



Legislation Text

File #: 61928, **Version:** 1

Fiscal Note

This resolution authorizes the issuance of \$46,725,000 of taxable general obligation refunding bonds and an irrevocable property tax sufficient for the purpose of repaying principal and interest on the bonds.

These bonds will refinance remaining principal at a lower interest rate on Series 2010-C, 2012-C, 2013-A, 2014-A and 2014-B bonds and notes. The true interest cost of the refunding bonds is 0.60%. Total interest costs through 2032 are \$949,000. Net present value of the savings from the refunding is \$3 million, or approximately 6.35% of the refunded principal on all of the series. Annual debt service savings is \$222,562 in 2021, between \$620,800 and \$862,400 from 2022 to 2024, and approximately \$65,000, thereafter through 2032.

Approximately \$10 million is a current refunding of the 2010-C taxable debt. The remaining amount will advance refund the tax exempt Series 2012, 2013 and 2014 bonds and notes. Under current federal tax law, interest on bonds issued to finance advanced refundings do not qualify for tax exemption. The proceeds for the advanced refundings will be held in escrow until the call dates on those series, which occur in 2021 and 2022.

Title

Authorizing the issuance of \$46,725,000 Taxable General Obligation Refunding Bonds, Series 2020-C, of the City of Madison, Wisconsin, providing the details thereof, establishing interest rates thereon and levying taxes therefor

Body

Please see "61928" Body in Attachments