The Board of Commissioners for the County of Polk, North Carolina, held a regular meeting in the Bryant H. Womack Justice and Administration Building located at 40 Courthouse Street in Columbus, North Carolina, the regular place of meeting, at 5:00 p.m. on August 17, 2026.

Present: Chairman Myron Yoder, presiding, and Commissioners

Absent: Commissioner

Also Present:

* * * * * *

The Chairman announced that this was the hour and day of the public hearing on a proposed installment financing agreement (the "Agreement") by the County of Polk, North Carolina (the "County") to be entered into by the County pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended (the "Act"), in a principal amount not to exceed $12,000,000, plus interest thereon, for the purpose of providing funds, together with any other available funds, to pay the costs of acquiring, constructing and equipping a new Community Center (the "Project") to serve the citizens of the County. To secure its obligations under the Agreement, the County will grant a deed of trust on the site of the Project and all improvements thereon to the lender under the Agreement. Under the current plan for the Project, the Project will be leased to the YMCA of Greater Spartanburg, a 501(c)(3) not-for-profit charitable organization existing under the laws of South Carolina, for operations under the terms of a lease agreement to be negotiated.

The Chairman acknowledged due publication of the notice of public hearing in a newspaper with a general circulation in the County as required by Section 160A-20(g) of the Act and directed the Clerk to the Board of Commissioners to attach the affidavit showing publication in said newspaper on a date at least ten days prior to the date hereof as Exhibit A hereto.

The Chairman then announced that the Board of Commissioners would immediately hear anyone who might wish to be heard on the advisability of entering into the Agreement to finance the proposed Project as so described, including granting a deed of trust on the site of the Project and all improvements thereon to the lender under the Agreement.

[___ persons appeared and were given the opportunity to be heard. __ spoke in favor of the Project and the financing thereof and __ spoke in opposition to the Project and the financing thereof.

All statements and comments were duly considered by the Board of Commissioners.

Thereupon, _____ introduced the following resolution the title of which was read and a copy of which had been distributed to each Commissioner:

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE FINANCING OF A NEW COMMUNITY CENTER FOR THE COUNTY OF POLK, NORTH CAROLINA PURSUANT TO AN INSTALLMENT FINANCING AGREEMENT AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT

BE IT RESOLVED by the Board of Commissioners (the "Board") for the County of Polk, North Carolina (the "County") as follows:

Section 1. The Board does hereby find and determine as follows:

(a) There exists in the County a need to finance the costs of acquiring, constructing and equipping a new Community Center (the "Project") to serve the citizens of the County. The Project will be located in the County.

(b) After due consideration, the County has determined to enter into an installment financing agreement (the "Agreement") in an aggregate principal amount not to exceed $12,000,000 to provide funds, together with other available funds, to (i) pay the costs of the Project and (ii) pay certain financing costs in connection therewith.

(c) The County will enter into the Agreement with a financial institution selected by the County pursuant to a request for proposals (the "Lender"), pursuant to which the Lender will advance to the County amounts sufficient to pay the costs of the Project and pay the related financing costs, and the County will repay the advancement with interest (the "Installment Payments").

(d) In order to secure its obligations under the Agreement, the County will execute and deliver a deed of trust (the "Deed of Trust"), granting a lien on the site of the Project, together with any improvements and fixtures located or to be located thereon to the Lender under the Agreement.

(e) It is in the best interest of the County to enter into the Agreement and the Deed of Trust in that such transaction will result in the financing of the Project in an efficient and cost-effective manner.

(f) Entering into the Agreement is preferable to a general obligation bond and revenue bond issue in that (i) the County does not have the constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the County has not retired a sufficient amount of debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the financing of the Project without an election; (ii) the nature of the Project does not allow for the issuance of revenue bonds to finance the costs of the Project; (iii) the costs of the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to commence acquisition, construction and equipping of

the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the commencement of acquisition and construction of the Project by several months; and (v) there can be no assurances that the Project would be approved by the voters and the necessity of the Project dictates that the Project be financed by a method that assures that the Project will be acquired, constructed and equipped in an expedient manner.

(g) It has been determined by the Board that the financing of the Project through the Agreement is reasonably comparable to the costs of issuing general obligation bonds or notes or other available methods of financing and is acceptable to the Board.

(h) Counsel to the County will render an opinion to the effect that the proposed Agreement is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(i) The debt management policies of the County have been carried out in strict compliance with law, and the County is not in default under any obligation for repayment of borrowed money.

(j) Any increase in taxes necessary to meet the sums to fall due with respect to the Agreement will not be excessive.

Section 2. Under the current plan for the Project, the Project will be leased to the YMCA of Greater Spartanburg, a 501(c)(3) not-for-profit charitable organization existing under the laws of South Carolina, for operations under the terms of a lease agreement to be negotiated.

Section 3. The Board hereby authorizes, ratifies and approves the filing of an application with the Local Government Commission for approval of the Agreement and requests the Local Government Commission to approve the Agreement and the proposed financing in connection therewith. All actions heretofore taken by the County or its officers or employees in regard to the Agreement are hereby authorized, ratified and approved.

Section 4. The Board, as the elected legislative body of the County, hereby approves the Project and the financing thereof pursuant to the Agreement in order to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, in order that the Agreement will be a "private activity bond" that is a "qualified bond" within the meaning of said Section.

Section 5. This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner _____, the foregoing resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE FINANCING OF A NEW COMMUNITY CENTER FOR THE COUNTY OF POLK, NORTH CAROLINA PURSUANT TO AN INSTALLMENT FINANCING AGREEMENT AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT" was adopted by the following vote:

Ayes:_____

Noes:

* * * * * *

I, Kennedy Freeman, Clerk to the Board of Commissioners for the County of Polk, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board of Commissioners for said County at a regular meeting held on August 17, 2026, as it relates in any way to the holding of a public hearing and the adoption of the foregoing resolution relating to an installment financing agreement by said County and that said proceedings are to be recorded in the minutes of said Board of Commissioners.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and official seal of said County this 17th day of August, 2026.

[SEAL]

Clerk to the Board of Commissioners

EXHIBIT A

[Attach publisher's affidavit evidencing publication of Notice of Public Hearing]