

**REQUEST FOR BOARD ACTION**  
**HENDERSON COUNTY**  
**BOARD OF COMMISSIONERS**

**MEETING DATE:** 16 April 2014  
**SUBJECT:** Reimbursement Resolution for Construction Financing  
**ATTACHMENT(S):** Draft resolution  
**PRESENTER:** Charles Russell Burrell

**SUMMARY OF REQUEST:**

Attached is a proposed reimbursement resolution from bond counsel for your consideration. The purpose of a reimbursement resolution is to allow construction project costs incurred prior to the closing of the (tax-free) financing to be reimbursed from the financing proceeds.

NOTE: The “not to exceed” figures in the two resolutions are *not* intended to accurately state the amounts of the project costs, but rather to act as a safe harbor number for the purpose of these resolutions only.

County staff will present further information on this matter.

**BOARD ACTION REQUESTED:**

Adoption of the resolutions.

If the Board is so inclined, the following motion is suggested:

***I move that the Board approve the reimbursement resolution attached to this agenda item for the Joint Health Education Center financing.***

Extract of Minutes of a regular meeting of the Board of Commissioners of the County of Henderson, North Carolina, was duly held on April 16, 2014 at 9:00 a.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, 1 Historic Courthouse Square, Hendersonville, North Carolina. Chairman Charlie Messer presiding.

\* \* \*

The following members were present:

The following members were absent:

Also present:

\* \* \*

Commissioner \_\_\_\_\_ moved that the following resolution (the "*Resolution*"), a copy of which was available with the Board and which was read by title:

**RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF HENDERSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE JOINT HEALTH EDUCATION CENTER FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN FISCAL YEAR 2015**

**WHEREAS**, the Board of Commissioners of the County of Henderson, North Carolina ("*County*") has determined that it is in the best interests of County to finance the acquisition, construction and equipping of the Joint Health Education Center (the "*Project*");

**WHEREAS**, the County presently intends, at one time or from time to time, to finance all or a portion of the costs of the Project with proceeds of tax-exempt obligations and reasonably expects to execute and deliver its tax-exempt obligations (the "*Obligations*") to finance, or to reimburse itself for, all or a portion of the costs of the Project; and

**WHEREAS**, the County desires to proceed with the Project and will incur and pay certain expenditures in connection with the Project prior to the date of execution and delivery of the Obligations (the "*Original Expenditures*"), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the County intends, and reasonably expects, to be reimbursed for such Original Expenditures from a portion of the proceeds of the Obligations to be executed and delivered at a date occurring after the dates of such Original Expenditures;

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

Section 1. **Official Declaration of Intent.** The County presently intends, and reasonably expects, to reimburse itself for the Original Expenditures incurred and paid by the County 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 County reasonably expects to execute and deliver the Obligations to finance all or a

portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by County to pay for all or a portion of the costs of the Project is \$16,500,000.

Section 2. *Compliance with Regulations.* The County adopts this Resolution as a declaration of official intent 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 County's intent to reimburse itself for the Original Expenditures from proceeds of the Obligations.

Section 3. *Itemization of Capital Expenditures.* The Finance Officer of the County, with advice from special counsel, is hereby authorized, directed and designated to act on behalf of the County in determining and itemizing all of the Original Expenditures incurred and paid by the County 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 execution and delivery of the Obligations.

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

On motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled "**RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF HENDERSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE JOINT HEALTH EDUCATION CENTER FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN FISCAL YEAR 2015**" was duly adopted by the following vote:

AYES:

NAYS:

STATE OF NORTH CAROLINA            )  
  )  
COUNTY OF HENDERSON            )            ss:

I, *Teresa Wilson*, Clerk to the Board of Commissioners of the County of Henderson, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled **“RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF HENDERSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE JOINT HEALTH EDUCATION CENTER FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN FISCAL YEAR 2015”** adopted by the Board of Commissioners of the County of Henderson, North Carolina, at a meeting held on the 16<sup>th</sup> day of April, 2014.

*WITNESS* my hand and the corporate seal of the County of Henderson, North Carolina, this the \_\_\_ day of April, 2014.

\_\_\_\_\_  
Teresa Wilson  
Clerk to the Board  
County of Henderson, North Carolina