

## **EXTRACTS FROM MINUTES OF BOARD OF COMMISSIONERS**

The Board of Commissioners for the County of Guilford, North Carolina (the "County") held a regular meeting in the Commissioners' Meeting Room on the Second Floor of 301 W. Market Street, Greensboro, North Carolina 27401, the regular place of meeting, at 5:30 p.m. on September 15, 2016. The following Commissioners were:

Present:

Absent:

\* \* \* \* \*

Motion was made by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_ and carried unanimously, to open the public hearing.

**WHEREAS**, at [5:30] P.M., the Chairman announced that the Board of Commissioners (the "Board") would proceed to hold a public hearing and would hear anyone who wished to be heard on the proposed issuance by the Public Finance Authority (the "Authority"), a unit of government and a body corporate and politic of the State of Wisconsin, of its Retirement Facilities Revenue Refunding Bonds (Well-Spring Retirement Community), Series 2016A and its Retirement Facilities Revenue Bonds (Well-Spring Retirement Community Project), Series 2016B (collectively, the "Bonds"), in an aggregate amount not expected to exceed \$42,000,000;

**WHEREAS**, the Authority has been requested to issue the Bonds and to lend the proceeds from the sale thereof to Well-Spring Retirement Community, Inc. (the "Corporation"), a North Carolina nonprofit corporation;

**WHEREAS**, the Corporation will use such proceeds to (1) refund the outstanding principal amount of (i) the North Carolina Medical Care Commission Health Care Facilities First Mortgage Revenue Refunding Bonds, Series 2003A (Well-Spring Retirement Community Project) (the "2003A Bonds") and (ii) the North Carolina Medical Care Commission Health Care Facilities First Mortgage Weekly Adjustable Rate Revenue Refunding Bonds Series 2003C (Well-Spring Retirement Community Project) (the "2003C Bonds"), (2) refund a taxable bank loan made to the Corporation (the "2011 Loan" and together with the 2003A Bonds and the 2003C Bonds, the "Refunded Indebtedness") (3) expand and renovate resident amenities at the Community (defined below) to include (i) a 28,750 square foot Resident Activity Center, which will include a 350 seat auditorium/theatre along with art and woodworking studios, (ii) a 23,250 square foot dining and kitchen expansion, which will include a new bistro and special occasion room along with a 60 seat lounge with full service bar facilities, (iii) a porte cochere entrance and (iv) a 1,600 square foot auxiliary building dedicated to air conditioning and laundry equipment (collectively, the "2016 Project") and (4) pay certain expenses in connection with the authorization and issuance of the Bonds;

**WHEREAS**, The proceeds of the Refunded Indebtedness were loaned to the Corporation and used to, among other things, refund the North Carolina Medical Care Commission Health Care

Facilities First Mortgage Revenue Bonds (Well-Spring Retirement Community Project), Series 1997 (the “1997 Bonds”);

**WHEREAS**, The proceeds of the 1997 Bonds were loaned to the Corporation and used to, among other things, (1) refund the North Carolina Medical Care Commission Health Care Facilities First Mortgage Revenue Bonds (Well-Spring Retirement Community Project) Series 1991 (the “1991 Bonds”) and (2) (i) construct and equip an additional 61 adult care units and four independent living units at the Community (ii) expand parking areas and renovate portions of the Community which provide support to the health care center of the Community and (iii) convert at the Community 40 adult care units to skilled care units, 20 skilled care units to skilled care dementia units and the clinic to a geriatric assessment center (collectively, the “1997 Project”);

**WHEREAS**, The proceeds of the 1991 Bonds were loaned to the Corporation and used to, among other things, (1) develop, construct, equip and furnish a continuing retirement center at 4100 Well Spring Drive, Greensboro, North Carolina (the “Community”), consisting of 209 residential units (123 apartments located in a mid-rise apartment building, 50 one-story garden homes and 36 one-story villas), a central services building consisting of a dining room, auditorium, post office, library, beauty-barber shop, activity rooms, administrative offices, and physical plant operations and a health care building with 20 nursing beds and 40 personal care beds (collectively, the “1991 Project” and together with the 2016 Project and the 1997 Project, the “Project”) and (2) retire certain existing indebtedness of the Corporation incurred after February 12, 1986 to pay for the acquisition of the site of the 1991 Project;

**WHEREAS**, pursuant to Section 66.0304(11)(a) of the Wisconsin Statutes, prior to their issuance, bonds issued by the Authority must be approved by the governing body or highest ranking executive or administrator of the political jurisdiction within whose boundaries a project is located, which with respect to the Project is the County of Guilford, North Carolina;

**WHEREAS**, the Corporation has requested that the Board approve the financing and refinancing of the Project, and the issuance of the Bonds in an amount not to exceed \$42,000,000 in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010, and Section 66.0304(11)(a) of the Wisconsin Statutes;

**WHEREAS**, on August 31, 2016 a notice of public hearing was published in the *Greensboro News & Record*, setting forth a general, functional description of the type and use of the facilities to be financed and refinanced, the maximum principal amount of the Bonds, the initial owner, operator or manager of the facilities and the location of the facilities, among other things;

**WHEREAS**, the names, address and testimony of the persons who were present and who offered comments on the proposed issuance of the Bond or who responded in writing to the notice of public hearing are as follows:

[None.]

**WHEREAS**, the Chairman of the Board inquired elsewhere in and around the meeting room to determine whether there were any other persons who wished to speak at the public hearing

and the Chairman of the Board determined that no other persons who wished to speak at the public hearing were found; and

**WHEREAS**, the purpose of the above-described public hearing and this resolution is to satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), in order to qualify the interest on the Bonds for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to the applicable provisions of the Code;

After the Board had heard all persons who had requested to be heard, Commissioner \_\_\_\_\_ moved that the public hearing be closed. The motion was adopted unanimously.

Commissioner \_\_\_\_\_ introduced the following resolution, a copy of which had been distributed to each Commissioner:

RESOLUTION APPROVING THE ISSUANCE OF NOT TO EXCEED \$42,000,000 OF TAX-EXEMPT BONDS TO BE ISSUED BY THE PUBLIC FINANCE AUTHORITY TO FINANCE AND REFINANCE CERTAIN COSTS OF VARIOUS PROJECTS ON BEHALF OF WELL-SPRING RETIREMENT COMMUNITY, INC.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR THE COUNTY OF GUILFORD, NORTH CAROLINA:**

Section 1. For the sole purpose of qualifying the interest on the Bonds for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to the applicable provisions of the Code, the Board hereby approves the issuance of the Bonds by the Authority for the purpose of providing funds to finance and refinance the Project, *provided that* in no event shall the County of Guilford, the State of North Carolina or any political subdivision thereof be liable for such Bonds nor shall the Bonds constitute a debt of the County of Guilford, the State of North Carolina or any political subdivision thereof. It is the purpose and intent of the Board that this resolution constitute approval of the issuance of the Bonds by the applicable elected representative of the Project Jurisdiction for the Project, which is the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code and Section 66.0304(11(a) of the Wisconsin Statutes and Section 4 of the Joint Exercise Agreement.

Section 2. This resolution shall take effect immediately upon its passage.

Commissioner \_\_\_\_\_ seconded the motion and the motion was adopted by the following vote:

AYES:

NAYS:

\* \* \* \* \*

**STATE OF NORTH CAROLINA    )**

**COUNTY OF GUILFORD            )**

I, Robin Keller, Clerk to the Board of Commissioners of the County of Guilford, **DO**  
**HEREBY CERTIFY** as follows:

1.       A meeting of the Board of Commissioners of the County of Guilford, located in the State of North Carolina, was duly held September 15, 2016, such meeting having been noticed, held and conducted in accordance with all requirements of law (including open meetings requirements), and minutes of that meeting have been or will be duly recorded in the Minute Book kept by me in accordance with law for the purpose of recording the minutes of the Board.

2.       The attached extract accurately reflects the actions taken by the Board of Commissioners with respect to the matters therein.

3.       The attached extract correctly states the time when the meeting was convened and the place where the meeting was held and the members of the Board who attended the meeting.

**IN WITNESS WHEREOF**, I have hereunto set my hand and have hereunto affixed the seal of the County as of September 15, 2016.

(SEAL)

\_\_\_\_\_  
Clerk to the Board of Commissioners