TRANSMITTAL LETTER FOR SPECIAL MEETING OF DECEMBER 14, 2017

<u>COMMITTEE ON FINANCE</u>

Mr. David St. Pierre, Executive Director

..Title
Ordinance O17-010 An ordinance providing for the redemption and payment of certain outstanding General Obligation Limited Tax Capital Improvement Bonds of the Metropolitan Water Reclamation District of Greater Chicago, in advance of their maturity
..Body

Dear Sir:

The Bond and Interest Fund (B & I Fund) of the District has sufficient assets on hand to fund an early redemption or call of certain bonds that evidence State Revolving Loan Fund (SRF) loans. The Ordinance and Exhibit A to which this transmittal letter is attached present the detail for the early redemption of the bonds. The total amount to fund the redemption is $28,418,364.00. The savings in future interest cost is $9,594,004.00. The 2018 budget appropriation for the B & I Fund includes the appropriation for the early redemption of bonds in the amount of $28,418,364.00, and is subject to approval by the Board of Commissioners at its Budget meetings on December 14 and 21, 2017.

The proposed real estate tax levy abatement for future levy years resulting from this early redemption of bonds is $38,012,368.00. The levy abatement will be presented to the Board of Commissioners for approval at the February 1, 2018 Board meeting after the payment has been made, and in combination with the annual B & I Fund abatement ordinance.

It is recommended that "Ordinance O17-010 providing for the redemption and payment of certain outstanding General Obligation Limited Tax Capital Improvement Bonds of the Metropolitan Water Reclamation District of Greater Chicago, in advance of their maturity" be adopted by the Board of Commissioners.

Respectfully Submitted, Mary Ann Boyle, Treasurer, MAB:st
Respectfully Submitted, Frank Avila, Chairman Committee on Finance
Disposition of this agenda item will be documented in the official Special Board Meeting Minutes of the Board of Commissioners for December 14, 2017

Attachment