



Council Communication

Office of the City Manager

Date	February 26, 2006
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Agenda Item No.	60
Roll Call No.	<u>07-</u>
Communication No.	<u>07-125</u>
Submitted by:	Allen McKinley, Finance
Director/Treasurer	

AGENDA HEADING:

On issuance of not to exceed \$5,000,000 General Obligation Refunding Bonds (for an essential corporate purpose) for refunding and refinancing of General Obligation Bonds, Taxable Series 1999B

SYNOPSIS:

To refinance the series 1999B taxable bonds, a public hearing and Council authorization for the sale of the bonds (February 28, 2007) are required.

FISCAL IMPACT:

Amount: Total savings of \$234,000

Funding Source: The series 1999B taxable bonds have a call provision of June 1, 2007. By refinancing this debt and calling the bonds on June 1, 2007, staff anticipates that the City will realize a net present value savings of \$234,000 over the remaining maturity of the bonds (2019). This equates to an annualized savings of approximately \$27,500. Tax increment revenues are used to retire this debt.

ADDITIONAL INFORMATION:

This process requires a special Council meeting, which will be held on February 28, 2007, at 4:30 pm.

PREVIOUS COUNCIL ACTION(S):

Date: February 12, 2007

Roll Call Number: 07-244

Action: On issuance of not to exceed \$5,000,000 General Obligation Refunding Bonds, (for an essential corporate purpose) for refunding and refinancing of General Obligation Bonds, Taxable Series 1999B, (2-26-07). (Council Communication No. 07-064) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

February 28, 2007: Sale of bonds and special Council meeting to award to lowest bidder.