

ITEM RES 2015-6088

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
2/17/2015

SUBJECT:	SUBMITTED BY:
Bond Reimbursement Resolution	Judy Buttny Finance Director

SYNOPSIS

A resolution has been prepared stating the Village's intent to issue General Obligation bonds for water system improvements. Adoption of the resolution is required for the Village to allow project expenditures from the proceeds of a tax-exempt bond to be reimbursed.

STRATEGIC PLAN ALIGNMENT

The goals for 2011-2018 include *Steward of Financial and Environmental Sustainability* and *Top Quality Infrastructure*.

FISCAL IMPACT

Upon issuance of a general obligation bond, the Village may utilize bond proceeds for expenses related to the water system improvements that were incurred within sixty (60) days prior to the passage of this resolution.

RECOMMENDATION

Approval on the February 17, 2015 Consent Agenda.

BACKGROUND

Pursuant to the Long Range Plan and the FY15 budget, the Village will be issuing bonds to pay for needed improvements to the water system. The 2015 bond issuance will total \$5 million which will be used for watermain replacements and other water system improvements. The debt service payments on the bonds will be made using revenues from the water rates. This bond issuance is consistent with the 2010 Water Rate Study, the Long Range Plan and the FY15 budget.

The reimbursement resolution will allow the Village to use the bond proceeds for costs incurred on any projects prior to the receipt of the bond proceeds. Approval of the resolution will allow the Village to apply the proceeds to these costs. An ordinance for the issuance of the general obligation bonds will be presented to the Village Council for approval in March.

ATTACHMENTS

Resolution

EXTRACT OF MINUTES of a regular public meeting of the Council of the Village of Downers Grove, DuPage County, Illinois, held at the Village Hall, 801 Burlington Avenue, in said Village, at 7:00 p.m., on the ___ day of February, 2015.

The Mayor called the meeting to order and directed the Village Clerk to call the roll.

Upon the roll being called, the Mayor and the following Commissioners answered physically present at said location: _____

The following Commissioners were allowed by a majority of the Council in accordance with and to the extent allowed by rules adopted by the Council to attend the meeting by video or audio conference: _____

No Commissioner was not permitted to attend the meeting by video or audio conference. The following Commissioners were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

The Council then considered a resolution providing for the declaration of official intent to reimburse expenditures for the Project with the issuance of General Obligation Bonds, Series 2015, of the Village of Downers Grove, DuPage County, Illinois.

Thereupon, Commissioner _____ presented and the Village Attorney explained in full the following resolution:

**DECLARATION OF OFFICIAL INTENT
TO REIMBURSE EXPENDITURES**

A RESOLUTION declaring the official intent to reimburse expenditures for the certain capital expenditures of the Village with the issuance of not to exceed \$5,000,000 General Obligation Bonds, Series 2015, of the Village of Downers Grove, DuPage County, Illinois.

WHEREAS, pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois the Village of Downers Grove, DuPage County, Illinois (the "*Village*"), is a home rule unit and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

WHEREAS, The Village intends to construct, renovate, equip, rehabilitate and/or improve certain infrastructure within the Village, including, but not limited to, certain infrastructure projects related to the Village's Waterworks System (collectively, the "*Project*"); and

WHEREAS, the Village reasonably expects to advance its own funds to pay certain costs of the Project and subsequently reimburse these advances with proceeds of debt to be incurred by the Village; and

WHEREAS, the Village expects to issue debt in one or more series not expected to exceed \$5,000,000 in aggregate principal amount, plus costs of issuance, for purposes of financing, refinancing or reimbursing costs of the Project;

NOW, THEREFORE, BE IT RESOLVED that the Village declares its official intent to construct, renovate, equip, rehabilitate and/or improve the Project; to reimburse certain costs of constructing, renovating, equipping, rehabilitating and/or improving the Project with proceeds of debt to be incurred by the Village; and to issue debt in one or more series not expected to exceed

\$5,000,000 in aggregate principal amount, plus costs of issuance, for purposes of financing, refinancing or reimbursing costs of the Project.

NOW, THEREFORE, BE IT RESOLVED that the Village intends this resolution to satisfy the requirements of the Internal Revenue Code of 1986, as amended and the regulations promulgated thereunder (the "Code"), and specifically Treasury Reg. §1.150-2(d), regarding the declaration by the Village of its official intent to issue its bonds for the purpose of reimbursing original expenditures (as that term is defined in Treasury Reg. §1.150-2(c)) incurred with respect to the Project within 60 days preceding the adoption of this resolution.

ADOPTED _____, 2015:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED _____, 2015.

Mayor, Village of Downers Grove,
DuPage County, Illinois

Published in pamphlet form by authority of the Council on _____, 2015.

ATTEST:

Village Clerk, Village of Downers Grove
DuPage County, Illinois

STATE OF ILLINOIS)
) SS
 COUNTY OF DUPAGE)

CERTIFICATION OF MINUTES AND RESOLUTION

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Downers Grove, DuPage County, Illinois (the "Village"), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the Council (the "Corporate Authorities") thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the ___ day of _____, 2015, insofar as the same relates to the adoption of a resolution entitled:

A RESOLUTION declaring the official intent to reimburse expenditures for the certain capital expenditures of the Village with the issuance of not to exceed \$5,000,000 General Obligation Bonds, Series 2015, of the Village of Downers Grove, DuPage County, Illinois.

a true, correct and complete copy of which said resolution as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said resolution were taken openly; that the vote on the adoption of said resolution was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted at the principal office of the Corporate Authorities and at the location where said meeting was to be held on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and at least 48 hours in advance of holding said meeting; that said agenda described or made specific reference to said resolution; that a true, correct and complete copy of said agenda as so posted is attached hereto; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the Corporate Authorities has complied with all of the provisions of said Act and said Code, except as said Act and said Code are validly superseded by the home rule powers of the Village, and with all of the procedural rules of the Corporate Authorities in the adoption of said resolution.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the Village this ___ day of _____, 2015.

 Village Clerk

[SEAL] **VILLAGE CLERK TO ATTACH AGENDA**