

Memorandum

REPORT TO: City Commission

FROM: Melissa Hodnett, Finance Director

SUBJECT: Resolution Establishing Compliance with IRS Reimbursement Bond Regulations

MEETING DATE: April 15, 2025

AGENDA ITEM TYPE: Resolution

RECOMMENDATION: I move to approve the resolution to establish compliance with IRS reimbursement bond regulations.

STRATEGIC PLAN: 7.5. Funding and Delivery of City Services: Use equitable and sustainable sources of funding for appropriate City services, and deliver them in a lean and efficient manner.

BACKGROUND: In order for the City to reimburse itself for expenditures with debt proceeds, treasury regulations require a Commission resolution declaring the official intent to reimburse expenditures with bond proceeds within 60 days of the original expenditure. Expenditures included in the adopted 2025 Biennium Budget and/or 2026-2030 Capital Improvement Program which are assumed to be funded with debt service include street arterial & collector, stormwater, wastewater, and water infrastructure projects, utility and streets department vehicles, and solar panel arrays for City facilities. The proposed resolution is presented solely for purposes of establishing compliance with treasury regulations and does not bind the City to make any expenditures, incur any indebtedness, or proceed with projects.

UNRESOLVED ISSUES: None

ALTERNATIVES: The City's current financial plans assume debt funding for the Projects, and additional funding would need to be identified for these projects to move forward if the resolution is not approved.

FISCAL EFFECTS: Debt service associated with any debt proceeds are included in long-term financial models.

Attachments:

[2025.04.15-Reimbursement Resolution-No Comments.docx](#)

Report compiled on: June 29, 2023