

## AGENDA



Thursday, July 26, 2007

**Treasury Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 73**

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**Subject:** Approve a resolution directing publication of a Notice of Intention to Issue City of Austin, Texas Certificates of Obligation, Series 2007, in a maximum amount not to exceed \$3,850,000.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Art Alfaro, Treasurer, 974-7882

**Boards and Commission Action:** Recommended by the Audit and Finance Committee.

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State law requires that an Official Notice of Intention to Issue Certificates of Obligation be published no less than 30 days prior to the sale of Certificates of Obligation by the City. Certificates of Obligation are legal debt instruments used to finance capital improvement projects. Certificates of obligation are backed by the full faith and credit of the government entity and are fully payable from a property tax levy.

The sale is tentatively scheduled for August 30, 2007. The projects included in the Certificates of Obligation issuance are as follows.

1. Compressed Natural Gas Facility 1,320,000

2. Circle C Metro Park Improvements 2,530,000

Of the \$3,850,000, only the \$1,320,000 for the Compressed Natural Gas Facility will be funded by transfers from operating funds. The remaining \$2,530,000 will be paid from the tax-supported debt service fund.