1. Agenda

   Documents:

   AGENDA.PDF

2. Supporting Meeting Documents

   Documents:

   MINUTES.PDF
   PACKET.PDF

the City of Marshalltown

# SPECIAL COUNCIL MEETING AGENDA

Tuesday, July 12, 2016

**NOON**

## COUNCIL CHAMBERS, 10 W STATE STREET

TO: Mayor James L. Lowrance and Councilors Mike Gowdy, Joel Greer, Al Hoop, Leon Lamer, Bill Martin, Robert Schubert, Bethany Wirin.

You and each of you are hereby notified of the call of the Special Council Meeting to be held for the following purpose:

BUSINESS

Roll Call

Resolution 2016-137 Awarding Sale of $5M General Obligation Corporate Purpose Bonds, Series 2016A, bid of _____, in the principal amount of $_____.

Discussion of Police and Fire Building bond issue and city debt capacity. Maggie Burger, Speer Financial.

ADJOURNMENT

| | |
|---|---|
| Mayor James L. Lowrance | Leon Lamer |
| Mike Gowdy | Bill Martin |
| Joel Greer | Bob Schubert |
| Al Hoop | Bethany Wirin |

Council Proceedings
Special Council Meeting
July 12, 2016

A Special meeting of the Marshalltown City Council was convened on July 12, 2016, at 12:06 PM, in the Council Chambers at City Hall, according to posted notices. Mayor Lowrance called the meeting to order. ROLL CALL: Present – Gowdy, Hoop, Martin, Wirin. Absent: Greer, Lamer, Schubert.

Martin moved to adopt Resolution 2016-137 Awarding Sale of $5M General Obligation Corporate Purpose Bonds, Series 2016A, bid of Raymond James & Associates, Inc., Grosse Pointe Farms, MI, in the principal amount of $5,000,000.00, second by Hoop. Resolution adopted 4-0. The council was pleasantly surprised with a low net interest rate of 1.62%.

Discussion of Police and Fire Building bond issue and city debt capacity. Maggie Burger, Speer Financial, explained the city's legal debt limit is 5% of the Actual Valuation. The legal debt limit is $68,225,606. Including today's debt of $5M, the city's debt obligation is $28,650,000. The city maintains a Moody's rating of Aa2, largely based on the city's conservative history and cash balances. The council has taken advantage of refunding opportunities with the low interest rates available, reducing cost of debt. The council discussed the effect of the anticipated $17.5M debt for construction of the police and fire building set for election on August 2. If approved by the voters, including the $17.5M debt, the debt obligation would be $46,150,000. The remaining available debt amount of $22,075,606 is sufficient to cover emergencies and future projects, considering the principal amounts scheduled for payment on the current debt schedule. Ninety-five percent of the $28.6M debt will be retired within nine years, with an aggressive repayment schedule of about $3M in principal each year, leaving additional debt capacity for the future.

With no additional action the meeting adjourned at 12:25 PM

Respectfully submitted,

_____
Shari L. Coughenour, CMC, City Clerk

CITY OF MARSHALLTOWN

_____
James L. Lowrance, Mayor

ATTEST:

_____
Shari L. Coughenour, City Clerk

the City of Marshalltown

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RESOLUTION NO. _____

Awarding Sale of General Obligation Corporate Purpose Bonds, Series 2016A

WHEREAS, the City of Marshalltown (the "City"), in Marshall County, State of Iowa, has heretofore proposed to enter into a General Obligation Loan Agreement (the "Loan Agreement") in a principal amount not to exceed $5,000,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of financing the construction of street and storm water drainage improvements and the acquisition of a fire truck, and has published notice of the proposed action and has held a hearing thereon; and

WHEREAS, pursuant to advertisement of sale, bids for the purchase of General Obligation Corporate Purpose Bonds, Series 2016A (the "Bonds") to be issued in evidence of the City's obligation under the Loan Agreement were received and canvassed on behalf of the City and the substance of such bids noted in the minutes; and

WHEREAS, upon final consideration of all bids, the City's municipal advisor has determined that the bid of _____ (the "Purchaser"), is the best, such bid proposing the lowest interest cost to the City;

NOW, THEREFORE, It Is Resolved by the City Council of the City of Marshalltown, Iowa, as follows:

Section 1. The City shall enter into the Loan Agreement with the Purchaser in substantially the form as will be placed on file with the Council, providing for a loan to the City for the purposes set forth in the preamble hereof.

The Mayor and City Clerk are hereby authorized and directed to sign the Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

Section 2. The bid of the Purchaser referred to in the preamble is hereby accepted, and the Bonds, in the principal amount of $_____ are hereby awarded to the Purchaser at the price specified in such bid, together with accrued interest.

Section 3. The form of agreement of sale (the "Sale Agreement") of the Bonds to the Purchaser is hereby approved, and the Mayor and City Clerk are hereby authorized to execute the Sale Agreement for and on behalf of the City.

Section 4. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved July 12, 2016.

_____
Mayor

Attest:

_____
City Clerk

• • • •

Upon motion and vote, the meeting was adjourned.

_____
Mayor

Attest:

_____
City Clerk