

LRB - FISCAL SECTION ANALYSIS

NOVEMBER 20, 2002

ITEM 12, FILE 021058

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #021058 is a resolution relating to the carryover of 2002 authorization for general obligation and revenue based borrowing.

Background and Discussion

1. The Office of the Comptroller annually prepares a resolution pertaining to the carryover of general obligation and revenue based borrowing authorization.
2. This resolution provides that \$114,236,794 authorized for general obligation and revenue based borrowing in the 2002 Budget be carried over into 2003.
3. The 2002 Budget contained authorization for \$270,292,232 for general obligation and revenue based borrowing.
4. The Common Council adopted resolutions authorizing the issuance of \$102,610,000 in general obligation and revenue based borrowing for 2002.
5. Of the \$270,292,232 in borrowing authorized in the 2002 Budget, \$53,445,438 is dropped because of statutory requirements or no anticipated future need. Of the \$53.4 million being dropped, \$32 million was authorized for contingent borrowing and \$14.3 million was authorized for Water Works' revenue bonds.

The \$14.3 million was included in the 1999 Water Works' Capital Budget for the consolidation of two distribution centers into one centralized facility (\$9 million) and the Kilbourn Tank (\$5.3 million). The Water Works has not been able to find a suitable location for the centralized distribution facility and has determined the Kilbourn Tank is not needed.

Fiscal Impact

The adoption of this file does not authorize expenditures. The resolution facilitates and allows for actual borrowing at a later date.

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