

CITY OF BELLINGHAM

RESOLUTION NO. 2009-23

A RESOLUTION of the City of Bellingham, Washington, authorizing the Director of Finance of the City to make declarations of official intent on behalf of the City.

Adopted July 27, 2009

This document was prepared by:

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CITY OF BELLINGHAM

RESOLUTION NO. 2009-23

A RESOLUTION of the City of Bellingham, Washington, authorizing the Director of Finance of the City to make declarations of official intent on behalf of the City.

WHEREAS, the City of Bellingham, Washington (the "City") from time to time may reasonably expect to make expenditures for capital projects (or certain extraordinary working capital expenditures) from funds that are available but that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside for those expenditures, and would reasonably expect to be reimbursed for those expenditures from proceeds of bonds or other obligations issued to finance those expenditures; and

WHEREAS, certain federal regulations (the "federal reimbursement regulations") relating to the use of proceeds of tax exempt bonds or certain other obligations ("bonds") to reimburse the issuer of the bonds for expenditures made before the issue date of the bonds require, among other things, that not later than 60 days after payment of the original expenditure the City (or any person designated by the City to do so on its behalf) declare a reasonable official intent to reimburse those expenditures from proceeds of bonds; NOW, THEREFORE,


BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELLINGHAM, WASHINGTON, as follows:

Section 1. Designation of Director of Finance and Approval of Form of Declaration. The Director of Finance of the City is authorized to make declarations of official intent on behalf of the City as may be necessary or appropriate from time to time for any purpose under, and in compliance with, the requirements of the federal reimbursement regulations. Such declarations of official intent shall be substantially in the form of the declaration attached hereto as Exhibit A and incorporated


herein by reference, as such form may be modified from time to time to comply with federal regulations.

Section 2. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.


The foregoing resolution was ADOPTED by the City Council of the City of Bellingham, Washington, at a regular open public meeting thereof this 27th day of July, 2009.


Council President

Approved by me this 3rd day of August, 2009.


Mayor

ATTEST:


Director of Finance

APPROVED AS TO FORM:


Office of the City Attorney

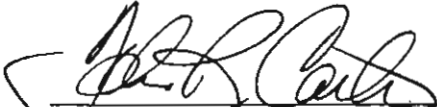
CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Director of Finance of the City of Bellingham, Washington (the "City") and keeper of the records of the City, CERTIFY:

1. That the attached Resolution No. 2009-23 (the "Resolution") is a true and correct copy of the resolution of the City, as adopted at a meeting of the City held on July 27, 2009, and duly recorded in the minute books of the City.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the City Council of the City present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of July, 2009.



John R. Carter, Director of Finance

EXHIBIT A

Declaration of Official Intent to Reimburse Expenditures from Proceeds of Bonds

I, the undersigned _____, am the duly appointed, qualified and acting Director of Finance of the City of Bellingham, Washington (the "City"), and, as such, have been designated by the City to make declarations of official intent on behalf of the City when necessary or appropriate for any purpose under, and in compliance with, the requirements of certain federal regulations (the "federal reimbursement regulations") relating to the use of proceeds of tax exempt bonds or certain other obligations ("bonds") to reimburse the City for capital expenditures (and certain extraordinary working capital expenditures) made by the City before the issue date of the bonds. On behalf of the City, I make the following declaration of official intent under the federal reimbursement regulations:

1. Description of Project for Which Expenditures are to be Made. The City intends to make (and/or, not more than 60 days before the date of this declaration, has made) expenditures, and reasonably expects to reimburse itself for those expenditures from proceeds of bonds, for the following project, property or program (the "Project"):

[Insert general functional description of the Project or, alternatively, identify the name and functional purpose of the fund or account from which the expenditures will be made:]

2. Maximum Principal Amount of Obligations Expected to be Issued for the Project. The City expects that the maximum principal amount of bonds that will be issued to finance the Project will be \$_____.

3. Declaration Reasonable. I have reviewed the existing and reasonably foreseeable budgetary and financial circumstances of the City, and have determined that the City reasonably expects to reimburse itself for expenditures for the Project from proceeds of bonds because the City has no funds available that already are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City for those expenditures on the Project.

4. Limitations on Uses of Reimbursement Amounts. The City will not, within 1 year after the expected reimbursement, use amounts corresponding to proceeds received from bonds issued in the future to reimburse the City for previously paid expenditures for the Project in any manner that results in those amounts being treated as replacement proceeds of any bonds, i.e., as a result of being deposited in a reserve fund, pledged fund, sinking fund or similar fund (other than a bona fide debt service fund) that is expected to be used to pay principal of or interest on bonds. Nor will the City use those amounts in any manner that employs an abusive arbitrage device to avoid arbitrage restrictions.

5. Date of Declaration. This declaration of official intent is dated _____.

CITY OF BELLINGHAM

By: _____
Its Director of Finance