



AGENDA ITEM SUMMARY

District Impacted

- ☐ 1 = Wolosin
- ☐ 2 = Woolard
- ☐ 3 = Vacant
- ☐ 4 = Cisneros
- ☐ 5 = Handren
- ☒ X All

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| AGENDA DATE | <i>March 12, 2019</i> |
| DESCRIPTION | PRESENTATION BY DUANE WESTERMAN OF SAMCO CAPITAL MARKETS, INC. FOR FUNDING SOURCES FOR MAJOR EQUIPMENT AND CAPITAL IMPROVEMENTS AND CONSIDER APPROVAL OF ORDINANCE NO. 2019-11; AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF BOERNE, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF BOERNE, TEXAS GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019", LEVYING AN ANNUAL AD VALOREM TAX, WITHIN THE LIMITATIONS PRESCRIBED BY LAW, FOR THE PAYMENT OF THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE BONDS, AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, A PURCHASE AND INVESTMENT LETTER, AND AN ESCROW DEPOSIT LETTER; COMPLYING WITH THE LETTER OF REPRESENTATIONS ON FILE WITH THE DEPOSITORY TRUST COMPANY; AUTHORIZING THE EXECUTION OF ANY NECESSARY ENGAGEMENT AGREEMENTS WITH THE CITY'S FINANCIAL ADVISORS AND/OR BOND COUNSEL; DELEGATING THE AUTHORITY TO CERTAIN MEMBERS OF THE CITY COUNCIL AND CITY STAFF TO APPROVE AND EXECUTE CERTAIN DOCUMENTS RELATING TO THE SALE OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE. |
| STAFF'S RECOMMENDED ACTION (be specific) | I move that the City Council adopt Ordinance No. 2019-11; authorizing the issuance of "City of Boerne, Texas General Obligation Refunding Bonds, Series 2019" |
| CONTACT PERSON | Sandy Mattick, Finance Director |
| SUMMARY | <p>Staff, with the assistance of Duane Westerman of SAMCO Capital Markets, continues to monitor opportunities for cost savings through refunding of previous debt issues. Duane has presented City staff with a scenario to refund the GO Refunding Bonds, Series 2011 and realize a potential net present value of savings of \$88,310. These bonds were a reissue of previous debt for street improvements and extensions, purchase of a fire truck and purchase of the city campus land. The reissued debt will be for the balance of the current debt and paid off within the same terms of the bonds being refunded.</p> <p>Staff is in agreement with the proposed refunding scenario and moving forward with the refunding.</p> |

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| | <p>Duane will be at the March 12, 2019 City Council meeting to provide Council with information on the proposed refunding and savings based on the current market conditions. In order to provide information to the Council, we have asked Duane to take this opportunity to review the various types of debt issuance methods available to the City for the purchase of major equipment and/or construction of capital projects. He will also review the City's current debt and future opportunities for refunding for cost savings.</p> <p>The proposed ordinance authorizes the issuance of the refunding bonds and related activities.</p> |
| COST | N/A |
| SOURCE OF FUNDS | N/A |
| ADDITIONAL INFORMATION | |

This summary is not meant to be all inclusive. Supporting documentation is attached.