

Tax Anticipation Notes



Tax Anticipation Notes



Department Description

This department finances costs related to the issuance of Tax Anticipation Notes, which are necessary to meet the cash requirements of the City prior to receipt of property taxes. Monies are borrowed via the sale of Tax and Revenue Anticipation Notes (TRANs) on a short-term basis. Related costs are budgeted and accounted for in this program.

Department Summary

Tax Anticipation Notes				
	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 FINAL	FY 2007-2008 CHANGE
Positions	0.00	0.00	0.00	0.00
Personnel Expense	\$ -	\$ -	\$ -	-
Non-Personnel Expense	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000	\$ 2,979,000
TOTAL	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000	\$ 2,979,000

Department Expenditures

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 FINAL
TAX AND REVENUE ANTICIPATION NOTES FUND			
Tax Anticipation Notes			
Tax Anticipation Notes	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000
Total	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000

Tax Anticipation Notes

Significant Budget Adjustments

TAX AND REVENUE ANTICIPATION NOTES FUND

Tax Anticipation Notes	Positions	Cost	Revenue
Support for Debt Service Requirement Reflects an increase in the required debt service payment and associated revenue.	0.00 \$	4,526,442 \$	4,518,942
Adjustment Due to Loan Borrowing Limit The City currently expects to borrow \$116 million in Fiscal Year 2008. This amount is based on the maximum loan projected for Fiscal Year 2008. Based on this information a reduction in revenue and expenditure is required.	0.00 \$	(1,547,442) \$	(1,547,442)

Expenditures by Category

	FY 2006 BUDGET	FY 2007 BUDGET	FY 2008 FINAL
NON-PERSONNEL			
Supplies & Services	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000
SUBTOTAL NON-PERSONNEL	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000
TOTAL	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000

Tax Anticipation Notes

Revenue and Expense Statement (Non-General Fund)

TAX AND REVENUE ANTICIPATION NOTES FUND
65013

	FY 2006* BUDGET	FY 2007* BUDGET	FY 2008* FINAL ⁽¹⁾
BEGINNING BALANCE AND RESERVE			
Prior Year Continuing Appropriations	(2) \$ -	\$ -	\$ 1,501,716 ⁽¹⁾
Reserve for Encumbrances	(3) \$ 17,500	\$ 17,500	\$ -
TOTAL BALANCE	\$ 17,500	\$ 17,500	\$ 1,501,716
REVENUE			
General Fund Transfer Interest Earnings	\$ -	\$ -	\$ 2,449,000
TRAN Interest Earnings	\$ 2,137,500	\$ 2,137,500	\$ 2,660,000
TOTAL REVENUE	\$ 2,137,500	\$ 2,137,500	\$ 5,109,000
TOTAL BALANCE AND REVENUE	\$ 2,155,000	\$ 2,155,000	\$ 6,610,716
OPERATING EXPENSE			
Cost of Issuance	\$ 130,000	\$ 130,000	\$ 105,000
TRAN Debt Service Interest	\$ 2,000,000	\$ 2,000,000	\$ 5,004,000
TOTAL OPERATING EXPENSE	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000
TOTAL EXPENSE	\$ 2,130,000	\$ 2,130,000	\$ 5,109,000
BALANCE	\$ 25,000	\$ 25,000	\$ 1,501,716
TOTAL EXPENSE, RESERVE AND BALANCE	\$ 2,155,000	\$ 2,155,000	\$ 6,610,716

* At the time of publication audited financial statements for Fiscal Year 2006 were not available. Therefore, the Fiscal Years 2006 and 2007 columns reflect final budget amounts from the Fiscal Year 2006 and 2007 Annual Budgets. As such, balances and reserves do not reflect carryover from the previous fiscal year.

(1) The amount for the Fiscal Year 2008 TRAN issuance is projected to be \$116 million.

(2) Monies to be set aside in June 2007 and paid in July 2007 for the interest expense incurred through June 30 previously budgeted.

(3) To Cover Costs of Issuance.

