

## LRB – RESEARCH AND ANALYSIS

DECEMBER 16, 2009 AGENDA

ITEM 33, FILE 090967

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #090967 is a resolution authorizing cancelling the issuance of contingent borrowing for certain purposes.

### **Background and Discussion**

1. Total authorized contingent borrowing exceeds the amount approved in the 2009 budget. This resolution cancels the following authorizations for contingent borrowing purposes that are no longer needed:
  - File #081610 authorized the sale and issuance of \$4 million of contingent borrowing General Obligation Promissory Notes for excess 2008 expenditures. Of the \$4 million in contingent borrowing authorized, \$3,275,131 was not issued and is canceled by adoption of this resolution.
  - File #080962 authorized the issuance of \$25,000,000 general obligation notes to pay a general and current municipal expense associated with the Community Development Block Grant and other grant programs. The grants funds have been received. The contingent borrowing is no longer needed and is canceled by the adoption of this resolution.
2. Adoption of this resolution also rescinds the \$2.7 million transfer to the Debt Service Fund authorized in File # 090333, a substitute resolution amending the 2009 Local Snow and Ice Removal Charge for the express purpose of cancelling \$2.7 million of debt incurred due to 2008 snow and ice operations that exceeded budgeted amounts.

### **Fiscal Impact**

The resolution reduces the amount of authorized 2009 contingent borrowing by \$28,275,131 and rescinds the \$2.7 million transfer to the Debt Service Fund authorized in File # 090333.

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