



Finance Committee Agenda Item

Meeting Date: January 26, 2021

Agenda Item: Call of 2010 Build America Bonds (BAB)

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BACKGROUND

(Enter the who, what when, where, why)

The City issued Build America Bonds in 2010 to finance capital projects in the City and Tax Increment Districts (TIDs). In July 2020, the remaining City portion of these bonds were refinanced and the TID #6 balance was called and repaid early. TID #4 has a \$2,060,000 remaining principal balance with repayment terms that continue until 2029. As TID#4 will have adequate cash to retire this balance in 2021, it is beneficial to retire these bonds early.

In order to call the remaining bonds, the Common Council will need to approve a resolution at its February 2nd Council meeting.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

None

FINANCIAL IMPACT

(If none, state N/A)

Calling the remaining bonds will save > \$60,000 in interest.

STAFF RECOMMENDATION

Move recommendation that the 2010 BAB call option be exercised by Common Council as presented.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Draft 2010 BAB Call Resolution.