

RESOLUTION NO. 2020-17

**A RESOLUTION AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CITY OF HORSESHOE BAY, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2020; AND DECLARING AN EFFECTIVE DATE**

WHEREAS, the City Council of the City of Horseshoe Bay, Texas (the "City"), deems it advisable to issue certificates of obligation (the "Certificates") of the City in accordance with the notice hereinafter set forth;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HORSESHOE BAY, TEXAS:**

Section 1. The findings, definitions and recitations set out in the preamble to this resolution are found to be true and correct and are hereby adopted by City Council and made a part hereof for all purposes.

Section 2. The City is hereby authorized and directed to cause to be published and posted in the manner required by law and in substantially the form attached hereto as Exhibit A, a notice of the City's intention to issue the Certificates (the "Notice").

Section 3. The Notice shall be published once a week for two (2) consecutive weeks, the date of the first publication to be at least forty-six (46) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the issuance of the Certificates. In addition, the Notice shall be posted continuously on the City's website for at least forty-five (45) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the issuance of the Certificates.

Section 4. For the purposes of the Notice, the City hereby designates as self-supporting those public securities listed in the attached Exhibit B, the debt service on which the City currently pays from sources other than ad valorem tax collections. The City plans to continue to pay these public securities based on this practice; however, there is no guarantee this practice will continue in future years.

Section 5. The City Manager, Finance Director and all other appropriate officials of the City, the City's financial advisor, Specialized Public Finance Inc., and bond counsel, Bracewell LLP, are authorized and directed to proceed with the preparation of all necessary documents and to make all necessary arrangements for the authorization and sale of the Certificates at a future meeting of the City Council of the City.

Section 6. The Mayor, the City Manager, the Finance Director, the City Secretary, and all other officers and agents of the City are hereby authorized and directed to do any and all things necessary or desirable to carry out the provisions of this resolution.

Section 7. This resolution shall take effect immediately from and after its passage by the City Council of the City.

**PASSED AND APPROVED this 25<sup>th</sup> day of August, 2020.**

City of Horseshoe Bay, Texas



\_\_\_\_\_  
Cynthia Clinesmith, Mayor

Attest:

  
\_\_\_\_\_  
Kerri Craig, City Secretary

## EXHIBIT A

### NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Horseshoe Bay, Texas (the “City”), will meet at #1 Community Drive, Horseshoe Bay, Texas at 3:00 p.m. on the 20<sup>th</sup> day of October, 2020 (unless alternative meeting arrangements are required to address public health concerns, which meeting arrangements will be specified in the notice of such meeting posted in accordance with applicable law), which is the time and place tentatively set for the passage of an ordinance and such other action as may be deemed necessary to authorize the issuance of the City’s certificates of obligation (the “Certificates”), in the maximum aggregate principal amount not to exceed FOUR MILLION DOLLARS (\$4,000,000), payable from ad valorem taxes and from a limited pledge of certain surplus revenues of the City’s combined water and wastewater system in an amount not to exceed \$1,000, bearing interest at any rate or rates not to exceed the maximum interest rate authorized by law, as shall be determined within the discretion of the City Council of the City at the time of issuance of the Certificates, and maturing over a period not to exceed forty (40) years from the date of issuance, for the purposes of evidencing the indebtedness of the City for all or any part of the costs associated with (a) constructing and improving City streets, and the acquisition of land and rights-of-way in connection therewith (the “Project”); and (b) professional services of attorneys, financial advisors and other professionals in connection with the Project and the costs of issuance of the Certificates. The estimated combined principal and interest required to pay the Certificates on time and in full is \$4,786,284.72. Such estimate is provided for illustrative purposes only, and is based on an assumed interest rate of 1.831%. Market conditions affecting interest rates vary based on a number of factors beyond the control of the City, and the City cannot and does not guarantee a particular interest rate associated with the Certificates. As of the date of this notice, the aggregate principal amount outstanding of tax-supported debt obligations of the City (excluding public securities secured by an ad valorem tax but designated by the City as self-supporting in Resolution No. 2020-17 dated August 25, 2020, which resolution is available from the City upon request) is \$8,215,000, and based on the City’s expectations, as of the date of this notice the combined principal and interest required to pay all of the outstanding tax-supported debt obligations of the City (excluding public securities secured by an ad valorem tax but designated by the City as self-supporting) on time and in full is \$10,553,162.

**EXHIBIT B**

**SELF-SUPPORTING DEBT**

**Principal Amount  
Designated as Self  
Supporting**

**Series Designation**

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\$18,135,000

General Obligation Refunding Bonds, Series 2007;  
Combination Tax & Revenue Certificates of Obligation, Series 2011;  
Combination Tax & Revenue Certificates of Obligation, Series 2014;  
Combination Tax & Revenue Certificates of Obligation, Series 2016;  
Combination Tax & Revenue Certificates of Obligation, Series 2019; and  
General Obligation Refunding Bonds, Series 2020