

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

*WHEREAS*, the County of Ashe, North Carolina (the “*County*”) is a validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of 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) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

*WHEREAS*, the Board hereby determines that it is in the best interest of the County to (1) enter into an installment financing contract (the “*Contract*”) with the Ashe County Financing Corporation (the “*Corporation*”) in order to pay the capital costs of (a) constructing and equipping a new cell at the County’s landfill (the “*Landfill Cell*”) and (b) constructing, equipping and furnishing a new shop building for the County’s Environmental Services Department (the “*Environmental Services Building*” and together with the Landfill Cell, the “*Project*”) and (2) to enter into a deed of trust, security agreement and fixture filing (the “*Deed of Trust*”) related to the County’s fee simple interest in all or a portion of certain real property on which the Environmental Services Building will be located (the “*Site*”), and the improvements thereon, that will provide security for the County’s obligations under the Contract;

*WHEREAS*, the Corporation will assist the County by the issuance of Limited Obligation Bonds to finance the Project;

*WHEREAS*, the County hereby determines that the Project is essential to the County’s proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Project will provide an essential use and will permit the County to carry out public functions that it is authorized by law to perform; and that entering into the Contract and Deed of Trust is necessary and expedient for the County by virtue of the findings presented herein;

*WHEREAS*, the County hereby determines that the Contract allows the County to finance the Project and take title thereto at a favorable interest rate currently available in the financial marketplace and on terms advantageous to the County;

*WHEREAS*, the County hereby determines that the estimated cost of financing the Project is an amount not currently expected to exceed \$16,000,000, to be applied together with other available funds of the County, and that such cost of the Project exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

*WHEREAS*, although the cost of financing the Project pursuant to the Contract is expected to exceed the cost of financing the Project pursuant to a bond financing for the same undertaking, the County hereby determines that the cost of financing the Project pursuant to the Contract and the Deed of Trust and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation

bond election would cause an unnecessary delay which would thereby decrease the financial benefits of the Project; and (3) insufficient revenues are produced by the Project so as to permit a revenue bond financing;

*WHEREAS*, the County has determined and hereby determines that the estimated cost of financing the Project pursuant to the Contract reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

*WHEREAS*, the County does not anticipate any additional future property tax increase to pay installment payments falling due under the Contract, but an increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

*WHEREAS*, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any money due under the Contract;

*WHEREAS*, the County is not in default under any of its debt service obligations;

*WHEREAS*, the County's budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act;

*WHEREAS*, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the Local Government Commission of North Carolina (the "LGC"), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

*WHEREAS*, a public hearing on the Contract after publication of a notice with respect to such public hearing must be held and approval of the LGC with respect to entering the Contract must be received; and

*WHEREAS*, the County hereby determines that all findings, conclusions and determinations of the County in this Resolution are subject to modification or affirmation after all interested parties have been afforded the opportunity to present their comments at a public hearing regarding the execution and delivery of the Contract and the Deed of Trust and the Project to be financed.

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

Section 1. ***Authorization to Negotiate the Contract.*** That the County Manager and the Finance Director, with advice from the County Attorney and bond counsel, are hereby authorized and directed to proceed and negotiate on behalf of the County for the financing of the Project for a principal amount not currently expected to exceed \$16,000,000 under the Contract to be entered into in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina and to provide in connection with the Contract, as security for the County's obligations thereunder, a Deed of Trust conveying a lien and interest in the Site, including the improvements thereon, as may be required by the entity, or its assigns, providing the funds to the County under the Contract.

Section 2. ***Application to LGC.*** That the Finance Director or her designee is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions

contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as may be required by the LGC.

Section 3. ***Direction to Retain Bond Counsel and Underwriter.*** That the County Manager and the Finance Director, with advice from the County Attorney, have retained the assistance of Parker Poe Adams & Bernstein LLP, as bond counsel and Robert W. Baird & Co., Incorporated, as underwriter.

Section 4. ***Public Hearing.*** That a public hearing (the “*Public Hearing*”) shall be conducted by the Board of Commissioners on **March 16, 2026 at 9:00 a.m.** in the Commissioner’s Meeting Room (small courtroom) on the third floor of the Ashe County Courthouse, 150 Government Circle, Jefferson, North Carolina, concerning the execution and delivery of the Contract and the County’s financing of the Project. The Clerk to the Board is hereby directed to cause a notice of the Public Hearing, substantially in the form attached hereto as Exhibit A, to be published once in a qualified newspaper of general circulation within the County no fewer than 10 days prior to the Public Hearing.

Section 5. ***Repealer.*** That all motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 6. ***Effective Date.*** That this Resolution is effective on the date of its adoption.

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, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO**” adopted by the Board of Commissioners of the County of Ashe, North Carolina at a meeting held on the 16th day of February, 2026.

*WITNESS* my hand and the corporate seal of the County of Ashe, North Carolina, this the 16th day of February, 2026.

(SEAL)

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

**EXHIBIT A**  
**NOTICE OF PUBLIC HEARING**

The Board of Commissioners (the “*Board*”) of the County of Ashe, North Carolina (the “*County*”) is considering authorizing the County to proceed with entering into an installment financing contract (the “*Contract*”) in a principal amount not currently expected to exceed \$16,000,000, under which the County will make certain installment payments, in order to pay (1) the capital costs of (a) constructing and equipping a new cell at the County’s landfill (the “*Landfill Cell*”) and (b) constructing, equipping and furnishing a new shop building for the County’s Environmental Services Department (the “*Environmental Services Building*” and together with the Landfill Cell, the “*Project*”) and (2) the costs related to the execution and delivery of the Contract. In connection with the Contract, the County will enter into a deed of trust and security agreement (the “*Deed of Trust*”) under which the County’s interest in all or a portion of the real property on which the Environmental Services Building will be located and the improvements thereon (the “*Mortgaged Property*”) will be mortgaged by the County to create a lien thereon for the benefit of the entity, or its assigns, providing the funds to the County under the Contract. The Project will be located at 2256 NC Hwy 163, West Jefferson, North Carolina 28694.

The Contract and the Deed of Trust will permit the County to enter into amendments to refinance the Project and finance additional projects using the Mortgaged Property as collateral and the County may or may not grant additional collateral in connection with such amendments. On payment by the County of all installment payments due under the Contract, including any future amendments to finance or refinance projects, the Deed of Trust and any lien created thereunder will terminate and the County’s title to the Mortgaged Property will be unencumbered.

*NOTICE IS HEREBY GIVEN*, pursuant to Section 160A-20 of the General Statutes of North Carolina, that on March 2, 2026 at or about 9:00 a.m. the County will conduct a public hearing in the Commissioner’s Meeting Room (small courtroom) on the third floor of the Ashe County Courthouse, 150 Government Circle, Jefferson, North Carolina, concerning the approval of the execution and delivery of the Contract and the County’s financing of the Project. All interested parties are invited to present comments at the public hearing regarding the execution and delivery of the Contract and the Project to be financed thereby.

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