



# NOTICE OF INTENT TO ISSUE CERTIFICATES OF OBLIGATION

OR-25-006

April 1, 2025

# Background

2

- 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
- On February 4<sup>th</sup> Council approved the publication of notice of intent.

# Certificates of Obligation (CO)

3

- 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

4

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
<b>Total Certificates of Obligation</b>	<b>\$38,815,600</b>

# Remaining Steps

- ❑ 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

6

City Council approve the ordinance authorizing the issuance and sale of Combination Tax and Revenue Certificates of Obligation, Series 2025, for capital projects.