



City of Benbrook

CITY COUNCIL COMMUNICATION

DATE: 08/05/21	REFERENCE NUMBER: G-2526	SUBJECT: Consider and act on an ordinance authorizing the issuance and sale of City of Benbrook, Texas, General Obligation Bonds, Series 2021; levying an annual ad valorem tax and providing for the security for and payment of the bonds; approving an official statement; providing an effective date; and enacting other provisions relating to the subject	PAGE: 1 of 1
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In May 2021, voters authorized the sale of \$22,000,000 of General Obligation Bonds for the public purpose of constructing, improving and equipping a new municipal building for the police department, senior citizen center, municipal court, and city administration offices, and necessary demolition of existing facilities. The funding for the payment of principal and interest of these bonds will be through the annual levy of ad valorem tax.

In July, the City was evaluated by two credit rating firms, Standard & Poor's and Moody's, and received a very high credit rating of AA+ and Aa2, respectively. An Official Statement, Notice of Sale, and Bidding Instructions were issued to potential buyers the week of July 26th. The competitive bids from buyers are due Thursday, August 5th, 2021, at 10:00 AM, CDT, and then the bonds will be priced. The expected date of delivery of the bonds and bond proceeds is September 7, 2021.

An ordinance authorizing the sale of the bonds, including the results of the August 5th pricing, terms of the bonds, and other provisions, will require a vote by City Council. The ordinance is very unique as it includes the specific bid pricing secured the day of the City Council Meeting. As such, the ordinance will not be completed for City Council packet distribution and will be finalized the day of the meeting. The City's Bond Attorney and Bond Advisors have managed numerous identical transactions and will be present at the meeting to assist.

RECOMMENDATION

Staff recommends that City Council consider and act on an ordinance authorizing the issuance and sale of City of Benbrook, Texas, General Obligation Bonds, Series 2021; levying an annual ad valorem tax and providing for the security for and payment of the bonds; approving an official statement; providing an effective date; and enacting other provisions relating to the subject.

SUBMITTED BY: CITY MANAGER	DISPOSITION BY COUNCIL: <input type="checkbox"/> APPROVED <input type="checkbox"/> OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY DATE:
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