

Legislation Details (With Text)

File #:	2022-5229	Name:	
Type:	Presentation	Status:	Presented
File created:	10/18/2022	In control:	City Council - Regular Session
On agenda:	12/6/2022	Final action:	12/20/2022
Title:	Continued Discussion: 2023 No Tax Increase Bond Initiatives		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Debt Capacity 2022, 2. NTI Bond Issue initiatives 12.6.22, 3. 2023 NTI Bond Issue listing 12.13.22		

Date	Ver.	Action By	Action	Result
12/20/2022	1	City Council - Regular Session	presented	
12/6/2022	1	City Council - Regular Session	presented	

Continued Discussion: 2023 No Tax Increase Bond Initiatives

Issue/Request:

12/6/22

The City has an extensive list of capital project needs that require financing sources. In 2021, the voters approved an increase to the general operating property tax levy of \$.10 per \$100 assessed valuation and the City Council agreed to drop the debt service levy by the same amount, thereby maintaining a consistent total property tax levy. That lower debt service levy of \$.3697 per \$100 assessed valuation provides approximately \$9.8 million in revenue to finance capital projects subject to voter approval for bond issues. Most of the previously issued bonds are scheduled for pay-off by April 2025. Based on these facts, the City has opportunity to utilize the potential revenues from the debt levy to finance the needed capital projects.

Key Issues:

12/6/22

The currently established debt service levy established at \$.3697 per \$100 assessed valuation provides approximately \$9.8 million annually to finance capital projects.

The annual debt levy revenues are anticipated to grow each year as assessed valuation grows.

The current debt service schedule for previously issued bonds includes pay-off of most of the debt by April 2025.

All existing debt service for existing bonds is scheduled to pay off by April 2029.

All previously voter-approved authorizations have been fully exhausted by issuance of those bonds.

Voters must approve the issuance of any additional bonds.

Any approved debt issuance would be structured to be paid from the debt service levy revenues based on a debt levy of \$.3697 per \$100 assessed valuation.

Any requested voter approval for debt issuance typically includes the list of projects expected to be financed by the debt issuance.

At the 12/6/22 meeting staff presented various projects and initiatives to the Mayor and City Council with brief explanations of each. Mayor and City Council asked questions and it was agreed that there would be additional discussion and dialogue regarding all the projects and initiatives at the 12/13/22 meeting.

12.13.22

Mayor, City Council and staff held additional discussion on the various projects and initiatives identified for a potential no tax increase bond issue and reached consensus on what would be considered the highest priorities and some new projects were added to the list for thought and consideration. Direction was received to highlight the projects and initiatives that were considered higher priorities which is attached to this packet. Projects and initiatives highlighted in yellow were identified to be the higher priorities.

Bette Wordelman, Finance Director