

Staff Report

Subject: Renew contract with Bingham Arbitrage Services for arbitrage rebate compliance calculations for bonds
Author: Mark W. Barnes, Finance Director
Department: Finance Department
Meeting Date: 8/15/23
Item Description: Consideration to approve to renew the five-year contract with Bingham Arbitrage Services, Inc. to perform the arbitrage rebate calculations for the \$28,845,000 Revenue Bond Series 2017.

Summary Recommendation:

Staff is requesting approval to renew the contract for the five-year term.

Executive Summary:

In accordance with the requirements contained in Section 148 of the Internal Revenue Code, we are required to file arbitrage rebate reports every 5 years on the water bonds, or until the projects have been completed and all funds have been spent. Bingham Arbitrage Services has performed these calculations for the County in the past, and with this contract renewal they will continue to perform this service. The remaining bond funds are budgeted to be spent in FY 2024 so even though this contract could potentially last for five years, it is expected to be finished at the end of this current fiscal year. The fee for this contract is \$750 per year.

Background:

The County first approved to contract with Bingham at the February 5th, 2019 Commissioners' meeting. Bingham Arbitrage Services has been helping counties, municipalities, and educational sectors for over 30 years with meeting the arbitrage requirements. Their services include:

- a. Comprehensive and Professional review of Bond Documents
- b. Prioritization and Determination of Funds subject to Section 148 of the Tax Code
- c. Detailed Spending Exception Reports and Spend Down Summaries, where applicable
- d. Filing of all applicable governmental forms
- e. If needed, guaranteed support during IRS audit or inquiry

Alternatives for Commission to Consider:

1. Approve to renew the contract with Bingham Arbitrage Services.
2. Do not approve to renew the contract with Bingham Arbitrage Services.
3. Provide staff with direction.

Recommended Alternative:

Staff recommends Alternative number 1 – Approve to renew the contract with Bingham Arbitrage Services.

Other Alternatives:

N/A

Department Review:

Finance

Funding Source:

General fund, finance department budget

Attachments:

Bingham Arbitrage Services contract