

Members Present: Sloan, Kent, Petty

Absent:

Others Present: Mayor Nelson, Adm. Bradley, Clerk Zeman, J. Ostrander, R. Sinden, T. Pinion, Greg Johnson (Ehlers), Rainey Briggs

Call to Order –Ald. Sloan called the meeting to order at 6:15p.m. noting compliance with the Open Meeting Law. Moved by Kent, seconded by Petty to approve the minutes of June 14, 2022. Motion carried unanimously. Moved by Petty, seconded by Kent to approve the agenda. Motion carried unanimously.

Action Items

- a) **Accounts Payable** – Moved by Petty, seconded by Kent to recommend to Council approval of the accounts payable for **\$907,224.25**. Motion carried unanimously.

- b) **Uncollectible Accounts** – The Committee reviewed the list of uncollectible amounts of \$369.23 of Delinquent Personal Property, \$3,367.97 of Accounts Receivable, and \$5,298.58 of Utility Accounts Receivable. Moved by Petty, seconded by Kent to recommend to Common Council to approve writing off uncollectible accounts. Motion carried unanimously.

- c) **Police Chief Job Description** – Adm. Bradley presented the Committee with an updated job description for the Police Chief. This job description has changed significantly and has been reviewed by legal counsel. Motion by Kent, seconded by Petty to recommend to Council to approve the revised job description for the Police Chief. Motion carried unanimously.

- d) **Award Sale of General Obligation Bonds** – Greg Johnson with Ehlers presented the results of the bond issuance sale. The purpose of these bonds was 1) Street Improvements and 2) TID #10 Projects. These bonds were sold as Non-Bank Qualifying Bonds. Under the IRS tax code if a community issues less than \$10M of tax-exempt debt in a calendar year that means the debt can be sold as a “Bank Qualified”. If you are issuing more than \$10M it is Non-Bank Qualified. Since the city had issued interim financing for the library, TID #12 projects, and the anticipation of financing for the Fire/EMS Station, plus these bonds, the cumulative total of all debt is in excess of \$10M. Bank Qualification means that if bonds are bank qualified the underwriter, or bank, that purchases the bonds gets more favorable tax treatment. Interest paid for Non-Qualified bonds is treated differently for tax purposes. With Non-Bank Qualified bonds, you typically see slightly higher interest rate. In today’s market it’s not uncommon that they see fewer bids on Non-Bank Qualified debt. Only one bid was received from BAIRD who partnered with numerous other banks and underwriters. The true interest cost of the bonds came in at 3.8308%, the total debt service cost for the bonds came in at \$3,749,954. These bonds do count towards our statutory limit of debt; the USDA loans do not. Based off our existing general obligation debt outstanding plus these bonds, we will end this fiscal year right at where we started, about 31% of our debt limit. The City’s Moody rating at “Aa3” has again been affirmed. Moved by Kent, seconded by Petty to recommend to Council approve awarding the sale of \$2,555,000 General Obligation Corporate Purpose Bonds, Series 2022A. Motion carried unanimously.

Adjournment – Moved by Petty, seconded by Kent and carried to adjourn at 6:44pm.
Brenda Zeman, City Clerk