

**CITY OF SALIDA, COLORADO
RESOLUTION NO. 16
SERIES OF 2023**

**DECLARING THE OFFICIAL INTENT OF THE CITY OF SALIDA, COLORADO
TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF
CERTIFICATES OF PARTICIPATION TO BE ISSUED BY THE CITY**

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt obligations used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Salida, Colorado (the “City”) expects to incur certain expenditures that may be funded temporarily from sources other than tax-exempt obligations, and reimbursed from the proceeds of a subsequent issuance of tax-exempt certificates of participation;

WHEREAS, the City has determined to make this declaration of intent (“Declaration”) to reimburse certain costs from the proceeds of tax-exempt certificates of participation in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA AS FOLLOWS:

1. The City intends to construct a new fire station within the City (the “Project”), with architectural planning, engineering, and other preliminary work occurring in 2023 and physical construction occurring in 2023 and 2024.

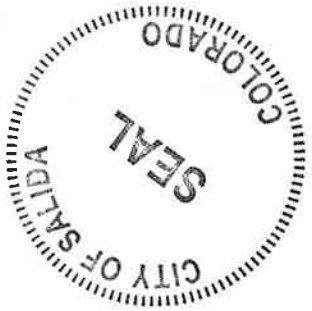
2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of tax-exempt certificates of obligation in an estimated maximum amount of \$3 million. All reimbursed expenditures will be capital expenditures or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of certificates, except for the following expenditures: (a) costs of debt issuance; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) “preliminary expenditures” up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the certificates described in paragraph 2 are consistent with the City’s budgetary and financial circumstances. No sources other than proceeds of certificates to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City’s budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Approved by the Salida City Council this 4th day of April 2023.



(SEAL)
ATTEST:

Erin Kelley
City Clerk/Deputy City Clerk

CITY OF SALIDA, COLORADO
By: Dan Shore
Mayor Dan Shore