



Legislation Text

File #: 19-0300, **Version:** 1

Consider and take action on a resolution declaring the City's official intent to reimburse certain costs with the proceeds from tax-exempt obligations (Director of Finance)

Adopting a resolution declaring the City's intent to reimburse an expenditure with proceeds from an obligation is required by the Internal Revenue Service (IRS).

The May 2019 General Obligation Bond Election included the following CIP projects: Bay Ridge Flood Reduction Ph III (DR1901), Oaks of CC Overland Flow & Acquisition Project (DR1902) and Dove Meadows & Borden's Gully Detention Pond Project (DR1903). The CIP projects, which yield a total aggregate amount of \$756,976, will be funded from the Miscellaneous Capital Projects Fund 5015. The Miscellaneous Capital Projects Fund 5015 will be reimbursed by the first round of General Obligation Bonds proceeds once issued.

The IRS does allow projects to begin prior to the debt being issued, as long as the City declares its intent to reimburse from the issuance of the debt. This statement must be made within 60 days of the first expenditure of funds that will be reimbursed. To comply with all legal requirements, the City Council must adopt this resolution making public their intentions to reimburse the Miscellaneous Capital Projects Fund in the amount of \$756,976 for these expenditures.

Contract Origination: N/A

Attachments:

1. Data Sheet
2. Proposed Resolution

FUNDING

{x} NOT APPLICABLE

STRATEGIC PLANNING

{x} NOT APPLICABLE