

## AGENDA

**Recommendation for Council Action****AUSTIN CITY COUNCIL****Budget Adoption Reading: September 11, 2018**Item Number: **010****Budget**

Approve a resolution declaring the City of Austin's official intent to reimburse itself from revenue bonds in an amount not to exceed \$431,315,000 for Austin-Bergstrom International Airport improvements.

<b>Lead Department</b>	Aviation
<b>Fiscal Note</b>	A fiscal note is attached.
<b>For More Information</b>	David Arthur, Assistant Director, 512-530-6688

**Additional Backup Information:**

The Aviation Department requests approval, in accordance with Federal Treasury Regulations, of a resolution officially declaring the City's intent to reimburse construction and other related costs of improvements to Austin-Bergstrom International Airport improvements.

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.