

TOWN OF DAVIE TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Christopher Wallace/x1050

SUBJECT: A resolution noticing the intent of the Town to be reimbursed for capital project costs by through the issuance of tax exempt debt, estimated not to exceed \$13,000,000.

TITLE OF AGENDA ITEM: A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, INDICATING THE OFFICIAL INTENT OF THE TOWN COUNCIL TO ISSUE TAX-EXEMPT BONDS TO FINANCE THE COST OF VARIOUS CAPITAL PROJECTS AND TO USE A PORTION OF THE PROCEEDS OF SUCH BONDS TO REIMBURSE EXPENDITURES PAID OR INCURRED PRIOR TO THE DATE OF ISSUANCE THEREOF.

REPORT IN BRIEF: The Town Council has previously approved a 5-year capital improvement program and identified approximately \$13 million in projects that would be eventually financed through long term debt. While financing is being arranged, the Town will use its investments to advance fund those projects with the intent to reimburse those funds once the bonds are issued. A credit facility through a pooled arrangement that was previously authorized has stalled due to another member of the pool.

PREVIOUS ACTIONS: The Town Council previously authorized a revolving loan program with a pool of municipal creditors. That bond will likely not close because of other issuers in the pool and the changing economics of the pool. The Council also has adopted a capital program budget identifying projects which would be financed by bonds.

CONCURRENCES:

N/A

FISCAL IMPACT:

Has request been budgeted? N/A

If yes, expected cost: \$

Account Name:

If no, amount needed: \$

What account will funds be appropriated from:

Additional Comments: The debt service will affect future year's budgets.

RECOMMENDATION(S): Motion to approve the resolution.

Attachment(s): Resolution/Items To Be Reimbursed

RESOLUTION NO. R-2000-_____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, INDICATING THE OFFICIAL INTENT OF THE TOWN COUNCIL TO ISSUE TAX-EXEMPT BONDS TO FINANCE THE COST OF VARIOUS CAPITAL PROJECTS AND TO USE A PORTION OF THE PROCEEDS OF SUCH BONDS TO REIMBURSE EXPENDITURES PAID OR INCURRED PRIOR TO THE DATE OF ISSUANCE THEREOF.

WHEREAS, the Town plans to undertake certain capital projects (the Project); and

WHEREAS, the list of these capital projects is attached as Exhibit A; and

WHEREAS, the Town Council of the Town of Davie, Florida (the "Town") intends to issue tax-exempt bonds (the "Bonds") for the purpose of financing the Project; and

WHEREAS, a portion of the costs may be paid before the Bonds are issued in anticipation of the reimbursement of such expenditures from proceeds of the Bonds; and

WHEREAS, Section 1.150-2 of the Federal income tax regulations requires the Town to officially declare its intent to use proceeds of the Bonds to reimburse expenditures paid prior to issuance thereof as a prerequisite to the proceeds being treated as used for reimbursement purposes;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town Council intends to issue the Bonds in the amount necessary to finance the cost of the Project.

SECTION 2. The maximum principal amount of the Bonds expected to be issued for this Project is \$13,000,000(itemized as listed in Exhibit A.)

SECTION 3. This Resolution is adopted for purposes of complying with the requirements of Section 1.150-2 of the Federal income tax regulations.

SECTION 4. This resolution shall be made available for public inspection at the main administrative office of the Town or at the customary location of records of the Town that are available to the general public no later than 30 days after the date hereof, and shall remain available on a reasonable basis until the date of issue of the Bonds.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2000

MAYOR/COUNCILMEMBER

ATTEST:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2000