



## Legislation Text

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**File #:** 2020-0112, **Version:** 1

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Consider an ordinance authorizing the issuance of City of Round Rock, Texas Limited Tax Note, Series 2020; levying an Ad Valorem Tax in support of the Note; awarding the sale of the Note; and authorizing other matters related to the issuance of the Note. (First Reading)(*Second Reading Not Required*)

This item will authorize Limited Tax Note of the City of Round Rock, Texas to be issued and delivered in the aggregate principal amount or approximately \$4,500,000 for the purpose of purchasing City vehicles and paying the costs of issuing the note.

Each year, the City acquires a portion of its heavy equipment and vehicles through a tax-exempt leasing program. This year, due to circumstances in the market resulting from the novel coronavirus (COVID-19), the City will be using a limited tax note for the funding of this equipment.

A limited tax note is a note issued under Chapter 1431 of the Texas Government Code payable from ad valorem taxes, within the limits set by state law, which can have a maturity of up to seven years if issued for the construction of public works or the purchase of materials, supplies, equipment, machinery, buildings, lands, or rights-of-way for the City's authorized needs and purposes.