

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 8, 2024

COMMITTEE ON FINANCE

Mr. Brian A. Perkovich, Executive Director

..Title

Ordinance O24-007 providing for the transfer of an amount not to exceed \$25,000,000 from the 459 Capital Improvements Bond ("CIB") Revenue Sub-Fund to the 46B Unlimited Revenue Sub-Fund of the CIB Fund to pay for certain Tunnel and Reservoir Plan ("TARP") related expenditures, to be reimbursed from proceeds of General Obligation Capital Improvements Bonds to be issued by the Metropolitan Water Reclamation District of Greater Chicago

..Body

Dear Sir:

The District holds a significant balance of funds in its 459 Revenue Sub-Fund, mainly representing reimbursements previously received from the Illinois Environmental Protection Agency State Revolving Fund for various projects.

Prudent money management dictates that the funds on hand be utilized to delay the issuance of new money Capital Improvement Bonds for TARP-related projects until the bond market is more favorable than it has been in recent months. In addition, Treasury is currently evaluating several bond refunding and call opportunities on the District's existing debt; use of the transfer amount requested will allow sufficient time to evaluate these options and alter capital market bond sale estimates as appropriate.

It is therefore recommended that the Board of Commissioners adopt Ordinance O24-007 providing for the transfer of an amount not to exceed \$25,000,000 from the 459 Revenue Sub-Fund to the 46B Unlimited Revenue Sub-Fund of the CIB Fund to pay for certain TARP-related expenditures, to be reimbursed from proceeds of General Obligation Capital Improvements Bonds to be issued by the Metropolitan Water Reclamation District of Greater Chicago.

Requested, Steven J. Lux, Treasurer, SJL:lb

Respectfully Submitted, Marcelino Garcia, Chairman Committee on Finance

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for August 8, 2024

Attachment