

Date: February 12, 2020

**RESOLUTION DIRECTING SALE OF GENERAL
OBLIGATION REFUNDING BONDS, SERIES 2020A**

WHEREAS, bids have been received for the Bonds described as follows and the best bid received (with permitted adjustments, if any) is determined to be the following:

GENERAL OBLIGATION REFUNDING BONDS, SERIES
2020A

Bidder: Morgan Stanley LLC of New York NY

The terms of award:

Final Par Amount as adjusted: \$ 25,135,000

Purchase Price as adjusted: \$ 29,197,390.15

True Interest Rate: 1.37831 %

Net Interest Cost: \$ 2,654,979.02

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, STATE OF IOWA:

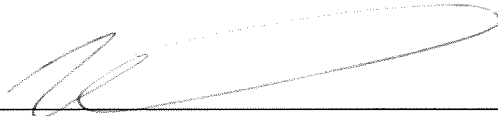
Section 1. That the bid for the Bonds as above set out is hereby determined to be the best and most favorable bid received and, the Bonds are hereby awarded as described above.

Section 2. That the statement of information for Bond bidders and the form of contract for the sale of the Bonds are hereby approved and the Mayor and Clerk are authorized to execute the same on behalf of the City.

Section 3. That the notice of the sale of the Bonds heretofore given and all acts of the Clerk done in furtherance of the sale of the Bonds are hereby ratified and approved

Date: February 12, 2020

FORM APPROVED:



LAWRENCE R. MCDOWELL
DEPUTY CITY ATTORNEY

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
GRAY				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				

CERTIFICATE

I, P. Kay Cmelik, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED

APPROVED

Mayor

City Clerk

**MEMORANDUM
CITY OF DES MOINES, IOWA
Finance Department**

DATE: February 12, 2020

TO: Mayor Cownie and Members of the City Council
Scott Sanders, City Manager

FROM: Nickolas Schaul, Interim Finance Director/Treasurer

SUBJECT: Bond Sale Results

Bids were received today for the sale of \$29,525,000 G.O. Refunding Bonds, Series 2020A. The proceeds of the bonds will be used for the refunding of the following bonds:

- General Obligation Series 2009B (Urban Renewal)
- General Obligation Series 2012A
- General Obligation Series 2012B (Urban Renewal)
- General Obligation Series 2012C
- General Obligation Series 2012D (Sewer)
- General Obligation Series 2012E (Stormwater)

This issue is rated AA+ by Standard and Poor's.

The financial policies that City Council has put in place as well as the flexibility in raising revenues through property taxes, if needed, plays a major part in receiving these strong ratings.

The Series 2020A, 12-year issue refunding bonds, received 11 bids, with the lowest being from Morgan Stanley and Co., LLC. The true interest cost (TIC) for their bid 1.37831%.

The refunding of the above bonds netted \$4,553,468.71 in savings over the twelve-year period. The final Par amount is \$25,135,000.

Des Moines: \$29,525,000 General Obligation Refunding Bonds, Series 2020A

The following bidders submit bids on this issue:

Bidder
Morgan Stanley & Co, LLC - New York, NY
Piper Sandler & Co - Minneapolis, MN
BOK Financial Securities, Inc. - Dallas, TX
Janney Montgomery Scott LLC - Philadelphia, PA
J.P. Morgan Securities LLC - New York, NY
Robert W. Baird & Co., Inc. - Milwaukee, WI
Fifth Third Securities, Inc. - Cincinnati, OH
Mesirow Financial, Inc. - Chicago, IL
KeyBanc Capital Markets - Cleveland, OH
Bank of America Merrill Lynch - New York, NY
Citigroup Global Markets Inc. - Los Angeles, CA

It is staff's belief, by the City Council allowing the flexibility to meet on Wednesday, continues to pay dividends for the City of Des Moines. With Council's concurrence, future bond sales will continue to be scheduled on Wednesdays.

The success of this bond sale is a result of a team effort that involved Finance Department and City Manager staff, Mr. Jon Burmeister and his staff at PFM serving as our Financial Advisor, and Mr. Mark Cory of the Ahlers & Cooney Law serving as our Bond Counsel. Please let me know if you would like any additional information.