

RESOLUTION 2019-4

BOROUGH OF ELIZABETHTOWN LANCASTER COUNTY, PENNSYLVANIA

A RESOLUTION DECLARING THE BOROUGH'S INTENT TO REIMBURSE ITS GENERAL FUND AND CAPITAL RESERVE FUNDS FOR EXPENDITURES RELATING TO ITS BOROUGH FACILITIES PROJECT FROM PROCEEDS OF A BORROWING BY ELIZABETHTOWN BOROUGH

WHEREAS, the Borough of Elizabethtown, Lancaster County, Pennsylvania (the "Borough") has determined to undertake certain projects consisting of renovations and additions to Borough facilities and infrastructure (collectively, the "Project"); and

WHEREAS, the United States Department of the Treasury, acting by and through the Internal Revenue Service, on June 18, 1993, promulgated regulations in the Federal Register, Vol. 58, No. 11, Section 1.150-2 (the "Reimbursement Regulations"), which are applicable to the Project; and

WHEREAS, the Reimbursement Regulations require the Borough to adopt an "official intent" to reimburse itself from taxable or tax-exempt proceeds for certain expenditures made and to be made by the Borough in connection with the Project; and

WHEREAS, the Borough desires to declare its official intent with respect to certain expenditures and reimbursement thereof to be made in connection with the Project.

NOW, THEREFORE, BE IT RESOLVED:

1. The Borough has and hereafter, from time to time, shall continue to apply money from its general fund or from any capital reserve fund for the purpose of paying certain expenditures relating to the Project, including fees and expenses of contractors, engineers, architects, surveyors, lawyers, underwriters, paying advertising costs, filing fees, printing costs, cost of acquiring land or rights of way, permit and inspection fees, cost of acquisition and construction of Project facilities and related costs of a capital nature with an economic life of in excess of one (1) year. Such expenditures of accumulated general fund revenues were not originally budgeted for this purpose and are not intended to finance the Project on a long-term basis, but on an interim basis only.

2. The Borough declares its intention to reimburse its general fund or any capital reserve fund, for such amounts paid for expenditures allocable to the Project from and after the date which is sixty (60) days prior to the date of this Resolution or such other sums which otherwise constitute "preliminary costs" within the meaning of applicable Treasury Regulations, from proceeds of a borrowing by this Borough, through the incurrence of taxable or tax-exempt debt, in the appropriate maximum principal amount of \$4,500,000. Such reimbursement shall occur not later than eighteen (18)

months after the later of (i) the date on which the original expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. Such debt shall be payable from the general revenues of this Borough or the revenues of the Borough issuing bonds or bank loans on its behalf.

3. The Secretary of this Borough is hereby directed to enter this Resolution upon the minutes of this Borough and to make it available for general public inspection at the Administration Offices during normal business hours of this Borough.

DULY ADOPTED, this 16th day of May 2019 by the Borough of Elizabethtown in lawful session duly assembled.

ELIZABETHTOWN BOROUGH

Attest: R. Ryan
(Assistant) Secretary

By: Jeff Hershey
Council (Vice) President

[BOROUGH SEAL]