

SAM - BUDGETING

BOARD ITEMS FOR INTERIM FINANCING AND BOND SALE

6860

(New 5/1998)

Interim financing: For projects funded from PWB lease-revenue or energy efficiency bonds, departments may need financing for expenses incurred in the interim period before a bond sale is conducted. The board must approve the use of interim financing, and simultaneously authorize a *future* bond sale to ensure that the interim financing will be repaid. The board action includes the approval of various supporting documents (indenture, site agreements, facility agreements, energy contracts, etc.). This is all presented in a single board item, with several sub-items.

1. **Agenda requirements for interim financing.** Provide the following information for the board:
 - a. Standard fiscal reporting requirements specified in Section 6845. Also submit the agenda *briefing package*. However, PWB staff will format the agenda item itself;
 - b. A completed PMIB loan application or loan renewal application;
 - c. Anticipated project schedule;
 - d. The date planned to go to PMIB; and
 - e. The anticipated amount and duration of the loan.
2. **When ready for the actual sale:** The actual bond sale will require a subsequent bond item. This request is initiated by STO rather than the client department, and PWB prepares the agenda item. The client department may be asked to provide a briefing document, however.

See Section 6878 for additional information on interim financing.