

RESOLUTION NO. 2018-08

A RESOLUTION of the Board of Commissioners of the San Juan County Public Hospital District No. 2, San Juan County, Washington, amending Resolution No. 2018-01.

WHEREAS, the Board of Commissioners (the "Board") of San Juan County Public Hospital District No. 2, San Juan County, Washington (the "District"), adopted Resolution No. 2018-01 on January 25, 2018 (the "Bond Resolution"), authorizing the issuance and sale of up to \$560,000 of a Limited Tax General Obligation Bond (the "Bond"); and

WHEREAS, the Bond is a draw down loan, and the Bond Resolution delegated to the District, for a limited time, the authority to determine the timing and amount of drawings on the Bond; and

WHEREAS, the District has not completed its draws on the Bond; and

WHEREAS, the time period during which the District could draw on the Bond expires on September 1, 2018; and

WHEREAS, the Board wishes to extend the time of its authority to draw on the Bond to December 1, 2018, in order to complete the draws on the Bond; and

WHEREAS, Islanders Bank (the "Bank") has consented to this amendment;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, SAN JUAN COUNTY, WASHINGTON, as follows:

Section 1. Amendment. Section 2 of Resolution No. 2018-01 is hereby amended to read as follows (additions are underscored and deletions are shown as stricken through):

Section 2. Authorization of Bond. The District shall now issue and sell to the Bank its limited tax general obligation bond in the principal amount of not to

exceed \$560,000 (the "Bond") to provide funds to pay the costs of the Project and the costs of issuance of the Bond. The Bond shall be designated "San Juan County Public Hospital District No. 2, San Juan County, Washington, Limited Tax General Obligation Bond, 2018," shall be dated as of the date of its delivery to the Bank, shall be fully registered as to both principal and interest, shall be issued as a single fully registered bond, and shall be numbered in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification. The Bond shall be in the denomination of \$560,000, provided that the Outstanding Principal Balance due and owing thereunder shall be measured by the total drawings made, as evidenced by the Loan Draw Record.

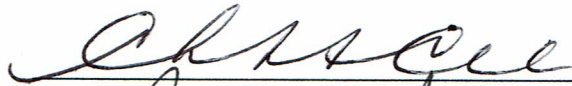
The Bond shall bear interest on unpaid principal from the date of each drawing or the most recent date to which interest has been paid at the Interest Rate. Interest shall be calculated on an actual number of days elapsed over a year of 360 days basis. Principal of the Bond shall be amortized to achieve approximately equal annual debt service payments (combined total payments of principal and interest each year). Interest shall be paid semiannually on each June 1 and December 1, commencing on June 1, 2018. Principal shall be paid annually on December 1, commencing on December 1, 2018, with the final payment of all outstanding principal, together with interest thereon, on the Maturity Date.

The Outstanding Principal Balance under the Bond may never exceed \$560,000. The available principal of the Bond shall be disbursed as borrowings from time to time by the Bank upon request from the District (each such disbursement herein referred to as a "Draw"). Draws shall be recorded on the Loan Draw Record. The Bank's failure to record any Draws on the Loan Draw Record attached to the Bond shall not affect in any way the District's obligation to pay the Bond. An initial Draw on the Bond in the amount of at least \$50,000 must be made by the District on the Date of Issue. The District may make Draws on the Bond once per month until ~~[September 1, 2018]~~[December 1, 2018], at which time the final Bond balance will be set. Interest on each Draw shall accrue from the date of that Draw and shall be computed on the basis as described above on the principal amount of the Draw outstanding for the actual number of days the principal amount of the Draw is outstanding. A request for a draw on the line of credit established hereunder may be made in writing in the manner approved by the Bank and the District. Draws submitted to the Bank in whatever form shall be binding upon the District. The Bond is not a revolving line of credit.

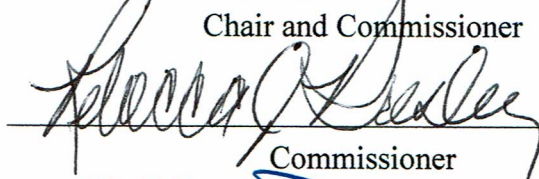
Section 2. Ratification. As amended by this resolution, Resolution No. 2018-01 is hereby ratified, approved and confirmed.

APPROVED by the Board of Commissioners of San Juan County Public Hospital District
No. 2, San Juan County, Washington, at a regular meeting thereof held this 26th day of July, 2018.

SAN JUAN COUNTY PUBLIC HOSPITAL
DISTRICT NO. 2, SAN JUAN COUNTY,
WASHINGTON



Chair and Commissioner



Commissioner



Commissioner

Commissioner

Commissioner

ATTEST:



Secretary, Board of Commissioners

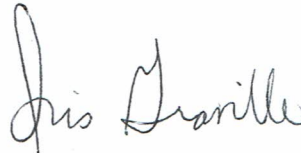
CERTIFICATE

I, the undersigned, Secretary of the Board of Commissioners of San Juan County Public Hospital District No. 2, San Juan County, Washington, (the "District") and keeper of the records of the Board of Commissioners (the "Board"), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution No. 2018-08 of the Board (the "Resolution"), duly passed at a regular meeting thereof held on the 26th day of July, 2018.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Board voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 26th day of July, 2018.



Secretary, Board of Commissioners