
**RESOLUTION OF THE BOARD OF DIRECTORS
OF**

REGARDING REIMBURSEMENT EXPENDITURES

DEFINITION OF TERMS

In this resolution:

“*District*” means Northern Inyo Healthcare District, a California Special District.

“*Project*” means:

- (i) the acquisition of land related to any of the following described construction projects;
- (ii) the construction of a health care facility to include the Northern Inyo Rural Health Clinic and replace other outdated facilities for the care our outpatients;
- (iii) the construction of a replacement facility at this District’s existing site located at 153 Pioneer Lane;
- (iv) site preparation and similar costs incident to commencement of the above-described construction projects;
- (v) the acquisition and installation of equipment for this District’s facilities, including the new projects described above; and
- (vi) architectural, engineering, surveying, soil testing, reimbursement bond issuance and similar costs that are incurred prior to the commencement of the activities described in this paragraph.

BACKGROUND OF RESOLUTION

This District is pursuing the Project. On an interim basis, until other financing for the Project is obtained, this District intends to pay all or a portion of the costs of the Project from funds available to it. Those funds, however, are not available for that purpose on a permanent basis. This District intends, therefore, to reimburse itself from the proceeds of reimbursement obligations or bonds to be issued on its behalf for the amounts which it has paid. It is the purpose of this resolution to formally state that intention.

RESOLVED


1. Intention to Reimburse. This District declares its intention to reimburse itself for expenditures relating to the Project which it pays with its own funds. This District expects the reimbursement to be funded with the proceeds of reimbursement obligations or bonds to be issued on its behalf with respect to the Project. This District does not expect the aggregate principal amount of the obligations or bonds to be issued for the purpose of reimbursing the District for costs of the Project to exceed \$XX,000,000. This District acknowledges that any such reimbursement must be made not later than eighteen months after the later of the date on which the expenditure to be reimbursed is paid or the date on which the property for which the

reimbursement is made is placed in service or abandoned, but in no event more than three years after the date on which the expenditure to be reimbursed was paid. Each of the costs to be reimbursed is of a type that is properly chargeable to a capital account, or would be chargeable to a capital account with a proper election to do so, or is a cost of issuance for a bond.

2. Reasonableness. This District's expectation to reimburse itself for costs of the Project which it pays before the reimbursement bonds are issued is reasonable. This District does not have a pattern of failing to reimburse itself for expenditures which it has made and with respect to which resolutions similar to this resolution have been adopted. The funds applied to the temporary payment of the costs of the Project are needed on a long-term basis for other purposes and are not, therefore, available for the permanent payment of Project costs. No other funds of this District are reserved or otherwise set aside for the payment of costs of the Project for which reimbursement is expected.

ADOPTED: October 16, 2019

Witnessed by:



Secretary, Northern Inyo Health Care District

Date:

10/16/19