

**LAKE COUNTY SCHOOL DISTRICT NO. R-1**  
**LAKE COUNTY, COLORADO**  
**RESOLUTION 26-07**

A RESOLUTION OF THE BOARD OF EDUCATION OF LAKE COUNTY SCHOOL DISTRICT NO. R-1, LAKE COUNTY, COLORADO, AUTHORIZING CERTAIN CAPITAL IMPROVEMENTS AT DISTRICT FACILITIES; THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT RELATED TO FINANCING A PORTION OF THE COSTS THEREOF; RATIFYING ACTION PREVIOUSLY TAKEN CONCERNING THE REFERENCED DOCUMENTS; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

WHEREAS, Lake County School District No. R-1, Lake County, Colorado (the "District") is a duly and regularly created, organized and existing school district, existing as such under and by virtue of the Constitution and laws of the State of Colorado; and

WHEREAS, the Board of Education of the District (the "Board") has been duly elected, chosen and qualified; and

WHEREAS, the Board has the power, pursuant to Section 22-32-110(1)(c), Colorado Revised Statutes, to (1) provide equipment needed by the District to carry out its educational programs; and (2) enter into rental or leasehold agreements in order to provide necessary equipment and other property for governmental or proprietary purposes; and

WHEREAS, for the purpose of financing the costs of acquiring certain energy equipment and other capital upgrades for school purposes (the "Leased Property"), the District has determined that it is in the best interest of the District and its residents and taxpayers to enter into an Equipment Lease Purchase Agreement (the "Lease") with FARMERS BANK & TRUST (the "Bank") in an amount not to exceed \$725,000, for the purpose of acquiring, constructing and installing such capital improvements, including certain lighting and other energy improvements and upgrades at various District owned facilities (the "Project"); and

WHEREAS, pursuant to the Lease, and subject to the right of the District to terminate the Lease and other limitations as therein provided, the District will pay certain rental payments ("Rent" as such terms are defined in the Lease) in consideration for the right of the District to use the Leased Property; and

WHEREAS, the District's obligation under the Lease to pay Rent shall be from year to year only; shall constitute currently budgeted expenditures of the District; shall not constitute a mandatory charge or requirement in any ensuing budget year; and shall not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the District within the meaning of any constitutional or statutory limitation or requirement concerning the creation of indebtedness or multiple fiscal year financial obligation, nor a

mandatory payment obligation of the District in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect; and

WHEREAS, there has been presented to the Board and is on file at the District offices a form of Lease; and

WHEREAS, a copy of the Lease, in substantially the form to be executed by the District and the Bank, is on file with the District; and

WHEREAS, Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, Colorado Revised Statutes (the "Supplemental Act"), provides that a public entity, including the District, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act to the Lease and the financing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF LAKE COUNTY SCHOOL DISTRICT NO. R-1, LAKE COUNTY, COLORADO:

Section 1. Ratification and Approval of Prior Actions. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board, or the officers or agents of the Board or the District, relating to the Lease or to the acquisition, construction, installation or financing of the Project is hereby ratified, approved and confirmed.

Section 2. Finding of Best Interests. The Board hereby finds and determines, pursuant to the Act, the Constitution and laws of the State, that the acquisition, construction and installation of the Project and the financing of a portion of the costs thereof pursuant to the terms set forth in the Lease is necessary, convenient, and in furtherance of the purposes of the District and is in the best interests of the District and its citizens and inhabitants, and the Board hereby authorizes and approves the same.

Section 3. Supplemental Act; Parameters. The Board hereby elects to apply all of the provisions of the Supplemental Act to the Lease and in connection therewith delegates to the President of the Board (the "President"), the Superintendent of the District (the "Superintendent"), and the Chief Financial Officer of the District (the "Chief Financial Officer") the independent authority to make any determination delegable pursuant to Section 11-57-205(1)(a-i) of the Supplemental Act in relation to the Lease, and to execute a sale certificate setting forth such determinations, including without limitation the date of the Lease, the rental amount to be paid by the District pursuant to the Lease and the term of the Lease, subject to the following parameters and restrictions:

- (a) the Lease Term shall not extend beyond June 30, 2041;
- (b) the aggregate principal amount of the Lease shall not exceed \$725,000;
- (c) the maximum annual and maximum total repayment amounts under the Lease shall not exceed \$100,000 and \$1,100,000 respectively.
- (d) the interest rate on the interest component of the Rent shall not exceed 4.99%;

(e) the Lease shall be subject to prepayment at the option of the District as specified in the Lease and Sale Certificate.

The Board hereby agrees and acknowledges that the amounts deposited into the Construction Fund by the Bank, if any, will be exclusively used to finance the costs of constructing, acquiring and installing the Project, and to pay any other costs associated with the Project.

Section 4. Approval of the Lease. The Lease, in substantially the form presented to this meeting of the Board, is in all respects approved, authorized and confirmed, and the President and the Secretary of the Board (the "Secretary") are hereby authorized and directed, for and on behalf of the District, to execute and deliver the Lease in substantially the form on file with the District, with such changes thereto as are not inconsistent with the provisions of this Resolution. The approval hereby given to the Lease includes an approval of such additional details therein as may be necessary and appropriate for its completion, deletions therefrom and additions thereto as may be approved by bond counsel prior to the execution of the Documents. The execution of any instrument by the appropriate officers of the District herein authorized shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms hereof.

Section 5. Authorization to Execute Collateral Documents and To Perform Additional Acts. The President and Secretary, and other appropriate officials or agents of the Board or the District, are hereby authorized and directed to execute and deliver for and on behalf of the District any and all additional certificates, documents, instruments and other papers, and to perform all other acts that they may deem necessary or appropriate, in order to implement and carry out the transactions and other matters authorized by this Resolution. The execution of any instrument by the aforementioned officers or members of the Board shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms hereof and thereof.

Section 6. No General Obligation Debt. No provision of this Resolution or the Lease shall be construed as creating or constituting a general obligation or other indebtedness or multiple fiscal year direct or indirect District debt or other financial obligation whatsoever of the District within the meaning of any constitutional or statutory provision, nor a mandatory charge or requirement against the District in any ensuing fiscal year beyond the then current fiscal year. The District shall not have any obligation to make any payment with respect to the Lease except in connection with the payment of the Rent (as defined in the Lease) and certain other payments under the Lease, which payments may be terminated by the District in accordance with the provisions of the Lease. No provision of the Lease shall be construed or interpreted as creating an unlawful delegation of governmental powers nor as a donation by or a lending of the credit of the District within the meaning of Sections 1 or 2 of Article XI of the Colorado Constitution. The Lease shall not directly or indirectly obligate the District to make any payments beyond those budgeted and appropriated for the District's then current fiscal year.

Section 7. Reasonableness of Rentals. The Board hereby determines and declares that the Rent, as provided in the Lease and as subject to the parameters set forth in Section 3 hereof, does not exceed a reasonable amount so as to place the District under an

economic compulsion to renew the Lease or to exercise its option to prepay the Lease. The Board hereby determines and declares that the period during which the District has an option to prepay the Lease (i.e., the entire maximum term of the Lease) does not exceed the useful life of the Leased Property. The Board hereby determines that the amount of rental payments to be received by the District from the Bank pursuant to the Lease is reasonable consideration for the leasing of the Leased Property to the Bank for the term of the Lease as provided therein.

Section 8. Authorized Lessee Representative. The Board hereby authorizes the Superintendent and the Chief Financial Officer to each act as Authorized Lessee Representative under the Lease, or such other person or persons who may be so designated in writing from time to time by the President, as further provided in the Lease.

Section 9. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the Rent. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise.

Section 10. Severability. If any one or more sections, sentences, clauses or parts of this Resolution shall for any reason be held invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, but shall be confined in its operation to the specific sections, sentences, clauses or parts of this Resolution so held unconstitutional or invalid, and the inapplicability and invalidity of any section, sentence, clause or part of this Resolution in any one or more instances shall not affect or prejudice in any way the applicability and validity of this Resolution in any other instances.

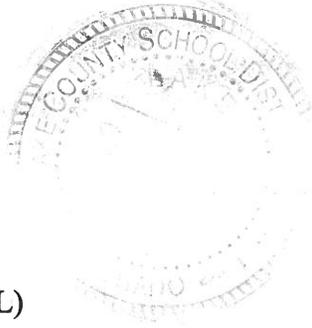
Section 11. Repealer. All bylaws, orders, and resolutions of the District, or parts thereof, inconsistent with this Resolution or with the Lease hereby approved, are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, or resolution of the District, or part thereof, heretofore repealed.

Section 12. Effective Date. This Resolution shall take effect immediately upon adoption.

[Signatures follow]

ADOPTED AND APPROVED this 25th day of August 2025.

LAKE COUNTY SCHOOL DISTRICT NO. R-1  
LAKE COUNTY, COLORADO



(SEAL)

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John Baker  
President

Attest:

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Melissa Earley  
Secretary

STATE OF COLORADO )  
 )  
 COUNTY OF LAKE ) SS. CERTIFICATE OF SECRETARY  
 )  
 LAKE COUNTY SCHOOL )  
 DISTRICT NO. R-1 )  
 )

I, Melissa Earley, the Secretary of the Board of Education (the “Board”) of the Lake County School District No. R-1, Lake County, Colorado (the “District”), do hereby certify:

1. The foregoing pages are a true and correct copy of a resolution (the “Resolution”) passed and adopted by the Board at a meeting of the Board held on August 25, 2025.

2. The Resolution was duly moved and seconded and the Resolution was adopted at the meeting of August 25, 2025, by an affirmative vote of a majority of the members of the Board as follows:

Name	“Yes”	“No”	Absent	Abstain
John Baker, President	X			
Grayson Cooper, Vice President	X			
Miriam Lozano, Treasurer	X			
Melissa Earley, Secretary	X			
Kerry Charles, Director	X			

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The Resolution was approved and authenticated by the signature of the President, sealed with the District seal, attested by the Secretary and recorded in the minutes of the Board.

5. There are no bylaws, rules or regulations of the Board which might prohibit the adoption of said Resolution.

6. Each of the Members of the District was informed of the date, time and place of the meeting held on August 25, 2025, and the purpose for which it was called in the form attached hereto as Exhibit A was posted in accordance with law.

WITNESS my hand and the seal of said District affixed this 25th day of August 2025.



(SEAL)

A handwritten signature in blue ink, appearing to read "ME", is written over a solid horizontal line.

Melissa Earley  
Secretary

EXHIBIT A

(Attach Notice and Agenda of Meeting)