



Date of Council Meeting: February 11, 2014

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Reimbursement resolution for financing capital needs

Staff Contact: Norm Butts

Recommendation: Town Council declares its intent to reimburse the Town from financing proceeds in an amount up to \$10,000,000. (See attached resolution).

Issue: The department of finance has determined a possible need to advance money to pay the costs of certain capital projects including utility system improvements. The maximum amount of debt or other financing expected to be issued in one or more series for the projects is \$10,000,000.

Fiscal Impact: None. This declaration of intent serves as notice to the IRS of the Town's potential use of advance finance proceeds.

Background: The Town will be pursuing a bank qualified bond issue in the amount of \$10,000,000 in early fiscal 2015 in support of Capital Projects including utility system improvements in conjunction with the capital improvements program. A reimbursement resolution is necessary in order to satisfy Treasury Regulation 1.150-2 in case it becomes necessary to advance funds for the project before any necessary bonds are issued.

PRESENTED February 11, 2014

RESOLUTION NO. _____

ADOPTED February 11, 2014

A RESOLUTION: DECLARING THE INTENTION TO REIMBURSE THE TOWN
FROM PROCEEDS OF ONE OR MORE FINANCINGS FOR
CAPITAL PROJECT AND UTILITY SYSTEM IMPROVEMENTS.

WHEREAS, the Town has determined that it may be necessary or desirable to advance money to pay the costs of certain capital projects and utility system improvements (the “Projects”).

THEREFORE, BE IT RESOLVED by the Council of the Town of Leesburg in Virginia as follows:

1. That the Town adopts this declaration of official intent under Treasury Regulations Section 1.150-2;
2. That the Town reasonably expects to reimburse advances made or to be made by the Town to pay the costs of the Projects from the proceeds of its debt or other financings; and,
3. That the maximum amount of debt or other financing expected to be issued in one or more series for the Projects is \$10,000,000.

This resolution shall take effect immediately upon its adoption.

PASSED this 11th day of February, 2014.

Kristen C. Umstatt, Mayor
Town of Leesburg

ATTEST:

Clerk of Council