

Legislation Text

File #: BILL NO. 18-169, **Version:** 1

An Ordinance authorizing and directing the issuance of \$3,658,000.00 principal amount of General Obligation Bonds, Series 2018A, and authorizing certain other documents and actions by the City. (F&BC 10-1-18)

Issue/Request:

The Bonds are being issued to finance various capital projects within the City and will exhaust (subject to change) previously voter-approved but unissued general obligation authority. The Bonds will constitute general obligations of the City and will be payable as to both principal and interest from ad valorem taxes that may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

Key Issues:

The Bonds are being issued to Zions Bank through a private placement. A private placement was used to reduce costs of issuance. This option was desirable in this instance because of the small size of the issue and the short duration. The interest rate on the bonds will be 2.74%. Interest will be payable semiannually beginning on April 1, 2019. Principal will be payable annually beginning on April 1, 2019. The Bonds will carry a tax-exempt status, and will be callable any time at par plus accrued interest with 30 days written notice. The scheduled closing date is October 25, 2018.

Proposed City Council Motion:

FIRST MOTION: I move for a second reading of An Ordinance authorizing and directing the issuance of \$3,658,000.00 principal amount of General Obligation Bonds, Series 2018A, and authorizing certain other documents and actions by the City.

SECOND READING: I move for a second reading of An Ordinance authorizing and directing the issuance of \$3,658,000.00 principal amount of General Obligation Bonds, Series 2018A, and authorizing certain other documents and actions by the City.

Conrad Lamb, Finance Director

Committee Recommendation:

On Motion by Councilmember Carlyle, seconded by Councilmember Edson, this Ordinance was recommended for approval to the City Council - Regular Session due back on 10/2/2018. The vote was unanimous. (F&BC 10-1-18)