



# Gregory-Portland Independent School District

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## BOARD MEMORANDUM

TO: DR. MICHELLE CAVAZOS

FROM: DR. ISMAEL GONZALEZ III

CC: BOARD OF TRUSTEES  
CRYSTAL MATERN  
DEBORAH GARZA  
MICHAEL THIEME  
DR. MICHAEL NORRIS  
PENNY ARMSTRONG

DATE: Monday, October 28, 2024

SUBJECT: Discuss and Take Possible Action for Approval of a Resolution Relating to Establishing the District's Intention to Reimburse Itself for the Prior Lawful Expenditure of Funds Relating to Constructing and Equipping Various District Improvements from the Proceeds of Tax-Exempt Obligations to be Issued by the District for Authorized purposes; Authorizing Other Matters Incident and Related Thereto; and Providing an Effective Date

### PRIORITIES

PRIORITY 1: EXCEPTIONAL STUDENT PERFORMANCE

N/A

PRIORITY 2: HIGH PERFORMING AND ENGAGED WORKFORCE

N/A

PRIORITY 3: QUALITY SERVICE AND IMPACTFUL COMMUNITY ENGAGEMENT

N/A

PRIORITY 4: EFFICIENT AND EFFECTIVE DISTRICT AND CAMPUS OPERATIONS

4.2 Maintain fiscal viability; stewardship; and improve staff knowledge of sustainable budgeting processes

## BACKGROUND INFORMATION:

Type: Action

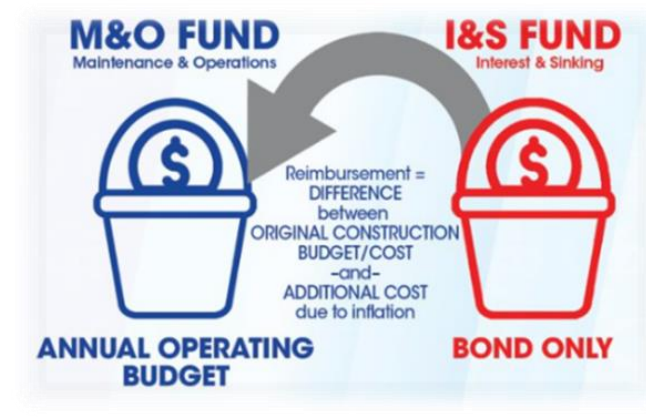
The recommendation for the following reimbursement resolution is predicated on the potential issuance of a bond in the future, as well as the need to enable the reimbursement of the district's Maintenance & Operations Fund (M&O) from Interest & Sinking Funds (I&S) for expenditures incurred within the legally mandated time frame established by statute.

For instance, if this resolution is approved on October 28, 2024, all expenditures made using M&O funds (general fund) on or after August 29, 2024 (60 days prior) will qualify for reimbursement.

Pursuant to the reimbursement rules, after the District issues bonds, the bond proceeds may be allocated to expenditures previously made for a period of up to 18 months after the later of (i) the date the expenditures were made or (ii) when the property is placed in service or abandoned (but not later than three years after the date of the expenditure). Therefore, G-P ISD can adopt a reimbursement resolution, make the authorized expenditures, and then issue bonds more than a year later and will be able to reimburse itself for those authorized expenditures (so long as the expenditures are made within the aforementioned timeframes). If the District wants to adopt such Reimbursement Resolution, the District must do so no later than 60 days after payment of the original expenditure in order to seek reimbursement. For example, assuming G-PISD adopts a reimbursement resolution on October 28, 2024, it would be able to recoup expenses that occurred on or after August 29, 2024. Any expenses that were paid prior to August 29, 2024 would not be eligible for reimbursement.

### What is a Reimbursement Resolution?

- Projects that (1) have been, (2) are being, or (3) will be initially funded with existing Maintenance & Operations (M&O) dollars are eligible for reimbursement to the District when, and if, a Bond Election is passed.



**RECOMMENDATION:**

Administration recommends to adopt a reimbursement resolution as presented

**FINANCIAL IMPACT AMOUNT AND FUNDING SOURCE (IF APPLICABLE):**

N/A

**BOARD RELATED POLICY:**

CCA (LEGAL) (LOCAL)

**ACTION ITEM SUGGESTED MOTION (if applicable):**

That the board accept the recommendation by administration to adopt a reimbursement resolution for \$55,500,000.00, whereas, Gregory-Portland ISD intends to reimburse itself for the prior lawful capital expenditure of funds from the proceeds of one or more series of tax-exempt obligations