

Agenda Item:
47B



COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date:	4/19/04	Communication
No.:	04-181	
Agenda Item Type:	Resolution	Roll Call
No.:		

Submitted by: Merrill Stanley, Finance Director

SUBJECT—

Adjusting the principal amount of 2004B General Obligation Refunding Bonds.

SYNOPSIS—

Adjusting the principal amount of 2004B General Obligation Refunding Bonds to be issued May 3, 2004, from \$34,660,000 to \$34,490,000.

FISCAL IMPACT—

Refinancing of the three series of bonds will result in net debt service savings estimated to total \$1,000,000, averaging \$90,000 per year. The savings will be allocated to the sources responsible for debt service payments, which are the debt service levy – 80% and tax increment – 20%. The estimated savings resulting from the refinancing will not be realized until the FY 2005-06 operating budget.

RECOMMENDATION—

Approval

BACKGROUND—

The General Obligation Bonds, Series 1995C were originally issued in the amount of \$17,400,000 on June 1, 1995, the Series 1996E bonds were issued in the amount of \$16,150,000 on November 1, 1996, and the Series 1997B bonds were issued on June 1, 1997. All three series were issued to fund the annual Capital Improvement Program. The public hearing has been held, the bond Official Statement has been approved, and the sale date has been set for May 3, 2004.