

RESOLUTION NO. 1226

A RESOLUTION AUTHORIZING FULL FAITH AND CREDIT PENSION BONDS

WHEREAS, on August 27, 2013, the City of Prineville (the "City") adopted a resolution (the "Resolution") authorizing the issuance of full faith and credit pension bonds (the "Bonds") pursuant to ORS 238.692 to 238.698; and

WHEREAS, the Resolution authorizes the City to issue Bonds in an amount that does not exceed the amount necessary to produce net proceeds equal to the City's estimated UAL as of the expected closing date of the Bonds, plus estimated costs related to the Bonds and capitalized interest; and

WHEREAS, the Resolution authorizes the City to sell the Bonds to Piper Jaffray - Seattle-Northwest Division, as underwriter, or a trustee for a pooled pension bond program; and

WHEREAS, market conditions have changed since August 27, 2013 and it is now desirable to authorize sale of the Bonds to Umpqua Bank in an amount determined by a City Official to be beneficial to the City;

NOW, THEREFORE, THE CITY OF PRINEVILLE RESOLVES:

SECTION 1. ADDITIONAL AUTHORIZATIONS

(1) Section 1(1) of the Resolution is hereby amended to read: The City hereby authorizes the issuance, sale and delivery of its full faith and credit pension bonds ("Bonds") in accordance with this resolution and ORS 238.692 to 238.698 in an amount which does not exceed: a) the amount necessary to produce net proceeds equal to the amount determined by the City Official, upon consultation with the City's financial advisor, to be beneficial to the City, plus b) estimated costs related to the Bonds and capitalized interest. The Bonds may be issued in one or more series.

(2) In addition to the authorizations provided in the Resolution:

a) The City is hereby authorized to sell the Bonds to Umpqua Bank or a similar entity.

b) The City Manager, the Finance Manager or another City employee designated by the City Manager or the Finance Manager are each hereby authorized to pledge the City's gross revenues to secure the Bonds, to enter into a covenant with the purchaser of the Bonds to maintain a minimum level of ending fund balance and other financial covenants that are requested by the purchaser of the Bonds, and to agree that the City will pay an increased rate of interest if the City violates any of the Bond covenants.

c) The City is hereby authorized to engage the services of Piper Jaffray - Seattle-Northwest Division, as placement agent.

d) The authorizations provided by this resolution expand the authorizations granted by the City Council in the Resolution, and other than as specifically provided herein the provisions of the Resolution shall remain in effect.

SECTION 2. EFFECTIVE DATE

This resolution shall take effect on the date of its adoption by the City Council.

Passed by the City Council this 10th day of December, 2013.


Betty J. Roppe, Mayor

ATTEST:


Lisa Morgan, City Recorder