

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 24, 2013
	Agenda Item No. 16 Roll Call No. [_____] Communication No. <u>13-343</u> Submitted by: Scott E. Sanders, Finance Director

AGENDA HEADING:

Set date for public hearings regarding the issuance of general obligation bonds for the Fiscal Year (FY) 2013-14 Capital Improvement Budget and to advance refund the General Obligation Bonds, Series 2006A and General Obligation Urban Renewal Bonds, Series 2006B.

SYNOPSIS:

Set date for public hearings regarding the issuance of general obligation bonds. The first hearing is necessary to provide additional funding for the Municipal Service Center facility with the debt service paid from Tax Increment Financial (TIF) revenues. The second hearing is to authorize the advance refunding of the Series 2006A and Series 2006B bonds for savings. All other hearings associated with the FY 2013-14 Capital Improvement Budget were held in February. The sale of the bonds is scheduled for late July.

FISCAL IMPACT:

Amount: \$1,250,000 in additional bond proceeds associated with the Municipal Service Center. The savings associated with the advance refundings is estimated at over \$1,000,000.

Funding Source: Southeast Agribusiness Tax Increment Fund – Special Revenue Fund – SP370, FIN909105

The savings associated with the refundings will be shared between the Property Tax Debt Service Levy and various TIF District Funds.

ADDITIONAL INFORMATION:

A public hearing must be held prior to any borrowing by the City. The first hearing is to consider bonding for the FY 2013-14 Capital Improvement Budget associated with the Municipal Service Center project that was approved by City Council on April 8, 2013. Additionally, there is an opportunity to refund two (2) series of bonds for savings.

PREVIOUS COUNCIL ACTION(S):

Date: April 8, 2013

Roll Call Number: [13-0609](#)

Action: [On](#) Municipal Service Center - Phase 1: Resolution approving plans, specifications, form of contract documents, engineer's estimate and designating lowest responsible bidder as Neumann Brothers, Inc., (Marshall G. Linn III, President), \$15,005,900. ([Council Communication No. 13-182](#)) Moved by Meyer to adopt. Motion Carried 7-0.

Date: February 25, 2013

Roll Call Number: [13-0351](#) and [13-0352](#)

Action: On proposed issuance of the following: ([Council Communication No. 13-094](#))

B) [\\$10,475,000](#) General Obligation Bonds (Urban Renewal Purposes). Moved by Mahaffey to adopt. Motion Carried 7-0.

(1) [Authorization](#) for additional action. Moved by Mahaffey to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

July 15, 2013: Hold hearing and approval to proceed with issuance of 2013 General Obligation Bonds, direct sale of bonds and approval of preliminary offering statement.

July 24, 2013: Special Council meeting to sell bonds and award lowest bid.

August 12, 2013: Final approvals including authorization to levy taxes.

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