

City of Missoula, Montana
Item to be Referred to City Council Committee

Committee: Administration and Finance Committee

Item: Resolution Relating to the Financing of Proposed Parks & Recreation Department Capital Improvements; Establishing Compliance with Reimbursement Bond Regulations Under the Internal Revenue Code

Date: February 18, 2021

Sponsor: Leigh Griffing, Finance Director;

Prepared by: Leigh Griffing, Finance Director;

Wards: All Wards

Action Required:

Approve reimbursement resolution on consent agenda

Motion

Adopt/deny a Resolution Relating to the Financing of Proposed Parks & Recreation Department Capital Improvements; Establishing Compliance with Reimbursement Bond Regulations Under the Internal Revenue Code

Timeline:

Referral to committee:	February 18, 2021
Committee discussion:	February 24, 2021
City Council Approval:	March 1, 2021 – Consent Agenda

Background and Alternatives Explored: Pursuant IRS regulations a municipality must adopt a statement of official intent to reimburse an original expenditure with tax exempt debt. This reimbursement resolution enables the City to issue tax exempt debt in the future should it be deemed economically advantageous to do so to fund capital projects.

Financial Implications:

This resolution enables the City to issue tax-exempt debt in the future. This reimbursement resolution covers certain improvements to the Northside pedestrian bridge, which crosses the railroad tracks on the north side of the City; to the Westside Park playground, including construction of a new playground for preschool-aged children, picnic shelter and restroom and site restoration; and related improvements (the "Projects") identified and approved within the FY2020 and FY2021 budget and FY2021-FY2025 capital improvement plan. The City reasonably expects to reimburse some or all of the expenditures made for costs of the Projects out of proceeds of bonds in an estimated maximum aggregate principal amount of approximately \$1,140,000 (the "Bonds") after the date of payment of all or a portion of the costs of the Projects.