



Legislation Text

File #: 2016-3436, **Version:** 1

Consider an ordinance approving a Fourth Supplemental Ordinance to the Master Ordinance Establishing the City of Round Rock, Texas Utility System Revenue Financing Program. (First Reading)*

The City will be be refunding up to approximately \$35 million in Utility System Revenue bonds. Due to current market conditions the City would like to take the opportunity to refinance this debt at a more favorable rate. The final debt refunded will vary depending on market interest rates. The net present value savings over the life of the debt is projected to be over \$3.4 million, over an average annual savings of approximately \$200,000, and will be reflected as a reduction of the debt service requirement. We will be utilizing the negotiated sale method which allows greater flexibility at the time of pricing. This will be a current refunding and is expected to close in June 2016.

This ordinance will be approved and effective on First Reading in accordance with Section 1201.028, Texas Government Code.

Staff recommends approval