



## Cover Memorandum/Staff Report

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**File #:** 24-1525

**Agenda Date:** 1/7/2025

**Item #:** 6.C.

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**TO:** Mayor and Commissioners  
**FROM:** Henry M. Dachowitz, Chief Financial Officer  
**THROUGH:** Terrence R. Moore, ICMA-CM  
**DATE:** January 7, 2025

RESOLUTION NO. 18-25: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA DECLARING ITS OFFICIAL INTENT TO REIMBURSE THE CENTRAL GARAGE FUND - TRANSPORTATION SERVICES, WITH THE PROCEEDS DERIVED FROM THE EXECUTION AND DELIVERY OF ONE OR MORE FUTURE LEASE PURCHASE AGREEMENT(S) BETWEEN THE CITY, AS LESSEE, AND A THIRD PARTY VENDOR AS LESSOR, IN AN AGGREGATE PRINCIPAL AMOUNT IN AN ESTIMATED NOT TO EXCEED AMOUNT OF \$3,826,244 FOR CERTAIN CAPITAL EXPENDITURES APPROVED IN THE FISCAL YEAR 2024-2025 BUDGET; EXPRESSING THE INTENT FOR PURPOSES OF COMPLIANCE WITH UNITED STATES TREASURY REGULATION 1.150-2(E); PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

**Recommended Action:**

Motion to approve Resolution No. 18-25 declaring an official intent to reimburse the Central Garage Fund with the proceeds from tax-exempt lease purchase proceeds in an aggregate principal amount of not to exceed \$3,826,244 for certain capital expenditures approved in the Fiscal Year (FY) 2024-25 approved budget.

**Background:**

The City's FY 2024-25 adopted budget contains certain capital expenditures that will be financed with the proceeds of capital lease. IRS regulations require that the City timely adopt a resolution expressing its official intent that an original expenditure will be reimbursed with the proceeds of a future debt issue (lease financing). This declaration of official intent must not be later than 60 days after payment of the original expenditure.

**City Attorney Review:**

Approved as to form and legal sufficiency.

**Funding Source/Financial Impact:**

Central Garage Fund/Lease Purchase Proceeds: 501-00-000-384.103

**Time Sensitive:**

N/A