

*Scotland County Board of Commissioners reconvened meeting
September 18, 2008, 1206 Turnpike Road, Laurinburg*

**MINUTES
Scotland County Board of Commissioners
Reconvened Meeting, September 18, 2008
1206 Turnpike Road, Laurinburg, NC**

Commissioners in attendance: Chairman J.D. Willis, Vice Chair Betty Gholston and Commissioners John Alford, Leon Butler, Guy McCook, and Joyce McDow. Commissioners not in attendance: Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson and Deputy Clerk to the Board Timothy L. Martin.

At 6 p.m. Chairman Willis reconvened the meeting and called the meeting back to order.

Motion was made by Commissioner Alford and duly seconded by Commissioner Butler to announce the naming of the James L. Morgan Recreation Complex. Vote: Motion was unanimously approved.

Chairman Willis asked that board their thoughts on Richmond Community College request that the County waive building fees for its Scotland Campus.

Vice Chair Gholston voice concern over setting a precedent for other community projects.

Mr. Patterson gave clarification on what fees would be waived. He proposed a one-time exemption to the policy for this project.

Motion was made by Commissioner Alford and duly seconded by Commissioner McCook to make a one-time exemption to the county policy. Vote: Motion unanimously approved.

Mr. Patterson introduced resolution for refunding of the General Obligation School Bonds.

A recessed regular meeting of the Board of Commissioners for the County of Scotland, North Carolina was held at the Scotland County Complex located at 1206 Turnpike Road in Laurinburg, North Carolina, at 6:00 p.m. on September 18, 2008.

Present: Chairman J. D. Willis, presiding, and Commissioners, Vice-Chair Betty Gholston, John Alford,

Leon Butler, Joyce McDow, Guy McCook

Absent: Commissioner Clarence McPhatter

Also Present: Kevin Patterson County Manager, Tim Martin Deputy Clerk, Sandy Callan, WLNC Radio

* * * * *

Commissioner Guy McCook introduced the following resolution the title of which was read and copies of which had been previously distributed to each Commissioner:

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RESOLUTION MAKING CERTAIN FINDINGS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND APPOINTING BOND COUNSEL IN CONNECTION WITH THE PROPOSED ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY

BE IT RESOLVED by the Board of Commissioners (the "Board") of the County of Scotland, North Carolina (the "County"):

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

(a) Preliminary analysis has been completed to demonstrate the need for refunding all or a portion of the County's outstanding General Obligation School Bonds, Series 1997, dated December 1, 1997.

(b) The annual audits of the County show the County to be in strict compliance with debt management policies and that the budgetary and fiscal management policies are in compliance with law.

Section 2. The filing by the County of an application of the County with the North Carolina Local Government Commission for approval of the issuance of not to exceed \$5,000,000 General Obligation Refunding Bonds is hereby ratified, authorized, approved and confirmed.

Section 3. The law firm of Womble Carlyle Sandridge & Rice, PLLC is hereby appointed to serve, but solely at the pleasure of the Board, as bond counsel to the County in connection with the issuance of the said bonds.

Section 4. This resolution shall take effect immediately upon its passage.

Thereupon the resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND APPOINTING BOND COUNSEL IN CONNECTION WITH THE PROPOSED ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY" was passed by the following vote:

Ayes: J.D. Willis, Betty Gholston, John Alford, Leon Butler, Joyce McDow, Guy McCook.

Noes: None _____

Thereupon, **Commissioner Joyce McDow** introduced the following order authorizing bonds which was read:

ORDER AUTHORIZING \$5,000,000 GENERAL OBLIGATION REFUNDING BONDS

BE IT ORDERED by the Board of Commissioners for the County of Scotland, North Carolina:

1. That pursuant to The Local Government Bond Act, as amended, the County of Scotland, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said County may now or hereafter have power and authority to contract, and in evidence thereof to issue General Obligation Refunding Bonds in an aggregate principal amount not exceeding \$5,000,000 for the purpose of providing funds, together with any other available funds, to (a) refund all or a portion of the County's outstanding General Obligation School Bonds, Series 1997, dated December 1, 1997 and (b) pay certain expenses related thereto.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

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3. That a sworn statement of debt of said County has been filed with the Clerk to the Board and is open to public inspection.

4. That this order shall take effect upon adoption.

The Board of Commissioners thereupon designated the Finance Officer to make and file with the Clerk to said Board the sworn statement of debt of the County which is required by The Local Government Bond Act, as amended, to be filed after the bond order has been introduced.

Thereupon, the Finance Officer filed with the Clerk to said Board, in the presence of the Board of Commissioners, the sworn statement of debt as required by The Local Government Bond Act, as amended.

Thereupon, the order entitled "ORDER AUTHORIZING \$5,000,000 GENERAL OBLIGATION REFUNDING BONDS" was passed by the following vote:

Ayes: J.D. Willis, Betty Gholston, John Alford, Leon Butler, Joyce McDow, Guy McCook.

Noes: None _____

Thereupon, **Vice Chair Betty Gholston** then announced that the order entitled "ORDER AUTHORIZING \$5,000,000 GENERAL OBLIGATION REFUNDING BONDS" had been adopted.

The Clerk to the Board of Commissioners was thereupon directed to publish the aforementioned order, together with the appended statement as required by The Local Government Bond Act, as amended, once in The Laurinburg Exchange.

Thereupon, **Vice Chair Betty Gholston** introduced the following resolution the title of which was read and copies of which had been previously distributed to each Commissioner:

RESOLUTION PROVIDING FOR THE ISSUANCE OF \$4,763,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008

BE IT RESOLVED by the Board of Commissioner (the "Board") for the County of Scotland, North Carolina (the "County"):

Section 1. The Board has determined and does hereby find and declare as follows:

(a) An order authorizing \$5,000,000 General Obligation Refunding Bonds was adopted by the Board on September 18, 2008, which order has taken effect.

(b) None of said bonds has been issued, no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds and it is necessary to issue \$4,763,000 of such refunding bonds at this time.

(c) (i) The shortest period of time in which the outstanding School Bonds, Series 1997 (the "1997 Bonds") of said County, dated December 1, 1997, to be refunded by said refunding bonds can be finally paid without making it unduly burdensome on the taxpayers of the County as determined by the Commission is a period which expires on June 1, 2020, and that the end of the unexpired usefulness of the projects financed by said 1997 Bonds, is estimated as a period of forty (40) years from December 1, 1997, the date of said 1997 Bonds, and that such period expires on December 1, 2037.

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Section 2. Pursuant to said order there shall be issued bonds in the aggregate principal amount of \$4,763,000 designated "General Obligation Refunding Bonds, Series 2008" (the "Bonds") and dated the date of delivery thereof. The Bonds shall be stated to mature annually, June 1, \$483,000 2009, \$409,000 2010, \$406,000 2011, \$402,000 2012, \$398,000 2013, \$395,000 2014, \$390,000 2015, \$386,000 2016, \$381,000 2017, \$376,000 2018, \$371,000 2019, and \$366,000 2020; and shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time the Bonds are sold, which interest to the respective maturities thereof shall be payable on each June 1 and December 1, beginning December 1, 2008, until payment of such principal sum.

The County reserves the right to increase or decrease the principal amount of each maturity of the Bonds, as stated above, and the aggregate principal amount of the Bonds, as stated above, following the receipt of the bid of Branch Banking and Trust Company, as the initial purchaser, in order to achieve approximately level annual savings on the bonds being refunded as described herein. Any such increase or decrease shall be made only to the extent necessary to effect the refunding of the bonds for which the Bonds are being issued.

Each Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless it is (a) authenticated upon an interest payment date, in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date, in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, such Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

One Bond certificate with respect to each date on which the Bonds are stated to mature, in the aggregate principal amount of the Bonds stated to mature on such date and registered in the name of Branch Banking & Trust Company, as the original purchaser, shall be issued and delivered to Branch Banking & Trust Company. The principal of each Bond shall be payable to Branch Banking & Trust Company, or any other person appearing on the registration books of the County hereinafter provided for as the registered owner of such Bond or his registered assigns or legal representative at such office of the Bond Registrar mentioned hereinafter or such other place as the County may determine upon the presentation and surrender thereof as the same shall become due and payable. Payment of the interest on each Bond shall be made by said Bond Registrar on each interest payment date to the registered owner of such Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by such Bond) at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on such registration books or otherwise as determined by County and the registered owner thereof.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to all Bonds issued or issuable hereunder, whether initially or in replacement thereof.

Section 3. The Bonds shall bear the manual or facsimile signatures of the Chairman of the Board and the Clerk to the Board and the official seal or a facsimile of the official seal of the County shall be impressed or imprinted, as the case may be, on the Bonds.

The certificate of the Local Government Commission of North Carolina to be endorsed on all Bonds shall bear the manual or facsimile signature of the Secretary of said Commission and the certificate of authentication of the Bond Registrar to be endorsed on all Bonds shall be executed as provided hereinafter.

In case any officer of the County or the Local Government Commission of North Carolina whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds,

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such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bonds to be registered in the name of Branch Banking & Trust Company, as original purchaser, and the endorsements thereon shall be in substantially the following form:

No. R-..... \$.....

United States of America
State of North Carolina

COUNTY OF SCOTLAND
GENERAL OBLIGATION REFUNDING BOND
SERIES 2008

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
June 1, 20__	_____%	_____

The County of Scotland, a body corporate and politic in the State of North Carolina, is justly indebted and for value received hereby promises to pay to

or registered assigns or legal representative on the date specified above, upon the presentation and surrender hereof, at the office of the Finance Officer of said County (the "Bond Registrar"), in Scotland County, North Carolina, the principal sum of

_____ DOLLARS

and to pay interest on such principal sum from the date hereof or from June 1 or December 1 next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is June 1 or December 1 to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on each June 1 and December 1, beginning December 1, 2008, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this bond (or the previous bond or bonds evidencing the same debt as that evidenced by this bond) is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on the bond registration books of said County. Both the principal of and the interest on this bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of said County are hereby irrevocably pledged.

This bond is one of an issue of bonds designated "General Obligation Refunding Bonds, Series 2008" (the "Bonds") and issued by said County for the purpose of providing funds to refund certain outstanding general

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obligation bonds of the County. The Bonds are issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, an order adopted by the Board of Commissioners for said County, which order has taken effect, and a resolution duly passed by said Board of Commissioners (the "Resolution").

The Bonds will be subject to redemption prior to their maturity, at the option of said County, from any moneys that may be made available for such purpose, either in whole or in part on any date, at a redemption price equal to 101% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date fixed for redemption.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as said County in its discretion may determine. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called such manner as the County may determine.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, said County shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part to his address appearing upon the registration books of said County. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds or portions thereof on such date and, if moneys for payment of such redemption price and the accrued interest are held by the Bond Registrar as provided in the Resolution, interest on the Bonds or the portions thereof so called for redemption shall cease to accrue. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner hereof upon the surrender hereof.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the County on or prior to the redemption date of moneys sufficient to pay the principal of and interest on the Bonds to be redeemed, and that if such moneys are not so received, such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the redemption price and interest on such Bonds are not received by the County on or prior to the redemption date, the redemption shall not be made and the County shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

One bond certificate with respect to each date on which the Bonds are stated to mature, in the aggregate principal amount of the Bonds stated to mature on such date and registered in the name of the purchaser, is being issued.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at his office the books of said County for the registration of transfer of Bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a

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new Bond or Bonds, registered in the name of the transferee in an aggregate principal amount equal to the unredeemed principal amount of this bond, of the same maturity and bearing interest at the same rate.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within said County sufficient to pay the principal of and the interest on this bond as the same shall become due; and that the total indebtedness of said County, including this bond, does not exceed any constitutional or statutory limitation thereon.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the County of Scotland, North Carolina, by resolution duly adopted by its Board of Commissioners, has caused this bond to be manually signed by the Chairman of said Board and the Clerk to said Board for said County and its official seal to be impressed hereon, all as of the ____ day of October, 2008.

Chairman

[SEAL]

Clerk to the Board

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

Finance Officer, as Bond Registrar

Date of authentication: _____

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ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns and transfers unto _____

_____ the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____

_____ attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

In the presence of:

NOTICE: The signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration of enlargement or any change whatever.

Section 4. The Bonds will be subject to redemption prior to their maturity, at the option of said County, from any moneys that may be made available for such purpose, either in whole or in part on any date, at a redemption price equal to 101% of the principal amount of the Bonds to be redeemed, plus accrued interest to the date fixed for redemption.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as said County in its discretion may determine. If less than all of the Bonds stated to mature on different dates shall be called for redemption, the particular Bonds or portions thereof to be redeemed shall be called such manner as the County may determine.

Not more than sixty (60) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, said County shall cause a notice of such redemption to be filed with the Bond Registrar and to be mailed, postage prepaid, to the registered owner of each Bond to be redeemed in whole or in part to his address appearing upon the registration books of said County. On the date fixed for redemption, notice having been given as aforesaid, the Bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds or portions thereof on such date and, if moneys for payment of such redemption price and the accrued interest are held by the Bond Registrar as provided in the Resolution, interest on the Bonds or the portions thereof so called for redemption shall cease to accrue. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in principal amount equal to the unredeemed portion hereof will be issued to the registered owner hereof upon the surrender hereof.

Any notice of redemption may state that the redemption to be effected is conditioned upon the receipt by the County on or prior to the redemption date of moneys sufficient to pay the principal of and interest on the Bonds to be redeemed, and that if such moneys are not so received, such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the redemption price and interest on such Bonds are not received by the County on or prior to the redemption date, the redemption shall not be made and the County shall within a reasonable time

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thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

Section 5. Bonds, upon surrender thereof at the office of the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

The transfer of any Bond may be registered only upon the registration books of the County upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The County or the Bond Registrar may make a charge for shipping and out-of-pocket costs for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made by the County or the Bond Registrar for exchanging or registering the transfer of Bonds under this resolution. The Bond Registrar shall not be required to exchange or register the transfer of any Bond during a period beginning at the opening of business fifteen (15) days before the date of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or of any Bond called for redemption in whole or in part pursuant to Section 4 of this resolution.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond and the interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The County shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of Bonds within a reasonable time according to then current commercial standards and for the timely payment of principal, interest and any redemption premium with respect to the Bonds. The Finance Officer of the County, or any person at any time acting in such capacity, is hereby appointed the registrar, transfer agent and paying agent for the Bonds (collectively the "Bond Registrar"), subject to the right of the Board of the County to appoint another Bond Registrar, and as such shall keep at his office in the County, the books of the County for the registration, registration of transfer, exchange and payment of the Bonds as provided in this resolution.

Section 6. The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986 (the "Code"), as amended or as may be amended from time to time, and any Treasury regulations now or hereafter promulgated thereunder, to the extent necessary so that interest on the Bonds will not be included in gross income of the owners of the Bonds for purposes of federal income tax.

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Section 7. All actions of the Chairman of the Board, the County Manager, the Finance Officer and the Clerk to the Board for the County in applying to the Local Government Commission of North Carolina to advertise and sell the Bonds are hereby approved, ratified and confirmed, and the Local Government Commission of North Carolina is hereby requested to sell the Bonds by private sale,.

Section 8. The County Manager and Finance Officer are each authorized to appoint an escrow agent (the "Escrow Agent"), if necessary, in connection with the refunding of the bonds to be refunded mentioned in Section 9 below, subject to the right of the Board of Commissioners for the County to appoint another Escrow Agent as provided in the Escrow Deposit Agreement (hereinafter mentioned), and as such shall perform its responsibilities as provided in the Escrow Deposit Agreement. The Escrow Deposit Agreement (the "Escrow Deposit Agreement"), between the County and the Escrow Agent, in substantially the form presented at this meeting, and the creation of the Escrow Fund thereunder and the other arrangements to accomplish such refunding, is hereby approved if found by the County Manager and Finance Officer to be necessary, and the Chairman, the Vice Chairman, the County Manager and the Clerk to the Board are each hereby authorized to execute and deliver the Escrow Deposit Agreement for and on behalf of the County with such additions, deletions and changes as they deem necessary.

Section 9. Subject to the next succeeding sentence, the County hereby determines to refund the outstanding 1997 Bonds maturing June 1 2009 to 2020, inclusive (the "Refunded Bonds"). If, on the date of sale of the Bonds, the Finance Officer of the County shall determine that it is in the best economic interests of the County not to refund all or any portion of the outstanding 1997 Bonds, the Finance Officer is hereby authorized to make changes in the amounts and maturities of such bonds to be refunded, such changes to be set forth in a certificate of the Finance Officer to be delivered on the date of issuance of the Bonds and in the Escrow Deposit Agreement.

Subject to the refunding of the Refunded Bonds as provided above, the Refunded Bonds are hereby irrevocably called for redemption on the earliest feasible date, as determined by the County Manager and Finance Officer with the advice of bond counsel to the County, in accordance with the resolution authorizing the issuance of the Refunded Bonds, this resolution and the Escrow Deposit Agreement. The Escrow Agent is hereby directed to provide notices of such refunding and redemption at the times and in the manner set forth in the resolutions authorizing the issuance of the Refunded Bonds and the Escrow Deposit Agreement.

Section 10. The Chairman of the Board, the Vice Chairman of the Board, the County Manager, the Finance Officer and the Clerk to the Board for the County are hereby authorized and directed to execute and deliver such closing and other documents necessary for the purpose of facilitating the sale and issuance of the Bonds in a manner consistent with the terms of this resolution.

[Section 11. The County hereby represents that it reasonably expects that it, all subordinate entities thereof and all issuers issuing obligations on behalf of the County will not issue in the aggregate more than \$10,000,000 of tax-exempt obligations (not counting private-activity bonds except for qualified 501(c)(3) bonds as defined in the Code) during calendar year 2008. In addition, the County hereby designates each of the Bonds as a "qualified tax-exempt obligation" for the purposes of the Code.]

Section 12. This resolution shall take effect upon its passage, except for Section 9 of this resolution which shall become effective only upon the issuance of the Bonds.

Upon motion of **Vice Chair Betty Gholston**, seconded by **Commissioner Joyce McDow**, the foregoing resolution entitled "RESOLUTION PROVIDING FOR THE ISSUANCE OF \$4,763,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008" was passed by the following vote:

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Ayes: Chairman J.D. Willis, Vice Chair Betty Gholston and Commissioners John Alford, Leon Butler,

Joyce McDow and Guy McCook

Noes: None

* * * * *

I, Ann W. Kurtzman, Clerk to the Board of Commissioners for the County of Scotland, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board at a recessed regular meeting held on September 18, 2008, as relates in any way to the adoption of a bond order authorizing general obligation refunding bonds of said County and the adoption of the foregoing resolutions providing for the issuance of such general obligation refunding bonds of said County and that said proceedings are recorded in the minutes of said Board.

I DO HEREBY FURTHER CERTIFY that proper notice of such recessed regular meeting was given in accordance with North Carolina law.

WITNESS my hand and the official seal of said County this 18th day of September, 2008.

[SEAL]

Clerk to the Board of Commissioners.

Motion was made by Commissioner McCook and duly seconded by Commissioner Alford to adjourn. Vote: Motion unanimously approved. Meeting adjourned at 6:40 p.m.

Timothy L. Martin
Deputy Clerk to the Board

J.D. Willis
Chairman