

CIP BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

6/14/18
Aviation

SUBJECT: Approve an ordinance amending the Fiscal Year 2017-2018 Airport Capital Fund Budget (Ordinance 20170913-001) to increase transfers out to the Airport CIP Fund by an amount of \$25,000,000; amend the Fiscal Year 2017-2018 Aviation Capital Improvements Program to appropriate the same amount for the purchase of Lynxs Austin CargoPort , LLC leasehold interest and improvements and to fund additional improvements to the property after acquisition. (District 2)

CURRENT YEAR IMPACT:

Department:	Aviation
Project Name:	ABIA Improvements Parent Account
Funding Source:	Airport Capital Fund
Fund/Dept/Unit:	4910-8107-3050

Current Budget	0
Unencumbered Balance	0
This Action	<u>25,000,000</u>
Estimated Available	25,000,000

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