

BUDGET AND FINANCE COMMITTEE REPORT relative to the City's current debt capacity and how much has been issued in bonds.

Recommendation for Council action:

NOTE and FILE the City Administrative Officer (CAO) report dated February 7, 2014 relative to the City's current debt capacity and how much has been issued in bonds.

Fiscal Impact Statement: Not applicable.

Community Impact Statement: None submitted.

SUMMARY:

At its regular meeting of February 10, 2014, the Budget and Finance Committee considered the CAO report relative to the City's debt capacity. As part of the 2013-14 Adopted Budget, the City Council instructed the CAO to report back on the City's current debt capacity and how much the City has issued in bonds. The CAO reports that every year, its Office prepares the Statement of Bonded Indebtedness as an informational schedule to the Adopted Budget. As of July 1, 2013, the City had \$5.977 billion of debt outstanding, \$1.76 billion in General Fund and \$4.217 billion supported by special funds, property taxes or assessments. As the City issues debt throughout the fiscal year, the CAO updates the debt charts to ensure capacity for major projects and to show that the proposed debt issuance does not exceed the City's debt ceilings. Additional details are available in the report attached to the Council file.

During Committee consideration, CAO representatives provided an overview of the matter and responded to related questions from Committee members. After further consideration and having provided an opportunity for public comment, the Committee recommended that Council note and file the report. This matter is now submitted to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

| <u>MEMBER</u> | <u>VOTE</u> |
|----------------------|--------------------|
| KREKORIAN: | YES |
| ENGLANDER: | YES |
| KORETZ: | YES |
| BLUMENFIELD: | YES |
| BONIN: | YES |