

# **CITY OF BATAVIA**

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**DATE:** 05/16/18  
**TO:** Mayor and City Council  
**FROM:** Peggy Colby, Finance Director  
**RE:** Post Issuance Compliance Reporting

As part of my duties as the Bond Recordkeeping Compliance Officer, I am to report annually to the City Council to attest that the City is in compliance with the tax laws and regulations in regards to the City's outstanding debt issues.

Attached is the report stating we are in compliance. This will be placed on the May 21st City Council Agenda under accept and place on file. Thank you

c. Mayor and City Council  
Laura Newman  
File

STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF KANE         )

**POST-ISSUANCE TAX COMPLIANCE REPORT**

To: City Council of the City of Batavia, Kane and DuPage Counties, Illinois

Pursuant to my responsibilities as the Compliance Officer as set forth in a Bond Record-Keeping Policy (the “*Policy*”) adopted by the City Council (the “*Corporate Authorities*”) of the City of Batavia, Kane and DuPage Counties, Illinois (the “*City*”), on the 16th day of May, 2018, I have completed review of the City’s contracts and records to determine whether the Tax Advantaged Obligations (as defined in the Policy), comply with the applicable federal tax requirements. In accordance with the proceedings and agreements under which the Tax Advantaged Obligations were issued, the City has covenanted generally to take all action necessary to comply with the applicable federal tax rules and regulations relating to the Tax Advantaged Obligations, including covenants necessary to preserve the excludability of interest on the Tax Advantaged Obligations from gross income for federal income taxation purposes. The following sets forth a summary demonstrating the City’s compliance with such covenants and expectations.

(a) *Records.* I have in my possession all of the records required under the Policy.

(b) *Arbitrage Rebate Liability.* I have reviewed the agreements of the City with respect to each issue of the Tax Advantaged Obligations. At this time, the City does not have any rebate liability to the U.S. Treasury.

(c) *Contract Review.* I have reviewed copies of all contracts and agreements of the City, including any leases, with respect to the use of any property owned by the City and acquired, constructed or otherwise financed or refinanced with the proceeds of the Tax Advantaged Obligations and other records. At this time, each issue of the Tax Advantaged Obligations complies with the federal tax requirements applicable to such issue, including restrictions on private business use, private payments and private loans.

(d) *IRS Examinations or Inquiries.* The Internal Revenue Service (the “IRS”) has not commenced an examination of any issue of the Tax Advantaged Obligations. The IRS has not requested a response to a compliance check, questionnaire or other inquiry.

Based upon the foregoing, I believe that the City is currently in compliance with the applicable tax law requirements and no further action is necessary at this time

This report will be entered into the records of the City and made available to all members of the Corporate Authorities at the next regular meeting thereof.

Respectfully submitted this 16th day of May, 2018

By   
Peggy Colby  
Compliance Officer