



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 39

**Agenda Date:** January 30, 2025

**In Control:** City Council A Session

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**DEPARTMENT:** Finance Department

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Approving a Resolution authorizing reimbursement of funds of up to \$6,000,00.00 previously expended by the City for Fire, Solid Waste, and Police equipment from the proceeds of a 2025 Master Tax-Exempt Lease Purchase Agreement.

**SUMMARY:**

This Resolution authorizes the reimbursement of funds of up to \$6,000,000.00 previously expended by the City for Fire, Solid Waste, and Police equipment from the proceeds of a 2025 Master Tax-Exempt Lease Purchase Agreement.

**BACKGROUND INFORMATION:**

Approval of the reimbursement resolution will enable the City to reimburse itself for project expenditures of up to \$6,000,000.00 for Fire, Solid Waste, and Police equipment to be funded by proceeds of a 2025 Master Tax-Exempt Lease Purchase Agreement but expended prior to receipt of lease proceeds. Such expenditures are related to projects to be funded by a 2025 Master Tax-Exempt Lease Purchase program.

Funding of the Master Tax-Exempt Lease Purchase program is anticipated to come forward for City Council consideration in February 2025. In certain circumstances, federal and/or state law

requires the Issuer (in this case the City) to express its official intent to issue tax-exempt obligations to reimburse itself for expenditures paid for prior to the issuance of the obligations. This resolution allows the City to move forward with the expenditure of funds related to these specified equipment acquisitions included in the Adopted Budget in anticipation of reimbursement from tax-exempt obligations issued at a later date.

**ISSUE:**

The aforementioned resolution will fund equipment that has been approved in the FY 2025 Adopted Budget.

The costs could be absorbed into the City's operating budget. However, this alternative is not budgeted and would negatively impact funding for other services and improvements.

**ALTERNATIVES:**

The costs could be absorbed into the City's operating budget. However, this alternative is not budgeted and would negatively impact funding for other services and improvements.

**FISCAL IMPACT:**

All costs pertaining to the 2025 Master Tax-Exempt Lease Purchase Agreement will be reimbursed from the proceeds received by the City from the transaction. Therefore, there is no impact on the City's Operating Budget.

**RECOMMENDATION:**

Staff recommends approval of this reimbursement resolution.