

RESOLUTION No. 180719

ESTABLISHING AN ELECTION COST RESERVE FUND

The Board of Directors hereby resolves as follows:

ARTICLE 1: ESTABLISHMENT OF RESERVE FUNDS

Section 1.1 There is hereby created an Election Cost Reserve Fund, to reserve a portion of the District's investments to pay for an election in the event one or more of the District's Board seats are contested.

Section 1.2 Funds in the Election Cost Reserve Fund are hereby dedicated to the payment of election costs charged to the District by Contra Costa County for conducting elections for the District's Board of Directors.

ARTICLE 2: Election Cost Reserve

Section 2.1 Each year during the budgeting process, funds will be designated to the Election Cost Reserve Fund in the amount of \$80,000.

Section 2.2 At the end of each fiscal year any unused monies may be designated to the Election Cost Reserve Fund, at the discretion of the Board of Directors.

Section 2.3 Monies deposited in the Election Cost Reserve Fund shall be available for payment of election costs charged to the District by Contra Costa County for conducting elections for the District's Board of Directors. Monies shall not be withdrawn from the reserve fund for any other purpose, except by approval of the Board of Directors.

Section 2.4 As of the time this policy is adopted, the Election Cost Reserve Fund will include \$80,000 of the District's existing investment balance.

Section 2.5 The Election Cost Reserve Fund may be amended or abolished only by approval of the Board of Directors.

ARTICLE 3: INVESTMENT

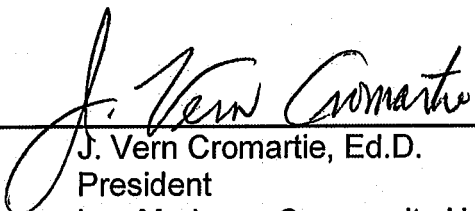
Section 3.1 Monies deposited in the Election Cost Reserve Fund and the District's General Funds may be commingled for investment purposes.

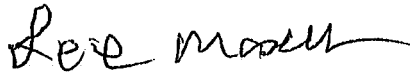
ARTICLE 4: REPORTING

Section 4.1 The Accounting Consultant is hereby directed to cause the funds in the Election Cost Reserve Fund to be set aside in a separate account within the District's books of account, in accordance with Generally Accepted Accounting Principles.

The foregoing resolution was passed and adopted at a regular meeting of the Los Medanos Community Healthcare District Board of Director's on the 16th day of July, 2018, by the following vote:

Ayes: **Directors:** Mason, Fountain, Young, Strong, Cromartie
Noes: **Directors:** None
Absent: **Directors:** None
Abstain: **Directors:** None

Signed: 
J. Vern Cromartie, Ed.D.
President
Los Medanos Community Healthcare District Board of Directors

Attested: 
Lee Mason
Secretary
Los Medanos Community Healthcare District Board of Directors