



City of Pflugerville

Legislation Details (With Text)

File #: RES-1077 **Version:** 1 **Name:**
Type: Resolution **Status:** Consent Agenda
File created: 2/14/2023 **In control:** Finance
On agenda: 2/14/2023 **Final action:** 2/14/2023
Title: Approving a resolution to accept a ten year financing term for equipment purchases not to exceed \$500,000.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution, 2. Loan Terms

Date	Ver.	Action By	Action	Result
2/14/2023	1	City Council	Approved	Pass

Approving a resolution to accept a ten year financing term for equipment purchases not to exceed \$500,000.

The FY 23 budget includes assumptions to borrow funds for the purchase of a wastewater vacuum truck. In order to close the loan, Council must approve a resolution authorizing the City to enter into a debt agreement. The terms of the agreement are not to exceed \$500,000, to be paid back within 10 years at 3.9% interest.

The resolution approved on January 24th included bank qualified interest rates that limit the City to issue less than \$10 million of tax exempt bonds. Removing the tax-exempt bond language and restrictions resulted in a small rate increase. This rate is still the lowest of quoted rates. The rate was 3.85% and is now 3.9%.

Prior City Council Action

Purchase of vacuum truck approved November 29, 2022
Reimbursement resolution approved January 10, 2023
Prior resolution approval on January 24, 2023

Deadline for City Council Action

Approval requested February 14th to insure the loan is closed on February 15th.

Funding Expected: Revenue ___ Expenditure ___ N/A ___

Budgeted Item: Yes ___ No ___ N/A ___

Amount: _\$500,000_____

1295 Form Required? Yes ___X___ No ___

Legal Review Required: N/A ___ Required ___X___ Date Completed: ___02/07/2023_____

Supporting documents attached:

Resolution
Loan Terms

Recommended Action

Approve the resolution to accept a ten year financing term for equipment purchases not to exceed \$500,000.