



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: **Resolution Declaring Official Intent to Reimburse Expenditures Public Services Truck & Police Interceptor Vehicle**

Board Meeting Date: **October 27, 2026**

Prepared By: **Sonia Johnson, Finance Director**

Overview: In this current fiscal year, a public services vehicle and a police interceptor vehicle, including necessary equipment and upfitting were budgeted to be purchased using loan proceeds. Due to delivery occurring sooner than anticipated, the vehicles were delivered and paid for prior to the issuance of tax-exempt financing. The total cost of the vehicles and associated upfitting was \$108,000.

Internal Revenue Service (IRS) regulations require that a declaration of official intent to reimburse expenditures be adopted by the governing body within 60 days after the expenditure is paid. Failure to adopt this declaration within the required timeframe could jeopardize the tax-exempt status of the interest on the financing.

The proposed resolution satisfies the IRS requirement by formally declaring the Town's intent to reimburse itself for eligible expenditures associated with the police interceptor vehicles from the proceeds of future tax-exempt financing. Adoption of this resolution ensures compliance with federal regulations and preserves the Town's ability to use tax-exempt debt for reimbursement.

Background Attachment(s): Resolution (2026-R10) Declaring Official Intent to Reimburse Expenditures – Public Services Truck & Police Interceptor Vehicle

Recommended Action: Motion to approve the Resolution (2026-R10) Declaring Official Intent to Reimburse Expenditures – Public Services Truck & Police Interceptor Vehicle

Action: _____

