

## Staff Report

**Subject:** Contract for bond arbitrage compliance services  
**Author:** Mark W. Barnes, Finance Director  
**Department:** Finance  
**Meeting Date:** 9/17/24  
**Item Description:** Consideration to approve a contract for bond arbitrage compliance services with Bingham Arbitrage Rebate Services

### **Summary Recommendation:**

Staff recommends approval of the contract with Bingham Arbitrage Rebate Services.

### **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 five years or until the projects have been completed and all funds have been spent. We can earn interest on these funds, but the interest earned cannot exceed the interest due on the bonds. Bingham Arbitrage Services has been helping counties, municipalities, and educational sectors for over 30 years with meeting the arbitrage requirements.

### **Background:**

1. We currently already use Bingham for arbitrage services on older debt issuances.
2. This agreement is for newer debt issuances.
3. Actual billings can vary according to the fee schedule, but our actuals have typically been around \$1,000 per year per bond

### **Alternatives for Commission to Consider:**

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

### **Recommended Alternative:**

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

### **Other Alternatives:**

N/A

**Department Review:** *(list departments)*

Finance

**Funding Source:**

General Fund

**Attachments:**

Bingham Arbitrage Rebate Services contract