

REIMBURSEMENT RESOLUTION FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

3/7/19
Budget Office

SUBJECT: Approve a resolution declaring the City of Austin's official intent to reimburse itself from 2018 General Obligation Bonds to be issued for expenditures in the total amount of \$151,200,000.

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Estimated Debt Service	<u>12,135,000.00</u>	<u>12,131,250.00</u>	<u>12,131,250.00</u>	<u>12,134,250.00</u>	<u>12,134,250.00</u>
Impact on Tax Rate	<u>0.00761</u>	<u>0.00725</u>	<u>0.00690</u>	<u>0.00670</u>	<u>0.00651</u>

ANALYSIS / ADDITIONAL INFORMATION: In the November 2018 Bond Election, City of Austin voters approved propositions A, B, C, D, E, F, and G, authorizing \$925,000,000 in general obligation bonds to fund capital improvement projects and programs. This budget amendment, in the amount of \$151,200,000, provides the initial installment of appropriation for some of these projects and programs. Subsequent installments of appropriation will be included as part of the annual Capital Budget.

A reimbursement resolution is also included as a separate but related item on this Council agenda. A reimbursement resolution is required by federal and state law whenever a bond issuer plans to use bond proceeds to retroactively reimburse itself for expenditures already incurred. The use of reimbursement resolution is approved in the City's financial policies and allows the City to start projects to be funded with bonds in advance of the City's next scheduled general obligation bond sale. The City typically schedules its annual issuance of general obligation debt in August to coordinate with the annual Capital Budget.