

CIP BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

SUBJECT: Approve a resolution declaring the City's official intent to reimburse itself from General Obligation Bonds to be issued for transportation corridor mobility improvement ex amount of \$2,000,000.

CURRENT YEAR IMPACT: This item has no fiscal impact to the total debt service or tax rate in debt will not be issued until FY 2015.

FIVE YEAR IMPACT: Based on the following assumptions, the Estimated Debt Service amount payments based on issuing \$2 million in Series 2014 (FY 2015) Public Improvement Bonds for 5.0% interest rate. The Impact on Tax Rate represents the amount required to service the esti service for this item.

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Estimated Debt Service	\$0	\$161,000	\$159,950	\$159,800
Impact on Tax Rate	0.00000	0.00017	0.00016	0.00016

ANALYSIS / ADDITIONAL INFORMATION: For the City to spend money today, but reimburse its issuance of debt obligations in the future, a reimbursement resolution is required by state and resolution must contain certain information and is generally drafted by bond counsel to protect exempt status of the future issuance. The resolution must be passed not more than 60 days after that the cost to be reimbursed is paid. Failure to adopt a qualified declaration of official intent of the City from reimbursing the cost with the proceeds of tax exempt obligations. Reimbursement generally must be issued 18 months after the later of, the date the expenditure was made, or project, with respect to which the expenditure was made, is placed in service.

This action expressed the City Council's intent to authorize the reimbursement for costs associated with Year 2013-2014 Amendment Capital Budget items for General Obligation debt as described below.

2012 Proposition 12 - \$2,000,000 for corridor mobility improvements

10/24/13
Austin Transportation

November 2012
penditures in the

FY 2014. The

ts below reflect
20 years at a
imated debt

FY 2018

\$160,500

0.00016

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