



City of League City, TX

300 West Walker
League City TX 77573

Text File

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Status: Agenda Ready

In Control: Finance

File Type: Agenda Item

Title

Consider and take action on a resolution consenting to the sale and issuance of Unlimited Tax bonds, Series 2019 for the Galveston County Municipal Utility District No. 14 in an amount not to exceed \$2,360,000 and authorizing the Mayor to execute and the City Secretary to attest same for and on behalf of the City of League City (Director of Finance)

..Background:

Approval of this item will authorize the sale of bonds to reimburse the developer for utility improvements in Bay Colony. The Board of Directors of the Galveston County Municipal District No. 14 ("District") authorized the District's consultants to proceed with the preparation of the documents related to the issuance of a proposed Bond sale. The District is requesting approval of the sale of Unlimited Tax Bonds, Series 2019 in the amount of \$2,360,000.

The purpose of the bond issue is to reimburse the developer for improvements in the District. This reimbursement is pursuant to an agreement between the District and the developer. The bonds are structured with the same maturity schedule as their current debt service needs, so there will be no extension of the term of the debt. The District levied a 2018 tax rate of \$0.68 per \$100 of taxable assessed valuation (\$0.63 for debt service and \$0.05 maintenance) and authorized publishing its intent to levy a 2019 tax rate in the amount of \$0.590 per \$100 of taxable assessed valuation (\$0.545 for debt service and \$0.045 for maintenance). The District's 2019 Taxable Assessed Valuation as of January 1, 2019 and Estimated Taxable Assessed Valuation as of August 1, 2019, as provided by the Galveston Central Appraisal District, is \$319,986,238 (\$310,910,657 of certified value and \$9,075,581 of uncertified value) and \$329,864,034, respectively. The District's outstanding debt assuming issuance of the Bonds will be \$11,750,000. The ratios of outstanding debt to 2019 Taxable Assessed Valuation as of January 1, 2019 and Estimated Taxable Assessed Valuation as of August 1, 2019 is 3.67% and 3.56%, respectively.

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.

Attachments

1. Data Sheet
2. Proposed Resolution
3. Letter from Masterson Advisors
4. Engineering Report
5. Proposed Debt Schedule
6. Utility Agreement
7. Map

FUNDING

{x} NOT APPLICABLE