City of Carroll

627 N. Adams Street Carroll, Iowa 51401 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager MSPW

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

DATE: August 3, 2021

SUBJECT: $3,600,000 General Obligation Refunding Capital Loan Notes, Series 2021A

- 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

On November 14, 2018, the City issued debt to cover project costs to fund the Library/City Hall Remodel Projects ($3,800,000), improvements to existing city parks and sidewalk & trail construction ($675,000). The City worked with five local banks (Availa Bank, Commercial Savings Bank, Iowa Savings Bank, United Bank of Iowa and Westside State Bank) for this debt issuance.

The current General Obligation Capital Loan Notes, Series 2018B has been outstanding for almost three years. There has been a lot of change in the market where interest rates have drastically dropped since 2018. The 2018 debt was issued at an interest rate of 3.35%, which was the market interest rate at that time.

This is the time for a public hearing on the issuance of the capital loan notes. At the close of the public hearing, staff recommends Council approve the attached resolution to continue the debt issuance process.

RECOMMENDATION: At the close of the public hearing, Council consideration and approval of the Resolution Instituting Proceedings to Take Additional Action for the Issuance of Not to Exceed $3,600,000 General Obligation Refunding Capital Loan Notes.

ITEMS TO INCLUDE ON AGENDA

CITY OF CARROLL, IOWA

Not to Exceed $3,600,000 General Obligation Refunding Capital Loan Notes

- 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.

NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE CHAPTER 21 AND THE LOCAL RULES OF THE CITY.

August 9, 2021

The City Council of the City of Carroll, State of Iowa, met in regular session, in the Council Chambers, City Hall, 627 N. Adams St., 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 $3,600,000 General Obligation Refunding Capital Loan Notes, in order to provide funds to pay the costs of refunding or refinancing outstanding indebtedness of the City, including General Obligation Capital Loan Notes, Series 2018B, dated November 14, 2018, for essential 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 had been published as provided by Sections 384.24A and 384.25 of the Code of Iowa.

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 $3,600,000 GENERAL OBLIGATION REFUNDING 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 _____, 2021, 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 NO. _____

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED $3,600,000 GENERAL OBLIGATION REFUNDING 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 $3,600,000 General Obligation Refunding Capital Loan Notes, for the essential corporate purposes, in order to provide funds to pay the costs of refunding or refinancing outstanding indebtedness of the City, including General Obligation Capital Loan Notes, Series 2018B, dated November 14, 2018, and has considered the extent of objections received from residents or property owners as to the proposed issuance of Notes; and 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, STATE OF 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 $3,600,000 General Obligation Refunding Capital Loan Notes, for the foregoing essential corporate purposes.

PASSED AND APPROVED this 9th day of August, 2021.

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATE

STATE OF IOWA	)
	) SS
COUNTY OF CARROLL	)

I, the undersigned City Clerk of the City of Carroll, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2021.

_____
City Clerk, City of Carroll, State of Iowa

(SEAL)