

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	June 8, 2015
	<b>Agenda Item No.</b>	<b>28</b>
	<b>Roll Call No.</b>	<b><u>15-917</u></b>
	<b>Communication No.</b>	<b><u>15-313</u></b>
	<b>Submitted by:</b>	<b>Dan Ritter, Finance Director</b>

**AGENDA HEADING:**

Resolution to set date for public hearing on the issuance of not to exceed \$36,550,000 of General Obligation Bonds, for refunding and refinancing certain current outstanding bonds, and providing for publication of notice of the hearing.

**SYNOPSIS:**

Council action will direct publication of notice and set public hearing on June 22, 2015 regarding issuance of General Obligation Bonds for refunding General Obligation Bonds, Series 2005E, General Obligation Bonds, Taxable Series 2007A, General Obligation Bonds, Series 2008, and General Obligation Bonds, Series 2008E (Urban Renewal) with the total not to exceed \$36,550,000. The purpose of the refunding is to achieve an interest rate savings.

**FISCAL IMPACT:**

Amount: Gross savings estimated at \$2,220,000 in total.

Funding Source: The savings associated with the refunding will be shared between the Property Tax Debt Service Levy and Tax Increment Financing (TIF) District Funds based on the size of original issuances.

**ADDITIONAL INFORMATION:**

Series 2015A will be issued for new money purposes and to current refund on August 13, 2015 \$12,665,000 of General Obligation Bonds, Series 2005E maturing 2016 through 2020 with coupons of 4.5%. New debt will be issued through 2020 and interest yields on the new debt are estimated to be less than 1.93%. Council held the public hearing for the new money purposes (Fiscal Year {FY} 2016 Capital Improvement Program projects), not to exceed \$30,075,000, on March 9, 2015.

Series 2015B will be issued to provide crossover refund on June 1, 2016, \$17,430,000 for General Obligation Bonds, Series 2008D maturing 2017 through 2028, with coupons between 3.75% and 4.375%, and \$3,435,000 of General Obligation Bonds, Series 2008E (Urban Renewal) maturing 2017 through 2023, with coupons between 3.75% and 4.15%. New debt will be issued through 2028 and interest yields on the new debt are estimated to be less than 3.335%.

Series 2015C will be issued to current refund on August 13, 2015, \$1,870,000 of General Obligation Refunding Bonds, Taxable Series 2007A maturing 2016 through 2019, with coupons between 4% and 4.25%. New debt will be issued through 2019 and interest yields are estimated to be less than 2.14%.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

June 22, 2015: Hold hearing to proceed with refunding and set sale date of the bonds and approve preliminary offering statement.

July 8, 2015: Award Series 2015A, Series 2015B, and Series 2015C bonds and authorize redemption of Series 2005E, 2007A, 2008D, 2008E.

July 27, 2015: Adopt authorizing resolution and approve final documents.

For more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D. Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).