City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager MPW

FROM: Laura A. Schaefer, Finance Director/City Clerk

DATE: May 1, 2017

SUBJECT: Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the City for certain original expenditures paid in connection with the Monument Signage and Trail Improvements Projects

On April 24, 2017, Council approved a bid for construction of the Trail Improvements Project 2017 – Segments A & B. Construction will begin as soon as possible. And Council is also in the process of finalizing designs for the entrance signs and have already chosen a design for a downtown sign. The FY 2018 budget incorporates the issuance of tax exempt general obligation capital loan notes to finance these projects. The intent is to issue the debt during FY 2018.

In order to use tax exempt debt proceeds to reimburse the City for these construction costs, Council would need to declare an official intent. Attached is a resolution declaring that official intent. To be effective, it must be adopted within 60 days after the funding of an expenditure that is expected to be reimbursed from the note issue. The resolution can also be approved before construction begins.

RECOMMENDATION: Council approval of the attached reimbursement resolution to issue debt to reimburse the City for certain original expenditures paid in connection with the Monument Signage and Trail Improvements Projects.

May 8, 2017

The City Council of the City of Carroll, Iowa, met in regular session, in the Council Chambers, City Hall, 112 E. 5th Street, Carroll, Iowa, at 5:15 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

_____

_____

Absent: _____

* * * * * * *

Council Member _____ introduced the following Resolution entitled "RESOLUTION DECLARING AN OFFICIAL INTENT UNDER TREASURY REGULATION 1.150-2 TO ISSUE DEBT TO REIMBURSE THE CITY FOR CERTAIN ORIGINAL EXPENDITURES PAID IN CONNECTION WITH THE MONUMENT SIGNAGE AND TRAIL IMPROVEMENTS PROJECTS" and moved that it be adopted. Council Member _____ seconded the motion to adopt, and the roll being called thereon, the vote was as follows:

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the Resolution duly adopted as follows:

RESOLUTION DECLARING AN OFFICIAL INTENT UNDERTREASURY REGULATION 1.150-2 TO ISSUE DEBT TO REIMBURSE THE CITY FOR CERTAIN ORIGINAL EXPENDITURES PAID IN CONNECTION WITH THE MONUMENT SIGNAGE AND TRAIL IMPROVEMENTS PROJECTS

WHEREAS, the City of Carroll, Iowa ("City") anticipates making cash expenditures for approved capital improvement projects, consisting of the acquisition, construction, and installation of monument signage, and the construction and reconstruction of trail improvements (which shall hereinafter be referred to as the "Reimbursement Projects"); and

WHEREAS, the City reasonably expects to issue debt to reimburse the costs of the Reimbursement Projects; and

WHEREAS, the Council believes it is consistent with the City's budgetary and financial circumstances to issue this declaration of official intent.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CARROLL, IOWA:

Section 1. This Resolution shall serve as a declaration of official intent under Treasury Regulation 1.150-2.

Section 2. It is reasonably expected that capital expenditures will be made in respect of the Reimbursement Projects, from time to time and in such amounts as this Council determines to be necessary or desirable under the circumstances then and there existing, and this Council reasonably expects to reimburse all or a portion of such expenditures with the proceeds of bonds, notes or other indebtedness to be issued or incurred by the City in the future.

Section 3. The maximum principal amount of the bonds, notes or other indebtedness to be issued for the Reimbursement Projects, and the name of the fund or account from which the original expenditures will be paid are reasonably expected to be as follows:

Name of Reimbursement Project	Anticipated amount of bonds to be issued for the project	Name of fund or account from which original expenditures relating to the project will be paid
Trail Improvements	$200,000	Capital Projects Fund – Parks & Recreation
Monument Signage	$200,000	Capital Projects Fund – Streets

Section 4. The City reasonably expects to reimburse the Reimbursement Projects costs not later than the later of eighteen months after the capital expenditures are paid or eighteen months after the applicable property is placed in service.

Section 5. This Resolution shall be maintained by the City Clerk and available at all times for public inspection, subject to such revisions as may be necessary.

PASSED AND APPROVED this 8th day of May, 2017.

_____
Mayor

ATTEST:

_____
City Clerk