

CONSENT AGENDA
ITEM NO. 11

**CITY OF SAN ANTONIO
FINANCE DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Sheryl Sculley, City Manager

FROM: Ben Gorzell Jr., CPA, Acting Director, Finance Department

SUBJECT: Reimbursement Resolution Establishing the City's Intention to Reimburse Itself from Tax-Exempt Obligations to be Issued

DATE: February 23, 2006

SUMMARY AND RECOMMENDATIONS

This Resolution establishes the City's intention to reimburse itself for the prior lawful expenditure of funds from the proceeds of tax-exempt obligations to be issued by the City for authorized purposes designated as "City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2006" and "City of San Antonio, Texas General Improvement Bonds, Series 2006"; authorizes other matters incident and related thereto; and provides for an immediate effective date.

Staff recommends approval of this Resolution.

BACKGROUND INFORMATION

During Fiscal Year 2006, the City is planning to sell approximately \$44,500,000 "City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Series 2006" (the "2006 Certificates") and approximately \$48,325,000 "City of San Antonio, Texas General Improvement Bonds, Series 2006" (the "2006 Bonds").

The 2006 Certificates are being issued to provide funds (1) to construct public safety improvements, including renovating and improving existing fire stations and the Services Facility, (2) to construct drainage improvements, sidewalk improvements, bridge improvements, street improvements and drainage incidental thereto, (3) to construct improvements and renovations to existing municipal facilities, (4) to acquire, construct, renovate and improve the City's library system, (5) to acquire, construct and renovate park facilities, (6) to construct utility system and other infrastructure improvements at Kelly USA, (7) to construct and equip certain downtown public restroom facilities, (8) to pay the costs of a study for the possible relocation of the San Antonio Metropolitan Health District Laboratory to Brooks City-Base and a portion of the relocation expenses, (9) to purchase materials, supplies, equipment, machinery, land, and rights-of-way for authorized needs and purposes relating to public safety, drainage, street, parks, and public works purposes, (10) to acquire, construct, or improve land, buildings, or other permanent improvements for use by an institution of higher education located within the southern region of the City, and (11) to pay the costs of issuance.

The allocation of funds from the sale of the 2006 Certificates is detailed below:

Fire	\$ 6,617,000
Streets	11,415,000
Environmental	1,400,000
Municipal Facilities	1,725,000
Parks and Recreation	440,000
Economic Development	3,610,000
Library	2,250,000
Drainage	1,762,000
Health	280,000
Texas A&M Campus	<u>15,000,000</u>
Total	<u>\$ 44,499,000</u>

The 2006 Bonds are being issued to provide funds (1) to finance the construction of general improvements to the City, including (a) streets and pedestrian improvements; (b) drainage improvements; (c) parks and recreation improvements; (d) library improvements; and (e) public health and safety improvements; and (2) to pay the costs of issuance. The sale of the 2006 Bonds will represent the third and final installment of the 2003 Authorized Bond Program and the allocation of funds is detailed below.

Streets and Pedestrian Improvements	\$ 10,570,000
Drainage Improvements	3,421,000
Parks and Recreation Improvements	2,702,000
Library Improvements	900,000
Public Health and Safety	<u>30,732,000</u>
Total 2006 Bonds	<u>\$ 48,325,000</u>

Approval of this Resolution will enable the City to reimburse itself for project expenditures incurred prior to the sale and delivery of the 2006 Certificates and the 2006 Bonds.

POLICY ANALYSIS

The anticipated sale of the 2006 Certificates and the 2006 Bonds is consistent with the City's Debt Management Plan and the Adopted 2006 Capital Budget.

FISCAL IMPACT

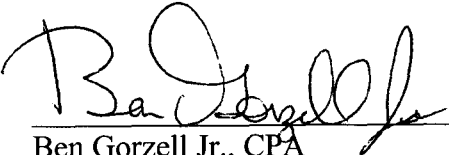
Approval of the reimbursement resolution will enable the City to reimburse itself for project expenditures incurred prior to the sale and delivery of the 2006 Certificates and the 2006 Bonds.

COORDINATION

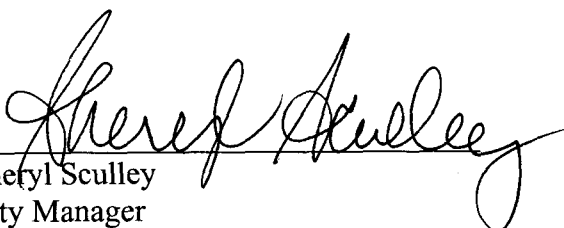
This action was coordinated with the Office of Management and Budget and the City's Bond Counsel.

SUPPLEMENTAL COMMENTS

This action is consistent with State and Federal law and with previous actions taken by the City.


Ben Gorzell Jr., CPA
Acting Director, Finance Department

Approved for Council Consideration:


Sheryl Sculley
City Manager