



STAFF REPORT

MEETING DATE: April 15, 2024

MEETING TYPE: City Council

SUBMITTED BY: Maria Joyner, Director of Finance

AGENDA CAPTION: Discuss and consider all matters incident and related to the issuance of the “City of Hutchins, Texas, Tax Note, Series 2024,” including the adoption of Ordinance 2024-____ authorizing the issuance of such tax note.

Presented by: Maria Joyner, Director of Finance

Background Information

This item will award a tax note issuance to fund projects (the “Projects”) of not to exceed \$4,620,000 according to the plan of finance presented to City Council on March 18, to the optimum bidder. Major projects funded under this issuance include the following:

New City Hall FF&E	1,300,000
New City Hall - Building Related	1,200,000
Engineering & Design Cost	500,000
New City Hall Capital Related	388,488
SUV Tahoe (3)	210,000
Bldg. Inspection Truck & Other	100,000
1 Administrative Vehicle for EMS Division	40,327
Other Projects Less Than \$100,000	761,185
Bond Issuance Cost	120,000
TOTAL	<u>\$ 4,620,000</u>

The projects associated with this Tax Note were included in the **2024 Adopted Budget**. During the **December 4, 2023**, City Council meeting the Council approved a Reimbursement Resolution that included the projects associated with this Tax Note. The purpose of a reimbursement resolution was to allow for advanced moneys used for the acquisition of vehicles, equipment and other project related expenditures incurred prior to the closing of any (tax-free) financing to be reimbursed from the financing proceeds.

The financing plan for the Tax Notes was presented by Jim Sabonis with Hilltop Securities during the **March 8, 2024**, City Council meeting.

The proposed Tax Notes presented tonight finalizes this process. A representative with the City's Financial Advisory Firm, Hilltop Securities, will provide an overview all of bids received and will recommend award to the best proposal.

Budget Implications

The preliminary amount of the tax note is \$4,620,000 which includes budgeted cost of issuance as well as tax note proceeds to fund the Projects. These funds will be paid from debt assigned to the interest and sinking (I&S) portion of the ad valorem tax rate.

Operational Impact

The proposed Tax Note will not impact the City's existing debt service tax rate.

Legal Review

N/A

Staff Recommendation

Approval of ordinance 2024 - _____

Supporting Documentation and Attachments

ORD 2024- HUTCHINS TAX NOTE 2024 - Ordinance with Exhibits