

MEMORANDUM

Date: February 5, 2020
To: Mayor and City Council
From: Tillie LaPlante, Finance Director
Subject: Sale of General Obligation Bonds and Temporary Notes

Background

In January 2019, the City's Municipal Advisor presented recommended funding options for the Government Services Center Project. The City Council reached consensus to move forward with construction of the project and provide financing through two separate bond issues. The first series of bonds was sold on May 13, 2019 with the principal amount of \$5,450,000 provided for the project.

Discussion

Additional funding in the approximate amount of \$10,360,000 is needed to finance the balance of the project. With approval of the additional financing for the balance of the building, staff will prepare to have the bonds and temporary notes rated. The sale date of the bond would be March 9, 2020.

Financial Impact

The balance of the project will be funded with approximately \$7,930,000 in bonds, \$1,730,000 in temporary notes, and \$700,000 in Capital Improvement Reserve funds designated for the project. The temporary note portion of the financing will be paid off in 2021 with historic tax credits.

Recommendation / Motion

Make a motion to approve a resolution authorizing the public sale of approximately \$7,930,000 principal amount of General Obligation Bonds, Series 2020-A, and approximately \$1,730,000 principal amount of General Obligation Temporary Notes, Series 2020-1.

Attachments: *Resolution Authorizing the Sale of General Obligation Bonds and Temporary Notes*





City of Bonner Springs
KANSAS