18-568

TITLE:	Consider/Discuss/Act on all Matters Incident and Related to Declaring Expectation to Reimburse Expenditures with Proceeds of Future Debt, Including the Adoption of a Resolution Pertaining Thereto

COUNCIL GOAL: Financially Sound Government
4A: Provide funding and organizational framework to ensure continual economic improvements

MEETING DATE: July 12, 2018

DEPARTMENT: MEDC / City Financial Services

CONTACT: Mark Holloway, Chief Financial Officer
Abby Liu, MEDC Interim President

RECOMMENDED BOARD ACTION:

- Approve resolution for reimbursement of expenditures with future debt proceeds

ITEM SUMMARY:

- This resolution allows MEDC to reimburse itself for prior land purchases using bond proceeds from the upcoming debt issuance

BACKGROUND INFORMATION:

- In spring 2018 MEDC purchased several parcels of land totaling $32.35 million
- In a concurrent agenda item MEDC is issuing approximately $20.14 million in taxable sales tax revenue bonds for the purpose of acquisition of land
- For the purpose of transparency MEDC is declaring its expectation to reimburse itself for the prior 2018 land acquisitions from the bond proceeds

FINANCIAL SUMMARY:

- The reimbursement resolution allows for the bond proceeds to replenish the operating fund of MEDC and can be used for any budgeted purpose

SUPPORTING MATERIALS: