



Legislation Text

File #: 2021-2776, Version: 1

Public Hearing: YES NO **Department:** Chief Executive Office

SUBJECT:

Commission District(s): All Commission Districts

An initial resolution authorizing the appointment of a placement agent in connection with the private placement pursuant to a competitive process and the issuance and sale by the County of its Tax Anticipation Notes (Federally Taxable), due December 15, 2021 in the aggregate principal amount not to exceed \$70,000,000 for the purposes of obtaining a temporary loan to pay current expenses during the 2021 calendar year.

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PURPOSE:

To consider adopting an initial resolution authorizing the appointment of Piper Sandler & Co. as placement agent in connection with the private placement pursuant to a competitive process and the issuance and sale by the County of its Tax Anticipation Notes (Federally Taxable), due December 15, 2021 in the aggregate principal amount not to exceed \$70,000,000 for the purposes of obtaining a temporary loan to pay current expenses during the 2021 calendar year.

NEED/IMPACT:

The attached initial resolution authorizes the appointment of Piper Sandler & Co. as placement agent in connection with the private placement pursuant to a competitive process and the issuance by the County of its Tax Anticipation Notes (Federally Taxable), due December 15, 2021 in an aggregate principal amount not to exceed \$70,000,000 for the purposes of obtaining a temporary loan to pay current expenses during 2021 calendar year.

The County funds a significant amount the annual budget from property taxes collected primarily in September, October, and November, while the expenditures of those revenues are generally incurred ratably throughout the year. As a result, the issuance of a temporary loan or Tax Anticipation Note (TAN) is necessary in order to bridge the cash flow until property taxes are received.

FISCAL IMPACT:

The \$70,000,000 plus interest will be paid back on December 15, 2021. The annual interest rate range will approximate 0.5% to 1%, which equates to an approximate range of \$130,000 - \$260,000.

RECOMMENDATION:

Adopt the attached initial resolution and authorize the Chief Executive Officer and the Chief Financial Officer to execute all necessary documents in connection with this matter.