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 MSP-W

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

DATE: February 21, 2017

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

- Resolution authorizing the issuance and levying a tax for the payment thereof

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, with a three (3) year repayment schedule.

The attached "pre-levy" resolution tells the public that the City has a need for money to pay for debt service (principal and interest) for these specific projects from capital loan notes to be sold at a later date. The pre-levy resolution gives the basis for the debt service to be included in the FY 2018 budget. It does not bind the Council to the repayment schedule.

Passage of the attached resolution authorizes the City to include the anticipated debt service to be paid during FY 2018 and levy a tax to pay for the debt. The current anticipated total debt service amount of principal and interest for FY 2018 is $209,778 and has been incorporated into the City's levy rate of $11.59800 as proposed to Council during the budget work sessions.

RECOMMENDATION: Council consideration and approval of the Resolution authorizing the issuance of not to exceed $415,000 General Obligation Capital Loan Notes, Series 2017A and levying a tax for the payment thereof for 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: _____

* * * * * * *

Council Member _____ introduced the following Resolution entitled "RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $415,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, AND LEVYING A TAX FOR THE PAYMENT THEREOF", and moved that the same be adopted. Council Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the Resolution duly adopted as follows:

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $415,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, AND LEVYING A TAX FOR THE PAYMENT THEREOF

WHEREAS, the City of Carroll, Iowa ("Issuer"), is a municipal corporation, organized and existing under the Constitution and laws of the State of Iowa, and is not affected by any special legislation; and

WHEREAS, the Issuer is in need of funds to pay costs of the acquisition, construction, and installation of a monument signage project, and the construction and reconstruction of trail improvements, and it is deemed necessary and advisable that General Obligation Capital Loan Notes in the amount of not to exceed $415,000 be issued; and

WHEREAS, the City Council has taken such acts as are necessary to authorize issuance of the Notes.

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

Section 1. Authorization of the Issuance. General Obligation Capital Loan Notes in the amount of not to exceed $415,000 shall be issued pursuant to the provisions of Iowa Code Sections 384.24A and 384.26 for the purposes covered by the hearing.

Section 2. Levy of Annual Tax. For the purpose of providing funds to pay the principal and interest as required under Chapter 76.2, there is levied for each future year the following direct annual tax upon all the taxable property in Carroll, Iowa, to wit:

AMOUNT	FISCAL YEAR (JULY 1 TO JUNE 30) YEAR OF COLLECTION
$209,778	2017/2018

Principal and interest coming due at any time when the proceeds of the tax on hand are insufficient to pay the amount due shall be promptly paid when due from current funds available for that purpose and reimbursement must be made.

Section 3. Amendment of Levy of Annual Tax. Based upon the terms of the future sale of the Notes to be issued, this Council will file an amendment to this Resolution ("Amended Resolution") with the County Auditor.

Section 4. Filing. A certified copy of this Resolution shall be filed with the Carroll County Auditor, Carroll, Iowa, who shall, pursuant to Iowa Code Section 76.2, levy, assess and collect the tax in the same manner as other taxes and, when collected, these taxes shall be used only for the purpose of paying principal and interest on the Notes.

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

_____
Mayor

ATTEST:

_____
City Clerk