



Legislation Text

File #: RES 23-493, **Version:** 1

Declaring the official intent of the City of Saint Paul to reimburse certain original expenditures related to the capital projects from the proceeds of tax-exempt bonds to be issued by the City after the payment of such original expenditures.

WHEREAS, U.S. Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations"), promulgated pursuant to Section 150 of the Internal Revenue Code of 1986, as amended (the "Code"), provides that the allocation of the proceeds of tax-exempt bonds to expenditures for governmental purposes originally paid from a source other than such tax-exempt bonds will be treated as expenditures of such tax-exempt bonds only if certain requirements of the Reimbursement Regulations are satisfied by the issuer of such tax-exempt bonds; and

WHEREAS, the City of Saint Paul (the "City"), expects to pay certain original capital expenditures including, but not limited to, the purchase of emergency fire equipment which may include an electric fire truck (the "Fire Truck"), which original expenditures are expected to be financed from other temporary sources, and which original expenditures are expected to be reimbursed from the proceeds of one or more series of tax-exempt bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PAUL, MINNESOTA, AS FOLLOWS:

1. The City has a reasonable expectation (within the meaning of Treasury Regulations, Section 1.148-1(b)) that it will make expenditures for the Fire Truck in 2023 and 2024. The City has a reasonable expectation that it will issue one or more series of tax-exempt bonds (the "Bonds") in the estimated principal amount not to exceed \$1,800,000 to finance the Fire Truck and that the City will make reimbursement allocations with respect to such original expenditures for the Fire Truck from the proceeds of such Bonds.

2. This Resolution shall be maintained as part of the books and records of the City at the main administrative office of the City, and shall be continuously available during normal business hours of the City on every business day of the period beginning not more than thirty (30) days after adoption of this Resolution and ending on the last date of issue of any Bonds.

3. This Resolution has been adopted not later than sixty (60) days after payment of any original expenditure for the Fire Truck to be subject to a reimbursement allocation with respect to the proceeds of the Bonds.

4. This Resolution is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Fire Truck is consistent with the City's budgetary and financial circumstances. No sources other than proceeds of Bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such expenditures for the Fire Truck.

5. This Resolution is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

