



M E M O R A N D U M

TO: Mayor & Council Members

FROM: Ed Van Eenoo, Deputy Chief Financial Officer *EW*

DATE: April 23, 2015

SUBJECT: Revised Forecast Projections in light of Lone Star Rail TIRZ Correction

As I explained at the conclusion of yesterday's work session, during the course of Council's discussion regarding the forecasted General Fund transfer to the Lone Star Rail Tax Increment Financing Zone (TIRZ) Fund, members of my staff discovered that they had erroneously modeled the cost of the transfer. Their model assumed that the City would contribute 100% of its tax increment on the zone, as it does with the other three Tax Increment Financing Funds to which the City contributes. In actuality, Council action in December, 2014, amended the interlocal agreement governing the Lone Star Rail TIRZ to set the City's increment at 50%. Please accept my sincerest apologies for this error. Attached please find corrected versions of all relevant pages from the Five-Year Financial Forecast Presentation and Report.

cc: Marc Ott, City Manager
Chief of Staff
Assistant City Managers
Chief Financial Officer