

CITY OF WARRENSBURG
FINANCE DEPARTMENT

April 11, 2022

Honorable Mayor and
Members of the City Council
City of Warrensburg, Missouri

Dear Mayor and Council Members:

SUBJECT: Resolution Authorizing the Offering for Sale of General Obligation Bonds of the City of Warrensburg, Missouri

BACKGROUND:

The city requested and the voters authorized issuance of \$17 million in General Obligation Bonds on April 6, 2021. Recall, the issuance of the bonds is to be in two parts. August 2021, \$5,000,000 was issued. The remainder authorized will be issued in May 2022. There are a series of events that take place up to and including selling the bonds at market. One of these steps or events is to authorize the offering for sale of the bonds.

The city selected Gilmore & Bell, P.C. as bond counsel to work with Piper Sandler to facilitate the offering for sale of the general obligation bonds.

The following steps or events have or will take place, up to the closing of the sale of the bonds.

April 1, 2022	First draft of Preliminary Official Statement (POS), Bond Ordinance, and Legal Documents distributed
April 11, 2022	City Council passes resolution and authorizing Piper Jaffray as Financial Advisor and Gilmore and Bell as Bond Counsel to proceed with competitive sale of General Obligation Bonds
Week of April 18, 2022	Rating Call with Standard & Poor's, subject to availability (time TBD)
April 26, 2022	Rating Received (verbal)
April 29, 2022	POS and Notice of Sale distributed to prospective bidders
May 9, 2022	Competitive Bond Sale (time TBD) City Council meeting to accept best bid for bonds and approve Bond Ordinance
May 12, 2022	Prepare Closing Memorandum Final Official Statement completed Transcript delivered to State Auditor
June 7, 2022	Closing
Thereafter	Attend to any post-closing matter

Staff has received the documents reference on April 1st for review. Information will be shared with Council as each of these steps are completed. The ordinance presented to Council on May 9th will require waiver of the rules to consider on first reading and passage at the meeting.

ISSUE:

To authorize the Municipal Advisor and Bond Counsel to complete necessary actions for offering and sale of \$12,000,000 in General Obligation Bonds.

STRATEGIC PLAN:

Focus I: Investment in Infrastructure

FISCAL IMPACT:

The net fiscal impact of this proposal will be the closing costs and fees to issue bonds in May 2022 and provide proceeds to complete street infrastructure projects.

ECONOMIC BENEFITS / IMPACT:

The proposal offers the City the expertise to borrow funds responsibly as debt issuance is completed.

RECOMMENDATIONS:

Staff recommends approval of the resolution authorizing offering sale of \$12,000,000 general obligation bonds.

Sincerely,

Marcella McCoy

Marcella McCoy
Director of Finance

Attachments: Resolution document

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF
GENERAL OBLIGATION BONDS OF THE CITY OF
WARRENSBURG, MISSOURI.**

WHEREAS, the City of Warrensburg, Missouri (the “**City**”), has selected the firm of Gilmore & Bell, P.C., Kansas City, Missouri, as bond counsel (“**Bond Counsel**”), and Piper Sandler & Co., as municipal advisor (the “**Municipal Advisor**”), for a series of general obligation bonds in an aggregate principal amount of approximately \$12,000,000 (the “**Bonds**”) for the purpose of financing the costs to acquire rights of way, and to construct, reconstruct, extend and improve streets and roads in the City (the “**Project**”); and

WHEREAS, the City desires to authorize the Municipal Advisor and Bond Counsel to proceed with the offering for sale of the Bonds; and

WHEREAS, the City desires to authorize the Municipal Advisor and Bond Counsel to proceed with the preparation and distribution of a Notice of Sale, a Preliminary Official Statement and a final Official Statement relating to the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WARRENSBURG, MISSOURI, AS FOLLOWS:

Section 1. The City hereby authorizes the Municipal Advisor and Bond Counsel to proceed with the preparation, review and distribution of the Notice of Sale, the Preliminary Official Statement and the final Official Statement for the Bonds. Upon completion of the preparation of the Notice of Sale and the Preliminary Official Statement, the Municipal Advisor is hereby authorized to proceed with the offering for sale of the Bonds. The final terms of the Bonds shall be determined and approved by subsequent ordinance of the City Council of the City.

Section 2. The City Council hereby authorizes the execution of the final Official Statement by the Mayor, the City Manager or other appropriate officers of the City with such changes and additions thereto as such officials shall deem necessary or appropriate, such official’s signature thereon being conclusive evidence of such official’s and the City’s approval thereof. The City Council hereby consents to the use and public distribution by the Underwriter of the Preliminary Official Statement and the final Official Statement in connection with the offering for sale of the Bonds.

Section 3. For the purpose of enabling the purchaser of the Bonds to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the Mayor, the City Manager or other appropriate officers of the City are hereby authorized, if requested, to provide the purchaser of the Bonds a letter or certification to the effect that the City deems the information contained in the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the purchaser to comply with the requirements of such Rule.

Section 4. The City agrees to provide to the purchaser of the Bonds within seven business days of the date of the agreement to purchase the Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the purchaser to comply with the requirements of Rule 15c2-12(b)(4) of the

Securities and Exchange Commission and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 5. The Mayor, the City Manager and other officers and representatives of the City, the Municipal Advisor and Bond Counsel, are hereby authorized and directed to take such other action as may be necessary to carry out the public sale and offering of the Bonds.

Section 6. This Resolution shall be in full force and effect from and after its adoption by the City Council.

ADOPTED by the City Council this ____ day of April, 2022.

CITY OF WARRENSBURG, MISSOURI

(SEAL)

Scott Holmberg, Mayor

ATTEST:

Jodi L. Schneider, City Clerk