

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

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I, the undersigned, being the duly qualified and acting recording officer of the City-County of Butte-Silver Bow, Montana (the "City-County"), hereby certify that the attached resolution is a true copy of Council Resolution No. 16-30, entitled: "RESOLUTION RELATING TO FINANCING OF CERTAIN PROJECTS; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE" (the "Resolution"), on file in the original records of the City-County in my legal custody; that the Resolution introduced by the Council of Commissioners of the City-County at a regular meeting on July 20, 2016, and that the meeting was duly held by the Council of Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

WITNESS my hand and seal officially this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Clerk and Recorder

I further certify that the Resolution was duly approved and adopted on second reading by the Council of Commissioners of the City-County at a regular meeting on August 3, 2016, and that the meeting was duly held by the Council of Commissioners and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Commissioners voted in favor thereof: \_\_\_\_\_; voted against the same: \_\_\_\_\_; abstained from voting thereon: \_\_\_\_\_; or were absent: \_\_\_\_\_.

WITNESS my hand and seal officially this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Clerk and Recorder

1 RESOLUTION NO. 16-30

2 RESOLUTION RELATING TO FINANCING OF CERTAIN  
3 PROJECTS; ESTABLISHING COMPLIANCE WITH  
4 REIMBURSEMENT BOND REGULATIONS UNDER THE  
5 INTERNAL REVENUE CODE

6 BE IT RESOLVED by the Council of Commissioners of the City-County of Butte-Silver  
7 Bow, Montana (the "City-County"), as follows:

8 Section 1. Recitals.

9 1.01 The United States Department of Treasury has promulgated final regulations  
10 governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to  
11 reimburse the City-County for project expenditures paid by the City-County prior to the date of  
12 issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the  
13 "Regulations") require that the City-County adopt a statement of official intent to reimburse an  
14 original expenditure not later than 60 days after payment of the original expenditure. The  
15 Regulations also generally require that bonds be issued and the reimbursement allocation be  
16 made from the proceeds of such bonds within 18 months (or three years, if the reimbursement  
17 bond issue qualifies for the "small issuer" exception from the arbitrage rebate requirement) after  
18 the later of (i) the date the expenditure is paid or (ii) the date the project is placed in service or  
19 abandoned, but (unless the issue qualifies for the "small issuer" exception from the arbitrage  
20 rebate requirement) in no event more than three years after the date the expenditure is paid. The  
21 Regulations generally permit reimbursement of capital expenditures and costs of issuance of the  
22 bonds.

23 1.02 The City-County desires to comply with requirements of the Regulations with  
24 respect to certain projects hereinafter identified.

25 Section 2. Official Intent Declaration.

26 2.01 The City-County proposes to undertake certain projects, which projects and the  
27 estimated costs thereof are generally described on Exhibit A hereto, which is hereby incorporated  
28 herein and made a part hereof (the "Projects").

29 2.02 Other than (i) expenditures to be paid or reimbursed from sources other than the  
30 Bonds (as hereinafter defined), (ii) expenditures permitted to be reimbursed under the  
31 transitional provision contained in Section 1.150-2(j)(2) of the Regulations, (iii) expenditures  
32 constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the  
33 Regulations, or (iv) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1)  
34 of the Regulations), no expenditures for the Projects have heretofore been paid by the City-  
35 County and no expenditures will be paid by the City-County until after the date of this  
36 Resolution.

37 2.03 The City-County reasonably expects to reimburse some or all of the expenditures  
38 made for costs of the Projects out of proceeds of bonds in an estimated maximum aggregate  
39 principal amount of \$7,200,000 (the "Bonds") after the date of payment of all or a portion of the

1 costs of the Projects. All reimbursed expenditures shall be capital expenditures, a cost of  
2 issuance of the Bonds or other expenditures eligible for reimbursement under Section 1.150-  
3 2(d)(3) of the Regulations.

4 Section 3. Budgetary Matters. As of the date hereof, there are no City-County funds  
5 reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be  
6 reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing  
7 for the expenditures related to the Projects, other than pursuant to the issuance of the Bonds. The  
8 statement of intent contained in this resolution, therefore, is determined to be consistent with the  
9 City-County's budgetary and financial circumstances as they exist or are reasonably foreseeable  
10 on the date hereof.

11 Section 4. Reimbursement Allocations. The Treasurer of the City-County shall be  
12 responsible for making the "reimbursement allocations" described in the Regulations, being  
13 generally the transfer of the appropriate amount of proceeds of the Bonds to reimburse the source  
14 of temporary financing used by the City-County to make prior payment of the costs of the  
15 Projects. Each allocation shall be evidenced by an entry on the official books and records of the  
16 City-County maintained for the Bonds or the Projects and shall specifically identify the actual  
17 original expenditure being reimbursed.

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1 PASSED this 3rd day of August, 2016.

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\_\_\_\_\_  
CINDI SHAW  
CHAIR OF THE COUNCIL OF  
COMMISSIONERS

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APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2016.

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15 ATTEST:

16 SALLY J. HOLLIS  
17 CLERK & RECORDER

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22 APPROVED AS TO FORM:

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25 EILEEN JOYCE  
26 COUNTY ATTORNEY

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29 DAVID WALKER  
30 CHAIRMAN, JUDICIARY COMMITTEE

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EXHIBIT A

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Description of Projects

Estimated Cost

Design and construction of a new public swimming pool and related improvements, and payment of costs of issuance

\$7,200,000

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