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the Authority deems necessary to improve or enhance the quality and efficiency of service to be provided hereunder.

4.5 In addition, the Authority has the specific power to make and enter into contracts; to employ agents and employees; to acquire, hold, lease, sell or otherwise dispose of any real or personal property, commodity or service; to incur debts, liabilities or obligations; to sue and be sued in its own name; and, to fix, maintain, and revise fees, rates, and charges for functions, services or facilities provided by the Authority.

## V BUDGET AND OPERATING COSTS

5.1 The Board of Directors shall adopt a budget for the San Luis Valley Telecommunications Authority pursuant to the requirements of the Local Government Budget Law of Colorado (C.R.S. 29-1-101, et seq.).

## VI FUNDS AND OPERATIONS

6.1 The funds of the Authority shall be maintained in one or more accounts insured by the Federal Deposit Insurance Corporation (FDIC) and shall not be commingled with the funds of any of the parties, agencies or persons. Any funds remaining in the account at year-end shall be carried over to the next succeeding year.

6.2 The Authority's funds shall be used for the purposes set forth herein, including but not limited to the payment of any lender or lessor for any sums advanced, plus interest or other charges. No disbursement shall be made from the funds of the Authority except by check and unless a bill for goods or services actually rendered or delivered has been first submitted and approved for payment by the Authority Board, said approval being evidenced in writing and signed by the President and Secretary of the Authority.

6.3 Except for any loan expressly approved by the Counties by a resolution duly adopted by a majority vote of the San Luis Valley Boards of County Commissioners, the Authority shall not borrow money. Further, the Authority shall not approve any claims or incur any obligations for expenditures unless there is sufficient unencumbered cash, credited to the Authority, with which to pay the same.

6.4 The Authority may invest its funds only in accordance with any applicable laws of the State of Colorado governing the investment of public funds.

6.5 No party to this Agreement shall have any liability to pay for any debt or other obligation incurred by the Authority unless there is a specific undertaking to do so accompanied by an appropriation approved with the requisite formalities.

6.6 No act or course of action shall be undertaken by the Authority, or in the name of the Authority, unless the same is first duly authorized by a majority vote of the Board of Directors at any meeting, upon due notice first given, at which a quorum is present of a majority of the