

Iowa Code
Section 384.26

“General
Obligation
Bonds for
General
Purposes”

General Corporate Purpose Bonds
include but are not limited to:

- public buildings (i.e. Police/Fire Building),
- airports,
- swimming pools,
- recreation centers

2017 Bond for Police/Fire Building

Background:

A general corporate purpose bond requires either:

- (1) a city special election with a 60% super-majority approval or
 - (2) a reverse referendum hearing if the amount borrowed is less than \$700,000
- The Police/Fire building \$17.5 million project was approved via an election with 2 bonds issued (2016B \$4,780,000 and 2017 \$12,720,000).

2017 Bond for Police/Fire Building

Discussion of remaining funds

* Approximately \$540,000 of the 2017 bond funds are unobligated.

* The bond is coming up on 5 years of issuance. If we can spend by the end of September than we will only need to pay for one arbitrage computation.

*This bond was a large issuance for the City and not having it spent within 5 years could draw more attention to it for audit.

2017 Bond for Police/Fire Building Solutions

*At the June 13th Council meeting set a public hearing date for June 27th to redirect the general corporate purpose bond funds to essential corporate purpose bond funds.

*Use the remaining funds on street/sidewalk projects either for costs we already incurred or will incur over the next few months originally budgeted from 2021 Bond.

2017 bond ==> decrease building
◦ increase streets

2021 bond ==> increase building (if needed)
◦ decrease streets