

**RESOLUTION 2005-27**

**A RESOLUTION SETTING FORTH THE INTENT OF TOWN OF EDGEWOOD TO REIMBURSE ITSELF FROM THE PROCEEDS OF BONDS TO BE ISSUED TO FINANCE ACQUISITION OF AND IMPROVEMENTS TO A NEW MUNICIPAL BUILDING.**

WHEREAS, Town of Edgewood (the "Town") is an entity duly organized and existing under the laws of the State of New Mexico; and

WHEREAS, the Town desires to acquire, construct, equip and improve certain capital improvements for a new Municipal Building described on Exhibit A hereto (the "2005 Project"); and

WHEREAS, the Town ("Issuer") is legally authorized to issue bonds ("Tax-Exempt Bonds") to finance projects for the Town payable solely out of the revenues derived from the Town; and

WHEREAS, the Town expects to incur certain capital expenditures relating to the 2005 Project prior to the Issuer issuing Tax-Exempt Bonds for the 2005 Project, and the Town reasonably intends to reimburse itself for such prior capital expenditures with proceeds of the Tax-Exempt Bonds; and

WHEREAS, this Resolution is intended to constitute the Town's declaration of "official intent" to reimburse itself for such prior capital expenditures within the meaning of Section 1.150-2 of the regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF TOWN OF EDGEWOOD:

Section 1. In order to permit the Town to reimburse itself for prior capital expenditures relating to the 2005 Project from the proceeds of the Tax-Exempt Bonds, the interest on which will be excluded from gross income for federal income tax purposes, the Town Board hereby determines and declares that:

(a) The Town intends to incur capital expenditures with respect to the 2005 Project prior to the issuance of the Tax-Exempt Bonds and reasonably expects to reimburse those expenditures from the proceeds of the issuance of the Tax-Exempt Bonds;

(b) The 2005 Project consists of the acquisition, construction, equipping and improvement of certain capital projects for the Municipal Building of the Town located in the Town of Edgewood, New Mexico; and

(c) The maximum principal amount of the Tax-Exempt Bonds expected to be issued to finance the 2005 Project is \$325,000.

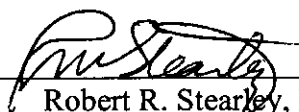
Section 2. The Town Board hereby determines that it will request an Issuer to authorize and issue the Tax-Exempt Bonds, upon terms satisfactory to the Town at the time of the issuance of the Tax-Exempt Bonds, in one or more series, to pay the cost of the 2005 Project, together with the costs incident to the authorization, issuance and sale of the Tax-Exempt Bonds, and will take all further action which is necessary or desirable in connection therewith.

Section 3. The officers of the Town be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution.

Section 4. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall in no way affect any remaining provisions of this Resolution.

Section 5. This Resolution shall take effect immediately upon its passage and adoption by the Town Board.

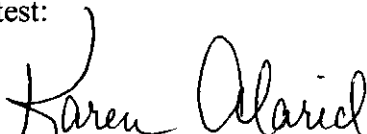
PASSED, ADOPTED AND APPROVED this 16th day of November, 2005.



Robert R. Stearley, Mayor

(SEAL)

Attest:



Karen Alarid, Clerk-Treasurer



EXHIBIT A  
Description of the 2005 Project

<u>Project Item</u>	<u>Estimated Cost</u>
Acquisition of Municipal Building	\$277,000
Remodeling, Construction & Equipment	40,000
Architects, engineers, consultants	8,000