



## Agenda Item Summary

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**File #:** RES 16-320, **Version:** 1

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### **Submitted By**

Steven Drazner, CFO

### **Reviewed By**

LKS

### **Agenda Item Title**

**A Resolution Authorizing Village of Oak Park General Obligation Proceeds With an October 2016 Issuance Date to Reimburse Previously Budgeted and Paid 2016 Capital Improvement Expenditures**

### **Overview**

The FY16 budget includes \$10,400,000 in bond proceed revenue necessary to fund budgeted CIP expenditures. Since certain 2016 capital improvement expenditures have already been incurred, it is necessary to adopt a Resolution authorizing that the issuance of bonds for the 2016 CIP may be applied toward eligible CIP expenditures previously incurred during the year. This does not affect the amount of the bond issuance and based on current year projections, staff has estimated that a total of \$10,300,000, including \$300,000 for bond issuance fees, is necessary to pay for this calendar year's CIP projects. This is slightly less than the \$10,400,000 budgeted.

### **Staff Recommendation**

Approve the Resolution

### **Fiscal Impact**

None

### **Background**

In order to follow to Internal Revenue Service regulations regarding tax exempt issues, it is necessary and best practice to adopt a Resolution in any year where eligible expenditures funded by bonds are incurred prior to the issuance of the bonds. This does not increase or decrease the amount of bonds issued or have any affect whatsoever on the bond issue itself. Rather, this allows the Village to be reimbursed for advanced reserves to pay for budgeted CIP expenditures prior to the bond issuance.

### **Alternatives**

Do not adopt Resolution and thus only allow bond proceeds to fund expenditures yet to be incurred.

### **Previous Board Action**

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### **Citizen Advisory Commission Action**

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**Anticipated Future Actions/Commitments**

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**Intergovernmental Cooperation Opportunities**

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**Performance Management (MAP) Alignment**

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