

EXTRACTS FROM MINUTES OF THE BOARD OF COMMISSIONERS

A regular meeting of the Board of Commissioners of the County of Ashe, North Carolina, was duly held on November 18, 2024 at 9:00 a.m. at the Commissioners' Meeting Room (small courtroom) on the third floor of the Ashe County Courthouse, 150 Government Circle, Suite 2500, Jefferson, North Carolina. Chairman Todd McNeill presiding.

The following members were present:

The following members were absent:

* * * * *

The Finance Director of the County of Ashe, North Carolina (the "*County*") reported to the Board of Commissioners of the County (the "*Board*") that notice of a public hearing was published on November 6, 2024, stating that the Board would hold a public hearing at 9:00 a.m. on November 18, 2024 to receive public comments on the proposed execution and delivery by the County of (1) an installment financing contract in a principal amount not to exceed \$47,000,000 (the "*Contract*"), the proceeds of which would be used to finance the construction, acquisition and equipping of a new Ashe County Middle School to replace the existing Ashe County Middle School (the "*Project*"), and (2) a deed of trust, security agreement and fixture filing (the "*Deed of Trust*") under which the County would grant a lien on the County's fee simple interest in the real property on which the Project is located, together with the improvements thereon, as may be required for the benefit of the entity providing the funds to the County under the Contract.

The Chairman of the Board then announced that the Board would hear anyone who wished to be heard on the questions of the proposed Contract, the Deed of Trust and the Project to be financed thereby.

[No one spoke at the public hearing.]

Commissioner _____ moved that the public hearing be closed. The motion was unanimously adopted.

After the closing of the public hearing, Commissioner _____ moved that the following resolution, copies of which having been made available to the Board of Commissioners, be adopted, by reading the title thereof (further reading waived without objection):

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF ASHE, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS

WHEREAS, the County of Ashe, North Carolina (the “*County*”) is a political subdivision validly existing under the Constitution, statutes and laws of the State of North Carolina (the “*State*”);

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina, to (1) purchase real and personal property, (2) enter into installment purchase contracts to finance the purchase or improvement of real and personal property used, or to be used, for public purposes, and (3) grant a security interest in some or all of the property purchased or improved to secure repayment of the purchase price;

WHEREAS, the Board of Commissioners of the County (the “*Board*”) has previously determined that it is in the best interest of the County to enter into an Installment Financing Contract dated as of January 1, 2025 (the “*Contract*”) with Ashe County Financing Corporation (the “*Corporation*”) in order to (1) finance the construction, acquisition and equipping of a new Ashe County Middle School to replace the existing Ashe County Middle School (the “*Project*”) and (2) pay certain costs incurred in connection with the execution and delivery of the Contract;

WHEREAS, to secure its obligations under the Contract, the County will execute and deliver a Deed of Trust, Security Agreement and Fixture Filing dated as of January 1, 2025 (the “*Deed of Trust*”), granting a lien on the County’s fee simple interest in the real property on which the Project will be located, together with the improvements thereon (the “*Mortgaged Property*”);

WHEREAS, in connection with the County entering into the Contract and granting a lien on the site of the Mortgaged Property as part of the Deed of Trust, the County previously entered into a Lease and Agency Agreement dated as of August 1, 2024 (the “*Lease*”) between the County and the Ashe County Board of Education, and the Lease will be subordinate to the lien on the Mortgaged Property created by the Deed of Trust;

WHEREAS, the Corporation will execute and deliver an aggregate principal amount not to exceed \$47,000,000 of its Limited Obligation Bonds (collectively, the “*Bonds*”), each evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the Contract) pursuant to the Contract;

WHEREAS, in connection with the sale of the Bonds to Robert W. Baird & Co. Incorporated (the “*Underwriter*”), the County will enter into a Bond Purchase Agreement to be dated on or about January 15, 2025 (the “*Bond Purchase Agreement*”) among the County, the Corporation and the Underwriter relating to the Bonds;

WHEREAS, there have been described to the Board the forms of the following documents (collectively with the Lease, the “*Instruments*”), copies of which have been made available to the Board, which the Board proposes to approve, enter into and deliver, as applicable, to effectuate the proposed installment financing:

- (1) the Contract;
- (2) the Deed of Trust;
- (3) an Indenture of Trust dated as of January 1, 2025 (the “*Indenture*”) between the Corporation and U.S. Bank Trust Company, National Association, as trustee; and
- (4) the Bond Purchase Agreement.

WHEREAS, to make an offering and sale of the Bonds, there will be prepared a Preliminary Official Statement with respect to the Bonds (the “*Preliminary Official Statement*”), a draft thereof having been presented to the Board, and a final Official Statement relating to the Bonds (together with the Preliminary Official Statement, the “*Official Statement*”), which Official Statement will contain certain information regarding the County and the Bonds;

WHEREAS, it appears that each of the Instruments and the Preliminary Official Statement is in an appropriate form and is an appropriate instrument for the purposes intended;

WHEREAS, the Board has conducted a public hearing on this date to receive public comment on the proposed Contract and the transactions contemplated thereby; and

WHEREAS, the County has filed an application to the LGC for approval of the Contract;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF ASHE, NORTH CAROLINA, AS FOLLOWS:

Section 1. ***Ratification of Instruments.*** All actions of the County, the Chairman of the Board (the “*Chairman*”), the Clerk to the Board (the “*Clerk*”), the County Manager, the Finance Director, the County Attorney and their respective designees (individually and collectively, the “*Authorized Officers*”), whether previously or hereinafter taken, in effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

Section 2. ***Authorization of the Official Statement.*** The form, terms and content of the Preliminary Official Statement are in all respects authorized, approved and confirmed, and the use of the Preliminary Official Statement and of the final Official Statement by the Underwriter in connection with the offering and sale of the Bonds is hereby in all respects authorized, approved and confirmed. The Authorized Officers are hereby authorized and directed to deliver, on behalf of the County, the Official Statement in substantially such form, with such changes, insertions and omissions as each may approve.

Section 3. ***Authorization to Execute the Contract.*** The County hereby approves the financing in accordance with the terms of the Contract, which will be a valid, legal and binding obligation of the County in accordance with its terms. The form and content of the Contract are hereby in all respects authorized, approved and confirmed, and the Authorized Officers are hereby authorized, empowered and directed to execute and deliver the Contract, including necessary counterparts, in substantially the form

and content presented to the Board, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the County's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Contract presented to the Board. From and after the execution and delivery of the Contract, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Contract as executed.

Section 4. ***Authorization to Execute the Deed of Trust.*** The County approves the form and content of the Deed of Trust, and the Deed of Trust is in all respects authorized, approved and confirmed. The Authorized Officers are hereby authorized, empowered and directed to execute and deliver the Deed of Trust, including necessary counterparts, in substantially the form and content of the Deed of Trust presented to the Board, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the County's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Deed of Trust presented to the Board. From and after the execution and delivery of the Deed of Trust, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Deed of Trust as executed.

Section 5. ***Authorization to Execute the Bond Purchase Agreement.*** The form and content of the Bond Purchase Agreement and the sale of the Bonds to the Underwriter as contemplated thereby are hereby approved in all respects, and the Authorized Officers hereby authorized, empowered and directed to execute and deliver the Bond Purchase Agreement, including necessary counterparts, in substantially the form and content of the Bond Purchase Agreement presented to the Board, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the County's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Bond Purchase Agreement presented to the Board. From and after the execution and delivery of the Bond Purchase Agreement, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

Section 6. ***Ratification of the Lease.*** The form and content of the Lease, and the execution and delivery thereof by the County, are hereby in all respects ratified and confirmed.

Section 7. ***County Representative.*** The Authorized Officers are hereby designated as the County's Representative to act on behalf of the County in connection with the transactions contemplated by the Instruments and the Preliminary Official Statement, and the Authorized Officers are authorized to proceed with the transactions contemplated by the Contract in accordance with the Instruments and to seek opinions as a matter of law from the County Attorney, which the County Attorney is authorized to furnish on behalf of the County, and opinions of law from such other attorneys for all documents contemplated by this Resolution as required by law. The County's representatives or designees are in all respects authorized on behalf of the County to supply all information pertaining to the County for use in the Official Statement and the transactions contemplated by the Instruments or the Preliminary Official Statement. The County's representatives or their respective designees are hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents which they, in their discretion, deem necessary or appropriate to consummate the transactions contemplated by the Instruments or the Official Statement or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution and the on-going administration of the Instruments. Any provision in this Resolution that authorizes more than one officer of the County to take certain actions

shall be read to permit such officers to take the authorized actions either individually or collectively and any action authorized may be taken by anyone designated to act on their behalf.

Section 8. ***Severability.*** If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 9. ***Repealer.*** All motions, orders, resolutions and parts thereof, in conflict herewith are hereby repealed.

Section 10. ***Effective Date.*** This Resolution is effective on the date of its adoption.

On motion of Commissioner _____, the foregoing resolution entitled **“RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF ASHE, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS”** was duly adopted by the following vote:

AYES:

NAYS:

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

I, MISSY SEIVERS, Clerk to the Board of Commissioners of the County of Ashe, North Carolina, *DO HEREBY CERTIFY* that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF ASHE, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS**” adopted by the Board of Commissioners of the County of Ashe, North Carolina at a meeting held on the 18th day of November, 2024.

WITNESS my hand and the corporate seal of the County of Ashe, North Carolina, this the _____ day of November, 2024.

(SEAL)

Missy Seivers
Clerk to the Board of Commissioners
County of Ashe, North Carolina

**UNANIMOUS WRITTEN CONSENT OF BOARD OF DIRECTORS
OF
ASHE COUNTY FINANCING CORPORATION
TO ACTION IN LIEU OF MEETING**

Pursuant to Section 55A-8-21 of the North Carolina Nonprofit Corporation Act and the Bylaws of the Ashe County Financing Corporation, a North Carolina nonprofit corporation (the “*Corporation*”), the undersigned, being all of the members of the Board of Directors (the “*Directors*”) of the Corporation, do hereby adopt, consent to and approve in writing the resolutions shown on Exhibit A hereto in lieu of holding a meeting.

The undersigned, by executing this Written Consent, hereby direct that this document be filed with the minutes and proceedings of the Corporation and agree that the actions set forth in the attached resolution shall have the same force and effect as if taken at a duly constituted meeting of the Directors. This consent may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same consent.

Effective the ___ day of November, 2024.

Todd McNeill, Director

Adam Stumb, Director

Sandra Long, Director

RESOLUTION AUTHORIZING THE EXECUTION, DELIVERY AND SALE OF LIMITED OBLIGATION BONDS (COUNTY OF ASHE, NORTH CAROLINA), SERIES 2025 IN CONNECTION WITH AN INSTALLMENT FINANCING CONTRACT BETWEEN ASHE COUNTY FINANCING CORPORATION AND THE COUNTY OF ASHE, NORTH CAROLINA IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$47,000,000; AND APPROVING THE FORM AND SUBSTANCE, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF CERTAIN DOCUMENTS AND INSTRUMENTS NECESSARY TO CARRY OUT THE FINANCING

WHEREAS, the Ashe County Financing Corporation (the “*Corporation*”) is a nonprofit corporation duly incorporated and validly existing under the laws of the State of North Carolina;

WHEREAS, the Corporation has been duly created and organized pursuant to and in accordance with the provisions of the North Carolina Nonprofit Corporation Act, General Statutes of North Carolina Chapter 55A-1-01 *et seq.*, as amended (the “*Act*”), to carry out the purposes stated in its Articles of Incorporation, among which is assisting the County of Ashe, North Carolina (the “*County*”) in carrying out its governmental functions through the acquisition, construction, operation, sale or lease of real estate and improvements, facilities and equipment for promoting the general welfare of the citizens of the County;

WHEREAS, the Board of Commissioners of the County has previously determined that it is in the best interest of the County to engage in a long-term plan to finance the construction, acquisition and equipping of a new Ashe County Middle School to replace the existing Ashe County Middle School (the “*Project*”);

WHEREAS, the Corporation’s Board of Directors (the “*Board*”) finds and determines that it is advisable and in the best interest of the Corporation to assist the County by the issuance of its Limited Obligation Bonds to finance the Project;

WHEREAS, as part of its plan to finance the Project, it has been proposed and deemed desirable to execute and deliver an Installment Financing Contract to be dated as of January 1, 2025 (the “*Contract*”) between the Corporation and the County to permit the County to finance (1) the capital costs of the Project and (2) the costs related to the execution and delivery of the Contract;

WHEREAS, the Board finds and determines that it is advisable and in the best interest of the Corporation (1) to execute and deliver an aggregate principal amount not to exceed \$47,000,000 of its Limited Obligation Bonds (County of Ashe, North Carolina), Series 2025 (the “*2025 Bonds*”), evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the Contract) pursuant to the Contract and under an Indenture of Trust (the “*Indenture*”) between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”), pursuant to which the proceeds of the 2025 Bonds will be applied by the County as set forth in the Contract and (2) to assign to the Trustee pursuant to the Indenture the Corporation’s rights, title and interest in the Contract (except for certain reserved rights) and a Deed of Trust, Security Agreement and Fixture Filing (the “*Deed of Trust*”) from the County to the Corporation securing the County’s obligations under the Contract;

WHEREAS, arrangements have been made for the sale of the 2025 Bonds to Robert W. Baird & Co. Incorporated (the “*Underwriter*”);

WHEREAS, there have been presented to the Board the following documents (collectively, the “*Instruments*”), which the Corporation proposes to approve, execute and deliver, as applicable, to effectuate the financing contemplated by the Contract and the Indenture:

- (1) the form of the Contract;

- (2) the form of the Indenture;
- (3) the form of a Bond Purchase Agreement (the “*Bond Purchase Agreement*”) among the County, the Corporation and the Underwriter relating to the sale of the 2025 Bonds;
- (4) a Preliminary Official Statement relating to the offering and sale of the 2025 Bonds (the “*Preliminary Official Statement*”); and
- (5) the form of the 2025 Bonds as set forth in the Indenture; and

WHEREAS, it appears that each of the Instruments which have been presented to the Board is in appropriate form and is an appropriate instrument for the purposes intended; and

NOW, THEREFORE, BE IT RESOLVED BY ASHE COUNTY FINANCING CORPORATION, AS FOLLOWS:

Section 1. All actions of the Corporation in effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

Section 2. The execution and delivery of the 2025 Bonds, in the principal amount of not more than \$47,000,000, in substantially the form and content set forth in the Indenture presented to the Board, subject to appropriate insertion and revision in order to comply with the provisions of the Indenture, are hereby in all respects approved and confirmed, and the provisions of the Indenture with respect to the 2025 Bonds (including without limitation the maturity dates and rates of interest to be determined at the time of the sale of the 2025 Bonds) are hereby approved and confirmed and are incorporated herein by reference.

Section 3. The form and content of the Contract are hereby in all respects authorized, approved and confirmed, and the President, the Vice President and the Secretary of the Corporation (individually and collectively, the “*Authorized Officers*”) are hereby authorized, empowered and directed to execute and deliver the Contract prior to or simultaneously with the execution and delivery of the 2025 Bonds, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Corporation’s approval of any and all changes, modifications, additions or deletions therein from the form and content of the Contract presented to the Board, and that from and after the execution and delivery of the Contract, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Contract as executed.

Section 4. The form and content of the Indenture are hereby in all respects approved and confirmed, and the Authorized Officers are hereby authorized, empowered and directed to execute and deliver the Indenture prior to or simultaneously with the execution and delivery of the 2025 Bonds, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Corporation’s approval of any and all changes, modifications, additions or deletions therein from the form and content of the Indenture presented to the Board, and that from and after the execution and delivery of the Indenture, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as

executed.

Section 5. The form and content of the Bond Purchase Agreement are hereby in all respects authorized, approved and confirmed, and the Authorized Officers are hereby authorized, empowered and directed to execute and deliver the Bond Purchase Agreement in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Corporation's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Bond Purchase Agreement presented to the Board, and that from and after the execution and delivery of the Bond Purchase Agreement, the Authorized Officers are each hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

Section 6. The sale of the 2025 Bonds to the Underwriter pursuant to the Bond Purchase Agreement is hereby approved and confirmed.

Section 7. The form, terms and content of the Preliminary Official Statement are hereby in all respects authorized, approved and confirmed, and the Authorized Officers are hereby authorized, empowered and directed, individually and collectively, to deliver the Official Statement (the "*Official Statement*") in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as shall to the Authorized Officers seem necessary, desirable or appropriate, their delivery thereof to constitute conclusive evidence of the Corporation's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Preliminary Official Statement presented to the Board; and the use and distribution of the Preliminary Official Statement and Official Statement by the Underwriter in connection with the offering and sale of the 2025 Bonds are hereby in all respects authorized, approved and confirmed.

Section 8. The Authorized Officers are hereby authorized to execute and deliver for and on behalf of the Corporation any and all additional certificates, documents, opinions or other papers and perform all other acts, including, without limitation, the filing of any financing statements or any other documents to create and maintain a security interest in the properties and revenues pledged under the Indenture as may be required by the documents contemplated above or as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution. Any and all acts of the Authorized Officers may be done individually or collectively and any action authorized may be taken by anyone designated to act on their behalf.

Section 9. If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 10. This Resolution shall become effective on the date of its adoption.