



Legislation Details (With Text)

File #: ID 20-0504 **Version:** 1 **Name:**
Type: Ordinance **Status:** Passed
File created: 6/23/2020 **In control:** City Council
On agenda: 7/21/2020 **Final action:** 7/21/2020
Title: Ordinance in the Amount of \$20,660,720 Amending FY 2020-21 Debt Service Fund for General Obligation Refunding Bonds Series 2020D

Sponsors:

Indexes:

Code sections:

Attachments: 1. 20-0504 ORD GO DEBT Refunding 2020D.pdf

Date	Ver.	Action By	Action	Result
7/21/2020	1	City Council	adopt	Pass

Ordinance in the Amount of \$20,660,720 Amending FY 2020-21 Debt Service Fund for General Obligation Refunding Bonds Series 2020D

Council Priority: Ensure Fiscal Stewardship, Transparency, & Accountability

Department: Financial and Administrative Services and Legal
Council District: All

Public Hearing: No
Advertising Date/By: N/A

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Contact 2 and Phone: Charles Watts, 373-2320

PURPOSE:

To appropriate funds to account for the \$20,660,720 General Obligation (GO) Refunding Bond, Series 2020D that refund outstanding GO bonds issued in 2010 for various general government capital projects.

BACKGROUND:

On December 17, 2019, City Council authorized a \$57 million GO Refunding Bond Order and subsequently adopted the bond order on January 21, 2020 following a public hearing. The Local Government Commission authorized this bond transaction on January 7, 2020, subject to City Council approval. These bonds will refinance GO bonds issued in 2010 for various general governmental capital projects resulting in lower interest rates on the bonds. Approximate savings from refinancing the bonds is \$1.8 million spread over the next 11 years.

The bonds were sold February 2020, with the transactions closing on July 8, 2020. The 2020D bond proceeds and related premiums of \$20.4 million will be delivered to the escrow agent/bond trustee (U.S. Bank) at closing. At this time City Council approval of the attached ordinance on July 21, 2020 is needed, to properly

account for the Series 2020D transactions and to record payment to the escrow agent for redemption of the outstanding bonds.

BUDGET IMPACT:

The reduction in interest rates and related fees will result in debt service savings in the Debt Service Fund of approximately \$1.8 million over the next 11 years.

RECOMMENDATION / ACTION REQUESTED:

City Council is being requested to adopt the attached budget ordinance amending the FY 2020-21 Debt Service Fund by \$20,660,720 for the Series 2020D General Obligation Refunding Bonds.