



NOTICE OF INTENT TO ISSUE CERTIFICATES OF OBLIGATION

RS-25-019

February 4, 2025

Background

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- FY 2025 Budget/CIP – Projects identified
- Estimated increase to FY 2026 debt service (I&S) tax rate is 2.16¢ per \$100 valuation
 - ▣ Uses the following assumptions:
 - 2% growth in freeze adjusted taxable value (less TIRZ)
 - Estimated 4.5% bond interest rate
 - 20-year bond

Certificates of Obligation (CO)

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- Tax pledge will be source of payment for debt service
- Resolution of intention
 - ▣ Authorizes proceeding with the issuance of CO
 - ▣ Identifies allowed uses of the proceeds (specific capital projects)
 - ▣ Sets maximum principal amount at \$39 million
 - ▣ Directs the publication of public notice
 - ▣ Authorizes payment of Attorney General examination fee

Priority Project List

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Projects	Amount
Featherline Drive	\$11,390,000
Mohawk Drive	8,940,600
Chaparral	6,000,000
Golf Course (tax supported with revenue pledge)	3,000,000
Fire Station Five Rebuild	9,000,000
Estimated Issuance Costs	485,000
Total Certificates of Obligation	\$38,815,600

Remaining Steps

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- ❑ February 9, 2025 – public notice published (published on website for more than 45 days)
- ❑ February 18, 2025 – application for a rating on the CO
- ❑ March 20, 2025 – Official Statement distributed to bidders
- ❑ April 1, 2025
 - ▣ Bids received on the CO
 - ▣ City Council considers an ordinance authorizing the issuance of the CO
- ❑ April 22, 2025 – closing and funds delivered

Recommendation

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City Council approve proceeding with issuance of certificates of obligation for capital projects and further directing the publication of notice of intention to issue certificates of obligation for capital projects