

A regular meeting of the Board of Commissioners for the Town of Beaufort, North Carolina, was held in the Train Depot, 614 Broad Street, Beaufort, North Carolina 28516; the regular place of meeting, at 6 o'clock p.m., on June 9, 2014.

Present: Mayor Richard Stanley, presiding, and Commissioners Carter, McDonald,
Hollined, Hagle, Campbell.

Absent: _____

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The following resolution was presented, a copy of which had been provided to each Commissioner and which was read by its title:

**RESOLUTION OF BOARD OF COMMISSIONERS OF THE TOWN OF
BEAUFORT, NORTH CAROLINA DECLARING ITS INTENT TO
REIMBURSE ITSELF FROM THE PROCEEDS OF ONE OR MORE TAX-
EXEMPT FINANCINGS FOR CERTAIN EXPENDITURES MADE AND/OR
TO BE MADE IN CONNECTION WITH THE CONSTRUCTION OF A
NEW FIRE STATION FOR THE TOWN OF BEAUFORT**

WHEREAS, the Town of Beaufort (**the "Issuer"**) is a municipality and political subdivision organized and existing under the laws of the State of North Carolina; and

WHEREAS, the Issuer has paid beginning no earlier than 60 days prior to the date of adoption of this resolution, and will pay, on and after the date hereof, certain expenditures (**"Expenditures"**) for the acquisition of real property for, and the design, construction and equipping of, a new fire station in the Town of Beaufort, North Carolina (**together, the "Project"**); and

WHEREAS, the Board of Commissioners of the Issuer (**the "Board"**) has determined that those moneys previously advanced no earlier than 60 days prior to the date of adoption of this resolution and to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Issuer for the Expenditures from the proceeds of one or more of tax-exempt financing transactions (**the "Financing"**).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. The Board hereby declares the Issuer's intent to reimburse the Issuer with the proceeds of the Financing for the Expenditures with respect to the Project made on and after the date referenced above. The Issuer reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Financing.

Section 2. Each Expenditure was and will be either (a) of a type properly chargeable to capital account under general federal income tax principles (determined in each case as of the date of the Expenditures), (b) a cost of issuance with respect to the Financing, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the Issuer so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Issuer.

Section 3. The maximum principal amount of the Financing expected to be issued for the Project is \$2,900,000.

Section 4. The Issuer will make a reimbursement allocation, which is a written allocation by the Issuer that evidences the Issuer's use of proceeds of the Financing to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Issuer recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least 5 years.

Section 5. This resolution shall take effect immediately upon its passage.

Upon motion duly made and seconded the foregoing resolution was passed by the following vote:

Yes

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No

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Absent

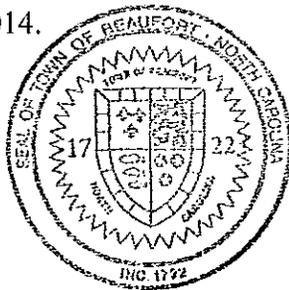
Abstained

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I, Michele Davis, Clerk to the Board of Commissioners for the Town of Beaufort, North Carolina, **DO HEREBY CERTIFY** that the foregoing is a true copy of so much of the proceedings of said Board at a regular meeting held on June 9, 2014 as relates in anyway to the passage of the resolution described therein and that said proceedings are recorded in the minutes of said Board.

I HEREBY FURTHER CERTIFY that a schedule of regular meetings of said Board, stating that regular meetings of said Board are held in the Train Depot, 614 Broad Street, Beaufort, North Carolina 28516, on the second Monday of each month at 6:00 p.m. had been on file in my office as of a date not less than seven days before the date of said meeting in accordance with G.S. § 143-318.12.

WITNESS my hand and the corporate seal of said Town, this 9th day of June 2014.



Michele Davis
Clerk to the Board of Commissioners