

CIP BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

6/14/18
Aviation

SUBJECT: Approve a resolution declaring the City of Austin's official intent to reimburse itself from revenue bonds in an amount not to exceed \$25,000,000 for Austin-Bergstrom International Airport. Related to Item #X.

CURRENT YEAR IMPACT: This item is not expected to debt service in FY18.

FIVE YEAR IMPACT:

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Estimated Debt Service	\$0	\$0	\$526,750	\$1,053,500	\$1,053,500

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.