



Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: August 2, 2021

Re: Amending Ordinance 020519 authorizing the issuance of the Sewerage System Revenue Bonds, Series 2010A

## Executive Summary

An ordinance authorizing an amendment to adjust the interest rate for the Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA) Series 2010A.

## Discussion

The City of Columbia's Municipal Advisor identified the Sewerage System Revenue Bonds, Series 2010A as a potential candidate for refinancing in 2021. Since this funding came from the State Revolving Fund, Staff reached out to the Department of Natural Resources to pursue a refunding for a lower interest rate.

The initial interest rate of the debt was 1.49%, and this refinancing will drop that rate to 0.72%. That equates to a savings of \$1.6 million over the remaining life of the debt that is scheduled to be paid off in 2032.

## Fiscal Impact

Short-Term Impact: An estimated interest savings of \$255,000 in FY22

Long-Term Impact: An estimated \$1.35 million from FY23-FY32

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
01/04/2010	Ord. 020519 Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program – ARRA) Series 2010A of the City of Columbia, Missouri

## Suggested Council Action

Adoption of the attached Ordinance as submitted.