

AGENDA



Thursday, October 14, 2010

**Police
RECOMMENDATION FOR COUNCIL ACTION****Item No. 24**

Subject: Approve a resolution declaring the City of Austin's official intent to reimburse itself from Certificates of Obligation in the amount of \$475,000 related to the purchase of real estate on the north side of McAngus Road at Towery Lane in Austin, Travis County, Texas for the Mounted Patrol Unit.

Amount and Source of Funding: \$475,000 in Certificates of Obligations to be issued in August 2011 or later. Related to Items #6 and 25.

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

For More Information: Greg Canally, Deputy Chief Financial Officer, 974-2609

A city must have budgeted for and provided a source of funds in order to enter into a contract. 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 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 2010-2011 Amended Capital Budget items for Certificate of Obligation debt in the amount of \$475,000 for the purchase of real estate on the north side of McAngus Road at Towery Lane in Austin, Travis County, Texas for the Mounted Patrol Unit.