

# CIP BUDGET FISCAL NOTE

**DATE OF COUNCIL CONSIDERATION:**

**CONTACT DEPARTMENT(S):**

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**SUBJECT:** Approve a resolution declaring the City of Austin's official intent to reimburse itself for Obligation in the amount of \$4,525,000 for the purchase of land located off of Johnny Morris Road to city facilities. Related to Item #8 and Item #18.

**CURRENT YEAR IMPACT:** This item has no fiscal impact to the total debt service or tax rate in FY 2014. This is issued until FY 2015.

**FIVE YEAR IMPACT:** There is no fiscal impact to the tax rate because the Certificates of Obligation are to be non-taxable.

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<b>Estimated Debt Service</b>	\$0	\$364,263	\$361,887	\$361,548

**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 generally drafted by bond counsel to protect the tax-exempt status of the future issuance. The resolution must be adopted not more than 60 days after the date that the cost to be reimbursed is paid. Failure to adopt a qualified resolution 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.

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**FY 2018**

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