



## **MAYOR & COUNCIL COMMUNICATION**

**DATE:** 06/03/2014

**REGULAR** \$\$

**ITEM #** 13

**AGENDA ITEM:** 2014 Capital Improvement Financing Plan; Presentation of Financing Plan of G.O. Bonds, Series 2014A; Approval of the issuance of G.O. Bonds, Series 2014A

**SUBMITTED BY:** Cathy Bendel, Finance Director

**THROUGH:** Tammy Omdal, Senior Vice President, Northland Securities

**REVIEWED BY:** Dean Zuleger, City Administrator  
Finance Committee

### **SUGGESTED ORDER OF BUSINESS:**

- Questions from Council to Staff ..... Mayor Facilitates
- Report/Presentations.....City Staff, Northland Securities
- Questions from Council to Staff.....Mayor Facilitates
- Public Input, if Appropriate.....Mayor Facilitates
- Call for Motion ..... Mayor & City Council
- Discussion ..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

**POLICY RECOMMENDER:** Finance Committee

### **FISCAL IMPACT:**

City responsibility for the debt service on the issuance of \$6,235,000 of new debt as presented in the Financing Plan.

### **SUMMARY AND ACTION REQUESTED:**

Throughout 2014, various projects have been brought to City Council and have been approved to move forward. The updated 2014 CIP listing was reviewed in detail by the Finance Committee. This Financing Plan represents the financing needs based on those approved projects.

**STAFF REPORT:** Tammy Omdal, Senior Vice President with Northland Securities will present the report and respond to inquiries.

**BACKGROUND INFORMATION (SWOT):**

<b>Strengths</b>	Provides funding for infrastructure projects at a low rate. Water projects allow for the completion of the water “loop” in 2015 resulting in better water pressure and quality for all residents.
<b>Weaknesses</b>	Large increases to debt service payments in the enterprise funds. Cash flow assumptions reviewed by the Finance Committee and represent best case scenarios and assume all developers follow through on timing as presented to Planners and Engineers.
<b>Opportunities</b>	Ability to complete the water “loop” in 2015 and provide water and sewer to new development areas of the City.
<b>Threats</b>	If developments are delayed or do not materialize, the enterprise fund may not be able to independently fund the debt service payments on the infrastructure bonding.

**RECOMMENDATION:**

It is recommended that the City Council approve Resolution 2014-39 authorizing the issuance and sale of \$6,235,000 in General Obligation Bonds, Series 2014A.

***“Move to approve Resolution 2014-39 authorizing the issuance and sale of General Obligation Bonds, Series 2014A in the amount of \$6,235,000”***

**ATTACHMENT(S):**

1. Northland Securities Finance Plan Summary for G.O. Bonds, Series 2014A
2. Certificate of Minutes and Resolution 2014-39 Authorizing the Issuance and Sale of G.O. Bonds, Series 2014A