



# City of League City, TX

300 West Walker  
League City TX 77573

## Text File

File Number: 19-0286

**Agenda Date:** 5/28/2019

**Version:** 1

**Status:** ATS Review

**In Control:** City Council

**File Type:** Agenda Item

### Title

Consider and take action on a resolution consenting to the sale and issuance of Unlimited Tax Refunding Bonds, Series 2019 for the Galveston County Municipal Utility District 39 in an amount not to exceed \$5,750,000 (Finance Director)

### ..Background:

Approval of this item will authorize the Galveston County Municipal Utility District 39 to issue refunding bonds that will save \$718,746 in future debt service payments over the remaining term of the refunded bonds.

On May 5, 2019, the MUD Board authorized the District's consultants to proceed with the preparation of the various documents related to the issuance of a proposed refunding bond issue. To accommodate potential market fluctuations, the Board is requesting approval of the sale of Combination Unlimited Tax & Revenue Refunding Bonds, Series 2019 in an amount not to exceed \$5,750,000.

The bonds are to be used to currently refund and defease portions of the District's Unlimited Tax & Revenue Bonds, Series 2006A, Series 2009 and Series 2011. The proposed bonds are structured with the same maturity schedule as the bonds being refunded (through 2011), so there will be no extension of the debt. The financing, as projected on May 2, 2019, will provide a 12.05% net present value savings (\$579,588) and \$718,746 of gross savings, after all issuance costs. The District's 2018 Certified Taxable Assessed Valuation as provided by the Galveston Central Appraisal District is \$397,934,480 and their 2018 tax rate is \$0.61 per \$100 assessed valuation.

Under the terms of the Utility Agreement between the District and the City, bonds may be sold by the District only with the approval of the City Council. The terms and conditions of the bonds are in compliance with the Utility Agreement. This reunding will not extend the term of the debt, currently 2032.

CONTRACT ORIGINATION: N/A

### Attachments:

1. Data Sheet
2. Proposed Resolution
3. Letter from Masterson Advisors LLC
4. Refunding Analysis
5. Utility Agreement
6. Map

### FUNDING

{ } Funds are available from Account # \_\_\_\_\_

{ } Requires Budget Amendment to transfer from Account # \_\_\_\_\_ to Account # \_\_\_\_\_  
{x} NOT APPLICABLE

STRATEGIC PLANNING

{ } Addresses Strategic Planning Critical Success Factor # \_\_\_\_\_ and Initiative # \_\_\_\_\_  
{x} NOT APPLICABLE