

## Legislation Text

**File #:** RES. NO. 22-06, **Version:** 1

A Resolution authorizing the offering for sale of General Obligation Refunding Bonds for the benefit of the City of Lee's Summit, Missouri.

The City's Financial Advisor has presented an opportunity for the City to refinance the Series 2013A General Obligation Bonds that currently have an outstanding principal balance of \$15,680,000.

The Series 2013A Bonds were originally issued on February 21, 2013 with a principal amount of \$24,360,000, with an "All Inclusive Cost" (AIC) interest rate of 2.26% and a maturity of April 1, 2028.

The proposed refinancing would be at an anticipated AIC of 1.28%, with a maturity of April 1, 2025. Preliminary interest expense savings are currently estimated to be approximately \$600,000 which is subject to change due to the interest rate at the time of the refinancing. The following grid summarizes the proposed refinancing:

	<b>Series 2013A</b>	<b>Proposed 2022 Refinancing</b>
<b>Original Issuance Amount</b>	<b>\$ 25,779,304</b>	<b>\$ 15,680,000</b>
<b>Issue Date</b>	<b>2/21/2013</b>	<b>4/01/2022</b>
<b>Maturity Date</b>	<b>4/01/2028</b>	<b>4/01/2025</b>
<b>All Inclusive Cost (AIC)</b>	<b>2.26%</b>	<b>1.28%</b>
<b>Preliminary Estimated Interest Savings</b>		<b>\$600,000</b>

The Resolution also gives the City the option to issue the bonds through either a competitive public sale or private placement. This enables the City to obtain the best price and terms when it refinances the bonds. No bonds will be sold until the City Council approves the final terms of the bond via ordinance.

I move to recommend to the City Council for approval of a Resolution authorizing the offering for sale of General Obligation Refunding bonds for the benefit of the City of Lee's Summit, Missouri.

I move for adoption of a Resolution authorizing the offering for sale of General Obligation Refunding bonds for the benefit of the City of Lee's Summit, Missouri.

Bette Wordelman, Finance Director