



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

PALOMA AGUIRRE  
First District

JOEL ANDERSON  
Second District

TERRA LAWSON-REMER  
Third District

MONICA MONTGOMERY STEPPE  
Fourth District

JIM DESMOND  
Fifth District

**DATE:** September 09, 2025

**09**

**TO:** Board of Supervisors

### SUBJECT

**ADOPT A RESOLUTION FOR REIMBURSEMENT OF EXPENDITURES FROM THE PROCEEDS OF INDEBTEDNESS FOR VARIOUS CAPITAL PROJECTS INCLUDED IN THE FISCAL YEAR 2025-26 OPERATIONAL PLAN (DISTRICTS: ALL)**

### OVERVIEW

The Fiscal Year 2025-26 Operational Plan includes various capital projects to be funded and financed through the delivery of long-term financial obligations (Certificates of Participation). Due to the timing to assemble a finance team and execute these Certificates of Participation, it is expected that the County will pay certain expenditures related to some or all these capital projects prior to the issuance of indebtedness (Reimbursement Expenditures). For the Certificates of Participation to be delivered on a tax-exempt basis, the County needs to comply with certain Internal Revenue Code (Code) requirements.

Today's recommendation to adopt a Reimbursement Resolution will allow the County to reimburse itself for the Reimbursement Expenditures from the proceeds of the Certificates of Participation. A reimbursement resolution states the County's intent to potentially reimburse itself for capital costs paid prior to the sale and delivery of the Certificates of Participation.

### RECOMMENDATION(S)

#### CHIEF ADMINISTRATIVE OFFICER

Adopt a resolution entitled:

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO SETTING FORTH THE OFFICIAL INTENT OF THE COUNTY OF SAN DIEGO TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS**

### EQUITY IMPACT STATEMENT

Approval of today's action will result in improving and maintaining County infrastructure that will ultimately improve accessibility to behavioral health, recreational services, and public safety services in the region, and will further improve the equitable access to facilities that provide services for some of the region's most vulnerable and underserved populations.

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### **SUSTAINABILITY IMPACT STATEMENT**

Today's board letter supports the County of San Diego's sustainability goals of providing just and equitable access to County services, protecting the health and wellbeing of the region, safeguarding ecosystem, habitats, and biodiversity throughout the County, and reducing pollution and waste. This will allow for capital projects, including upgrades to aged infrastructure to improve access and remove barriers for persons of all abilities, and public safety projects that will improve the County's ability to provide services.

### **FISCAL IMPACT**

The Fiscal Year 2025-26 Operational Plan includes \$71,100,000 in capital expenditures that are anticipated to be reimbursed with proceeds from long-term financial obligations. There is no fiscal impact associated with this action and if approved, the resolution serves solely to establish compliance with U.S. Treasury Regulations and does not obligate the County to expend funds, incur debt, or proceed with any specific project. Adoption of the proposed reimbursement resolution will provide the County with the flexibility to reimburse eligible expenses from proceeds of an executed financing currently expected in early calendar year 2026. The resolution identifies a maximum reimbursement amount of \$71,100,000, allowing for flexibility in structuring the final bond issuance. Any future actions regarding the amount, timing, or structure of financing will be brought forward for Board consideration at a later date.

### **BUSINESS IMPACT STATEMENT**

N/A

### **ADVISORY BOARD STATEMENT**

The Debt Advisory Committee, composed of the Chief Financial Officer, the Auditor and Controller and the Treasurer-Tax Collector, concurs with the recommendation to adopt a Resolution to reimburse the County of San Diego for certain expenditures from proceeds of indebtedness.

### **BACKGROUND**

The Fiscal Year 2025-26 Operational Plan includes various capital projects for major maintenance, stormwater infrastructure, streets and sidewalk infrastructure, and capital equipment and vehicles to be funded and financed through the delivery of long-term financial obligations (Certificates of Participation). Due to project schedules, some of these projects need to be started before the financing is completed, which will require assembly of a finance team and drafting of documents and other activities in order to execute the financing. It is expected that the County will pay certain expenditures related to some or all these capital projects prior to the execution of the Certificates of Participation (Reimbursement Expenditures).

Today's recommendation to adopt a Reimbursement Resolution will allow the County to reimburse itself for the Reimbursement Expenditures from the proceeds of long-term financings.

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**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed action supports the Sustainability: Climate and Environment, and Community: Safety in the County of San Diego's 2025-2030 Strategic Plan by funding major maintenance capital projects, stormwater infrastructure, streets and sidewalk infrastructure, and capital equipment and vehicle acquisition to help improve access to County facilities, support the environment, and help respond to emergencies and disaster.

Respectfully submitted,



EBONY N. SHELTON  
Chief Administrative Officer

**ATTACHMENT(S)**

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO SETTING FORTH THE OFFICIAL INTENT OF THE COUNTY OF SAN DIEGO TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS