

FISCAL NOTE

Ordinance/Motion No. 2007-

Title: Sewer Revenue Bonds: New Debt Issue

Affected Agency and/or Agencies: Water Treatment Division

Note Prepared By: Dennis Barnes and Tom Lienesch

Note Reviewed By: Tim Aratani

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue to:

| Fund/Agency | Fund Code | Revenue Source | Current Year | 2nd Year | 3rd Year | 4th Year |
|----------------------|-----------|----------------|------------------|-------------------|-------------------|-------------------|
| WTD Operating Budget | 4610 | 30800 | 7,359,000 | 10,967,000 | 10,967,000 | 10,967,000 |
| | | | | | | |
| | | | | | | |
| TOTAL | | | 7,359,000 | 10,967,000 | 10,967,000 | 10,967,000 |

Expenditures from:

| Fund/Agency | Fund Code | Department | Current Year | 2nd Year | 3rd Year | 4th Year |
|----------------------|-----------|------------|------------------|-------------------|-------------------|-------------------|
| WTD Operating Budget | 4610 | | 7,359,000 | 10,967,000 | 10,967,000 | 10,967,000 |
| | | | | | | |
| | | | | | | |
| TOTAL | | | 7,359,000 | 10,967,000 | 10,967,000 | 10,967,000 |

Expenditures by Categories

| | Current Year | 2nd Year | 3rd Year | 4th Year |
|----------------------|------------------|-------------------|-------------------|-------------------|
| Debt Service Payment | 7,359,000 | 10,967,000 | 10,967,000 | 10,967,000 |
| | | | | |
| | | | | |
| TOTAL | 7,359,000 | 10,967,000 | 10,967,000 | 10,967,000 |

Assumptions:

This proposed legislation authorizes a maximum issuance of \$250 million in sewer revenue bonds. In accordance with the current WTD financial plan, this fiscal note reflects a planned issuance of \$209 million in 2007. The security ordinance enables WTD to issue these bonds, and subsequent issues, for a term of 40 years. The fiscal effect in 2007, assumes an interest-only payment for approximately 67 percent of the year based a target issuance date of May 1, 2007. The next planned debt issuance is for \$349 million in 2008.