RESOLUTION NO. 2013-58

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA DESIGNATING THE FINANCE DIRECTOR TO DECLARE OFFICIAL INTENT ON BEHALF OF THE TOWN WITH RESPECT TO REIMBURSEMENT FROM PROCEEDS OF TAX-EXEMPT OBLIGATIONS PURSUANT TO TREASURY REGULATIONS SECTION 1.150-2.

WHEREAS, the Town of Fountain Hills, Arizona (the “Town”) may from time to time make expenditures with the intent that such expenditures will be reimbursed from the proceeds of tax-exempt obligations (the “Reimbursement Obligations”); and

WHEREAS, in order to treat such reimbursements as an expenditure of proceeds of the Reimbursement Obligations for the purpose of applying Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, the Town may be required, pursuant to Treasury Regulation Section 1.150-2, to declare its intention to reimburse an expenditure with proceeds of a Reimbursement Obligation; and

WHEREAS, such declaration of intention to reimburse an expenditure must be made not later than sixty (60) days after the payment of such expenditure; and

WHEREAS, the Town may designate an officer or officers to declare such official intent on its behalf; and

WHEREAS, the appropriate officer of the Town to make such declaration on behalf of the Town is the Finance Director.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. For the purposes of the Treasury Regulation Section 1.150-2, the Finance Director is hereby designated to declare the official intent of the Town to reimburse an expenditure with the proceeds of a Reimbursement Obligation. Such declaration of official intent shall be signed by the designated officer and shall be in substantially the form of Exhibit A attached hereto or such other form as may be necessary to comply with the provisions of the Treasury Regulation Section 1.150-2. The declaration of intent shall be effective when executed.

SECTION 3. Upon the issuance of Reimbursement Obligations, the Finance Director shall cause a written allocation to be made that evidences the Town’s use of proceeds of the Reimbursement Obligations to reimburse a prior expenditure.
SECTION 4. The Finance Director shall not permit proceeds of a Reimbursement Obligation to be used to reimburse a prior expenditure unless such reimbursement is made within the reimbursement time period set forth in Treasury Regulation Section 1.150-2 or unless the requirements of such section are otherwise satisfied.

SECTION 5. The Finance Director is authorized to take any other appropriate actions which are necessary to meet the requirements of Treasury Regulation Section 1.150-2.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, December 5, 2013.

FOR THE TOWN OF FOUNTAIN HILLS: ATTESTED TO:

Linda M. Kavanagh, Mayor Bevelyn J. Bender, Town Clerk

REVIEWED BY: APPROVED AS TO FORM:

Kenneth W. Buchanan, Town Manager Andrew J. McGuire, Town Attorney

CERTIFICATION

I, Bevelyn J. Bender, the duly appointed and acting Town Clerk of the Town of Fountain Hills, Arizona, do hereby certify that the above and foregoing Resolution Number 2013-58 was duly passed by the Town Council of the Town of Fountain Hills, Arizona, at a regular meeting held on December 5, 2013, and the vote was 7 aye's and 0 nay's and that the Mayor and 6 Council Members were present thereat.

DATED: December 5, 2013

Bevelyn J. Bender, Town Clerk
EXHIBIT A
TO
RESOLUTION NO. 2013-58

[Declaration of Official Intent]

See following page.
DECLARATION OF OFFICIAL INTENT UNDER TREASURY REGULATION SECTION 1.150-2 TO REIMBURSE AN EXPENDITURE WITH PROCEEDS OF TAX-EXEMPT OBLIGATIONS

The undersigned is the Finance Director of Town of Fountain Hills, Arizona (the “Town”) and has been designated by the Mayor and Council of the Town to declare official intent on behalf of the Town with respect to the reimbursement of expenditures with proceeds of tax-exempt obligations.

Section 1. Declaration of Official Intent. The undersigned hereby declares under Treasury Regulation Section 1.150-2 the official intent of the Town to reimburse capital expenditures with respect to the Project described below with the proceeds of tax-exempt obligations.

Section 2. Timeliness of Declaration. This declaration is being made not later than sixty (60) days after payment of the expenditure(s) to be reimbursed.

Section 3. Project Description. The Project for which expenditures were, or will be, made is the design, improvement, construction, reconstruction and rehabilitation of Saguaro Boulevard, including any curb, gutter, sidewalks, traffic signal/control systems, underground utility lines, landscaping, and other improvements appurtenant or adjacent thereto.

Section 4. Maximum Principal Amount. The maximum principal amount of obligations expected to be issued for the Project described in Section 3 above is $8,200,000.

Section 5. Reasonable Expectation to Reimburse. This Declaration as of its date is consistent with the budgetary and financial circumstances of the Town and the Town reasonably expects to reimburse the expenditures with respect to the Project described in Section 3 with proceeds of tax-exempt obligations.

Dated: __________________________

By: __________________________________
Finance Director, Town of Fountain Hills,
Arizona