



## Legislation Text

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**File #:** 21-219, **Version:** 1

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A Resolution of the City of Colorado Springs, Colorado regarding the City's intention to issue tax-exempt obligations.

**Presenter:**

Scott Shewey, Chief Planning and Finance Officer, Colorado Springs Utilities  
Aram Benyamin, Chief Executive Officer, Colorado Springs Utilities

**Summary:**

The attached Resolution enables the Utilities to utilize proceeds from the upcoming 2021B bond issue to finance capital expenditures incurred from April 1, 2021 through the bond issuance date.

**Background:**

The upcoming 2021B bond issuance, anticipated to occur in mid-august, will provide for the extension, betterment, other improvement and equipment of the City of Colorado Springs Utilities System. Normally the Utilities utilizes bond proceeds to reimburse capital expenditures on a go-forward basis from the bond issuance date. The Reimbursement Resolution provides the Utilities the option to reimburse capital expenditures incurred from April 1, 2021 up to and through the bond issuance date. This provides greater flexibility in managing available cash to operate the Utilities.

**Previous Council Action:**

Resolution No. 45-20 was adopted in June of 2020 granting the Utilities similar abilities.

**Financial Implications:**

The ability for Utilities to debt-finance projects over a wider period of time gives the Enterprise increased flexibility to maintain a more consistent, steady, and balanced liquidity position between now and the end of 2021.

**City Council Appointed Board/Commission/Committee Recommendation:**

The proposed resolution was presented to Utilities Board Finance Committee at the January and April 2021 meetings. Additionally, Utilities Board received an update on this topic as part of the annual Plan of Finance at the April 2021 board meeting.

**Stakeholder Process:**

N/A

**Alternatives:**

The City could choose not to approve the Reimbursement Resolution.

**Proposed Motion:**

Approval of proposed Resolution.

N/A