

**RESOLUTION
OF THE
BOARD OF COMMUNITY HEALTH**

I. WHEREAS, pursuant to an act of the Georgia General Assembly (Act No. 102, 2009 Regular Session, H.B. 228 (the “Act”), effective as of July 1, 2009 (the “Effective Date”), various titles of the Official Code of Georgia Annotated were amended so as to reorganize and reestablish various state health and human services agencies and to reassign various functions to the new agencies;

II. WHEREAS FURTHER, pursuant to O.C.G.A. § 31-2-4, the Act re-created and established the Department of Community Health (the “Department”) to perform the functions and assume the duties and powers of the former Department of Community Health, the Division of Public Health of the Department of Human Resources, and the Office of Regulatory Services of the Department of Human Resources (as such entities existed prior to the Effective Date), unless specifically transferred to the Department of Human Services in accordance with the Act;

III. WHEREAS FURTHER, pursuant to O.C.G.A. § 31-2-3, the Act re-constituted the Board of Community Health (the “Board”), which shall establish the general policy to be followed by the Department;

IV. WHEREAS FURTHER, the Act transferred the powers, functions, and duties of the former Board of Community Health, as they existed prior to the Effective Date, to the reconstituted Board of Community Health pursuant to O.C.G.A. § 31-2-3;

V. WHEREAS FURTHER, pursuant to O.C.G.A. § 31-2-5, the Department is successor to certain rules, regulations, policies, procedures, administrative orders, rights, interests, and obligations of the predecessor agency or unit which were in effect on June 30, 2009 and which relate to the functions transferred to the Department pursuant to the Act, including, but not limited to certain rights, privileges, entitlements, and duties of parties to contracts, leases, agreements, and other transactions, and custody of the state owned real property in the custody of the predecessor agency or unit on June 30, 2011, and which pertains to the functions transferred to the Department pursuant to the Act;

VI. WHEREAS FURTHER, pursuant to Article VII, Section IV of the Constitution of the State of Georgia (the “Georgia Constitution”), the State of Georgia (the “State”) may finance certain capital needs directly through the issuance of general obligation debt;

VII. WHEREAS FURTHER, pursuant to Article VII, Section IV, Paragraph VII(a) of the Georgia Constitution, and the “Georgia State Financing and Investment Commission Act”, O.C.G.A. § § 50-17-20 through 50-17-30 (the “Commission Act”), the Georgia State Financing and Investment Commission (the “Commission”) is the agency and instrumentality of the State charged with issuing debt of the State and ensuring the proper application, as provided by law, of the proceeds of such debt to the purposes for which the debt is incurred;

VIII. WHEREAS FURTHER, Article VII, Section IV, Paragraph I (c) of the Georgia

Constitution, and the GSFIC Act provide that certain general obligation debt (as defined by O.C.G.A. § 50-17-21 (5) and hereinafter "General Obligation Debt") may be incurred to acquire, construct, develop, extend, enlarge, or improve land, waters, property, highways, buildings, structures, equipment, or facilities of the State, its agencies, departments, institutions, and of those State authorities which were created and activated prior to November 8, 1960;

IX. WHEREAS FURTHER, pursuant to Paragraphs I through III of Section IV of Article VII of the Georgia Constitution, the General Appropriations Act for fiscal year 2011-2012 (Ga. L. 2011, Volume One, Book Two Appendix, commencing at p. 1 of 231, Act No. 223, 2011 Regular Session, H.B. 78) was enacted by the General Assembly and signed by the Governor on May 12, 2011, so as to make the following appropriation, designated "General Obligation Debt Sinking Fund – New," to the State of Georgia General Obligation Debt Sinking Fund, as provided by the Georgia Constitution, Article VII, Section IV, Paragraph III:

A. [Bond 379.511] From State General Funds, \$2,310,000 is specifically appropriated for the purpose of financing projects and facilities for the Department of Community Health by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$10,000,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of 60 months;

X. WHEREAS FURTHER, with respect to the appropriation set forth in Article IX above, the State previously has issued:

A. \$0 in General Obligation Debt of the \$10,000,000 amount authorized in the appropriation set forth in Article IX.A. above, and there remains a total aggregate principal amount of \$10,000,000 of unissued General Obligation Debt relating to such appropriation;

XI. WHEREAS FURTHER, the Board finds an immediate need for the aggregate principal amount of the General Obligation Debt authorized in the appropriation set forth in Article IX above for the purpose of financing some or all of the projects and facilities referenced in the appropriation set forth in Article IX above, as follows:

A. \$10,000,000 of the \$10,000,000 aggregate principal amount of General Obligation Debt authorized in the appropriation set forth in Article IX.A. above;

XII. WHEREAS FURTHER, the Board therefore desires to request the issuance of State of Georgia General Obligation Bonds in the aggregate principal amount of \$10,000,000, the instruments of which shall have maturities not in excess of sixty (60) months (the "General Obligation Bonds"), for the purpose of financing some or all of the projects and facilities referenced in the appropriation set forth in Article IX (the "Projects");

XIII. WHEREAS FURTHER, the Board is aware that the Projects shall be completed with proceeds derived from the sale of the General Obligation Bonds with the intent that interest on

such General Obligation Bonds be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code");

XIV. WHEREAS FURTHER, the Board is aware of the provisions and requirements of the Tax Code and the regulations issued thereunder respecting arbitrage bonds and private activity bonds, and is aware that the Projects must proceed with due diligence and be timely completed following receipt of the proceeds derived from the sale of the General Obligation Bonds (the "Bond Proceeds"),

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMUNITY HEALTH THAT:

SECTION 1.

The Board hereby approves and authorizes the Projects.

SECTION 2.

The Board hereby recommends to the Georgia State Financing and Investment Commission that said Commission undertake to issue the General Obligation Bonds in the aggregate principal amount of \$10,000,000, the instruments of which shall have maturities not in excess of sixty (60) months, for the purpose of financing some or all of the Projects.

SECTION 3.

The Board hereby determines and agrees that:

- (a) the final plans for the Projects are sufficiently complete such that substantial binding obligations to a third party or parties (as defined in the regulations issued under the Tax Code), involving the expenditure of at least five percent (5%) of the Bond Proceeds herein requested, to commence or acquire the Projects will be incurred within six (6) months after the issuance of such General Obligation Bonds;
- (b) eighty-five percent (85%) of the Bond Proceeds herein requested will be expended within three (3) years after the issuance of such General Obligation Bonds;
- (c) the Bond Proceeds herein requested, and anticipated investment proceeds (net of interest on such General Obligation Bonds during the estimated period of construction), will not exceed the amount necessary for the governmental purposes of financing the Projects;
- (d) during the time the General Obligation Bonds herein requested are outstanding, the Department will not take, or omit to take, any action which would cause such General Obligation Bonds to be deemed private activity bonds or arbitrage bonds under the Tax Code;
- (e) the Department will not use the Bond Proceeds herein requested, or the Projects financed with such Bond Proceeds, for any non-governmental purpose, or

any purpose that would give rise to private business use within the meaning of the Tax Code, except for those specific instances in which the Department has previously consulted with the Commission;

(f) the term of the General Obligation Bonds related to the Projects will not be longer than 120% of the reasonably expected economic life of the Projects financed thereunder;

(g) no Bond Proceeds herein requested will be used for reimbursement of any Project expenditures which were made before the anticipated delivery date of such General Obligation Bonds, except in situations where, prior to any such expenditure, the Department has obtained a declaration of "Official Intent" (as defined by the Tax Code) from the Commission, or the Department has been otherwise advised in writing by the Commission that such reimbursement will be permitted, it being the intention of the Department to comply in all respects with Section 1.150-2 of the regulations under the Tax Code;

(h) all of the expenditures of the Bond Proceeds for the Projects will constitute capital expenditures (as defined in Section 1.150-1(b) of the regulations under the Tax Code);

(i) with respect to the Projects, all of the Bond Proceeds will be allocated to Project expenditures no later than the earlier of: (i) eighteen (18) months after the date such Project is placed in service, or (ii) five (5) years after the issuance of such General Obligation Bonds; any unallocated Bond Proceeds remaining after the earlier of such dates shall be transferred to the Commission and used to redeem outstanding tax-exempt General Obligation Debt of the applicable issue.

SECTION 4.

The Board hereby determines and agrees that with respect to any Department projects and any projects transferred to the Department pursuant to the Act and which pertain to the functions transferred to the Department pursuant to the Act, where any such project was previously financed with proceeds of State of Georgia General Obligation Debt issued by the State with the intent that (i) the interest on such bonds be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Tax Code or (ii) such bonds at the time of their issuance were designated by the State as Build America Bonds under Section 54AA of the Tax Code (a "Prior Bond Project"), and where any Prior Bond Project bonds remain outstanding (including any refunding bonds), the Board certifies that such Prior Bond Project is not now being used for any private business use within the meaning of pertinent provisions of the Tax Code, except for those specific instances in which the Department has identified to the Commission such use of the Prior Bond Project(s) and (a) provision was made so as to retire, redeem or defease any and all then-remaining outstanding bonds for the Prior Bond Project(s) concurrent with such use or (b) the Commission has determined that the aforementioned retirement, redemption or defeasance is not required to maintain the tax-exempt or Build America Bond status of such bonds.

SECTION 5.

The Board hereby approves, authorizes, and directs the Commissioner of Community Health (the

“Commissioner”) or the Chairperson of the Board (the “Chairperson”), to communicate a request to the Georgia State Financing and Investment Commission that said Commission undertake to issue the General Obligation Bonds in the aggregate principal amount of \$10,000,000, the instruments of which shall have maturities not in excess of sixty (60) months, for the purpose of financing some or all of the Projects.

SECTION 6.

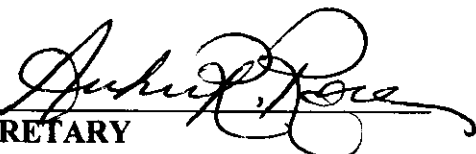
The Commissioner, the Chairperson, the Secretary of the Board, and their valid delegates are hereby each authorized and directed to execute any instruments and take whatever action which may be necessary in connection with the issuance of the General Obligation Bonds by the Commission, including, but not limited to, the preparation and execution of answers in connection with any legal proceeding as to the validity of any action by the Board with respect to the General Obligation Bonds issued by the Commission. The Attorney General or any Assistant Attorneys General of the State are authorized to execute Acknowledgment of Service and Waiver of Process in such legal proceedings.

This Resolution is hereby adopted this 10th day of May, 2012.



CHAIRPERSON
BOARD OF COMMUNITY HEALTH

ATTEST:



SECRETARY
BOARD OF COMMUNITY HEALTH

CERTIFICATE

I, Arthur R. Rosa, Secretary of the Board of Community Health, do hereby certify that I am custodian of the minutes of said Board, and that the foregoing is a true and correct copy of a Resolution duly adopted by said Board at a meeting held on the 10th day of May, 2012.

SO CERTIFIED, this 10th day of May, 2012.

Arthur R. Rosa
SECRETARY
BOARD OF COMMUNITY HEALTH