

LRB – RESEARCH AND ANALYSIS

JANUARY 13, 2009 AGENDA

ITEM 23, FILE # 091038

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #091038 is a resolution relating to issuance and sale of general obligation bonds in the aggregate amount of \$2,931,000 for fire engines and other equipment of the fire department.

Background and Discussion

1. The Comptroller's Office annually submits initial-borrowing resolutions for projects and programs approved in the adopted budget.
2. The resolution authorizes the sale of general obligation bonds in the amount of \$2,931,000 for fire engines and other equipment.
3. The borrowing provides funding for the following:
 - **Major Capital Equipment - \$2,821,000** – Funding for the purchase of major apparatus to be determined by the Fire Chief.
 - **Auxiliary Power Supply - \$110,000** - Funds the purchase and installation of back-up generators at various Engine Houses.

Fiscal Impact

This resolution authorizes general obligation debt for the detailed specific purpose. The actual debt is issued pursuant to a separate General Obligation note or General Obligation Bond resolution. Until the actual structuring of the debt issue is determined by the Public Debt Commission, details relating to the long-term fiscal impact will not be known. Depending on actual sale date in 2010, a maximum of 6 months interest would be incurred during the year. If sold after July 1, 2010, there would be no fiscal impact in 2010.

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