

LRB-FISCAL REVIEW SECTION ANALYSIS

AUGUST 1, 2001 AGENDA

ITEM 18 FILE 991863

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #991863 is a substitute resolution authorizing and providing for the issuance of revenue bonds for the purposes of the sewerage system.

Background

1. The 2000 Budget transferred the Relief and Relay Sewer capital program from the City's capital improvement budget to the Sewer Maintenance Fund. The Relief and Relay Sewers are to be financed through issuance of revenue or general obligation bonds and paid for through the Sewer Maintenance Fee. Prior to 2000, the Relief and Relay Sewers were largely cash financed.
2. The 2000 Budget authorized the issuance of \$14,560,000 in Sewerage System Revenue Bonds and the 2001 Budget authorized the issuance of \$14,535,000.
3. The sale of revenue bonds has not taken place because not all the technical aspects for a revenue bond issuance were met. The City issued short-term Bond Anticipation Notes (Resolution #991862) to provide financing for the sewers until the technical aspects of a revenue bond issuance could be developed.

Discussion

1. This resolution sets forth and details the technical aspects of the issuance Sewerage System Revenue Bonds. It also provides the authority for such issuances when used in conjunction with separate "series resolutions".
2. The Comptroller's Office indicates it will ask for the approval of a "series resolution" for the issuance of Sewerage System Revenue Bonds this fall.

Fiscal Impact

The resolution has no fiscal impact because additional Common Council action is required.

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LRB-Fiscal Review
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