



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** May 8, 2017

SUBJECT: Consider action regarding the issuance of City of North Richland Hills, Texas Certificates of Obligation, Series 2017

PRESENTER: Mark Mills, Finance Director

SUMMARY:

Notice of Intention to Issue City of North Richland Hills, Texas Certificates of Obligation, Series 2017 was published on April 2, 2017 and April 9, 2017. Staff is requesting that the City Council postpone this item and delay action until the June 12, 2017 City Council meeting.

GENERAL DESCRIPTION:

On March 27, 2017, Council passed Resolution No. 2017-017 authorizing the Notice of Intention to Issue City of North Richland Hills, Texas Certificates of Obligation, Series 2017 in an amount not to exceed \$7,960,000. The notice indicated that the sale would occur on May 8, 2017, and Council would consider an ordinance authorizing the issuance at that evening's Council meeting.

This proposed issuance included funding for several 2017 capital projects and associated cost estimates are as follows:

<u>\$2,000,000</u>	<u>Preventive Street Maintenance</u>
\$2,000,000	Total Street Projects
<u>\$3,900,000</u>	<u>Northfield Park Redevelopment</u>
\$3,900,000	Total Park and Recreation Projects
\$680,000	Aerial Fire Apparatus
\$710,000	Aerial Fire Apparatus
\$525,000	Fire Engine
<u>\$1,915,000</u>	<u>Total Major Capital Equipment Projects</u>
\$7,815,000	Total Project Proceeds
\$145,000	Estimated Cost of Issuance
<u>\$7,960,000</u>	<u>Total</u>



After consulting with the City's Financial Advisor, it was determined to be in the City's best interest to delay the issuance of the Preliminary Official Statement until after the City has issued its Annual Financial Report (CAFR). Doing this means the most recent CAFR can be included in the Preliminary Official Statement which should have a positive impact on the terms of the debt issuance.

At this time, we anticipate distributing the Preliminary Official Statement for consideration by potential purchasers on Wednesday, May 31. It is anticipated that the sale will be ready for Council consideration at the June 12, 2017 City Council meeting with the closing and delivery of funds occurring around July 11, 2017.

RECOMMENDATION:

Postpone action on the Issuance of Certificates of Obligation and postpone this item until the June 12, 2017 City Council meeting.