

A DECLARATION OF THE COUNTY OF UNION, NORTH CAROLINA OF THE INTENT TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE IMPROVEMENTS OF THE COUNTY'S AND EDUCATION FACILITIES AND INFRASTRUCTURE FROM THE PROCEEDS OF TAX-EXEMPT BONDS

WHEREAS, Board of Commissioners of the County of Union, North Carolina ("*County*") on December 6, 2021 has authorized the County's finance officer to take such action as may be required to declare the intent of the County to reimburse itself for capital expenditures related to improvements to the County and Education's facilities and infrastructure made in anticipation of the issuance of tax-exempt obligations for the following programs (collectively, the "*Projects*"):

UCPS-Design for Forest Hills High and East Elementary

WHEREAS, the County presently intends, at one time or from time to time, to finance all or a portion of the costs of the Projects with proceeds of general obligation bonds and reasonably expects to issue general obligation bonds, the interest on which will be tax-exempt (the "*Bonds*"), to finance, or to reimburse itself for, all or a portion of the costs of the Projects; and

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

NOW, THEREFORE, BE IT DECLARED by the County 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 declaration from a portion of the proceeds of the Bonds. The County reasonably expects to execute and deliver the Bonds to finance all or a portion of the costs of the Projects and the maximum principal amount of Bonds expected to be executed and delivered by County to pay for all or a portion of the costs of the Projects is approximately \$4,900,000.

Section 2. ***Compliance with Regulations.*** The County adopts this 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 Bonds.

Section 3. ***Itemization of Capital Expenditures.*** The finance officer of the County, or his designee, with advice from the County's bond counsel, will 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 Projects during the period commencing on the date occurring 60 days prior to the date of adoption of this declaration and ending on the date of execution and delivery of the Bonds.

Section 4. ***Effective Date.*** This declaration shall become effective immediately upon the date of its adoption.

ADOPTED this 6th day of December , 2021.

COUNTY OF UNION, NORTH CAROLINA

By: _____
Beverly L. Liles
Finance Director