

Richland County Finance and Personnel Committee

Agenda Item Cover

Agenda Item Name: Resolution Awarding the sale of \$1,050,000 taxable general obligation promissory notes

Department	Administration	Presented By:	Clinton Langreck
Date of Meeting:	27 October 2020	Action Needed:	Vote, Resolution
Disclosure:	Open Session	Authority:	Committee Structure (F)
Date submitted:	22 October 2020	Referred by:	N/A

Recommendation and/or action language: *(summarize action/s sought by committee, e.g. present a resolution, present an ordinance, receive and file information, approve expense or grant, etc.)*

Recommend resolution Awarding the sale of \$1,050,000 taxable general obligation promissory notes to the Richland County Board.

Background: *(preferred one page or less with focus on options and decision points)*

Richland County will be selling promissory notes on 27 October 2020 @ 10:00am, according to authorization granted through previous Board Resolution. Carol Wirth, Richland County Municipal Advisor, will be presenting a finalized Award Resolution with a summary of sale report regarding Richland County's initiative to pursue a short-term loan to finance capital projects and capital improvements. This packet will include: the Notice of sale, Preliminary Official Statement and Debt service and pricing schedule.

The purpose of the short-term loaning used to purchase reoccurring capital improvements would give the county the option to increase debt levy to cover expenses, preserving operating levy to help maintain services.

As previously discussed with the Committee, the following proposed items are included in the proposed capital improvement / capital project plan: County Trunk Road Improvements \$650,000; two squad vehicles \$130,000; Courthouse Window Replacement \$55,000; Emergency Radio/Tower assessment \$45,000; Courthouse heat exchanger replacements \$24,000; and Network Infrastructure Improvements \$20,000. Solidification of the finalized plan and any additional items will be approved through policy presented through Finance and Personnel in November or December. Tied to several of these items, our "new equipment" and "computer maint. & upgrades," "new automobiles" lines etc. were removed from the 2020 budgets and absorbed into a loan funding for capital improvements. This leaves a gap to fill going forward into the 2021 budget.

This loan of \$1,050,000 places an additional \$83 additional taxes on \$100,000 property. Because this is a short-term loan it does not require us to submit for a new bond rating and has limited impact with our current underwriters on our existing bonds.

Attachments and References:

Final Award Resolution (presented night of)	Summary of Sale Report (presented night of)
Bid Form (completed that night)	Draft (Attached)

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Financial Review:

(please check one)

X	In adopted budget	Fund Number	New fund number needed
	Apportionment needed	Requested Fund Number	
	Other funding Source		
	No financial impact		

(summary of current and future impacts)

Source and Application of Funds

Source of Funds

Par Amount of Notes	\$1,050,000
Total Source of Funds	\$1,050,000

Application of Funds

Deposit to Project Construction Fund	\$1,029,150
Underwriter's Expenses (Est.)	\$3,150
Cost of Issuance Paid by County	<u>\$17,700</u>
Total Application of Funds	\$1,050,000

Approval:

Review:

Department Head

Administrator, or Elected Office (if applicable)