NORTH CAROLINA

CALDWELL COUNTY SALES TAX REINVESTMENT AGREEMENT

This Sales Tax Reinvestment Agreement ("this Agreement") is entered into by and among CALDWELL COUNTY("the County"), a political subdivision of the State of North Carolina, and TOWN OF GAMEWELL ("Gamewell"), TOWN OF SAWMILLS ("Sawmills"), TOWN OF CAJAH'S MOUNTAIN ("Cajah's Mountain"), TOWN OF HUDSON ("Hudson"), TOWN OF GRANITE FALLS ("Granite Falls") and CITY OF LENOIR ("Lenoir"), all being North Carolina municipal corporations (collectively "the Municipalities").

WITNESSETH:

WHEREAS, the Towns of Gamewell, Sawmills, Cajah's Mountain, Hudson, and Granite Falls and the City of Lenoir are all municipal corporations located in Caldwell County; and

WHEREAS, the Municipalities and the County desire to collectively fund economic development activities and other public purposes within Caldwell County; and

WHEREAS, the parties have agreed that these activities and purposes will be funded by the Municipalities in consideration of the County's continued election of the per capita method of distribution of local government sales and use tax among the County and the Municipalities pursuant to G.S. §105-472(b)(1), under which election the County receives less sales and use tax revenues, and the Municipalities receive more sales and use tax revenues, than they would receive if the County elected the ad valorem method of distribution; and

WHEREAS, pursuant to the authority of G.S. Chapter 160A, Article 20, Part 1, the County and the Municipalities have each resolved to enter into this interlocal agreement to provide funding for the activities and purposes set forth herein:

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties agree and contract as follows:

1. This Agreement is entered into for the purpose of collectively funding economic development activities and other public purposes in Caldwell County. It is the intention of the parties to this Agreement that those activities which are anticipated to have the greatest county-wide impact will receive priority in funding. Decisions on which economic development activities and other public purposes to fund, and the amount of funding, will be made by the Caldwell County Board of Commissioners. Provided, however, that no more than $350,000.00 will be spent from the Fund for public purposes other than economic development for four (4) consecutive e years beginning with the fiscal year that begins July 1, 2025.

2. Administrative implementation of the Fund and of the activities and purposes funded thereby shall be the responsibility of the Caldwell County Manager and his staff.

3. Pursuant to the terms of previous similar agreements, the County has established a special appropriation fund ("the Fund") under the authority and control of the Caldwell County Finance Department, which has been and shall continue to be reserved for the activities and purposes herein provided. Each Municipality's contribution to the Fund shall be paid into the Fund during July of each year, beginning July, 2025. All interest earned on the monies in the Fund shall be credited to Fund and spent for the intended activities and purposes. The County shall include the Fund in its annual audit, and within two (2) weeks after its receipt of the annual audit report, it shall provide to each of the Municipalities a written report showing Fund receipts, interest, expenditures and balance. During the term of this Agreement, the County shall continue to elect each year the per capita method of sales and use tax distribution.

4. The term of this Agreement is for a period for four (4) years, beginning July 1, 2025 and ending June 30, 2029.

5. During the four (4) year term of this Agreement, the Municipalities' respective annual contributions to the Fund shall be the following:

Gamewell	-	$189,000.00
Sawmills	-	194,000.00
Granite Falls	-	27,500.00
Hudson	-	27,500.00
Cajah's Mountain	-	155,000.00
Lenoir	-	7,000.00
TOTAL		$600,000.00

6. Monies paid into the Fund prior to July 1, 2025 that have not been expended will be used only for economic development purposes.

7. Should the sales tax revenues fall to a level below the level experienced at the time of this Agreement, each Municipality shall retain the right to request that its contribution be lowered. The request must be submitted to the County Board of Commissioners no later than January 31st. If approved, the lowered contribution would take effect in the following fiscal year, for the payment due to the County in July. Upon obtaining a request to lower the contribution amount the County shall analyze the actual sales tax receipts of each Municipality and determine if a reduction in the contribution is warranted. The ultimate authority on whether or not to reduce the contribution from each Municipality shall rest with the County Board of Commissioners.

8. This Agreement may be modified only with the unanimous consent of all of the parties hereto.

9. This Agreement supersedes all previous agreements between these parties dealing with this same subject matter.

10. Each of the signatories below hereby represents that this Agreement has been approved in an open meeting by the governing body represented by the signatory, and that the signatory has been duly authorized to execute this Agreement as the binding act of the governing body.

CALDWELL COUNTY

ATTEST:

_____ By: _____

Clerk to the Board of Commissioners Chairman, Board of Commissioners

Dated: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

Finance Officer, Caldwell County

TOWN OF GAMEWELL

ATTEST:

_____ By: _____

Clerk to the Town Council Mayor

Dated: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

Finance Officer, Town of Gamewell

TOWN OF SAWMILLS

ATTEST:

_____ By: _____

Clerk to the Town Council Mayor

Dated: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

Finance Officer, Town of Sawmills

TOWN OF CAJAH'S MOUNTAIN

ATTEST:

_____ By: _____

Clerk to the Town Council Mayor

Dated: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

Finance Officer, Town of Cajah's Mountain

TOWN OF HUDSON

ATTEST:

_____ By: _____

Clerk to the Town Council Mayor

Dated: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

Finance Officer, Town of Hudson

TOWN OF GRANITE FALLS

ATTEST:

_____ By: _____

Clerk to the Town Council Mayor

Dated: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

Finance Officer, Town of Granite Falls

CITY OF LENOIR

ATTEST:

_____ By: _____

Clerk to the City Council Mayor

Dated: _____

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

_____

Finance Officer, City of Lenoir