

BUDGET AND FINANCE COMMITTEE REPORT, ORDINANCE FIRST CONSIDERATION, AND RESOLUTION relative to authorization to issue up to \$160 million in General Obligation Refunding Bonds, Series 2015-A and add a section to the Los Angeles Administrative Code to create related special funds.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. PRESENT and ADOPT the accompanying amended ORDINANCE dated June 1, 2015 to establish special funds for the administration of the bonds.
2. ADOPT the accompanying RESOLUTION authorizing the issuance and sale of General Obligation Refunding Bonds in one or more series in an aggregate principal amount not to exceed \$160 million to refund a portion of the City's outstanding general obligation bonds and the necessary documents required to complete the financing for the General Obligation Refunding Bonds, Series 2015-A, including a Preliminary Official Statement and the Escrow and Custodial Agreement.
3. AUTHORIZE the City Administrative Officer (CAO) to receive and open bids on the published sale date and to award the bonds to the bidder with the lowest True Interest Cost on behalf of the City, as described in the Notice Inviting Bids for the bonds.

Fiscal Impact Statement: The CAO reports that there is no fiscal impact on the General Fund as a result of the proposed General Obligation Refunding Bonds, Series 2015-A issuance because the proposed refunding bonds will be paid from ad valorem taxes levied upon all of the taxable properties within the City. The refunding of is expected to result in a net present value savings of approximately \$7.1 million to property owners over the life of the bonds. This bond issuance meets the requirements of the City's Financial Policies.

Debt Impact Statement: The CAO reports that the issuance of the refunding bonds is currently projected to result in net present value savings of approximately \$7.1 million in general obligation bond debt service over the life of the bonds.

Community Impact Statement: None submitted.

## SUMMARY

At its meeting of June 1, 2015, the Budget and Finance Committee considered CAO and City Attorney reports, an Ordinance and an authorizing Resolution requesting authority to issue up to \$160 million in General Obligation Refunding Bonds, Series 2015-A. During Committee consideration, a City Attorney representative provided an amended Ordinance for consideration.

After further consideration and having provided an opportunity for public comment, the Budget and Finance Committee recommended approval of the recommendations contained in the CAO report, the accompanying Resolution, and the amended Ordinance dated June 1, 2015. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE



<b><u>MEMBER</u></b>	<b><u>VOTE</u></b>
KREKORIAN:	YES
ENGLANDER:	YES
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	YES

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