

Meeting Agendas/Info

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

01-310

SYNOPSIS -

AGENDA:

JUNE 4, 2001

Authorization is necessary for the sale of General Obligation Refunding Bonds to call the General Obligation Bonds, Series 1992A, 1992C, and 1992G.

SUBJECT:

SALE OF GENERAL
OBLIGATION
REFUNDING BONDS
(REFUNDING
SERIES 1992A,
1992C, AND 1992G)

The City will receive competitive bids from underwriters at 12:00 P.M. on Monday, June 4, 2001. At tonight's City Council meeting, Council will be asked to award the sale to the firm or group of firms with the best bid (lowest interest rate) and to authorize issuance of the refunding bonds.

FISCAL IMPACT -

TYPE:

RESOLUTION

ORDINANCE
RECEIVE/FILE

By issuing General Obligation Refunding Bonds to retire the existing General Obligation Bonds of 1992, which have an outstanding principal balance of \$15,098,332, the annual savings in the form of debt service would approximate \$85,000 at current interest rates.

Annual debt service on the bond issue will be provided to Council in a separate communication on Monday, June 4, 2001, after bids are received.

SUBMITTED BY:

ALLEN MCKINLEY
ACTING FINANCE
DIRECTOR

RECOMMENDATION -

Authorize the sale of General Obligation Refunding Bonds, Series 2001D and Series 2001E (Hotel-Motel Tax) in an aggregate par amount of \$15,660,000.

BACKGROUND -

The General Obligation/Hotel-Motel Bonds, Series 1992A (original principal of \$8,070,000), were issued on January 20, 1992, to finance swimming pools, sports complexes, and playground equipment. The General Obligation Bonds, Series 1992C and 1992G (original

principal of \$16,475,000), were issued on June 1, 1992, to finance the 1991-92 Capital Improvement Program. The closing for the bonds is scheduled for June 27, 2001. The call date on the old bonds is December 1, 2003 (for Series 1992A) and June 1, 2002 (for Series 1992C and 1992G).
