



Recommendation for Action

File #: 22-2035, **Agenda Item #:** 32.

6/16/2022

Posting Language

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of Certificates of Obligation bonds to be issued for expenditures in the total amount of \$4,700,000. Related to items #28 and #31.

Lead Department

Austin Fire Department.

Managing Department

Public Works Department.

Fiscal Note

\$4,700,000 in General Obligation Certificates of Obligations to be issued August 2022 or later.

For More Information:

Robert Menchaca, Financial Manager, 512-974-0126.

Additional Backup Information:

For the City to spend money today, but reimburse itself from the issuance of debt obligations in the future, a reimbursement resolution is required by state and federal law. The resolution must contain certain information and is generally drafted by bond counsel to protect the tax-exempt status of the future issuance. The resolution must be passed not more than 60 days after the date that the cost to be reimbursed is paid. 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 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 reimbursement is related to renovations for Fire Station 1 and Fire Station 22.

Strategic Outcome(s):

Safety.