

DRAFT MINUTES

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

BOARD OF COMMISSIONERS
JUNE 4, 2008

The Henderson County Board of Commissioners met for a special called meeting at 10:00 a.m. in the Commissioners' Conference Room of the Henderson County Historic Courthouse.

Those present were: Chairman Bill Moyer, Vice-Chairman Charlie Messer, Commissioner Larry Young, Commissioner Chuck McGrady, Commissioner Mark Williams, County Attorney Russell Burrell, and Clerk to the Board Elizabeth W. Corn.

Also present were: Deputy Clerk to the Board Terry Wilson and Communications Officer Pam Brice. Pardee Hospital's Finance Officer was present in the audience to answer any questions the Board might have.

CALL TO ORDER/WELCOME

Chairman Moyer called the meeting to order and welcomed all in attendance. The Chairman of the Board introduced the following bond order, the title of which was read and copies of which had been previously distributed to the Board:

BOND ORDER AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF A NOT TO EXCEED \$12,155,000 COUNTY OF HENDERSON, NORTH CAROLINA, HOSPITAL REVENUE REFUNDING BOND (MARGARET R. PARDEE MEMORIAL HOSPITAL PROJECT), SERIES 2008 AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH

BE IT ORDERED by the Board of Commissioners (the "Board") of the County of Henderson, North Carolina (the "County"):

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

- (a) The filing of an application with the North Carolina Local Government Commission (the "Commission") requesting approval of the issuance of a not to exceed \$12,155,000 Hospital Revenue Refunding Bond (Margaret R. Pardee Memorial Hospital Project), Series 2008 (the "Series 2008 Bond") of the County for the purpose of providing funds to refinance the cost of (i) construction, renovation and expansion of a medical office building, an emergency room facility and a parking garage, and (ii) the acquisition of equipment for those and other improvements and additions to such hospital facilities (collectively, the "Project") through the refunding of the County's outstanding Variable Rate Hospital Revenue Bonds, Series 2001 (the "Series 2001 Bonds"), is hereby approved, ratified and confirmed in all respects.
- (b) The County, by resolution, also requested the Commission to sell the Series 2008 Bond at private sale without advertisement.
- (c) The Commission has approved the application of the County for the issuance of the Series 2008 Bond in an aggregate amount not to exceed \$12,155,000 in accordance with N.C.G.S. 159-86.

DATE APPROVED _____

- (d) The County has determined to issue the Series 2008 Bond in an aggregate principal amount not to exceed \$12,155,000 for the purpose of providing funds, together with other available funds, to (i) currently refund the Series 2001 Bonds and refinance the costs of the Project through the issuance of the Series 2008 Bond, and (ii) pay certain costs and expenses incurred in connection with the issuance of the Series 2008 Bond.
- (e) The County proposes to sell the Series 2008 Bond to Branch Banking and Trust Company (the "Purchaser").
- (f) There have been presented to the County at this meeting copies of the following documents relating to the issuance and sale of the Series 2008 Bond:
 - (1) Master Trust Indenture dated as of September 1, 2001 (the "Master Trust Indenture") between the County and First-Citizens Bank & Trust Company as trustee (the "Trustee"); and
 - (2) A draft of the Second Supplemental Trust Indenture dated as of June 1, 2008 between the County and the Trustee (the "Second Supplemental Indenture").
- (g) The County has determined that the issuance and sale of the Series 2008 Bond in the manner provided in this Bond Order is in the best interests of the County.

Section 2. Capitalized words and terms used in this Bond Order and not defined herein shall have the same meanings given such words and terms in the Master Trust Indenture and the Second Supplemental Indenture.

Section 3. Pursuant to the provisions of The State and Local Government Revenue Bond Act, as amended (the "Act"), particularly N.C.G.S. 159-88, the County hereby authorizes the issuance of the Series 2008 Bond shall mature in annual installments at such times and in such amounts as shall be set forth in the Second Supplemental Indenture, subject to the provisions of this Bond Order and the Master Trust Indenture.

The Series 2008 Bond shall be issued as a fixed rate, fully registered bond payable in interest installments as set forth in the Second Supplemental Indenture.

Section 4. The Series 2008 Bond shall be subject to optional redemption at the times, upon the terms and conditions, and at the price as shall be set forth in the Second Supplemental Indenture.

Section 5. The proceeds of the Series 2008 Bond shall be applied as provided in the Second Supplemental Indenture.

Section 6. The Series 2008 Bond, together with any additional Bonds hereafter issued pursuant to the provisions of the Master Trust Indenture, shall be secured on a parity basis by a pledge, charge and lien upon the Net Revenues of the Hospital System to the extent set forth in the Master Trust Indenture. The Series 2008 Bond is additionally secured by a pledge, charge and lien upon the funds in the Series 2008 Bond Fund to the extent set forth in the Second Supplemental Indenture.

Section 7. The form, terms and conditions of the Second Supplemental Indenture is hereby approved, and the Chairman and Vice Chairman of the Board are hereby authorized to execute

and directed to deliver, or cause to be delivered, the Second Supplemental Indenture together with such changes, additions and deletions as the Chairman and Vice-Chairman of the Board, with the advice of counsel, may deem necessary and appropriate, including, without limitation, changes, additions and deletions necessary to incorporate the final terms of the Series 2008 Bond as set forth in the Second Supplemental Indenture and to incorporate certain terms and provisions required by the rating agencies, such execution and delivery to be conclusive evidence of the approval and authorization in all respects of the form and content thereof and the Clerk and the Deputy Clerk are hereby authorized to attest to the same.

Section 8. The Chairman and Vice Chairman of the Board and the County Manager and the Finance Director of the County, or any of them or their deputies, are authorized and directed (without limitation except as may be expressly set forth in this Bond Order) to take such action and to execute and deliver such certificates, agreements, instruments, opinions or other documents as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by this Bond Order, the Master Trust Indenture and the Second Supplemental Indenture.

The officers of the County and the agents and employees of the County are hereby authorized and directed to do all acts and things required of them by the provisions of this Bond Order, the Series 2008 Bond, the Master Trust Indenture and the Second Supplemental Indenture for the full, punctual and complete performance of the terms, covenants, provisions and agreements of the same.

Section 9. The issuance and private sale without advertisement of the Series 2008 Bond is hereby approved subject to the terms and conditions set forth in this Bond Order.

Section 10. This Bond Order shall take effect immediately upon its passage.

Upon motion of Commissioner Bill Moyer, seconded by Commissioner Charlie Messer, the foregoing Bond Order entitled "ORDER AUTHORIZING THE ISSUANCE AND SALE BY THE COUNTY OF A NOT TO EXCEED \$12,155,000 OF COUNTY OF HENDERSON, NORTH CAROLINA, HOSPITAL REVENUE REFUNDING BOND (MARGARET R. PARDEE MEMORIAL HOSPITAL PROJECT), SERIES 2008 AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH" was passed by the following vote:

Ayes: Commissioners Moyer, Messer, Young, McGrady, and Williams.
Noes: None.

ADJOURN

There being no further business to come before the Board, *Commissioner Messer made the motion to adjourn. All voted in favor and the motion carried.*

Attest:

Elizabeth W. Corn, Clerk to the Board

William L. Moyer, Chairman