

Board of Commissioners' Agenda

March 2, 2021

Commission Meetings are held at 200 College Street, Room 326 in downtown Asheville beginning at 5:00 p.m.

Due to the COVID-19 pandemic, no public attendance will be permitted. The public will be able to watch the meeting via Facebook Live @Buncombegov.

Public Comment is taken at the beginning of the meeting.

Public Comment process has changed for General Public Comments and Public Hearing Comments. Please click [here](#) for details and instructions.

Call To Order [▲top](#)

Discussion / Adjustment / Approval To Follow Agenda

[▲top](#)

Consent Agenda [▲top](#)

- [Approval of February 16, 2021 Special Meeting Minutes](#)
- [Approval of February 16, 2021 Briefing Minutes](#)
- [Approval of February 16, 2021 Regular Meeting Minutes](#)
- [Tax Collection Report](#)
- [Budget Amendment for Arson Task Force Fund Distribution](#)
 - [Ordinance](#)
- [Budget Amendment for Additional Crisis Intervention Program Funding](#)
 - [Ordinance](#)
- [Budget Amendment for Soil Conservation Revenue Reimbursement](#)
 - [Ordinance](#)
- [Budget Amendment for Food Safety Training Resource Grant](#)
 - [Ordinance](#)

Public Comment [▲top](#)

***Public Comment process has changed for General Public Comments and Public Hearing Comments.
Please click [here](#) for details and instructions.***

Good News

[▲top](#)

Presentations [▲top](#)

- [Fiscal Year End 2020 Audit - CLA](#)
 - [More Information](#)
- [Historic Resources Commission](#)
 - [More Information](#)
- [Health and Human Services Board](#)
 - [More Information](#)

Public Hearings [▲top](#)

***Public Comment process has changed for General Public Comments and Public Hearing Comments.
Please click [here](#) for details and instructions.***

- [Borg Warner Economic Development Agreement](#)
 - [Resolution](#)
 - [Agreement](#)
 - [More Information](#)

County Manager's Report [▲top](#)

- [Legislative Items](#)

Old Business

[▲top](#)

New Business [▲top](#)

- [Ferry Road Property Analysis and Site Planning](#)

- [Agreement](#)
 - [More Information](#)
 - [Resolution Authorizing Execution of an Interlocal Agreement Creating a NC Investment Pool](#)
 - [Resolution](#)
 - [Agreement](#)
 - [More Information](#)
 - [Approve Funding of Items Postponed During FY21 Budget Process](#)
 - [More Information](#)
 - [Compensation Study – Phase 3 Recommendations](#)
 - [More Information](#)
 - [Budget Amendment for Buncombe County Detention Facility - Strategic Community Opioid Response](#)
 - [Ordinance](#)
 - [More Information](#)
 - [Budget Amendment for Enka Heritage Greenway](#)
 - [Ordinances](#)
 - [Budget Amendment for Other Post-Employment Benefits \(OPEB\)](#)
 - [Ordinances](#)
 - [Budget Amendment for Register of Deeds Excise Stamp Tax](#)
 - [Ordinance](#)
-

Board Appointments [▲top](#)

- Agricultural Advisory Board for Farmland Preservation
 - Annie Perkinson
- Health & Human Services Board
 - Lucy Lawrence
 - Jacquelyn Hallum
 - Yvette Jives
 - Johnnie Grant
 - Rachel Keener

- Juvenile Crime Prevention Council
 - DK Wesley

Announcements [▲top](#)

- March 16 @ 3 p.m. - Commissioners' Briefing at 200 College Street, Room 326 in downtown Asheville.
- March 16 @ 5 p.m. - Commissioners' Regular Meeting at 200 College Street, Room 326 in downtown Asheville.

Closed Session / Open Session [▲top](#)

Adjournment [▲top](#)

**MINUTES OF BUNCOMBE COUNTY BOARD OF COMMISSIONERS’
REGULAR MEETING OF MARCH 2, 2021 AT 5 P.M.**

BE IT REMEMBERED: That the Board of Commissioners met in regular session on March 2, 2021, in the Commission Chambers, 200 College Street, Room 326 in downtown Asheville, North Carolina at 5 p.m. where and when the following business was transacted:

- The Chairman called the meeting to order with the following members present:
- Brownie Newman, Chairman
 - Jasmine Beach-Ferrara, Commissioner
 - Amanda Edwards, Commissioner
 - Robert Pressley, Commissioner
 - Parker Sloan, Commissioner
 - Terri Wells, Commissioner
 - Al Whitesides, Vice Chair

Staff present: Avril Pinder, County Manager; Sybil Tate, Assistant County Manager; Dakisha Wesley, Assistant County Manager; Donald Warn, Finance Director; Jennifer Barnette, Budget Director; Sharon Burke, Human Resources Director; Jennifer Pike, Tax Collector; Sheriff Quentin Miller; Stoney Blevins, Health and Human Services Director; Jim Blanton, Library Director; Tim Love, Intergovernmental Relations; Nathan Pennington, Planning Director; Lamar Joyner, Clerk to the Board; Michael Frue, Senior Staff Attorney;

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

Vice Chair Whitesides motioned to approve the Consent Agenda as presented and the remainder of the agenda. Commissioner Edwards seconded and the motion passed 7-0.

- Approval of February 16, 2021 Special Meeting Minutes
- Approval of February 16, 2021 Briefing Minutes
- Approval of February 16, 2021 Regular Meeting Minutes
- Tax Collection Report
- Budget Amendment for Arson Task Force Fund Distribution
 - Ordinance
- Budget Amendment for Additional Crisis Intervention Program Funding
 - Ordinance
- Budget Amendment for Soil Conservation Revenue Reimbursement
 - Ordinance
- Budget Amendment for Food Safety Training Resource Grant
 - Ordinance

PUBLIC COMMENT

Ken Jones expressed displeasure with activity of the Pratt & Whitney development process.
Elsa Enstrom expressed displeasure with the Board’s approval of the Pratt & Whitney project.
Roger Ehrlich expressed displeasure with the Pratt & Whitney project and questioned the Borg Warner project.
Don Yelton stated his concern for the environment of the mountain region.

PRESENTATIONS

- **Fiscal Year End 2020 Audit - CLA**

Don Warn, Finance Director, introduced Chris Kessler from CliftonLarsonAllen LLP, to explain the findings and results of the audit services. The services included financial statements and federal compliance. The findings for the past three years are as follows: 19 in 2018, 3 in 2019, and 1 in 2020.

- **Historic Resources Commission**

Emily Kite, Board Chair, provided an update to the commissioners on the status of board and highlighted some of their accomplishments.

- **Health and Human Services Board**

Greg Narron, Board Chair, detailed the structure of the board and explained their responsibilities to the community in areas health, safety and support, and opportunities.

PUBLIC HEARINGS

- **Borg Warner Economic Development Agreement**

Tim Love, Intergovernmental Relations, explained the plan for Borg Warner to expand its existing facility, invest \$62.25M in capital expenditures, and retention of 500 existing jobs within the Buncombe Facility and the addition of approximately 100 employees from other U.S. locations, averaging \$24.85 per hour. According to the Buncombe County Economic Development Policy, Borg Warner is eligible for a one-time incentive of \$460,000.00 based on capital investment and job creation targets.

The Chairman opened the hearing at 6:42 p.m.

Rachael Bliss expressed concern for the project and the need to help small businesses.

The hearing was closed at 6:46 p.m.

Commissioner Pressley moved to approve the resolution for approval of the incentive and the economic development agreement. Vice Chair Whitesides seconded the motion and it passed 7-0.

COUNTY MANAGER'S REPORT

Tim Love, Intergovernmental Relations, provided an update of legislative activity on House Bill 35: Various County Public Notices, House Bill 119: Property Tax Relief for COVID Affected Businesses and Senate Bill 31: Political Subdivisions/Local Bidders Notice.

NEW BUSINESS

- **Ferry Road Property Analysis and Site Planning**

Tim Love, Intergovernmental Relations, updated the Board on evaluation of the Ferry Road property. Equinox will analyze the Ferry Road property for potential multi-functional usage and provide development scenarios for Board consideration. The contract has a three phase process that will allow the Board to make the decision to continue after the first phase. Phase 1 includes, but is not limited to, environmental and natural resource inventory/assessment, transportation and access assessment, and initial community input/awareness.

Commissioner Edwards moved to authorize the County Manager to contract with Equinox. Commissioner Sloan seconded and the motion passed 7-0.

- **Resolution Authorizing Execution of an Interlocal Agreement Creating a NC Investment Pool**

Don Warn, Finance Director, explained the development of the Local Government Investment Pool for the County. The Local Government Investment Pool is defined as a cooperative investment product designed primarily for the investment of short-term funds of participating jurisdictions that invest the cash in securities allowed under the state's laws regarding government investments. The request is to enter into an interlocal agreement with Wake County as a sponsoring organization, finalize trust documents, and contract with service providers.

Vice Chair Whitesides moved to approve the resolution as presented. Commissioner Edwards seconded and the motion passed 7-0.

- **Approve Funding of Items Postponed During FY21 Budget Process**

Jennifer Barnette, Budget Director, explained the requests for one Planner II position, five Part-time EMT Paramedics, eight Part-time Library Assistants, and an Audit Management & Data Analytics Tool were presented. Commissioner Pressley and Chairman Newman expressed concern with a few of these requests being considered outside of the upcoming budget process.

Chairman Newman moved to approve the requests with exclusion of the eight Part-time Library Assistants and consider them during the regular budget process. Commissioner Pressley seconded the motion.

Jim Blanton, Library Director, explained the need for Library Assistants due to safety concerns, under staffed, and quality of employment.

After the Board considered the concerns, Chairman Newman requested to withdraw his initial motion and Commissioner Pressley approved.

Chairman Newman moved to approve all of the requests. Commissioner Edwards seconded and the motion passed 6-1. (NOES-Pressley)

- **Compensation Study – Phase 3 Recommendations**

Sharon Burke, Human Resources Director, detailed the Comprehensive Compensation Study Plan and the issues discovered in the study. The total estimated cost to remedy these issues is approximately \$53,225 for the current fiscal year and can be absorbed in the FY22 appropriation through lapse salary savings.

Commissioner Edwards moved to authorize the County Manager to implement the Compensation Study Phase 3 recommendations, thus using lapsed salary to fund the classification findings. Commissioner Sloan seconded and the motion passed 7-0.

- **Budget Amendment for Buncombe County Detention Facility - Strategic Community Opioid Response**

Jennifer Barnette, Budget Director, explained the budget amendment. Sheriff Miller, Sarah Gayton, and Dr. Tracy Goen provided information and data to support the Medication Assisted Treatment (MAT) program and funding.

Commissioner Beach-Ferrara moved to approve the budget amendment as presented. Commissioner Edwards seconded and the motion passed 7-0.

- **Budget Amendment for Enka Heritage Greenway**

Jennifer Barnette, Budget Director, explained the budget amendment.

Commissioner Beach-Ferrara moved to approve the budget amendment as presented. Commissioner Wells seconded and the motion passed 7-0.

- **Budget Amendment for Other Post-Employment Benefits (OPEB)**

Jennifer Barnette, Budget Director, explained the budget amendment.

Chairman Newman moved to approve the budget amendment as presented. Vice Chair Whitesides seconded and the motion passed 7-0.

- **Budget Amendment for Register of Deeds Excise Stamp Tax**

Jennifer Barnette, Budget Director, explained the budget amendment.

Vice Chair Whitesides moved to approve the budget amendment as presented. Commissioner Sloan seconded and the motion passed 7-0.

BOARD APPOINTMENTS

Chairman Newman moved to appoint **Annie Perkinson** to the **Agricultural Advisory Board for Farmland Preservation**. Commissioner Beach-Ferrara seconded and the motion passed 7-0.

Commissioner Edwards moved to appoint **Lucy Lawrence** (social worker), **Jacquelyn Hallum** (community member), **Yvette Jives** (community member), Johnnie Grant (community member), and **Rachel Keener** (community member) to the **Health & Human Services Board**. Commissioner Beach-Ferrara seconded and the motion passed 7-0.

Commissioner Beach-Ferrara moved to appoint **DK Wesley** to the **Juvenile Crime Prevention Council**. Commissioner Pressley seconded and the motion passed 7-0.

ANNOUNCEMENTS

The Chairman made the following announcements:

- *March 16 @ 3 p.m. - Commissioners' Briefing at 200 College Street, Room 326 in downtown Asheville.*
- *March 16 @ 5 p.m. - Commissioners' Regular Meeting at 200 College Street, Room 326 in downtown Asheville.*

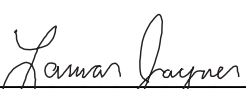
Vice Chair Whitesides moved to go into closed session pursuant to NCGS 143-318.11(a) (4) to hear economic development matters with no possible action anticipated following the closed session. Commissioner Edwards seconded and the motion passed 7-0.

CLOSED SESSION

The Board heard the update and had discussion regarding the previously mentioned economic development matters. No action was taken.

Commissioner Beach-Ferrara moved to go back into open session. Commissioner Edwards seconded and the motion passed 7-0.

Vice Chair Whitesides moved to adjourn the meeting. Commissioner Wells seconded and the motion passed 7-0. The meeting was adjourned at 9:20 p.m.


LAMAR JOYNER, CLERK
BOARD OF COMMISSIONERS


BROWNIE NEWMAN, CHAIRMAN
BOARD OF COMMISSIONERS



Buncombe County Tax Collections

Jennifer Pike
Tax Collector

CONSENT

DEPARTMENT: Tax Collections

PRESENTER: Jennifer Pike

CONTACT: Jennifer Pike

SUBJECT: Approval of January 2021 Tax Collection Report

BRIEF SUMMARY:

NCGS 105-350 requires the Tax Collector to submit a report showing the amount of taxes collected.

As of January 31, 2021, the total levy billed for fiscal year 2021 is 96.07% collected, as compared to 96.35% for fiscal year 2020. At our rate of collections, we expect to meet the Current Year Ad Valorem budgeted amount.

The personal property category is made up of both Business Personal Property (BPP) and Individual Personal Property (IPP). The BPP percentage collected of 95.75% is nearly one percent below the same time last year. The percentage collected for IPP of 62.45% is significantly below the collected percentage of 73.08% as of the same time last year, due to the significant amount of MV registration gap tax outstanding.

Below is Buncombe County year to date reporting for fiscal year 2021, as of January 31, 2021.

Current Year Collections

Fiscal Year 2021	Personal Property	Public Service	Real Estate	Motor Vehicles	Total
Total Levy	\$ 14,515,983.31	\$ 5,494,569.01	\$ 184,242,399.28	\$ 8,346,855.19	\$ 212,599,806.79
Amount Collected	\$ 13,552,088.36	\$ 5,491,115.85	\$ 176,910,915.34	\$ 8,282,110.24	\$ 204,236,229.79
Unpaid Balance	\$ 963,894.95	\$ 3,453.16	\$ 7,331,483.94	\$ 64,744.95	\$ 8,363,577.00
Interest Collected	\$ 6,609.73	\$ 325.99	\$ 125,791.16	\$ 38,404.42	\$ 171,131.30
FY21 Collection %	93.36%	99.94%	96.02%	99.22%	96.07%
FY20 Collection %	95.12%	100.00%	96.20%	99.50%	96.35%

Total fiscal year 2021 year to date collections, property tax and interest

\$ 204,407,361.09

Prior Year Collections

Prior Years 2011-2020	Personal Property	Real Estate	Total
Amount Collected	\$ 68,104.18	\$ 474,567.70	\$ 542,671.88
Interest Collected	\$ 5,484.46	\$ 43,094.98	\$ 48,579.44

Total prior year collections, fiscal year to date

\$ 591,251.32

*Total property tax released January 2021 due to taxable value adjustments

\$ 11,383.98

*Total refunds processed January 2021

\$ 345,879.01

*Detailed information for releases and refunds is available in Tax Collections.



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

Consent Agenda

Department:

Budget
Emergency Services

Presenter(s):

Jennifer Barnette, Budget

Contact(s):

Angela Ledford, Emergency Services
Taylor Jones, Emergency Services

Subject:

Arson Taskforce Fund Distribution

Brief Summary:

The prior District Attorney set up a golf tournament to generate revenue to support purchase of supplies and equipment for the joint Asheville-Buncombe Arson Task Force. The current DA, Todd Williams, intends to dissolve the fund and distribute the funds equally between the city of Asheville and Buncombe County to support any current Arson Task Force needs. Buncombe County's allotment of this fund equals \$8281.

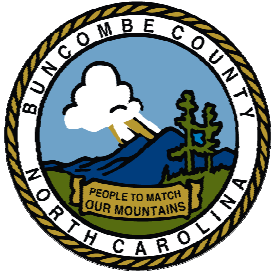
Recommended Motion & Requested Action:

Approve budget amendment

County Manager's Comments & Recommendation:

County Manager recommends as presented

ORDINANCE #21-03-01



BUNCOMBE COUNTY, NORTH CAROLINA
General Fund

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 General Fund as outlined below in Exhibit "A" to the budget, **NOW THEREFORE**,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Emergency Services
Budget Amendment Item: Arson Taskforce Fund Distribution

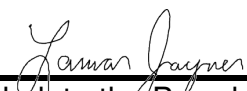
Project Description: The prior District Attorney set up a golf tournament to generate revenue to support purchase of supplies and equipment for the joint Asheville-Buncombe Arson Task Force. The current DA, Todd Williams, intends to dissolve the fund and distribute the funds equally between the city of Asheville and Buncombe County to support any current Arson Task Force needs. Buncombe County's allotment of this fund equals \$8281.

Funding Source: Buncombe County District Attorney

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Emergency Services 4150: Miscellaneous Revenue	\$ 8,281	
Emergency Services 6520: Program Support		\$ 8,281
TOTAL	\$ 8,281	\$ 8,281

ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: March 2, 2021

Consent Agenda

Presenter(s):

Jennifer Barnette, Budget

Requesting Department: Health and Human Services

Budget Amendment Item: Additional CIP Funding

Contact(s): Phillip Hardin, HHS

Subject: Additional Crisis Intervention Program Funding

Brief Summary:

Buncombe County HHS has received additional funding from NC DHHS in the amount of \$100,000 for the Crisis Intervention Program (CIP). CIP is a Federally funded program that assists individuals and families who are experiencing a heating or cooling related crisis. A household is considered to be in a crisis if it is currently experiencing or is in danger of experiencing a life threatening or health related emergency and sufficient, timely and appropriate assistance is not available from any other source.

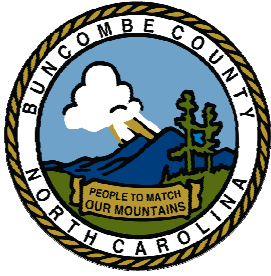
Recommended Motion & Requested Action:

Approve budget amendment

County Manager's Comments & Recommendation:

County Manager recommends as presented

ORDINANCE #21-03-02



BUNCOMBE COUNTY, NORTH CAROLINA
General Fund

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 General Fund as outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Health and Human Services

Budget Amendment Item: Additional CIP Funding

Description: Buncombe County HHS has received additional funding from NC DHHS in the amount of \$100,000 for the Crisis Intervention Program (CIP). CIP is a Federally funded program that assists individuals and families who are experiencing a heating or cooling related crisis. A household is considered to be in a crisis if it is currently experiencing or is in danger of experiencing a life threatening or health related emergency and sufficient, timely and appropriate assistance is not available from any other source.

Funding Source:

US Department of Health and Human Services through the NC DHHS.

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 100 - Direct Assistance - 4210:Restricted Intergovernmental	\$ 100,000	
Fund 100 - Direct Assistance - 6520:Program Support		\$ 100,000
TOTAL	\$ 100,000	\$ 100,000

ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

Consent Agenda

Department:

Budget

Presenter(s):

Jennifer Barnette, Budget

Contact(s):

Jennifer Harrison, Agricultural & Land Resources
Taira Lance, Agricultural & Land Resources

Subject:

Fund 327 Unassigned General Revenues & Interfund Transfers

Brief Summary:

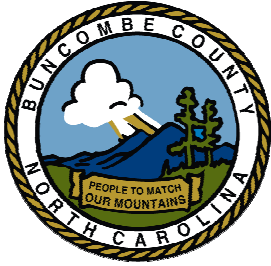
Prior to FY2018, Soil Conservation was awarded a reimbursement-based grant. The expenses were incurred in the General Fund at that time, but the reimbursement was recorded in the Grants Fund. This amendment is a technical correction to transfer reimbursement revenue in the amount of \$3,081 to the appropriate fund (General Fund). No new county dollars are required.

Recommended Motion & Requested Action:

Approve budget amendment

County Manager's Comments & Recommendation:

County Manager recommends as presented



ORDINANCE #21-03-03

BUNCOMBE COUNTY, NORTH CAROLINA
Grant Project Ordinance

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 Grants Projects outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Grant Name: Fund 327 Unassigned General Revenues & Interfund Transfers

Description:

Prior to FY2018, Soil Conservation was awarded a reimbursement-based grant. The expenses were incurred in the General Fund at that time, but the reimbursement was recorded in the Grants Fund. This amendment is a technical correction to transfer reimbursement revenue in the amount of \$3,081 to the appropriate fund (General Fund). No new county dollars are required.

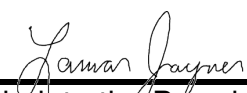
Funding Source:

\$3,081 in reimbursement revenue that was recorded in the Grants Fund and will be transferred to the General Fund

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 327 - 4102:Grant Revenue - Grant:Fund 327 Unassigned General Revenues and Interfund Transfers	\$ 3,081	
Fund 327 - 8000:Interfund Transfer Expense - Grant:Fund 327 Unassigned General Revenues and Interfund Transfers		\$ 3,081
TOTAL	\$ 3,081	\$ 3,081

ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

Consent Agenda

Department:

Health and Human Services

Presenter(s):

Jennifer Barnette, Budget

Contact(s):

Jessica Silver, HHS

Subject:

Food Safety Training Resource grant

Brief Summary:

This award of \$17,392 is part of the Retail Standards Grant Program, funded by the United States Food and Drug Administration (FDA). Approval is based on review of the application submitted to the Association of Food and Drug Officials (AFDO).

The goal of the project is to reduce the occurrence of risk factors associated with foodborne illness through educational outreach. Developing a printed resource that is simple in format, uses visual aids, and is translated into multiple languages will help facilitate the training needs of food handlers.

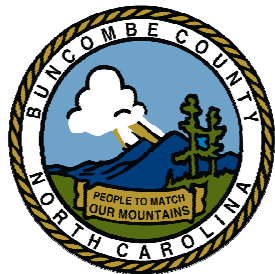
Each food establishment in the county will receive the new manual. It will be translated into Spanish and Mandarin.

Recommended Motion & Requested Action:

Approve budget amendment

County Manager's Comments & Recommendation:

County Manager recommends as presented



ORDINANCE #21-03-04

BUNCOMBE COUNTY, NORTH CAROLINA
General Fund

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 General Fund as outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021

Requesting Department: Health and Human Services

Budget Amendment Item: Food Safety Training Resource grant

Description: This award of \$17,392 is part of the Retail Standards Grant Program, funded by the United States Food and Drug Administration (FDA). Approval is based on review of the application submitted to the Association of Food and Drug Officials (AFDO).

The goal of the project is to reduce the occurrence of risk factors associated with foodborne illness through educational outreach. Developing a printed resource that is simple in format, uses visual aids, and is translated into multiple languages will help facilitate the training needs of food handlers.

Each food establishment in the county will receive the new manual. It will be translated into Spanish and Mandarin.

Funding Source: U.S. Food & Drug Administration

Exhibit A:	Increase (Decrease)	
Account Description	Revenues	Expenditures
Fund 100 - Public Health - 4210:Restricted Intergovernmental	\$ 17,392	
Fund 100 - Public Health - 6060:Office Expenses		\$ 13,620
Fund 100 - Public Health - 6090:Contract and Professional Services		\$ 3,772
TOTAL	\$ 17,392	\$ 17,392

ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

Presentations

Department: Finance

Presenter(s): Don Warn/Chris Kessler

Contact(s): Don Warn

Subject: Fiscal Year End 2020 Audit Presentation

Brief Summary: The Board contracted with CliftonLarsonAllen LLP (CLA) to conduct the annual audit for the fiscal year ending June 30, 2020. The audit has been completed and CLA will be presenting the results of the audit to the Board and will answer any questions the Board may have.

Recommended Motion & Requested Action: Accept the audit as presented.

County Manager's comments and Recommendation: Accept the audit as presented.



Buncombe County

Presentation of 2020 Audit Results

March 2, 2021

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor

Firm Overview

Create opportunities

CLA is the 8th largest public accounting firm in the country. CLA exists to create opportunities for our clients and our communities through industry-focused wealth advisory, outsourcing, audit, tax and consulting services.



Create Opportunities





Create Opportunities

CLA exists to
create opportunities —
for our clients, our people,
and our communities.

Audit Services Performed

Financial Statements

- Audit of the County's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2020, in accordance with *Government Auditing Standards*

Federal Compliance

- Single Audit in accordance with Uniform Guidance and the State Single Audit Implementation Act
- Includes audit of the Schedule of Expenditures of Federal Awards and certification of the Data Collection Form



Reports to be Delivered

Independent Auditors'
Report

Report on Internal Control
Over Financial Reporting
and On Compliance And
Other Matters Based on an
Audit of Financial
Statements Performed in
Accordance with
*Government Auditing
Standards* (Yellow Book
Report)

Independent Auditors'
Report on Compliance For
Each Major Federal and
State Program, Report on
Internal Control Over
Compliance, and Report
on the Schedule of
Expenditures of Federal
and State Awards Required
by the Uniform Guidance
and State Single Audit Act
(Single Audit Report)

Governance
Communication

Required Communications to Governance

- **Auditors' Opinion on Financial Statements**
 - Unmodified opinion
 - Emphasis of Matter Paragraph
 - ◊ Other Post-Employment Benefits Liability – Change in Accounting
- **Auditors' Opinion on Compliance**
 - Unmodified opinion
- **Scope and timing of audit proceeded as planned**
- **Significant accounting policies**
 - In accordance with generally accepted accounting principles and consistent with industry practices and standards
- **Significant estimates within the financial statements**
 - Landfill post-closure liability
 - Pension liability
 - Claims liability
 - OPEB liability



Required Communications to Governance

- **No material audit adjustments**
- **Uncorrected misstatements**
 - Litigation settlement
 - Impact of prior year accrual adjustments
- **No difficulties encountered in performing the audit**
- **No disagreements with management**
- **Management was very cooperative, helpful, and professional during the audit process**



2020 Impact

- GASB 84 *Fiduciary Funds* now required for FY2021



Audit Approach Summary

- Overall internal control environment and management override of controls
 - Remote and in-person during pandemic
- Payables and cutoff of accruals
- Procurement, contracts, and purchasing cards
- Information technology control environment
- Revenue recognition - cutoff, classification, collectability
- Grant compliance
 - Coronavirus Relief Fund



Financial Statement Reported Findings



- None reported
- Suggestions and comments related to process improvements were made verbally to County management. None rose to a level of reportable finding.



Single Audit Results

- **Major Federal Programs Tested**

- Coronavirus Relief Fund
- Formula Grants for Rural Areas and Tribal Transit Program
- Low-Income Home Energy Assistance
- Medicaid Cluster

- **Major State Programs Tested**

- Public School Building Capital Fund – Lottery Proceeds
- Juvenile Crime Prevention Council Programs
- One North Carolina Fund Program



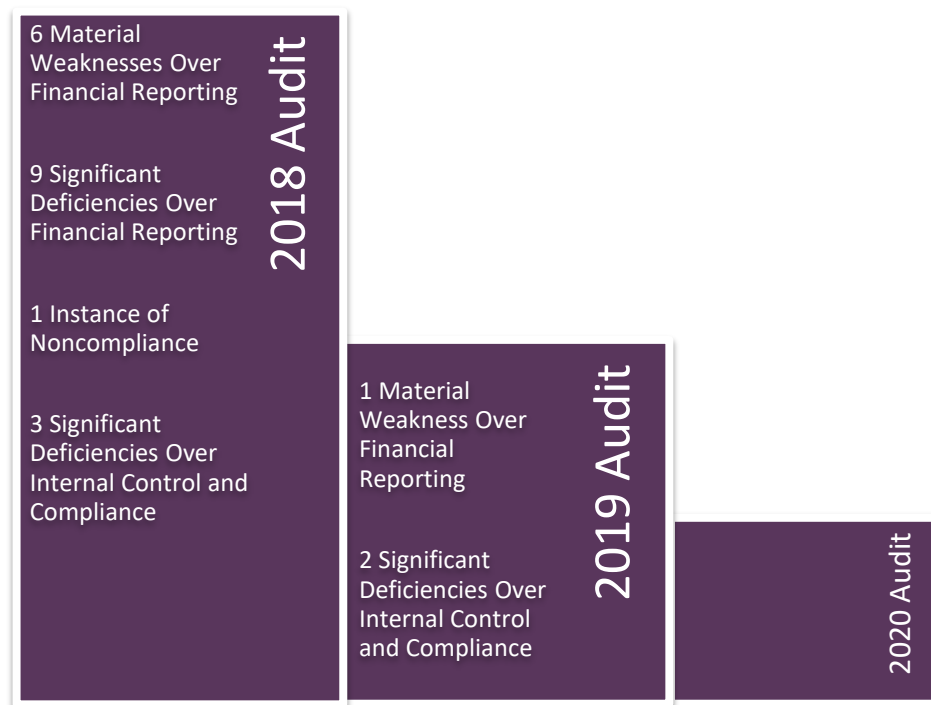
Single Audit Results

- **Single Audit Reports Issued**

- Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance, In Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act
 - ◇ No reported items of noncompliance
- Independent Auditors' Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance, In Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act
 - ◇ One significant deficiency and instance of noncompliance noted for the Public School Building Capital Fund program
 - 2020-001 – Reporting – Timely Filing of Compliance Reports



Year to Year Finding Summary



Highlights of Financial Position as of June 30, 2020

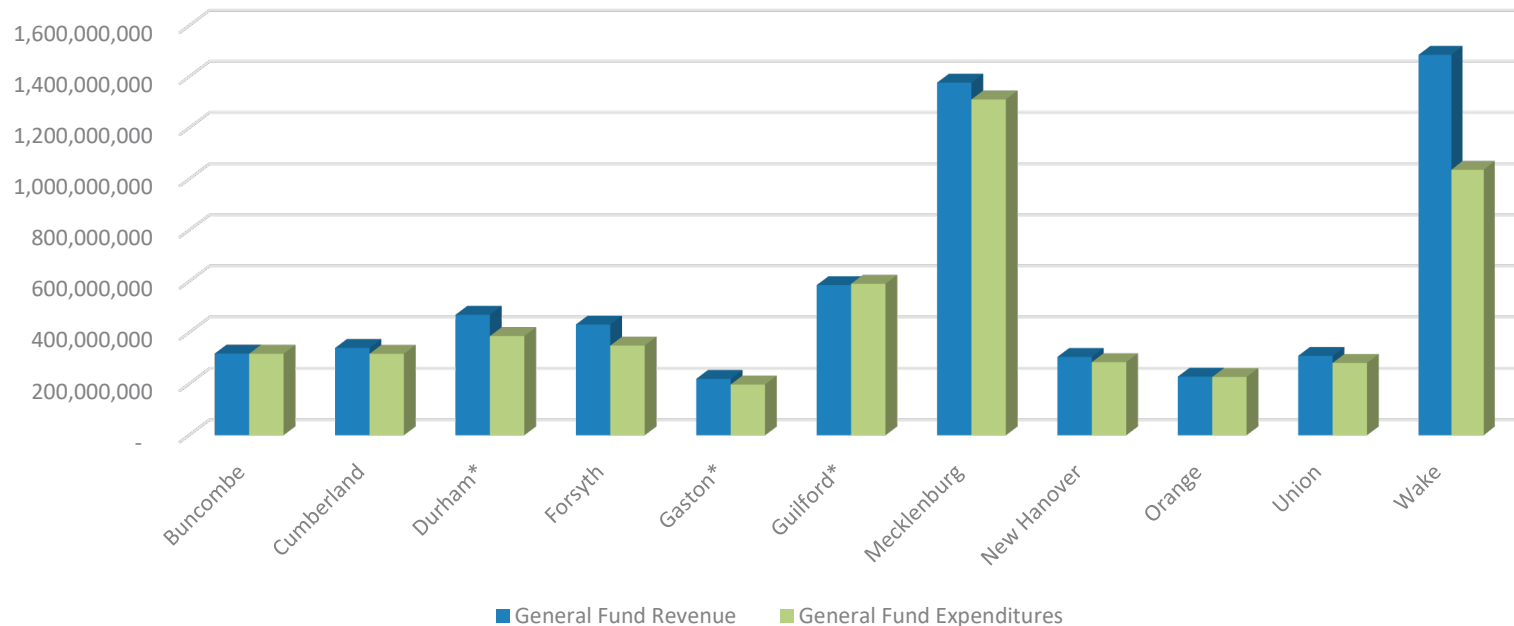
- **Management's Discussion and Analysis – Pages 6 through 16**
- **General Fund Financial Statements – Pages 22 and 24**
 - Total Fund Balance of \$97.8 million
 - Components of Fund Balance:
 - Total Nonspendable Fund Balance of \$0.06 million
 - Total Restricted Fund Balance of \$25.3 million
 - Total Committed Fund Balance of \$2.6 million
 - Total Assigned Fund Balance of \$12.7 million
 - Total Unassigned Fund Balance of \$57.2 million
 - Increase in Fund Balance of \$2.5 million
- **General Fund Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget to Actual**
 - Revenues were \$2.0 million above budget
 - Expenses were \$19.1 million less than budgeted
 - Increase in Fund Balance was \$2.5 million compared to a budgeted decrease of \$15.5 million
 - Budget to Actual Schedule is found on page 26 of the financial statements



Buncombe County and Peer Counties

General Fund Revenue and Expenditures June 30, 2020

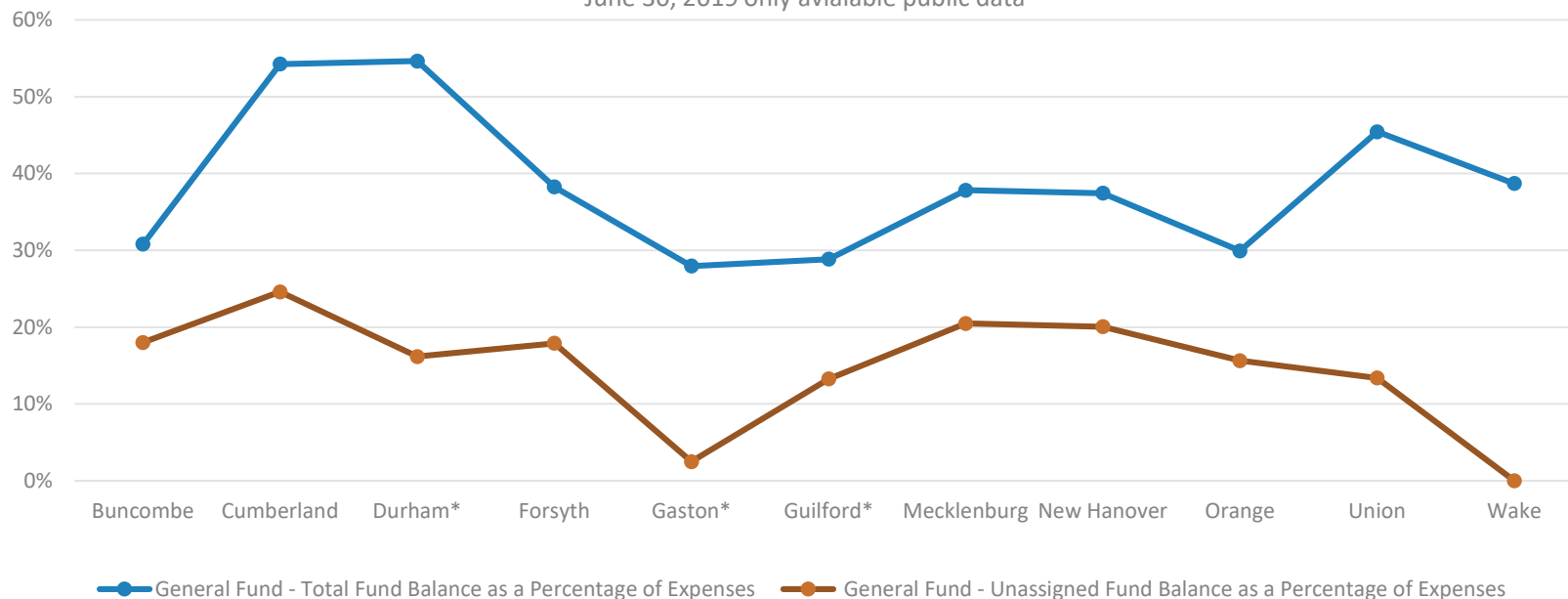
*June 30, 2019 only available public data



Buncombe County and Peer Counties

General Fund Fund Balance June 30, 2020

*June 30, 2019 only available public data



General Fund - Total Fund Balance as a Percentage of Expenses

General Fund - Unassigned Fund Balance as a Percentage of Expenses



2021 and Beyond

- GASB 87 *Leases* now required for FY2022
- Compliance and documentation
- Additional and **significant** single audit testing in 2021



Visit our Events Page

- <https://www.claconnect.com/events>



Navigating the 2021 Market Landscape
Recorded 2/10/2021
Webinar
Hosting

Event materials

Presentation Slides: [Navigating the 2021 Market Landscape](#)
Recording: [Navigating the 2021 Market Landscape](#)

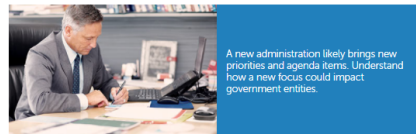
As we turn the page on an unprecedented 2020, the 2021 global macro-economic landscape begins with more change, uncertainty, and volatility than we have seen in decades. Find out what this means for you and your tax and investment strategy as we help you navigate the market in 2021. This **on-demand** webinar will include:

- A 2021 market and tax outlook
- Panel discussion focused on 2021 growth and income trends in equities, fixed income, real estate, and alternative investments

Speakers:

- Clayton Bland, Chief Wealth Advisory Officer, CliftonLarsonAllen Wealth Advisors, LLC
- Christopher Dhanraj, Managing Principal of Investments, CliftonLarsonAllen Wealth Advisors, LLC
- Chris Moss, Principal, CliftonLarsonAllen Wealth Advisors, LLC
- Mike Prinzo, Managing Principal of Tax, CLA
- Tara Frazer, Managing Director of Communication and Culture, CLA
- Dr. Randy Anderson, PhD, Griffin Capital Company, LLC
- Rick Rieder, Chief Investment Officer of Global Fixed Income, BlackRock

For more information:



FINANCIAL MANAGEMENT AND DISASTER RELIEF

Election Impacts – Tax, Governmental Entities, and Security

By Jason Wagoner
2/9/2021

Key insights

- Understand if your tax strategy could be affected by proposed policies of the new administration.
- State and local governments may continue to struggle to execute new programs, due to a reduced workforce, increasing costs, and decreasing revenues.
- Cybersecurity has been identified as a priority for the Biden administration, likely supported by the legislature.
- With nearly one-third of inspector general positions unfilled, fraud is a concern for many entities, especially those dealing directly with COVID-19 relief.

While the extent of future changes under a new administration remains uncertain, a shift in priorities, policy ideologies, and management agenda items is fairly certain. Having some insight as to how these shifts could affect you and your organization allows for the preparation necessary to successfully navigate the uncharted waters that lays ahead. Although any level of uncertainty can be daunting,

Understand how a new administration could impact you.

[Contact us](#)

Stimulus Bill, DC Environment, and Market Update

10/15/2020
Virtual
Hosting

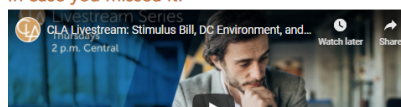
Omar Nashashibi of the Franklin Partnership discusses the status of stimulus bills, DC environment and impact on stimulus post election, and extenders status. We will also be joined by CLA Chief Wealth Advisory Officer, Clayton Bland and CLA principal, Brian Ream, as we host a discussion around the market and economic outlook and wealth advisory strategies.

Speakers:

- Brian Ream, Principal, CLA
- Omar Nashashibi, The Franklin Partnership
- Clayton Bland, Chief Wealth Advisory Officer, CLA

In case you missed our recent webinar: CLA Wealth Advisory Connection – Market and Economic Update, you can watch the recording [here](#). Also, be sure to check out our upcoming webinar: [Prepare to Serve Your Clients for Year-End](#). Space is limited - Register today.

In case you missed it:



COVID FINANCIAL MANAGEMENT

Manage Your Federal Grant Costs During COVID-19

By Rebecca Field
7/17/2020

Key insights

- In response to the pandemic, the OMB has issued a series of memorandums that could affect your grant compliance program.
- OMB memos give fund recipients the flexibility to charge salaries, benefits, and other eligible costs to the federal award.
- CLA can help you navigate the complexities of COVID-19 funding opportunities.

Federal financial assistance can help keep your organization up and running during COVID-19. Whether it's a loan, grant, or other assistance, these funds allow you to continue working toward your mission and serve your clients. However, understanding the impact that COVID-19 has on managing federal grants is essential for proper compliance during this time. Develop an effective grant compliance program per the latest guidance issued by the Office of Management and Budget (OMB) for proper management and use of federal funds.

Have COVID-19 funding questions?

[Talk to Our Team](#)



Create Opportunities

Questions?

Christopher Kessler, CPA

Principal

Chris.Kessler@CLAconnect.com



CLAconnect.com



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

Presentations

Department: Historic Resources Commission

Presenter(s): Emily Kite, Chair

Contact(s): Emily Kite

Subject: Historic Resources Commission Update

Brief Summary:

Update Board of Commissioners on the Historic Resources Commission.

Recommended Motion & Requested Action:

None

County Manager's comments and Recommendation:

Historic Resources Commission of Asheville & Buncombe County

Update for Buncombe County Board of Commissioners



About Us

Members

Emily Kite - Chair

Stephanie West

William Eakins - Vice-Chair

Sara Gardner

Emily Spreng - 2nd Vice-Chair

James Vaughn

Gail Lazaras - 3rd Vice-Chair

Maggie Brousaides

Benjamin Mitchell

James Coman

Will Hornaday

Purpose

The Historic Resources Commission (HRC) is a municipal historic preservation agency charged with preserving and protecting the cultural and architectural character of Asheville and Buncombe County. In addition to reviewing proposed projects affecting locally designated historic properties, the HRC is responsible for local district and landmark designation. The HRC functions as an educational resource within the community, and strives to foster Asheville's unique sense of place through its preservation efforts.



Dates and Accomplishments

Winter 2020

- Designation of the [Lewie Muller Griffith House](#) as a Local Historic Landmark

Fall 2019

- [Thomas Wolfe Master Plan](#) completed

Winter 2018

- Initiated the [African American Heritage Resource Survey](#)

Spring 2015

- Completion and adoption of the [Historic Preservation Master Plan for Asheville & Buncombe County](#)



Activities

- As a joint City-County commission, it is important for both agencies to stay informed of the HRC's current initiatives, accomplishments and responsibilities.
- Overview of work completed since last update
 - Challenge: County-wide architectural survey update
 - Success: Architectural survey of underrepresented communities within the City
- 160D Legislative Updates
- UDO Ch. 7-15 Updates



Financial Update

- Since 2010, the City has sought funding from the County to support the HRC and its supporting staff via the County's Strategic Partnership Program.
- Beginning last year, Strategic Partnership Funding was available only to non-profit agencies.
- The County's Planning & Development Department allocated \$4,174 to support the HRC Program in December 2020.
- Total programmatic budget for FY 20/21 is \$164,276.



Other Items

- Work with Burton Street neighborhood to complete pattern book
- Continue to work towards completion of architectural survey of all African American historic resources in Asheville & Buncombe County
- Continue to seek funding to update the County-wide architectural survey
- Present the Historic Preservation Master Plan for Asheville & Buncombe County to the Buncombe County Commission for adoption





Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

Presentations

Department: Health & Human Services Board

Presenter(s): Greg Narron, Chair

Contact(s): Greg Narron

Subject: Health & Human Services Board Update

Brief Summary:

Update Board of Commissioners on the Health & Human Services Board.

Recommended Motion & Requested Action:

None

County Manager's comments and Recommendation:

HHS BOARD REPORT

March 2, 2021
Greg Narron, MD
HHS Board Chair

HHS BOARD ROLE

Except as otherwise provided, the consolidated human services board shall have the “powers and duties conferred by law upon a board of health, a social services board and a Mental Health, DD, and SA board if applicable”

[G.S. 153A-77](#)

HHS BOARD ROLES RESPONSIBILITIES

APPROVE

ASSURE

ADVISE

ADVOCATE

AMBASSADOR

ACCREDITATION

APPROVE

- Set Fees and recommend to County Commission
- Recommend creation of human services programs
- Establish Local Rules to protect health
- Conduct or recommend audits and programmatic reviews of HHS programs

WHAT IS A LOCAL PUBLIC HEALTH RULE?

- A local law that is deemed necessary to protect or promote public health and that is adopted by the local board of health
- Applies to the jurisdiction covered by the Local HHS Board
- Has the “force of law” – there are legal means to enforce the rule against those who do not comply

ASSURING COMPLIANCE

- **Monitoring**

- Understand the areas of success and struggle for the agency
- Maintain awareness about how pressures and demands are changing

- **Budget**

- Ask questions & provide feedback during budget planning process
- Endorse/recommend a budget prior to Commissioner approval

- **Appeals/Adjudication**

- Adjudicate disputes about local health rules or the imposition of penalties for violations of public health laws

Advise: Standing Program Committee Structure

Community Health

- Executive Committee Member
- 5-7 Board members
- Public Health Director
- HHS Program Representatives as needed
- Community stakeholders as needed

Community Safety and Support

- Executive Committee Member
- 5-7 Board members
- Social Work Director
- HHS Program Representatives as needed
- Community stakeholders as needed

Community Opportunities

- Executive Committee Member
- 5-7 Board members
- Economic Services Director
- HHS Program Representatives as needed
- Community stakeholders as needed

Board Chair and HHS Director are members of all committees



ADVOCACY:

the act or process of supporting a cause or proposal

Advocacy happens in many ways

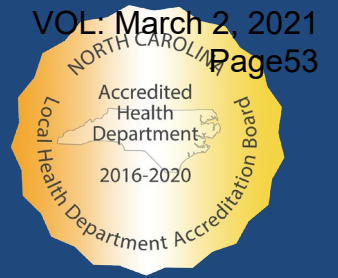
- *Advocacy can be done on a federal, state or local level*
- *Can be done through expertise, knowledge or relationships*

On a local level it could be:

- *Recommending the creation of local human services programs or providing public relations for existing programs*
- *Supporting equity in service delivery*



PUBLIC HEALTH ACCREDITATION



The Role of the Board

1. Assure the agency has required policies and procedures in place
2. Hear or review Local Health Department reports that demonstrate through data, the health and social conditions of the community
3. Discuss service costs, need for new/amended rules or ordinances
4. Approve fees and endorse budgets
5. Take other actions or be involved with efforts to assure the agency has what it needs to do its job

In 2014, GS 130A.34.4 established the requirement for LHDs to obtain and maintain accreditation status to be eligible to receive State and Federal public health funding.

AMBASSADORS

Name	Statutory Position	Term
Amanda Edwards	County Commissioner	N/A
Amy Lenell	Pharmacist	4 yrs.
Lucy Lawrence, Vice-Chair	Social Worker	4 yrs.
Steve Valeika	Veterinarian	4 yrs.
Elizabeth Lima	Psychologist	4 yrs.
Mona Ellum	Engineer	4 yrs.
Greg Narron, Chair	Psychiatrist	4 yrs.
Carol Coulson	Physician	4 yrs.
Linda Weldon	Registered Nurse	4 yrs.
Jesus Amadeo Valdez	Dentist	4 yrs.
Vacant	Optometrist	4 yrs.

Name	Statutory Position	Term
LeeAnne Tucker	Public/Consumer Advocate	4 yrs.
Johnnie Grant	Public/Consumer Advocate	4 yrs.
Jacquelyn Hallum	Public/Consumer Advocate	4 yrs.
Yvette Jives	Public/Consumer Advocate	4 yrs.
Rachel Keener	Public/Consumer Advocate	4 yrs.
Jim Pitts, PhD	Public/Consumer Advocate	4 yrs.
David Thompson	Public/Consumer Advocate	4 yrs.
Martha Salyers	Public/Consumer Advocate	4 yrs.
Dan Frayne	Public/Consumer Advocate	4 yrs.



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

Public Hearings

Department: Economic Development

Presenter(s): Timothy Love & Brian Leising **Contact(s):** Timothy Love

Subject: Borg Warner Economic Development Agreement

Brief Summary:

On July 28, 2020, Borg Warner (BW) announced its plans to expand at its existing facility in Arden, North Carolina. BW is a leader in propulsion systems, developing propulsion system technologies for combustion, hybrid, and electric vehicles that improve fuel economy, emissions and performance. BW plans to invest \$62.25M in capital expenditures and retain 600 jobs averaging \$24.85 per hour.

Prior to the 2020 expansion announcement, BW requested, and the County agreed, subject to formal approval by the Board of Commissioners at a Public Hearing, to provide economic development incentives to induce the Company to make capital investments and create jobs in Buncombe County. Per the Buncombe County Economic Development Policy, BW is eligible for a one-time incentive of \$460,000.00 based on capital investment and job creation targets.

Our staff have analyzed the economic impact of the expansion project, drafted an Economic Development Agreement (EDA) between BW and Buncombe County, and are requesting your formal approval for the incentive grant.

Recommended Motion & Requested Action:

Conduct Public Hearing and approve the following:

1. Economic Development incentive for BW
2. Economic Development Agreement between BW and Buncombe County

County Manager's comments and Recommendation: Approve as presented.

Resolution #: 21-03-05

RESOLUTION AUTHORIZING BUNCOMBE COUNTY TO PAY ECONOMIC DEVELOPMENT INCENTIVES AND
TO SIGN ECONOMIC DEVELOPMENT AGREEMENT

WHEREAS, BORGWARNER TURBO SYSTEMS LLC, a Delaware limited liability company (f/k/a "BorgWarner Turbo Systems Inc.") authorized to do business and doing business in the State of North Carolina (hereinafter sometimes "BW"), is a global technology leader in propulsion systems, and is developing leading propulsion system technologies for combustion, hybrid, and electric vehicles that improve fuel economy, emissions and performance.

WHEREAS, BW facilities are located across the globe in order to provide local support of its diverse customer base, and the Buncombe County plant focuses on the production and development of vehicle turbo and emissions systems (the "Project");

WHEREAS, the current BW facility in Buncombe County (the "Facility") employs approximately 500 persons and the BW plant in Henderson County has approximately 200 employees;

WHEREAS, BW is seeking to consolidate operations from nationwide facilities into the Buncombe County facility as part of global restructuring efforts;

WHEREAS, the first phase of this consolidation involves the investment of \$62.25 Million in capital improvements and machinery at the Project site and will include the retention of existing jobs within the Buncombe Facility and the addition of approximately 100 employees from other U.S. locations (including the Henderson Facility) as well as organic business growth;

WHEREAS, BW will pay these employees an average of \$24.85 per hour and will provide employee health insurance costs;

WHEREAS, BW has requested that the County provide economic development incentives to induce it to make these capital investments for the Project and for the retention of these full time project related jobs at the Facility;

WHEREAS, BW informed the County that if the County did not promise such economic development incentives, then BW may not complete the Project;

WHEREAS, in exchange for the capital investment and improvements to real property as well as new machinery and equipment having a total property tax value (before depreciation) of at least \$62.25 Million and the expansion and retention of 600 full time project related jobs as described above at the Facility, the County proposed to pay BW grants in the total cumulative amount of \$460,000 to be paid in annual installments with final payment at the completion of the project on or after December 2026;

WHEREAS, confirmations of the capital investment and improvements will be determined by the Buncombe County Tax Department and jobs and wages will be confirmed by the figures shown on filings by BW with the N.C. Employment Security Commission as to unemployment compensation taxes;

WHEREAS, the cumulative tax revenues resulting from the capital investment and machinery, equipment and other business personal property to be located at the Facility will bring as consideration over the next five years estimated at approximately \$885,000;

WHEREAS, BW's expansion Project, in addition to bringing the jobs described above, will produce revenue for local businesses and the County due to the employment of individuals and the spending by BW and those new employees, which will provide further economic benefits to the County and local businesses;

WHEREAS, this Board hereby determines that this level of investment and jobs creation enhances the County's property tax base and increase the County's property tax revenues as it will increase the County population, taxable property, employment, industrial output and the overall business prospects of the County;

WHEREAS, pursuant to the provisions of North Carolina General Statutes §158-7.1, this Board of Commissioners deems it desirable and in the best interests of the County and its businesses and residents to offer certain economic development incentives to BW and to enter into an Economic Development Agreement ("EDA") with BW; and

WHEREAS, this Board of Commissioners has organized and approved the holding of a public hearing, at the Board's March 2, 2021 regular meeting, to discuss and approve these economic development incentives to BW and authorize the entering into of an EDA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Buncombe County, North Carolina, as follows:

1. The Recitals set forth above, along with the definitions of certain terms, are incorporated herein by reference as if fully restated.
2. This Board of Commissioners approves appropriating and spending from the County's general fund amounts to make cash grants in the total cumulative amount of Four Hundred Sixty Thousand Six Hundred and No/100 (\$460,000.00) to be paid over a period of six (6) years, such amounts and payment schedule being more specifically described in the EDA attached to this Resolution as Exhibit A.
3. That this Board finds and determines that such appropriation and BW's investment for the expansion of its operations as described above increases the County's property tax base and increases the County's property tax revenues.
4. To implement these incentives, the Board of Commissioners hereby ratifies and approves the attached Economic Development Agreement and authorizes the Chairman of the Board of Commissioners and the County Manager, or either of them, to take all actions necessary to implement the actions and grants required by that Agreement.
5. The Chairman and County Manager, or either of them, are hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the

- transactions contemplated by this Resolution, except that none of the above shall be authorized or empowered to do anything or execute any document which is in contravention, in any way, of the specific provisions of this Resolution.
6. All acts and doings of officers, employees and agents of the County, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in the furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.
 7. Any prior resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.
 8. This Resolution is effective upon its adoption.

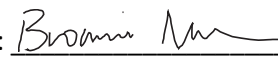
This the 2nd of March, 2021.

ATTEST

BOARD OF COMMISSIONERS FOR THE
COUNTY OF BUNCOMBE

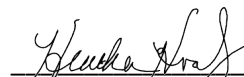


Lamar Joyner, Clerk

By: 

Brownie Newman, Chairman

APPROVED AS TO FORM



County Attorney

Exhibit A

See attached Economic Development Agreement

BORGWARNER TURBO SYSTEMS LLC

and

BUNCOMBE COUNTY, NORTH CAROLINA

INCENTIVE AGREEMENT

Dated as of _____, 2021

INCENTIVE AGREEMENT

THIS INCENTIVE AGREEMENT ("**Agreement**") is dated as of ____ day of _____, 2021 ("**Effective Date**"), and is between **BORGWARNER TURBO SYSTEMS LLC**, a Delaware limited liability company (f/k/a "BorgWarner Turbo Systems Inc.") authorized to do business and doing business in the State of North Carolina (hereinafter sometimes "BW"), and **BUNCOMBE COUNTY**, a public body politic and a political subdivision of the State of North Carolina ("County").

RECITALS:

- WHEREAS, BW is a global technology leader in propulsion systems. BW is developing leading propulsion system technologies for combustion, hybrid, and electric vehicles that improve fuel economy, emissions and performance. Its facilities are located across the globe in order to provide local support of its diverse customer base. The Buncombe County plant focuses on the production and development of vehicle turbo and emissions systems (the "Project");
- WHEREAS, the current BW facility in Buncombe County (the "Facility") employs approximately 500 persons and the BW plant in Henderson County has approximately 200 employees;
- WHEREAS, BW is seeking to consolidate operations from nationwide facilities into the Buncombe County facility as part of global restructuring efforts;
- WHEREAS, the first phase of this consolidation involves the investment of \$62.25 Million in capital improvements and machinery at the Project site and will include the retention of existing jobs within the Buncombe Facility and the addition of approximately 100 employees from other U.S. locations (including the Henderson Facility) as well as organic business growth;
- WHEREAS, BW will pay these employees an average of \$24.85 per hour and will provide employee health insurance costs;
- WHEREAS, BW has requested that the County provide economic development incentives to induce it to make these capital investments for the Project and for the retention of these full time project related jobs at the Facility;
- WHEREAS, BW informed the County that if the County did not promise such economic development incentives, then BW may not complete the Project;
- WHEREAS, in exchange for the capital investment and improvements to real property as well as new machinery and equipment having a total property tax value (before depreciation) of at least \$62.25 Million and the expansion and retention of 600 full time project related jobs as described above at the Facility, the County proposed to pay BW grants in the total cumulative amount of \$460,000 to be paid in annual installments with final payment at the completion of the project on or after December 2026; and
- WHEREAS, confirmations of the capital investment and improvements will be determined by the Buncombe County Tax Department and jobs and wages will be confirmed by the figures

show on filings by BW with the N.C. Employment Security Commissions as to unemployment compensation taxes.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Agreement, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

1.1 Definitions. For all purposes of this Agreement, unless the context requires otherwise, the following terms shall have the following meanings:

“Abandonment of Operations” means that for a period in excess of eight (8) weeks BW’s level of Full-Time Project Related jobs or Direct Investment goes below twenty percent (20%) of the guaranteed minimum levels of Performance Commitments for either Full-Time Project Related jobs or Direct Investment.

“Business Day” means any day that is not a Saturday or a Sunday, or a day on which banks in the State of North Carolina are required by law to be closed.

“Confirmation Date” means the annual scheduled future dates when BW will submit a certified confirmation letter to the County stating that all investment and jobs commitments have been met or maintained during both the Project Period and the Retention Period as defined below. The Confirmation Date for this agreement is April 30.

“Confirmation Letter” means a certified letter submitted by BW to the County on or before each Confirmation Date certifying that commitments have been met and requesting release of incentive grants, or that commitments have been maintained during the Retention Period. Each such letter must specifically state that BW meets or exceeds the applicable Jobs Minimum and that it meets or exceeds the Direct Investment requirements on or before the Incentive Confirmation Date and each succeeding Confirmation Date during the said Jobs Retention Period.

“Direct Investment” means the increase in property tax value attributable to property (before depreciation) in the County owned by BW after the effective date of this Incentive Agreement as determined by the Buncombe County Tax Department in accordance with applicable law, regardless of the funding sources for said property; or replacement property of equal or greater value for property tax purposes before depreciation. Direct investment may include facilities and business personal property, but does not include land acquisition. Per NCGS 105-308, BW must file Business Personal Property listings with the Buncombe County Tax Department by January 31st. BW may only claim those direct investments that are reported in such filings. Direct Investment in this agreement refers to the capital investment in new construction and improvements to real property as well as new machinery and equipment having a property tax value (before depreciation) of at least \$62,250,000.

"Facility" the Property and improvements located in Arden, North Carolina.

"Full-Time Project Related Jobs" means the total number of full time employees employed by BW in connection with the Project at the Facility as of December 31, 2026. Such

employees may be hired, transferred or retained at any time on or prior to December 31, 2026 so long as BW has the required number of full time employees as specified herein being paid at the average wages as set forth herein at the Facility as of said date. "Part-Time" or "Temporary" employees may not be counted towards the "Full-Time Project Related Jobs" commitment.

"Incentive" means the incentive payment referred to in this Agreement that the County will pay to BW provided the Performance Commitments are achieved.

"Incentive Date" means the annual date on or about which incentive payments will be scheduled for payment to BW based upon the Confirmation Letter received by the prior April 30. The incentive date for this project is 90 days after the confirmation date. For example, incentive payments scheduled for July 31, 2022 will be based on the Confirmation Letter provided by BW by April 30, 2022.

"Project" means the investments in real property improvement and business personal property and jobs in Buncombe County associated with the Facility.

"Project Period" is the period of time in which BW must meet the performance commitments as agreed. For this agreement, the Project Period is announcement date through December 31, 2026.

"Retention Period" is the period of time that the BW must maintain jobs and investment commitments. For this agreement, the Retention Period is three years from the Project Period end date.

"State" means the State of North Carolina.

1.2 Rules of Construction. Unless the context otherwise indicates:

(a) Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine and neuter genders as well;

(b) All references to Articles, Sections or Exhibits are references to Articles, Sections and Exhibits of this Agreement;

(c) All references to officers are references to County officers; and

(d) The headings herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meanings, construction or effect.

ARTICLE II

2. The Recitals set forth above, along with the definitions of certain terms, are incorporated herein by reference as if fully restated.

ARTICLE III

BW'S COMMITMENTS

3.1 In return for the Incentives set forth herein, which are a competitive necessity for BW to increase capacities and operations in the County, BW commits to certain Performance Commitments related to Full-Time Project Related Jobs hired, transferred or retained as well as incrementally increased taxes in the County ("**Performance Commitments**"). The parties acknowledge and agree that the consideration for the County to enter into this Agreement is the expectation that BW will meet or exceed the Performance Commitments.

Specifically, BW agrees to meet or exceed the following Performance Commitments:

- (a) BW will hire, transfer or retain a total of Six Hundred (600) Full-Time Project Related Jobs at the Facility throughout the term of the Agreement.
- (b) BW will maintain at the Facility during the Retention Period, the Six Hundred (600) Full-Time Project Related Jobs at the Facility (collectively, "**Jobs Minimum**"). It is expressly understood and agreed that the Jobs Minimum must equal or exceed Six Hundred (600) Full-Time Project Related Jobs at the Facility at all times during the Retention Period. BW must submit an annual Confirmation Letter certifying that it meets or exceeds the required Jobs Minimum on or before April 30 of each year during the Project Period and Retention Period. This will be determined based on the Statement of Deposits and Filings provided by BW to the N.C. Employment Security Commission.
- (c) BW agrees that for the length of the Retention Period, the average wage level of the Full-Time Project Related Jobs specified in Section 3.1(a) above shall be \$24.85 per hour, plus employee health insurance costs. The calculation of the average wages for Full-Time Project Related Jobs shall be done as of April 30 of each year during the Retention Period. This will be determined based on the Statement of Deposits and Filings provided by BW to the N.C. Employment Security Commission.
- (d) BW shall make Direct Investment in capital improvements, machinery and equipment to the Facility having a property tax value (before depreciation) of at least Sixty-Two Million Two Hundred Fifty Thousand and No/100 Dollars (\$62,250,000).
- (e) Direct Investment shall remain in the County subject to ad valorem property tax assessments through the end of the Retention Period. BW must submit an annual Confirmation Letter certifying that it meets or exceeds the Direct Investment requirements. This will be determined based on filings by BW with the Buncombe County Tax Department as to business personal property listings.

Year	Capital Investment (Annual)	Capital Investment (Cumulative)	Jobs (Annual)	Jobs (Cumulative)
2020 (Q3-Q4)	\$4,900,000	\$4,900,000	600	600
2021	\$13,010,000	\$17,910,000	600	600
2022	\$11,029,000	\$28,939,000	600	600
2023	\$8,327,750	\$37,266,750	600	600
2024	\$8,327,750	\$45,594,500	600	600
2025	\$8,327,750	\$53,922,250	600	600
2026	\$8,327,750	\$62,250,000	600	600

3.2 BW recognizes that incentive grants can only be awarded if BW submits a signed, notarized Confirmation Letter by the annual Confirmation Dates of April 30 of each year within the Project Period. The Confirmation Letter must certify that all goals have been met for the preceding year and provides adequate supporting documentation for these targets. BW further understands that all supporting documentation is subject to review by County staff between receipt of the Confirmation Letter and the subsequent Incentive Date on each July 31. Adequate supporting documentation for achievement of these targets shall be (a) the Statement of Deposits and Filings provided by BW to the N.C. Employment Security Commission, and (b) filings by BW with the Buncombe County Tax Department as to business personal property listings. A Sample Certification Letter and Supporting Documentation is provided in Article XII.

3.3 Confirmations. BW will submit a Confirmation Letter on each annual Confirmation Date during the Project Period, and on an annual recurring basis BW will submit follow up Confirmation Letters on or by April 30 of each succeeding calendar year during the said Retention Period.

The Confirmation Letter must confirm that BW has met and/or maintained the Performance Commitments as follows: (1) the amount of Direct Investment; and (2) the Jobs Minimum. The County shall have the ability to request additional documentation to verify the attainment of these Performance Commitments.

3.4 Direct Investment and Jobs Minimum.

- (a) If BW does not make the Direct Investment on or before the applicable Confirmation Date, then no incentive grants may be awarded for the respective year and the incentive may be delayed until the following year or forfeited if it is the final year of the Project Period.
- (b) If BW does not maintain the amount of Direct Investment throughout the Retention Period, then the Incentive Grants shall be subject to refund by BW as provided in **Article V.**
- (c) If BW does not have in the Jobs Minimum on or before each Confirmation Date, then no incentive grants may be awarded for the respective year and the incentive may be delayed until the following year or be forfeited if it is the final year of the Project Period.
- (d) If BW does not maintain the Jobs Minimum throughout the Retention Period, then the Incentive Grants shall be subject to refund by BW as provided in **Article V.**

ARTICLE IV

INCENTIVE GRANTS

To induce BW to make the Direct Investment associated with the Project, to locate its operations associated with the Facility, and to achieve the Jobs Minimum, the County commits to pay to BW a grant on the dates and in the amounts specified below ("**Future Incentive Payments**"). The total Incentive Grant shall be in the amount of Four Hundred Sixty Thousand and No/100 (\$460,000.00) Dollars. The incentive payout schedule is provided below.

Calendar Year	Confirmation Date	Capital Investment	Job Retention	Total Incentive Amount	Incentive Date
2021	April 30, 2022	\$40,000	\$40,000	\$80,000	July 31, 2022
2022	April 30, 2023	\$40,000	\$40,000	\$80,000	July 31, 2023
2023	April 30, 2024	\$40,000	\$40,000	\$80,000	July 31, 2024
2024	April 30, 2025	\$40,000	\$40,000	\$80,000	July 31, 2025
2025	April 30, 2026	\$40,000	\$40,000	\$80,000	July 31, 2026
2026	April 30, 2027	\$30,000	\$30,000	\$60,000	July 31, 2027

BW must submit a Confirmation Letter by the Confirmation Date in order to be eligible for the incentive Grants. The Confirmation Letter will include the filings with the N.C. Employment Security Commission and Buncombe County Tax Department specified in Section 3.2 above. The County shall review those filings and, if the required Direct Investment and Jobs Minimum are confirmed, pay the Incentive Grant by July 31 (the "Incentive Date")

Provided however, that if BW for any reason fails to file its Business Real and Personal Property Tax Listings in a timely manner then such Incentive Payments will not be made until these Listings are properly filed and accepted.

Further, in order to qualify for the Incentive Grant, BW must comply in all material respects with all Federal, State and Local laws. Further if BW is in default on its obligation to pay property taxes to the County, the County will not be required to make any Incentive Grants to BW until BW pays the amount of such property taxes it owes the County, unless BW is in a bona fide dispute with the Buncombe County Tax Assessor's office as to the value of some or all of its property. Nothing herein shall preclude County and the Buncombe County Tax Collector from seeking to recover any such unpaid property taxes in accordance with applicable laws.

ARTICLE V

REFUNDS

Should the levels of Direct Investment be withdrawn or be reduced for any reason, other than depreciation, OR should BW fail to maintain the Jobs Minimum during the Retention Period then, after the expiration of a 60 day cure period during which BW may cure the reduction of the Direct Investment or the failure to maintain the Jobs Minimum, BW shall refund to the County a portion of the Incentive Grants equal to the percentage below the Direct Investment required in Section 3.1(d) or the Jobs Minimum. By way of example, (a) if BW maintained 90% of the Direct Investment, BW would be required to refund 10% of the Incentive Grant or (b) if BW maintained 50% of the Jobs Minimum, BW would be required to refund 50% of the Incentive Grant. BW will refund any applicable amount under this section within 60 days after receiving the County's invoice. In the event of such a refund, there shall be no additional costs, interest, fees or any additions whatsoever imposed on BW above and beyond the

refund amount due.

ARTICLE VI

ABANDONMENT OF OPERATIONS

If an Abandonment of Operations occurs at any time prior to the end of the Retention Period, BW shall refund to the County all Incentive Grants the County has already paid BW within 60 days after recving the County's invoice. In the event of such a refund, there shall be no additional costs, interest, fees or any additions whatsoever imposed on BW above and beyond the refund amount due.

ARTICLE VII

TEMPORARY REDUCTIONS IN PERFORMANCE COMMITMENTS

Notwithstanding anything herein to the contrary, if BW shall be prevented or delayed from fulfilling, or continuing to fulfill, either or both of the Performance Commitments as set forth in herein, by reason of a:

- (a) government moratorium;
- (b) delay in obtaining any governmental or quasi-governmental approvals, permits or certificates, despite reasonable efforts by BW to obtain same;
- (c) enemy or hostile governmental or terrorist action;
- (d) act of God, including but not limited to epidemic, pandemic, hurricane, tornado, snowstorm, windstorm, earthquake or flood, fire or other extreme weather conditions or other casualty;
- (e) strike, lockout or a labor dispute involving entities other than BW which causes BW an inability to obtain labor or materials;
- (f) delay in funding from any state or local government incentive to or for the benefit of BW, or;
- (g) any other event, other than normal business exigencies, which is beyond the reasonable control of BW

then the Performance Commitments and Incentive Grants for the year(s) in which such event occurred shall be equitably reduced to reflect the effect of such event.

The parties shall negotiate in good faith to make an equitable reduction in the Performance Commitments for any affected year(s). However, if the parties cannot in good faith reach an agreement as to such adjustment, the parties agree to submit this issue to mediation to be conducted in accordance with local rules of the General Court of Justice of Buncombe County, North Carolina.

ARTICLE VIII

ASSIGNMENT

BW will have the right to assign this Agreement, and any rights, privileges, or claims under this Agreement, to any future purchaser or lessee of the Facility without the consent of the County. If the assignee agrees in writing to assume BW's obligations under this Agreement, then BW will be relieved of its obligations under this Agreement. BW will give the County written notice of any such assignment and assumption.

BW may, without the consent of the County, pledge, mortgage, grant a security interest in, and collaterally assign this Agreement, and any rights, privileges or claims under this Agreement, to any person or entity, including a collateral agent acting on behalf of lenders providing financing for the Facility (collectively, "**Financing Parties**"). The County will cooperate with BW, its affiliates, any assignee of this Agreement, and any Financing Parties from time to time, including by entering into a consent to assignment or other agreements in connection with any collateral assignment on such terms as may be customary under the circumstances and shall be reasonably required by such Financing Parties.

ARTICLE IX

REPRESENTATIONS AND WARRANTIES

BW represents and warrants to the County that as of the Effective Date: (i) BW is a Delaware limited liability company authorized to do business and doing business in the State of North Carolina; (ii) it has the power and authority to own its properties and assets and to carry on its business as now being conducted and has the power and authority to execute and perform this Agreement; (iii) this Agreement (A) is the legal, valid and binding agreement of BW, enforceable against BW in accordance with its terms, (B) does not violate any order of any court or other agency of government binding on BW or the charter documents of BW, and (C) does not conflict with, result in a breach of, or constitute an event of default under any material indenture, agreement or other instrument to which BW is a party; and (iv) BW has not received written notice of any action or proceeding that challenges the validity of this Agreement or BW's right and power to enter into and perform this Agreement.

The County represents and warrants to BW that: (i) the County is a political subdivision and body politic of the State of North Carolina with power and authority to enter into and perform this Agreement; (ii) the County has taken all action necessary to authorize the execution, delivery and performance of this Agreement, including appropriating sufficient funds to meet the Incentive Grants under the Agreement in the fiscal year in which it is to be made; (iii) this Agreement is a legal, valid, and binding obligation of the County, enforceable against the County in accordance with its terms; and (iv) the County has not received written notice of any action or proceeding that challenges the validity of this Agreement or the County's right and power to enter into and perform this Agreement.

ARTICLE X

CONTINUING CONTRACT

The parties hereto understand that this Agreement is and shall be construed as a continuing contract pursuant to N.C.G.S. §153A-13.

ARTICLE XI

MISCELLANEOUS

Governing Law. The parties intend that this Agreement shall be governed by the law of the State of North Carolina as follows:

Mediation

- Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to non-binding mediation as a condition precedent to the institution of legal or equitable proceedings by either party. If the parties are unable to agree upon a certified mediator to hear their dispute, the Buncombe County Resident Superior Court Judge shall name a mediator to hear the matter.
- The parties shall equally share the mediator's fee. The mediation shall be held in Asheville at a location designated by the mediator selected to hear the matter.

Legal Proceedings

- Claims, disputes and/or other matters in question between the parties that are not resolved by mediation shall be heard in the North Carolina General Courts of Justice in Asheville, Buncombe County, North Carolina, which said Court shall have jurisdiction to hear any dispute between the parties arising out of this agreement. The Parties hereby agree that this paragraph establishes exclusive and sole jurisdiction for any legal proceeding in Buncombe County, North Carolina.

Notices. Any notice permitted or required under this Agreement from one party to the other must be in writing and will be effective (a) on the date it was actually delivered to the addressee if delivered personally, or sent by a nationally recognized courier (such as FedEx or United Parcel Service) or sent by facsimile, or (b) three days after having been deposited in the United States mail, if sent by certified mail, return receipt request, in each case to the respective addresses of BW and the County listed below, or those other addresses of which either party gives the other party written notice:

If to BW, to:

If to the County, to:

Timothy T. Love
Inter-governmental Projects Director
200 College Street, Suite 300
Asheville, NC 28801

With copy to:

Michael C. Frue
Buncombe County
Senior Staff Attorney
200 College Street, Suite 400
Asheville, NC 28801

Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

Severability. Each provision in this Agreement is severable. If any provision of this Agreement will be determined to be invalid or unenforceable by a court of competent jurisdiction, then: (a) such determination will not invalidate or render unenforceable any other provision of this Agreement; (b) such provision will be construed as closely as possible to the parties' original intent in order to render such provision valid or enforceable, as applicable; and (c) the remaining terms of this Agreement, together with such reconstructed provision, will constitute the parties' entire agreement.

Entire Agreement; Amendments. This Agreement constitutes the entire contract between the parties, and this Agreement shall not be changed except in writing signed by both parties.

Binding Effect. Subject to the specific provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Time. Time is of the essence in this Agreement and each and all of its provisions.

Liability of Directors, Officers and Agents. No director, officer, agent or employee of the County or BW shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents, or employees shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve any such officer, agent or employee from the performance of any official duty provided by law.

Confidentiality. The County will keep confidential and will not disclose or publish any of BW's trade secrets as defined in Section 132-1.2(1) of the North Carolina General Statutes, will keep all records evidencing such trade secrets marked as "confidential trade secrets", and will keep all such records segregated in the County's files. If the County receives a request, subpoena or court order to disclose any information or records BW or its representatives have provided or provide in the future relating to this Agreement or the project described in this Agreement, the County will give BW prompt written notice of the request, subpoena or court order and will discuss any proposed disclosure of such information or records with BW (and, to the extent possible, give BW the opportunity to contest any disclosure of information or records BW believes should not be disclosed) before making any such disclosure.

Counterparts. This Agreement may be executed in several counterparts, including separate counterparts. Each shall be an original, but all of them together constitute the same instrument.

ARTICLE XII

CONFIRMATION LETTER AND DOCUMENTATION

Sample Confirmation Letter

To Whom It May Concern,

This statement made as of the ____ day of _____, 20__ by _____ ("BW") is certifies that BW has [achieved / not achieved, maintained / not maintained] the investment, job creation, and average wage goals identified in the Economic Development Agreement (EDA) with Buncombe County. If any of the goals are not met, the exceptions are documented in this letter. Where all goals have been achieved, this letter serves as BW request for disbursement based on the grant incentive schedule defined in the EDA.

BW recognizes that incentive grants can only be awarded if BW certifies that all goals have been met and provides adequate supporting documentation for these targets. BW further realizes that all supporting documentation is subject to review by County staff. BW acknowledges that the definition and requirements for adequate supporting documentation are documented in the EDA.

Below is a summary of EDA goals and actual performance.

Type	Goal (for Year Requesting Disbursement)	Actual Performance (for Year Requesting Disbursement)	Goal Status (Achieved, Not Achieved)	Prior Year	Total (since EDA Award)
Investment	\$5,000,000.00	\$5,123,987.00	Achieved	\$1,234,698.15	\$8,000,000
Jobs (Full-Time)	47	47	Achieved	12	64
Average Wage	\$25.97	\$32.23	Achieved	\$15.05	\$29.00
Health Insurance (Full-Time Employees)	50% cost covered	50% cost covered	Achieved	50% cost covered	50% cost covered

Enclosed please find supporting documentation for the data provided above.

BY: _____
[Chief Executive Officer/Chief Financial Officer/President]

ATTEST:

NAME, COMPANY NAME

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, _____, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged that s/he is the TITLE of COMPANY NAME a North Carolina for profit corporation, and that as TITLE, being authorized to do so, voluntarily executed the foregoing instrument on behalf of the corporation, as its act and deed.

Witness my hand and official stamp or seal, this the ____ day of _____, ____.

Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the Grantor executes the foregoing instrument in the ordinary course of its business by the signature(s) below of its duly authorized representative(s) and as the act of such entity.

COMPANY NAME

By: _____
NAME / TITLE

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, _____, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged his due execution of the foregoing instrument as a Member/Manager of COMPANY NAME, a North Carolina limited liability company, on behalf of said limited liability company, by authority duly vested.

Witness my hand and official stamp or seal, this the ____ day of _____, ____.

My commission expires:

NOTARY PUBLIC

Sample Supporting Job and Wage Documentation

Example job documentation with redacted information. Submitted documentation should redact personal information (e.g., social security numbers), but provide level of detail necessary to calculate number of full-time jobs employed during the period and average wage of full-time jobs in the period.

STATEMENT OF DEPOSITS & FILINGS

ADP TAX FILING SERVICE

** FOURTH QUARTER 2017 **

STATEMENT DATE 01/26/18
SR/COMPANY ST/SEER
AGENT 065
COMBO NO

SIT-ED: 101029871
SUI-ED: 01-06-748 5

STATE OF NORTH CAROLINA

QUARTER WAGE RECAP:
SIT TAX WAGES 169,333.50
SUI SUBJECT WAGES 174,252.11
EXCESS SUI WAGES 165,152.11
SUI TAXABLE WAGES 9,100.00

STATE INCOME TAX WITHHELD 8,623.00

EMPLOYERS: TOTAL MALE FEM NEW
MONTH 1 7 6 1 HIRE
MONTH 2 7 6 1
MONTH 3 6 6 0 0
WAGE DTL 8
SUI DR RATE 1.58004
SUI LIMIT 23,100
SUI DEPOSIT FREQ: ACCELERATED QUARTERLY VIA E

SIT DEPOSIT FREQ: SEMI-WEEKLY VIA EFT

ADP FILING RESPONSIBILITY: SIT QUARTERLY ANNUAL/W2S SUI QUARTERLY IF REQUIRED
CLIENT FILING RESPONSIBILITY: NONE

DEPOSIT DETAIL QDU BATCH NBR 17/4/000

DEPOSIT DATE	STATE INCOME TAX	EMPLOYER SUI	TOTAL
10-11-17			
10-17-17			
10-24-17			
10-31-17			
11-07-17			
11-14-17			
11-21-17			
11-28-17			
12-05-17			
12-12-17			
12-19-17			
12-26-17			
01-03-18			
02-02-18			
TOTAL DEPOSITS			
TOTAL LIABILITY			
*ADJUSTMENT			
DIFFERENCE			

We have filed this information with the appropriate agency. We have also filed the annual reconciliation and W-2 forms required by the state agency.

CONTINUED ON THE NEXT PAGE

THIS STATEMENT SHOULD BE RETAINED AS PART OF YOUR TAX RECORDS.

2017-8001

**SIGNATURE PAGE 1 OF 2 TO INCENTIVE AGREEMENT BETWEEN
BORGWARNER TURBO SYSTEMS LLC
and BUNCOMBE COUNTY**

IN WITNESS WHEREOF, the parties have caused this Incentive Agreement to be executed in their corporate names by their duly authorized officers, all as of the date first above written.

[SEAL]

BORGWARNER TURBO SYSTEMS LLC

ATTEST:

By:_____

Printed Name:_____

Title:_____

**SIGNATURE PAGE 2 OF 2 TO INCENTIVE AGREEMENT BETWEEN
BORGWARNER TURBO SYSTEMS LLC
and BUNCOMBE COUNTY**

[SEAL]

BUNCOMBE COUNTY

ATTEST:

By: _____

Printed Name: _____

Title: _____

Lamar Joyner, Clerk to the Board

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

Name: Don Warn
Finance Officer
Buncombe County, North Carolina

Economic Development Incentive Program

Public Hearing

BorgWarner Turbo Systems, LLC

March 2, 2021



Background and Request

Background:

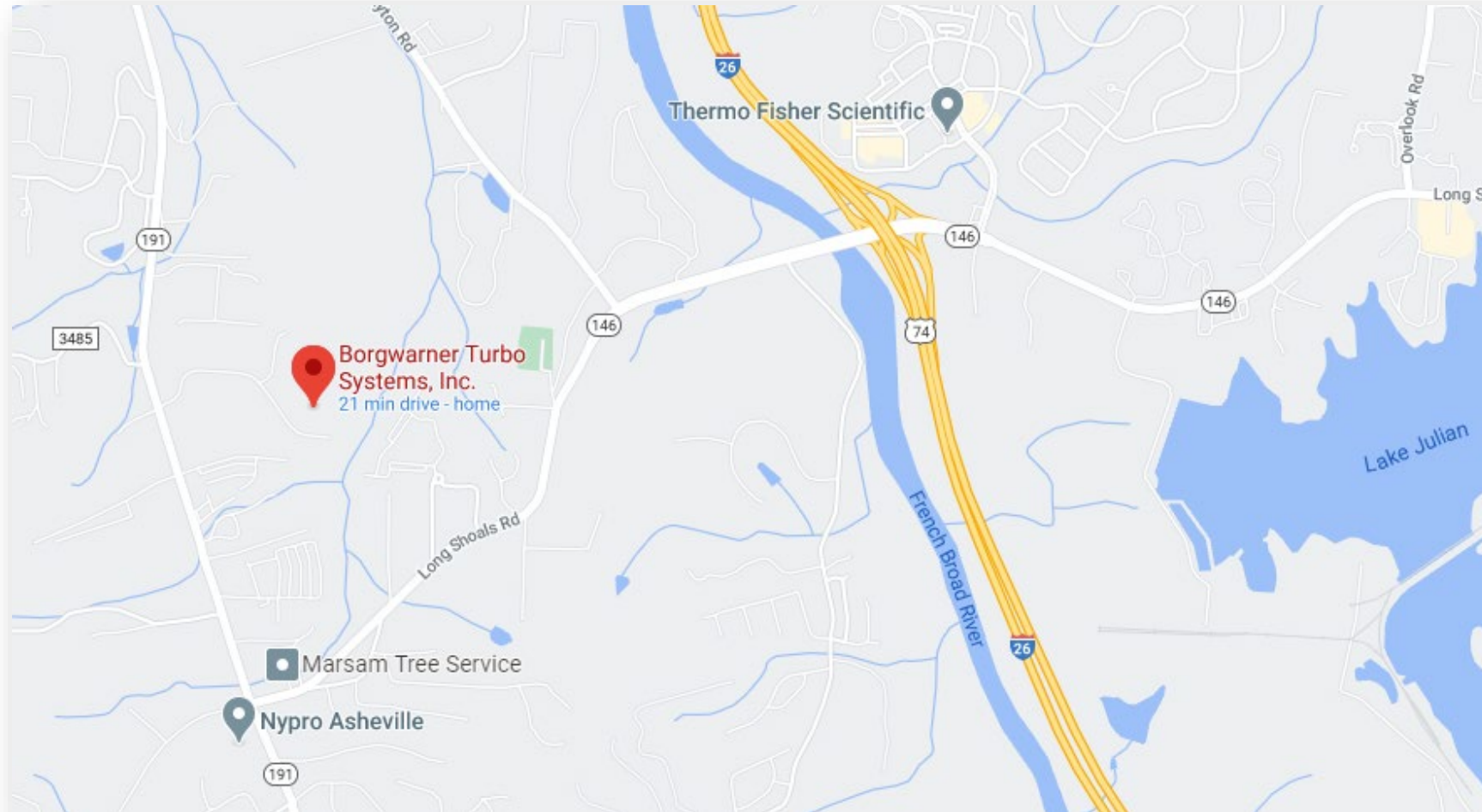
- Announced July 28th 2020, BorgWarner Turbo Systems, LLC (BW) has chosen Buncombe County for its expansion.
- Global technology leader in propulsion systems, developing **propulsion system technologies for combustion, hybrid, and electric vehicles that improve fuel economy, emissions and performance.**
- **Arden plant employs 500** and manufactures vehicle turbo and emissions systems including technology product development.

Request:

- Board of Commissioners approval for:
 - Economic Development Incentives for BW; and
 - Economic Development Agreement between BW and Buncombe County.



Site Location



Scope of Project

BorgWarner will:

- **Invest in the existing Arden Plant;**
- **Retain 500 jobs and add 100 jobs** from other US locations;
- **Invest \$62.25 million** in real and business personal property; and
- **Provide an average wage of \$51.6K annually** (\$24.85 hourly).

Aligns to Buncombe 2025 Strategic Plan Goals for increasing average wages and total employment.



BorgWarner Turbo Systems, LLC



OUR VISION

A clean, energy-efficient world

OUR MISSION

Propulsion System Leader for
Combustion, Hybrid and Electric
Vehicles

OUR BELIEFS



Inclusion.
respecting individuals



Integrity.
honoring truth



Excellence.
focusing on results



Responsibility.
our commitment



Collaboration.
building trust

Strategic Global Operations

33

locations in
the Americas

31

locations in
Europe

35

locations in
Asia



BorgWarner partners with customers around the world to bring the right technology to market at the right value.

Location information as of September 14, 2020

BorgWarner Arden

■ Standalone Campus

- Operations / Support
- Sales
- Global/Local Engineering Development
- Technical Center (Turbo and Fan Drive)

■ Quality, Safety & Environmental

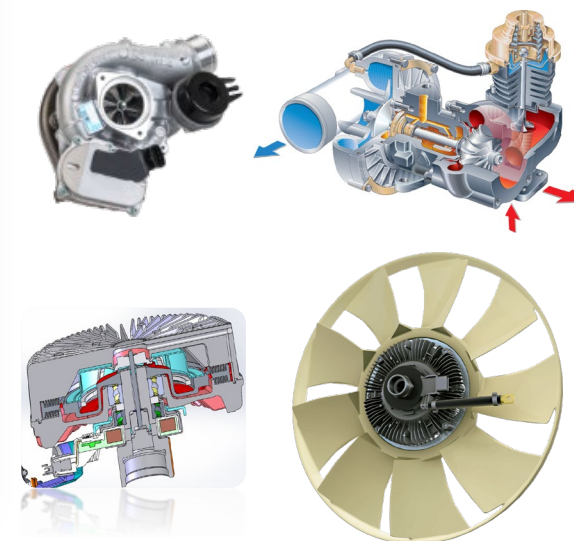
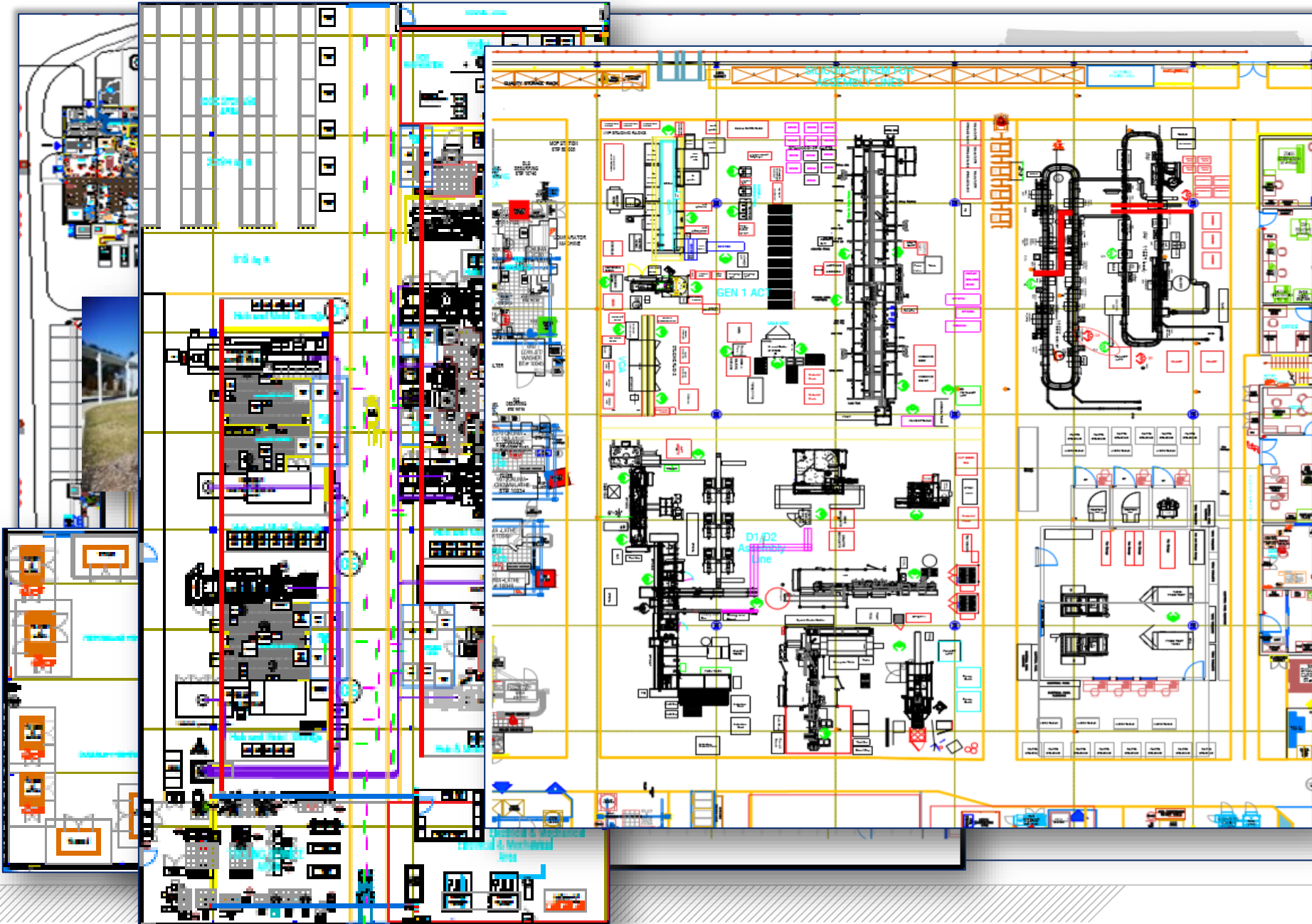
- IATF 16949, ISO 14001
- Pursuing Zero landfill
- Pursuing ISO 45001 in 2021

■ Customers

- Ford, GM, John Deere, Mack/Volvo, DTNA, Navistar, CAT, Indy Car, Others

■ Manufacturing Turbos Since 1980 and Fan Drives since 1975 in Western North Carolina!





Economic Development Agreement



Economic Development Incentive

- **Incentive Structure:**
 - **Total Incentives:** \$460K
 - Annual Incentive: not to exceed \$80K
 - No incentive for 600 retained jobs
 - **Term:** 9 years (6 year creation + 3 year retention)
 - **Payout Structure:** pay-for-performance (pro rata) based on actual job and investment schedule.



Investment, Job and Incentive Schedule

Calendar Year	Confirmation Date	Capital Investment (Annual)	Capital Investment (Cumulative)	Jobs (Annual)	Jobs (Cumulative)	Proposed Incentive
2020	N/A	\$4,900,000	\$4,900,000	600	600	\$0
2021	April 30, 2022	\$13,010,000	\$17,910,000	600	600	\$80,000
2022	April 30, 2023	\$11,029,000	\$28,939,000	600	600	\$80,000
2023	April 30, 2024	\$8,327,750	\$37,266,750	600	600	\$80,000
2024	April 30, 2025	\$8,327,750	\$45,594,500	600	600	\$80,000
2025	April 30, 2026	\$8,327,750	\$53,922,250	600	600	\$80,000
2026	April 30, 2027	\$8,327,750	\$62,250,000	600	600	\$60,000



Economic Development Impact

- Retention of **600 jobs** and **\$62.5M** in investment.
- **Incentives cash-flow** on an annual basis
- Breakeven within 4 years depending on economic conditions.



Request for Board Action

- Board of Commissioners approval for:
 - Economic Development Incentives for BW; and
 - Economic Development Agreement between BW and Buncombe County.



Appendix



Buncombe County Government

Legislative Items

March 2, 2021



Agenda

- House Bill 35 Various County Public Notices
- House Bill 119 Property Tax Relief for COVID Affected Businesses
- Senate Bill 31 Political Subdivisions/Local Bidders Notice



HB35 Various County Public Notices

- **Purpose:** Allow designated counties to provide public notices on county owned websites rather than newspapers. Counties must adopt an ordinance and publish specific instructions on how to access electronically monthly for the first 12 months. Ordinance creates retention requirements for electronic notices, as well as a 'notice book' which is indexed and maintained for public inspection.
- **Scope:** Ordinance may cover all notices required to be published or advertised, or a clearly identified category of notices.
 - **Current Counties included in the bill:** Rockingham County, Montgomery County, Richmond County, Stanly County, Catawba County, Burke County, Rutherford County, Haywood County, Jackson County, Swain County, Iredell County, Forsyth County, Rowan County, Davidson County, Davie County, Currituck County, Cabarrus County
- **Status:** House Local Government Committee may vote this week (March 1). Supports NCACC Legislative Goal.
- **Related:** [House Bill 51 Eastern Counties/Public Notices](#) is focused on Eastern Counties including: Carteret County, Beaufort County, Camden County, Harnett County, Hertford County, Craven County, Tyrrell County, Bertie County, Washington County, Pasquotank County, Perquimans County, Gates County, Chowan County.



HB119 Property Tax Relief for COVID Affected Businesses

VOL: March 2, 2021
Page96

- **Purpose:** Provides financial relief to business by allowing them to enter into property tax payment plans and reevaluation of property taxes if the business owner can demonstrate a loss of revenue.
- **Scope:** Businesses where COVID-19 pandemic caused (i) a reduction of at least twenty-five percent (25%) in gross revenues, (ii) for retail businesses that collect and remit sales tax, a reduction of at least twenty-five percent (25%) in sales tax collections, or (iii) both.
- **Status:** Referred to Committee on Finance; Rules, Calendar and Operations of the House are next.
 - NCACC opposes this legislation in its current form. While businesses across the state are seeking relief for COVID-19 related losses, property tax deferrals or waivers are not appropriate remedies.



SB31 Political Subdivisions/Local Bidders Notice

VOL: March 2, 2021
Page 97

- **Purpose:** Requires counties to, in addition to newspaper advertisement, notify interested people or businesses by regular or electronic mail or by posting to a website or service that generates notice. Businesses must request the notices and have a physical presence in Buncombe County.
- **Scope:** This applies to construction or repair work, or purchase of supplies or equipment, over \$50,000 being let to bid.
- **Status:** The bill passed the Senate this week (Feb 26th) and now heads to the House for further consideration.



Appendix

Considerations and Impacts



HB35 Considerations and Impacts

Considerations:

- Recurring topic with similar legislative efforts as recent as 2017.
- The N.C. Press Association opposes.
- The N.C. Association of County Commissioners is in support.

Impacts:

- Financial impacts undetermined but would potentially impact local governments, as well as newspaper revenue.
- Information accessibility tradeoffs.



HB119 Considerations and Impacts

Considerations:

- Property Tax relief or forgiveness is not allowed by law.
- Buncombe County Tax offers payment and installment plans today.
- The appraisal and taxpayer process is defined by law and underway today.
- Governmental budgets were established by law on June 30 prior to the beginning of the pandemic.
- Property tax values are based on property value and have no direct relationship to business revenue (in either direction).

Impacts:

- Financial impacts are undetermined at this time (dependent on application process), but could be significant.
- Process and technology will be required to accommodate any changes.



SB31 Considerations and Impacts

Considerations:

- Businesses must request the notices and have a physical presence in Buncombe County.

Impacts:

- Process and technology will be required to accommodate any changes.





Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

New Business

Department: Economic Development

Presenter(s): Timothy Love
David Tuch

Contact(s): Timothy Love

Subject: Ferry Road Property Analysis and Site Planning

Brief Summary:

On October 30, 2020, Buncombe County released an RFQ for Property Analysis and Site Planning Services. The evaluation team selected Equinox from seven proposals. Equinox will analyze the Ferry Road property for potential multi-functional usage and provide development scenarios for Board consideration.

Phase 1 of the contract is not-to-exceed \$60,012, but the contract includes two additional phases (\$90,319) pending Board of Commissioner approval. Phase 1 includes, but is not limited to, environmental and natural resource inventory/assessment, transportation and access assessment, and initial community input/awareness. At the duration of Phase 1, Equinox will present land use options that meet the suitability of the property and that align to Buncombe 2025 goals (e.g., affordable housing, recreational opportunities, environmental stewardship).

Recommended Motion & Requested Action:

Authorize the County Manager to contract with Equinox.

County Manager's comments and Recommendation:

Approve as presented.

EQUINOX
CONTRACT TO PROVIDE SERVICES

This Agreement is made and entered into as of the ____ day of _____, 2021, by and between Equinox Environmental Consultation & Design, Inc., a North Carolina corporation ("Equinox"), and _____ ("Client").

In consideration of the mutual exchange of binding promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Engagement. Subject to the terms and conditions set forth herein, Equinox shall provide the services set forth on Schedule A, Scope of Services, which is attached hereto and incorporated herein by reference ("Services"). If Client shall desire to engage Equinox to provide additional services, the engagement contemplated herein shall be expanded to include those services listed on any Addendum to Schedule A as shall be signed by both parties, and any reference herein to "Schedule A" shall include any such Addendum to Schedule A.

2. Compensation and Terms of Payment. Client shall pay Equinox the compensation set forth on Schedule A, ("Compensation"), and shall pay such Compensation in monthly installments amounts as invoiced. Client agrees to pay each monthly installment of Compensation within thirty (30) days of being invoiced for the monthly installment amount, which amount shall be representative of the percentage of the total Services performed during the invoice period. Interest at the rate of 8.0% per annum shall accrue on all invoices not timely paid. If payment is not received within 60 days all work will be halted until payment is received in full which will include payment of all past invoices. A revised work schedule will be provided once past due invoices are paid in full. Shall any amount due under paragraph 2 or 3 of this Agreement not be fully paid when due, Equinox may employ an attorney to enforce its rights and Client shall pay Equinox' reasonable attorney's fee and all applicable court costs.

3. Termination. Client may terminate this Agreement immediately upon written notification to Equinox. Equinox may terminate this Agreement immediately if Client: (i) fails to make timely payment of Compensation as set out herein; (ii) fails to communicate with Equinox as specified in Schedule A; (iii) fails to comply with other responsibilities of Client set out in Schedule A. No termination shall alter or affect the right of Equinox to Compensation for Services performed prior to termination, which shall become immediately due and payable upon termination.

4. Performance. Equinox shall have the right to subcontract for the performance of any Services, and no such subcontract shall be considered an assignment for purposes of paragraph 7 of this Agreement, but Equinox shall see that all Services are performed in accordance with the terms hereof.

5. Force Majeure. Equinox shall not be in default by reason of failure in performance of this contract if such failure arises out of causes beyond the control of Equinox that make the fulfillment of this Agreement impossible or impracticable.

6. Work Product. Client acknowledges that, while performing Services, Equinox may prepare specifications, plans, reports, compilations of data, interpretations, advisory memoranda, and strategies ("Work Product"), and that, although copies of the Work Product may be delivered to Client, all Work Product shall remain the property of both the client and Equinox to be used by Equinox at any time and for any purpose whatsoever, without permission from Client. Information provided to the Client such as maps and illustrations that contains Equinox logo shall not be removed by the Client for use in articles or other print without Equinox permission.

7. Waiver. No failure of Equinox to insist upon strict performance of any part of this Agreement shall in any way be construed as a waiver of any rights and no such failure shall prohibit or otherwise limit Equinox' right to subsequently insist upon strict performance of all of the terms hereof by Client.

8. Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party.

9. Representations and Warranties. Each party represents and warrants that this Agreement has been duly authorized and executed and constitutes the binding obligation of such party, his [Its] successors and assigns.

10. Notices. Any notice, invoice, or other document shall be effective upon placing the same in the US mail, postage prepaid, and addressed to the appropriate party at the following address:

**To: Equinox 37 Haywood Street, Suite 100
Asheville, NC 28801**

To: Client _____

11. Mediation. Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to voluntary non-binding mediation as a condition precedent to the institution of legal or equitable proceedings by either party. If the parties are unable to agree upon a certified mediator to hear their dispute, the Buncombe County Resident Superior Court Judge shall name a mediator to hear the matter. The parties shall equally share the mediator's fee. The mediation shall be held in Asheville at a location designated by the mediator selected to hear the matter.

Legal Proceedings. Claims, disputes and/or other matters in question between the parties that are not resolved by mediation shall be heard in the North Carolina General Courts of Justice in Asheville, Buncombe County, North Carolina, which said Court shall have jurisdiction to hear any dispute between the parties arising out of this agreement. The Parties hereby agree that this paragraph establishes exclusive and sole jurisdiction for any legal proceeding in Buncombe County, North Carolina.

12. Entire Agreement. This Agreement contains the entire Agreement of the parties, and there are no representations, inducements, or other provisions other than those expressed in writing.

13. Severability. The provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any provision shall not affect the validity and enforceability of the other provisions hereof. If any provision of this Agreement is unenforceable for any reason whatsoever, such provision shall be appropriately limited and given effect to the extent that it may be enforceable.

14. The individual signatories below have the expressed and implied authority on behalf of their respective Boards to execute this Agreement. The Parties may execute this Agreement in separate counterparts and the execution of a copy shall have the same effect as the execution of an original. Such execution may be by facsimile or PDF attachment to an email.

In Witness Whereof, each party hereto, if an individual has executed this Agreement, and if an entity has caused this Agreement to be executed by its duly authorized officer, as of the day and year first above written.

THE CLIENT

[_____]

EQUINOX

[By:] _____
Name:

By: _____
David Tuch, President

Schedule A: Scope of Services

The Equinox team will help Buncombe County identify challenges and opportunities for the Ferry Road property and perform an assessment to identify suitable land use options for the site. This project provides a great opportunity to fulfill community needs and provide environmentally sensitive development. Our team will work to develop concepts based on vision and goals established for the project and as outlined in the Buncombe 2025 (Strategic Plan) and Comprehensive Land Use Plan (to be updated in 2021). We feel that concepts may include options for a mix of uses, affordable housing, cultural, sustainability and recreational opportunities, and access to public transportation. The project will be broken into three phases and at the end of Phase 1 Buncombe County will determine if the design team proceeds to Phase 2 & 3.

Phase 1: Background and Baseline Site Assessments

The first task would include developing a Leadership Team, designated by the county that will help guide this planning process. This could include members of the project selection committee, other county staff, or other community leaders as determined by the county. During Phase 1, clear vision and goals should be established to guide the planning process. The core of this phase is to conduct preliminary technical site assessments and to develop a suitability plan that determines where suitable land uses can occur. It will also include preliminary sketch ideas. Phase 1 will also include the transportation and access assessment so that Concepts in Phase 2 will be well informed.

Anticipated tasks of Phase 1 include:

- Project scoping and goal setting
- Review of existing plans, studies, and ordinances
- Review and assessment of existing relevant planning documents and strategic goals of the City of Asheville and Buncombe County including, but not limited to, the Buncombe County 2025 Strategic Plan and the 2013 Buncombe County Comprehensive Land Use Plan.
- Review and assessment of the Riverwoods Subdivision, or any other previous development plans, with the client/steering committee to discuss what worked well in the plan and areas to be improved upon.
- Windshield, site, and neighborhood tours with associated documentation (photos, notes, etc.)
- Site Analysis and Natural Resource Assessment compiled into a report
- Design assessment and mapping including connectivity, neighborhood compatibility, area assets, and challenges/gaps
- Suitability Plan- topographical/environmental assessment based on site topography and regulatory easements/limitations (e.g. buildable areas diagram) including a consolidated summary memo of overall opportunities and constraints
- Client Check In/Workshop:
 - Review site assessments and diagrams
 - Confirm general vision, desires, and opportunities

- Development and Sustainability Framework Diagrams (4-6 options)
 - Indicating overall land uses, open spaces, circulation and connections (e.g., bubble diagrams)
 - Multiple scenarios varying by mix of uses, intensity of uses, access requirements, etc.
- Information package for Buncombe County Mangers Advisory Group or Elected Officials Work Session/Presentation
 - Equinox will work with Buncombe County to provide materials and participate in the work session to review Phase 1 work. At this point in the project, Buncombe County will determine if they want to continue with Phase 2 and Phase 3.

Phase 1 more specifically will include:

Review of Existing Plans, Studies, and Ordinances & Data Acquisition

Equinox will review any existing plans, studies, and ordinances, which may include the County Comprehensive Plan, the Strategic Plan, greenway studies, previous development plans, and City of Asheville ordinances. Goals and driving factors that will influence the goals and development of the site will be summarized into a concise document. Equinox will also acquire any mapping data needed for the site.

***CLIENT RESPONSIBILITY ASSUMPTIONS:** Buncombe County will assist in providing any background info, plans, or data needed that is not available online.*

Vision & Goal Setting

Establishing a clear vision and goals early in the process is a key element of the planning process. It helps guide the development of land use concepts. As part of this task, the Equinox Team will:

- Provide a questionnaire for the steering committee
- Facilitate a meeting with the client and steering committee to finalize a vision and goals for the property. Note that the team will integrate goals from the County's recent Strategic Plan to consider as we set a vision and goals for the site.

Possible Deliverables: Equinox will prepare a vision and goal setting questionnaire and a summary of the vision and goals from the meeting.

***CLIENT RESPONSIBILITY ASSUMPTIONS:** The client will be responsible for developing a Leadership Team and providing all contact info.*

Develop Online Resource

Online project page/resources developed: We will work with the county to develop a frequently asked questions, project narrative, and timeline that can be hosted on Buncombe County's website. It will serve as a placeholder until a more in-depth page can be developed.

***CLIENT RESPONSIBILITY ASSUMPTIONS:** The client will develop a site page that will host any content or future links to be provided.*

Site Analysis and Natural Resource Assessment

An environmentally conscious site development should showcase and conserve the natural and cultural resources of a property. To do this the Equinox Team of ecologists, planners, landscape architects, and conservation planners will conduct a natural resource assessment on the property which will feed into the suitability analysis. Analysis for this assessment will include:

Prior to the field assessment, Equinox will collect and analyze available data, primarily GIS, pertaining to the property, including (but not limited to):

- National Wetland Inventory (NWI) data, collection of data on previous delineated wetlands onsite as well as delineated streams
- NCNHP rare species and community occurrences and connectivity to natural heritage areas
- Parcels, utility, soil, hydrology, and contour
- North Carolina Division of Water Quality (NCDWQ) surface water classifications
- North Carolina Wildlife Resources Commission (NCWRC) trout water designations
- Slope analysis and LIDAR detailed surface map (8 point LIDAR)

During the field assessment, the Equinox team will assess the property with a combination of GPS waypoints, photographic documentation, and detailed field notes to record the following conditions encountered within the property boundary:

- Document and evaluate existing human modifications and other disturbances.
- Record the presence and quality of aquatic resources such as ponds, wetlands, and streams.
- Document the type and condition of any archeological, cultural, and/or historical features (e.g. chimneys, foundations)
- Note the presence, abundance, and extent of invasive exotic species and evaluate their relative threat to native species.
- Note where mature tree canopy areas are/highest quality forested areas.
- Evaluate and map natural communities on site, their quality, and significance as determined by NCNHP, NatureServe, NCWRC's state wildlife action plan, and One NC Naturally's conservation planning tool
- Record any other noteworthy features present (e.g. scenic viewsheds, rock outcrops or exposed bedrock, etc.) that are opportunities or constraints.
- Determine general site ecosystem integrity.

Out of this analysis, our team typically provides a "heat map" of areas that have higher and lower natural resource values that can be factored into the Suitability Plan.

Deliverables: Equinox will prepare a final Natural Resource Inventory report which will include general property information, site assessment methodology & findings, documentation of conservation values (natural communities, rare plants, habitat, proximity to other protected lands, etc.), maps, and photographic record of the property. High value natural resources areas will be factored into the Suitability Plan.

Suitability Plan

The information gathered during the Site Analysis and Natural Resource Assessment will be used in the development of a Suitability Plan. This will combine findings from the natural resource assessment and City of Asheville Ordinance requirements and will identify opportunities and constraints and the suitability of the property for different land uses (residential, commercial, mixed-use, institutional, industrial, recreation, and conservation opportunities). This step is a synthesis of the existing conditions data and the site analysis to identify suitable areas for improvements such as access points, development, areas to be protected or conserved, and other land uses identified by the client and steering committee. This Suitability Plan will be critical in showing the community that ecology, environmental science, and sound planning principles are informing the planning effort.

Deliverables: A Suitability Plan

Transportation and Access Assessment

As part of Phase 1, the access into and through the property will be further vetted. While the previous residential development plan included widening of existing roadways to provide access into the property, the issues surrounding access are complex and may require private right of way acquisition. Finding alternate access to the property will open up possibilities for development of the property. While this task may continue beyond Phase 1, we recommend an early focus on the access assessment to inform all concepts. Anticipated tasks may include:

- Collaboration with Biltmore Farms to determine if they would allow public road access through their property and if so, on what conditional requirements. Any communication with Biltmore Farms will include Tim Love of Buncombe County.
- Evaluation of the accessibility of crossing the high voltage transmission line (clearance and topography).
- Discussion with adjacent property owners to discuss potential access and willingness to cooperate during easement acquisition.
- Meeting with NCDOT to discuss schematic design ideas for road access.

Some of the ideas that may be explored, include the following:

- A one-way conversion of Dry Ferry Road
- Signalized access to Brevard Road
- Widening Dry Ferry Road
- Possible access from the bridge that is proposed as part of the Pratt Whitney development at the intersection with Brevard Road and the entrance road of the NC Arboretum (information for the Pratt Whitney development will be accessed through Buncombe County)
- Options to acquire access easements to provide more direct access to NC 191
- Assessment of the sufficiency of existing infrastructure, including the bridge on Dry Ferry Road
- Other creative network opportunities through neighborhoods and developments to the north of Ferry Road

Deliverables: A memo or summary document with graphics identifying findings and access options for the proposed transportation network and how it will integrate with the existing system including proposed improvements and realignment options.

CLIENT RESPONSIBILITY ASSUMPTIONS: The client will be involved in any outreach to adjacent landowners or NCDOT.

Development and Sustainability Framework Diagrams

Based on the vision and goals developed by the Leadership Team, the Equinox team will have an internal workshop in which our team member collaboratively develop a series of loose bubble diagrams (4-6) development and sustainability diagrams that are from a low to high spectrum of development impact. Associated with these diagrams will be simple, easy to understand high-level narratives of the diagram explaining the driving components of the concept. These diagrams will indicate the following

- o Indicating overall land uses, open space, conservation and sustainability elements, circulation and connections (e.g., bubble diagrams)
- o Multiple scenarios varying by mix of uses, intensity of uses, access requirements, etc.

At the end of Phase 1, Buncombe County will review progress to date which will include all tasks of Phase 1 and schematic “bubble diagrams” with land use options that are suitable for the property. If the project proceeds into Phase 2, this is when the stakeholder and public engagement process will begin.

Information Package for County Commissioners Work Session/Presentation and Manager’s Advisory Group

Equinox will work with Buncombe County to provide materials and participate or present at needed in the work session to review Phase 1 work with a specific focus and request for feedback on Vision, Goals, the Suitability Plan, and the input on the Framework Diagrams. At this point in the project, Buncombe County will determine if they want to continue with Phase 2 and Phase 3. This does not include participation in the Manger’s advisory group.

CLIENT RESPONSIBILITY ASSUMPTIONS: *The client will help schedule and allot time at the work session. The client will be responsible for compiling and provide all comments from the two meeting to Equinox.*

Phase 2: Site Development Scenarios

Client & Key Stakeholder Work Sessions & Advocacy/Board Work Session

This work session will be an opportunity for additional input, similar to they input sought at the County Commissioner’s Work Session.

- o Work with Buncombe County to identify key stakeholders prior to the first work session. Key stakeholders might include the City of Asheville, Biltmore Farms, Chamber of Commerce, etc.
- o Review site assessments and Phase 1 deliverables
- o Confirm general vision, goals, desires, and opportunities
- o Validate Development and Sustainability Framework Diagrams and narrow in on which 3 options to explore in more detail
- o Explanation of next steps

Leadership Team and Key Stakeholder Virtual Work Session #1: Equinox will work with Buncombe County to identify stakeholders, but key stakeholders may include Buncombe County Economic Development Coalition,

representatives from the City of Asheville, or others determined by the client. This session would also include input from the Leadership Team, or any other county staff that are desired to attend. Attendees will provide comments on Development and Sustainability Framework Scenarios and provide feedback on components of or whole scenarios they prefer.

Advocacy and Board Virtual Work Session: A second round of stakeholder engagement will include outreach to organizations that are community advocates or have been known to be opponents of large-scale developments. An example of these groups may include Mountain True, Asheville Green Works, Connect Buncombe, RiverLink, or others determined by the county. This could also be an opportunity to include key representatives from the County's boards like the Recreation, Greenways, and Parks Advisory Board, the Planning Board, or others. Attendees will provide comments on Development and Sustainability Framework Scenarios and provide feedback on components of or whole scenarios they prefer.

***CLIENT RESPONSIBILITY ASSUMPTIONS:** The client will help develop a final stakeholder list and provide contact info where needed.*

Public Input/Launch of Project Page

Online website launched: A few weeks prior to the above work sessions, Equinox can help launch a full online presence for the project. Ideally, this is hosted on a third-party platform (i.e. ESRI storymaps) that is linked to the Buncombe County's website. This website could include the following content:

- Vision and goals of the project (including how these link to the County's priorities and plans)
- Project narrative and timeline
- Suitability plan and explanation on how it will inform the project
- Development and Sustainability Diagrams and narratives to explain them
- Ways to provide input, which can be dynamically updated:
 - **Survey:** an online survey that will allow the public to weigh in on what concept in the Framework Diagrams are most preferred. The survey will be closed in time to inform the below concept development.

***CLIENT RESPONSIBILITY ASSUMPTIONS:** Buncombe County will be responsible for distributing and promoting the survey, though our team can help promote distribution of the website and survey to all stakeholders. At this time, Buncombe County can send out a notice to surrounding landowners to request for input on this project through the survey.*

Site Development Scenarios

This phase of work is designed to explore multiple site planning and development scenarios within the areas determined to be suitable from Phase 1. Equinox will coordinate on a call, if needed with the client or leadership team, what the preferred Framework Diagrams should move forward into full development concepts.

The goal will be to convey the layout, quantity/acreage, development program and mix of uses/amenities, including site access and circulation. The scenarios may be based on placemaking, context sensitive design, New/Rural Urbanism, and Smart Growth principles. We will further develop the Development and Sustainability Framework Diagrams through an internal workshop with our interdisciplinary team. This is where creative ideas are tested with practical and feasible design based on our team's planning and engineering expertise. This phase will

also start the stakeholder and public engagement process. The results of the consultant team workshop and deliverables will include:

3 Conceptual Site Development Plan Options - Low, Medium, and High Intensity

- Conceptual, Illustrative Site Plans – layout of transportation infrastructure (include transit and active transportation), buildings, lots, parking, and other amenities
- Massing & Scale Diagrams - as needed to convey portions within development concepts
- Sketch Character Imagery - if desired to convey intended scale and character of development
- Circulation Hierarchy – including conceptual street layout that integrates active transportation
- Recreation & Open Space- Potential alignment for a greenway and multimodal connectivity and options for a “neighborhood” and/or “Community” park
- Sustainability- Use of green infrastructure, climate resiliency (reducing carbon footprint), alternative energy (solar panels), and preservation/conservation.
- For additional services that can be provided see “*Optional Services (Recommended)*” below for rendering, modeling, sketch studies and grading studies. These services will only be provided with approval from Tim Love of Buncombe County.

Development Programs for Each Site Development Plan

- Overall development quantities of housing, commercial and supportive uses
- Unit mix with a focus on stratification of affordable, workforce and market-rate units from single family to multi-family options
- Density calculations

Comparison Matrix Showing Relative Strengths and Weaknesses

- Comparative ranking of the relative success factors in each option including: level of affordable housing, community/cultural amenities, accessibility/connectivity, job creation, market receptiveness/economic viability, community support per survey and stakeholder input, etc.

Leadership Team and Key Stakeholder Work Session #2:

- Review all Concept Development Deliverables and provide feedback, providing input on the preferred development plan option.

Also be included in phase 2 include:

- Preliminary grading studies to ensure feasibility of design ideas
- Reviewing congruence with COA requirements and the Unified Development Ordinance with a summary document of key ordinances that will impact

Revisions, As Needed Per Work Session #2

The team will revise any parts of the Site Development Scenarios, per feedback from Work Session #2.

Deliverables: Site Development Scenarios Package

Community Input on Site Development Package

An update to the project webpage will provide the following and also inquire on final public and stakeholder opinion on the preferred scenario. This update to the website will include:

- A short video explaining the development scenarios
- A downloadable PDF of the Development Scenario Package
- A survey that ask public/stakeholder input on the final preferred development scenarios
- Information on next steps and how County Commissioners and staff will use this information moving forward

Community Engagement-Involving the Community Summary

Public and stakeholder process has been integrated into the previous phases. The messaging of what this project is about and how the public will be engaged will be clearly conveyed through a project page on Buncombe County's website. This will be hosted by Buncombe County with content provided by the Equinox Team. Equinox will anticipate that any in-person large public meetings will not be an option during the planning phase of the project. Tools for a strong engagement process will include:

- **Project narrative:** Develop a clear and concise description why Buncombe County is going through this planning process and how the community input will be used (generate ideas that the community supports, implementation, etc.)
- **Project Page** to be hosted by Buncombe County but Equinox will provide a standalone website link upon roll out of a full project page in phase 2.
- **Public and Stakeholder Engagement occurs in Phase 2 (see for more details).** It will include:
 - **First Round Public Engagement:** Early website development with project information and public survey for input on Framework Diagram Concepts. The Client will send out letters to adjacent landowners providing them information and asking them to take the online survey.
 - **Key Stakeholder Input Sessions on Framework Diagrams:** Stakeholders will be invited to an Virtual Workshop where they can provide feedback on the initial diagrams.
 - **Second Round Public Engagement:** Community will provide input survey on the Site Development Package. A short video and downloadable package will help inform the community before they take the survey. All stakeholders will be updated on the project and asked to provide input via the survey at this time.

Deliverables: Documentation of the engagement process including feedback summarized.

Phase 3: Plan Revisions

Final Leadership Team Meeting

A final meeting of the leadership team will review the preferred scenarios, any public input, and provide input on: Strategic implementation recommendations, including regulatory changes (if applicable), phasing, public-private investment and partnerships, potential development costs, and final recommendations/next steps.

This final phase of work is designed to more fully refine development concepts, program, and illustrations based on feedback received from the Leadership Team.

Development of Final Plan

The final plan document will include:

- Final Plan documentation – including final illustrations. Our team will compile all information and plans developed into one unifying document. The document outline will be reviewed and refined but may include:
 - Introduction
 - Vision and Goals
 - Previous Plans and Studies
 - Suitability Map
 - Conceptual Plans (Site Development Scenarios)
 - Programs
 - Comparison Matrix
 - Architectural Images and Graphics
 - Development Costs (Public Investment & Partnerships) and Phasing
 - Recommendations and Next Steps
 - Appendices
 - Natural Resource inventory
 - Steering/Stakeholder Committee Process and Results
 - Public Engagement Process and Results
- Client / Stakeholder Final Reviews
 - Can be virtual, or an in person final Work Session
 - Includes a final presentation to elected officials

Deliverables: A final site assessment and site planning document.

Optional Services (Recommended)

As part of Phase 2 and the Site Development Scenarios, we also recommend providing the following additional and optional services below.

- OPTIONAL: 3-D Conceptual Renderings with modeling and Sketch Character Rendering for each of the three concepts for a total of six graphics that convey design character and intent and visual aids for the client, stakeholders, and public to better visualize the proposed concepts developed by our design team. Equinox will get approval if the client decides to move forward with these graphics that will more easily convey development scenario density and character to the public.
- OPTIONAL: Grading studies of the three concepts will allow for a truer understanding of impact of development. This would include grading of roads, building pads and indicate cut and fill. This can also be used to develop the 3-D conceptual renderings. This will also help provide an accurate development cost.

Assumptions

- Buncombe County will provide all relevant studies, documents and plans relating to the property
- Buncombe County will host and manage a project page on their website including but not limited to videos, questionnaires and a link to an online project web page

- Buncombe County will help coordinate participation of steering committee members and help vet stakeholder
- Buncombe County will be available to answer questions and attend meetings to help keep the project on course and on schedule.

Additional Services

Any service note described above will be considered an additional service and require approval from Timothy Love with Buncombe County. Additional service that can be provided if needed:

- Geotechnical assessment/testing
- Planning beyond conceptual design to convey options for development
- Detailed transportation design, traffic studies
- Additional public or stakeholder engagement including any in-person open house, workshop style public engagement

Project Schedule

The Equinox Team will work to develop a schedule that meets Buncombe County's needs and can be developed during scoping if awarded the project as there are several options proposed in the project approach that if included could result in a longer planning timeframe. However our team estimates this project to be a 4-6 month planning effort. Phase 1 is anticipated to last 2-3 months and will be scheduled with the team once a contract is in place.

Charges & Fee Schedule

PHASE 1: Background and Baseline Assessments	Cost Estimate: \$60,012
Tasks • Review of existing plans and ordinances summary • Data acquisition/base mapping • Meeting #1 Vision and Goal Setting/questionnaire/summary of vision and goals • Coordination with client to develop online brochure/narrative • Site Analysis and Natural Resources Assessment (desktop and field preparation) • Team Field Visit • Develop Suitability Plan • Transportation and Access Assessment • Workshop with the team to Develop Framework Diagrams • Develop Sustainability Framework Diagrams • Finalize Phase 1 Package to go to client, county commissioners for review/team review • Presentation to County Commissioners at Commissioner's Work Session • Project Management	

PHASE 2: Site Development Scenarios	Cost Estimate: \$52,762
Tasks • Preparation for work sessions (leadership team and stakeholders) • Leadership Team and Key Stakeholder Virtual Work Session #1 • Advocacy and Board Virtual Work Sessions • Summary of work sessions • Launch of public page (storymap, content, and survey) • Public survey monitoring and summary • Meeting with client team to finalize preferred framework diagrams • Site Development Scenarios Workshop (prep, workshop and post-work) • Integration of all teams work into a document • QA-QC of document • Leadership and Key Stakeholder Workshop #2 feedback on Development Scenarios • Analyze development scenarios with ordinances for any variances, etc. • Revisions per feedback from client team • Update to online presence with survey and development scenarios • Project Management	
PHASE 3: Plan Revisions	Cost Estimate: \$37,557
• Final meeting • Development of phasing diagram • Costs Estimates for Development (Public Investment & Partnerships) and Phasing • Recommendations and next steps • Public process summary • Final Client Team Reviews • Finalizing plan production • QA-QC/Team Review/Revisions • Presentation to County Commissioners • Final update to the website • Printing expenses, website/video platform services for public input (est. \$150)	
Optional Services	Cost Estimate: \$14,498
• 3-D Models with Conceptual Renderings for each of 3 concepts • 3-D Sketch Character Renderings for each of 3 concepts • Detailed Grading Studies of each of 3 concepts	
Total Cost Estimate	\$164,830

Equinox proposes contracting with you for the services outlined in the “scope of services” for a fixed fee of **\$60,012 for Phase 1**. If the project is approved for additional work, Phase 2 & 3 would be provided for a fixed fee of \$90,319. If the “Optional Services” are also included, the total cost for everything including all phases is \$164,830. Equinox shall satisfactorily perform all the work tasks as outlined in the “scope of services”. This cost estimate includes expenses such as copies, mileage, printing, and postage. Equinox will bill at the end of each month, invoice will be mailed typically by the 25th of each month with a payment due date by the 10th of the following month. Invoices that are not paid within 60 days will be assessed a \$35.00 late charge for each pay period or interest at 3.5%, whichever is greater.

Economic Development Update

Ferry Road – Property Analysis

March 2, 2021



Background and Request

Background:

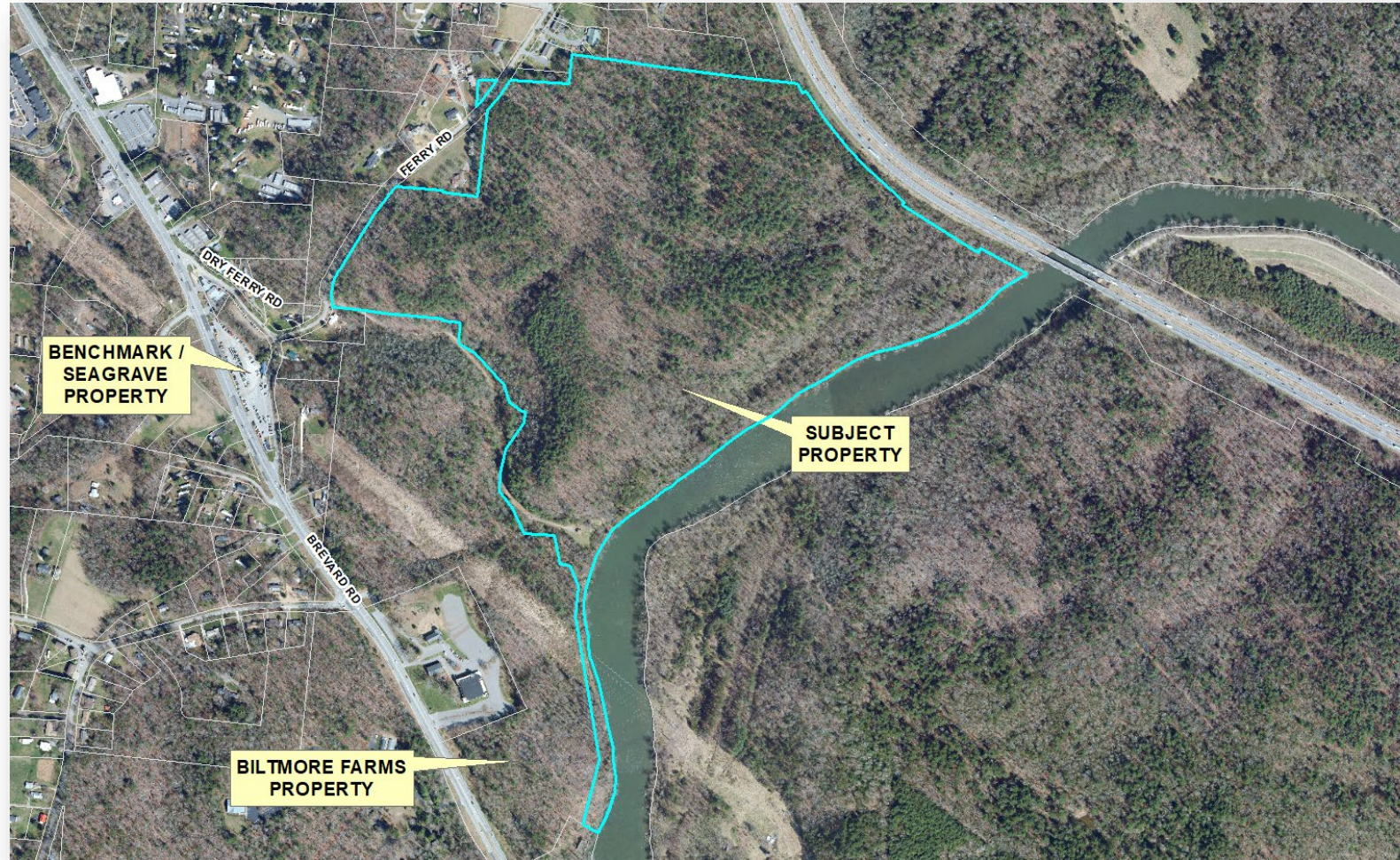
- On October 30, 2020, Buncombe County released an RFQ for Property Analysis and Site Planning Services.
- The evaluation team selected Equinox from seven proposals.
- Equinox will:
 - Analyze the Ferry Road property for potential multi-functional usage, and
 - Provide development scenarios for Board consideration in alignment with Buncombe 2025 Strategic Plan Goals (e.g., affordable housing, environmental stewardship, recreational).

Request for Board Action:

- Authorize the County Manager to contract with Equinox.



Site Location



Scope of Services

- Phased approach with decision points and optional tasks
- Emphasis on:
 - Environmental and natural resource assessment
 - Transportation and access assessment
 - Mixed use development with Strategic Plan alignment (e.g., affordable housing, recreational opportunities, environmental stewardship)
- Community and public input throughout the phases.



PROJECT APPROACH: PHASE 1 (2-3 MONTHS)

PROJECT TEAM

VOL: March 2, 2021
Page122



PHASE 1

BACKGROUND & BASELINE SITE ASSESSMENT

KICK OFF MEETING W/ LEADERSHIP TEAM

Early vision and goal setting

SITE ANALYSIS & NATURAL RESOURCE ASSESSMENT

Areas to conserve & enhance

TRANSPORTATION ACCESS ASSESSMENT

Options for transportation access to the site

SUITABILITY PLAN

Opportunities & constraints for conservation, development, & recreation

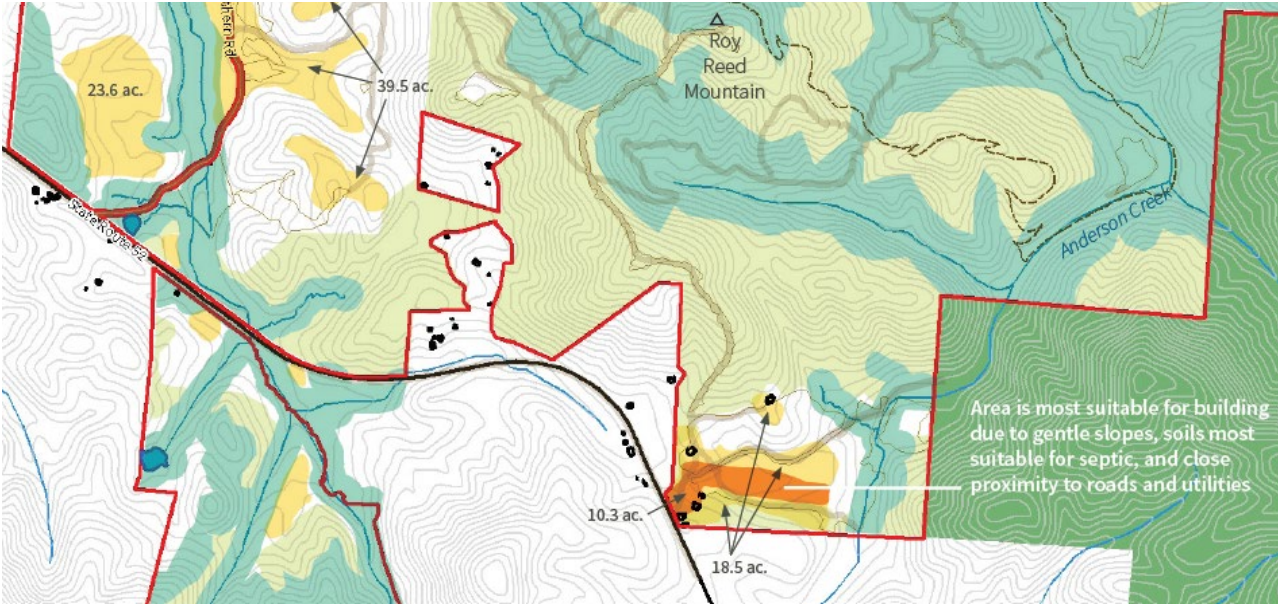
DEVELOPMENT & SUSTAINABILITY FRAMEWORK DIAGRAMS

4-6 high-level concept sketches that convey overall land use (housing, commercial, etc) , open space and recreation, conservation, transportation, etc.

INFORMATION PACKAGE FOR COUNTY COMMISSIONER’S WORK SESSION/ MANAGER’S ADVISORY GROUP

Presentation of Phase 1 findings and the Development & Sustainability Framework Diagrams, input on preferred 3 frameworks

MAJOR CHECKPOINT: DECISION TO MOVE FORWARD



Buildable Areas

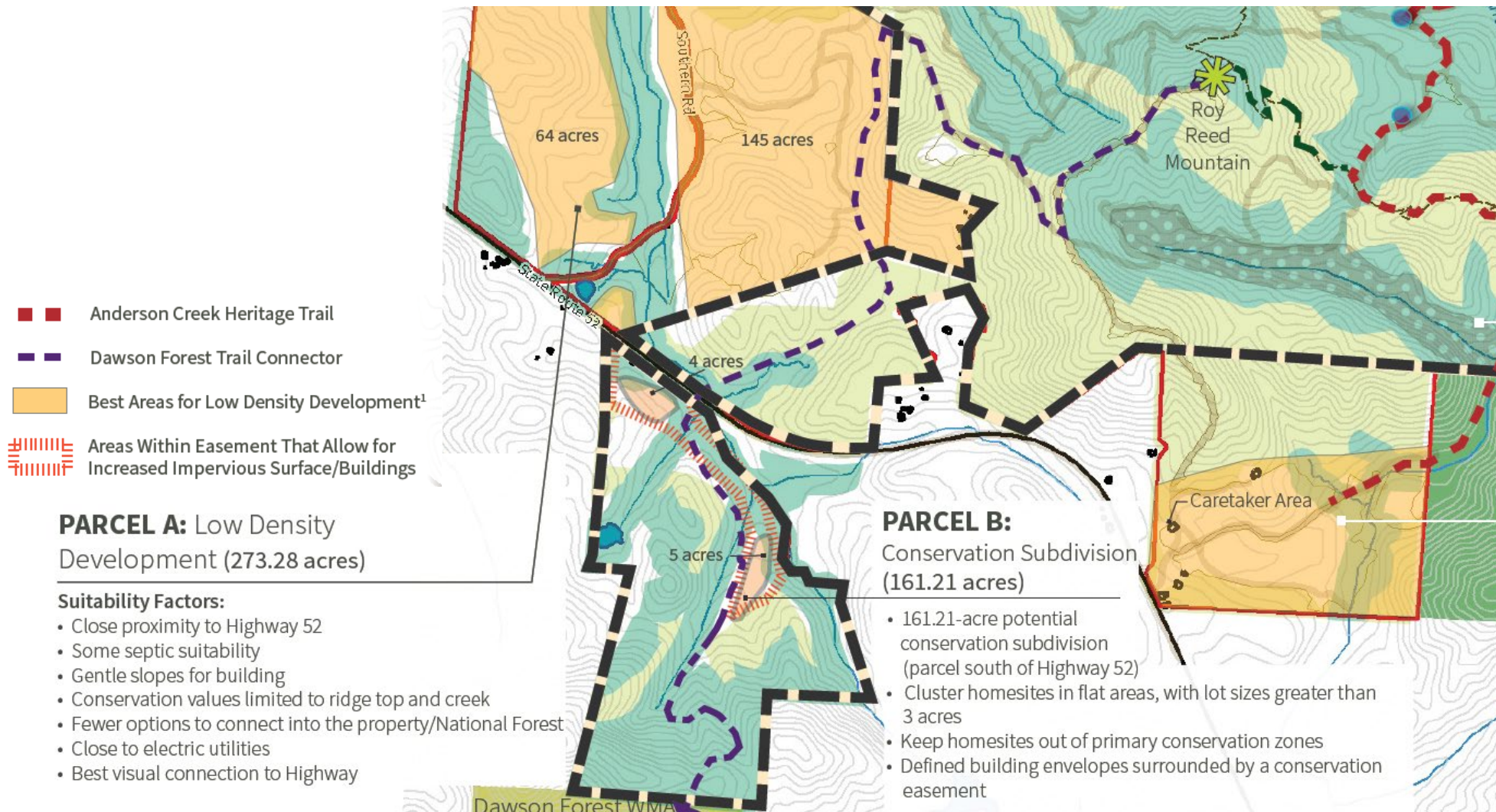
- Most Suitable for Buildings/Development
- Suitable for Buildings/Development
- Areas with Lower Conservation Value, but More Difficult to Develop

Conservation Zones

- Primary Zone
- Secondary Zone



PROJECT APPROACH: PHASE 1



PROJECT APPROACH: PHASES 2 & 3

PUBLIC INPUT

PHASE 1: PROJECT WEBPAGE

Early info hosted on county's website, (scope, schedule, ways for public to engage etc.)

PHASE 2: PUBLIC INPUT (SURVEY & WEBSITE UPDATE)

Larger project page launched, information provided on Framework Diagrams, survey launched for public input on diagrams

PHASE 2: PUBLIC INPUT ON DEVELOPMENT SCENARIOS

Short video explaining scenarios developed, small informational package for download, survey for input and comments on scenarios, info on next steps

PHASE 3 PLAN REVISIONS

FINAL LEADERSHIP TEAM MEETING

Decisions and discussion on implementation recommendations, phasing, public/private investment, potential range of cost

PRESENTATION TO COUNTY COMMISSIONERS

FINAL PLAN DEVELOPED, FEEDBACK INCORPORATED

Final plan posted on public project page

PHASE 2 SITE DEVELOPMENT SCENARIOS

LEADERSHIP TEAM & STAKEHOLDER WORKSHOPS

Vetting vision and goals, review Phase 1 findings, input on Development & Sustainability Framework Diagrams, input on preferred 3 frameworks

*-Leadership Team and Key Stakeholder Virtual Work Session-
-Advocacy & Board Virtual Work Session-*

PUBLIC SURVEY & INFO ON DEVELOPMENT & SUSTAINABILITY FRAMEWORK DIAGRAMS LAUNCHED

SITE DEVELOPMENT SCENARIOS

Top three frameworks decided on based on all input and feedback given up to this stage. Development Scenarios will include:

3 Conceptual Site Development Options-low, medium, & high intensity development scenarios

All scenarios are assumed to include some component of affordable housing, open space/recreation, and sustainability principles

- Conceptual illustrative site plans
- Massing & scale diagrams
- Development program (types of uses, mix of use, and density calculations)
- Comparison matrix showing relative strengths and weakness of each scenario

LEADERSHIP TEAM INPUT SESSION

-REVISIONS AS NEEDED-



PROJECT APPROACH: PHASES 2 & 3



Contract Details

- **Phase 1:**
 - **Price:** \$60,000
 - **Key Deliverables:** Natural resource inventory, suitability plan, transportation assessment and network proposal, and online project page.
 - **Decision Point:** Board of Commissioners can opt out after completion of Phase 1 deliverables.
- **Phase 2 and 3:**
 - **Price:** \$90,000
 - **Key Deliverables:** Public input process and community engagement documentation, site development scenarios, final site assessment/planning documents.



Request

Request for Board Action:

- Authorize the County Manager to contract with Equinox.



Appendix





Buncombe County Board of Commissioners
Request for Board Action
Meeting Date: 3/2/2021

New Business

Department: Finance

Presenter(s): Don Warn

Contact(s): Don Warn

Subject: Creation of Local Government Investment Pool (LGIP)

Brief Summary: As a recap of the information presented to the Board of Commissioners on the creation of an LGIP at the December 7, 2020 Briefing meeting. LGIPs allowed by North Carolina State Statute, are cooperative investment products designed primarily for the investment of short-term idle cash of local governments, school districts, municipal authorities, and other types of governments.

Local governments typically invest their idle cash in State approved investment vehicles or keep it liquid by leaving the funds in the entities main bank or the North Carolina Capital Management Trust (NCCMT). Due to extremely low short-term interest rates, NCCMT has closed one of its funds, creating a need for more investment options to allow diversification of idle cash. This need can be satisfied through the creation of an LGIP.

LGIPs may be formed by two or more participating local government units entering into an Interlocal agreement for the creation of a trust. Governance of the trust is provided by the Board of Trustees that are elected by the participating members. The Trustees establish bylaws, provide oversight and contract with service providers for investment advisory services, legal counsel, audit and banking.

Finance staff have been working with their counterparts at Wake County on the creation of a new LGIP to provide an additional option for local government units to invest their idle cash. After meeting with the Local Government Commission (LGC) and NC Treasurer's legal staff twice, providing additional information and answers to their questions, Buncombe and Wake Counties are ready to move forward to create the LGIP. In order to form the LGIP, Buncombe County and Wake County need to execute a resolution authorizing the execution of an Interlocal Agreement to form a trust.

Recommended Motion & Requested Action: Approve the resolution authorizing execution of interlocal agreement creating a North Carolina investment pool and the accompanying Interlocal Agreement.

County Manager's comments and Recommendation: Approve resolution and interlocal agreement.

Resolution # 21-03-06

RESOLUTION AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT CREATING A
NORTH CAROLINA INVESTMENT POOL

WHEREAS, Buncombe County ("Participant") desires to join with Wake County, and eventually other State of North Carolina local governments or public authorities ("Local Governmental Units"), to pool funds for investment as permitted by and pursuant to North Carolina General Statute ("N.C.G.S.") Section 159-30(c)(10) relating to a commingled investment pool containing only investments limited to those qualifying for investment under N.C.G.S. Section 159-30 (c) and N.C.G.S. Section 159-32;

WHEREAS, two or more units of local government are authorized pursuant to N.C.G.S. Sections 160A-460 through 160A-464 to enter into contracts or agreements with each other in order to execute any undertaking;

WHEREAS, the interlocal agreement will provide for the creation of a statutory trust formed under the laws of the State of North Carolina in accordance with the provisions of N.C.G.S. Section 159-30 (c) (the "Trust").

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. That this Board authorizes the Chairman and the County Manager, or either of them, are hereby authorized to execute the attached Intergovernmental Agreement.
2. That this Board hereby approves and adopts, and thereby agrees to join as a Participant with other Local Government Units pursuant to N.C.G.S. Section 159(c)(10) that certain Trust described in the Indenture of Trust entitled the North Carolina Investment Pool dated March 2, 2021 (the "Indenture"), as may be amended from time to time, the terms of which are incorporated herein by this reference and a copy of which shall be filed with the minutes of the meeting at which this Resolution was adopted; and
3. That the officers of the Participant, including its Chairman and County Manager, or either of them, or their designee, acting individually or collectively, are hereby authorized, empowered and directed to take all actions necessary or appropriate in the judgment of such officers to accomplish the purposes and intents of this Resolution, including the execution and delivery of the Indenture and all other documents, agreements, instruments and certificates contemplated by the Indenture or necessary or appropriate to join the Trust (collectively, the "Trust

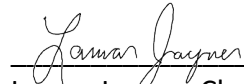
Documents”), with such changes or modifications as such officers determine to be necessary or advisable and in the best interest of the Participant (the signature of any such officer on the Trust Documents to be conclusive evidence of such determination); and

4. Any actions taken by any officer of the Participant prior to the adoption of the foregoing resolutions, in connection with actions described herein, are hereby ratified, confirmed and approved.

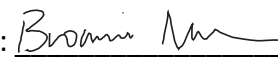
This the 2nd of March, 2021.

ATTEST

BOARD OF COMMISSIONERS FOR THE
COUNTY OF BUNCOMBE

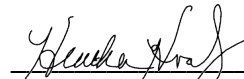


Lamar Joyner, Clerk

By: 

Brownie Newman, Chairman

APPROVED AS TO FORM



County Attorney

INTERLOCAL AGREEMENT

FOR

**THE ESTABLISHMENT OF A COMMINGLED INVESTMENT
POOL**

BETWEEN

BUNCOMBE COUNTY, NORTH CAROLINA

AND

WAKE COUNTY, NORTH CAROLINA

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT is dated as of the ____ day of _____, 2021 (the “Agreement”), and is by and between **BUNCOMBE COUNTY, NORTH CAROLINA** (“Buncombe”), a local government and body politic and corporate of the State of North Carolina, and **WAKE COUNTY, NORTH CAROLINA** (“Wake”), a local government and body politic and corporate of the State of North Carolina (hereinafter, individually, a “Party” and collectively, the “Parties”).

WITNESSETH:

WHEREAS, the provisions of Section 159 of the General Statutes of North Carolina, as amended and as may be further amended from time to time, entitled “The Local Government Finance Act,” enable any local government or public authority of the State of North Carolina (a “Local Government” or “Local Government Unit”) to invest idle funds; and

WHEREAS, under N.C. Gen. Stat. § 159-30 (10), moneys may be invested in a commingled investment pool established by interlocal agreement pursuant to N.C. Gen. Stat. § 160A-460 through 160A-464 (a “Local Government Investment Pool” or “LGIP”), so long as the investments of the Local Government Investment Pool are limited to those qualifying for investment under N.C. Gen. Stat. § 159-30(c) or other laws of the State of North Carolina governing the investment of monies of a Local Government Unit (“Permitted Investments”); and

WHEREAS, it is the intent of the Parties to create a Local Government Investment Pool, known as the North Carolina Local Government Investment Pool (the “Trust”), and to enter into an Indenture of Trust (the “Indenture”), which shall serve as the agreement for such purpose; and

WHEREAS, the Parties will be the initial Local Government Units of the Trust (“Indenture Signatory Local Government Units”) and each Party intends for the Indenture to provide for the investment and deposit of pooled funds in only Permitted Investments by other Local Government Units; and

WHEREAS, it is proposed that the beneficial interest in the assets of the trust fund created pursuant to the Indenture shall be divided into non-transferable shares of beneficial interest, which shall be evidenced by a share register maintained by the Trustees or their agent, or by an administrator engaged by the Trustees (the “Administrator”); and

WHEREAS, the Indenture Signatory Local Government Units anticipate that other Local Government Units may become participants in the Trust (“Participants”) consistent with the terms of the Indenture; and

WHEREAS, pursuant to Articles 3, 12 and 20 of Chapter 160A of the North Carolina General Statutes, the Parties are authorized to enter into this Agreement and the Indenture.

NOW THEREFORE, in consideration of the respective rights, powers, duties and obligations hereinafter set forth herein, the Parties agree as follows:

ARTICLE I
RECITALS, PURPOSE and LOCAL GOVERNMENT INVESTMENT POOL
ESTABLISHED

1.01 Recitals

The Recitals are incorporated into this Agreement.

1.02 Purpose

The purpose of this Agreement is to establish a commingled investment pool limited to qualifying investments under N.C. Gen. Stat. § 159-30(c) or other laws of the State of North Carolina governing the investment of monies of a Local Government Unit. Pursuant to this Agreement, the Parties intend to enter into an Indenture similar to the Indenture attached hereto as Exhibit A, which shall serve as the agreement for such purpose.

1.03 Local Government Investment Pool Established

A. The Parties through this Agreement, the Trust and the Indenture establish a joint agency empowered by the Board of Trustees under the Indenture to provide a surplus funds trust fund in accordance with North Carolina law permitting Local Government Units to pool monies available from idle funds, which are not immediately required to be disbursed, with the same such monies in the treasuries of other Local Government Units, in order to invest them and earn interest in accordance with, and as permitted by, the provisions of the N.C. Gen. Stat. § 159-30 or other laws of the State of North Carolina governing the investment of monies of a Local Government Unit. The governing boards of each Party shall approve and execute a Resolution to create a Local Government Investment Pool per the terms of this Agreement and the Indenture.

B. Only those Local Government Units subject to N.C. Gen. Stat. Chapter 159 *et seq.*, which adopt the Indenture by resolution and have complied with the provisions of the Indenture, may become Participants in the Trust.

C. The composition, organization, powers and operation of the Trust shall be governed by the terms of the Indenture and the By-Laws attached hereto as Exhibit B, including provisions for governance by a Board of Trustees.

D. The manner of appointing the personnel necessary for the execution and operation of the Local Government Investment Pool shall be governed by the Indenture. Such power, shall include granting the Trustees the power to appoint, employ, retain, or contract with any Person of suitable qualifications and high repute to perform designated functions under the supervision of the Trustees.

E. The Indenture contains and includes the method of financing the operation of the Local Government Investment Pool.

F. The formula of ownership of property and assets of the Local Government Investment Pool is contained in the Indenture and includes a designation of the interest of the beneficiaries of the Trust divided into transferable units called Shares without par value. Title to the Trust Property is vested in the Trustees on behalf, and for the beneficial interest, of the Participants

G. After the establishment of the Local Government Investment Pool and execution of the Resolution and Indenture, either Party may resign or withdraw from the Indenture pursuant to the terms of the Indenture with no further responsibility or obligation to the other Party.

H. The Parties have not established a minimum contribution to the Local Government Pool or a minimum obligation with regard to participation in the Local Government Investment Pool.

I. The Finance Officers of the respective Parties shall independently determine whether to invest or withdraw the funds of their respective Local Government Units in accordance with, and as permitted by, that Party's investment policies and the provisions of the N.C. Gen. Stat. § 159-30 or other laws of the State of North Carolina governing the investment of monies of a Local Government Unit.

J. The Local Government Investment Pool and the Indenture shall survive the termination of this Agreement by one or both parties, the purpose of this Agreement being to comply with the requirement of N.C. Gen. Stat. § 159-30(c)(10) to establish a commingled investment pool by interlocal agreement by two or more units of local government pursuant to N.C. Gen. Stat. § 160A-460 through 160A-464.

ARTICLE II

TERM, AMENDMENT, and TERMINATION

2.01 Term. This Agreement shall become effective upon its execution by both Parties and shall continue until terminated in writing by either party ("Term"). However, the Indenture shall survive termination where other Local Government Units are participants in the Trust.

2.02 Amendment. This Agreement may only be amended by a writing signed by the Parties. To propose an amendment to Agreement, either Party may submit the proposed amendment and the reasons for the proposed amendment in writing to the other Party per the Notice provisions in this Article II. If the Parties agree to the proposed amendment, a written amendment to Agreement shall be executed. The Parties may enter into amendments that do not have financial implications for either Party with the approval of and execution by their respective Managers. All other amendments shall require approval by the respective governing boards of the Parties. Notwithstanding the above, no amendment to the Agreement shall be approved that is inconsistent with the terms of the Indenture.

2.03 Disputes. Notwithstanding any other provision of this Agreement, either Party may contest any decision, action or inaction of the other Party, or an alleged failure of the other Party to comply with the terms of this Agreement. If any such dispute cannot be informally resolved, then such dispute shall be resolved as provided in Section 4.07.

2.04 Termination. Either Party may terminate this Agreement for any reason, or for no reason, by notifying the other Party in writing per the Notice provisions in this Article II. However, the Indenture shall survive termination where other Local Government Units are participants in the Trust. If not sooner terminated, this Agreement shall automatically terminate five (5) years from the date of execution.

2.05 Notice. Any notice required by this Agreement shall be in writing and delivered to the Parties at the following addresses:

For Wake County: Wake County Manager
Wake County Justice Center
301 S. McDowell St.
Raleigh, NC 27601

With a copy to Wake County Attorney
Wake County Justice Center
301 S. McDowell St.
Raleigh, NC 27601

And

Wake County Finance Director
Wake County Justice Center
301 S. McDowell St.
Raleigh, NC 27601

For Buncombe County: Buncombe County Manager
200 College St., Third Floor
Asheville, NC 28801

With a copy to Buncombe County Legal Department
200 College St., Ground Floor
Asheville, NC 28801

And

Buncombe County Finance Director
200 College St., Fourth Floor
Asheville, NC 28801

2.06 Survive Termination. Those obligations, which by their nature should survive the termination of this Agreement, shall survive the termination of this Agreement.

ARTICLE III EXHIBITS AND RELATED DOCUMENTS

3.01 Exhibits

The following exhibits are attached hereto and incorporated by reference into this Agreement as if fully set forth herein:

- A. Exhibit "A" Indenture of Trust (Draft)
- B. Exhibit "B" By-Laws of the North Carolina Investment Pool (Draft)

3.02 Related Documents. The Parties acknowledge that the Indenture must be finalized and shall be executed as soon as reasonably possible and in no event later than the creation of the Trust.

ARTICLE IV OTHER PROVISIONS

4.01 Ethics Provision. The Parties acknowledge and shall adhere to the requirements of N.C.G.S. Section 133-32, which prohibits the offer to, or acceptance by, any state or local employee of any gift from anyone with a contract with the governmental entity or from a person seeking to do business with the governmental entity.

4.02 Governing Law, Venue. The Parties acknowledge that this Agreement shall be governed by the laws of the State of North Carolina. Venue for any disputes arising under this Agreement shall be in the courts of Wake County, North Carolina.

4.03 Entire Agreement. The terms and provisions herein contained constitute the entire agreement by and between the Parties hereto and shall supersede all previous communications, representations or agreements, either oral or written between the Parties hereto with respect to the subject matter hereof.

4.04 Severability. If any provision of this Agreement shall be determined to be unenforceable by a court of competent jurisdiction, such determination will not affect any other provision of this Agreement.

4.05 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original.

4.06 Representations and Warranties. The Parties each represent, covenant and warrant for the other's benefit as follows:

A. Each Party has all necessary power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement, and this Agreement has

been authorized by Resolution of each Party's governing board spread upon its minutes. This Agreement is a valid and binding obligation of each Party.

B. Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with its terms and conditions, nor the consummation of the transactions contemplated by this Agreement, results in a breach of the terms, conditions and provisions of any agreement or instrument to which either Party is now a party or by which either is bound, or constitutes a default under any of the foregoing.

C. To the knowledge of each Party, there is no litigation or other court or administrative proceeding pending or threatened against such Party (or against any other person) affecting such Party's rights to execute or deliver this Agreement or to comply with its obligations under this Agreement. The Party's execution and delivery of this Agreement, and its compliance with its obligations under this Agreement, does not require the approval of any regulatory body or any other entity the approval of which has not been obtained.

4.07 Dispute Resolution. In the event of conflict or default that might arise for matters associated with this Agreement, the Parties agree to informally communicate to resolve the conflict. If any such dispute cannot be informally resolved, then such dispute, or any other matter arising under this Agreement, shall be subject to resolution in a court of competent jurisdiction. Such disputes, or any other claims, disputes or other controversies arising out of, and between the Parties shall be subject to and decided exclusively by the appropriate general court of justice of Wake County, North Carolina.

4.08 No Waiver of Non-Compliance with Agreement. No provision of this Agreement shall be deemed to have been waived by any Party hereto unless such waiver shall be in writing and executed by the same formality as this Agreement. The failure of any Party hereto at any time to require strict performance by the other of any provision hereof shall in no way affect the right of the other Party to thereafter enforce the same. In addition, no waiver or acquiescence by a Party hereto of any breach of any provision hereof by another Party shall be taken to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself.

4.9 Assignment. No Party may sell or assign any interest in or obligation under this Agreement without the prior express written consent of the other Party.

4.10 Liability of Officers and Agents. No officer, agent or employee of any Party will be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents or employees will be deemed to execute such documents in their official capacities only, and not in their individual capacities. This section will not relieve any such officer, agent or employee from the performance of any official duty provided by law.

4.11 Execution in Counterparts/Electronic Version of Agreement. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. Any Party may convert a signed

original of this Interlocal Agreement to an electronic record pursuant to a North Carolina Department of Natural and Cultural Resources approved procedure and process for converting paper records to electronic records for record retention purposes. Such electronic record of the Agreement shall be deemed for all purposes to be an original signed Agreement.

4.12 Headings. Section and paragraph headings contained in this Agreement are solely for the convenience of the Parties and shall not affect in any way the meaning or interpretation of this Agreement.

4.13 Regulatory Authority. Nothing in this Agreement shall restrict or inhibit a Party's police powers or regulatory authority.

4.14 Further Actions. The Parties agree to cooperate fully and execute any and all further documents and to take all further actions that may be necessary to give full force and effect to the intent of this Agreement.

4.15 Authority to Invest. The Parties authorize their respective finance officers to execute such documents necessary to affect the spirit and intent of this Agreement according to their statutory powers and internal investment policies, including, but not limited to, the execution of the Indenture.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in their corporate names by their duly authorized officers, all as of the date first above written.

{Signature Page Follows}

BUNCOMBE COUNTY, NORTH CAROLINA By: _____ County Manager Buncombe County, North Carolina	This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act. _____ Finance Officer Buncombe County, North Carolina
ATTEST: By: _____ Clerk to the Board of Commissioners Buncombe County, North Carolina [Seal]	This instrument is approved as to form and legal sufficiency. _____ County Attorney/County Staff Attorney Buncombe County, North Carolina
WAKE COUNTY, NORTH CAROLINA By: _____ County Manager Wake County, North Carolina	This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act. _____ Finance Director Wake County, North Carolina
ATTEST: By: _____ Clerk to the Board of Commissioners Wake County, North Carolina [Seal]	This instrument is approved as to form and legal sufficiency. _____ County Attorney Wake County, North Carolina

EXHIBIT A

Indenture of Trust (Draft)

North Carolina Investment Pool

INDENTURE OF TRUST

Dated as of March __, 2021

213 Market Street
Harrisburg, PA 17101
Phone (800) 338-3383
Fax (800) 252-9551

TABLE OF CONTENTS

	<u>Page No.</u>
ARTICLE I – DEFINITIONS	2
ARTICLE II – CREATION OF TRUST	3
2.1 Creation of Trust	3
2.2 Contributions to the Trust.	4
2.3 Trustees’ Duties	4
2.4 Qualification of Trust	4
2.5 Purpose; Participant Requirements; Changes of Incumbency	4
2.6 Trustees; Signatory Public Agencies and Participants	5
2.7 Voting	5
ARTICLE III - TRUST OPERATIONS.....	5
3.1 Powers of the Board of Trustees	5
3.2 Permitted Investments	6
3.3 Legal Title.....	6
3.4 Disposition of Assets	6
3.5 Taxes.....	6
3.6 Rights as Holders of Trust Property.....	7
3.7 Delegation: Committees.....	7
3.8 Collection Powers.....	7
3.9 Powers: Payment of Expenses.....	8
3.10 Borrowing and Indebtedness	8
3.11 Deposits	8
3.12 Valuation.....	9
3.13 Fiscal Year; Accounts	9
3.14 Self-Dealing Prohibited	9
3.15 Investment Program.....	9
3.16 Power to Contract, Appoint, Retain and Employ	9
3.17 Indemnification	10
3.18 Remedies	10
3.19 Further Powers.....	10
ARTICLE IV - INVESTMENT ADVISER AND ADMINISTRATOR	11
4.1 Appointment.....	11
4.2 Duties of the Adviser	11
4.3 Duties of the Administrator	11
4.4 Successors	12
ARTICLE V - INVESTMENTS.....	12
5.1 Statement of Investment Policy and Objective.....	12
5.2 Restrictions Fundamental to the Trust.....	12
5.3 Amendment of Restrictions	12
ARTICLE VI - LIMITATIONS OF LIABILITY	12

6.1	Liability to Third Persons	12
6.2	Liability to the Trust or to the Participants	13
6.3	Indemnification.	13
6.4	Surety Bonds	15
6.5	Apparent Authority.....	15
6.6	Representative Capacity; Recitals	15
6.7	Reliance on Experts	15
6.8	Insurance	15
ARTICLE VII - INTERESTS OF PARTICIPANTS		15
7.1	Beneficial Interest.....	15
7.2	Title to Trust Property	16
7.3	Evidence of Investment.....	16
7.4	Redemptions	16
7.5	Suspension of Redemption; Postponement of Payment.....	16
7.6	Redemptions to Reimburse Trust for Loss on Nonpayment for Shares or for Other Charges.....	17
7.7	Redemptions Pursuant to Constant Net Asset Value Policy	17
7.8	Redemptions in Kind	17
7.9	Defective Redemption Requests	18
7.10	Series or Class Designations	18
ARTICLE VIII - RECORD OF SHARES.....		18
8.1	Share Register	18
8.2	Registrar	18
8.3	Owner of Record.....	18
8.4	No Transfers of Shares	19
8.5	Limitation of Fiduciary Responsibility	19
8.6	Notices	19
ARTICLE IX – RECORDS AND REPORTS.....		19
9.1	Inspection of Records.....	19
9.2	Reports	19
ARTICLE X - TRUSTEES AND OFFICERS.....		19
10.1	Number, Qualification and Succession of Trustees	19
10.2	Signatory Local Government Units and Trustees.....	20
10.3	Vacancies.	20
10.4	Elections and Appointments; Term of Office.....	21
10.5	Resignation and Removal.....	21
10.6	Officers and Advisers	22
10.7	Bylaws; Quorum of Trustees.	22
ARTICLE XI - DETERMINATION OF NET ASSET VALUE AND NET INCOME: DISTRIBUTIONS TO PARTICIPANTS		22

11.1	Net Asset Value.....	22
11.2	Retained Reserves	23
ARTICLE XII – CUSTODIAN		23
12.1	Duties.....	23
12.2	Appointment.....	23
12.3	Disbursement and Collection Agent.....	23
12.4	Successors	23
ARTICLE XIII - RECORDING OF INDENTURE.....		23
13.1	Recording.....	23
ARTICLE XIV - AMENDMENTS TO INDENTURE AND PERMITTED INVESTMENTS LIST; TERMINATION OF TRUST; DURATION OF TRUST		23
14.1	Amendment to Indenture or Permitted Investments List; Termination.	24
14.2	Duration	25
14.3	Distribution upon Termination	25
ARTICLE XV – MISCELLANEOUS		25
15.1	Governing Law	25
15.2	Counterparts	25
15.3	Reliance by Third Parties.....	25
15.4	Provisions in Conflict with Law	26
15.5	Section Headings	26
15.6	Adoption by Local Government Unit; Written Investment Policies of Participants; Resignation and Withdrawal of Participants.	26

INDENTURE OF TRUST

North Carolina Investment Pool

WITNESSETH:

WHEREAS, the provisions of Section 159 of the General Statutes of North Carolina, as amended and as may be further amended from time to time (“N.C.G.S.”), entitled “The Local Government Finance Act” enable any local government or public authority of the State of North Carolina (a “Local Government” or “Public Authority,” as applicable and together a “Local Government Unit”) to invest moneys in a commingled investment pool established by interlocal agreement pursuant to N.C.G.S. Section 160A-460 through 160A-464 (an “Investment Pool”) if the investments of the Investment Pool are limited to those qualifying for investment under N.C.G.S. (“Permitted Investments”); and,

WHEREAS, it is the intent of the initial Local Government Units signatory hereto (such Local Government Units, the “Signatory Local Government Units”) to create an Investment Pool, known as the North Carolina Investment Pool (the “Trust”) and that this Indenture of Trust (the “Indenture”) shall serve as the agreement for such purpose; and,

WHEREAS, it is the intent and purpose of this Indenture to provide for the investment and deposit of pooled funds in only Permitted Investments by Local Government Units; and,

WHEREAS, by resolutions duly adopted, the Signatory Local Government Units hereby create the Trust as an Investment Pool pursuant to this Indenture, which action serves a governmental purpose for said Local Government Units and is, therefore, in the best interests of said Local Government Units, their officials, officers, and citizens in that such a program will offer professionally managed portfolios to meet investment needs, will result in economies of scale that will create greater purchasing powers, and will thereby lower the costs traditionally associated with the investment of the assets of said Local Government Units; and,

WHEREAS, each of the Signatory Local Government Units has duly undertaken all official actions necessary and appropriate to become a party to this Indenture for the purpose of establishing the Trust, and to perform hereunder, including, without limitation, the establishment of written investment policies and the enactment of any resolutions or the undertaking of other actions required pursuant to the Local Government Finance Act or other applicable law and regulations; and,

WHEREAS, it is proposed that the beneficial interest in the assets of the trust fund created pursuant to the provisions of this Indenture shall be divided into non-transferable Shares of beneficial interest, which shall be evidenced by a share register maintained by the Trustees or their agent, or by the Administrator; and,

WHEREAS, the Signatory Local Government Units anticipate that other Local Government Units may wish to become Participants by adopting this Indenture and becoming a party hereto;

NOW, THEREFORE, the recitals set forth above are adopted and incorporated into this Indenture. In consideration of the mutual promises, covenants and agreements contained herein, the parties hereto, now and hereafter added pursuant to the provisions herein, mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns that all monies, assets, securities, funds and property now or hereafter acquired by the Trustees, their successors and assigns under this Indenture shall be held and managed in trust for the equal and proportionate benefit of the holders of record from time to time of Shares of beneficial interest herein, without privilege, priority or distinction among such holders, and subject to the terms, covenants, conditions, purposes and provisions hereof as follows:

ARTICLE I– DEFINITIONS

For purposes of this Indenture, the following terms shall have the meanings set forth:

“Administrator” means the Trust Administrator appointed by the Trustees pursuant to Section 4.1 hereof and as constituted from time to time by agreement with the Trustees which has, or has been delegated, the responsibility for administering the Trust or any aspects of it.

“Adviser” means the Investment Adviser appointed by the Trustees pursuant to Section hereof and constituted from time to time by agreement with the Trustees which has, or has been delegated, the responsibility to effect purchases, sales, or exchanges of Trust property on behalf of the Trustees and to provide advice to the Trustees regarding the investment of Trust assets.

“Affiliate” means with respect to a Person another Person directly or indirectly controlled, controlled by or under the common control with such Person, or any officer, director, partner or employees of such Person.

“Code” means the Internal Revenue Code and any regulations promulgated pursuant thereto. “Custodian” means a qualified financial institution selected by the Trustees pursuant to a Custodian Agreement for the purpose of receiving and holding Trust assets.

“Custodian Agreement” means the agreement between the Trustees on behalf of the Trust and Custodian.

“Designee” shall mean the individual designated as such by a Participant in writing. Such Designee shall be the legal representative to act on behalf of each Participant. Each Participant may designate Alternate Designees.

“Indenture” has the meaning set forth in the recitals.

“Investment Pool” has the meaning set forth in the recitals.

“Local Government Unit” has the meaning set forth in the recitals.

“N.C.G.S.” has the meaning set forth in the recitals.

“Participants” means the Local Government Units which adopts a Resolution to join and execute this Indenture.

“Permitted Investments” has the meaning set forth in the recitals.

“Person” means any individual, corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organization, entity or Local Government Unit.

“Shares” shall have the meaning ascribed to such term in Section 7.1 hereof.

“Signatory Local Government Unit” has the meaning set forth in the recitals.

“Trust” has the meaning set forth in the recitals.

“Trust Property” means any and all property, real, personal or otherwise, tangible or intangible, which is transferred, conveyed or paid to the Trust and all income, profits and gains therefrom and which, at such time, is owned or held by, for the account of the Trust.

“Trustee” means any member of the Board of Trustees.

“Trustees” means individuals appointed by the Board of Trustees and, unless otherwise provided herein, approved by the Participants to administer and supervise the affairs of the Trust.

ARTICLE II– CREATION OF TRUST

2.1 Creation of Trust. By these present, a North Carolina statutory trust is hereby established by this Indenture. The Trust shall be called the “North Carolina Investment Pool”. The Trustees may use such other designations, including “CIP”, as the Trustees deem proper. So far as may be practicable, the Trustees shall conduct the Trust’s activities, execute all documents and sue or be sued under that name or designation, which name or designation (and the word “Trust”) wherever used in this Indenture, except where the context otherwise requires, shall refer to the Trustees in their capacity as Trustees, and not individually or personally, and shall not refer to the officers, agents, employees, counsel, advisers, consultants, or accountants of the Trustee, nor shall such term refer to the Signatory Local Government Units or Participants. Should the Trustees determine that the use of such name or designation is not practicable, legal or convenient, they may use such other designation or they may adopt such other name for the Trust as they deem proper, and the Trust may hold property and conduct its activities under such designation or name. The Trustees shall take such action as they, acting with the advice of counsel, shall deem necessary or appropriate to file or register such name or designation in accordance with the laws of the State of North Carolina or the United States of America so as to protect and reserve the right of the Trust in and to such name or designation.

2.2 Contributions to the Trust.

(a) All contributions that a Participant makes to be invested by the Trustees shall be paid and delivered to the Trustees to be held in the Trust.

(b) All payments made by a Participant to the Trust, and all other money or property that lawfully becomes a part of the Trust, together with the income, appreciation or depreciation and expenses, if any, therefrom, shall be held, managed and administered in trust, pursuant to the terms of this Indenture. The Trustees accept this Trust and agree to perform the duties, responsibilities and obligations under this Indenture allocated to them as fiduciaries.

2.3 Trustees' Duties. The Trustees shall not have the right and shall not be subject to any duty to demand or collect contributions from the Participants, or from any other Person, or to enforce or attempt to enforce any agreement that may be considered to require contributions to this Trust. The Trustees shall be accountable only for transfers and contributions made to the Trust fund in accordance with the terms of this Indenture.

The powers, rights, and obligations of the Trustees shall be established and governed solely by this Indenture.

2.4 Qualification of Trust. This Trust is intended to be exempt from income tax pursuant to Section 115 of the Code, and shall be construed and operated in all respects consistently with that intention. The Trustees shall take no action which would adversely affect the tax-exempt status of the Trust. The Trustees may demand assurances satisfactory to them that any action which they are directed to take will not adversely affect the tax-exempt status of the Trust. The Trustees, or their Designee, shall take any and all actions necessary to ensure that the Trust obtains all appropriate qualifications and determination, to the extent necessary, that it is and continues to be exempt from income tax under Section 115 of the Code.

2.5 Purpose; Participant Requirements; Changes of Incumbency.

(a) The purpose of the Trust is to provide a surplus funds trust fund in accordance with North Carolina law permitting Local Government Units to pool monies available idle funds, which are not immediately required to be disbursed, with the same such monies in the treasuries of other Local Government Units, in order to invest them and earn interest in accordance with, and as permitted by, the provisions of the N.C.G.S. Section 159-30 or other laws of the State of North Carolina governing the investment of monies of a Local Government Unit, and as allowed by law. No Participant shall be required to appropriate any funds or levy any taxes to establish or contribute to this Trust. The Trustees may provide for the payment or repayment of any expenses from the earnings of the Trust.

(b) Only those Local Government Units which adopt this Indenture and have complied with the provisions of this section may become Participants. The Designee empowered to invest funds of each Local Government Unit or such other person designated by the Participant to serve in such capacity (an "Alternate Designee"), shall be the legal representative to act for and on behalf of such Local Government Unit for purposes of this Indenture.

(c) Each Local Government Unit adopting this Indenture, and otherwise complying with the provisions hereof, shall become a Participant only upon adopting this Indenture and depositing into the Trust the minimum total investment as that amount is established from time to time by the Trustees. Whenever the balance in a Participant's account is less than the minimum established by the Trustees, the Trustees may redeem the Shares and close the account; provided that thirty (30) days' prior notice shall be given to such Participant and redemption shall only be permitted if the Participant has not restored the balance in the account to the minimum amount established prior to the expiration of such thirty (30) day period which begins with the date of such notice. If the Trustees change the minimum total investment to an amount greater than the investment of any Participant at the time that such change becomes effective, the investment of such Participant shall not be redeemed without such Participant's consent.

(d) In the event that a Designee shall no longer be authorized to act on behalf of such Participant as a Designee, and in the absence of any duly-appointed Alternate Designee, any funds placed in the Trust by such Designee shall be held hereunder for the benefit of the Local Government Unit for which he or she was acting at the time the vacancy or termination of authority occurred. Any Designee assuming office, either to fill a vacancy in such office or to begin a new term following the expiration of the term in office of his or her predecessor, or otherwise becoming authorized to act as Designee on behalf of such Participant, shall become the succeeding legal representative of the Local Government Unit by the Local Government Unit filing written notification of such with the Trustees in a form acceptable to the Trustees.

2.6 Trustees; Signatory Public Agencies and Participants. No Signatory Local Government Unit or Participant, nor any or its officers, employees, agents or representatives shall have any liability under this Indenture as a result of service by its Designee as a Trustee.

2.7 Voting. Only Participants of record shall be entitled to vote. Each whole Share shall be entitled to one vote as to any matter to which it is entitled to vote and each fractional Share shall be entitled to a fractional vote. A proxy purporting to be executed by or on behalf of a Participant shall be deemed valid unless challenged at or prior to its exercise and the burden of proving invalidity shall rest on the challenger. The Trustees shall determine any such challenge and their decision shall be final. The approval of the holders of at least a majority of the outstanding Shares shall be sufficient to approve any action at a meeting or other election of the Participants except as otherwise expressly required under this Indenture.

ARTICLE III - TRUST OPERATIONS

3.1 Powers of the Board of Trustees. Subject to the rights of the Participants as provided herein, the Trustees shall be the investment officer of the Trust and shall have authority over the Trust Property and the affairs of the Trust to administer the operation of the Trust, subject to the requirements, restrictions and provisions of this Indenture, including the power to delegate such functions of administration pursuant to Section 3.16 hereof. The Trustees may do and perform such acts and things as in their judgment and discretion, subject to the requirements and restrictions of this Indenture, as are necessary and proper for conducting the affairs of the Trust or promoting the interest of the Trust and the Participants. The enumeration of any specific power or authority herein shall not be construed as limiting the aforesaid general power or authority or any specific power or authority. The Trustees may exercise any power authorized

and granted to them by this Indenture. Such powers of the Trustees may be exercised without the necessity of any order of, or resort to, any court.

3.2 Permitted Investments. The Trustees shall have the following investment powers:

(a) To conduct, operate and provide an investment program for the pooling of idle funds of a Local Government to invest in the Permitted Investments as may be modified from time to time as provided in this Indenture;

(b) For such consideration as they may deem proper and as may be required by law, to subscribe for, assign, transfer, exchange, distribute and otherwise deal in or dispose of Permitted Investments; and

(c) To contract for, and enter into agreements with respect to, the purchase and sale of Permitted Investments.

3.3 Legal Title.

(a) Legal title to all of the Trust Property shall be vested in the Trustees on behalf of the Participants, who shall be the beneficial owners except that the Trustees shall have full and complete power to cause legal title to any Trust Property to be held, on behalf of the Participants, by or in the name of the Trust, or in the name of any other Person as nominee, on such terms, in such manner, and with such powers as the Trustees may determine, so long as in their judgment the interest of the Trust is adequately protected.

(b) The right, title and interest of the Trustees in and to the Trust Property shall vest automatically in all persons who may hereafter become Trustees upon their due selection and qualification without any further act. Upon the resignation, disability, removal, adjudication as an incompetent, disqualification pursuant to the terms of this Indenture, or death of a Trustee, he or she (and in the event of his or her death, his or her estate) shall automatically cease to have any right, title or interest in or to any of the Trust Property, and the right, title and interest of such Trustee in and to the Trust Property shall vest automatically in the remaining Trustees without any further act.

3.4 Disposition of Assets. In winding up the affairs of the Trust, the Trustees shall have full and complete power to sell, exchange or otherwise dispose of any and all Trust Property free and clear of any and all trusts and restrictions, at public or private sale, for cash or on terms, with or without advertisement, and subject to such restrictions, stipulations, agreements and reservations as they shall deem proper, and to execute and deliver any deed, power, assignment, bill of sale, or other instrument in connection with the foregoing including giving consents and making contracts relating to Trust Property or its use.

3.5 Taxes. The Trustees shall have full and complete power:

(a) To pay all taxes or assessments, of whatever kind or nature, validly and lawfully imposed upon or against the Trust or the Trustees in connection with the Trust Property or upon or against the Trust Property or income or any part thereof;

- (b) To dispute, settle and compromise tax liabilities; and
- (c) For the foregoing purposes to make such returns and do all such other acts and things as may be deemed by the Trustees to be necessary or desirable.

3.6 Rights as Holders of Trust Property. The Trustees shall have full and complete power to exercise on behalf of the Participants all of the rights, powers and privileges appertaining to the ownership of all or any Permitted Investments or other property forming part of the Trust corpus to the same extent that any individual might, and, without limiting the generality of the foregoing, to vote or give any consent, request or notice or waive any notice either in person or by proxy or power of attorney, with or without the power of substitution, to one or more persons, which proxies and powers of attorney may be for meetings or actions generally, or for any particular meeting or action, and may include the exercise of discretionary powers.

3.7 Delegation: Committees. The Trustees shall have full and complete power (consistent with their continuing exclusive authority over the management of the Trust, the conduct of its affairs, their duties and obligations as Trustees, and the management and disposition of the Trust Property), in addition to the delegation powers set forth in Section 3.16 hereof, to delegate from time to time to such one or more of their number (who may be designated as constituting a Committee of the Trustees) or to officers, employees or agents of the Trust (including, without limitation, the Administrator, the Adviser and the Custodian) the doing of such acts and things and the execution of such instruments, either in the name of the Trust or the names of the Trustees or as their attorney or attorneys, or otherwise as the Trustees may from time to time deem expedient and appropriate in the furtherance of the business affairs and purposes of the Trust.

3.8 Collection Powers. The Trustees shall have full and complete power:

- (a) To collect, sue for, receive and receipt for all sums of money or other property due to the Trust including, without limitation, the power to file proofs of claim in any bankruptcy or insolvency matter;
- (b) To consent to extensions of the time for payment, or to the renewal of any securities, investments or obligations;
- (c) To engage or intervene in, prosecute, defend, compromise, abandon or adjust by arbitration or otherwise any actions, suits, proceedings, disputes, claims, demands or things relating to the Trust Property;
- (d) To foreclose any collateral, security or instrument securing any investments, notes, bills, bonds, obligations or contracts by virtue of which any sums of money are owed to the Trust;
- (e) To exercise any power of sale held by the Trustees, and to convey good title thereunder free of any and all trusts, and in connection with any such foreclosure or sale, to purchase or otherwise acquire title to any property;

(f) To be parties to reorganization and to transfer to and deposit with any corporation, committee, voting trustee or other Person any securities, investments or obligations of any Person which form a part of the Trust Property, for the purpose of such reorganization or otherwise;

(g) To participate in any arrangement for enforcing or protecting the interests of the Trustees as the owners or holders of such securities, investments or obligations and to pay any assessment levied in connection with such reorganization or arrangement;

(h) To extend the time (with or without security) for payment or delivery of any debts or property and to execute and enter into releases, agreements and other instruments; and

(i) To pay or satisfy any debts or claims upon any evidence that the Trustees shall deem sufficient.

3.9 Powers: Payment of Expenses. The Trustees shall have full and complete power:

(a) To incur and pay charges or expenses which in the opinion of the Trustees are necessary or incidental to or proper for the carrying out any of the purposes of this Indenture;

(b) To reimburse others for the payment therefor; and

(c) To pay appropriate compensation or fees from the funds of the Trust to Persons with whom the Trust has contracted or transacted business.

The Trustees may pay themselves or any one or more of themselves reimbursement for expenses reasonably incurred by themselves or any one or more of themselves on behalf of the Trust.

Notwithstanding any provision of this Indenture to the contrary, in no event shall any expenses of administration of the Trust be payable from any source other than Trust Property.

3.10 Borrowing and Indebtedness. The Trustees shall not incur indebtedness on behalf of the Trust, or authorize the Trust to borrow money or incur indebtedness, except as expressly provided in Section 5.2(b) hereof.

3.11 Deposits. The Trustees shall have full and complete power to deposit, subject to the provisions of N.C.G.S. Sections 159-31 and 159-32, in such a manner as may now and hereafter be permitted by this Indenture or applicable law, any monies or funds included in the Trust Property and intended to be used for the payment of expenses of the Trust or the Trustees, with one or more banks, trust companies or other banking institutions whether or not such deposits will draw interest. Such deposits are to be subject to withdrawal in such manner as the Trustees may determine, and the Trustees shall have no responsibility for any loss which may occur by reason of the failure of the bank, trust company or other banking institution with which the monies, investments, or securities have been deposited. Each such bank, trust company or other banking institution shall comply, with respect to such deposit, with all

applicable requirements of all applicable laws including, without limitation, with N.C.G.S. Sections 159-31 and 159-32.

3.12 Valuation. The Trustees shall have full and complete power to conclusively determine in good faith the value of any of the Trust Property and to revalue the Trust Property as the Trustees deem appropriate consistent with the provisions of this Indenture.

3.13 Fiscal Year; Accounts. The Trustees shall have full and complete power to determine the fiscal year of the Trust and the method or form in which its accounts shall be kept and from time to time to change the fiscal year or method or form of accounts. The fiscal year shall be as set forth in the Bylaws.

3.14 Self-Dealing Prohibited.

(a) No Trustee, officer, employee or agent of the Trust shall cause or permit the Trust to make any investment or deposit, enter into any contract or other arrangement, or perform any act which confers or might reasonably be expected to confer any special benefit upon such Person or any Affiliate of such Person.

(b) The Trust shall not enter into any investment transaction with any Affiliate of the Trust, or with the Adviser or the Administrator or any Affiliate thereof, or with any other officer, director, employee or agent of the Trust or any Affiliate thereof. Provided, however, the Trust may deposit moneys and purchase and sell Permitted Investments from and to the Custodian or an Affiliate of the Custodian.

3.15 Investment Program. The Trustees shall use their best efforts to obtain, through the Adviser or other qualified Persons, a continuing and suitable investment program, consistent with the investment policies and objectives of the Trust, and the Trustees shall be responsible for reviewing and approving or rejecting the investment program presented by the Adviser or such other Persons. Subject to the provisions of this Indenture, the Trustees may delegate functions arising under this Section 3.15 to one or more Trustees or to the Adviser.

3.16 Power to Contract, Appoint, Retain and Employ. Subject to the provisions of this Indenture, the Trustees shall have full and complete power to appoint, employ, retain, or contract with any Person of suitable qualifications and high repute to perform any or all of the following functions under the supervision of the Trustees:

(a) Serve as the Trust's investment Adviser administrator or co-administrator pursuant to Article IV;

(b) Furnish reports to the Trustees and provide research, economic and statistical data in connection with the Trust's investments;

(c) Act as consultants, accountants, technical advisers, attorneys, brokers, underwriters, corporate fiduciaries, escrow agents, depositories, custodians or agents for collection, insurers or insurance agents, registrars for Shares or in any other capacity deemed by the Trustees to be necessary or desirable;

(d) Investigate, select, and, on behalf of the Trust, conduct or engage others to manage relations with Persons acting in such capacities and pay appropriate fees to, and enter into appropriate contacts with, or employ, or retain services performed or to be performed by, any of them in connection with the investments acquired, sold, or otherwise disposed of, or committed, negotiated, or contemplated to be acquired, sold or otherwise disposed of;

(e) Substitute any other Person possessing the same minimum qualifications for any such Person, such replacement to be made in the same manner as the original selection;

(f) Act as attorney-in-fact or agent in the purchase or sale or other disposition of investments, and in the handling, prosecuting or other enforcement of any lien or security securing investments; and

(g) Assist in the performance of such ministerial functions necessary in the management of the Trust as may be agreed upon with Trustees.

3.17 Indemnification. Upon advice of counsel, the Trustees shall have full and complete power, to the extent of Trust property (as provided in Section 6.1) and as permitted by applicable laws, to indemnify or enter into agreements with respect to indemnification with any Person with whom the Trust has dealings, to such extent as the Trustees shall determine in accordance with law. The Trust is authorized to purchase insurance to provide such indemnification.

3.18 Remedies. Notwithstanding any provision in this Indenture, when the Trustees deem that there is a significant risk that an obligor to the Trust may default or is in default under the terms of any obligation to the Trust, the Trustees shall have full and complete power to pursue any remedies permitted by law which, in their sole judgment, are in the interests of the Trust, and the Trustees shall have full and complete power to enter into any investment, commitment or obligation of the Trust resulting from the pursuit of such remedies as are necessary or desirable to dispose of property acquired in the pursuit of such remedies.

3.19 Further Powers. The Trustees shall have full and complete power to take all actions, do all such matters and things and execute all such agreements, documents and instruments as they deem necessary, proper or desirable in order to carry out, promote or advance the interests and purposes of the Trust although such actions, matters or things are not herein specifically mentioned. Any determination as to what is in the best interests of the Trust made by the Trustees in good faith shall be conclusive. In construing the provisions of this Indenture, the presumption shall be in favor of a grant of power to the Trustees. No provision in this Indenture, however, may be interpreted or construed in a manner which alters or reduces the duties of the Trustees to act as fiduciaries of the Trust. The Trustees shall not be required to obtain any court order to deal with the Trust Property.

ARTICLE IV - INVESTMENT ADVISER AND ADMINISTRATOR

4.1 **Appointment.** The Trustees are responsible for implementing the investment policy and program of the Trust and for supervising the officers, agents, employees, investment advisers, administrators, distributors, and independent contractors of the Trust. The Trustees are not required personally to conduct all of the routine business of the Trust and, consistent with their ultimate responsibility as stated herein, the Trustees may appoint, employ or contract with an Adviser and an Administrator, and may grant or delegate such authority to the Adviser and the Administrator or to any other Person whose services are obtained by the Adviser or the Administrator, as the Trustees may, in their sole discretion, deem to be necessary or desirable for the efficient management of the Trust, without regard to whether such authority is normally granted or delegated by Trustees or other fiduciaries.

4.2 **Duties of the Adviser.** The duties of the Adviser shall be those set forth in an Investment Advisory Agreement to be entered into between the Trust and the Adviser. Such duties may be modified by the Trustees, from time to time, by the amendment of the Investment Advisory Agreement subject to the limitations contained therein. Subject to the terms of this Indenture, the Trustees may authorize the Adviser to effect purchases, sales, or exchanges of Trust Property on behalf of the Trustees or may authorize any officer, employee, agent or Trustee to effect such purchases, sales, or exchanges pursuant to recommendations of the Adviser, all without further action by the Trustees. Any and all of such purchases, sales, and exchanges shall be deemed to be authorized by all the Trustees. The Investment Advisory Agreement may authorize the Adviser to employ other Persons to assist it in the performance of its duties. The Investment Advisory Agreement shall provide that it may be terminated without cause and without the payment of any penalty by the Trust on no less than sixty (60) days' written notice to the Adviser. Nothing in this Indenture or in the Investment Advisory Agreement shall limit or impair the right of the Trustees to terminate the said Investment Advisory Agreement for cause, or to suspend the authority of the Adviser to act for or on behalf of the Trust immediately upon written notice to the Adviser, upon a showing of reasonable cause to believe that the Adviser has committed a material breach of the Investment Advisory Agreement or any of its fiduciary obligations to the Trust.

4.3 **Duties of the Administrator.** The duties of the Administrator shall be those set forth in an Administration Agreement to be entered into between the Trust and the Administrator. Such duties may be modified by the Trustees, from time to time, by the amendment of the Administration Agreement. The Administration Agreement may authorize the Administrator to employ other Persons to assist it in the performance of its duties. The Administration Agreement shall provide that it may be terminated without cause and without the payment of any penalty by the Trust on no less than sixty (60) days' written notice to the Administrator. Nothing in this Indenture or in the Administration Agreement shall limit or impair the right of the Trustees to terminate the said Administration Agreement for cause, or to suspend the authority of the Administrator to act for or on behalf of the Trust immediately upon written notice to the Administrator, upon a showing of reasonable cause to believe that the Administrator has committed a material breach of the Administration Agreement or any of its fiduciary obligations to the Trust.

4.4 **Successors.** In the event that, at any time, the position of Adviser or of Administrator shall become vacant for any reason, the Trustees may appoint, employ or contract with a successor Adviser or Administrator.

ARTICLE V - INVESTMENTS

5.1 **Statement of Investment Policy and Objective.** Subject to the prohibitions and restrictions contained in Section 5.2 hereof, the general investment policy and objective of the Trustees shall be to provide to the Participants safety of capital, liquidity of funds, and investment income, in that order, by investing in Permitted Investments in accordance with this Indenture and any other applicable provisions of law, as the same may be amended from time to time.

5.2 **Restrictions Fundamental to the Trust.** Notwithstanding anything in this Indenture which may be deemed to authorize the contrary, the Trust:

(a) May not make any investment other than investments authorized by this Indenture, which constitute Permitted Investments and which are consistent with the investment policies and procedures set forth in the Information Statement and which are described therein, as the same shall may be amended from time to time;

(b) May not borrow money or incur indebtedness except as a temporary measure to facilitate withdrawal requests which might otherwise require unscheduled dispositions of portfolio investments, and only as and to the extent permitted by law;

(c) May not make loans, provided that the Trust may make Permitted Investments (which may include securities lending); and

(d) May not hold or provide for the custody of any Trust Property in a manner not authorized by law.

5.3 **Amendment of Restrictions.** The restrictions set forth in Section 5.2 hereof are fundamental to the operation and activities of the Trust and may not be changed without the consent of the Participants holding at least a majority of the Shares, except that such restrictions may be changed by the Trustees, without Participant consent, when necessary to conform the investment program and activities of the Trust to the laws of the State of North Carolina and the United States of America as they may from time to time be amended.

ARTICLE VI - LIMITATIONS OF LIABILITY

6.1 **Liability to Third Persons.** No Participant shall be subject to any personal liability whatsoever, in tort, contract or otherwise to any Person or Persons other than the Trust in connection with Trust Property or the affairs of the Trust; and no Trustee, officer, employee or agent (including without limitation, the Adviser, the Administrator, and the Custodian) of the Trust shall be subject to any personal liability whatsoever in tort, contract or otherwise, to any Person or Persons other than the Trust in connection with Trust Property or the affairs of the Trust, except that each shall be liable for its, his or her bad faith, willful misconduct, gross negligence or reckless disregard of its, his or her duties or for its, his or her failure to act in

good faith in the reasonable belief that its, his or her action was in the best interests of the Trust, and except that the Adviser and the Administrator shall each have liability for its, his or her failure to take reasonable measures to restrict investments of Trust Property to those permitted by law and this Indenture. All Persons other than the Trust shall look solely to the Trust Property for satisfaction of claims of any nature arising in connection with the affairs of the Trust. If any Participant, Trustee, officer, employee or agent (including, without limitation, the Adviser, the Administrator, and the Custodian) of the Trust is made a party to any suit or proceedings to assert or enforce any such liability, it, he or she shall not on account thereof be held to any personal liability. Provided, further, that notwithstanding anything in the foregoing to the contrary, any vendor, Adviser, consultant, administrator, or other third party, employed by or under contract with the Trust, shall be responsible to the Trust and its Participants as intended beneficiaries, to perform in accordance with the standards imposed in a contract with such party, by operation of law.

6.2 Liability to the Trust or to the Participants. No Trustee, officer, employee or agent (including, without limitation, the Adviser, the Administrator and the Custodian) of the Trust shall be liable to the Trust or to any Participant, Trustee, officer, employee or agent (including, without limitation, the Adviser, the Administrator, and the Custodian) of the Trust for any action or failure to act (including, without limitation, the failure to compel in any way any former or acting Trustee to redress any breach of trust) except for its, his or her own bad faith, willful misfeasance, gross negligence or reckless disregard of its, his or her duties, and except that the Adviser shall have liability for the failure to take reasonable measures to restrict investments of Trust Property to those permitted by law and this Indenture; *provided, however*, that the provisions of this Section 6.2 shall not limit the liability of any agent (including, without limitation, the Adviser, the Administrator, and the Custodian) of the Trust with respect to breaches by it of a contract between it and the Trust.

6.3 Indemnification.

(a) As used in this Section 6.3:

(1) “Trust Representative” means an individual who is or was a Trustee, officer, employee, or agent (including without limitation the Adviser, the Administrator, and the Custodian).

(2) “Liability” means any obligation to pay a judgment, settlement, penalty, fine, or costs and expenses incurred with respect to a Proceeding (including attorneys’ fees and other professional fees).

(3) “Party” includes an individual who was, is, or is threatened to be named a defendant or respondent in a Proceeding.

(4) “Proceeding” means any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.

(b) Except as provided in subsection (c) hereof, the Trust shall indemnify, defend, protect and hold harmless any Person from and against any and all Liabilities arising out of a Proceeding that such Person is a party to because of such Person's status as a Trust Representative if such Person's conduct was made in good faith, and (i) such Person reasonably believed that such conduct was in the Trust's best interests or, (ii) in the case of a criminal Proceeding, such Person had no reasonable cause to believe such conduct was unlawful.

(c) In no event may the Trust indemnify the Adviser or the Administrator for any Liability arising out of such Person's bad faith, willful misconduct, gross negligence or reckless disregard with respect to the restrictions on investments of the Trust Property. Further, the Trust shall not indemnify any Trust Representative under this Section 6.3 either (i) in connection with a Proceeding by or in the right of the Trust in which the Trust Representative was adjudged liable to the Trust, or (ii) in connection with any Proceeding charging improper personal benefit to such Person, in which such Person was adjudged liable on the basis that such personal benefit was improperly received in connection with a Proceeding by or in the right of the Trust.

(d) Except as provided in subsection (c) of this Section 6.3, the termination of any Proceeding by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent, is not of itself determinative that the Person did not meet the standard of conduct set forth in subsection (b) of this Section 6.3.

(e) No indemnification shall be made unless and until a specific determination has been made that indemnification is authorized under this Section 6.3. Such determination shall be made by the Trustees by a majority vote of a quorum, which quorum shall consist of Trustees not parties to the Proceeding. If such quorum cannot be obtained, the determination shall be made by a majority vote of a committee of Trustees designated by the Trustees, which committee shall consist of two or more Trustees not party to the Proceeding. Trustees who are parties to the Proceeding may participate in designating Trustees for the committee. If the said quorum cannot be obtained or the committee cannot be established, or if such quorum is obtained or committee is designated and such quorum or committee so directs, the determination may be made by independent legal counsel selected by a vote of the Trustees or the committee as specified above. If independent counsel determines that indemnification is required under this Section 6.3, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by the body that selected such counsel.

(f) The Trust may pay for or reimburse all costs and expenses incurred by a Trust Representative with respect to a Proceeding (including attorneys' fees and other professional fees) in advance of final disposition thereof if (i) the Trust Representative furnishes the Trust a written affirmation of such Person's good faith belief that such Person has met the standard of conduct described in subsection (b) of this Section 6.3 and agreeing to repay the advance if it is ultimately determined that indemnification is not authorized under this Section 6.3, and (ii) it is determined as provided in subsection (e) above that the facts then known would not preclude indemnification under this Section 6.3.

(g) Any indemnification of or advance of expenses to a Trust Representative pursuant to this Section 6.3 shall be reported in writing to the Participants as soon as practicable, if such indemnification of or advance of expenses arises out of a Proceeding by or on behalf of the Trust.

(h) No Trust Representative entitled to indemnification may take or be paid the same except out of the earnings of the Trust, and no Participant shall be personally liable to any such Trust Representative for all or any portion of such indemnity.

6.4 **Surety Bonds.** No Trustee shall, as such, be obligated to give any bond or surety or other security for the performance of any of his duties.

6.5 **Apparent Authority.** No purchaser, seller, transfer agent or other Person dealing with the Trustees or any officer, employee or agent of the Trust shall be bound to make any inquiry concerning the validity of any transaction purporting to be made by the Trustees or by such officer, employee or agent or make inquiry concerning or be liable for the application of money or property paid, transferred or delivered to or on the order of the Trustees or of such officer, employee or agent.

6.6 **Representative Capacity; Recitals.** Any written instrument creating an obligation of the Trust shall be conclusively taken to have been executed by a Trustee or an officer, employee or agent of the Trust only in his capacity as a Trustee under this Indenture or in his or her capacity as an officer, employee or agent of the Trust. Any written instrument creating an obligation of the Trust shall refer to this Indenture and shall contain a recital to the effect that the obligations thereunder are not personally binding upon, nor shall resort be had to the property of, any of the Trustees, Participants, officers, employees or agents of the Trust, and that only the Trust Property or a specific portion thereof shall be bound, and such written instrument may contain any further similar recital which may be deemed appropriate; *provided however*, that the omission of any recital pursuant to this Section 6.6 shall not operate to impose personal liability on any of the Trustees, Participants, officers, employees or agents of the Trust, or to void any obligations created in the instrument.

6.7 **Reliance on Experts.** Each Trustee, officer and employee of the Trust shall, in the performance of his or her duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Trust, upon an opinion of counsel or upon reports made to the Trust by any of its officers or employees or by the Adviser, the Administrator, the Custodian, accountants, appraisers or other experts or consultants selected with reasonable care by the Trustees or officers of the Trust.

6.8 **Insurance.** The Trustees shall obtain general and official liability and property damage insurance, errors and omission insurance and such other insurance as the Trustees may deem advisable for the protection of the Trust Property and the Trustees, Treasurers officers and employees of the Trust in the operation and conduct of the Trust in such amounts as the Trustees deem adequate to ensure against all claims and liabilities of every nature, to the extent such insurance may be available at reasonable rates. The cost of any and all such insurance shall be paid from Trust property as an expense of administration of the Trust.

ARTICLE VII - INTERESTS OF PARTICIPANTS

7.1 **Beneficial Interest.** The interest of the beneficiaries hereunder shall be divided into transferable units to be called Shares, all of one series except as permitted by Section 7.10, without

par value. The number of Shares authorized hereunder is unlimited. Except as otherwise permitted under Section 7.10 hereof, each Share shall represent an equal proportionate interest in the net assets of the applicable series within the Trust. All Shares issued hereunder including, without limitation, Shares issued in connection with a dividend in Shares or a split of Shares, shall be fully paid and nonassessable.

7.2 Title to Trust Property. Title to the Trust Property of every description and the right to conduct any affairs herein described are vested in the Trustees on behalf, and for the beneficial interest, of the Participants, and the Participants shall have no individual interest therein other than the beneficial interest conferred hereby and measured by their Shares, and they shall have no right to call for any partition or division of any property, profits, rights or interests of the Trust nor can they be called upon to share or assume any losses of the Trust or suffer an assessment of any kind by virtue of the allocation of Shares to them, except as expressly provided in this Indenture. Provided, further, that this provision shall not be interpreted or construed to modify or limit any of the rights of Participants expressed anywhere else in this Indenture or as provided by law. The beneficial interest hereunder measured by the Shares shall not entitle a Participant to preference, preemptive, appraisal, conversion, or exchange rights of any kind with respect to the Trust or the Trust Property, except as the Trustees may determine.

7.3 Evidence of Investment. Evidence of each Participant's investment shall be reflected in a Share Register maintained by or on behalf of the Trust in accordance with Section 8.1 hereof, and the Trust shall not be required to issue certificates as evidence of Share allocation.

7.4 Redemptions. In case any Participant at any time desires to dispose of its Shares, it may deposit a written request or other such form of request as the Trustees may from time to time authorize, at the office of the Administrator of the transfer agent or at the office of any bank or trust company, either in or outside of North Carolina which is a member of the Federal Reserve System and which the transfer agent has designated by the Trust for that purpose, together with an irrevocable offer in writing in a form acceptable to the Trustees to have the Shares redeemed by the Trust at the net asset value thereof per share, next determined as provided in the Information Statement after such deposit. Payment for redemption shall be made to the Participants within the number of business days specified in the Trust's current Information Statement, unless the date of payment is postponed pursuant to Section 7.5 hereof, in which event payment may be delayed beyond such period.

7.5 Suspension of Redemption; Postponement of Payment. Each Participant, by its adoption of this Indenture, agrees that the Trustees may, without the necessity of a formal meeting of the Trustees, temporarily suspend the right of redemption or postpone the date of payment for withdrawal of funds from the Trust for the whole or any part of any period;

(a) During which there shall have occurred any state of war, national emergency, act of God, banking moratorium or suspension of payments by banks in the State of North Carolina or any general suspension of trading or limitation of prices on the New York Stock Exchange or the Nasdaq Stock Market (other than customary week-end and holiday closing); or

(b) During which any emergency situation exists, as a result of which disposal by the Trust of Trust Property is not reasonably practicable because of the substantial losses which might be incurred, or it is not reasonably practicable for the Trust fairly to determine the value of its net assets.

Such suspension or postponement shall not alter or affect a Participant's beneficial interest hereunder or the accrued interest and earnings thereon. Such suspension or payment shall take effect at such time as the Trustees shall specify but not later than the close of business on the business day next following the declaration of suspension, and thereafter there shall be no right of redemption or payment until the Trustees shall declare the suspension or postponement at an end, except that the suspension or postponement shall terminate in any event on the first day on which the period specified in subsection (a) or in this subsection (b) shall have expired, as to which the determination of the Trustees shall be conclusive. In the case of a suspension of the right of redemption or a postponement of payment to a Participant, a Participant may either (i) withdraw its request for redemption or (ii) receive payment based on the net asset value next determined after the termination of the suspension.

7.6 Redemptions to Reimburse Trust for Loss on Nonpayment for Shares or for Other Charges. The Trustees shall have the power to redeem Shares owned by any Participant to the extent necessary (i) to reimburse the Trust for any loss it has sustained by reason of the failure of such Participant to make full payment for Shares purchased by such Participant, or (ii) to collect any charge relating to a transaction effected for the benefit of such Participant which is applicable to Shares as provided in the Information Statement. Any such redemption shall be effected at the redemption price determined in accordance with Section 7.4. hereof.

7.7 Redemptions Pursuant to Constant Net Asset Value Policy. The following provisions shall apply to any series or portfolio of investments of the Trust during any period that the Trustees, in their discretion, establish a policy of maintaining a constant net asset value per Share. If for any reason the net income of the Trust attributable to such Shares invested in the same portfolio shall, at the time of any determination thereof in accordance with the provisions set forth in the Information Statement be a negative amount, then the Trustees shall have power to cause the number of outstanding Shares of such series or portfolio to be reduced by requiring each Participant to contribute to the capital of the Trust such Participant's proportionate part of the total number of Shares which have an aggregate current net asset value equal as nearly as may be practicable to the amount of the Trust's net loss in respect of such series or portfolio. Each Participant, by becoming a registered holder of Shares, agrees to make any such contribution which may be required.

7.8 Redemptions in Kind. Payment for Shares redeemed pursuant to Section 7.4. may, at

the option of the Trustees, or such officer or officers as they may duly authorize for the purpose, in their complete discretion be made in cash, or in kind, or partially in cash and partially in kind. In case of payment in kind, the Trustees, or their delegate, shall have absolute discretion as to what security or securities shall be distributed in kind and the amount of the same, and the securities shall be valued for purposes of distribution at the figure at which they were appraised in computing the net asset value of the Shares.

7.9 Defective Redemption Requests. In the event that a Participant shall submit a request for the redemption of a greater amount than is then allocated to such Participant, such request shall not be honored and, each Participant, by its adoption of this Indenture, agrees that the Trustees shall have full and complete power to redeem no more than the proportionate amount allocated to such Participant, at a redemption price determined in accordance with Section 7.4 hereof, sufficient to reimburse the Trust for any fees, expenses, costs or penalties actually incurred by the Trust as a result of such defective redemption request.

7.10 Series or Class Designations. The Trustees, in their discretion, may authorize the division of Shares into two or more series, and within a series into two or more classes, and the different series or classes shall be established and designated, and the variations in the relative rights and preferences as between the different series or classes within a series shall be fixed and determined by the Trustees; provided that, all Shares shall be identical except there may be variations so fixed and determined between different series or classes within a series as to purchase price, right of redemption and the price, terms and manner of redemption, special and relative rights as to distributions on liquidation, conversion rights, and conditions under which the several series or classes shall have separate voting rights and separate investment restrictions.

ARTICLE VIII - RECORD OF SHARES

8.1 Share Register. The Share Register shall be kept by or on behalf of the Trustees, under the direction of the Trustees, and shall contain (i) the names and addresses of the Participants (including both a post office address for regular United States mail and a valid electronic mail address), (ii) the number of Shares representing their respective beneficial interests hereunder, and (iii) a record of all allocations and redemptions thereof. Such Share Register shall be conclusive as to the identity of the Participants to which the Shares are allocated. Only Participants whose allocation of Shares are recorded on such Share Register shall be entitled to receive distributions with respect to Shares or otherwise to exercise or enjoy the rights and benefits related to the beneficial interest hereunder represented by the Shares. No Participant shall be entitled to receive any distribution, nor to have notices given to it as herein provided, until it has given its appropriate address to such officer or agent of the Trust who shall keep the Share Register for entry thereon.

8.2 Registrar. The Trustees shall have full and complete power to employ a registrar. Unless otherwise determined by the Trustees the Share Register shall be kept by the Administrator which shall serve as the registrar for the Trust. The registrar shall record the original allocations of Shares in the Share Register. Such registrar shall perform the duties usually performed by registrars of certificates and shares of stock in a corporation, except as such duties may be modified by the Trustees.

8.3 Owner of Record. No Person becoming entitled to any Shares in consequence of the merger, reorganization, consolidation, bankruptcy or insolvency of any Participant or otherwise, by operation of law, shall be recorded as the Participant to which such Shares are allocated and shall only be entitled to the redemption value of such Shares. Until the Person becoming entitled to such redemption value shall apply for the payment thereof and present any proof of such entitlement as the Trustees may in their sole discretion deem appropriate, the

Participant of record to which such Shares are allocated shall be deemed to be the Participant to which such Shares are allocated for all purposes hereof, and neither the Trustees nor the registrar nor any officer or agent of the Trust shall be affected by any notice of such merger, reorganization, consolidation, bankruptcy, insolvency or other event.

8.4 No Transfers of Shares. The beneficial interests measured by the Shares shall not be transferable, in whole or in part, other than to a Local Government, or the Trust itself for purposes of redemption. Any attempted transfer to any other Person shall be void and of no effect.

8.5 Limitation of Fiduciary Responsibility. The receipt of the Participant in whose name any Share is recorded or of any party or agent in whose name any Share is recorded for the benefit of the Participant shall be a sufficient discharge for all moneys payable or deliverable in respect of such Shares and from all liability to see to the proper application thereof.

8.6 Notices. Any and all notices to which Participants are hereunder entitled and any and all communications shall be deemed duly served or given if (a) mailed, postage prepaid, addressed to Participants of record at their last known post office addresses, or (b) sent by electronic mail addressed to the Participants of record at their last known electronic mail address, in each case as recorded in the Share Register provided for in Section 8.1 hereof. Copies of such notices shall be provided to the Participant's Designee.

ARTICLE IX – RECORDS AND REPORTS

9.1 Inspection of Records. The records of the Trust shall be open to inspection by any Participant at all reasonable business hours. The Trustees shall use their best efforts to communicate administrative and investment decisions to Participants through a website to be established by the Trust.

9.2 Reports. The Trustees shall cause to be prepared at least annually: (i) a report or statements of financial operations of the Trust; (ii) an opinion of an independent certified public accountant on such report or financial statements based on an examination of the books and records of the Trust; and (iii) such other information as may be required by N.C.G.S. or by rules and regulations promulgated thereunder. A signed copy of such report and opinion shall be filed with the Trustees within one hundred twenty (120) days after the close of the period covered thereby. The Trustees shall cause copies of the annual report to be delivered to the Participants of record within one hundred twenty (120) days after the close of the period covered thereby. In addition, the Trustees shall furnish to the Participants at least quarterly an interim report containing such information as may be required by statute or regulation.

ARTICLE X - TRUSTEES AND OFFICERS

10.1 Number, Qualification and Succession of Trustees.

(a) The governing body of the Trust shall be the Board of Trustees, the membership of which shall be determined as herein provided and as provided in the Bylaws.

(b) The number of Trustees shall be fixed from time to time by resolution of the Trustees; provided that, the number of Trustees shall be at no time less than three (3) or more than seven (7). No reduction in the number of Trustees shall have the effect of removing any Trustee from office prior to the expiration of his or her term.

(c) The Trustees may be comprised of designees of the Participants (“Designees”) and non-designees. Any Trustee who at the time of election or appointment is not a designee of a Participant is referred to herein as a “Non-Designee.” The Trustees shall have the discretion to qualify Non-Designees based upon their professional experience and expected benefit to serving the interests of the Participants. A majority of the Trustees must be Designees. Designees from Participants must have representation from at least one (1) County and one (1) Municipal government. The number and qualifications of Non-Designee Trustees shall be as provided in the Bylaws. If a Designee of a Participant serves as a Trustee, and ceases to be a Designee, such person shall no longer be qualified to serve as a Trustee, and shall not, by virtue of ceasing to qualify as a Designee, be deemed to be a Non-Designee Trustee. The Trustees shall be natural persons.

(d) Trustees shall be elected or appointed as provided in Section 10.4 hereof. No such election or appointment shall become effective, however, until the elected or appointed person qualifies for such office by delivering to the President of the Board of Trustees a writing signed by him or her (i) accepting such election or appointment, and (ii) agreeing to be bound by the terms of this Indenture. Qualification must be completed within twenty (20) days after such person is notified of his or her appointment or election, and failure to meet this requirement shall void the appointment or election.

(e) Whenever a vacancy in the number of Trustees shall occur until such vacancy is filled, the Trustees or Trustee continuing in office, regardless of their number, shall have all the powers granted to the Trustees and shall discharge all the duties imposed upon the Trustees by this Indenture.

(f) Upon the appointment or election and qualification of any person to the office of Trustee, the Trust Property shall vest in such new Trustee without necessity of any further act or conveyance.

10.2 Signatory Local Government Units and Trustees. In accordance with Section 10.1(b), by the execution of this Indenture, the Signatory Local Government Units appoint the following persons as initial Trustees (the “Initial Trustees”) for a Term of five (5) years: [Emily Lucas], and [Don Warn].

The Initial Trustees shall have all the powers of Trustees provided herein and shall have the power to appoint up to five (5) additional Trustees, to serve until the Board of Trustees has been elected in accordance with Section 10.4 hereof.

10.3 Vacancies.

(a) A Trustee’s office shall be deemed vacant upon the occurrence of any one of the following events:

(i) If a person who was duly appointed or elected fails, neglects or refuses to qualify for office within twenty (20) days after the date he or she is notified of such appointment or election;

(ii) If a person who was duly appointed submits a written resignation to the Board of Trustees;

(iii) If a person who was duly appointed becomes disabled or dies during his or her term of office, or for whom a guardian or conservator has been appointed;

(iv) If a person who was duly appointed ceases to meet the requirements for the office of Trustee, as provided herein and in the Bylaws;

(v) If a person who was duly appointed is convicted of a felony or is or becomes the subject of an Order for Relief entered pursuant to the United States Bankruptcy Code (11 U.S.C. § 101 *et seq.*);

(vi) If a court of competent jurisdiction voids the appointment or removes a person duly appointed for any cause whatsoever, but only after his or her right to appeal has been waived or otherwise exhausted; or

(vii) If the person who was duly appointed is removed from office pursuant to Section 10.5 hereof.

(b) No vacancy in the office of any Trustee shall operate to annul this Indenture or to revoke any existing agency created pursuant to the terms of this Indenture, and title to any Trust Property held in the name of such Trustee and the other Trustees or otherwise, shall, in the event of a vacancy in the office of such Trustee, vest in the continuing or surviving Trustees without necessity of any further act or conveyance. In the case of a vacancy, the majority of the Board of Trustees continuing in office acting by resolution, may fill such vacancy.

10.4 Elections and Appointments; Term of Office.

(a) Trustees are appointed or elected for overlapping terms of three years by a vote of the Participants holding at least a majority of the outstanding Shares present and entitled to vote at an annual meeting or voting in an annual vote of Participant, herein called an "Annual Election." At any time the Board changes the number of Trustees it shall by the same action specify the number of three-year terms to be filled at the next Annual Election, but shall maintain as nearly equal as possible the number of three-year terms to be filled at each subsequent Annual Election. Trustees may succeed themselves in office. Candidates shall be nominated as provided in the Bylaws. The candidate(s) with the highest number of votes will be elected. The Board of Trustees shall, at the next meeting following the election, review the election returns and declare the appropriate candidate(s) elected.

(b) A Trustee remains in office until a vacancy occurs in his or her office as provided in Section 10.3 hereof, or until his or her successor is duly appointed and qualifies for office.

10.5 Resignation and Removal.

(a) Any Trustee may resign (without need for prior or subsequent accounting) by an instrument in writing signed by him or her and delivered to the President and such resignation shall be effective upon such delivery or at a later date according to the terms of the notice.

(b) Any Trustee may be removed with or without cause by action of two-thirds of the other Trustees.

(c) Upon ceasing to be a Trustee, such person shall execute and deliver such documents as the remaining Trustees shall require for the purpose of conveying to the Trust or the remaining Trustees any Trust Property held in the name of the resigning or removed Trustee. Upon the incapacity or death of any Trustee, his or her legal representative shall execute and deliver on his or her behalf such documents as the remaining Trustees shall require as provided in the preceding sentence.

10.6 Officers and Advisers. The Trustees shall annually designate a President who shall be the Chief Executive Officer of the Trust and a Vice President, who shall have such duties as the Trustees shall deem advisable and appropriate. The Trustees may elect or appoint, from among their number or otherwise, a Treasurer and a Secretary, who shall have such powers, duties and responsibilities as the Trustees may deem to be advisable and appropriate. The Trustees may elect or appoint, from among their number or otherwise, or may authorize the President to appoint, one or more Assistant Secretaries and Assistant Treasurers, and such other officers or agents, who shall have such powers, duties and responsibilities as the Trustees may deem to be advisable and appropriate. Two or more offices, except those of President and Vice President, may be held by the same person.

10.7 Bylaws; Quorum of Trustees.

(a) The Trustees may adopt and, from time to time, amend or repeal Bylaws for the conduct of the business of the Trust, and in such Bylaws, among other things, may define the duties of the respective officers, agents, employees and representatives of the Trust. Notwithstanding the foregoing, absent adoption of Bylaws addressing the same, the Trustees may define the duties of the respective officers, agents, employees and representatives of the Trust, and such other matters regarding administration of the Trust not specifically addressed in this Indenture, by resolution of the Board of Trustees.

(b) A quorum for the purposes of any meeting or vote of the Trustees shall consist of a majority of the Trustees entitled to vote at a meeting of the Board of Trustees.

ARTICLE XI - DETERMINATION OF NET ASSET VALUE AND NET INCOME: DISTRIBUTIONS TO PARTICIPANTS

11.1 Net Asset Value. The net asset value of each allocated Share of the Trust shall be determined by the method and frequency established by the Trustees and shall be set forth in an Information Statement as the same may be amended from time to time. The duty to make the calculations may be delegated by the Trustees to the Adviser, the Administrator, the Custodian or such other person as the Trustees by resolution may designate.

11.2 Retained Reserves. The Trustees may retain from the earnings of the Trust such amount as they may deem necessary to pay the debts and expenses of the Trust and to meet other obligations of the Trust, and the Trustees shall also have the power to establish such reasonable reserves from earnings as they believe may be required to protect the Trust and the Participants against contingent liabilities.

ARTICLE XII – CUSTODIAN

12.1 Duties. The Trustees shall employ a bank, savings and loan association or trust company in the State of North Carolina or otherwise in accordance with N.C.G.S. Section 159-31 as Custodian with authority as its agent, but subject to such restrictions, limitations and other requirements, if any, as may be contained in this Indenture, the Bylaws of the Trust or otherwise determined by resolution of the Board of Trustees, to perform the duties set forth in the Custodian Agreement to be entered into between the Trust and the Custodian.

12.2 Appointment. The Trustees shall have the power to select and appoint the Custodian for the Trust. The Custodian Agreement may be terminated at any time without cause and without the payment of any penalty by the Trust on not less than sixty (60) days' written notice to the Custodian.

12.3 Disbursement and Collection Agent. The Trustees may also authorize the employment of a Disbursement and Collection Agent from time to time to perform acts and services upon such terms and conditions, as may be agreed upon between the Custodian and said agent and approved by the Trustees; *provided, however*, that, in every case, such Disbursement and Collection Agent shall be a bank, savings and loan association or trust company duly organized in the State of North Carolina or otherwise in accordance with N.C.G.S. Section 159-31.

12.4 Successors. In the event that at any time the Custodian or the Disbursement and Collection Agent shall resign or shall be terminated pursuant to the provisions of the Custodian Agreement or disbursement and Collection Agreement, the Trustees shall appoint a successor thereto.

ARTICLE XIII - RECORDING OF INDENTURE

13.1 Recording. This Indenture and any amendments hereto shall be filed, registered, recorded or lodged as a document of public record in such place or places and with such official or officials as may be required by law or as the Trustees may deem appropriate. An amended Indenture, containing or restating the original Indenture and all amendments theretofore made, may be executed any time or from time to time by a majority of the Trustees and shall, upon filing, recording or lodging in the manner contemplated hereby, be conclusive evidence of all amendments contained therein and may thereafter be referred to in lieu of the original Indenture and the various amendments thereto.

ARTICLE XIV - AMENDMENTS TO INDENTURE AND PERMITTED INVESTMENTS LIST; TERMINATION OF TRUST; DURATION OF TRUST

14.1 Amendment to Indenture or Permitted Investments List; Termination.

(a) The provisions of this Indenture may be amended or altered, or the Trust may be terminated, by a vote of the Participants pursuant to Section 2.7 hereof. The Trustees may, from time to time by a two-thirds vote of the Trustees, and after 45 days prior written notice to the Participants, amend or alter the provisions of the Indenture, without the vote or assent of the Participants, which the Trustees, in good faith deem necessary or convenient for the administration and operation of the Trust, to establish and designate additional series or portfolios pursuant to Section 7.10 hereof, or to the extent deemed by the Trustees in good faith to be necessary to conform this Indenture to the requirements of applicable laws or regulations or any interpretation thereof by a court or other governmental agency of competent jurisdiction, but the Trustees shall not be liable for failing so to do. Notwithstanding the foregoing, no amendment may be made pursuant to this Section which would:

(i) change any rights with respect to any allocated Shares of the Trust by reducing the amount payable thereon upon liquidation of the series or portfolio or which would diminish or eliminate any voting rights of the Participants, except with the vote or written consent of Participants holding at least two-thirds of the Participants Shares entitled to vote thereon;

(ii) Cause any of the investment restrictions contained herein to be less restrictive except with the vote or written consent of Participants holding at least a majority of the Participants Shares entitled to vote thereon;

(iii) Change the limitations on personal liability of the Participants and Trustees except with the vote or written consent of Participants holding at least two-thirds of the Shares entitled to vote thereon; or

(iv) Change the prohibition of assessments upon Participants except with the vote or written consent of Participants holding at least two-thirds of the Shares entitled to vote thereon.

A certification signed by a majority of the Trustees setting forth an amendment and reciting that it was duly adopted by the Participants or by the Trustees or a copy of the Indenture, as amended, executed by a majority of the Trustees, shall be conclusive evidence of such amendment.

(b) The Trust may be terminated by the vote of the majority of authorized Trustees, subject to the vote or written consent of Participants holding at least a majority of the Shares. Upon the termination of the Trust pursuant to this Section 14.1(b), (i) the Trust shall carry on no business except for the purpose of winding up its affairs, (ii) the Trustees shall proceed to wind up the affairs of the Trust and all of the powers of the Trustees under this Indenture shall continue until the affairs of the Trust shall have been wound up, including, without limitation, the power to fulfill or discharge the contracts of the Trust, collect its assets, sell, convey, assign, exchange, transfer or otherwise dispose of all or any part of the remaining Trust Property to one or more Persons at public or private sale for consideration which may consist in whole or in part of cash, securities or other property of any kind, discharge or pay its liabilities, and do all other acts appropriate to liquidate its affairs, provided, however, that any sale, conveyance, assignment, exchange, transfer, or other disposition of all or substantially all of the Trust Property shall require approval of the

principal terms of the transaction and the nature and amount of the consideration by affirmative vote of not less than a majority of the Trustees entitled to vote thereon, and (iii) after paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining Trust Property, in cash or in kind or partly in each, among the Participants according to their respective proportionate allocation of Shares.

(c) Upon termination of the Trust and distribution to the Participants as herein provided, a majority of the Trustees shall execute and lodge among the records of the Trust an instrument in writing setting forth the fact of such termination, and the Trustees shall thereupon be discharged from all further liabilities and duties hereunder, and the right, title and interest of all Participants shall cease and be cancelled and discharged.

(d) A certification in recordable form signed by a majority of the Trustees setting forth an amendment and reciting that it was duly adopted by the Trustees as aforesaid or a copy of the Indenture, as amended, in recordable form, and executed by a majority of the Trustees, shall be conclusive evidence of such amendment.

14.2 Duration. The Trust shall continue in existence in perpetuity, subject in all respects to the provisions of this Article XIV.

14.3 Distribution upon Termination. Upon the termination of the Trust, the Trustees shall, after paying or making provision for the payment of all of the liabilities of the Trust, dispose of all of the assets of the Trust exclusively for the purposes of the Trust, in such manner, or to such organization(s) organized and operated exclusively for charitable or educational purposes as shall at the time qualify as an exempt organization(s) under Section 501(c)(3) of the Code, or the corresponding provisions of any subsequent federal tax laws, as the Trustees shall determine. Any such assets not so disposed of shall be disposed of by the court of general jurisdiction in the county in which the principal office of the Trust is then located, exclusively for such purposes or to such organization or organizations as such court shall determine.

ARTICLE XV – MISCELLANEOUS

15.1 Governing Law. This Indenture is executed by the Signatory Local Government Units and delivered in the State of North Carolina and with reference to the laws thereof, and the rights of all parties and the validity, construction and effect of every provision hereof shall be subject to and construed according to the laws of the State of North Carolina (without regard to its conflicts of law rules). Venue for any dispute, breach or other legal action relating to the interpretation or implementation of this Indenture shall lie in a court of competent jurisdiction in the State of North Carolina.

15.2 Counterparts. This Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts, together, shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

15.3 Reliance by Third Parties. Any certificate executed by an individual who according to the then current records of the Trust appears to be a Trustee, the Secretary or

the Treasurer of the Trust, certifying to (a) the number or identity of Trustees or Participants, (b) the due authorization of the execution of any instrument or writing, (c) the results of any vote of Trustees or Participants, (d) the fact that the number of Trustees or Participants present at any meeting or executing any written instrument satisfies the requirements of this Indenture, or the form of any Bylaws adopted by, or the identity of any officers or any facts which in any manner relate to the affairs of the Trust, shall be conclusive evidence as to the matters so certified in favor of any Person dealing with the Trustees or any of them or the Trust and the successors of such Person

15.4 Provisions in Conflict with Law. The provisions of this Indenture are severable, and if the Trustees shall determine with the advice of counsel that any one or more of such provisions are in conflict with applicable federal or North Carolina laws, those conflicting provisions shall be deemed never to have constituted a part of this Indenture, *provided, however,* that such determination by the Trustees shall not affect or impair any of the remaining provisions of this Indenture or render invalid or improper any action taken or omitted (including, but not limited to, the election of Trustees) prior to such determination.

15.5 Section Headings. Any headings preceding the text of the several Articles and Sections of the Indenture and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Indenture nor affect its meaning, construction or effect.

15.6 Adoption by Local Government Unit; Written Investment Policies of Participants; Resignation and Withdrawal of Participants.

(a) Any Local Government Unit meeting the requirements hereof may become a Participant of this Trust by (i) taking all required official action to adopt to a Resolution authorizing the execution of this Indenture including, without limitation, adopting or otherwise having in effect a written investment policy consistent with this Indenture and the Permitted Investments list or amending or modifying any existing written investment policy not consistent with this Indenture or the Permitted Investments list, and (ii) furnishing the Trustees with satisfactory evidence that such official action has been taken. A copy of this Indenture may be adopted by executing a written instrument of adoption in such form as may be prescribed by the Trustees. Delivering an acknowledged copy of such instrument shall constitute satisfactory evidence of the adoption contemplated by this Section.

(b) By joining in or adopting this Indenture, each Participant agrees that it will maintain a written investment policy consistent with the provisions of this Indenture and the Permitted Investments list, as each of the same is amended from time to time.

(c) Any Participant may resign and withdraw from the Trust by sending a written notice to such effect to the President of the Trust and the Administrator and by requesting the redemption of all Shares then held by it or in accordance with any other procedure authorized by the Board of Trustees. Such resignation and withdrawal shall become effective upon the receipt thereof by the President of the Trust and the Administrator. No resignation and withdrawal by a Participant shall operate to annul this Indenture or terminate the existence of the Trust.

[Signatures appear on next page]

IN WITNESS WHEREOF, the undersigned Local Government Units of the State of North Carolina acting in the capacity of Signatory Local Government Units of the Trust have executed this Indenture together with the Trustees by the execution of the addenda, which are attached to this Indenture. By the execution of the addenda, the respective Trustees and Signatory Local Government Units are intending to adopt and be bound by the terms of this Indenture.

[Insert Local Government Unit Signature Blocks]

IN WITNESS WHEREOF, the undersigned Trustees have caused this Indenture of Trust to be executed as of the date first herein above set forth.

[Insert Trustee Signature Blocks]

EXHIBIT B
By-Laws (Draft)

North Carolina Investment Pool BYLAWS

Dated as of March ___, 2021

Established Under an Indenture of Trust

Dated as of March ___, 2021

213 Market Street
Harrisburg, PA 17101
Phone (800) 338-3383
Fax (800) 252-9551

TABLE OF CONTENTS

ARTICLE I. GENERAL.....	1
Section 1. Principal Office.....	1
Section 2. Other Offices.	1
Section 3. Definitions.	1
ARTICLE II. PARTICIPANTS.....	1
Section 1. Action by Participants.....	1
Section 2. Record Date.	1
Section 3. Inspection of Records.	2
ARTICLE III. TRUSTEES.....	2
Section 1. Meetings of the Trustees.....	2
Section 2. Composition of Board of Trustees.....	2
Section 3. Quorum and Manner of Acting.....	2
Section 4. Nomination of Trustees.	2
ARTICLE IV. OFFICERS.....	3
Section 1. General Provisions.....	3
Section 2. Terms of Office and Qualifications.	3
Section 3. Removal.	3
Section 4. Powers and Duties of the President.	3
Section 5. Powers and Duties of the Vice Presidents.	3
Section 6. Powers and Duties of the Treasurer.....	3
Section 7. Powers and Duties of the Secretary.	3
Section 8. Powers and Duties of the Assistant Treasurers.....	4
Section 9. Powers and Duties of the Assistant Secretaries.....	4
Section 10. Reimbursement for Expenses.	4
ARTICLE V. CONTRACTS, CHECKS AND DRAFTS	4
Section 1. Contracts.....	4
Section 2. Checks and Drafts.....	4
ARTICLE VI. FISCAL YEAR.....	4
ARTICLE VII. SEAL	4
ARTICLE VIII. OPEN RECORDS.....	5
ARTICLE X. AMENDMENTS.....	6

BYLAWS
OF THE
NORTH CAROLINA INVESTMENT POOL

(dated as of March __, 2021)

Established under an Indenture of Trust dated as of March __, 2021

ARTICLE I. GENERAL

Section 1. Principal Office.

The Trust shall maintain an office of record in the State of North Carolina and may maintain such other offices or places of business as the Trustees may from time to time determine. The initial office of record of the Trust shall be: North Carolina Investment Pool (“CIP”) in care of the PFM Asset Management LLC/PFM Funds Distributors, 213 Market Street, Harrisburg, Pennsylvania. The office of record may be changed from time to time by resolution of the Trustees, and notice of such change of the office of record shall be given to each Participant.

Section 2. Other Offices.

The Trust may have offices outside of or within the State of North Carolina as the Trustees may from time to time determine.

Section 3. Definitions.

Unless otherwise stated herein, capitalized terms have the meanings assigned by the Indenture of Trust, as amended from time to time.

ARTICLE II. PARTICIPANTS

Section 1. Action by Participants.

Any action which may be taken by the Participants may be taken if a majority of the Participants, as may be applicable, entitled to vote thereon (or such larger proportion thereof as shall be required by law, the Indenture of Trust, or these Bylaws for approval of such matter) consent to the action in writing and the written consents are filed with the records of the Trust. Prompt notice shall be given of any Trust action approved by the Participants by less than unanimous written consent to those Participants who did not consent in writing to such action.

Section 2. Record Date.

For the purpose of determining the Participants entitled to participate in any distribution (other than distributions of net income payable as dividends, as set forth in Article IX hereof), or for the purpose of any other action, the Trustees shall fix a date not more than sixty (60) days

prior to the date of any distribution or other action as a record date for the determination of the Participants of record for such purposes.

Section 3. Inspection of Records.

The records of the Trust shall be open to inspection by the Participants at any time during usual business hours of the Trust, upon written demand on the Trust, for a purpose reasonably related to such Participant's interest as a Participant.

ARTICLE III. TRUSTEES

Section 1. Meetings of the Trustees.

The Trustees may in their discretion provide for meetings of the Trustees. The notice and agenda of any meeting shall be posted at least twenty-four (24) hours prior to the meeting on the CIP website.

Section 2. Composition of Board of Trustees.

The Trustees may be comprised of designees of the Participants ("Designees") and non-designees. Any Trustee who at the time of election or appointment is not a designee of a Participant is referred to herein as a "Non-Designee." The Trustees shall have the discretion to qualify Non-Designees based upon their professional experience and expected benefit to serving the interests of the Participants. A majority of the Trustees must be Designees and the maximum number of Non-Designees shall be three.

Section 3. Quorum and Manner of Acting.

A majority of the Trustees shall be present in person or by audio or video teleconference at any regular or special meeting of the Trustees in order to constitute a quorum for the transaction of business at such meeting, and (except as otherwise required by law, the Indenture of Trust, or these Bylaws) the act of a majority of the Trustees present at any such meeting, at which a quorum is present, shall be the act of the Trustees. The Trustees present at a duly called meeting at which a quorum is initially present may continue to do business notwithstanding the withdrawal of Trustees, provided any action taken is approved by at least a majority of the required quorum for such meeting. In the absence of a quorum, a majority of the Trustees present may adjourn the meeting to a time and place specified in the order of adjournment.

Action required or permitted to be taken at a meeting of the Trustees may be taken without a meeting if the action is taken by all of the Trustees. The action must be evidenced by one or more unrevoked written consents signed by each Trustee before or after such action describing the action taken, and filed with the records of the Trust.

Section 4. Nomination of Trustees

At least sixty (60) days prior to each annual vote of Participants to elect Trustees, the Trustees, or a nominating committee ("Nominating Committee") established by the Trustees, shall nominate candidates to be approved by Participants at the next annual meeting of Participants. The Trustees or the Nominating Committee, as applicable, shall nominate a slate of candidates which, without further action of the Trustees, shall be endorsed candidates of the Trust for such next annual meeting.

ARTICLE IV. OFFICERS

Section 1. General Provisions.

The officers of the Trust shall be a President, Vice President, Treasurer, and Secretary, each of whom shall be appointed by the Trustees. The Trustees may appoint such other officers or agents as the business of the Trust may require, including one or more assistant Vice Presidents, one or more Assistant Treasurers and one or more Assistant Secretaries.

Section 2. Terms of Office and Qualifications.

Except as otherwise provided by law, the Indenture of Trust, or these Bylaws, all officers shall hold office at the pleasure of the Trustees. Any two or more offices may be held by the same person. The President, Vice President, Treasurer and Secretary shall all be Trustees. Any other officer may be, but is not required to be, a Trustee.

Section 3. Removal.

The Trustees, at any regular or special meeting of the Trustees, may remove any officer with or without cause.

Section 4. Powers and Duties of the President.

The President shall be a Trustee. The President may call meetings of the Trustees when they deem it necessary and shall preside at all meetings of the Trustees. The President shall at all times exercise general supervision and direction over the affairs of the Trust. The President shall have: a) the power to employ such subordinate officers, employees, and agents as required to transact the business of the Trust, b) the power to grant, issue, execute or sign such powers of attorney, proxies, or other documents as may be deemed advisable or necessary in furtherance of the interests of the Trust and c) the powers and duties as, from time to time, may be conferred upon or assigned by the Trustees.

Section 5. Powers and Duties of the Vice Presidents.

In the absence or disability of the President, the Vice President shall perform all the duties and may exercise any of the powers of the President, subject to the control of the Trustees. The Vice President shall perform such other duties as may be assigned from time to time by the Trustees or the President.

Section 6. Powers and Duties of the Treasurer.

The Treasurer shall be the principal financial and accounting officer of the Trust. The Treasurer shall perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned by the Trustees.

Section 7. Powers and Duties of the Secretary.

The Secretary shall keep the records of all action of the Participants in proper books provided for that purpose; may have custody of the seal of the Trust; and shall have charge of the Share transfer books, lists, and records unless the same are in the charge of the Administrator. The Secretary shall a) attend to the giving and serving of all notices by the Trust in accordance with the provisions of these Bylaws and as required by law, b) keep the minutes of all meetings

of the Trustees and Committees, and c) perform such other duties and have such other powers in addition to those specified in these Bylaws as the Trustees shall from time to time designate.

Section 8. Powers and Duties of the Assistant Treasurers.

In the absence or disability of the Treasurer, any Assistant Treasurer designated by the Trustees shall perform all the duties, and may exercise any of the powers, of the Treasurer. The Assistant Treasurers shall perform such other duties as from time to time may be assigned to them by the Trustees.

Section 9. Powers and Duties of the Assistant Secretaries.

In the absence or disability of the Secretary, any Assistant Secretary designated by the Trustees shall perform all of the duties, and may exercise any of the powers, of the Secretary. The Assistant Secretaries shall perform such other duties as from time to time may be assigned to them by the Trustees.

Section 10. Reimbursement for Expenses.

No Trustee shall be entitled to compensation arising from his or her position as Trustee. The Trust may, however, advance to the Trustees and officers, or reimburse the Trustees and officers for, all costs and expenses incurred in connection with attendance at meetings of the Trustees and committee meetings.

ARTICLE V. CONTRACTS, CHECKS AND DRAFTS

Section 1. Contracts.

The Trustees may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name and on behalf of the Trust, and such authority may be general or confined to specific instances.

Section 2. Checks and Drafts.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Trust shall be signed by such officer or officers or agent or agents of the Trust and in such manner as shall from time to time be determined by the Trustees.

ARTICLE VI. FISCAL YEAR

The fiscal year of the Trust shall begin on the first day of January in each year and shall end on the thirty-first day of December in each year, provided, however that the Trustees may from time to time change the Trust's fiscal year.

ARTICLE VII. SEAL

The Trustees shall have full and complete power to adopt and use a seal for the Trust, but, unless otherwise required by the Trustees, it shall not be necessary for the seal to be placed on, and its absence shall not impair the validity of, any document, instrument, or other paper executed and delivered by or on behalf of the Trust.

ARTICLE VIII. OPEN RECORDS

Requests for public records can be made pursuant to the North Carolina Public Records Law, as set forth in North Carolina General Statutes (“N.C.G.S”) Chapter 132. All public records requests may be submitted directly to the Administrator by any person seeking records (the “Applicant”). All public records requests by Applicants must be made in accordance with this Article VIII. Applicants may be charged a fee for each request at a cost greater than the actual cost to the Administrator.

Pursuant to N.C.G.S. Section 132(a), the term “public records” shall mean all documents, papers, letters, maps, books, photographs, films, sound recordings, magnetic or other tapes, electronic data-processing records, artifacts, or other documentary material, regardless of physical form or characteristics, made or received pursuant to law or ordinance in connection with the transaction of public business by any agency of North Carolina government or its subdivisions. Agency of North Carolina government or its subdivisions shall mean and include every public office, public officer, or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or any county, unit, special district or other political subdivision of government.

-Certain records may be privileged or otherwise confidential and protected from disclosure under North Carolina law and are not public records. Consequently, records that are confidential or privileged will not be disclosed in response to a public records request. Nothing set forth in this Article IX shall be construed to abrogate the right of the Trustees or the custodian of the requested public records to withhold records that are confidential or protected by the privileges expressly contemplated by N.C.G.S. Chapter 132 or otherwise established under North Carolina law.

ARTICLE IX. DIVIDENDS AND DISTRIBUTIONS

The days on which the determination of the net income of each Share shall occur (each such day, a “Business Day”), the time during such Business Day for such determination, the declaration of such net income as a dividend, and the determination of the record date for Participants entitled to receive such dividend shall be as set forth in an information statement delivered by the Trust to any local government or public authority prior to it becoming a Participant, and amended from time to time as deemed necessary or appropriate by the Trustees or as otherwise required by law (the “Information Statement”). The Information Statement shall also provide for the manner in which such dividend is to be paid, including whether such dividend is to be payable in additional Shares, and when such dividend shall be payable. The Information Statement shall provide for the manner in which such net income is to be calculated. Capital distributions, if any, may be made in the manner set forth in the Information Statement. The record date for the determination of Participants entitled to receive payment of any other distribution or an allotment of any other rights shall be such date as is specified by the Trustees or, if no such date is specified, shall be at the close of business on the day on which the Trustees adopt the resolution declaring the distribution or allotment of rights.

ARTICLE X. POLICIES AND PROCEDURES

In order to comply with North Carolina General Statute Section 159-30 the North Carolina Investment Pool hereby adopts the applicable North Carolina General Statute's and policies and procedures of the Investment Adviser/Administrator.

ARTICLE XI. AMENDMENTS

These Bylaws, or any part of them, may be altered, amended, or repealed, or new Bylaws may be adopted, by a two-thirds vote of the Trustees. The Trustees shall in no event adopt Bylaws which are in conflict with the Indenture of Trust, and any apparent inconsistency shall be construed in favor of the related provisions in the Indenture of Trust.

CERTIFICATE OF ADOPTION OF BYLAWS

IN WITNESS WHEREOF, the undersigned has executed this Certificate on March _ 2021.

, President



Creation of Local Government Investment Pool

Presented by

Don Warn

Finance Department

March 2, 2021

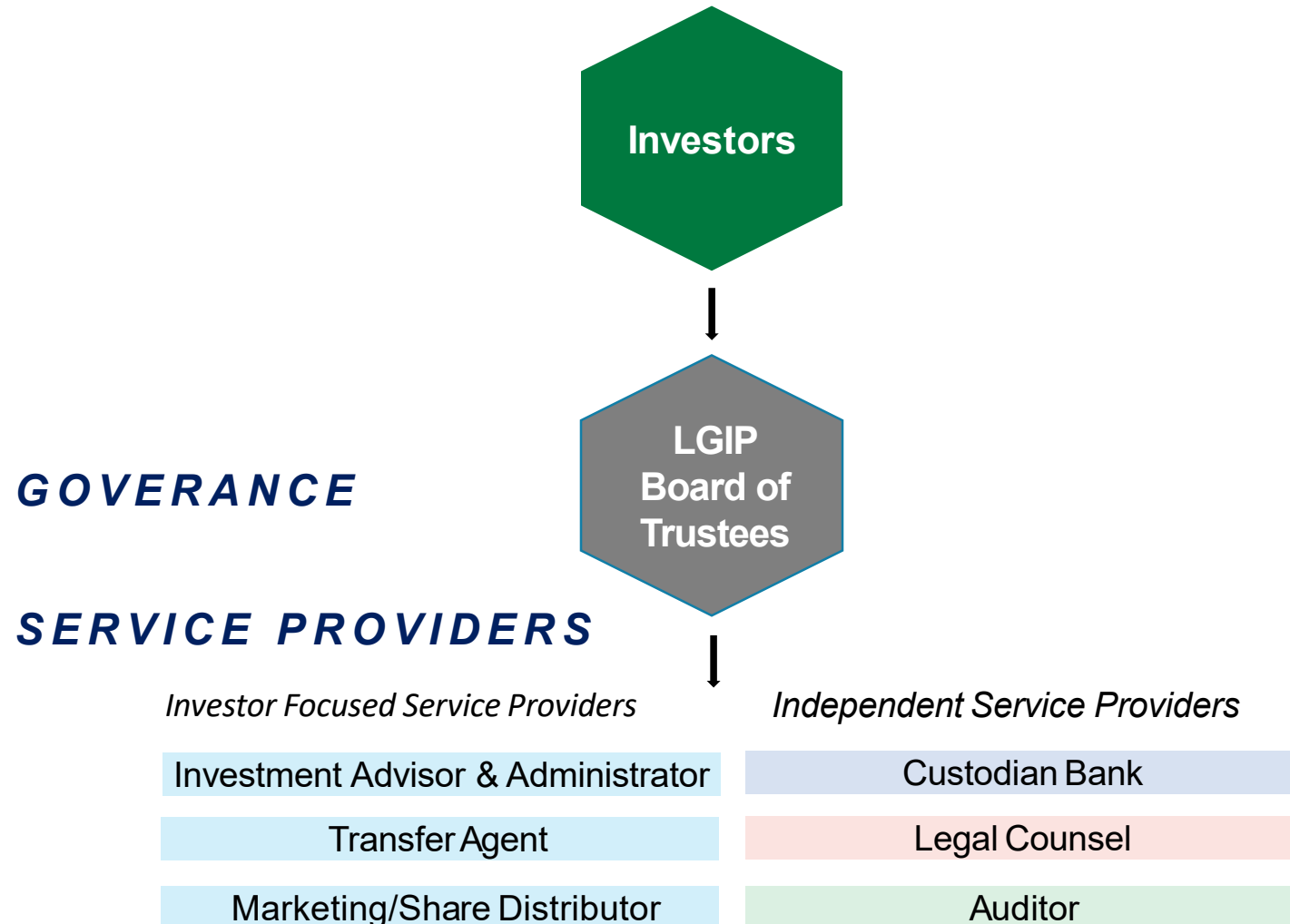


Local Government Investment Pool (LGIP)

- ✓ LGIPs are cooperative investment products designed primarily for the investment of short-term funds in securities allowed under state laws regarding government investments of local governments, school districts, municipal authorities, and other types of governments
- ✓ There are over 144 LGIPs nationally and the majority obtain a rating from a Nationally Recognized Statistical Ratings Organization (NRSRO)
- ✓ Currently the only option for local government units keeping idle funds liquid is their bank account or the North Carolina Capital Management Trust (NCCMT), so there is a need for greater diversification for the investment of idle funds



Basic LGIP governance structure



Steps in creating a LGIP

- ✓ Draft Resolution, Interlocal Agreement, and Indenture of Trust
- Execute Resolution and corresponding Interlocal Agreement to form a trust
- Formation of Board of Trustees and adopt bylaws
- Obtain investment advisor
- Select additional service providers
 - Legal counsel
 - Audit firm
 - Custodial bank
 - Transfer agent
- Obtain a credit rating



Steps in creating a LGIP

- ✓ Draft Resolution, Interlocal Agreement, and Indenture of Trust
- Execute Resolution and corresponding Interlocal Agreement to form a trust
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- Select additional service providers
 - Legal counsel
 - Audit firm
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 - Transfer agent
- Obtain a credit rating



Interlocal Agreement

- The Trust and the Indenture establish the LGIP agency empowered by the Board of Trustees
- The LGIP and the Indenture shall survive the termination of this Agreement by one or both parties, the purpose of this Agreement
- No officer, agent or employee of any Party will be subject to any personal liability or accountability by reason of the execution of this Agreement
- Only those Local Government Units subject to N.C. Gen. Stat. Chapter 159, which adopt the Indenture by resolution may become Participants in the Trust
- After the establishment of the LGIP and execution of the Resolution and Indenture, either Party may resign or withdraw from the Indenture



Questions?





Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

New Business

Department: Budget

Presenter(s): Jennifer Barnette, Budget

Contact(s): Jennifer Barnette, Budget

Subject: FY21 Deferred Budget Requests

Brief Summary:

At the February 16, 2021 board briefing meeting, the following requests were presented.

- One (1) Evidence and Property Technician to begin April 1, 2021 (\$17,910)
- Five (5) Part-time EMT Paramedics to begin April 1, 2021 (\$84,594)
- Eight (8) Part-time Library Assistants to begin April 1, 2021 (\$33,500)
- Audit Management & Data Analytics Tool (\$65,000)

Since our last review, further evaluation and consideration of organizational needs have occurred, the Evidence and Property Technician request is being withdrawn, and a Planner II position is being requested.

A planner position was also included in the requests that were prioritized as high in FY2021 however were deferred. The Planning Director is requesting an additional staff to address a current surge in workload related to the implementation of an electronic plan review software as well as proposes that adding the Planner position enables the Planning department to be able to adequately prepare for and develop the county's comprehensive plan.

An anticipated reduction in revenues for FY21 deferred several departmental budget requests. Revenues have come in higher than projected and the following positions and items totaling \$206,594 for the remainder of FY21 are being requested for approval:

- One (1) Full time Planner II to begin April 1, 2021 (\$23,500)
- Five (5) Part-time EMT Paramedics to begin April 1, 2021 (\$84,594)
- Eight (8) Part-time Library Assistants to begin April 1, 2021 (\$33,500)
- Audit Management & Data Analytics Tool (\$65,000)

Recommended Motion & Requested Action:

1) Approve the use of lapsed salary to fund the following positions as outlined, effective April 1, 2021:

- One (1) Full time Planner II
- Five (5) Part-time EMT Paramedics, and
- Eight (8) Part-time Library Assistants.

2) Approve new Audit Management & Data Analytics Tool and use of FY21 savings to fund purchase.

County Manager's comments and Recommendation:

County Manager recommends as presented



Revisiting Items from FY21 for Consideration

Presented by

Jennifer Barnette, Budget Director



New Personnel Requests

Planner II (1)

- full-time position starting April 01, 2021
- Justification
 - Provides staffing to support electronic plan review and upcoming Comprehensive Plan
- \$23,500 estimated FY 2021 April-June estimated cost
- \$96,200 FY2022 estimated costs

EMT Paramedics (5)

- part-time benefitted positions starting April 01, 2021
- Justification
 - Ensures EMS can adequately & consistently staff ambulances
 - Assists with EMS goal to improve response times, closer to industry benchmark
- **\$84,594** estimated FY 2021 April-June estimated cost
- **\$338,475** FY2022 estimated costs

New Personnel Costs

- ~\$141,594 FY21
- ~\$576,675 FY22

Library Assistant (8)

- part-time positions starting April 01, 2021
- Justification
 - Positions to address minimum staffing in facilities for safety of personnel
- **\$33,500** estimated FY 2021 April-June estimated cost
- **\$142,000** FY2022 estimated costs



New Software

Project	Year 1 Cost	Future Annual Cost
Internal Audit: Audit management & data analytics tool	\$ 65,000	\$ 65,000

- Justification
 - Supports efficient audit operations
 - Helps facilitate a standardized audit process
 - Provides proactive data analytics



Request for Board Action

- Approve the following positions as outlined effective April 01, 2021
 - 1 full-time Planner II in Planning
 - 5 part-time benefitted EMT Paramedics
 - 8 part-time Library Assistants
- Approve the use of lapsed salary to fund positions for April 01 through June 30, 2021
- Approve new Audit Management software and use of FY21 savings to fund purchase





Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

New Business

Department: Human Resources Presenter(s): Sharon Burke

Contact (s): Sharon Burke, Human Resources Director

Subject: Compensation Study – Phase 3 Recommendations

Brief Summary:

Over the last several months a Comprehensive Compensation Plan is being conducted in a total of four (4) phases. Accordingly, members of the Compensation Study Team have finalized Phase 3 of the study which focused on employees who are in regular part time or full time positions for equity (race and gender), to correct any employee who is paid under the minimum salary for their grade and to fix critical classification issues. Total employees needed to be addressed is 31.

The total estimated cost to remedy these issues is approximately \$53,225 for the current fiscal year and can be absorbed in the FY22 appropriation through lapse salary savings. If approved by the Board of Commissioners, these changes will be effective March 1, 2021.

Recommended Motion & Requested Action:

Authorize the County Manager to implement the aforementioned Compensation Study Phase 3 recommendations, effective March 1, 2021 using lapsed salary to fund the classification findings.

County Manager's comments and Recommendation:

County Manager recommends approval.



INTERNAL COMPENSATION STUDY UPDATE

Sharon Burke, Human Resources Director

MULTI-YEAR COMPENSATION PROJECT OVERVIEW

- **Evergreen Solutions (2018)**
 - Primary focus was on current structure as compared to peers
 - Identified internal work that was needed for Buncombe County to move forward
- **Position & Pay Report (2019)**
 - Findings determined that there were four focus areas to help build a stronger compensation foundation: County Compensation Philosophy, Finalized job descriptions, ERP data, and internal compensation analysis
- **Compensation Workgroup (2019)**
 - **A cross-functional team with representation from 22 County Departments**
 - **Purpose:** To develop a comprehensive philosophy statement supplemented by related policies.
 - **Goal:** To establish criteria for how Buncombe County can attract and retain a diverse and qualified workforce that meets the needs of its customers as well as provide consistent pay strategies that meet departmental goals
- **Compensation Study (2020 - 2021)**
 - **4 Phases that span FY20 Q4 – FY22**
 - **Purpose:** To analyze, draw conclusions and make short and long term recommendations regarding employee pay.
 - **Goal:** To right size employee compensation, job classifications, job descriptions and the compensation grading system for Buncombe County.

BUNCOMBE COUNTY'S COMPENSATION PHILOSOPHY

To achieve and maintain a superior level of service and performance, Buncombe County must continue to attract and retain a highly skilled and motivated workforce who exemplify the organization's values.

The intent is to accomplish this by:

- Leading the labor market by offering externally competitive and internally equitable pay and benefits amongst peers within and outside of Western North Carolina
- Recognizing and rewarding outstanding performance
- Acknowledging our employees as our most valuable asset by supporting a healthy work-life balance
- Honoring and leveraging individuals' diverse strengths and talents through employee development and career advancement opportunities in an innovative environment
- Nurturing a supportive culture through respect and accountability across all levels of the organization



COMPENSATION STUDY PROJECT PLAN

Phase 1

Job Analysis and Descriptions

- Review job analysis information and write Q1-Q4 job descriptions
- Define compensable factors

Deadline: 11/1/20

Phase 2

Job Evaluation and Market Study

- Review internal classification and pay disparities and identify opportunities to improve equity
- Survey market peers for salary data
- Identify job family structure

Deadline: 12/31/20

Phase 3

Compensation Planning & Changes

- Provide presentation for consideration of options for addressing pay inconsistencies
- Establish a plan to right size internal compensation issues

Deadline: 1/30/21

Phase 4

On-going

Salary Administration

- Establish Compensation Grading System
- Finalize pay calculations taking into consideration the new grading system, market data, career progression plans, compression and budget constraints

Deadline: FY22

PHASE 3 OVERVIEW

- Designed internal salary comparison tool
- Analyzed pay equity within classifications and pay grades across County departments
- Reviewed salary grade minimums to ensure adherence to Buncombe County's Personnel Ordinance as well as FLSA rules
- Documented findings from three categories and assigned a priority level:
 - Finding 1: Race and Gender Equity Analysis - **No issues found**
 - Finding 2: Minimum Grade Placement
 - Finding 3: Classification Issues



CONTINUING WORK

As we move into Phase 4:

- Finalize changes from Phase 3 findings
 - Address identified Classification issues
- Establish a new Compensation Grading System using new Job Families
- Analyze market survey results
- Develop multi-year plan for addressing pay equity taking into consideration the new grading system, market data, career progression plans, compression and budget constraints



IMMEDIATE NEXT STEPS

For your awareness:

- Phase 3 compensation changes needed: 31.
 - Equates to \$53,256
- No budget amendment is needed. This can be absorbed in current years budget.
- Changes to be effective March 1, 2021.



CONSIDERATION

- Approval the use of lapsed salary to fund the classification findings.



Questions





Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

New Business

Department:

Budget

Presenter(s):

Jennifer Barnette, Budget

Contact(s):

Sheriff Quentin Miller
Michele Robinson, Sheriff's Office
Sarah Gayton, Sheriff's Office

Subject:

Buncombe County Detention Facility - Strategic Community Opioid Response

Brief Summary:

In FY2020, the Buncombe County Sheriff's Office (BCSO) received funding for the purposes of developing a Medication Assisted Treatment (MAT) program in the Buncombe County Detention Facility. BCSO implemented a successful program, which has continued in FY2021. This amendment establishes the budget to receive \$145,614 in continued funding for FY2021. The funds are provided by NC DHHS and passed through Vaya Health. The funds support the ongoing MAT program and grant-funded Program Coordinator position. No new county dollars are required.

Recommended Motion & Requested Action:

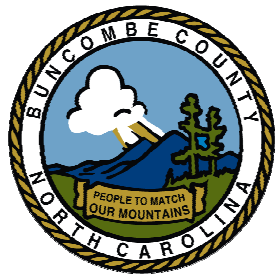
Approve budget amendment

Extend one grant-funded position, as long as grant funding is available

County Manager's Comments & Recommendation:

County Manager recommends as presented

ORDINANCE #21-03-07



BUNCOMBE COUNTY, NORTH CAROLINA
General Fund

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 General Fund as outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Detention Center

Budget Amendment Item: Buncombe County Detention Facility - Strategic Community Opioid Response

Description:

In FY2020, the Buncombe County Sheriff's Office (BCSO) received funding for the purposes of developing a Medication Assisted Treatment (MAT) program in the Buncombe County Detention Facility. BCSO implemented a successful program, which has continued in FY2021. This amendment establishes the budget to receive \$145,614 in continued funding for FY2021. The funds are provided by NC DHHS and passed through Vaya Health. The funds support the ongoing MAT program and grant-funded Program Coordinator position. No new county dollars are required.

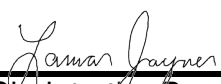
Funding Source:

State Opioid Response (SOR) funding from NC DHHS passed through by Vaya Health in the amount of \$145,614 to Buncombe County.

Exhibit A:	Increase (Decrease)	
Account Description	Revenues	Expenditures
Fund 100 - 4102:Grant Revenue	\$ 145,614	
Fund 100 - MAT Grant		\$ 145,614
TOTAL	\$ 145,614	\$ 145,614

ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board



Office of the Sheriff

Presented by

Strategic Community Opioid Response Detention MAT Program



BUNCOMBE COUNTY



This is why we're here

Death rates:
significantly
higher than
state and
national
average.

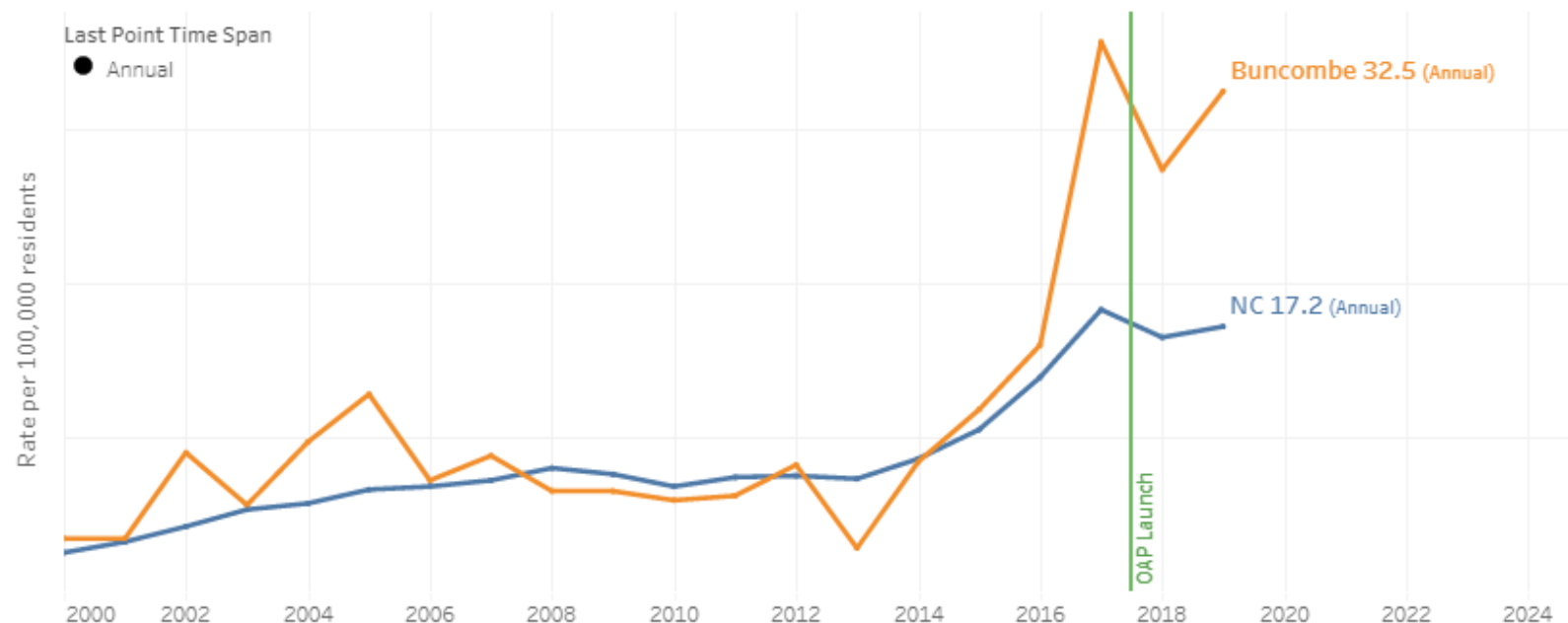
Deaths in Buncombe

The rate of unintentional overdose deaths among residents of Buncombe in 2019 (Annual) was **32.5**.
(Rate per 100,000 residents. Number of deaths: 85)

Place Rank

Highest
Compared to other
Counties*

Rank Groups
Lowest 0-20%
Low 20-40%
Middle 40-60%
High 60-80%
Highest 80-100%



MAT (Medication Assisted Treatment) (Gold standard biomedical treatment)

Buprenorphine in Buncombe

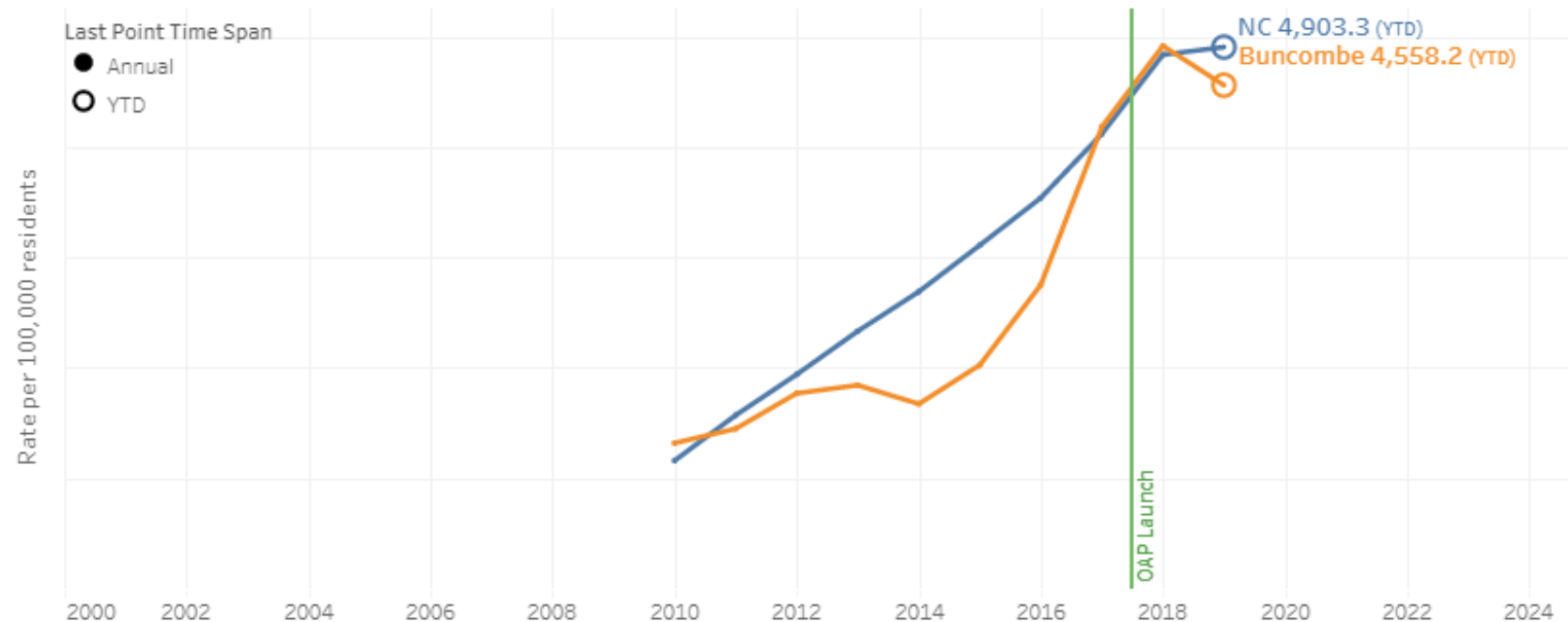
The rate of residents receiving dispensed buprenorphine prescriptions in Buncombe in 2018 (Annual) was **4,914.7**.
(Rate per 100,000 residents. Number of prescriptions: 16,979)

Place Rank

Lowest
Compared to other
Counties*

Rank Groups

Lowest	0-20%
Low	20-40%
Middle	40-60%
High	60-80%
Highest	80-100%



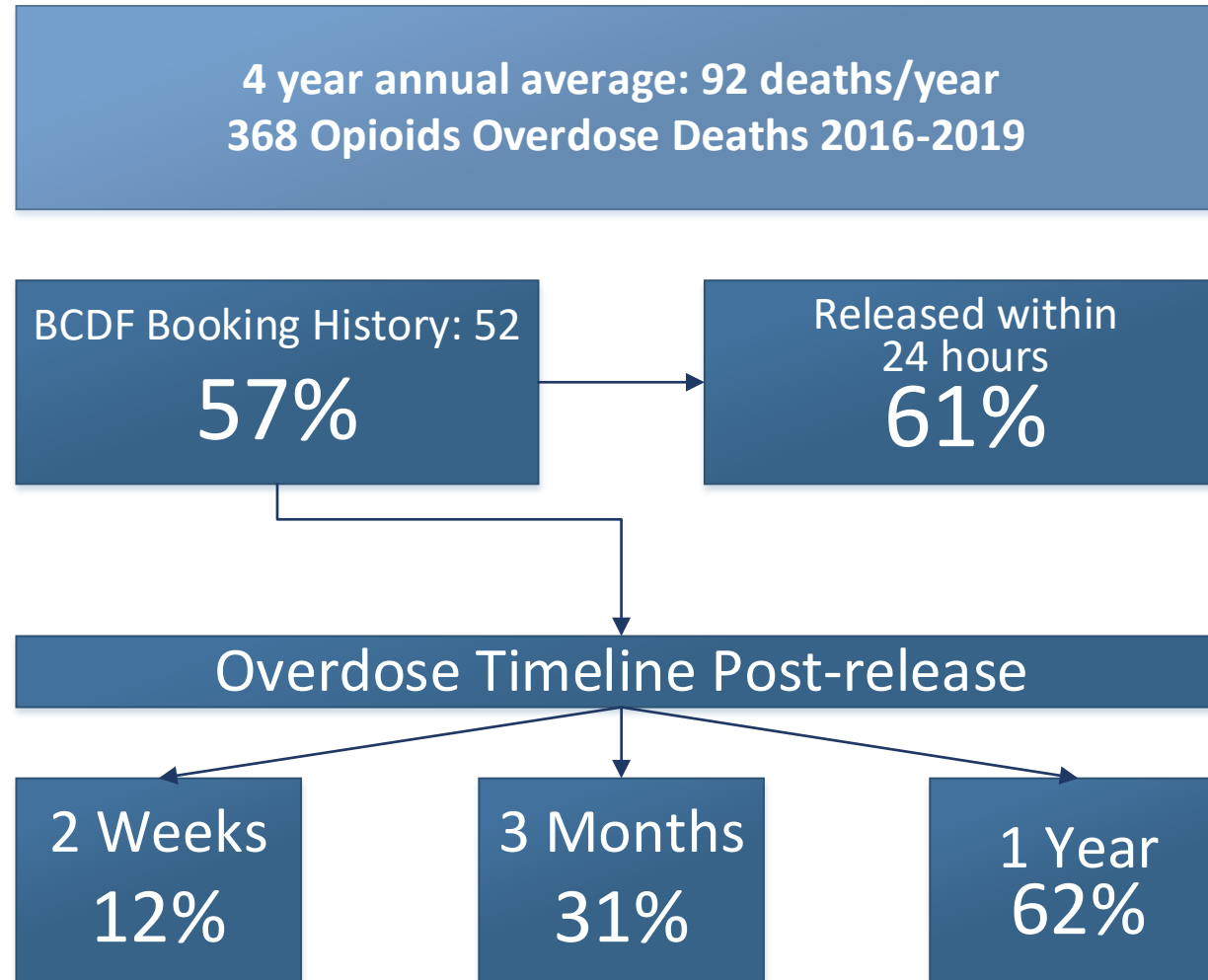
September 2018 Report

Former North Carolina Inmates: 2000–2015

American Journal of Public Health



Buncombe Opioid Crisis and Detention



National Sheriff's Association, October 2018

**"Jails are on the front lines of this epidemic,
and they also are in a unique position
to initiate treatment in a controlled, safe environment."**

**"Treatment using MAT,
particularly when coupled with evidence-based behavioral therapy,
improves medical and mental health outcomes and reduces relapses and
recidivism."**



Detention MAT Program Strategic Community Opioid Response

SCOR TEAM



GOALS

- Reduce opioid **overdoses** linked to detainment.
- Lower **jail population and recidivism** linked to opioid use.
- Provide **life-stabilization** and best-practice interventions to support those diseased with Opioid Use Disorder (OUD), for their successful exit from the judicial system.
- Utilize **21st Century Policing** Strategies to engage the challenge of opioid use in Buncombe County.



Milestones

IDENTIFICATION

Substance use
screening

EDUCATION

Harm Reduction
Treatment
Resources

ACCESS

Link to services

CARE

Provide best
practice care for
addiction
recovery

- Substance use **screening** at booking and medical intake
- Administration of **MAT medications**: new and existing patients
- **Medication** at release
- **Education**: MAT services, harm reduction strategies, treatment access points
- Provision of **overdose reversal kits**
- **Reentry Support**: housing, treatment, employment, etc.
- **Peer Support** services available up to 1-year post-release



Summary of Services Rendered

July 2019 – January 2021

- >2000 Screened and provided harm education and treatment resources
- >200 specific case management and reentry navigation
- $\pm$ 30 pregnant women served
- 1000 Overdose kits disseminated
- 50 New MAT patients
- >50% of Staff trained in Narcan

Challenges: Stigma, timelines (Detox impacts, release schedule, COVID 19 precautionary restrictions.)



Data Findings

2019 vs 2020

- 15% decrease in booking history events compared to registered deaths

July 2019-June 2020

- 54% of MAT recipients – released within 3 days

July 2019- March 2020

- 30% recidivism of untreated opioid users

vs

- 12% recidivism of MAT recipients



Program Movement

- Expansion, refinement and evolution - Community Advisory Panel
- Active collaboration with Partner organizations: Child Support, Pretrial, and Probation services to expand service delivery and access to those at risk for re-arrest due to untreated addiction.
- Cross disciplinary partnerships and collaborations: HHS, EMS, LEO's, Register of Deeds, etc.
- Program evaluation



2021 Focal Points

- Decrease deaths and lower correlation to BCDF booking events
- Training
Medical/detention/patrol/community/participants increase understanding of addiction, recovery, harm-reduction, anti stigma, services access points
- Strengthen collaborative partnerships
- Effective linkage to participant's life stabilization factors (housing, employment, community, recovery, access to Peer Support)



Funding

Year One: NCHHS Grant (July 2019) \$283,000

Buncombe Health Department: Overdose Kits

Community Grants for overlapping services

Year Two: Medical Contract (July 2020)

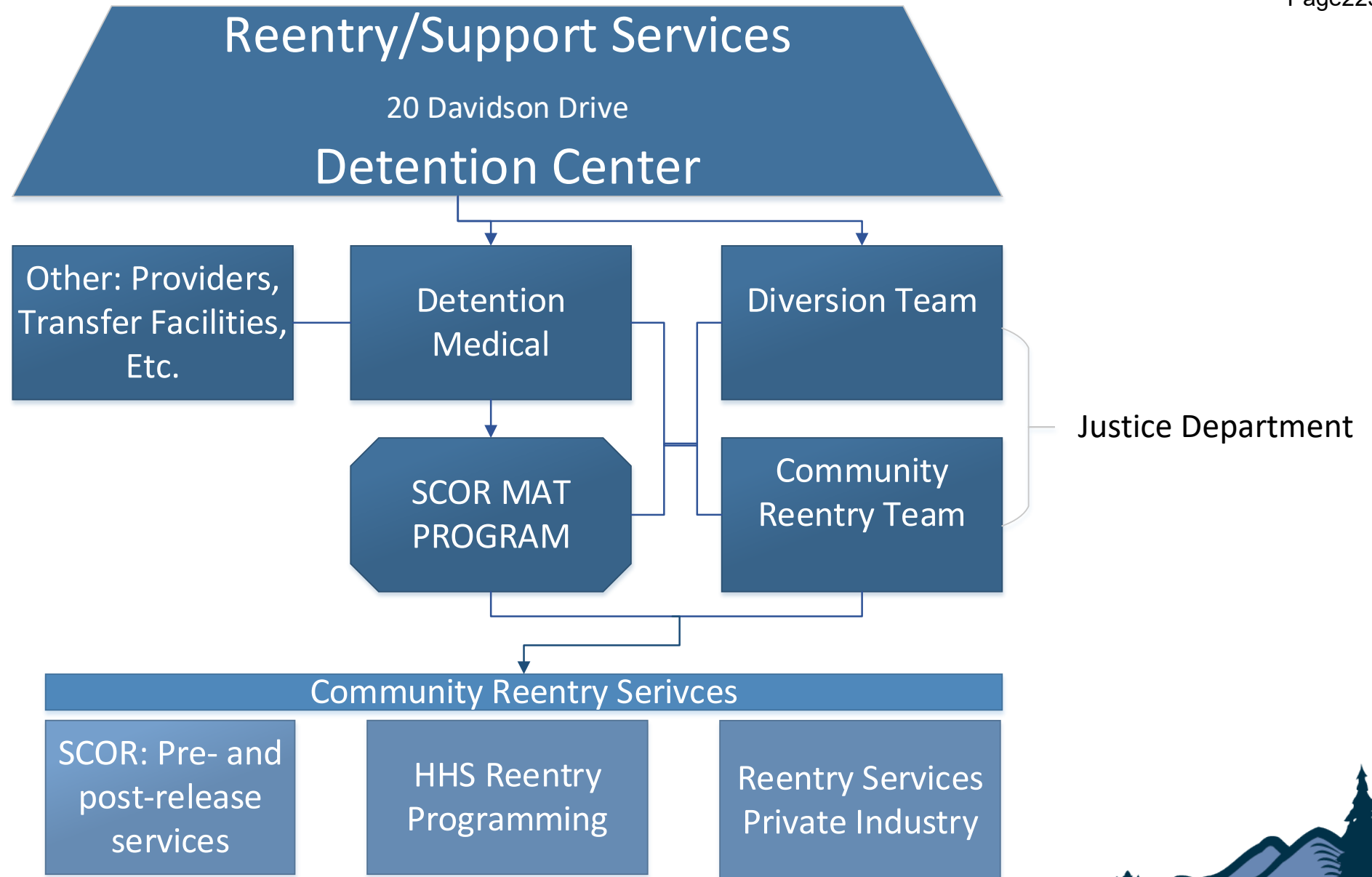
NCHHS Grant \$283,000

Community Grants for overlapping services

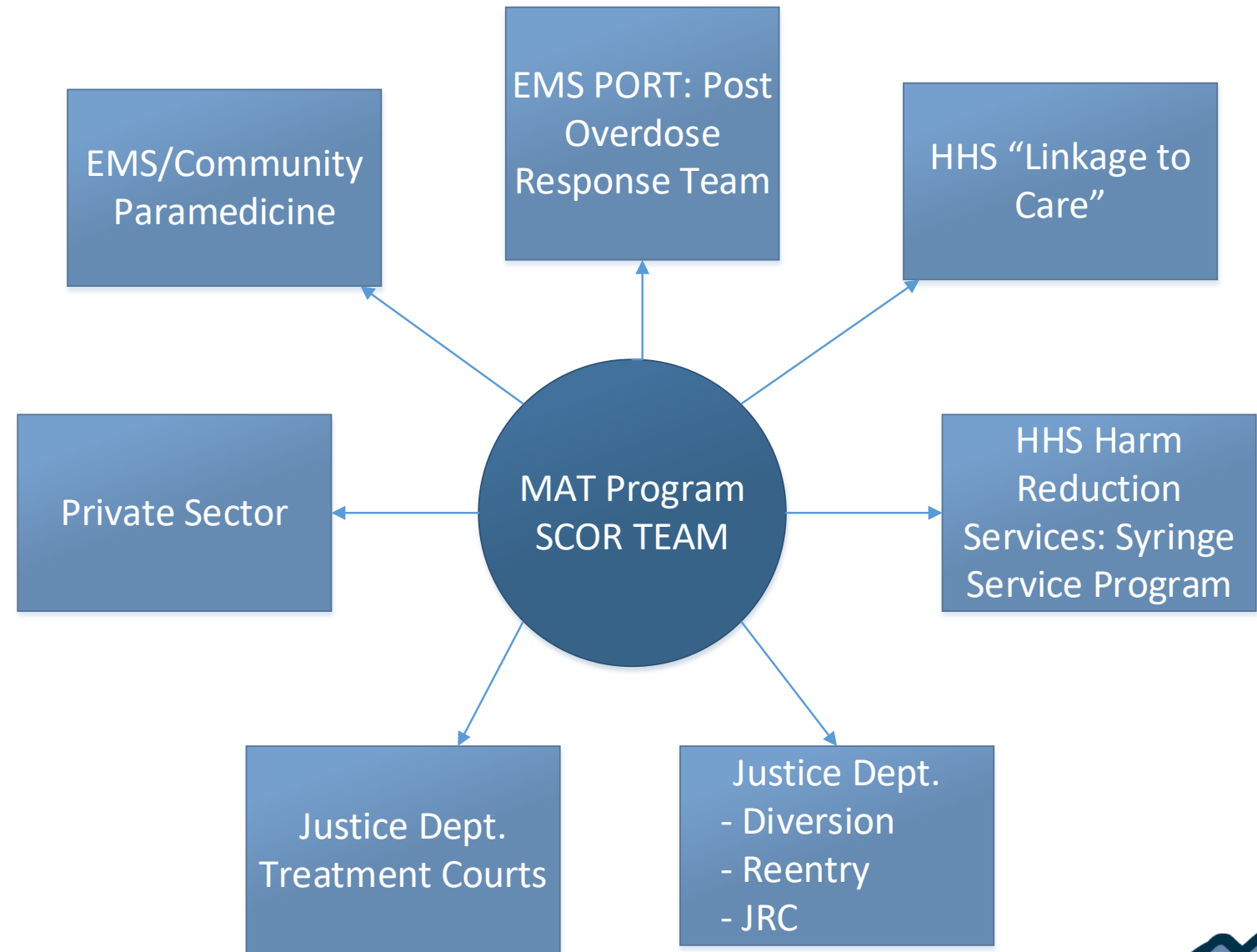
Year Three: Anticipated renewal of state grant

Goal: Integrated and sustainable programming through local funding





Partnerships and Collaborations



Detention MAT Program Strategic Community Opioid Response

SCOR TEAM



GOALS

- Reduce opioid **overdoses** linked to detainment.
- Lower **jail population and recidivism** linked to opioid use.
- Provide **life-stabilization** and best-practice interventions to support those diseased with Opioid Use Disorder (OUD), for their successful exit from the judicial system.
- Utilize **21st Century Policing** Strategies to engage the challenge of opioid use in Buncombe County.





Quentin Miller, Sheriff

21st Century Law Enforcement Procedural Justice

Sarah Gayton

Community Integration and MAT Services Director

Sarah.Gayton@buncombecounty.org

828.250.4585





Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

New Business

Department:

Budget

Presenter(s):

Jennifer Barnette, Budget

Contact(s):

Jennifer Barnette, Budget
Peyton O'Conner, Recreation Services

Subject:

Enka Destination Grant

Brief Summary:

This action is a request to combine the budget of the Enka Heritage Greenway with the budget of the Enka Destination Grant as the Greenway is an item in the larger Grant Project. The Project Budget of \$280,000 for the Enka Heritage Greenway will be moved out of the Capital Project Fund and to the Enka Destination Grant in the Grants fund. This will be achieved by two budget amendments, an interfund transfer for each of the two funds. No new county funds are involved in this consolidation.

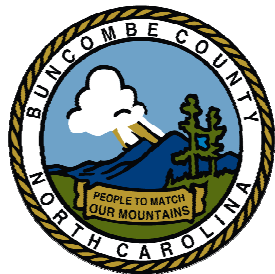
Recommended Motion & Requested Action:

Approve budget amendments

County Manager's Comments & Recommendation:

County Manager recommends as presented

ORDINANCE #21-03-08



BUNCOMBE COUNTY, NORTH CAROLINA
Capital Projects Fund

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 Capital Projects Fund as outlined below in Exhibit "A" to the budget, **NOW THEREFORE**,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Project Name: Enka Heritage Greenway

Description: This amendment is to combine the budget of the Enka Heritage Greenway with the budget of the Enka Destination Grant as the Greenway is an item in the larger Grant Project. Specifically, this amendment asks for interfund transfer expense to move the budget out of Fund 341 and to Fund 327 where the Grant budget sits.

Funding Source: Existing Capital Fund dollars.

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 341 - Project: Enka Heritage Greenway		\$ (280,000)
Fund 341 - Interfund Transfer Expense		\$ 280,000
TOTAL	\$ -	\$ -

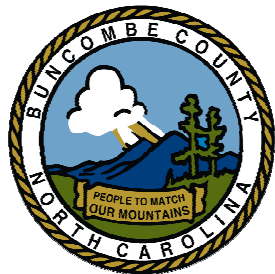
ATTEST:

BOARD OF COMMISSIONERS FOR


Clerk to the Board

By: 
Chairman of the Board

ORDINANCE #21-03-09



BUNCOMBE COUNTY, NORTH CAROLINA
Grant Projects Ordinance

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 Grants Projects outlined below in Exhibit "A" to the budget, NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Grant Name: Enka Destination Grant

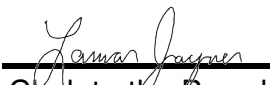
Description: This amendment is to combine the budget of the Enka Heritage Greenway with the budget of the Enka Destination Grant as the Greenway is an item in the larger Grant Project. Specifically, this amendment asks for interfund transfer revenue to receive the budget from Fund 341 and to Fund 327 where the Grant budget sits.

Funding Source: Existing Capital Fund dollars.

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 327 - Grant: Enka Destination		\$ 280,000
Fund 327 - Interfund Transfer Revenue	\$ 280,000	
TOTAL	\$ 280,000	\$ 280,000

ATTEST:

BOARD OF COMMISSIONERS FOR


Clerk to the Board

By: 
Chairman of the Board



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

New Business

Department:

Finance

Presenter(s):

Jennifer Barnette, Budget

Contact(s):

Don Warn, Finance Director
Jennifer Barnette, Budget Director

Subject:

Budget Amendment for Other Post Employment Benefits (OPEB)

Brief Summary:

Buncombe County transfers approximately \$2 million per year to fund Other Post Employment Benefits (OPEB) liabilities for retiree health benefits. Due to the adverse effects of the COVID-19 pandemic, this transfer did not occur in FY2020. Similarly, the transfer was not included in the FY2021 adopted budget. This agenda item includes multiple budget amendments.

The amendments budget \$3 million from the Internal Service Fund's excess reserves (fund balance). The funds are transferred to other annual funds to cover OPEB expenses, which include the full FY2021 OPEB transfer (\$2 million) and half of the FY2020 OPEB transfer (\$1 million), for a total of \$3 million allocated towards OPEB.

No new general fund dollars are required. The Internal Service Fund has reserves in excess of its FY2021 calculated reserves requirement due to lower than expected healthcare claims costs in FY2020.

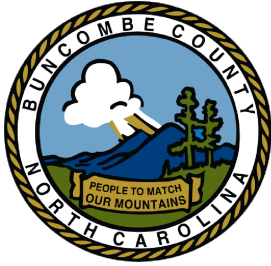
Recommended Motion & Requested Action:

Approve budget amendment

County Manager's Comments & Recommendation:

County Manager recommends as presented

ORDINANCE #21-03-10



BUNCOMBE COUNTY, NORTH CAROLINA
Internal Service Fund Ordinance

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 Internal Service Fund as outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Finance

Budget Amendment Item: Other Post Employment Benefits (OPEB)

Description:

Buncombe County transfers approximately \$2 million per year to fund Other Post Employment Benefits (OPEB) liabilities. Due to the adverse effects of the COVID-19 pandemic, this transfer did not occur in FY2020. Similarly, the transfer was not budgeted in FY2021. This budget amendment transfers \$3 million from the Internal Service Fund's excess reserves (fund balance). The funds will cover the full FY2021 OPEB transfer (\$2 million) and half of the FY2020 OPEB transfer (\$1 million), for a total of \$3 million allocated towards OPEB. The \$3 million OPEB payment is allocated across several annual funds.

This ordinance covers the Internal Service Fund portion of the amendment.

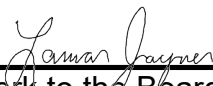
Funding Source:

Excess reserves available in the Internal Service Fund.

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 480 - 4310:Appropriated Fund Balance	\$ 3,000,000	
Fund 480 - 8000:Interfund Transfer Expense		\$ 2,992,000
Fund 480 - 6510:Non Discretionary - OPEB		\$ 8,000
TOTAL	\$ 3,000,000	\$ 3,000,000

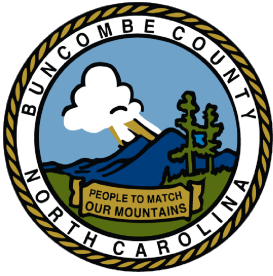
ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board

ORDINANCE #21-03-11



BUNCOMBE COUNTY, NORTH CAROLINA
General Fund Ordinance

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 General Fund as outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Finance

Budget Amendment Item: Other Post Employment Benefits (OPEB)

Description:

Buncombe County transfers approximately \$2 million per year to fund Other Post Employment Benefits (OPEB) liabilities. Due to the adverse effects of the COVID-19 pandemic, this transfer did not occur in FY2020. Similarly, the transfer was not budgeted in FY2021. This budget amendment transfers \$3 million from the Internal Service Fund's excess reserves (fund balance). The funds will cover the full FY2021 OPEB transfer (\$2 million) and half of the FY2020 OPEB transfer (\$1 million), for a total of \$3 million allocated towards OPEB. The \$3 million OPEB payment is allocated across several annual funds.

This ordinance covers the General Fund portion of the amendment.

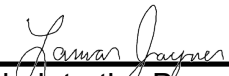
Funding Source:

Excess reserves available in the Internal Service Fund.

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 100 - 4110:Interfund Transfer Revenue	\$ 2,914,984	
Fund 100 - Cultural and Recreation		\$ 115,102
Fund 100 - Economic & Physical Development		\$ 102,122
Fund 100 - General Government		\$ 549,444
Fund 100 - Human Services		\$ 1,114,790
Fund 100 - Public Safety		\$ 1,033,526
TOTAL	\$ 2,914,984	\$ 2,914,984

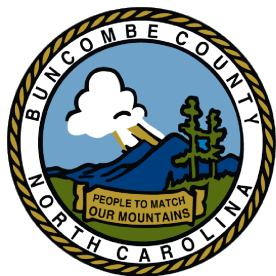
ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board

ORDINANCE #21-03-12



BUNCOMBE COUNTY, NORTH CAROLINA
Solid Waste Enterprise Fund Ordinance

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 Solid Waste Enterprise Fund as outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Finance

Budget Amendment Item: Other Post Employment Benefits (OPEB)

Description:

Buncombe County transfers approximately \$2 million per year to fund Other Post Employment Benefits (OPEB) liabilities. Due to the adverse effects of the COVID-19 pandemic, this transfer did not occur in FY2020. Similarly, the transfer was not budgeted in FY2021. This budget amendment transfers \$3 million from the Internal Service Fund's excess reserves (fund balance). The funds will cover the full FY2021 OPEB transfer (\$2 million) and half of the FY2020 OPEB transfer (\$1 million), for a total of \$3 million allocated towards OPEB. The \$3 million OPEB payment is allocated across several annual funds.

This ordinance covers the Solid Waste Enterprise Fund portion of the amendment.

Funding Source:

Excess reserves available in the Internal Service Fund.

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 466 - 4110:Interfund Transfer Revenue	\$ 58,768	
Fund 466 - 6510:Non Discretionary - OPEB		\$ 58,768
TOTAL	\$ 58,768	\$ 58,768

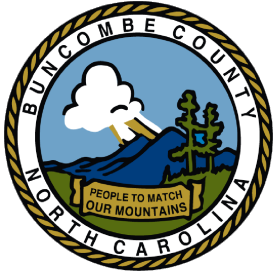
ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board

ORDINANCE #21-03-13



BUNCOMBE COUNTY, NORTH CAROLINA
Inmate Commissary and Welfare Fund Ordinance

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 Inmate Commissary and Welfare Fund as outlined below in Exhibit "A" to the budget, **NOW THEREFORE**,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Finance

Budget Amendment Item: Other Post Employment Benefits (OPEB)

Description:

Buncombe County transfers approximately \$2 million per year to fund Other Post Employment Benefits (OPEB) liabilities. Due to the adverse effects of the COVID-19 pandemic, this transfer did not occur in FY2020. Similarly, the transfer was not budgeted in FY2021. This budget amendment transfers \$3 million from the Internal Service Fund's excess reserves (fund balance). The funds will cover the full FY2021 OPEB transfer (\$2 million) and half of the FY2020 OPEB transfer (\$1 million), for a total of \$3 million allocated towards OPEB. The \$3 million OPEB payment is allocated across several annual funds.

This ordinance covers the Inmate Commissary and Welfare Fund portion of the amendment.

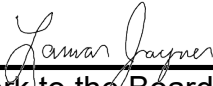
Funding Source:

Excess reserves available in the Internal Service Fund.

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 469 - 4110:Interfund Transfer Revenue	\$ 1,677	
Fund 469 - 6510:Non Discretionary - OPEB		\$ 1,677
TOTAL	\$ 1,677	\$ 1,677

ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 3/2/2021

New Business

Department:

Budget

Presenter(s):

Jennifer Barnette, Budget

Contact(s):

Jennifer Barnette, Budget Director
Drew Reisinger, Register of Deeds

Subject:

Register of Deeds Excise Stamp Tax

Brief Summary:

This amendment increases revenue and expenditure budgets in the General Fund related to the Register of Deeds excise stamp tax. Buncombe County remits 49% of excise stamp revenues to the state of North Carolina. Revenue projections indicate the county will realize excise stamp tax revenue greater than the FY2021 budget. The FY2021 budget was reduced to \$4.8 million due to anticipated effects of the COVID-19 pandemic. This amendment raises expense and revenue budgets for an additional \$800,000 related to the excise stamp tax to correspond with anticipated revenues and expenditures.

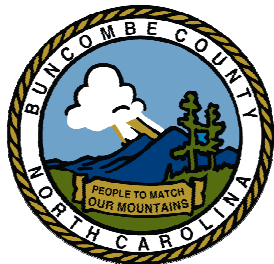
Recommended Motion & Requested Action:

Approve budget amendment

County Manager's Comments & Recommendation:

County Manager recommends as presented

ORDINANCE #21-03-14



BUNCOMBE COUNTY, NORTH CAROLINA
General Fund

BOARD MEETING DATE: March 2, 2021

WHEREAS, the Budget Director recommends and the Board now desires to amend the FY2020-2021 General Fund as outlined below in Exhibit "A" to the budget,
NOW THEREFORE,

BE IT ORDAINED by the Board of Commissioners for the County of Buncombe as follows:

1. That the FY 2020-2021 amendments listed in Exhibit A below be hereby adopted.
2. That this ordinance shall be effective upon adoption.

ADOPTED this 2nd day of March, 2021.

Requesting Department: Register of Deeds

Budget Amendment Item: Register of Deeds Excise Stamp Tax

Amendment Description:

This amendment increases revenue and expenditure budgets in the General Fund related to the Register of Deeds excise stamp tax. Buncombe County remits 49% of excise stamp revenues to the state of North Carolina. Revenue projections indicate the county will realize excise stamp tax revenue greater than the FY2021 budget. The FY2021 budget was reduced to \$4.8 million due to anticipated effects of the COVID-19 pandemic. This amendment raises expense and revenue budgets for an additional \$800,000 related to the excise stamp tax to correspond with anticipated revenues and expenditures.

Funding Source:

Excise stamp tax revenue in excess of FY2021 budget

Exhibit A: Account Description	Increase (Decrease)	
	Revenues	Expenditures
Fund 100 - Register of Deeds - 4180:Other Taxes and Licenses	\$ 800,000	
Fund 100 - Expenditures		\$ 800,000
TOTAL	\$ 800,000	\$ 800,000

ATTEST:

**BOARD OF COMMISSIONERS FOR
THE COUNTY OF BUNCOMBE:**


Clerk to the Board

By: 
Chairman of the Board