

Extract of Minutes of a regular meeting of the Board of Commissioners of the County of Buncombe, North Carolina held in the Commissioners' Chambers, 30 Valley Street, Asheville, North Carolina, at 4:30 p.m. on August 21, 2012.

* * *

The following members were present:

The following members were absent:

Also present:

* * *

Commissioner _____ moved that the following resolution (the "*Resolution*"), a copy of which was provided to the Board and which was read by title:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE

WHEREAS, the Board of Commissioners is considering the issuance of bonds of the County of Buncombe, North Carolina (the "*County*") which shall be for the following purpose and in the following maximum amount:

Not to exceed \$32,800,000 of General Obligation Refunding Bonds to pay the costs of refunding in advance of their maturities \$32,800,000 aggregate principal amount of the County of Buncombe, North Carolina Variable Rate General Obligation Bonds, Series 2002B (the "*2002B Bonds*") maturing on and after December 1, 2012.

WHEREAS, certain findings of fact by the Board of Commissioners must be presented to enable the Local Government Commission of the State of North Carolina to make certain determinations as set forth in Article 4 of Chapter 159 of the General Statutes, Section 52.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners meeting in open session on the 21st day of August, 2012, has made the following factual findings in regard to this matter:

A. ***Facts Regarding Necessity of Proposed Financing.*** The proposed bonds are necessary and expedient to fix and lower the County's debt service costs related to projects financed with the proceeds of the 2002B Bonds, assuming the 2002B Bonds bear interest at their maximum rate of interest until final maturity.

B. ***Facts Supporting the Amount of Bonds Proposed.*** The sums estimated for these bonds are adequate and not excessive for the proposed purpose.

C. ***Past Debt Management Policies.*** The County's debt management policies have been carried out in compliance with law. The County employs a Finance Director to oversee compliance with applicable laws relating to debt management. The Board of Commissioners require annual audits of County finances. In connection with these audits, compliance with laws is reviewed. The County is not

in default in any of its debt service obligations. The County Attorney reviews all debt-related documents for compliance with laws.

D. **Past Budgetary and Fiscal Management Policies.** The County's budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the Board of Commissioners before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the Board of Commissioners at regular Board of Commissioners meetings. The Finance Director presents financial information to Board of Commissioners which shows budget to actual comparisons annually and otherwise as the County Manager deems necessary or as a member of the Board of Commissioners may request.

E. **Retirement of Debt.** The schedule for issuing the bonds does not require a property tax increase. The schedule for issuance calls for issuing all of the bonds in Fiscal Year 2013.

F. **Financing Team.** The County Manager and the Finance Director, with advice from the County Attorney, are hereby authorized and directed to (1) retain Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina, and Martin L. Nesbitt, Esq., Asheville, North Carolina as co-bond counsel, (2) retain Robert W. Baird & Co., Winston-Salem, North Carolina, and such other underwriter as the Finance Director may select, as underwriters for the bonds, and (3) approve the selection of McGuireWoods LLP, Charlotte, North Carolina, as counsel to the underwriters.

Upon motion of Commissioner _____, the foregoing order titled: **“A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE”** was adopted by the following vote:

AYES:

NAYS:

PASSED, ADOPTED AND APPROVED this 21st day of August, 2012.

STATE OF NORTH CAROLINA)
)
COUNTY OF BUNCOMBE) SS:

I, Kathy Hughes, Clerk to the Board of Commissioners of the County of Buncombe, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of the resolutions titled “**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE**” adopted by the Board of Commissioners of the County of Buncombe, North Carolina in regular session convened on the 21st day of August, 2012, as recorded in the minutes of the Board of Commissioners of the County of Buncombe, North Carolina.

WITNESS my hand and the seal of the County of Buncombe, North Carolina, this the 21st day of August, 2012.

(SEAL)

Kathy Hughes, Clerk to the Board of Commissioners
County of Buncombe, North Carolina

Extract of Minutes of a regular meeting of the Board of Commissioners of the County of Buncombe, North Carolina held in the Commissioners' Chambers, 30 Valley Street, Asheville, North Carolina, at 4:30 p.m. on August 21, 2012

* * *

The following members were present:

The following members were absent:

Also present:

* * *

Commissioner _____ introduced the following bond order by reading the title thereof:

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$32,800,000
GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA**

WHEREAS, the County of Buncombe, North Carolina (the "*County*") has issued \$39,500,000 aggregate principal amount of its Variable Rate General Obligation Bonds, Series 2002B (the "*2002B Bonds*");

WHEREAS, the Board of Commissioners (the "*Board*") of the County deems it advisable to refund \$32,800,000 in aggregate principal amount of the 2002B Bonds maturing on and after December 1, 2012;

WHEREAS, an application has been filed with the Secretary (the "*Secretary*") of the Local Government Commission of North Carolina (the "*Commission*") requesting Commission approval of the bonds hereinafter described as required by the Local Government Bond Act, and the Secretary has notified the Board that the application has been accepted for submission to the Commission.

NOW, THEREFORE, BE IT ORDERED by the Board of Commissioners of the County of Buncombe, North Carolina, as follows:

Section 1. The Board deems it advisable to refund \$32,800,000 in aggregate principal amount of the 2002B Bonds maturing on and after December 1, 2012.

Section 2. To raise the money required to pay the costs of refunding the 2002B Bonds as set forth above, General Obligation Refunding Bonds of the County of Buncombe, North Carolina are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such General Obligation Refunding Bonds authorized by this bond order shall be and not exceed \$32,800,000.

Section 3. A tax sufficient to pay the principal of and interest on said General Obligation Refunding Bonds when due shall be annually levied and collected.

Section 4. A sworn statement of the County's debt has been filed with the Clerk to the Board of Commissioners and is open to public inspection.

Section 5. This bond order shall take effect on its adoption.

The Clerk to the Board of Commissioners is directed to publish a notice of adoption as prescribed by The Local Government Bond Act, the bond order titled, **“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$32,800,000 GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA”**, which was introduced at the meeting of the Board of Commissioners held on August 21, 2012.

Upon motion of Commissioner _____, the foregoing order titled: **BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$32,800,000 GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA”**, was adopted by the following vote:

AYES:

NAYS:

PASSED, ADOPTED AND APPROVED this 21st day of August, 2012.

STATE OF NORTH CAROLINA)
)
COUNTY OF BUNCOMBE) SS:

I, Kathy Hughes, Clerk to the Board of Commissioners of the County of Buncombe, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of the bond order titled **“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$32,800,000 GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA,”** which was adopted by the Board of Commissioners of the County of Buncombe, North Carolina in regular session convened on the 21st day of August, 2012, as recorded in the minutes of the Board of Commissioners of the County of Buncombe, North Carolina.

WITNESS my hand and the seal of the County of Buncombe, North Carolina, this the 21st day of August, 2012.

(SEAL)

Kathy Hughes, Clerk to the Board of Commissioners
County of Buncombe, North Carolina