

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> July 11, 2016
	<b>Agenda Item No.</b> 24A <b>Roll Call No.</b> <u>16-1121</u> <b>Communication No.</b> <u>16-390</u> <b>Submitted by:</b> Dan Ritter, Finance Director

**AGENDA HEADING:**

Resolution to set date for public hearing on the issuance of not to exceed \$33,500,000 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 July 25, 2016 regarding issuance of General Obligation Bonds (Series 2016B) for advance crossover refunding and refinancing General Obligation Bonds, Taxable Series 2009E (Build America Bonds) and General Obligation Bonds, Series 2010D, with the total not to exceed \$33,500,000. The purpose of the refunding is to achieve an interest rate savings.

**FISCAL IMPACT:**

Amount: Refunding anticipated to result in approximately \$2,500,000 net present value savings.

Funding Source: The savings associated with the refunding will be in the Debt Service Levy Fund..

**ADDITIONAL INFORMATION:**

Series 2016B will be issued to provide advance crossover refunding:

- \$15,185,000 on June 1, 2017 for General Obligation Bonds, Series 2009E, which is maturing through 2029 with coupons between 4.65% and 5.90%.
- \$15,480,000 on June 1, 2018 for General Obligation Bonds, Series 2010D which is maturing through 2030 with coupons between 3.0% and 4.125%.

The maturity schedule remains through 2029 and 2030 respectively and new debt coupons estimated to be 2.530% and less.

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

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- July 25, 2016: Hold hearing to proceed with refunding and set sale date of the bonds and approve preliminary offering statement.
- August 2016: Award Series 2016B and authorize redemption of Series 2009E, 2010D.
- September 2016: 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 Administration Building, 400 E. Court Avenue Ste.116. 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).