

orig: BOB binder  
cc: Dick Alesch  
G. Mueserini  
Sonoma Co  
Foundation

RESOLUTION No. 09-19

gmslly 8/24/09

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE PALM DRIVE HEALTH CARE DISTRICT AUTHORIZING THE PALM DRIVE HEALTH CARE DISTRICT TO INCUR SHORT-TERM INDEBTEDNESS FOR \$150,000.00.**

WHEREAS, the Palm Drive Health Care District (the "District") is authorized pursuant to Health and Safety Code § 32130 to incur indebtedness in an amount not to exceed 85% of all estimated income and revenue for the current fiscal year, including, but not limited to tax revenue, operating income, and any other miscellaneous income received by the District;

WHEREAS, the District has the power and authority to borrow "unsecured" loans without Bankruptcy Court approval;

WHEREAS, indebtedness incurred under Health and Safety Code § 32130 must be repaid within the same fiscal year;

WHEREAS, the Board of Directors (the "Board") of the District has been advised by Palm Drive Hospital's (the "Hospital") Director of Finance that the District within the past week experienced a cash shortfall affecting operations of the Hospital and obtained an emergency loan of \$150,000.00 (the "Loan") from the Palm Drive Health Care Foundation (the "Foundation").

WHEREAS, the Loan shall be evidenced by a note and shall have an interest rate not to exceed 5% and shall mature no later than December 20, 2009;

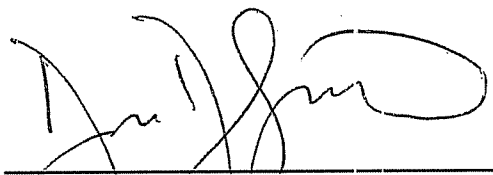
WHEREAS, proceeds of the Loan shall be used for the benefit of the District generally, and more specifically, for medical services, including emergency, medical/surgical, intensive care and outpatient services.

**NOW, THEREFORE BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE PALM DRIVE HEALTH CARE DISTRICT:**

1. All of the above recitals are true and correct.
2. The Board hereby approves and ratifies the Loan transaction described above.

Approved and adopted at a special meeting of the Board of Directors on the twenty sixth day of August, 2009, by the following vote:

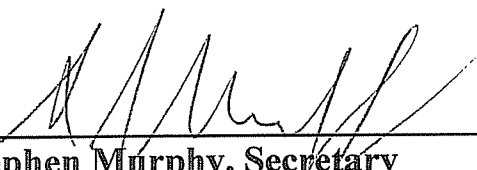
AYES \_\_\_\_\_  
NOES \_\_\_\_\_  
ABSENT \_\_\_\_\_  
ABSTAIN \_\_\_\_\_



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**Dan Smith, President**  
**PALM DRIVE HEALTH CARE DISTRICT**

**ATTEST:**



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**Stephen Murphy, Secretary**  
**PALM DRIVE HEALTH CARE DISTRICT**