

RESOLUTION NO. 13 -56

A RESOLUTION OF INTENT OF FRANKLIN COUNTY, KANSAS, TO FINANCE IMPROVEMENTS TO A BUILDING USED FOR COUNTY BUSINESS WITH THE ISSUANCE OF FEDERALLY TAX-EXEMPT DEBT (226 BEECH STREET, OTTAWA, KANSAS).

WHEREAS, the Internal Revenue Service has issued Section 1.103-18 of the Treasury Regulations (the "Reimbursement Regulations") which prescribe procedures applicable to Franklin County, Kansas (the "County"), for issuing bonds, all or a portion of the proceeds of which are to be used to reimburse the County for improvement expenditures made by the County before the date the bonds are issued; and

WHEREAS, the Reimbursement Regulations generally require the County to make a declaration of official intent to reimburse itself for previous expenditures out of the proceeds of subsequently issued bonds or other tax-exempt borrowing, that the borrowing occur and the reimbursement be made within a specified period of time after the payment of the expenditure or after the improvements in question are placed in service, and that a reimbursed expenditure be a capital expenditure; and

WHEREAS, the Board of County Commissioners of the County has determined it is necessary and desirable to renovate, equip and furnish a building located at 226 Beech Street, Ottawa, Kansas, for use as a justice center and/or other County business (the "Improvements") at an estimated cost of \$2,400,000, including the cost of issuing bonds; and

WHEREAS, the County anticipates using bonds, notes or other tax-exempt obligations to finance all or a portion of the cost of the Improvements;

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

Section 1. In order to comply with the requirement of the Reimbursement Regulations concerning declarations of official intent to reimburse the County for previously paid expenditures from the proceeds of subsequently issued debt, the Board of County Commissioners of the County hereby indicates its intent to reimburse the County with the proceeds of bonds, notes or other obligations of the County, the interest on which is expected to be exempt from federal income taxation, for costs of the Improvements in an amount not to exceed \$2,400,000.

Section 2. This Resolution shall be in full force and effect from and after its adoption.

ADOPTED by the Board of County Commissioners of Franklin County, Kansas, on November 20, 2013.

FRANKLIN COUNTY, KANSAS

(Seal)

Chairman

ATTEST:

County Clerk