



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 38

Agenda Date: August 8, 2024

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Reimbursement Resolution

SUMMARY:

This Resolution by the City Council of the City of San Antonio, Texas establishes the City's intention to reimburse itself for the prior lawful expenditure of funds from the proceeds of one or more series of tax exempt or taxable obligations to be issued by the City for authorized purposes and as further designated by series and federal tax treatment; authorizes other matters incident and related thereto; and provides an effective date.

BACKGROUND INFORMATION:

The Adopted Capital Budget including Capital Budget amendments include proposed issuances of general obligation bonds, certificates of obligation and tax notes from FY 2025 through FY 2029. Approval of this reimbursement resolution will provide the City the flexibility to reimburse itself for capital expenditures which have been paid from any lawfully available funds of the City with proceeds from the issuance of future debt obligations.

ISSUE:

The Reimbursement Resolution is the City's official declaration of intent to reimburse itself from the proceeds of one or more series of tax exempt or taxable obligations for any capital expenditures previously incurred (not more than sixty (60) days prior to the date hereof) or to be incurred for projects included in the Adopted Capital Budget and Capital Budget amendments. The Reimbursement Resolution complies with IRS requirements and establishes the timeframe for reimbursement of eligible capital expenditures.

ALTERNATIVES:

The City could choose to not approve the Reimbursement Resolution but would lose flexibility to reimburse for the prior lawful capital expenditure of funds from future obligations.

FISCAL IMPACT:

The resolution has no impact on the City's Operating Budget.

RECOMMENDATION:

Staff recommends approval of this resolution that establishes the City's intention to reimburse itself for prior lawful capital expenditure of funds.