



Town of Yorktown

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Sewer Refinancing

We have been in contact with Umbaugh regarding the possibility of refinancing the 2005/2006 sewer bonds. The thought process is that now looks to be an optimal time to make this happen with the FED discussing rate hikes in the coming periods. At this point Umbaugh has provided two estimated scenarios (with the actual probably falling somewhere in between), both of which show an opportunity for the Town to save a little more than \$500,000 after the costs of issuance and legal fees. Obviously the lower the rate that the new bonds are sold at the higher the amount of savings will be.

Due to the timing of this issue I would ask the council to waive the 2 readings and pass the ordinance. This does not force us to make the sale of the bonds, if the new bond sale does not result in a savings we will not issue new debt.

Pete