

# Mayor and Council Communication

**DATE:** 09/30/25

**M&C FILE NUMBER:** M&C 25-0919

**LOG NAME:** 13COST OF ISSUANCE AND UNAPPROPRIATED BOND PROCEEDS CLEAN-UP

## **SUBJECT**

(ALL) Authorize the Financial Management Services Department to Process Financial Transactions Transferring Excess Cost of Issuance Funds and Moving Unappropriated Bond Proceeds from Project Funds to Corresponding Debt Service Funds and Adopt Appropriation Ordinances

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## **RECOMMENDATION:**

It is recommended that the City Council:

1. Authorize the Financial Management Services Department to process financial transactions transferring cost of issuance residuals and moving unappropriated bond proceeds from project funds to corresponding debt service funds;
  2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Rock Creek PID Custodial Fund, in the amount of \$2,531.97, transferred from the Cost of Issuance project (City Project No. 101004) within the Rock Creek SA CP 2018 Fund, in order to properly align residuals with their corresponding fiduciary fund;
  3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Walsh Ranch PID Custodial Fund, in the amount of \$8,509.10, transferred from the Cost of Issuance project (City Project No. 101004) within the Walsh Ranch PID Series 2024 Fund, in order to properly align residuals with their corresponding fiduciary fund; and
  4. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the General Debt Service Fund, in the cumulative amount of \$22,716.44, (1) transferred from the Cost of Issuance project (City Project No. 101004) within the Tax Notes 2018 and Tax Notes 2021A Funds, and (2) moved from the Unspecified-All Funds project (City Project No. UNSPEC) within the 2014 Bond Program Fund, in order to properly align residuals with their corresponding debt service fund.
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## **DISCUSSION:**

The purpose of this Mayor and Council Communication (M&C) is to reconcile cost of issuance (COI) balances for several project funds and to transfer excess COI balance and move unappropriated bond proceeds to the appropriate debt service funds. These dollars will be appropriated in the corresponding fiduciary or debt services funds and used toward debt service.

Financial Management Services Department has completed a reconciliation of COI projects and bond proceeds. The following adjustments are required to balance the COI projects and properly align residuals with their corresponding fiduciary or debt service funds:

- **30113 – Rock Creek SA CP 2018 Fund**  
Transfer \$2,531.97 in cost of issuance project (City Project No. 101004) to the Rock Creek PID Custodial Fund. This transaction will balance cost of issuance in Fund 30113.
- **30115 – Walsh Ranch PID Series 2024 Fund**  
Transfer \$8,509.10 in cost of issuance project (City Project No. 101004) to the Walsh Ranch PID Custodial Fund. This transaction will balance cost of issuance in Fund 30115.
- **34019 – Tax Notes 2018 Fund**  
Transfer \$18,695.10 in cost of issuance project (City Project No. 101004) to the General Debt Service Fund. This transaction will balance cost of issuance in Fund 34019.
- **34022 – Tax Notes 2021A Fund**  
Transfer \$3,192.50 in cost of issuance project (City Project No. 101004) to the General Debt Service Fund. This transaction will balance cost of issuance in Fund 34022.
- **34014 – 2014 Bond Program Fund (Proposition 7)**  
Move \$828.84 in excess unappropriated bond proceeds to the General Debt Service Fund. This transaction will close out the project fund for Proposition 7 of the 2014 Bond Program.

These financial transactions will ensure accurate accounting and proper alignment of project and debt service fund balances.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the Rock Cr SA CP 2018, the Walsh Ranch PID Series 2024, TaxNote2018 and the Tax Note 2021 A Funds within the Cost of Issuance project and in the 2014 Bond Program Fund within the Unspecified-All Funds project to support the

approval of the above recommendations and financial transactions to the identified debt service funds to efficiently expedite the clean-up and close out of the project funds.

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