

# REQUEST FOR BOARD ACTION

## HENDERSON COUNTY

### BOARD OF COMMISSIONERS

**MEETING DATE:** 21 January 2009

**SUBJECT:** Reimbursement resolution for Henderson County Hospital Corporation

**ATTACHMENT(S):** Proposed resolution

**SUMMARY OF REQUEST:**

Henderson County Hospital Corporation's Board of Trustees has determined it would be in the best interest of the Corporation to purchase several local medical practices, in accord with its long-term plans. Included in these purchases will be the purchase of certain real estate used in such practices.

The Hospital Corporation contemplates that the initial purchases of these practices should be made from available cash reserves. However, the Corporation Board wants to keep open for now the option of financing these purchases. To do so, since all real estate is held in the name of the County, and since any borrowing done would (1) require County approval and (2) likely require the real estate to be pledged as collateral for the loan. To do so with a later purchase, and to meet the public financing requirements for a County borrowing, this resolution is required.

County and Hospital Corporation staff will be present and prepared if requested to give further information on this matter.

**BOARD ACTION REQUESTED:**

Approval of the Reimbursement Resolution.

If the Board is so inclined, the following motion is suggested:

***I move that the Board adopt the Reimbursement Resolution contained together with this agenda item.***

**RESOLUTION**

**WHEREAS**, at the request of Henderson County Hospital Corporation (hereinafter "Hospital"), the County intends to purchase certain real property to be used as medical offices (hereinafter referred to as the "Medical Office Project") by securing not more than \$2,940,000.00 in financing to pay for all or a portion of the estimated cost of the Medical Office Project;

**WHEREAS**, the County and the Hospital propose to finance the Medical Office Project but have incurred and will continue to incur expenses of such project prior to the financing of the Medical Office Project;

**WHEREAS**, the County continues its desire to reimburse itself and Hospital from the proceeds of a borrowing for the respective expenditures the County and the Hospital have made or will continue to make in connection with the Medical Office Project prior to the financing thereof;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of Henderson County, as follows:

1. The Henderson County Board of Commissioners, which is authorized to declare the official intent of the County of Henderson, North Carolina with respect to matters contained herein, hereby makes the following declaration that is intended to constitute a Declaration of Official Intent to Reimburse from Financing Proceeds Expenditures Made by the County and Hospital with respect to the Medical Office Project:
  - (a) **Expenditures to be Incurred.** The County has incurred expenses and expects to incur expenditures (the "Expenditures") related to the Medical Office Project.
  - (b) **Plan of Finance.** The County intends to finance the costs of the foregoing acquisition with proceeds of a financing in an amount deemed advisable by the County and Hospital (the "Borrowing"), which will not exceed \$2,946,000.00.
  - (c) **Declaration of Official Intent to Reimburse.** The County hereby declares and reaffirms its official intent to reimburse itself and the Hospital with the proceeds of the Borrowing for any of the Expenditures paid by the County and/or Hospital prior to the incurrence of the Borrowing.
2. This resolution shall take effect immediately upon its passage.

**ADOPTED THIS** the \_\_\_\_ day of January, 2009.

**HENDERSON COUNTY BOARD OF COMMISSIONERS**

By: \_\_\_\_\_  
**William L. Moyer, Chairman**

[OFFICIAL SEAL]

ATTESTED BY:

\_\_\_\_\_  
Elizabeth W. Corn, Clerk to the Board