125,000.00	2.100%	1,312.50	126,312.50	127,625.00
	8,635,000.00		898,255.34	9,533,255.34	

### Date Structure

Date	10/24/2021
First Coupon Date	12/01/2021

### Yield Statistics

Average Coupon	1.4695387%
Weighted Average Maturity	7.079
True Interest Cost (TIC)	1.5806408%



## SOURCES AND USES OF FUNDS

### City of Kingston, Tennessee General Obligation Refunding Bonds, Series 2021

Dated Date 10/24/2021  
Delivery Date 10/24/2021

Sources:	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (Water/Sewer)	Total
Bond Proceeds:				
Par Amount	2,550,000.00	2,545,000.00	3,540,000.00	8,635,000.00
	2,550,000.00	2,545,000.00	3,540,000.00	8,635,000.00
Uses:	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (Water/Sewer)	Total
Project Fund Deposits:				
Project Fund	2,500,000.00			2,500,000.00
Refunding Escrow Deposits:				
Cash Deposit		2,498,067.50	3,473,190.00	5,971,257.50
Cost of Issuance:				
Municipal Advisor	12,750.00	12,725.00	17,700.00	43,175.00
Bond Counsel	5,167.92	5,157.79	7,174.29	17,500.00
Rating Agency	5,167.92	5,157.79	7,174.29	17,500.00
Paying Agent	206.72	206.31	286.97	700.00
POS/Official Statement	2,214.82	2,210.48	3,074.70	7,500.00
Advertising	295.31	294.73	409.96	1,000.00
Miscellaneous	1,475.07	1,472.18	2,047.75	4,995.00
	27,277.76	27,224.28	37,867.96	92,370.00
Delivery Date Expenses:				
Underwriter's Discount	22,722.24	19,708.22	28,942.04	71,372.50
	2,550,000.00	2,545,000.00	3,540,000.00	8,635,000.00



## SUMMARY OF BONDS REFUNDED

### City of Kingston, Tennessee General Obligation Refunding Bonds, Series 2021

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
\$1,000,000 TMBF Variable Rate Pooled Loan Program, Series 2003:					
BOND	05/25/2022	3.000%	63,000.00	10/25/2021	100.000
	05/25/2023	3.000%	64,000.00	10/25/2021	100.000
	05/25/2024	3.000%	71,000.00	10/25/2021	100.000
			198,000.00		
\$1,000,000 TMBF Variable Rate Pooled Loan Program, Series 2008:					
BOND	05/25/2022	3.000%	79,000.00	10/25/2021	100.000
	05/25/2023	3.000%	83,000.00	10/25/2021	100.000
	05/25/2024	3.000%	87,000.00	10/25/2021	100.000
	05/25/2025	3.000%	92,000.00	10/25/2021	100.000
			341,000.00		
\$250,000 TMBF General Obligation 10 Year Capital Outlay Note, Series 2016:					
BOND	03/01/2022	2.870%	25,000.00	10/24/2021	101.000
	03/01/2023	2.870%	26,000.00	10/24/2021	101.000
	03/01/2024	2.870%	27,000.00	10/24/2021	101.000
	03/01/2025	2.870%	27,000.00	10/24/2021	101.000
	03/01/2026	2.870%	28,000.00	10/24/2021	101.000
			133,000.00		
\$498,200 TMBF General Obligation Capital Outlay Note, Series 2017:					
BOND	06/01/2022	2.860%	48,000.00	10/24/2021	101.000
	06/01/2023	2.860%	49,000.00	10/24/2021	101.000
	06/01/2024	2.860%	50,000.00	10/24/2021	101.000
	06/01/2025	2.860%	52,000.00	10/24/2021	101.000
	06/01/2026	2.860%	53,000.00	10/24/2021	101.000
	06/01/2027	2.860%	55,000.00	10/24/2021	101.000
	06/01/2028	2.860%	56,000.00	10/24/2021	101.000
			363,000.00		
\$2,000,000 TMBF General Obligation Refunding Bond, Series 2017:					
BOND	05/25/2022	2.550%	69,000.00	10/24/2021	101.000
	05/25/2023	2.550%	72,000.00	10/24/2021	101.000
	05/25/2024	2.550%	75,000.00	10/24/2021	101.000
	05/25/2025	2.550%	78,000.00	10/24/2021	101.000
	05/25/2026	2.550%	81,000.00	10/24/2021	101.000
	05/25/2027	2.550%	84,000.00	10/24/2021	101.000
	05/25/2028	2.550%	87,000.00	10/24/2021	101.000
	05/25/2029	2.550%	90,000.00	10/24/2021	101.000
	05/25/2030	2.550%	94,000.00	10/24/2021	101.000
	05/25/2031	2.550%	97,000.00	10/24/2021	101.000
	05/25/2032	2.550%	101,000.00	10/24/2021	101.000
	05/25/2033	2.550%	105,000.00	10/24/2021	101.000
	05/25/2034	2.550%	109,000.00	10/24/2021	101.000
	05/25/2035	2.550%	114,000.00	10/24/2021	101.000
	05/25/2036	2.550%	118,000.00	10/24/2021	101.000
	05/25/2037	2.550%	63,000.00	10/24/2021	101.000
			1,437,000.00		
\$6,500,000 TMBF Revenue Bond Series, 1999:					
TMBF99	05/25/2022	3.000%	388,000.00	10/24/2021	100.000
	05/25/2023	3.000%	407,000.00	10/24/2021	100.000
	05/25/2024	3.000%	427,000.00	10/24/2021	100.000
	05/25/2025	3.000%	449,000.00	10/24/2021	100.000
			1,671,000.00		
\$2,000,000 TMBF Revenue Bonds Series, 2004:					
TMBF04	05/25/2022	3.000%	77,000.00	10/24/2021	100.000
	05/25/2023	3.000%	79,000.00	10/24/2021	100.000
	05/25/2024	3.000%	82,000.00	10/24/2021	100.000
	05/25/2025	3.000%	84,000.00	10/24/2021	100.000
	05/25/2026	3.000%	87,000.00	10/24/2021	100.000
	05/25/2027	3.000%	90,000.00	10/24/2021	100.000
	05/25/2028	3.000%	92,000.00	10/24/2021	100.000
	05/25/2029	3.000%	95,000.00	10/24/2021	100.000
	05/25/2030	3.000%	98,000.00	10/24/2021	100.000
	05/25/2031	3.000%	102,000.00	10/24/2021	100.000
	05/25/2032	3.000%	105,000.00	10/24/2021	100.000
	05/25/2033	3.000%	108,000.00	10/24/2021	100.000
			1,099,000.00		
\$821,000 USDA Rural Development Water Revenue and Tax Bond Series, 2010A:					
USDA_10A	11/01/2049	3.750%	703,190.00	10/24/2021	100.000
			5,945,190.00		

# CITY OF KINGSTON, TENNESSEE



## Preliminary Funding Analysis

July 6, 2021

### Alternate Structure - Cash Prepayment - Option 2

Prepared By:



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### Risk Disclosures:

Fixed Rate Bonds		
Material Risk Consideration	Description of Risk	Potential Consequences
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents	<ul style="list-style-type: none"> <li>Range of available remedies may be brought against Issuer (e.g. forcing Issuer to raise taxes or rates)</li> <li>Credit ratings negatively impacted</li> <li>Access to capital markets impaired</li> <li>Possibility of receivership or bankruptcy for certain issuers</li> </ul>
Redemption Risk	The ability to redeem the bonds prior to maturity may be limited	<ul style="list-style-type: none"> <li>Inability to refinance at lower interest rates</li> </ul>
Refinancing Risk	Possibility that the bonds cannot be refinanced	<ul style="list-style-type: none"> <li>Inability to refinance at lower interest rates</li> </ul>
Reinvestment Risk	Possibility that the Issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds	<ul style="list-style-type: none"> <li>Negative arbitrage resulting in a higher cost of funds</li> </ul>
Tax Compliance Risk	For tax-exempt bonds, possibility that failure to comply with tax-related covenants results in the bonds becoming taxable obligations	<ul style="list-style-type: none"> <li>Increase in debt service costs retroactively to date of issuance</li> <li>Possible mandatory redemption of bonds affected</li> <li>Risk of IRS Audit</li> <li>Difficulty in refinancing the bonds</li> <li>Access to tax-exempt market impacted</li> <li>Difficulty in issuing future tax-exempt debt</li> </ul>

Variable Rate Demand Bonds ("VRDB") / Floating Rate Notes ("FRN") / Bank Index Loan ("Index") / "Put Loan" (E.g. Fixed Rate for Five (5) Years, then Rate Resets to New Rate)		
Material Risk Consideration	Description of Risk (Type of Debt Risk Applicable to)	Potential Consequences
Interest Rate Risk	Possibility that the interest rate may increase on an interest reset date (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service cost (up to maximum rate)</li> <li>Lower debt service coverage</li> <li>Lower cash reserves</li> </ul>
Index Risk	Possibility that the method of determining the Index (LIBOR or SIFMA) could change. Indices may be affected by factors unrelated to FRN's/Index Loan or the tax-exempt market (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service costs</li> <li>Lower debt service coverage</li> <li>Lower cash reserves</li> <li>Provision should be made for alternate mechanism to determine rate</li> </ul>
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Range of available remedies may be brought against Issuer (e.g., forcing Issuer to raise taxes or revenues)</li> <li>Credit ratings negatively impacted</li> <li>Default could impact remarketing which could cause increase in debt service costs</li> <li>Access to capital markets impaired</li> </ul>
Issuer Ratings Downgrade Risk	Possibility that a downgrade of the Issuer's rating(s) may result in optional tenders or an increase in fees payable to the bank providing the liquidity facility (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Ratings change could impact remarketing which could cause an increase in debt service cost</li> <li>Higher liquidity facility fees resulting in higher cost of funds</li> </ul>
Liquidity Risk	Possibility that VRDB's cannot be successfully remarketing, resulting in Bank Bonds (VRDB)	<ul style="list-style-type: none"> <li>Increase in debt service costs due to higher bank bond rate and accelerated principle repayment</li> <li>May be required to refinance or term out the VRDO's</li> <li>Inability to refinance or possibly higher interest rates</li> </ul>
Liquidity Provider Default Risk	Possibility that the bank providing the liquidity facility supporting the VRDO's defaults in its obligations under the liquidity facility (VRDB)	<ul style="list-style-type: none"> <li>Issuer required to repay principal and accrued interest if Issuer is not able to refinance</li> <li>Increase in debt service costs</li> </ul>
Liquidity Provider Ratings Downgrade	Possibility that a downgrade of the liquidity provider's rating(s) may result in optional tenders (VRDB)	<ul style="list-style-type: none"> <li>Ratings change could impact remarketing which could cause an increase in debt service cost</li> </ul>
Refinancing Risk	Possibility that the FRN, Index or Put Loan cannot be remarketed or refinanced (FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Hard Put: must repay principal and accrued interest or Event of Default</li> <li>Soft Put: higher interest rate on debt and higher debt service costs up to maximum rate</li> <li>Increase in debt service costs upon any refinancing</li> <li>Inability to refinance or possibly higher interest rates</li> </ul>
Regulatory Risk	Possibility that prospective regulatory requirements increase cost of obtaining and maintaining the liquidity facility (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service costs</li> <li>Higher liquidity facility fees resulting in higher cost of funds</li> </ul>
Reinvestment Risk	Possibility that the Issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Negative arbitrage resulting in higher cost of funds</li> </ul>
Remarketing Risk	Possibility that the remarketing agent does not perform its duties in a satisfactory manner or may resign or cease its remarketing efforts (VRDB)	<ul style="list-style-type: none"> <li>Higher interest rates</li> <li>Difficulty remarketing the VRDO's</li> <li>May require appointment of a successor remarketing agent</li> </ul>
Renewal Risk	Possibility that the facility or loan will not be extended for a successive commitment period or not be replaced at a reasonable cost (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Issuer required to repay principal and accrued interest on tender date if Issuer is not able to refinance</li> <li>Increase in debt service costs</li> </ul>
Tax Compliance Risk	For tax exempt bonds, possibility that failure to comply with tax related covenants result in the bonds becoming taxable obligations (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> <li>Increase in debt service costs retroactively to date of issuance</li> <li>Possible mandatory redemption of bonds affected</li> <li>Risk of IRS audit</li> <li>Difficulty in refinancing the bonds</li> <li>Access to tax exempt market impacted</li> <li>Difficulty in issuing future tax-exempt debt</li> </ul>



# CUMBERLAND SECURITIES

## City of Kingston, Tennessee

### Preliminary Funding Analysis

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# Summary of Plan – Alternative Plan

## City Portion

Issue \$2,500,000 of fixed rate debt for new projects

Budget Neutral Debt Payment - \$350,000 per year

Reduce City's Variable Interest Rates by converting to Fixed Interest Rates

Create a downward sloping debt structure (i.e. future debt payments are equal or lower)

Utilize \$539,000 to prepay variable rate debt

Estimated True Interest Cost on 2021 Bonds is 1.58%

## Water and Sewer System

Reduce Debt payments 2022 to 2025

Reduce City's Variable Interest Rates by converting to Fixed Interest Rates

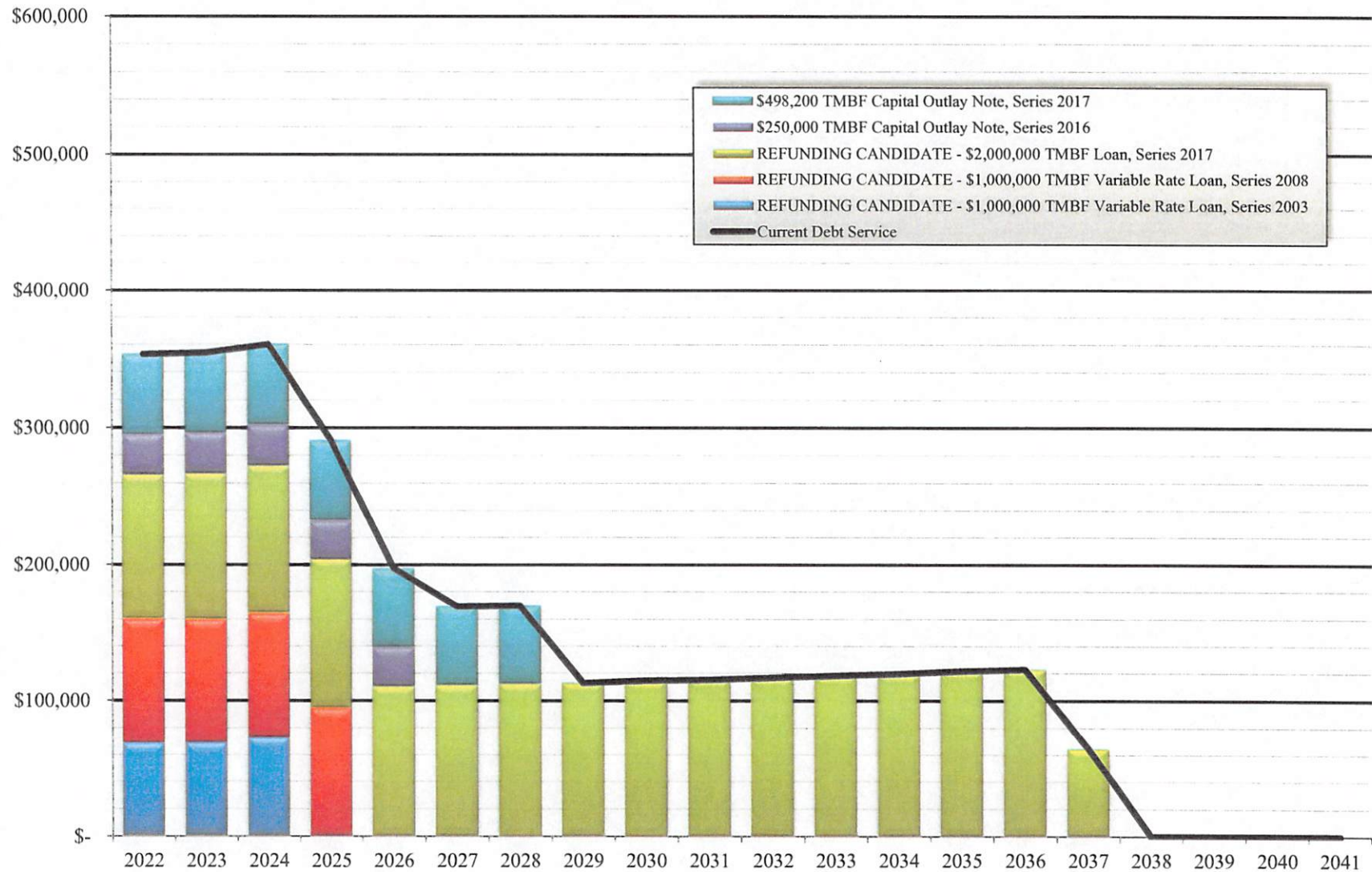
Shorten debt payment by 18 years versus debt being refunded

Create a downward sloping debt structure (i.e. future debt payments are lower)

Save \$500,000+ as shown on page 7

Estimated True Interest Cost on 2021 Bonds is 1.58%

# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - General Fund** **Current Estimated Debt Service**





## ESTIMATED SAVINGS ANALYSIS

### City of Kingston, Tennessee General Obligation Bonds, Series 2021 (General Fund) Refunding - General Fund Portion

Date	Principal	Estimated Interest Rate	Interest	Total P+I	Refunded D/S	Savings	Present Value to 10/24/2021 at 1.454555%
06/01/2022	175,000.00	0.600%	10,727.94	185,727.94	88,151.56	(97,576.38)	(96,701.32)
06/01/2023	90,000.00	0.650%	16,747.50	106,747.50	107,006.40	258.90	375.75
06/01/2024	90,000.00	0.700%	16,162.50	106,162.50	108,175.50	2,013.00	2,053.69
06/01/2025	90,000.00	0.800%	15,532.50	105,532.50	109,268.10	3,735.60	3,653.16
06/01/2026	90,000.00	0.900%	14,812.50	104,812.50	110,284.20	5,471.70	5,218.77
06/01/2027	90,000.00	1.000%	14,002.50	104,002.50	111,223.80	7,221.30	6,750.98
06/01/2028	90,000.00	1.100%	13,102.50	103,102.50	112,086.90	8,984.40	8,250.24
06/01/2029	85,000.00	1.200%	12,112.50	97,112.50	112,873.50	15,761.00	14,195.35
06/01/2030	85,000.00	1.300%	11,092.50	96,092.50	114,585.30	18,492.80	16,396.98
06/01/2031	85,000.00	1.400%	9,987.50	94,987.50	115,193.40	20,205.90	17,645.60
06/01/2032	85,000.00	1.500%	8,797.50	93,797.50	116,726.70	22,929.20	19,721.36
06/01/2033	85,000.00	1.600%	7,522.50	92,522.50	118,158.00	25,635.50	21,719.20
06/01/2034	85,000.00	1.700%	6,162.50	91,162.50	119,487.30	28,324.80	23,641.15
06/01/2035	85,000.00	1.800%	4,717.50	89,717.50	121,716.30	31,998.80	26,311.85
06/01/2036	85,000.00	1.850%	3,187.50	88,187.50	122,816.10	34,628.60	28,055.33
06/01/2037	85,000.00	1.900%	1,615.00	86,615.00	64,713.60	(21,901.40)	(17,455.19)
	1,480,000.00		166,282.94	1,646,282.94	1,752,466.66	106,183.72	79,832.90

Net Present Value Benefit	79,832.90
Net PV Benefit/ Refunded Principal	5.5555%
Dated	10/24/2021
First Coupon Date	12/01/2021
Weighted Average Maturity	7.57
Average Coupon	1.4851%
Bond Yield for Arbitrage Purpose	1.454553%
True Interest Cost (TIC)	1.5872452%

Note: Savings assumes 3.00% variable rate on variable loans.



ESTIMATED DEBT SERVICE

City of Kingston, Tennessee  
General Obligation Bonds, Series 2021 (General Fund)  
New Money Portion - General Fund

Date	Principal	Estimated Coupon	Interest	Total P+I	Fiscal Total
12/01/2021			3,751.65	3,751.65	
06/01/2022	50,000.00	0.600%	18,251.25	68,251.25	72,002.90
12/01/2022			18,101.25	18,101.25	
06/01/2023	135,000.00	0.650%	18,101.25	153,101.25	171,202.50
12/01/2023			17,662.50	17,662.50	
06/01/2024	135,000.00	0.700%	17,662.50	152,662.50	170,325.00
12/01/2024			17,190.00	17,190.00	
06/01/2025	135,000.00	0.800%	17,190.00	152,190.00	169,380.00
12/01/2025			16,650.00	16,650.00	
06/01/2026	135,000.00	0.900%	16,650.00	151,650.00	168,300.00
12/01/2026			16,042.50	16,042.50	
06/01/2027	135,000.00	1.000%	16,042.50	151,042.50	167,085.00
12/01/2027			15,367.50	15,367.50	
06/01/2028	135,000.00	1.100%	15,367.50	150,367.50	165,735.00
12/01/2028			14,625.00	14,625.00	
06/01/2029	130,000.00	1.200%	14,625.00	144,625.00	159,250.00
12/01/2029			13,845.00	13,845.00	
06/01/2030	130,000.00	1.300%	13,845.00	143,845.00	157,690.00
12/01/2030			13,000.00	13,000.00	
06/01/2031	130,000.00	1.400%	13,000.00	143,000.00	156,000.00
12/01/2031			12,090.00	12,090.00	
06/01/2032	130,000.00	1.500%	12,090.00	142,090.00	154,180.00
12/01/2032			11,115.00	11,115.00	
06/01/2033	130,000.00	1.600%	11,115.00	141,115.00	152,230.00
12/01/2033			10,075.00	10,075.00	
06/01/2034	130,000.00	1.700%	10,075.00	140,075.00	150,150.00
12/01/2034			8,970.00	8,970.00	
06/01/2035	130,000.00	1.800%	8,970.00	138,970.00	147,940.00
12/01/2035			7,800.00	7,800.00	
06/01/2036	130,000.00	1.850%	7,800.00	137,800.00	145,600.00
12/01/2036			6,597.50	6,597.50	
06/01/2037	130,000.00	1.900%	6,597.50	136,597.50	143,195.00
12/01/2037			5,362.50	5,362.50	
06/01/2038	130,000.00	1.950%	5,362.50	135,362.50	140,725.00
12/01/2038			4,095.00	4,095.00	
06/01/2039	130,000.00	2.100%	4,095.00	134,095.00	138,190.00
12/01/2039			2,730.00	2,730.00	
06/01/2040	130,000.00	2.100%	2,730.00	132,730.00	135,460.00
12/01/2040			1,365.00	1,365.00	
06/01/2041	130,000.00	2.100%	1,365.00	131,365.00	132,730.00
	2,550,000.00		447,370.40	2,997,370.40	

Date Structure

Date	10/24/2021
First Coupon Date	12/01/2021

Yield Statistics

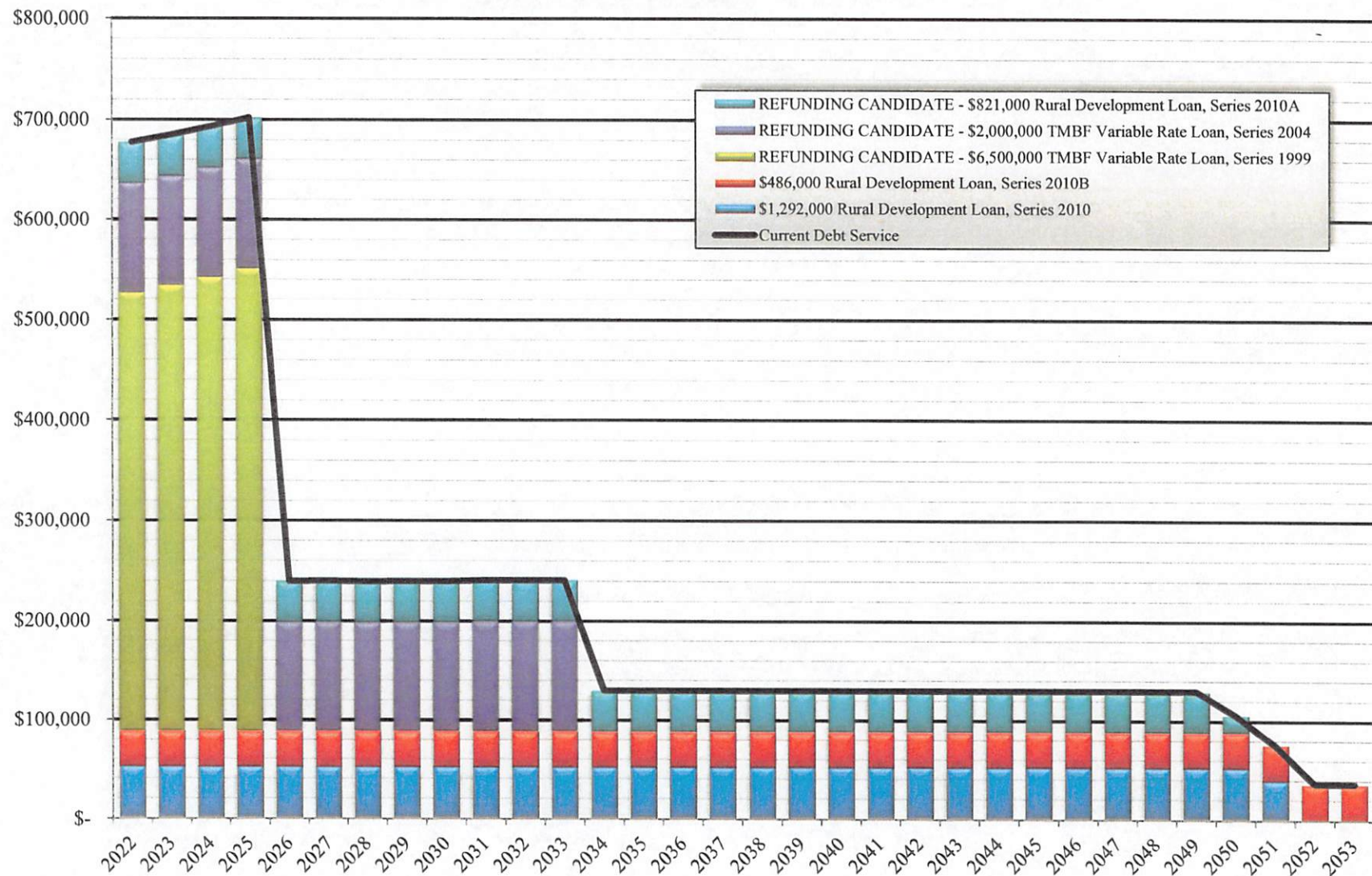
Average Coupon	1.6983106%
Weighted Average Maturity	10.330
True Interest Cost (TIC)	1.7707750%



# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - General Fund** **Estimated Post 2021 Bond Issuance**



# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - Water/Sewer Fund** **Current Estimated Debt Service**







## ESTIMATED SAVINGS ANALYSIS

### City of Kingston, Tennessee General Obligation Bonds, Series 2021 (Water/Sewer) Refunding - Water/Sewer Fund Portion

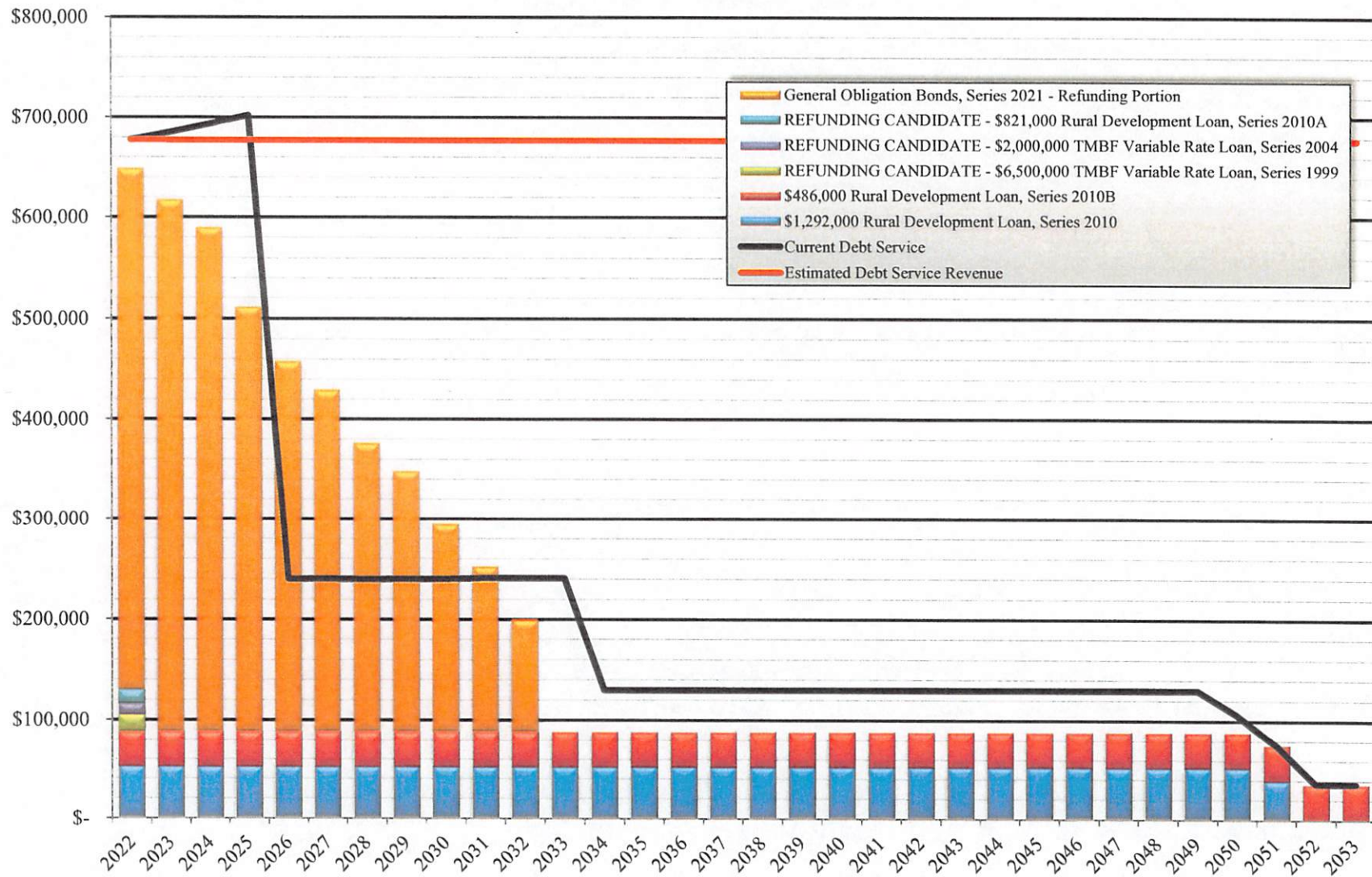
Date	Principal	Estimated Interest Rate	Interest	Total P+I	Refunded D/S	Savings	Present Value to 10/24/2021 at 1.454555%
06/01/2022	500,000.00	0.600%	19,102.03	519,102.03	539,042.93	19,940.90	19,974.62
06/01/2023	500,000.00	0.650%	28,690.00	528,690.00	595,683.42	66,993.42	65,994.31
06/01/2024	475,000.00	0.700%	25,440.00	500,440.00	604,101.83	103,661.83	100,317.98
06/01/2025	400,000.00	0.800%	22,115.00	422,115.00	612,831.73	190,716.73	181,461.31
06/01/2026	350,000.00	0.900%	18,915.00	368,915.00	150,843.28	(218,071.72)	(203,706.30)
06/01/2027	325,000.00	1.000%	15,765.00	340,765.00	151,234.61	(189,530.39)	(174,458.04)
06/01/2028	275,000.00	1.100%	12,515.00	287,515.00	150,531.92	(136,983.08)	(124,194.25)
06/01/2029	250,000.00	1.200%	9,490.00	259,490.00	150,775.24	(108,714.76)	(97,087.36)
06/01/2030	200,000.00	1.300%	6,490.00	206,490.00	150,919.66	(55,570.34)	(48,775.12)
06/01/2031	160,000.00	1.400%	3,890.00	163,890.00	151,983.20	(11,906.80)	(10,083.47)
06/01/2032	110,000.00	1.500%	1,650.00	111,650.00	151,924.69	40,274.69	34,807.77
06/01/2033					151,772.21	151,772.21	128,542.24
06/01/2034					40,533.64	40,533.64	33,992.25
06/01/2035					40,529.84	40,529.84	33,500.01
06/01/2036					40,533.53	40,533.53	33,021.01
06/01/2037					40,532.50	40,532.50	32,545.06
06/01/2038					40,530.55	40,530.55	32,075.25
06/01/2039					40,532.30	40,532.30	31,615.10
06/01/2040					40,532.32	40,532.32	31,160.23
06/01/2041					40,530.19	40,530.19	30,710.26
06/01/2042					40,532.46	40,532.46	30,270.09
06/01/2043					40,533.43	40,533.43	29,835.27
06/01/2044					40,530.69	40,530.69	29,404.00
06/01/2045					40,532.49	40,532.49	28,982.21
06/01/2046					40,533.03	40,533.03	28,565.58
06/01/2047					40,531.60	40,531.60	28,153.57
06/01/2048					40,530.34	40,530.34	27,747.63
06/01/2049					40,531.30	40,531.30	27,349.03
06/01/2050					16,888.17	16,888.17	11,279.05
3,545,000.00			164,062.03	3,709,062.03	4,227,043.10	517,981.07	372,999.29

Net Present Value Benefit	372,999.29
Net PV Benefit/ Refunded Principal	10.7394%
Dated	10/24/2021
First Coupon Date	12/01/2021
Weighted Average Maturity	4.33
Average Coupon	1.0687%
Bond Yield for Arbitrage Purpose	1.4545553%
True Interest Cost (TIC)	1.2754353%

Note: Savings assumes 3.00% variable rate on variable loans.



# **City of Kingston, Tennessee** **Total Combined Outstanding Debt Service - Water/Sewer Fund** **Estimated Post 2021 Bond Issuance**





## ESTIMATED DEBT SERVICE

### City of Kingston, Tennessee General Obligation Refunding Bonds, Series 2021

Date	Principal	Estimated Coupon	Interest	Total P+I	Fiscal Total
12/01/2021			8,837.87	8,837.87	
06/01/2022	725,000.00	0.600%	42,995.00	767,995.00	776,832.87
12/01/2022			40,820.00	40,820.00	
06/01/2023	725,000.00	0.650%	40,820.00	765,820.00	806,640.00
12/01/2023			38,463.75	38,463.75	
06/01/2024	700,000.00	0.700%	38,463.75	738,463.75	776,927.50
12/01/2024			36,013.75	36,013.75	
06/01/2025	625,000.00	0.800%	36,013.75	661,013.75	697,027.50
12/01/2025			33,513.75	33,513.75	
06/01/2026	575,000.00	0.900%	33,513.75	608,513.75	642,027.50
12/01/2026			30,926.25	30,926.25	
06/01/2027	550,000.00	1.000%	30,926.25	580,926.25	611,852.50
12/01/2027			28,176.25	28,176.25	
06/01/2028	500,000.00	1.100%	28,176.25	528,176.25	556,352.50
12/01/2028			25,426.25	25,426.25	
06/01/2029	465,000.00	1.200%	25,426.25	490,426.25	515,852.50
12/01/2029			22,636.25	22,636.25	
06/01/2030	415,000.00	1.300%	22,636.25	437,636.25	460,272.50
12/01/2030			19,938.75	19,938.75	
06/01/2031	375,000.00	1.400%	19,938.75	394,938.75	414,877.50
12/01/2031			17,313.75	17,313.75	
06/01/2032	325,000.00	1.500%	17,313.75	342,313.75	359,627.50
12/01/2032			14,876.25	14,876.25	
06/01/2033	215,000.00	1.600%	14,876.25	229,876.25	244,752.50
12/01/2033			13,156.25	13,156.25	
06/01/2034	215,000.00	1.700%	13,156.25	228,156.25	241,312.50
12/01/2034			11,328.75	11,328.75	
06/01/2035	215,000.00	1.800%	11,328.75	226,328.75	237,657.50
12/01/2035			9,393.75	9,393.75	
06/01/2036	215,000.00	1.850%	9,393.75	224,393.75	233,787.50
12/01/2036			7,405.00	7,405.00	
06/01/2037	215,000.00	1.900%	7,405.00	222,405.00	229,810.00
12/01/2037			5,362.50	5,362.50	
06/01/2038	130,000.00	1.950%	5,362.50	135,362.50	140,725.00
12/01/2038			4,095.00	4,095.00	
06/01/2039	130,000.00	2.100%	4,095.00	134,095.00	138,190.00
12/01/2039			2,730.00	2,730.00	
06/01/2040	130,000.00	2.100%	2,730.00	132,730.00	135,460.00
12/01/2040			1,365.00	1,365.00	
06/01/2041	130,000.00	2.100%	1,365.00	131,365.00	132,730.00
	7,575,000.00		777,715.37	8,352,715.37	

### Date Structure

Date 10/24/2021  
First Coupon Date 12/01/2021

### Yield Statistics

Average Coupon 1.4704104%  
Weighted Average Maturity 6.982  
True Interest Cost (TIC) 1.5838026%



## SOURCES AND USES OF FUNDS

### City of Kingston, Tennessee General Obligation Refunding Bonds, Series 2021

Dated Date 10/24/2021  
Delivery Date 10/24/2021

Sources:	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (Water/Sewer)	Total
Bond Proceeds:				
Par Amount	2,550,000.00	1,480,000.00	3,545,000.00	7,575,000.00
	2,550,000.00	1,480,000.00	3,545,000.00	7,575,000.00
Uses:	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (General Fund)	General Obligation Bonds, Series 2021 (Water/Sewer)	Total
Project Fund Deposits:				
Project Fund	2,500,000.00			2,500,000.00
Refunding Escrow Deposits:				
Cash Deposit		1,451,370.00	3,473,190.00	4,924,560.00
Cost of Issuance:				
Municipal Advisor	12,750.00	7,400.00	17,725.00	37,875.00
Bond Counsel	5,891.09	3,419.14	8,189.77	17,500.00
Rating Agency	5,891.09	3,419.14	8,189.77	17,500.00
Paying Agent	235.64	136.77	327.59	700.00
POS/Official Statement	2,524.75	1,465.35	3,509.90	7,500.00
Advertising	336.63	195.38	467.99	1,000.00
Miscellaneous	1,681.49	975.92	2,337.59	4,995.00
	29,310.69	17,011.70	40,747.61	87,070.00
Delivery Date Expenses:				
Underwriter's Discount	20,689.31	11,618.30	31,062.39	63,370.00
	2,550,000.00	1,480,000.00	3,545,000.00	7,575,000.00





## SUMMARY OF BONDS REFUNDED

### City of Kingston, Tennessee General Obligation Refunding Bonds, Series 2021

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
\$2,000,000 TMBF General Obligation Refunding Bond, Series 2017:					
BOND	05/25/2022	2.550%	69,000.00	10/24/2021	101.000
	05/25/2023	2.550%	72,000.00	10/24/2021	101.000
	05/25/2024	2.550%	75,000.00	10/24/2021	101.000
	05/25/2025	2.550%	78,000.00	10/24/2021	101.000
	05/25/2026	2.550%	81,000.00	10/24/2021	101.000
	05/25/2027	2.550%	84,000.00	10/24/2021	101.000
	05/25/2028	2.550%	87,000.00	10/24/2021	101.000
	05/25/2029	2.550%	90,000.00	10/24/2021	101.000
	05/25/2030	2.550%	94,000.00	10/24/2021	101.000
	05/25/2031	2.550%	97,000.00	10/24/2021	101.000
	05/25/2032	2.550%	101,000.00	10/24/2021	101.000
	05/25/2033	2.550%	105,000.00	10/24/2021	101.000
	05/25/2034	2.550%	109,000.00	10/24/2021	101.000
	05/25/2035	2.550%	114,000.00	10/24/2021	101.000
	05/25/2036	2.550%	118,000.00	10/24/2021	101.000
	05/25/2037	2.550%	63,000.00	10/24/2021	101.000
			1,437,000.00		
\$6,500,000 TMBF Revenue Bond Series, 1999:					
TMBF99	05/25/2022	3.000%	388,000.00	10/24/2021	100.000
	05/25/2023	3.000%	407,000.00	10/24/2021	100.000
	05/25/2024	3.000%	427,000.00	10/24/2021	100.000
	05/25/2025	3.000%	449,000.00	10/24/2021	100.000
			1,671,000.00		
\$2,000,000 TMBF Revenue Bonds Series, 2004:					
TMBF04	05/25/2022	3.000%	77,000.00	10/24/2021	100.000
	05/25/2023	3.000%	79,000.00	10/24/2021	100.000
	05/25/2024	3.000%	82,000.00	10/24/2021	100.000
	05/25/2025	3.000%	84,000.00	10/24/2021	100.000
	05/25/2026	3.000%	87,000.00	10/24/2021	100.000
	05/25/2027	3.000%	90,000.00	10/24/2021	100.000
	05/25/2028	3.000%	92,000.00	10/24/2021	100.000
	05/25/2029	3.000%	95,000.00	10/24/2021	100.000
	05/25/2030	3.000%	98,000.00	10/24/2021	100.000
	05/25/2031	3.000%	102,000.00	10/24/2021	100.000
	05/25/2032	3.000%	105,000.00	10/24/2021	100.000
	05/25/2033	3.000%	108,000.00	10/24/2021	100.000
			1,099,000.00		
\$821,000 USDA Rural Development Water Revenue and Tax Bond Series, 2010A:					
USDA_10A	11/01/2049	3.750%	703,190.00	10/24/2021	100.000
			4,910,190.00		

**RESOLUTION NO. 21-08-10-02**

**A RESOLUTION FOR THE APPOINTMENT OF A PROPERTY MAINTENANCE AND  
CODES ENFORCEMENT BOARD OF APPEALS FOR THE CITY OF KINGSTON,  
TENNESSEE**

WHEREAS, the City of Kingston has in place various codes and ordinances for the regulation of property maintenance codified in Title 12 and Title 13 of the Kingston City Code; and,

WHEREAS, the City Council finds that there is a need for a Board of Appeals for the benefit of property owners affected by decisions of the codes enforcement officials; and,

WHEREAS, the City Council of the City of Kingston has heretofore appointed certain citizens as a Board of Zoning Appeals and finds that said board could also function as a property maintenance and codes enforcement board of appeals.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KINGSTON that the sitting members of the Board of Zoning Appeals, to wit: Glenda Johnson, Tim Neal, Tori May and Tim Suter, be and they are hereby appointed and designated as the Property Maintenance and Codes Enforcement Board of Appeals with terms to coincide with their terms as members of the Board of Zoning Appeals.

This 10 day of August, 2021.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk