

BUDGET AND FINANCE COMMITTEE REPORT relative to the actual cost information for General Obligation Bonds, Series 2022-A (Taxable)(Social Bonds).

Recommendation for Council action:

NOTE and FILE the City Administrative Officer (CAO) report dated September 28, 2022, attached to the Council file, inasmuch no further action is required at this time.

Fiscal Impact Statement: Not applicable.

Financial Policies Statement: The CAO reports that the City's Financial Policies, Debt Management Section, requires that debt service on voter approved and non-voter approved debt combined shall be no more than 15 percent of general revenues. The 2022-23 debt ratio is 4.44 percent. As the first debt service payment on the Bonds will take place in 2023-24, there is no projected impact to the 2022-23 debt ratio. After accounting for the issuance of the Bonds, the CAO projects that the debt ratio will increase to 4.51 percent in 2023-24.

Debt Impact Statement: The CAO reports that the issuance of the Bonds will result in annual debt service payments averaging \$29.3 million over 20 years. The City will repay the Bonds from ad valorem taxes levied upon all of the taxable properties within the City. The issuance of the Bonds has not caused the City's debt service to exceed 15 percent of general revenues for voter and non-voter approved debt, as established in the City's Financial Policies, Debt Management Section. The 2022-23 debt ratio is 4.44 percent. As the first debt service payment on the Bonds will take place in 2023-24, there is no projected impact to the 2022-23 debt ratio. After accounting for the issuance of the Bonds, the CAO projects that the debt ratio will increase to 4.51 percent in 2023-24.

Community Impact Statement: None submitted

SUMMARY

At its regular meeting held on October 24, 2022, the Budget and Finance Committee considered a report from the CAO relative to the actual cost information for General Obligation Bonds, Series 2022-A (Taxable)(Social Bonds).

After an opportunity for public comment was held, the Committee moved to note and file the CAO report, inasmuch no further action is required at this time. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN	YES
BLUMENFIELD	YES
RODRIGUEZ	ABSENT
PRICE	YES

AS 10/24/22
COUNCIL FILE NO. 22-0913

-NOT OFFICIAL UNTIL COUNCIL ACTS-