



SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

Agenda Item Summary

Meeting Date: November 18, 2020

Purpose:  Presentation/Report  Recognition  Discussion/ Possible Action

Closed/Executive Session  Work Session  Discussion Only  Consent

From: Dr. Marc Puig, Superintendent

Item Title: Consideration and Approval of Resolution Declaring Intention to Reimburse Certain Expenditures with Borrowing Proceeds

Description: In consideration of issuing Maintenance Tax Notes, the District can approve a resolution that would allow for the immediate performance of work on needed projects, while allowing the General Fund to be reimbursed upon the receipts of the Maintenance Tax Note proceeds. The process of issuing Maintenance Tax Notes and receiving the associated proceeds can be completed within 60 days of approval.

Historical Data:

Recommendation: Approve the resolution as recommended

District Goal/Strategy:

Strategy 1 We will engage all school community members through transparency and effective communication to promote a positive perception and create a strong brand.

Funding Budget Code and Amount:

APPROVED BY:

SIGNATURE

DATE

Chief Officer:

\_\_\_\_\_

\_\_\_\_\_

CFO Funding Approval:

\_\_\_\_\_

\_\_\_\_\_

Superintendent:

\_\_\_\_\_

\_\_\_\_\_

**RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES  
WITH BORROWING PROCEEDS**

WHEREAS, the South San Antonio Independent School District (the “District”) desires to pay expenditures in connection with the design, planning, acquisition, construction, equipping, and/or renovating the project or facilities described in Exhibit A attached hereto (the “Project”);

WHEREAS, Chapter 1201, Texas Government Code, as amended (“Chapter 1201”), permits the District to use the proceeds of obligations to reimburse the District for costs attributable to the Project paid or incurred before the date of issuance of such obligations; and

WHEREAS, the District finds, considers, and declares that the reimbursement of the District for the payment of such expenditures will be appropriate and consistent with the objectives of the District’s programs and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as it issues obligations to finance the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT THAT:

**Section 1.** This Resolution declares the intention of the District to reimburse the expenditures for the Project with the proceeds of obligations. The District presently intends to reimburse the expenditure by incurring obligations issued under Texas law the interest on which is excludable from gross income under section 103 of the Internal Revenue Code of 1986, as amended.

**Section 2.** The District reasonably expects to incur debt, in one or more series of obligations, in an aggregate maximum principal amount now estimated to be \$2,000,000 for the purpose of paying the costs of the Project.

**Section 3.** The District intends to reimburse the expenditures hereunder not later than 18 months after the date the original expenditure is paid or the date the Project is placed in service or abandoned, but in no event more than three years after the original expenditure is paid unless the Project is a construction project for which the District and a licensed architect or engineer have certified on Exhibit A that at least five years are necessary to complete the Project in which event the maximum reimbursement period is five years after the date of the original expenditure.

**Section 4.** The District intends that this Resolution satisfy the official intent requirement set forth in Section 1.150-2 of the Treasury Regulations and evidences its intentions under Chapter 1201.

**Section 5.** This Resolution shall be liberally construed to evidence the intent of the District to comply with Texas law and federal income tax law in the issuance of tax-exempt obligations for the Project.

\* \* \*

## **EXHIBIT A**

### PROJECT DESCRIPTION

Providing for the payment of contractual obligations to be incurred in connection with the equipping, repair, renovation, and/or rehabilitation of school facilities in the District, and payment of contractual obligations for professional services in connection therewith (to wit: consultants, engineering, financial advisory, and legal).