

A SUBSTITUTE ORDINANCE
BY FINANCE/EXECUTIVE COMMITTEE

09-O-0491

A SUBSTITUTE ORDINANCE AUTHORIZING THE CHIEF FINANCIAL OFFICER TO AMEND THE 2009 AIRPORT BUDGET, ON BEHALF OF THE DEPARTMENT OF AVIATION, IN AN AMOUNT NOT TO EXCEED TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) BY TRANSFERRING FUNDS FROM 5502 (AIRPORT RENEWAL AND EXTENSION FUND) 200101 (NDP RESERVATION OF FUND APPROPRIATIONS), 5999901 (RESERVE CONVERSION ACCOUNT-CLASS 1), 1512000 (ACCOUNTING) TO 5502 (AIRPORT RENEWAL AND EXTENSION FUND) 180203 (DOA AVIATION COMMERCIAL PAPER) 5730013 (ARBITRAGE REBATE) 7563000 (AIRPORT), TO PAY 2008 ARBITRAGE REBATE DUE ON THE 2005B COMMERCIAL PAPER NOTES; AND FOR OTHER PURPOSES.

WHEREAS, pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended (“Code”), the excess of the amount on certain investments related to tax-exempt bonds, over the amount that would have been earned on those investments if they were invested at a rate equal to the yield on the related tax-exempt bonds plus any income attributable to such excess (“hereinafter the Excess Earnings”) must be rebated to the United States Government, together in certain circumstances when the amount of Excess Earnings is not timely rebated to the United States Government, with interest and penalties thereon; and

WHEREAS, the City of Atlanta (“City”) owns and operates the Hartsfield-Jackson Atlanta International Airport (the “Airport”); and

WHEREAS, the City issued the Series 2005A Airport General Revenue Commercial Paper Notes in an amount not to exceed \$350,000,000 and the Series 2005B Airport Passenger Facility Charge and Subordinate Lien General Revenue Commercial Paper Notes in an amount not to exceed \$200,000,000; and

WHEREAS, the City has completed the fiscal year 2008 Arbitrage Rebate calculation as determined by First Southwest Asset Management, who serves the City as Arbitrage Rebate Consultants; and

WHEREAS, the calculations have determined that an arbitrage rebate payment is due to the Internal Revenue Service for the Series 2005B Airport Passenger Facility Charge and Subordinate Lien General Revenue Commercial Paper Notes in an amount not to exceed two hundred thousand dollars and no cents (\$200,000.00); and

WHEREAS, funds now need to be transferred and properly appropriated for the purpose of making an arbitrage rebate payment to the United States Internal Revenue Service; and

NOW, THEREFORE, be it ordained by the City Council of the City of Atlanta, as follows:

SECTION 1: That the Chief Financial Officer is authorized to amend the Fiscal Year 2009 budget for the Hartsfield-Jackson Atlanta International Airport as follows:

MOVE FROM APPROPRIATIONS

5502.200101.5999901.1512000.000000.00000.0000.00000000.00000000
Airport Renewal and Extension Fund, Reserve Conversion Account-Class 1 \$200,000.00

MOVE TO APPROPRIATIONS

5502.180203.5730013.7563000.000000.00000.0000.00000000.00000000
Airport Renewal and Extension Fund, Arbitrage Rebate \$200,000.00

SECTION 2: That all ordinances and parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 3: That this Ordinance shall take effect immediately upon its adoption and approval.

**AN ORDINANCE
BY FINANCE/EXECUTIVE COMMITTEE**

09-0-

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WHEREAS, pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended (“Code”), the excess of the amount on certain investments related to tax-exempt bonds, over the amount that would have been earned on those investments if they were invested at a rate equal to the yield on the related tax-exempt bonds plus any income attributable to such excess (“hereinafter the Excess Earnings”) must be rebated to the United States Government, together in certain circumstances when the amount of Excess Earnings is not timely rebated to the United States Government, with interest and penalties thereon; and

WHEREAS, the City of Atlanta (“City”) owns and operates the Hartsfield-Jackson Atlanta International Airport (the “Airport”); and

WHEREAS, the City issued the Series 2005A Airport General Revenue Commercial Paper Notes in an amount not to exceed \$350,000,000 and the Series 2005B Airport Passenger Facility Charge and Subordinate Lien General Revenue Commercial Paper Notes in an amount not to exceed \$200,000,000; and

WHEREAS, the City has completed the fiscal year 2008 Arbitrage Rebate calculation as determined by First Southwest Asset Management, who serves the City as Arbitrage Rebate Consultants; and

WHEREAS, the calculations have determined that an arbitrage rebate payment is due to the Internal Revenue Service for the Series 2005B Airport Passenger Facility Charge and Subordinate Lien General Revenue Commercial Paper Notes in an amount not to exceed two hundred thousand dollars and no cents (\$200,000.00); and

WHEREAS, funds now need to be transferred and properly appropriated for the purpose of making an arbitrage rebate payment to the United States Internal Revenue Service; and

NOW, THEREFORE, be it ordained by the City Council of the City of Atlanta, as follows:

SECTION 1: That the Chief Financial Officer is authorized to amend the Fiscal Year 2009 budget for the Hartsfield-Jackson Atlanta International Airport be amended as follows:

MOVE FROM APPROPRIATIONS

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Airport Renewal and Extension Fund, Reserve Conversion Account-Class 1 \$200,000.00

MOVE TO APPROPRIATIONS

5502.180203.5730013.7563000.000000.000000.0000.00000000.00000000
Airport Renewal and Extension Fund, Arbitrage Rebate \$200,000.00

SECTION 2: That all ordinances and parts of ordinances in conflict herewith be and the same are hereby repealed.

SECTION 3: That this Ordinance shall take effect immediately upon its adoption and approval.

RCS# 2830
3/16/09
2:09 PM

Atlanta City Council

REGULAR SESSION

CONSENT II

REFER

YEAS: 13
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 2

Y Smith	Y Archibong	Y Moore	Y Mitchell
Y Hall	Y Fauver	B Martin	Y Norwood
Y Young	Y Shook	Y Maddox	Y Willis
Y Winslow	Y Muller	B Sheperd	NV Borders

CONSENT II

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview: Finance/ Executive Committee

Caption: AN ORDINANCE AUTHORIZING THE CHIEF FINANCIAL OFFICER TO AMEND THE 2009 AIRPORT BUDGET, ON BEHALF OF THE DEPARTMENT OF AVIATION, IN AN AMOUNT NOT TO EXCEED TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) BY TRANSFERRING FUNDS FROM 5502 (AIRPORT RENEWAL AND EXTENSION FUND) 000001 (DEFAULT/BALANCE SHEET) 5999901 (RESERVE CONVERSION ACCOUNT-CLASS 1) TO 5502 (AIRPORT RENEWAL AND EXTENSION FUND) 180203 (DOA AVIATION COMMERCIAL PAPER) 5730013 (ARBITRAGE REBATE) 7563000 (AIRPORT), TO PAY 2008 ARBITRAGE REBATE DUE ON THE 2005B COMMERCIAL PAPER NOTES; AND FOR OTHER PURPOSES.

Council Meeting Date: March 16, 2009

Requesting Dept.: Department of Finance

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to authorize the Chief Financial Officer to amend the fiscal year 2009 Airport Budget in an amount not to exceed \$200,000.00 to pay the Arbitrage Rebate payment on the Series 2005B Commercial Paper Notes.

2. Please provide background information regarding this legislation.

Per Section 148(f) of the Internal Revenue Code of 1986, the excess amount on certain tax-exempt bond investments, over the amount that would have been earned on those investments if they were invested at a rate equal to the yield on the related tax-exempt bonds plus any related income, must be rebated to the United States Government. First Southwest Asset Management has completed the fiscal year 2008 Arbitrage Rebate calculation and has

determined that an arbitrage rebate payment is due for the Series 2005B Commercial Paper Notes.

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**

- (b) **Source Selection:**

- (c) **Bids/Proposals Due:**

- (d) **Invitations Issued:**

- (e) **Number of Bids:**

- (f) **Proposals Received:**

- (g) **Bidders/Proponents:**

- (h) **Term of Contract:**

4. Fund Account Center (Ex. Name and number):

5502.180203.5730013.7563000.000000.000000.0000.00000000.00000000

Airport Renewal and Extension Fund.DOA Aviation Commercial Paper.Arbitrage Rebate.
Airport.Default.Default.Default.Default.Default

Fund: _____ Account: _____ Center: _____

5. Source of Funds: Example: Local Assistance Grant

5502.200101.5999901.1512000.000000.000000.0000.00000000.00000000

Airport Renewal and Extension Fund.NDP Reservation of Fund Appropriations.Reserve Conversion
Account-Class 1.Accounting.Default.Default.Default.Default.Default

6. Fiscal Impact: This legislation will result in a transfer in appropriations within fund 5502 from the Reserve Conversion Account to the Arbitrage Rebate account in an amount not to exceed \$200,000.00

7. Method of Cost Recovery:

This Legislative Request Form Was Prepared By: Maria Runnels

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: LaShawn Gardiner

Contact Number: 404-330-6449

Originating Department: Department of Finance

Committee(s) of Purview: Finance/ Executive Committee

Chief of Staff Deadline: February 24, 2009

Anticipated Committee Meeting Date(s): March 10-11, 2009

Anticipated Full Council Date: March 16, 2009

Legislative Counsel's Signature: [Signature]

Commissioner Signature: [Signature]

Chief Procurement Officer Signature: _____

CAPTION

AN ORDINANCE AUTHORIZING THE CHIEF FINANCIAL OFFICER TO AMEND THE 2009 AIRPORT BUDGET, ON BEHALF OF THE DEPARTMENT OF AVIATION, IN AN AMOUNT NOT TO EXCEED TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) BY TRANSFERRING FUNDS FROM 5502 (AIRPORT RENEWAL AND EXTENSION FUND) 000001 (DEFAULT/BALANCE SHEET) 5999901 (RESERVE CONVERSION ACCOUNT-CLASS 1) TO 5502 (AIRPORT RENEWAL AND EXTENSION FUND) 180203 (DOA AVIATION COMMERCIAL PAPER) 5730013 (ARBITRAGE REBATE) 7563000 (AIRPORT), TO PAY 2008 ARBITRAGE REBATE DUE ON THE 2005B COMMERCIAL PAPER NOTES; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any): \$200,000

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____
(date) (date)

Received by Mayor's Office: 3.9.09 Reviewed by: [Signature]
(date) (date)

Submitted to Council: _____
(date)