



## Recommendation for Action

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**File #:** 20-2950, **Agenda Item #:** 10.

9/17/2020

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### **Posting Language**

Approve an ordinance amending the Fiscal Year 2020-2021 Communications and Technology Management Capital Budget (Ordinance No. 20200812-001) to increase appropriations by \$3,618,889 to fund radio replacements through contractual obligations.

### **Lead Department**

Communications and Technology Management

### **Fiscal Note**

Funding is available from general obligation contractual obligations to be issued August 2021 or later. A fiscal note is attached.

### **Prior Council Action:**

August 13, 2020 - Council approved Ordinance No. 20200812-001 adopting the City of Austin Budget for Fiscal Year 2020-2021, beginning on October 1, 2020, and ending on September 30, 2021.

### **For More Information:**

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### **Additional Backup Information:**

On August 13, 2020, Austin City Council approved the Fiscal Year 2020-2021 City of Austin Operating and Capital Budgets including a total reduction of \$3,150,000 to the Austin Police Department's contractual and commodity operating budget. To achieve this objective, the purchasing mechanism for the replacement of public safety radios is being converted from lease-to-own-funded using the operating budget-to a direct purchase-funded through general obligation debt. As a result of this action, the General Fund will realize annual savings.

Changing the funding source from cash to debt requires the direct purchase of the assets, rather than spreading out the costs over seven years with 0% financing on a lease-to-own contract. The capital budget increase of \$3,618,889 is necessary to reach the total required budget amount of \$6,570,000 to fund the remaining balance on the Motorola contract for the current radio replacement cycle. The total amount of \$6,570,000 will be funded through future issuances of general obligation contractual obligations.

### **Strategic Outcome(s):**

Government that Works for All; Safety