

At a regular meeting of the Board of County Commissioners of Elbert County, State of Colorado, held at the Elbert County Courthouse in Kiowa, Colorado 80117 on Wednesday, the 30h day of June 2021, there were present:

Chris Richardson	Commissioner
Rick Pettitt	Commissioner
Grant Thayer	Commissioner
Amanda Moore	Deputy Clerk to the Board

the following proceedings, among others, were had and done, to wit:

RESOLUTION 21-27

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ELBERT COUNTY DECLARING ITS OFFICIAL INTENT TO REIMBURSE ITSELF WITH PROCEEDS OF A FUTURE TAX-EXEMPT BORROWING FOR THE FINANCING OF THE ACQUISITION, CONSTRUCTION, AND EQUIPPING OF A NEW PUBLIC WORKS SHOP, AND PROVIDING FOR REIMBURSEMENT OF MONEY UPON THE EXECUTION AND DELIVERY OF A LEASE PURCHASE AGREEMENT

WHEREAS, the Board of County Commissioners (the “Board”) of Elbert County (the “County”) has determined and declares that it is in the best interests of the County and its inhabitants to: (i) finance the planning, design, acquisition of land, construction, and equipping of a new public works shop; (the “Project”); and (ii) finance the Project through a Lease Purchase Agreement (the “Lease”); and

WHEREAS, the County is duly organized and validly existing under the laws of the State of Colorado with full power and authority to execute and deliver the Lease, and is a “political subdivision” within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, it will be necessary for the County and others to make certain expenditures in order to finance the Project, including, but not limited to, planning, design construction management, acquisition, construction and engineering costs, prior to the time that the Lease may be executed and delivered; and

WHEREAS, the Board reasonably expects that when the Lease is executed and delivered, such expenditures will be reimbursed with the proceeds of the Lease; and

WHEREAS, to comply with the provisions of the Code, it is the Board's desire that this Resolution shall constitute the “official intent” of the County to cause such expenditures to be reimbursed from the proceeds of the Lease.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ELBERT COUNTY, AS FOLLOWS:



1. The Financing. The County expects that the financing for the Project will be accomplished through the Lease, the interest portion of the rentals expected to be due under the Lease is to be excludable from gross income for federal income tax purposes.

This Resolution expresses the County's expectations as of the date hereof with respect to the financing of the Project. Future events or extraordinary circumstances beyond the control of the County may result in the Project being financed in a manner other than as described herein, and nothing contained herein constitutes an irrevocable commitment by the County to so finance the Project.

2. Reimbursement of Expenditures. The County intends to make expenditures from its own funds to finance certain costs relating to the Project. The Board reasonably expects that such expenditures will be reimbursed with the proceeds of the Lease. All of such expenditures constitute "capital expenditures" within the meaning of Section 1.150-1(h) of the Treasury Regulations.

3. Reimbursement Period. The reimbursement allocation to be made with respect to such expenditures for the Project will occur not later than eighteen (18) months after the *later* of: (a) the date on which the expenditure is paid; or (b) the date on which the Project is placed in service, but in no event more than three (3) years after the original expenditure is paid. No reimbursement allocation will be made with respect to an expenditure paid prior to the sixty (60)-day period preceding the date of this Resolution.

4. Reimbursement Allocation. The County shall be responsible for making a written reimbursement allocation described in Section 1.150-2 of the Treasury Regulations, being generally the transfer of the appropriate amount of proceeds of the Lease to reimburse the source of temporary financing used by the County to pay the reimbursed costs of the Project. Each allocation shall: (a) be evidenced by an entry on the official books and records of the County maintained for the Lease; and (b) specifically identify the actual prior expenditure being reimbursed or, in the case of reimbursement of a fund or account in accordance with Section 1.150-2 of the Treasury Regulations, the fund or account from which the expenditure was paid. Such allocation shall be made within thirty (30) days from the execution and delivery of the Lease.

5. Authorization of County Representatives to Take Action in Connection Herewith. The Board of County Commissioners are hereby authorized and directed to take all action necessary to accomplish the purposes of this Resolution, including the negotiation of agreements in connection with the financing of the Project.

6. Severability. If any provision of this Resolution shall be judicially determined to be invalid or unenforceable, such determination shall not affect the remaining provisions hereof, the intention being that the provisions hereof are severable.

7. Effective Date. This Resolution shall take effect immediately upon its adoption.