



City of Austin

Recommendation for Action

File #: 24-3908, **Agenda Item #:** 18.

2/29/2024

Posting Language

Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of tax-exempt general obligations in the total amount of \$750,000. Related to items #22 and #43.

Lead Department

Financial Services Department.

Fiscal Note

Issuance of \$750,000 in tax-exempt general obligation bonds will occur in August 2024 or later. A fiscal note is attached.

Prior Council Action:

Reimbursement Resolutions approved by City Council on September 10th, 2019, June 16th, 2022, September 2nd, 2021, and September 14th, 2023.

For More Information:

Kerri Lang, Budget Officer, 512-974-2283

Additional Backup Information:

For the City to spend money today and 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 to 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 Capital Budget items for general obligation debt as described below:

- Fire and EMS Stations Rebuild and Renovations \$750,000.