CITY OF MARTINEZ **CITY COUNCIL AGENDA**
March 7, 2012

TO: Mayor and City Council

FROM: Cathy Spinella, Finance Manager

SUBJECT: Resolution Establishing a 2008, Series B Debt Service Fund

DATE: February 24, 2012

RECOMMENDATION:

Adopt a resolution establishing a 2008, Series B Debt Service Special Revenue Fund.

BACKGROUND:

In November 2008, voters approved Measure H, a measure authorizing issuance of up to $30 million in general obligation bonds to finance the costs of acquiring and constructing parks, library improvements, and pool safety improvements.

In May 2009, the City issued Series A in the amount of $15,000,000 and a Debt Service Fund, per the Official Statement, was created to account for the proceeds of *ad valorem* taxes levied to pay debt service on the bond. At the February 15, 2012 Council meeting the City Council approved Resolution 010-12 to approve the sale of Series B for $10,000,000. As well as with Series A, the Official Statement requires the establishment of a Debt Service Fund for Series B. This fund will be a Special Revenue Fund, which is a governmental fund type used to account for the proceeds of revenue sources that are restricted for specific purposes.

FISCAL IMPACT:

There is no fiscal impact.

ACTION:

Adopt resolution to create a Special Revenue Fund for the 2008, Series B Debt Service.

Attachment: Resolution

APPROVED BY:
City Manager

RESOLUTION NO. -12

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARTINEZ TO ESTABLISH A 2008, SERIES B DEBT SERVICE SPECIAL REVENUE FUND

WHEREAS, in November 2008, voters approved Measure H, a measure authorizing issuance of up to $30 million in general obligation bond to finance the costs of acquiring and constructing parks, library improvements, and pool safety improvements; and

WHEREAS, as outlined in the Official Statement, the City is required to establish a separate fund for the deposit of the proceeds of *ad valorem* taxes levied to pay the debt service on the bonds; and

WHEREAS, the City Council of the City of Martinez would like to establish a Special Revenue Fund in compliance with the Official Statement; and

WHEREAS, the Fund will be a Special Revenue Fund, a governmental fund type used to account for the proceeds of specific revenue sources that are restricted for specific purposes; and

WHEREAS, the moneys in the 2008, Series B Debt Service Fund will be used and withdrawn by the City solely for the purpose of paying the principal and interest on the 2008, Series B Bonds as they become due and payable.

NOW, THEREFORE, IT BE RESOLVED by the City Council of the City of Martinez, that the 2008, Series B Debt Service Special Revenue Fund is created.

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I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 7th day of March, 2012, by the following vote:

AYES:

NOES:

ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ