



## RESOLUTION 2019-32

### RESOLUTION REGARDING THE INTENT OF THE TOWN OF DAVIDSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH PARKS AND RECREATION FROM THE PROCEEDS OF TAX EXEMPT OBLIGATIONS

*WHEREAS*, the Board of Commissioners (the “*Board*”) of the Town of Davidson, North Carolina (the “*Town*”) has determined that it is in the best interests of the Town to pay the costs of the construction, renovation and equipping of a downtown gathering space/park in the Town (the “*Project*”);

*WHEREAS*, the Town reasonably expects to receive the proceeds of the sale of tax-exempt obligations (the “*Obligations*”) to finance the Project;

*WHEREAS*, the Town desires to proceed with the Project and will incur additional capital expenditures (the “*Capital Expenditures*”) in connection therewith before the issuance of the Obligations; and

*WHEREAS*, the Town will advance money from funds currently on hand to pay for the Capital Expenditures and the Town intends, and reasonably expects, to reimburse itself for the Capital Expenditures from a portion of the proceeds of the sale of the Obligations;

*NOW, THEREFORE, BE IT RESOLVED* by the Board of Commissioners of the Town of Davidson, North Carolina as follows:

Section 1. ***Official Declaration of Intent.*** The Town presently intends, and reasonably expects, to reimburse itself for the Capital Expenditures incurred and paid by the Town on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Obligations. The Town reasonably expects to issue the Obligations to finance the costs of the Project and the maximum principal amount that the City expects to reimburse itself from the proceeds of the Obligations for the costs of the Project is \$275,000.

Section 2. ***Compliance with Regulations.*** This Resolution is a declaration of official intent of the Town under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the Town’s intent to reimburse itself for the Capital Expenditures from proceeds of the Obligations.

Section 3. ***Itemization of Capital Expenditures.*** The Finance Director of the Town or his designee, with advice from bond counsel, is hereby authorized, directed and designated to act on behalf of the Town in determining and itemizing all of the Capital Expenditures incurred and paid by the Town in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of issuance of the Obligations.



Section 4. ***Effective Date.*** This Resolution is effective immediately on the date of its adoption.

*ADOPTED AND APPROVED* this \_\_\_\_ day of \_\_\_\_\_, 2019.

**TOWN OF DAVIDSON, NORTH CAROLINA**

By: \_\_\_\_\_  
Rusty Knox  
Mayor

**ATTEST:**

\_\_\_\_\_  
Elizabeth K. Shores  
Town Clerk