



CITY OF NEW BEDFORD

JONATHAN F. MITCHELL, MAYOR

October 15, 2020

City Council President Joseph P. Lopes and
Honorable Members of the City Council
133 William Street
New Bedford, MA 02740

Dear Council President Lopes and Honorable Members of the City Council:

I am submitting for your approval an ORDER supplementing all previous loan orders to provide that any premium on bonds and notes, less costs of issuance, may be applied to the project for which such bonds or notes are issued and that the borrowing authority shall be reduced accordingly as permitted by the Municipal Modernization Act.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Mitchell", is written over the word "Sincerely,".

Jon Mitchell
Mayor



CITY OF NEW BEDFORD

CITY COUNCIL

October 22, 2020

AN ORDER SUPPLEMENTING ALL PREVIOUS LOAN ORDERS TO PROVIDE THAT ANY PREMIUM ON BONDS AND NOTES, LESS COSTS OF ISSUANCE, MAY BE APPLIED TO THE PROJECT FOR WHICH SUCH BONDS OR NOTES ARE ISSUED AND THAT THE BORROWING AUTHORITY SHALL BE REDUCED ACCORDINGLY AS PERMITTED BY THE MUNICIPAL MODERNIZATION ACT

BE IT ORDERED, BY THE CITY COUNCIL OF THE CITY OF NEW BEDFORD AS FOLLOWS: that it be ordered that each prior order of the City Council that authorizes the borrowing of money to pay costs of capital projects is hereby supplemented to provide that, in accordance with Chapter 44, Section 20 of the General Laws, the premium received by the City upon the sale of any bonds or notes thereunder, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to pay project costs and the amount authorized to be borrowed for each such project shall be reduced by the amount of any such premium so applied.



CITY OF NEW BEDFORD

MASSACHUSETTS

OFFICE OF THE TREASURER

Mark P. Fuller
Assistant Treasurer

Blair S. Bailey
Tax Title Attorney

R. Renee Fernandes
Treasurer – Collector

TO: Honorable Mayor Jon Mitchell

THROUGH: Ari Sky, CFO

FROM: R. Renee Fernandes, Treasurer-Collector

RE: Supplemental Order Regarding Application of Premiums

In February, 2017, the City Council approved an order relative to the application of premiums earned on bond sales to reduce debt on capital projects in accordance with the changes enacted in Chapter 44, Section 20 of the General Laws, as outlined in the 2016 Massachusetts Municipal Modernization Act.

While preparing for our most recent bond sale, it came to light that one of our bond authorizations - \$4,113,000 2017 Capital Improvement Project, was not included in the initial authorization because, at the time of passage, it was in 2nd reading. In order to utilize the earned premiums to reduce the amount of principal owed, it is necessary to pass the attached supplemental order. This order will take care of this affected authorization and any other that may not include the required premium language. The order also provides for the application of note premium proceeds.

Passage of this authorization does not require two readings and publication in a local newspaper. It must be passed in City Council by a 2/3's vote.

Please feel free to contact me should you have any questions. Thank you for your consideration.