

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF DARE, NORTH CAROLINA AUTHORIZING THE FINANCE DIRECTOR TO PREPARE AN APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF THE COUNTY'S PROPOSED BOND FINANCING AND TO SUBMIT SUCH APPLICATION TO THE LOCAL GOVERNMENT COMMISSION

WHEREAS, the Board of Commissioners of the County of Dare, North Carolina proposes to set a public hearing on the Bond Order entitled:

"BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,010,000 GENERAL OBLIGATION BONDS OF THE COUNTY OF DARE, NORTH CAROLINA."

WHEREAS, it is necessary, as a condition to the consideration and adoption of the enumerated Bond Order, to submit an Application to the Local Government Commission for Approval of the Bonds, all in the manner required by The Local Government Bond Act.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Dare, North Carolina that the Finance Director is hereby directed to file with the Local Government Commission an application for its approval of the bonds hereinbefore described, on a form prescribed by said Commission, and (1) to request in such application that said Commission approve the County's use of Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina, as bond counsel for the County, and (2) to state in such application such facts and to attach thereto such exhibits in regard to (a) such bonds and (b) the County and its financial condition, as may be required by said Commission.

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF
DARE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT
CONCERNING PROPOSED BOND ISSUE**

WHEREAS, the Board of Commissioners of the County of Dare, North Carolina (the "*Board of Commissioners*") is considering the issuance of bonds of the County of Dare, North Carolina (the "*County*") which shall be for the following purposes and in the following maximum amount:

\$1,010,000 of General Obligation Bonds to provide funds to pay the capital costs of providing land for governmental purposes.

WHEREAS, certain findings of fact by the Board of Commissioners must be presented to enable the Local Government Commission of the State of North Carolina to make certain determinations as set forth in Article 4 of Chapter 159 of the General Statutes, Section 52.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners meeting in open session on the 17th day of April, 2006, has made the following factual findings in regard to this matter:

A. ***Facts Regarding Necessity of Proposed Financing.*** The proposed bonds are necessary and expedient in order to pay the capital costs of providing land for governmental purposes.

B. ***Facts Supporting the Amount of Bonds Proposed.*** The sums estimated for these bonds are adequate and not excessive for the proposed purpose.

C. ***Past Debt Management Policies.*** The County's debt management policies have been carried out in compliance with law. The County employs a full-time Finance Director to oversee compliance with applicable laws relating to debt management. The Board of Commissioners requires annual audits of County finances. In connection with these audits, compliance with laws is reviewed. The County is not in default in any of its debt service obligations. The County Attorney reviews all debt-related documents for compliance with laws.

D. ***Past Budgetary and Fiscal Management Policies.*** The County's budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the Board of Commissioners before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the Board of Commissioners at regular Board of Commissioners meetings. The Finance Director presents financial information to Board of Commissioners which shows budget to actual comparisons annually and otherwise as the County Manager deems necessary or as a member of the Board of Commissioners may request.

E. ***Retirement of Debt.*** The schedule for issuing the bonds does not require a property tax increase. The schedule for issuance calls for issuing all of the bonds in June, 2006.