

# RESOLUTION OF THE CITY COUNCIL

*No. 157*

**Approved March 6, 2015**

WHEREAS, The City's capital budget depends critically on the availability and use of bond financing; and

WHEREAS, The City's financing cost is a significant expense, which is affected by the City's credit rating; and

WHEREAS, The City's credit rating, among other factors, is affected by the total amount of bonded debt outstanding at any given point in time; and

WHEREAS, In addition to its authority to issue general obligation bonds, the City also has the authority to issue other types of bonds through the City's affiliated quasi-governmental agencies and authorities; and

WHEREAS, The City and its agencies, from time to time, propose new projects that would require the use of bonded debt; and

WHEREAS, Each individual decision regarding whether to approve borrowing depends upon a number of factors, including but not limited to (1) the financing cost, (2) the impact of the borrowing upon the City's credit rating, (3) the impact of the borrowing upon the City's ability to issue bonds for other projects, (4) the inventory of alternative uses of bond financing, (5) previous bond issues and (6) the anticipated future state of the City's financing costs, credit rating, borrowing needs and alternative uses, among other things; and

WHEREAS, In the past from time to time, the City and its authorities have made decisions to issue bonds and borrow money without taking full account of the interdependent factors and considerations just listed; and

WHEREAS, the City does not have, in a single place, a comprehensive inventory of current and previous bond issues, proposed future issues, and the interaction of bond issues with the City's overall credit rating.

NOW, THEREFORE, BE IT RESOLVED, That the City Council hereby establishes a Special Commission to Study the City's Bond Finance Program, including as part of its study the following elements:

- A description of the City's outstanding bonds, including the purpose, amount, cost and term;
- A review and analysis of the City's bond financing costs, and the factors affecting those costs;
- A review and analysis of the City's bonding authority and debt capacity and a projection of future capacity;
- A review and analysis of all known proposals for additional bond financing, including (to the extent known) the cost of such proposals; and
- Comparisons of the City's bond financing program with peer communities, to the extent the Commission considers this informative.

BE IT FURTHER RESOLVED, That the following individuals shall be appointed to serve on the Commission in the following capacities:

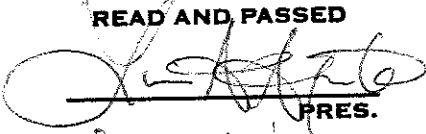
- Councilman Samuel D. Zurier, Chair
- Councilman David Salvatore, Vice-Chair
- Councilwoman Jo-Ann Ryan
- Councilman Kevin Jackson
- Brett Smiley, Chief Operating Officer
- Alan Sepe, Director of Operations
- Robert Azar, Deputy Director of Planning and Development

BE IT FURTHER RESOLVED, That the Commission is hereby charged with the task of preparing a report with its findings and recommendations to submit to the City Council on or before September 6, 2015.

IN CITY COUNCIL

MAR 05 2015

READ AND PASSED

  
PRES.

  
CLERK

I HEREBY APPROVE

  
Mayor

Date: 3/6/15

