

IMPACT STATEMENT

Legislation title: * Authorize general obligation refunding bonds through December 31, 2019 (Ordinance)

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Purpose of proposed legislation and background information:

The proposed legislation authorizes the issuance of bonds secured by the City's unlimited tax general obligation bonding authority to refund all or any portion of the outstanding general obligation bonds (the "Refunding Bonds") so long as the refunding meets the savings targets established in the City's Debt Management Policy (FIN 2.12). In general, the debt policy requires minimum net present value savings of five percent for advance refundings and \$100,000 for current refundings. The Refunding Bonds authorized by this Ordinance may be issued from the effective date of this Ordinance to and including December 31, 2019.

The City is authorized to issue general obligation bonds to refund outstanding general obligation bonds by ORS 287A.360 to 287A.380. The Refunding Bonds will be secured by an ad valorem tax upon all of the taxable property within the City sufficient to pay debt service on the Refunding Bonds.

Debt Management Division staff are currently evaluating opportunities to refund outstanding general obligation bonds in conjunction with an upcoming sale of new money parks general obligation bonds in January 2018. While there currently are no Refunding Bonds that meet savings targets, approval of this Ordinance provides flexibility to refund any outstanding general obligation bonds as market conditions change without seeking additional Council approval.

Financial and budgetary impacts:

Currently, there are no refunding candidates that meet the City's policy targets for savings; however, certain maturities of the General Obligation Public Safety Bonds, 2011 Series A may be refundable in January depending on market conditions. Savings would result in a reduced general obligation bond levy, which benefits property taxpayers in the City.

Community impacts and community involvement:

This is an administrative action taken to authorize the issuance of Refunding Bonds, the proceeds of which will be used to refund outstanding projects. There is no community impact or involvement anticipated.

Budgetary Impact Worksheet**Does this action change appropriations?**

- ☐ YES: Please complete the information below.
☒ NO: Skip this section

Impact Statement for Requested Council Action

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount