



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager    **DATE:** June 22, 2026

**SUBJECT:** Consider Resolution No. 2026-039, approving and authorizing publication of Notice of Intention to Issue Certificates of Obligation in an amount not to exceed \$3,000,000; and providing an effective date.

**PRESENTER:** Stephen Barnes, Director of Finance

**SUMMARY:**

City Council is requested to consider Resolution No. 2026-039, approving and authorizing the publication of notice of intention to issue certificates of obligation in an amount not to exceed \$3,000,000 for a Fire Engine and an Ambulance Replacement. This debt issuance does not require an increase to the tax rate.

**GENERAL DESCRIPTION:**

As part of the legal requirements for the planned issuance of certificates of obligation, the City Council must authorize the City Secretary to publish, in a newspaper of general circulation and continuously on the City's website, the notice of intent of the City to issue Certificates of Obligation in an amount not to exceed \$3,000,000. The proposed sale will occur on August 24, 2026.

The notice of intent to issue certificates of obligation must be published once a week for two consecutive weeks. The first publication date must be at least forty-six (46) days prior to the date set for Council's vote on the ordinance authorizing the issuance of the certificates of obligation. The notice must also be posted continuously on the City's website for at least forty-five (45) days prior to Council's vote. The notice is attached to the resolution and labeled Exhibit A.

A copy of the projected schedule of events has been attached to this item as Attachment 1. Highlights of the proposed calendar for the sale is as follows:

- June 29 (or earlier)                      City to publish 1<sup>st</sup> Notice of Intent in Commercial Recorder
- July 6 (exactly 7 days later)            City to publish 2<sup>nd</sup> Notice of Intent in Commercial Recorder
- July 20 (week of)                          Rating Agency Calls
- August 5                                      Receive Credit Ratings
- August 24                                    City Council Adopts Ordinance and Approves Sale
- September 22                              Closing and Delivery of Funds to the City



The bond principal amount that will be used to fund the recommended projects will not exceed \$3,000,000. Current market conditions indicate that the bond will sell at a premium and that enough proceeds will be received to cover the projects and an estimated \$75,000 in issuance cost. The premium does not increase the principal amount the City must repay. The City will still only repay a principal amount not to exceed \$3,000,000.

The 2026 CO funded projects and estimated issuance cost are as follows:

Project Type	Description	Taxable or Tax-Exempt	Term	Amount
Fire	Fire Engine	Tax-Exempt	10 Year	\$2,500,000
Fire	Ambulance Replacement	Tax-Exempt	10 Year	\$500,000
<b>Sub-Total</b>				<b>\$3,000,000</b>
Est. Issuance Cost				\$75,000
<b>Total</b>				<b>\$3,075,000</b>

Based on current market conditions, staff is also recommending the refinancing of certain outstanding General Obligation bonds to generate savings and increase future debt capacity. Subject to prevailing market conditions, the refunding bonds will be sold on August 24 and City Council will approve the final terms during the August 24 City Council meeting.

**RECOMMENDATION:**

Approve Resolution No. 2026-039, approving and authorizing publication of Notice of Intention to Issue Certificates of Obligation in an amount not to exceed \$3,000,000.