

ITEM 9-B

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**POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION**

RESOLUTION

MOTION: _____

RESOLUTION NO. 07-06-___

OFFICIAL COMMISSION MEETING

SECOND: _____

JUNE 7, 2007

RE: AUTHORIZATION TO APPROPRIATE AND EXPEND \$876,942 OF PRINCE WILLIAM COUNTY'S 2% MOTOR FUEL TAX FUNDS IN ORDER TO MAKE FY 2008 DEBT SERVICE PAYMENTS ON THE 1997 \$7,445,000 PRTC TRANSPORTATION FACILITIES LEASE REVENUE REFUNDING BONDS

WHEREAS, by Resolution No. 07-351 (copy attached), Prince William County requests the Potomac and Rappahannock Transportation Commission to use \$876,942 of the County's portion of fuel tax revenues for FY 2008 debt service payments on the 1997 \$7,445,000 PRTC Transportation Facilities Lease Revenue Refunding Bonds.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby budget and appropriate an amount of \$876,942 of the Prince William County's 2% motor fuels tax revenues for the purpose of making FY 2008 debt service payments on the 1997 \$7,445,000 PRTC Transportation Facilities Lease Revenue Refunding Bonds.

June 7, 2007

TO: Chairman Gibbons and Commissioners

FROM: Alfred H. Harf
Executive Director

RE: FY 2008 Debt Service Payments on the 1997 \$7,445,000 PRTC
Transportation Facilities Lease Revenue Refunding Bonds

Recommendation:

Authorize the appropriation and expenditure of \$876,942 of Prince William County's 2% motor fuels tax funds to make debt service payments for FY 2008 on the 1997 \$7,445,000 PRTC Transportation Facilities Lease Revenue Refunding Bonds.

Background:

On December 1, 1997, PRTC issued \$7,445,000 in Transportation Facilities Lease Revenue Refunding Bonds. The 1997 bonds were issued to refinance PRTC's 1991 bonds to achieve interest cost savings. PRTC issued the 1991 bonds to (1) finance a part of the costs of the acquisition, design, and construction of transportation facilities in Prince William County, (2) to make certain deposits to the Debt Service Reserve Fund, and (3) to pay certain costs of issuance. The payment of principal and interest on the 1997 bonds is secured by a pledge of (1) Prince William County's portion of 2% motor fuels tax revenues, (2) basic rent payments made by Prince William County under the lease of the transportation facilities, and (3) certain funds established under the Indenture.

Fiscal Impact:

An interest payment of \$70,971 is due on September 1, 2007, an interest payment of \$70,971 is due on March 1, 2008, and a principal payment of \$735,000 is due on March 1, 2008. This results in total debt service payments for FY 2008 in the amount of \$876,942. This resolution budgets and appropriates \$876,942 of Prince William County's 2% motor fuels tax revenues for the purpose of making FY 2008 debt service payments on the 1997 \$7,445,000 PRTC Transportation Facilities Lease Revenue Refunding Bonds.