

City of Austin, Texas
Summary of Financial Analysis
Springwoods Annexation Areas (combined MUD and MAP)
September 2010

Estimated revenue and requirements associated with annexation of the combined Springwoods areas are summarized below and shown in millions of dollars. The cumulative cash flows cover a 25-year period and are represented in today's dollars, or net present value (NPV). Projected cash flows provide an analytical tool for assessing the expected annual financial impact to the City of a proposed annexation. *The analysis is not intended to identify or predict exact costs or revenue.*

Annexation of the MUD area and the MAP area at the same time provides the contiguity to the city limits required to annex the non-contiguous pieces of the MUD. Annexation of these areas together will create efficiencies on service delivery, expand the City's tax base, and extend City regulations to the area.

This analysis incorporates:

- Extension of central wastewater service to approximately 30 single family homes
- No remaining MUD debt
- Unsuccessful limited district election in May 2011 and acceptance of MUD parks.

Upon full purpose annexation by the City and subject to voter approval, the Springwoods Municipal Utility District (MUD) will automatically convert to a limited district with an initial term of ten years for the purposes of maintaining Springwoods Park and Springwoods pool among other services. Should the voters not approve the Limited District at an election to be held in May 2011, the City will assume ownership of the Limited District's amenities as described in the Strategic Partnership Agreement between the City of Austin and Springwoods MUD. *Depending on the outcome of that election, City staff will return to Council with a budget amendment at that time to provide funding for the Parks and Recreation Department for operation and maintenance of these amenities.*

25-Year Cumulative Cash Flows – Combined Springwoods Areas
In Millions of Dollars

<i>Sources of Funds:</i>	
General Government	\$55.3
Austin Water Utility	\$0.4
Other Enterprise Funds	\$22.2
Total Sources	\$77.9
<i>Uses of Funds:</i>	
General Government	\$52.8
Austin Water Utility	\$2.0
Other Enterprise Funds	\$22.2
Total Requirements	\$76.9
NPV of Net Cash Flows	(\$0.2)