

FINANCE COMMITTEE

10-0596R

RESOLUTION ESTABLISHING ANNUAL BONDING PLAN FOR 2011.

CITY PROPOSAL:

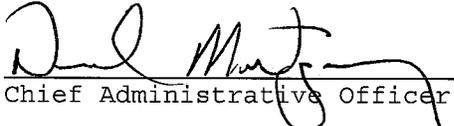
RESOLVED, that, pursuant to Section 20-33 of the Duluth City Code, 1959, as amended, the following is hereby established as the annual, ordinary course general obligation bonding plan for the city of Duluth for the year 2011:

General obligation bonds and notes to be issued in 2011	\$11,409,265
General obligation bonds and notes to be retired in 2011	
Scheduled general obligation bonds anticipated	
to mature and be retired	\$15,892,083
General obligation bonds anticipated to be	
called and retired with CIT funds	<u>\$2,045,000</u>
Total Anticipated general obligation	
bond retirements for 2011	<u>\$17,937,083</u>
Net anticipated increase (decrease) in general	
obligation bonding for 2011	<u>(\$6,527,818)</u>

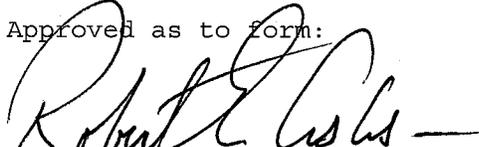
Approved:


Department Director

Approved for presentation to council:


Chief Administrative Officer

Approved as to form:


Attorney

Approved:


Auditor

STATEMENT OF PURPOSE: This resolution sets forth the City's estimated bond and note issuances and repayments for the year 2011 as required by Section 20-33 of the City Code. The City estimates its bonding activity in 2011 will result in a net decrease of \$6.5 million in the amount of the City's general obligation, outstanding debt during 2011.

The amounts set forth in the resolution are estimates only based on the needs anticipated at this time the actual amounts may vary. There is nothing in the ordinance which prevents the amounts set forth in the plan from being modified as circumstances and needs change.

<u>2011 Capital Projects</u>	<u>Estimated Debt Issuance</u>	<u>Funding Source</u>
Bonds		
Capital Improvement	\$ 2,275,000	Tax Levy
Capital Equipment	\$ 4,550,000	Tax Levy
Lakewalk and Munger Trail Grant Matching	\$ 700,000	Tax Levy
Special Assessment	\$ -	Special Assessments
Water Utility Lakewood Project	<u>\$ 350,000</u>	Water Utility Revenues
Total Bonds	<u>\$ 7,875,000</u>	
Public Facilities Authority Notes		
Water Utility Highland Storage Tank	<u>\$ 3,534,265</u>	Water Utility Revenues
Total Estimated Debt Issuance	<u><u>\$ 11,409,265</u></u>	

<u>Scheduled 2011 Debt Payments</u>	<u>Principal Payments</u>	<u>Comments</u>
Levy and General Fund Supported	\$ 3,617,903	
Special Assessment Supported	\$ 1,604,119	
CIT Revenue Supported	\$ 3,087,786	Funded by transfer from the CIT Fund
Utility Revenue Supported	\$ 4,182,000	Revenues from water, gas, sewer, stormwater and steam
Other Revenue Supported	\$ 3,400,275	Revenues include tourism taxes, tax increments, parking fees, golf revenues & other sources
Subtotal	<u>\$ 15,892,083</u>	
Street Improvement Callable Bonds	<u>\$ 2,045,000</u>	Funded by transfer from the CIT Fund
Total Estimated Debt Run-Off	<u><u>\$ 17,937,083</u></u>	
Net Estimated Debt Reduction - 2011	<u><u>\$ (6,527,818)</u></u>	