

**AGENDA**



**Recommendation for Council Action**

**AUSTIN CITY COUNCIL**

**Regular Meeting: November 1, 2018**

Item Number: **004**

**Budget**

Approve a resolution declaring the City of Austin's official intent to reimburse itself from General Obligation Contractual Obligations in the amount of \$1,185,000 to purchase dual trash/recycling receptacles for public parks.

<b>Lead Department</b>	Budget.
<b>Fiscal Note</b>	General Obligation Contractual Obligations of \$1,185,000 in will be issued in August 2019 or later. A fiscal note is attached.
<b>For More Information</b>	Ed Van Eenoo, Deputy Chief Financial Officer, 512-974-2638.

**Additional Backup Information:**

A city must have budgeted for and provided a source of funds in order to enter into a contract. For the City of Austin to spend money today, State and federal law require the City to approve a reimbursement resolution, which allows the City to reimburse itself from the issuance of debt obligations in the future. The resolution must contain certain information and protect the tax-exempt status of the future issuance. Failure to adopt a qualified declaration of official intent will prohibit the City from reimbursing the cost with the proceeds of tax-exempt obligations. Reimbursement bonds generally must be issued no later than 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.

This action expresses the City Council's intent to authorize the reimbursement for costs associated with FY 2018-19 Approved Capital Budget items for General Obligation debt, as described below:

General Obligation Contractual Obligations: \$1,185,000 for the purchase of dual trash/recycling receptacles to be placed in public parks.