City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager

FROM: Laura A. Schaefer, Finance Director/City Clerk

DATE: February 21, 2017

SUBJECT: Monument Signage Project and Trail Improvements – Not to Exceed $415,000 General Obligation Capital Loan Notes, Series 2017A

- Public Hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder
- Resolution instituting proceedings to take additional action

The FY 2018 budget proposal contains a debt issuance not to exceed $415,000 for a monument signage project and trail improvements. It is anticipated that the debt will be sold after July 1, 2017 and structured for a three (3) year repayment.

The FY 2018 budget also includes an estimate of principal and interest to be repaid and incorporated into the proposed FY 2018 tax levy. In order to include this into the FY 2018 tax levy, a public hearing needs to be conducted and a pre-levy resolution approved prior to adopting the FY 2018 budget.

The notice of public hearing was published Wednesday, February 15, 2017.

A public hearing will need to be conducted at the Council meeting with action to be taken on the enclosed resolution entitled "Resolution instituting proceedings to take additional action for the issuance of not to exceed $415,000 General Obligation Capital Loan Notes." The resolution will document the receipt of any oral or written objections to the issuance on the capital loan notes. It is a requirement of Iowa Code to adopt this resolution in order to continue.

RECOMMENDATION: At the close of the public hearing, Council consideration and approval of the attached resolution instituting proceedings to take additional action for the issuance of not to exceed $415,000 General Obligation Capital Loan Notes, Series 2017A for the purpose of paying the costs of a monument signage project and trail improvements.

February 27, 2017

The City Council of the City of Carroll, Iowa, met in regular session, in the Council Chambers, City Hall, 112 E. 5th Street, Carroll, Iowa, at 5:15 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

_____

Absent: _____

Vacant: _____

* * * * * * *

The Mayor announced that this was the time and place for the public hearing and meeting on the matter of the authorization of a Loan Agreement and the issuance of not to exceed $415,000 General Obligation Capital Loan Notes, in order to provide funds to pay the costs of the acquisition, construction, and installation of a monument signage project, and the construction and reconstruction of trail improvements, for general corporate purposes, and that notice of the proposed action by the Council to institute proceedings for the authorization of the Loan Agreement and the issuance of the Notes and the right to petition for an election had been published as provided by Sections 384.24A and 384.26 of the Code of Iowa, and the Mayor then asked the City Clerk whether any petition had been filed in the Clerk's Office, in the manner provided by Section 362.4 of the Code of Iowa, and the Clerk reported that no such petition had been filed, requesting that the question of issuing the Notes be submitted to the qualified electors of the City.

The Mayor then asked the Clerk whether any written objections had been filed by any resident or property owner of the City to the issuance of the Notes. The Clerk advised the Mayor and the Council that _____ written objections had been filed. The Mayor then called for oral objections to the issuance of the Notes and _____ were made. Whereupon, the Mayor declared the time for receiving oral and written objections to be closed.

(Attach here a summary of objections received or made, if any)

Whereupon, the Mayor declared the hearing on the authorization of entering into a Loan Agreement and the issuance of the Notes to be closed.

The Council then considered the proposed action and the extent of objections thereto.

Whereupon, Council Member _____ introduced and delivered to the Clerk the Resolution hereinafter set out entitled "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED $415,000 GENERAL OBLIGATION CAPITAL LOAN NOTES", and moved:

☐ that the Resolution be adopted.

☐ to ADJOURN and defer action on the Resolution and the proposal to institute proceedings for the issuance of Notes to the meeting to be held at _____ _____.M. on the _____ day of _____, 2017, at this place.

Council Member _____ seconded the motion. The roll was called and the vote was,

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the measure duly adopted.

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED $415,000 GENERAL OBLIGATION CAPITAL LOAN NOTES

WHEREAS, pursuant to notice published as required by law, the City Council has held a public meeting and hearing upon the proposal to institute proceedings for the authorization of a Loan Agreement and the issuance of not to exceed $415,000 General Obligation Capital Loan Notes, for the general corporate purposes, in order to provide funds to pay the costs of the acquisition, construction, and installation of a monument

signage project, and the construction and reconstruction of trail improvements, and has considered the extent of objections received from residents or property owners as to the proposed issuance of Notes; and no petition was filed calling for a referendum thereon. The following action is now considered to be in the best interests of the City and residents thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CARROLL, IOWA:

Section 1. That this Council does hereby institute proceedings and take additional action for the authorization and issuance in the manner required by law of not to exceed $415,000 General Obligation Capital Loan Notes, for the foregoing general corporate purposes.

Section 2. The Clerk is authorized and directed to proceed on behalf of the City with the negotiation of terms of a Loan Agreement and the issuance of General Obligation Capital Loan Notes, evidencing the City's obligations to a principal amount of not to exceed $415,000, to select a date for the final approval thereof, to cause to be prepared such notice and sale information as may appear appropriate, to publish and distribute the same on behalf of the City and this Council and otherwise to take all action necessary to permit the completion of a loan on a basis favorable to the City and acceptable to the Council.

Section 3. This Resolution shall serve as a declaration of official intent under Treasury Regulation 1.150-2 and shall be maintained on file as a public record of such intent. It is reasonably expected that the general fund moneys may be advanced from time to time for capital expenditures which are to be paid from the proceeds of the above Notes. The amounts so advanced shall be reimbursed from the proceeds of the Notes not later than eighteen months after the initial payment of the capital expenditures or eighteen months after the property is placed in service. Such advancements shall not exceed the amount authorized in this Resolution unless the same are for preliminary expenditures or unless another declaration of intention is adopted.

PASSED AND APPROVED this 27th day of February, 2017.

_____
Mayor

ATTEST:

_____
City Clerk