

**Sauk Valley Community College
March 17, 2025**

Action Item 4.12

Topic: **RESOLUTION expressing official intent regarding certain capital expenditures to be reimbursed from proceeds of an obligation to be issued by Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois.**

College Health Metric: **Financial Stability – The College uses its revenue prudently while pursuing and utilizing alternative revenue streams. Investment in Programs, personnel, processes, and infrastructure are carefully considered and supported by College Planning.**

Presented By: **Dr. David Hellmich, Kent Sorenson, and Richard Groleau**

Presentation:

The College has identified various capital improvement projects necessary for maintaining and enhancing campus facilities. To preserve financial flexibility and ensure alignment with long-term fiscal planning, the administration recommends adopting a Reimbursement Resolution, which allows the College to reimburse itself for eligible capital expenditures incurred before the issuance of future bond proceeds. The resolution, in accordance with IRS regulations, establishes the college’s intent to use bond funding for previously expended capital project costs up to a maximum amount of \$2,278,250.

A full copy of the Reimbursement Resolution from bond counsel is attached for review.

Recommendation:

The administration recommends the Board approve the RESOLUTION expressing official intent regarding certain capital expenditures to be reimbursed from proceeds of an obligation to be issued by Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois as presented.

RESOLUTION expressing official intent regarding certain capital expenditures to be reimbursed from proceeds of an obligation to be issued by Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois.

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WHEREAS, the Board of Trustees (the “*Board*”) of Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois (the “*District*”), has developed a list of capital projects described in *Exhibit A* hereto (the “*Projects*”); and

WHEREAS, all or a portion of the expenditures relating to the Projects (the “*Expenditures*”) (i) have been paid within the 60 days prior to the passage of this Resolution or (ii) will be paid on or after the passage of this Resolution; and

WHEREAS, the District reasonably expects to reimburse itself for the Expenditures with the proceeds of an obligation:

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Board of Trustees of Community College District No. 506, Counties of Whiteside, Lee, Carroll, Ogle, Bureau and Henry and State of Illinois, as follows:

Section 1. Incorporation of Preambles. The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

Section 2. Intent to Reimburse. The District reasonably expects to reimburse the Expenditures with proceeds of an obligation.

Section 3. Maximum Amount. The maximum amount of the Expenditures expected to be reimbursed with the obligation is \$2,278,250.

Section 4. Ratification. All actions of the officers, agents and employees of the District that are in conformity with the purposes and intent of this Resolution, whether taken before or after the adoption hereof, are hereby ratified, confirmed and approved.

Section 5. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 6. Repeal. All resolutions or parts thereof in conflict herewith be and the same are hereby repealed and this Resolution shall be in full force and effect forthwith upon its adoption.

Adopted March 17, 2025.

Chair, Board of Trustees

Secretary, Board of Trustees

EXHIBIT A

DESCRIPTION OF CAPITAL PROJECTS

Improve the sites of and build, equip, alter, and repair District facilities.