



City of Grand Island

Tuesday, June 25, 2002

Council Session

Item G22

#2002-191 - Approving Authorization to Transfer Excess Bond Payment Proceeds From the County Treasurer to the City General Fund

On a number of occasions, the Hall County Treasurer has acted as the paying agent in connection with various City bond issues. As paying agent, the Treasurer collected special assessments and disbursed the proceeds to the bond underwriters for payment to bond holders. In the case of seven bond issues involved in this matter, the total payments received by the Treasurer exceeded the funds necessary to pay off the bonds, due to such matters as the timing of tax payments, early redemption of bonds, etc. The Treasurer has indicated an interest in paying the excess proceeds to the City provided the City agrees to hold the Treasurer harmless from any potential subsequent claim. These funds have had no activity for several years. According to the records of the Treasurer, the City and the bond underwriters, we can find no reasonable possibility of such a claim be made and accordingly would recommend that the \$40,295.73 fund balances in fund nos. 8711-8718 be paid to the City's general fund.

Our recommendation is that the resolution requesting payment by the County Treasurer and agreeing to indemnify the Treasurer against any subsequent claim, be approved as drafted.

Staff Contact: Charlie Cuypers

R E S O L U T I O N 2002-191

WHEREAS, the Hall County Treasurer has acted as paying agent for the City of Grand Island in connection with the following series of bonded projects in accordance with the statutes of the State of Nebraska; and

<u>Fund No.</u>	<u>Description of Bond Issue</u>	<u>Current Fund Balance</u>
8711	Grand Island Library Bond & Int.	126.04
8712	GI Various Purpose Bond & Int.	1,083.45
8713	GI Off Street Parking	20.00
8714	GI Sewer	8,691.82
8715	GI Water Refunding	29,937.36
8716	GI Electric	1,211.25
8718	GI Sewer Flood Control	437.06

WHEREAS, all bonded debt, expenses and charges payable from funds received by the Treasurer as paying agent for the above described bond issues have been paid in full; and

WHEREAS, the Treasurer and the City wish to disburse the foregoing fund balances to the general fund of the City; and

WHEREAS, the City agrees to defend and hold the Treasurer harmless if any subsequent claim is made against the above described funds.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City of Grand Island hereby requests that the Treasurer of the County of Hall, Nebraska, a Body Politic, pay to the City's general fund all fund balances currently found in the following funds:

<u>Fund No.</u>	<u>Description of Bond Issue</u>	<u>Current Fund Balance</u>
8711	Grand Island Library Bond & Int.	126.04
8712	GI Various Purpose Bond & Int.	1,083.45
8713	GI Off Street Parking	20.00
8714	GI Sewer	8,691.82
8715	GI Water Refunding	29,937.36
8716	GI Electric	1,211.25
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BE IT FURTHER RESOLVED, that the City does hereby agree and covenant that it will defend and hold harmless the Treasurer from any claim, cause of action or charge made against the foregoing funds

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in the same manner as if the Treasurer remained the custodian of said funds.

Approved as to Form ? _____
June 21, 2002 ? City Attorney

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Adopted by the City Council of the City of Grand Island, Nebraska on June 25, 2002.

RaNae Edwards, City Clerk

Approved as to Form ? _____ June 21, 2002 ? City Attorney
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