EXTRACTS FROM MINUTES OF THE BOARD

A regular meeting of the Board of Commissioners of the County of Buncombe, North Carolina, was duly held on March 17, 2026 at 5:00 p.m. in the Commission Chambers, 200 College Street, Suite 326, Asheville, North Carolina. Chair Amanda Edwards presiding.

The following members were present:

The following members were absent:

* * * * *

Commissioner _____moved that the following resolution, copies of which having been made available to the Board, be adopted:

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

WHEREAS, the County of Buncombe, 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) purchase real and personal property, (2) enter into installment financing contracts in order to finance the purchase 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 to secure repayment of the purchase price;

WHEREAS, the Board of Commissioners (the "*Board*") hereby determines that it is in the best interest of the County to enter into an installment financing in order to finance (1) the acquisition, construction, renovation and equipping of improvements to various County facilities including but not limited to, the County's Courthouse, the County Detention Facility, the Government Services Center, 200 College Street and other County administrative buildings, an EMS East base, and an EMS West base, (2) solar panel installation, (3) information technology upgrades, (4) solid waste upgrades, and (5) County vehicle purchases (collectively, the "*2026B Projects*");

WHEREAS, the Board has been advised and hereby determines that it may be advantageous to refinance certain of the County's outstanding installment financing obligations (the "*Prior Contracts*"), the proceeds of which were used to finance improvements to County facilities and acquisition of certain equipment for County use (the "*Prior Projects*");

WHEREAS, the Board determines that it is in the best interest of the County to enter into (1) an installment financing contract (the "*Contract*") with the Buncombe Financing Corporation, a North Carolina nonprofit corporation (the "*Corporation*") to (a) pay the capital costs of the 2026B Projects, (b) if determined to be advantageous, refinance all or a portion of the Prior Projects and the related Prior Contracts, and (c) pay the costs related to the execution and delivery of the Contract and (2) a deed of trust, security agreement and fixture filing (the "*Deed of Trust*") related to the County's fee simple interest in real property under which all or a portion of the sites of the 2026B Projects are 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 (1) its Limited Obligation Bonds, Series 2026B (the "*2026B Bonds*") to finance the 2026B Projects and (2) if determined to be advantageous, its Refunding Limited Obligation Bonds, Series 2026C (the "*2026C Bonds*") to refinance the Prior Projects;

WHEREAS, simultaneous to the issuance of the 2026B Bonds, the Corporation will issue its Limited Obligation Bonds, Series 2026A under an existing indenture of trust to assist the County with financing improvements to various school facilities located in the Buncombe County School District and the Asheville City School District;

WHEREAS, the County hereby determines that the financing of the 2026B Projects and refinancing of the Prior Projects is essential to the County's proper, efficient and economic operation and to the general health and welfare of its inhabitants; that financing the 2026B Projects 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 2026B Projects and refinance the Prior Projects 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 2026B Projects and refinancing the Prior Projects is an amount not currently expected to exceed $85,000,000, and that such cost 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 2026B Projects and refinancing the Prior Projects pursuant to the Contract is expected to exceed the cost of financing the 2026B Projects and refinancing the Prior Projects pursuant to a bond financing for the same undertaking, the County hereby determines that the cost of financing the 2026B Projects and refinancing the Prior Projects pursuant to the Contract 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 2026B Projects and refinancing the Prior Projects; and (3) insufficient revenues are produced by the 2026B Projects so as to permit a revenue bond financing;

WHEREAS, the County has determined and hereby determines that the estimated cost of financing the 2026B Projects and refinancing the Prior Projects 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, was held at this meeting 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, the Deed of Trust and the projects to be financed and refinanced therewith.

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

Section 1. ***Authorization to Negotiate the Contract and Deed of Trust.*** The County Manager and the Finance Director (the "*Authorized Officers*"), with advice from the County Attorney and Bond Counsel, are hereby authorized and directed to proceed and negotiate on behalf of the County the Contract for a principal amount not currently expected to exceed $85,000,000 in order to finance the 2025B Projects and refinance the Prior Projects in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina, as amended, 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.*** 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 Professionals.*** The Finance Director is hereby authorized and directed to retain the assistance of Parker Poe Adams & Bernstein LLP, Raleigh, North Carolina, as bond counsel; Davenport & Company, LLC, Charlotte, North Carolina, as financial advisor; U.S. Bank Trust Company, National Association, as trustee; FHN Financial, as managing underwriter and Rober W. Baird & Co. Inc., as co-managing underwriter. The Finance Director is hereby authorized to retain such other professionals as she deems necessary in her judgment to carry out the transaction contemplated in this Resolution.

Section 4. ***Other Acts Authorized.*** The Finance Director is hereby authorized to do any and all other things necessary to complete the steps necessary for the execution and delivery of the Contract for the transactions described in this Resolution.

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 BUNCOMBE)

SS:

I, SARAH GROSS, duly appointed Clerk to the Board of Commissioners of the County of Buncombe, North Carolina, ***DO HEREBY CERTIFY,*** that the foregoing is a true and accurate copy of the resolution entitled "**RESOLUTION OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO**" which was adopted by the Board of Commissioners of the County of Buncombe, North Carolina, at its regular meeting held on March 17, 2026, to become effective on March 17, 2026, and that such resolution has been duly recorded in the minutes of the County.

WITNESS my hand and the corporate seal of the County of Buncombe, North Carolina, this __ day of March, 2026.

(SEAL)

_____
Sarah Gross
Clerk to the Board of Commissioners
County of Buncombe, North Carolina