

**Office of the County Auditor**  
**Auditor's Analysis**

**Council Bill No. 54-2024**

Introduced: October 7, 2024

Auditors: Brenda Cachuela and Maya Cameron

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Fiscal Impact:

The fiscal impact of this legislation would be an increase in debt service related to the new bond issuance, which would be appropriated in future budgets, beginning in Fiscal Year 2026. We are unable to determine the fiscal impact, as the additional debt service will be dependent upon the amount of bonds the County issues and the interest rates at the time of the bond sale. The bond sale is scheduled to occur in March 2025.

Bond issuance costs include rating agency fees, bond counsel, underwriter's discount, and financial advisory services. The cost for the March 2024 bond sale was \$716,278, or 0.53 percent of the total bond issuance.

All capital appropriations to be funded with consolidated public improvement (CPI) and metropolitan district (Metro) bond proceeds were approved in prior years' budget legislation.

Policy Impact:

None. The Council has already approved the projects to be financed by this bond sale and routinely approves an ordinance of this type each year. For similar authorizations in prior years, *see, e.g.*, Council Bill 38-2023 and Council Bill 65-2022.

Purpose:

The purpose of this legislation is to authorize the County to issue CPI bonds of up to \$150,000,000 and Metro bonds of up to \$50,000,000. The proceeds of the bonds will be used to reimburse the County for the cost of certain public improvements, retire outstanding short-term debt, and pay costs of issuance related to the bonds.

Other Comments:

The Director of Finance has indicated that depending on market conditions, the County will issue bonds in Fiscal Year 2025 through a competitive bidding process or a private negotiated sale.

The County's overall debt as of June 30, 2024, is \$1,190,300,000 for CPI bonds and \$400,170,000 for Metro bonds.

A bond issuance trend summary over the last four years is noted in **Attachment A**.

**Attachment A**

<b>Year</b>	<b>CPI (All Series)</b>	<b>CPI (All Series) - Premium</b>	<b>Totals Sources from Issuance of CPI Bonds</b>	<b>BANs Repayment</b>	<b>Cost of Issuance</b>	<b>Additional CIP Proceeds</b>	<b>CPI Interest Rates</b>
2024*	\$98,870,000	\$11,737,412	\$110,607,412	\$65,614,603	\$494,460	\$44,498,349	4.00% - 5.40%
2023	\$73,320,000	\$6,659,315	\$79,979,315	\$60,752,767	\$379,315	\$18,847,233	4.00% - 5.00%
2022	\$51,865,000	\$4,734,174	\$56,599,174	\$10,000,097	\$277,430	\$46,321,647	2.25% - 5.00%
2021	\$125,825,000	\$20,094,709	\$145,919,709	\$47,403,534	\$605,340	\$97,910,835	1.75% - 5.00%
2020	\$263,560,000	\$24,054,345	\$287,614,345	\$145,095,282	\$1,158,772	\$141,360,291	0.50% - 5.00%

\* Includes Series C (Taxable) Bonds

<b>Year</b>	<b>Metro (All Series)</b>	<b>Metro (All Series) - Premium</b>	<b>Totals Sources from Issuance of Metro Bonds</b>	<b>BANs Repayment</b>	<b>Cost of Issuance</b>	<b>Additional CIP Proceeds</b>	<b>Metro Interest Rates</b>
2024	\$24,285,000	\$1,477,559	\$25,762,559	\$13,267,741	\$221,818	\$12,273,000	4.00% - 5.00%
2023	\$16,385,000	\$600,682	\$16,985,682	\$15,502,011	\$185,682	\$1,297,989	4.00% - 5.00%
2022	\$18,445,000	\$1,108,059	\$19,553,059	\$0	\$140,852	\$19,412,207	2.375% - 5.00%
2021	\$26,400,000	\$2,638,529	\$29,038,529	\$24,384,360	\$227,718	\$4,426,451	2.00% - 5.00%
2020	\$101,095,000	\$5,597,594	\$106,692,594	\$56,001,557	\$629,416	\$50,061,621	1.70% - 5.00%