

RENEWAL OF \$2,000,000 REVOLVING CREDIT LINE

Per the attached policy, renewals of existing credit lines require Board Approval. This credit line annually renews on January 15.

Administrative Policy

- Subject: Approval Process for Authority Borrowing
- Purpose: To outline the communication and documentation that is necessary before the Authority can borrow funds internally or externally.
- Policy: EMSA management will explore all alternatives and include beneficiary jurisdictions in discussion of all alternatives to borrowing funds before any decision is made to borrow funds. This applies not only to long term debt, but also to short-term debt, such as a line of credit. Any borrowing conducted by the Authority must be approved by a vote of the trustees according to the Trust Indenture. If bonds are to be the method used for borrowing, State Law (60 O.S. 176 (E)) requires a 2/3 vote by the beneficiary jurisdiction to authorize bonds.

If a line of credit or other credit facility is authorized by the trustees for borrowing on an as needed short-term basis to assist with cash flow, this authorization must be renewed by the trustees on an annual basis, with periodic reporting by EMSA management of the amount of usage and interest payments made in the prior year related to the line of credit.

Prior to use of a Trustee approved line of credit, EMSA management will contact the beneficiary jurisdiction by e-mail and provide information on the cause, scope and expected timing of the borrowing from the approved line of credit. This contact should be made as soon as possible to provide an opportunity for the beneficiary jurisdiction to provide an alternative to borrowing funds.