

# REQUEST FOR ACTION

<u>Department Head</u>	<u>City Council Date</u>	<u>Agenda Item</u>
Brian R. Bloch Finance Director	November 3, 2009	7.A.

Resolution establishing the sale date for the \$895,000 G.O. Refunding Bonds, Series 2009B.

## ACTION REQUESTED

Motion to approve a resolution establishing the sale date for the \$895,000 G.O. Refunding Bonds, Series 2009B.

## BACKGROUND

In 2008 the City authorized expenditures and financing for the Legacy of Delano, Tax Increment Financing (TIF) District No. 9. At that time staff and Council chose to finance the costs incurred through an interfund loan with the Sanitary Sewer Fund providing the financing. To take advantage of current low interest rates and to give the Sanitary Sewer Fund additional financial liquidity, staff has investigated the possibility of refunding the interfund loan with a TIF Refunding Bond.

In addition the City is in a favorable position to refund the G.O. Improvement Bonds, series 2001A. The refunding of these bonds is expected to save the City approximately \$43,300 per year with a present value savings estimated to be \$25,240.

Staff has contacted Springsted, the City's financial advisor, who has prepared the attached resolution and is presenting the terms of proposal for the bond issuance. The recommendation for the bonds state the sale date will be December 1, 2009. *Note that the Resolution and Recommendations state December 8<sup>th</sup> as the sale date; however, this will be changed to December 1<sup>st</sup> in the final documents.*

## FUNDING

Tax increments and property tax levies will be used to make payments on the bonds.

## ATTACHMENTS

- ✓ Resolution establishing the sale date for the \$895,000 G.O. Refunding Bonds, Series 2009B.
- ✓ Recommendations for the \$895,000 G.O. Tax Increment and Improvement Refunding Bonds, Series 2009B.