



# Finance Department

## Presentation to the City of Houston Budget and Fiscal Affairs Committee

### Upcoming Financial Transaction

March 27<sup>th</sup> 2014

Presented By:  
Jennifer Olenick, CFA - Assistant Director



# Agenda

- Combined Utility System First Lien Revenue Refunding Bonds, Series2014D



# Annual Financing Plan

Department	Series	Size (\$ millions)	Anticipated Closing	PV Savings (\$ millions)	True Interest Cost (%)
GO	TRANS 2013	180	July 1, 2013	N/A	0.16
CUS	TWDB <sup>(1)</sup> 2014A	65	February 12, 2014	---	2.36
CUS	2014BC	1,298	March 2014	207.45	3.33
<b>Subtotal</b>		<b>\$1,543</b>		<b>\$207.45</b>	
CEF	2014	50	June 2014	1.78	---
GO	PIB 2014	264	June 2014	---	---
CUS	2014D	225	June 2014	---	---
<b>Subtotal</b>		<b>\$539</b>		<b>\$1.78</b>	
<b>FY2014</b>	<b>Total</b>	<b>\$2,082</b>		<b>\$209.23</b>	
<b>FY2013</b>	<b>Total</b>	<b>\$1,143</b>		<b>\$22.31</b>	

1. Texas Water Development Board



# Combined Utility System , Series 2014D

- Since 1993, the City has used the issuance of commercial paper to provide an expedient, cost-effective method of accessing cash and providing interim financing. The commercial paper notes are later refinanced to fixed rate bonds that match the useful life of the projects and/or equipment being financed.
- This transaction represents the normal refunding of these commercial paper notes held by the Combined Utility System. The anticipated size of the Series 2014D Bonds will be approximately \$225 million.
- As standard course of business, in conjunction with this transaction, the FWG will review possibilities to refinance existing debt if prudent opportunities to achieve present value savings exists.
- An RCA is expected to be brought before Council in April.

\* This presentation constitutes the written recommendation of the Finance Working Group.



# Finance Department

**Questions?**