

Macon County



**MACON COUNTY BOARD OF COMMISSIONERS
AUGUST 13, 2024
6 P.M.
AGENDA**

1. Call to order and welcome by Chairman Shields
2. Announcements
3. Moment of Silence
4. Pledge of Allegiance
5. Public Hearing(s)
 - (A) Funding Franklin High School
 1. Presentation of funding options (5 minutes)
 2. Open Public Hearing
 3. Public Comments (3 minutes per speaker)
 4. Close Public Hearing
 5. Discussion of possible action for funding the Franklin High School project
 6. Consideration and approval of "Preliminary resolution in support of a county financing for the new Franklin High School" and "Resolution providing final approval of terms and documents for financing construction of a new Franklin High School"
 7. Discussion and Approval of Financial Policy Guidelines – Mitch Brigulio, Davenport Public Finance
6. Public Comment Period
7. Additions to agenda
8. Adjustments to and approval of the agenda

9. Reports/Presentations
 - (A) Update on the VAYA Health Tailored Plan – VAYA Health Community Relations Regional Director Shelly Foreman
 - (B) Farmland Protection Plan – Soil and Water Conservation District Director Doug Johnson
10. Old Business
 - (A) Highlands School early design and release cost – Vannoy Construction
 - (B) Consideration and approval of cost estimate for completion of Wesley’s Playground project – Project Coordinator Jack Morgan
 - (C) Discussion and consideration of potential sale or transfer of ownership of Cowee School – County Attorney Eric Ridenour
 - (D) Discussion regarding Soil Erosion and Sedimentation Ordinance – Commissioner Gary Shields
11. New Business
 - (A) Discussion regarding school lunches for Franklin High School and Highlands School – Macon County Schools Nutrition Director David Lightner
12. Consent Agenda – Attachment #12

All items below are considered routine and will be enacted by one motion. No separate discussion will be held except on request of a member of the Board of Commissioners.

 - (A) Minutes of the July 9, 2024 regular meeting
 - (B) Budget Amendments #29-42
 - (C) Macon County Public Health Billing Guide and Fee Plan
 - (D) Ratification of fireworks permit for fireworks display held on August 2, 2024
 - (E) Tax releases for the month of July 2024 in the amount of \$4,515.20
 - (F) Monthly ad valorem tax collection report – no action necessary
13. Appointments - None
14. Closed session as allowed under NCGS 143-318.11
15. Adjourn/Recess

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – PUBLIC HEARINGS

MEETING DATE: August 13, 2024

We have one public hearing on the agenda regarding financing of the new Franklin High School. A copy of the affidavit for notice of public hearing is included in the packet. The notice of public hearing was published in the July 24, 2024 edition of *The Franklin Press*.

Following the close of the public hearing, the board may act to approve a “Preliminary resolution in support of a county financing for the new Franklin High School” and a “Resolution providing final approval of terms and documents for financing construction of a new Franklin High School”. A copy of the resolutions and supporting documentation are included in the packet.

County Manager Derek Roland, Finance Director Lori Carpenter, and County Attorney Eric Ridenour can provide additional details as needed.

Additionally, Mr. Brigulio will discuss the proposed Financial Policy Guidelines for consideration and approval.

Invoice / Affidavit
The Franklin Press
Post Office Box 350
Franklin, NC 28744

STATE OF NORTH CAROLINA
COUNTY OF MACON

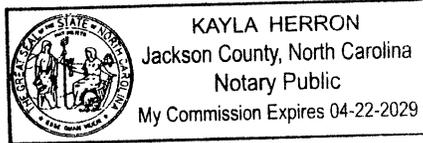
AFFIDAVIT OF PUBLICATION Personally appeared before the undersigned, Rachel Hoskins, who having been duly sworn on oath that she is the Regional Publisher of The Franklin Press, and the following legal advertisement was published in The Franklin Press newspaper, and entered as second class mail in the Town of Franklin in said county and state; and that she is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in The Franklin Press newspaper on the following dates:

FINANCING NEW FRANKLIN
PUBLIC NOTICE
07/24/2024

And that the said newspaper in which such notice, paper, document or legal advertisement was published, was at the time of each and every such publication, a newspaper meeting all the requirements and qualifications of Section I-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of the Section I-597 of the General Statutes of North Carolina.

Rachel Hoskins

Signature of person making affidavit



Sworn to and subscribed before me this 24th day of July, 2024

Kayla Herron

Notary Public

Filed with: MACON CO BD OF COMMISSIONERS
Address: 5 WEST MAIN ST FRANKLIN NC 28734
Total Amount Due: \$75.11

**Macon County, North Carolina
Notice of Public Hearing
Financing for a new Franklin
High School**

The Board of Commissioners (the Board) of Macon County, North Carolina (the County), will hold a public hearing on August 13, 2024, at 6:00 p.m. (or as soon thereafter as the matter may be heard). The purpose of the hearing is to take public comment concerning a proposed financing contract, under which the County would borrow money to pay for a new Franklin High School. The County currently expects to borrow approximately \$76,300,000 for the project, but the final amount may be higher or lower based on the results of the construction bid process and changes in financial market conditions.

The hearing will be held in the Board's usual meeting room, in the Commission Boardroom, on the third floor of the Macon County Courthouse, at 5 West Main Street Franklin, NC 28734.

The proposed financing would be secured by a lien on the new High School (and its associated land), as well as the County's promise to repay the financing, but there would be no recourse against the County or its property (other than the proposed High School and the associated land) if there were a default on the financing. As part of this financing plan, the Macon County Board of Education will transfer the new High School property to the County.

All interested persons will be heard. The County's plans are subject to change based on the comments received at the public hearing and the Board's subsequent discussion and consideration. The County's entering into the financing is subject to the County's obtaining approval from the North Carolina Local Government Commission.

Persons wishing to make written comments in advance of the hearing or wanting more information concerning the subject of the hearing may contact Lori M. Carpenter, Macon County Finance Officer, 5 West Main Street Franklin, NC 28734 (email: lhall@maconnc.org)

07/24/2024 #824919

STATE OF NORTH CAROLINA

COUNTY OF MACON

**Preliminary resolution in support of County financing
for the new Franklin High School**

WHEREAS, the Board of Commissioners of Macon County has previously determined to carry out a project to acquire, construct, equip and finance a new Franklin High School.

WHEREAS, the Board has also made a preliminary determination to finance this project through an installment financing, as authorized under Section 160A-20 of the North Carolina General Statutes. In an installment financing, the County's repayment obligation is secured by a mortgage-type interest in all or part of the property being financed, but not by any pledge of the County's taxing power or any specific revenue stream. In this case, the County expects that the new High School and its real estate will serve as the collateral.

State law requires that the County's financing be approved by the North Carolina Local Government Commission, a division of the North Carolina State Treasurer's office. Under the LGC's guidelines, this governing body must make certain findings of fact to support the County's application for the LGC's approval of the County's financing arrangements.

1. The Macon County Board of Commissioners RESOLVES, as follows:

(a) The County makes a preliminary determination to finance approximately \$76,300,000 to pay project costs.

(b) The Board will determine the final amount to be financed by a later resolution. The final amount financed may be higher or lower than \$76,300,000, depending on final results of project construction bidding and other factors. Some of the financing proceeds may represent reimbursement to the County for prior expenditures on project costs, and some proceeds may be used to pay financing expenses or to provide any appropriate reserves.

2. The Board makes the following findings of fact in support of the County's application to the LGC:

(a) The proposed project is necessary and appropriate for the County under all the circumstances.

(b) The proposed installment financing is preferable to a bond issue for the same purposes. This financing is for a discrete facility and is therefore particularly suitable for installment financing.

The County has no meaningful ability to issue non-voted general obligation bonds for this project. This project will produce no revenues that could be used to support a self-liquidating financing. The County expects that in the current interest rate environment for municipal securities there would be no material difference in the overall financing costs between general obligation bonds and installment financings for this project.

(c) The estimated sums to fall due under the proposed financing contract are adequate and not excessive for the proposed purpose. The County will closely review proposed financing rates against market rates with guidance from the LGC and the County's financial adviser. All amounts financed will reflect either approved contracts, previous actual expenditures, or professional estimates. In addition, the availability of \$62 million in State grant funds for the High School project makes the overall project cost to the County not excessive.

(d) As confirmed by the County's Finance Officer, (i) the County's debt management procedures and policies are sound and in compliance with law, and (ii) the County is not in default under any of its debt service obligations.

(e) Given the County's need for the project, the Board believes that the effect on the County's budget and the tax rate from repaying the borrowed money will be reasonable under all the circumstances. The Board will work to minimize the tax rate impact in a manner consistent with moving forward with the project and addressing the full range of County needs.

(f) The County Attorney is of the opinion that the proposed project is authorized by law and is a purpose for which public funds of the County may be expended pursuant to the Constitution and laws of North Carolina.

3. Additionally, the Board resolves as follows:

(a) The County intends that the adoption of this resolution will be a declaration of the County's official intent to reimburse project expenditures from financing proceeds. The County intends that funds that have been advanced for project costs, or which may be so advanced, from the County's general fund, its school capital reserve fund, or any other County fund, may be reimbursed from the financing proceeds.

(b) The Board directs the County Manager and the Finance Officer to take all appropriate steps toward the completion of the financing, including completing an application to

the LGC for its approval of the proposed financing. The Board ratifies all prior actions of County representatives in this regard.

(c) This resolution takes effect immediately.

Adopted at the August 13, 2024, Regular Meeting of the Macon County Board of Commissioners.

Gary Shields, Chairman, Macon County Board of
County Commissioners

ATTEST:

Derek Roland, Macon County Manager
and Clerk to the Board

(Official Seal)

STATE OF NORTH CAROLINA

COUNTY OF MACON

Resolution providing final approval of terms and documents for financing construction of a new Franklin High School

WHEREAS, the Board of Commissioners (the "Board") of Macon County, North Carolina (the "County") has previously determined to carry out a project to acquire, construct, equip and finance a new Franklin High School (the "New High School"); and

WHEREAS, the Board has determined to finance this undertaking by using an installment financing, as authorized under Section 160A-20 of the North Carolina General Statutes. In an installment financing, the County secures the financing by its promise to pay and a mortgage-like interest in some or all of the property to be acquired or improved, but not by a pledge of specific revenues or the County's taxing power. The County's financing plan also includes the use of limited obligation bonds, which represent interests in County payments that can be sold to investors; and

WHEREAS, County staff has made available to the Board the draft documents listed on Exhibit A (the "Documents"), as well as a draft of an official statement designed to provide information about the County and the financing to prospective investors in the bonds. These items all relate to the County's carrying out the financing plan; and

WHEREAS, this resolution provides the Board's final approval of the financing terms and the substantially final financing documents, and authorizes County staff to complete the financing process.

The Board of Commissioners of Macon County, North Carolina, RESOLVES, as follows:

1. *Determination To Proceed with Financing* -- The Board confirms its decision to carry out the proposed installment financing for the New High School. Under the financing plan, the County will receive funds from the sale of the bonds to carry out the project. The County will repay the funds over time, with interest. The

County will secure its repayment obligation by granting a mortgage-like interest in the New High School.

2. Acceptance of Property Transfer – The County agrees to accept title to the New High School and its associated real property to facilitate the financing arrangements.

3. Approval of Documents; Direction To Execute Documents -- The Board approves the forms of the Documents submitted to this meeting. The Board authorizes the Board Chairman and the County Manager, or either of them, to execute and deliver the Documents when in final form. The Documents in their respective final forms must be in substantially the forms presented, with changes as the Chairman or the County Manager may approve. The execution and delivery of any Document by an authorized County officer will be conclusive evidence of that officer’s approval of any changes.

The Documents in final form, however, must be consistent with the financing plan described in this resolution and must provide (a) for the amount financed by the County not to exceed \$76,300,000, (b) for a true interest cost of the financing not to exceed 5.50%, and (c) for a financing term not to extend beyond December 31, 2044. The amount financed may include amounts to pay financing expenses and other necessary and incidental costs.

3. Sale of Bonds; Approval of Official Statement – The Board appoints Robert W. Baird & Co. Incorporated, as senior manager, and Wells Fargo Securities, as co-manager, to serve as underwriters for a public offering of the bonds.

The Board approves the draft official statement submitted to this meeting as the form of the preliminary official statement pursuant to which the underwriters will offer the bonds for sale. The preliminary official statement distributed to prospective investors must be in substantially the form presented, with such changes as the Finance Officer may approve. The Board directs the Finance Officer, after the sale of the Bonds, to complete and otherwise prepare the preliminary official statement as an official statement in final form.

The Board authorizes the use of the preliminary official statement and the final official statement (collectively, the “Official Statement”) by the underwriters in

connection with the sale of the bonds.

The Board acknowledges that it is the County's responsibility, and ultimately the Board's responsibility, to ensure that the Official Statement neither contains an untrue statement of a material fact nor omits to state a material fact required to be included therein for the purpose for which the Official Statement is to be used or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

4. Officers To Complete Closing – The Board authorizes the County Manager, the Finance Officer and all other County officers and employees to take all proper steps to complete the financing in accordance with this resolution.

The Board authorizes the County Manager to hold executed copies of all financing documents authorized by this resolution in escrow on the County's behalf until the conditions for their delivery have been completed to his satisfaction, and then to release the executed documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the previous paragraphs, the Board specifically authorizes the County Manager (a) to approve and enter into, on behalf of the County, any additional agreements appropriate to carry out the financing plan contemplated by this resolution, and (b) to approve changes to any documents previously signed by County officers or employees, provided that the changes do not substantially alter the intent from that expressed in the form originally signed. The County Manager's authorization of the release of any document for delivery will constitute conclusive evidence of his approval of any changes.

In addition, the County Manager and the Finance Officer are authorized to take all appropriate steps for the efficient and convenient carrying out of the County's on-going responsibilities with respect to the financing. This authorization includes, without limitation, contracting with third parties for reports and calculations that may be required under the Documents, this resolution or otherwise with respect to the financing.

5. Additional Provisions – The Board authorizes all County officers and employees to take all further action as they may consider desirable to carry out the

purposes of this resolution. In particular, the Board directs the Clerk to this Board to apply the County's seal to the final form Documents, and to attest to the application of the seal. The Board ratifies all prior actions of County officers and employees to this end. Upon the unavailability or refusal to act of the County Manager, the Chairman or the Finance Officer, any other of those officers may assume any responsibility or carry out any function assigned in this resolution. In addition, the Vice Chairman or any Deputy or Assistant Clerk may carry out or exercise any rights or responsibilities assigned in this resolution to the Chairman or the Clerk. The Board repeals all other Board proceedings, or parts of proceedings, in conflict with this resolution, to the extent of the conflict. This resolution takes effect immediately.

Adopted at the August 13, 2024, Regular Meeting of the Macon County Board of Commissioners.

Gary Shields, Chairman, Macon County Board of
County Commissioners

ATTEST:

Derek Roland, Macon County Manager
and Clerk to the Board

(Official Seal)

Exhibit A -- Draft Documents

(a) A draft dated July 26, 2024, of a Trust Agreement to be dated on or about September 1, 2024, between the County and U.S. Bank Trust Company, National Association (the “Trustee”). This instrument provides for the advance of funds to the County, for the issuance of the limited obligation bonds, for the County’s obligation to repay the amounts advanced, and for the County’s responsibilities for the use and care of the collateral. The Trustee keeps certain official records for the bonds, processes bond payments and other payments, and acts as a representative of the bondholders.

(b) A draft dated July 26, 2024, of a Deed of Trust and Security Agreement to be dated on or about September 1, 2024, from the County to a deed of trust trustee for the Trustee’s benefit. This instrument provides for a security interest in the New High School property to secure the County’s repayment obligations and its other obligations under the financing documents.

(c) A draft of a Bond Purchase Agreement to be dated on or about September 11, 2024, providing for the underwriters’ obligation to purchase the bonds. The final form of this Agreement will set out the final principal amount, principal payment schedule and interest rates for the bonds, and the other terms and conditions for the underwriters’ obligation to purchase the bonds.

s☆h draft of July 26

Prepared by and return after recording to:

Robert M. Jessup Jr.
Sanford Holshouser LLP
209 Lloyd St., Suite 350
Carrboro, NC 27510

Brief description:

STATE OF NORTH CAROLINA))	The collateral is or includes fixtures.
MACON COUNTY)	This Deed of Trust secures future advances.

THIS DEED OF TRUST AND SECURITY AGREEMENT (this "Deed of Trust") is dated as of September 1, 2024, and is granted by **MACON COUNTY, NORTH CAROLINA**, a political subdivision of the State of North Carolina (the "County"), to _____, as trustee (the "Deed of Trust Trustee"), for the benefit of **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, AS TRUSTEE** ("US Bank").

RECITALS:

The County is issuing its [\$70,500,000] Limited Obligation Bonds, Series 2024 (the "Bonds"), under a Trust Agreement dated as of September 1, 2024 (the "Trust Agreement"), between the County and US Bank, as trustee. The County is issuing the Bonds to provide funds, to be used together with other available funds, to acquire, construct, equip and finance a new Franklin High School.

To secure its obligations under the Trust Agreement and with respect to the Bonds, the County is providing for the conveyance by this Deed of Trust of the real property described in Exhibit A, all improvements to that real property (the "Pledged Facilities," as more particularly defined below), and the other "Mortgaged Property," as defined below.

The Mortgaged Property includes the property described in Exhibit A. The County is the record owner of the property described in Exhibit A.

This Deed of Trust is given to secure current advances under the Trust Agreement of [\$70,500,000], as well as potential future advances in the total maximum principal amount of \$125,000,000. The time during which such future advances may be made is 30 years from September 1, 2024. The current scheduled date for final repayment is on or about October 1, 2044.

NOW, THEREFORE,

(1) in consideration of the execution and delivery of the Trust Agreement and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge,

(2) to secure the County's performance of all its covenants under this Deed of Trust, the Bonds and the Trust Agreement, including the repayment of amounts advanced under the Trust Agreement, and

(3) to charge the Mortgaged Property with this payment and performance,

the County sells, grants and conveys to the Deed of Trust Trustee, her successors and assigns forever, in trust, with power of sale, the following (collectively, the "Mortgaged Property"):

(a) the property described in Exhibit A and any real property later acquired by the County in exchange for, or in consideration of the exchange of, or with the proceeds from any disposition of, all or any part of any property described in this paragraph, and in all cases together with all easements, rights, rights-of-way and appurtenances belonging to any of that property (collectively, the "Pledged Sites"); and

(b) all buildings and other improvements and fixtures (including any "Fixtures," as defined in Section 1-4) now or later attached to or used in or on those improvements or the Pledged Sites, including (i) all renewals, replacements, and additions, (ii) all articles in substitution, (iii) all building materials for construction, improvement, modification or repair of improvements upon their delivery to the Pledged Sites, and (iv) all proceeds of all the foregoing in whatever form resulting from the loss or disposition of the foregoing, including all proceeds of and unearned premiums for any insurance policies covering the Pledged Sites and the improvements, proceeds of title insurance and payments related to the exercise of condemnation or eminent domain authority, and all judgments or settlements in lieu of any of the foregoing (collectively, the "Pledged Facilities");

TO HAVE AND TO HOLD the Mortgaged Property with all privileges and appurtenances belonging thereto, to the Deed of Trust Trustee, her successors and assigns forever, upon the trusts, terms and conditions and for the purposes set out below, in fee simple in trust;

SUBJECT, HOWEVER, to the existing encumbrances described in Exhibit B;

BUT THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST: if the County pays its "Obligations," as defined below, in full in accordance with the Trust Agreement, the Bonds and this Deed of Trust, and the County complies with all the terms, covenants and conditions of the Trust Agreement, the Bonds and this Deed of Trust, this conveyance will be null and void and will be canceled of record at the County's request and cost, and title will revert as provided by law;

BUT IF, HOWEVER, THERE OCCURS AN EVENT OF DEFAULT UNDER THE "DOCUMENTS," as defined below, then US Bank will have the remedies provided for in this Deed of Trust, including directing the Deed of Trust Trustee to sell the Mortgaged Property under power of sale.

THE COUNTY COVENANTS AND AGREES with the Deed of Trust Trustee and US Bank (and their respective heirs, successors and assigns), in consideration of the foregoing, as follows:

1. Warranties of Title; Security Provided by this Deed of Trust

1-1 Warranties of Title. The County covenants with the Deed of Trust Trustee and US Bank that the County is seized of and has the right to convey the Mortgaged Property in fee simple, that the Mortgaged Property is free and clear of all liens and encumbrances other than Permitted Encumbrances (as defined in the Trust Agreement), that title to the Mortgaged Property is marketable, and that the County will forever warrant and defend title to the Mortgaged Property (subject to the Permitted Encumbrances) against the claims of all persons.

1-2 Security for Payment and Performance. The County is delivering this Deed of Trust (a) to secure the County's payment, as and when the same become due and payable, of all amounts payable by the County (the "Obligations") under (i) the Trust Agreement, (ii) this Deed of Trust, (iii) the Bonds, and (iv) any Additional Bonds, as defined in the Trust Agreement, as may be executed and delivered pursuant to the Trust Agreement, and all supplements to the Trust Agreement and this Deed of Trust that the County may execute and deliver in connection with the issuance of any Additional Bonds (all together, the "Documents"), and (b) to secure the County's timely and full compliance with all terms, covenants and conditions of the Documents.

1-3 Present and Future Advances. This Deed of Trust is executed to secure all the County's present and future obligations to the Trustee related to the Mortgaged Property. The making of future advances is subject to the terms and conditions of the Trust Agreement and this Deed of Trust. The amount of the present obligations secured by this Agreement is [\$70,500,000] and the total amount, including present and future obligations, that may be secured by this Deed of Trust at any one time is \$125,000,000. The period within which future obligations may be incurred is 30 years from September 1, 2024.

The provisions in this Deed of Trust for future advances are made only to facilitate the possible financing of additions or improvements to the Mortgaged Property, to refinance the present obligations or otherwise as provided for under the Trust Agreement. As of the date of this Deed of Trust there is no agreement or obligation by the County to borrow, or for any person to lend, any additional funds beyond the [\$70,500,000] that constitutes the present obligations.

1-4 Security Interest in Fixtures. This Deed of Trust is intended to be a security agreement pursuant to the Uniform Commercial Code as in effect in North Carolina for the “Fixtures,” as defined below. The County grants to US Bank and the Deed of Trust Trustee a security interest in the Fixtures to secure the Obligations.

Upon the occurrence of an Event of Default under this Deed of Trust or the Trust Agreement, US Bank or the Deed of Trust Trustee is entitled to exercise all rights and remedies of a secured party under the Uniform Commercial Code as in effect in North Carolina and may proceed as to the Fixtures in the same manner as provided in this Deed of Trust for the real property.

The “Fixtures” are all items of personal property attached or affixed to the Pledged Facilities in such a manner that removing the items would cause damage to the Pledged Facilities. The Fixtures may include plumbing, heating, lighting, electrical, laundry, ventilating, refrigerating, incinerating, air-conditioning, fire and theft protection and sprinkler equipment, and include all renewals and replacements and all additions, and all articles in substitution of any such property, and all proceeds of all the foregoing in whatever form.

The County is not obliged to renew, repair or replace any undesirable or unnecessary Fixture. If the County determines that any Fixture has become undesirable or unnecessary, the County may remove that Fixture from the Pledged Facilities and sell, trade-in, exchange or otherwise dispose of it (in whole or in part), with an amount equivalent to the fair market value of the Fixture as removed becoming Net Proceeds and subject to the provisions of Section 5.16 of the Trust Agreement.

With respect to those items of the Mortgaged Property that are or are to become Fixtures, this Deed of Trust constitutes a financing statement filed as a fixture filing. The County agrees that the security interest in the Fixtures granted in this Section 1-4 is in addition to, and not in lieu of, any security interest in the Fixtures acquired by real property law. The Fixtures are located on the land described on Exhibit A, and the County is the record owner of that land. The name and address of the County, as debtor, and US Bank and the Deed of Trust Trustee, as secured parties, are set forth in Section 5-1. The County agrees to execute, deliver and file, or cause to be filed, in such place or places as may be requested by US Bank or the Deed of Trust Trustee, any additional financing statements (including any

continuation statements) in whatever form any party may reasonably request to evidence the security interest provided for in this Section.

1-5 County's Obligation Limited. Notwithstanding any other provision of this Deed of Trust, the parties intend that this transaction will comply with North Carolina General Statutes Section 160A-20. No deficiency judgment may be entered against the County in violation of Section 160A-20.

No provision of this Deed of Trust is to be construed or interpreted as creating a pledge of the County's faith and credit within the meaning of any constitutional debt limitation. No provision of this Deed of Trust should be construed or interpreted as an illegal delegation of governmental powers, nor as an improper donation or lending of the County's credit within the meaning of the North Carolina constitution. The County's taxing power is not and may not be pledged, directly or indirectly contingently, to secure any moneys due under this Deed of Trust.

No provision of this Deed of Trust restricts the County's future issuance of any of its bonds or other obligations payable from any class or source of the County's moneys, except to the extent the "Documents," as defined in Section 1-2, restrict the incurrence of additional obligations secured by the Mortgaged Property.

Nothing in this Section is intended to impair or prohibit foreclosure on this Deed of Trust if the Obligations are not paid when due or otherwise upon the occurrence of an Event of Default under this Deed of Trust or the Trust Agreement.

To the extent of any conflict between this Section and any other provision of this Deed of Trust, this Section takes priority.

1-6 No Transfers; Releases; Grants of Easements and Similar Interests

(a) The County shall not sell, transfer or encumber any interest in any Mortgaged Property, except as otherwise permitted by the Trust Agreement or this Deed of Trust. This prohibition applies whether the sale, transfer, or encumbrance is of a legal or an equitable interest, is voluntary, involuntary, by operation of law, or otherwise, and includes any encumbrance that is not a Permitted Encumbrance. US Bank may take any action it deems appropriate to prevent or rescind any unauthorized sale, transfer or encumbrance.

(b) US Bank is required, upon the County's direction and at any time, to execute and deliver all documents necessary to effect the release of all or any portion of the Mortgaged Property from the lien of this Deed of Trust upon the County's compliance with the requirements of this Section. No consent or acknowledgment by the Deed of Trust Trustee is required for any release under this Section.

(c) To obtain a release, the County must file with US Bank a County Certificate (i) stating that (A) no Event of Default is continuing, (B) the release will not materially impair the intended use of the property remaining subject to this Deed of Trust, and (C) the release complies with the requirements of this Section, (ii) providing a copy of the proposed instrument of release, (iii) directing the execution and delivery of the instrument, and (iv) providing evidence of compliance with (v) or (vi) below. US Bank may not release any property pursuant to this subsection (c) during the continuation of an Event of Default.

(v) In the case of a proposed release of all the Mortgaged Property, the County must pay to US Bank, or to some other fiduciary reasonably acceptable to US Bank, an amount (A) that is sufficient to provide for the payment in full of all Bonds Outstanding and any other Obligations and (B) that is required to be used for that payment.

(vi) In the case of a proposed release of a portion (but less than all) of the Mortgaged Property, the County must provide evidence to US Bank that the appraised, taxable or insured value (and the County may provide different evidence for different portions) of that portion of the Mortgaged Property that is proposed to remain subject to the lien of this Deed of Trust will not be less than 50% of the aggregate principal component of the Bonds Outstanding at the time the release is effected.

(d) The County may make the following grants and dispositions, so long as the grant or disposition will not materially impair the intended use of the Pledged Facilities, and without regard to subsection (c) above.

(i) The County may from time-to-time grant easements, licenses, rights-of-way and other similar rights with respect to any part of the

Mortgaged Property, and the County may release similar interests, with or without consideration.

(ii) The County may dispose of any undesirable or unnecessary Fixture as provided in Section 1-4.

1-7 Construction Mortgage. The parties intend that the security interest evidenced by this Deed of Trust will be a "construction mortgage" with respect to the Pledged Facilities within the meaning of Section 25-9-334 of the North Carolina General Statutes.

2. County's Payment Obligations

2-1 Payment of Obligations; Compliance with Covenants. The County will pay the Obligations as and when the same become due and payable in the manner set forth in this Deed of Trust and in the Trust Agreement and will comply in all respects with all the terms of the Documents.

2-2 Payment of Costs and Legal Fees. (a) If the Deed of Trust Trustee or US Bank employs an attorney to assist in the enforcement or collection of any Obligations, or if the Deed of Trust Trustee or US Bank voluntarily or otherwise becomes a party to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Mortgaged Property, to protect the lien of this Deed of Trust, to enforce collection of the Obligations, or to enforce compliance by the County with any of the provisions of the Documents, then the County will pay reasonable legal fees and costs that the Deed of Trust Trustee or US Bank may reasonably have incurred (whether or not any suit or proceeding is commenced). The County's repayment of all amounts paid for any such purpose, together with interest at the annual rate of 4.00% (calculated on the basis of a 360-day year consisting of twelve 30-day months), is secured as an Obligation under this Deed of Trust.

(b) If any suit or proceeding described in subsection (a) is adverse to the County, however, then the County has this liability only if the Deed of Trust Trustee or US Bank, as the case may be, is a prevailing party in the suit or proceeding.

2-3 Advances for Performance of County's Obligations. If the County fails to perform any of its obligations under the Documents, then the Deed of Trust

Trustee and US Bank are authorized, but not obligated, to perform the obligation or cause it to be performed. The County must repay any amounts paid for any such purpose. The County's repayment of all those amounts, together with interest at the annual rate of 4.00% (calculated on the basis of a 360-day year consisting of twelve 30-day months), is secured as an Obligation under this Deed of Trust.

3. The Deed of Trust Trustee

3-1 No Liability for Deed of Trust Trustee. The Deed of Trust Trustee will suffer no liability by her acceptance of this trust except as may be incurred because of any failure on her part to account for the proceeds of any sale under this Deed of Trust.

3-2 Resignation. The Deed of Trust Trustee may resign at any time by giving notice to the County and US Bank under Section 5-1.

3-3 Substitute Trustees. If any Deed of Trust Trustee dies, becomes incapable of acting or renounces the trust, or if for any reason US Bank desires to replace any Deed of Trust Trustee, then US Bank has the unqualified right to appoint one or more substitute or successor Deed of Trust Trustees by instruments filed for registration in the office of the Register of Deeds where this Deed of Trust is recorded. US Bank may make any removal or appointment at any time without notice, without specifying any reason, and without any court approval. Any appointee becomes vested with title to the Mortgaged Property and with all rights, powers, and duties conferred upon the Deed of Trust Trustee by this Deed of Trust in the same manner and to the same effect as if that Deed of Trust Trustee had been named as the original Deed of Trust Trustee.

4. Defaults and Remedies; Foreclosure

4-1 Defaults and Remedies. During the continuation of an Event of Default under the Trust Agreement, US Bank may pursue its rights and remedies as provided under the Trust Agreement and this Deed of Trust.

4-2 Foreclosure; Sale under Power of Sale.

(a) *Right to foreclosure or sale.* During the continuation of an Event of Default, at US Bank's request, the Deed of Trust Trustee must foreclose this Deed of

Trust by judicial proceedings or, at US Bank's option, the Deed of Trust Trustee must sell (and is empowered to sell) all or any part of the Mortgaged Property at public sale to the last and highest bidder for cash (free of any equity of redemption, homestead, dower, curtesy or other exemption, all of which the County expressly waives to the extent permitted by law) after compliance with applicable State laws relating to foreclosure sales under power of sale. The Deed of Trust Trustee will execute and deliver a proper deed or deeds to the successful purchaser at any sale. If only a part of the Mortgaged Property is sold, the partial sale in no way adversely affects the lien created by this Deed of Trust against the remainder.

(b) *US Bank's bid.* US Bank may bid and become the purchaser at any sale under this Deed of Trust. Instead of paying cash, US Bank may make settlement for the purchase price by crediting against the Obligations the bid price net of sale expenses, including the Deed of Trust Trustee's commission, and after payment of any taxes and assessments as may be a lien on the Mortgaged Property superior to the lien of this Deed of Trust (unless the Mortgaged Property is sold subject to those liens and assessments, as provided by law).

(c) *County's bid.* The County may bid for all or any part of the Mortgaged Property at any foreclosure sale. The County, however, may not bid less than an amount sufficient to provide for full payment of the Obligations, unless US Bank consents in writing.

(d) *Successful bidder's deposit.* At any sale, the Deed of Trust Trustee may, at her option, require any successful bidder (other than US Bank) immediately to make a deposit with the Deed of Trust Trustee against the successful bid in the form of cash or a certified check in an amount of up to 5% of the sale price. The advertised notice of sale need not include notice of this requirement.

(e) *Application of sale proceeds.* The Deed of Trust Trustee must apply the proceeds of any foreclosure sale in the manner and in the order prescribed by State law. The parties agree (i) that the sale expenses will include a commission to the Deed of Trust Trustee equal to one-half of one percent of the gross sales price for all services performed by the Deed of Trust Trustee under this Deed of Trust, and (ii) that any sale proceeds remaining after the prior application of the proceeds in accordance with State law, including to the payment of the Obligations, will be paid to the County.

4-3 Possession of Mortgaged Property. During the continuation of an Event of Default, upon US Bank's demand the County must deliver possession of the Mortgaged Property to US Bank. In addition, the County must surrender possession of the Mortgaged Property to the purchaser of the Mortgaged Property at any judicial or foreclosure sale under this Deed of Trust.

During the continuation of an Event of Default, US Bank, to the extent permitted by law, is also authorized to (a) take possession of the Mortgaged Property, with or without legal action, (b) lease the Mortgaged Property, (c) collect all rents and profits from the Mortgaged Property, with or without taking possession of the Mortgaged Property, and (d) after deducting all costs of collection and administration expenses, apply the net rents and profits to the payment of necessary maintenance and insurance costs, and then apply all remaining amounts to the County's account and in reduction of the Obligations.

US Bank will be liable to account only for rents and profits it receives. US Bank may take any action permitted under this Section with respect to all or any portion of the Mortgaged Property, as it may elect.

4-4 No Remedy Exclusive; Delay not Waiver. All remedies under this Deed of Trust are cumulative and may be exercised concurrently or separately. The exercise of any one remedy is not an election of that remedy as an exclusive remedy, nor does the exercise of one remedy preclude the exercise of any other remedy. If any Event of Default occurs and is later waived by the other party or parties, that waiver is limited to the default waived and does not constitute a waiver of any other default. The Deed of Trust Trustee and US Bank may exercise every power or remedy given by this Deed of Trust from time to time as often as the Deed of Trust Trustee or US Bank may deem expedient.

5. Additional Provisions

5-1 Notices.

(a) Any communication provided for in this Deed of Trust must be in English and must be in writing. "Writing" includes electronic mail but does not include facsimile transmission.

(b) For the purposes of this Deed of Trust, any communication sent by electronic mail will be deemed to have been given on the date the communication is similarly acknowledged by a County Representative (in the case of the County) or other authorized representative (in the case of any other party). No such communication will be deemed given or effective without such an acknowledgment. Any electronic communication to the Trustee is subject to the provisions of Section _____ of the Trust Agreement.

(c) Any other communication under this Supplemental Agreement will be deemed given on the delivery date shown on a United States Postal Service certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

(i) if to the County, to Macon County, Attn: County Manager, Re: Notice for 2024 LOBs Financing, 5 West Main St., Franklin, NC 28734

(ii) if to US Bank, to U.S. Bank Trust Company, National Association, Attention: Corporate Trust Services, Regarding: Notice under 2024 LOBs Financing for Macon County (North Carolina), 214 North Tryon Street, 27th Floor, Charlotte, North Carolina 28202

(iii) if to the Deed of Trust Trustee, to Deed of Trust Trustee, c/o U.S. Bank Trust Company, National Association, Attention: Corporate Trust Services, Regarding: Notice under 2024 LOBs Financing for Macon County (North Carolina), 214 North Tryon Street, 27th Floor, Charlotte, North Carolina 28202

(iv) If to the LGC, to the North Carolina Local Government Commission, Attn: Secretary of the Commission, Re: Notice for 2024 Macon County Financing, Longleaf Building, 3200 Atlantic Ave., Raleigh, NC 27604

(d) Any addressee (including the LGC) may designate additional or different addresses for communications by notice given under this Section to each of the others. No notice need be delivered to the Deed of Trust Trustee for any notice or action to be effective, but the County must send copies of any notices it sends to the Deed of Trust Trustee also to the Trustee.

(e) Whenever this Deed of Trust requires the giving of a notice, the person entitled to receive the notice may waive the notice, in writing. The giving or receipt

of the notice will then not be a condition to the validity of any action taken in reliance upon the waiver.

5-2 Successors; Assignments. This Deed of Trust is binding upon, will inure to the benefit of, and is enforceable by the County, the Trustee, any registered owner of Bonds, and by the Deed of Trust Trustee, and by their respective successors and assigns.

5-3 No Marshalling. The County waives all rights to require marshalling of assets in connection with the exercise of any remedies provided in this Deed of Trust or as permitted by law.

5-4 Definitions. All capitalized terms used in this Deed of Trust and not otherwise defined have the meanings ascribed to them in the Trust Agreement.

5-5 Governing Law; Forum. The County, US Bank and the Deed of Trust Trustee intend that North Carolina law will govern this Deed of Trust and all matters of its interpretation. To the extent permitted by law, the County, US Bank and the Deed of Trust Trustee agree that any action brought with respect to this Deed of Trust must be brought in the North Carolina General Court of Justice in Macon County, North Carolina.

5-6 Limitation of Liability of Officers and Agents. No officer, agent or employee of the County, US Bank or the Deed of Trust Trustee will be subject to any personal liability or accountability by reason of the execution of this Deed of Trust or any other documents related to the transactions contemplated by this Deed of Trust. Those officers or agents are deemed to execute documents in their official capacities only, and not in their individual capacities. This Section does not relieve any officer, agent or employee from the performance of any official duty provided by law.

5-7 Covenants Run with the Land. All covenants contained in this Deed of Trust run with the real estate encumbered by this Deed of Trust.

5-8 Further Instruments. Upon the request of US Bank or the Deed of Trust Trustee, the County will execute, acknowledge and deliver any further instruments reasonably necessary or desired by US Bank or the Deed of Trust Trustee to carry out more effectively the purposes of this Deed of Trust or any other

document related to the transactions contemplated by this Deed of Trust, and to subject to the liens and security interests of this Deed of Trust all or any part of the Mortgaged Property intended to be given or conveyed, whether now given or conveyed or acquired and conveyed subsequent to the date of this Deed of Trust.

5-9 Severability. If any provision of this Deed of Trust is determined to be unenforceable, that will not affect any other provision of this Deed of Trust.

5-10 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, is not a Business Day, that payment may be made, or act performed or right exercised, on or before the next succeeding Business Day.

5-11 Entire Agreement; Amendments. This Deed of Trust, together with the other Documents, constitutes the County's entire agreement with the Trustee and the Deed of Trust Trustee with respect to its general subject matter. This Deed of Trust may not be changed except in accordance with Article XIII of the Trust Agreement. The consent of the Deed of Trust Trustee is not required for any changes.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the County has caused this instrument to be signed, sealed and delivered by duly authorized officers, all as of September 1, 2024.

(SEAL)

ATTEST:

**MACON COUNTY,
NORTH CAROLINA**

Tammy Keezer
Deputy Clerk, Board of Commissioners

By: _____
Derek Roland
County Manager

* * * * *

**STATE OF NORTH CAROLINA;
MACON COUNTY**

I, a Notary Public of such County and State, certify that Derek Roland and Tammy Keezer personally came before me this day and acknowledged that they are the County Manager and the Deputy Clerk of the Board of Commissioners, respectively, of Macon County, North Carolina, and that by authority duly given and as the act of such County, the foregoing instrument was signed in the County's name by such County Manager, sealed with its corporate seal and attested by such Deputy Clerk.

WITNESS my hand and official stamp or seal, this ____ day of September, 2024.

[SEAL]

Notary Public

My commission expires: _____

[Deed of Trust and Security Agreement
dated as of September 1, 2024, for the benefit of
U.S. Bank Trust Company, National Association, as trustee]

EXHIBIT A - Pledged Sites Description

EXHIBIT B -- Existing Encumbrances

s☆h draft of July 26

TRUST AGREEMENT

by and between

MACON COUNTY, NORTH CAROLINA

and

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee**

Relating to the execution and delivery of

**[\$70,500,000]
Limited Obligation Bonds
Series 2024**

Dated as of September 1, 2024

THIS AGREEMENT (this "Agreement") is dated as of September 1, 2024, is between **MACON COUNTY, NORTH CAROLINA**, a North Carolina political subdivision (the "County"), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, as trustee (the "Trustee"), and relates to the issuance of [\$70,500,000] Limited Obligation Bonds (the "2024 Bonds").

RECITALS:

The County is issuing bonds pursuant to this Agreement to provide funds to be used, together with other available funds, on a project (the "Project") to acquire, construct, equip and finance a new Franklin High School and to pay financing costs, all as described in Exhibit A. In accordance with the County's authority under Section 160A-20 of the North Carolina General Statutes, the, the County will secure its obligations under this Agreement and the Bonds by a security interest in the Pledged Facilities and the Pledged Sites (each as defined in Exhibit B).

This Agreement provides for the issuance of the 2024 Bonds, the County's obligation to pay the 2024 Bonds, the security for the 2024 Bonds, the County's obligation to care for the collateral and other related matters.

Unless the context clearly requires otherwise, capitalized terms used in this Agreement and not otherwise defined have the meanings set forth in Exhibit B.

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

ARTICLE I

THE BONDS

Section 1.01. Provision for 2024 Bonds; Advance. (a) The County will issue, and the Trustee will authenticate and deliver, 2024 Bonds in an aggregate principal amount of [\$70,500,000].

(b) The County will receive a total of \$_____ (the "Amount Advanced") from the sale of the 2024 Bonds. The County will use the Amount Advanced as provided in this Agreement to pay Project Costs.

Section 1.02. Bonds Constitute Installment Contracts. Each of the Bonds, together with the County’s corresponding obligations under this Agreement and the Deed of Trust, constitutes a separate “installment contract” within the meaning of Section 160A-20 between the County and the owner of that Bond. The County’s payment obligations, and its other obligations under this Agreement and with respect to the Bonds, are secured by the lien on the Mortgaged Property created under the Deed of Trust and by the other security provided for in this Agreement. The security for each Bond ranks on parity with the security for every other Bond.

Section 1.03. Form and Details; Payments. The 2024 Bonds will be designated "Limited Obligation Bonds, Series 2024," and will be in substantially the form of Exhibit C, with any changes as this Agreement permits or requires. The 2024 Bonds will be numbered R-1 upward for identification. The 2024 Bonds are payable as to interest semiannually until payment on each Payment Date at the following rates (calculated based on a 360-day year consisting of twelve 30-day months), and are payable as to principal on October 1 in the following years and amounts:

<u>Maturity Date (October 1)</u>	<u>Principal Amount (\$)</u>	<u>Rate (%)</u>
[To come]		

Exhibit D shows a schedule of payments due on the 2024 Bonds for each Payment Date. Upon any redemption of any 2024 Bonds, the County will recalculate the schedule of payments to reflect the redemption and will then deliver a substitute Exhibit D to the Trustee reflecting the recalculated payment schedule. The Trustee has no responsibility to confirm any recalculated payment schedule.

Section 1.04. Redemption Dates and Prices. The Bonds are subject to redemption as described in Section 2.01.

Section 1.05. Delivery of 2024 Bonds. The Trustee will authenticate and deliver the 2024 Bonds when the County has filed with or delivered to the Trustee all the following items:

- (a) Original executed counterparts of this Agreement and the Deed of Trust
- (b) Certified copies of County Board resolutions approving substantially final forms of this Agreement and the Deed of Trust, authorizing their execution and delivery, and approving the issuance of the 2024 Bonds
- (c) Executed 2024 Bonds in the aggregate principal amounts, bearing interest at the rates, and payable as to principal and interest at the times and in the amounts as are provided in this Agreement
- (d) A County Certificate directing the Trustee to authenticate and then deliver the 2024 Bonds to the person or persons named therein upon payment to the Trustee of a specified sum, and directing the Trustee as to the application of the amount paid
- (e) An Opinion of Bond Counsel to the effect that the issuance of the 2024 Bonds has been duly authorized by all necessary authorities
- (f) Evidence that the LGC has approved the issuance of the 2024 Bonds

Section 1.06. Additional Bonds. The County may provide for Additional Bonds to be issued under this Agreement to provide funds (a) to expand or improve the Pledged Facilities, (b) to construct further improvements to the Pledged Sites, (c) to refund any Outstanding Bonds, (d) to pay financing costs or establish reserves in connection with the issuance of Additional Bonds, (e) for any other purpose that may be allowed by law from time to time, including the acquisition and construction of additional public facilities, whether or not any such facility is related to the Pledged Facilities or the Pledged Sites, or (f) for any combination of these purposes.

The Trustee will authenticate and deliver Additional Bonds when the County has filed with or delivered to it all the following items:

- (i) Certified copies of County Board resolutions approving the terms and conditions under which the Additional Bonds are to be issued and authorizing the

execution of amendments or supplements to the Deed of Trust (if necessary) and this Agreement providing for the issuance of the Additional Bonds

(ii) Evidence that the LGC has approved the issuance of the Bonds and the related transactions (if that approval is then required by law)

(iii) An executed copy of an amendment or supplement to this Agreement providing for the issuance of the Additional Bonds, which must set forth the payment and redemption terms of the Additional Bonds, together with other appropriate terms

(iv) Either (A) an executed copy of an appropriate amendment or supplement to the Deed of Trust, extending the benefit of the security provided to the Trustee to secure the County's performance of its obligations under the Trust Agreement and Deed of Trust as so amended or supplemented, or (B) a County Certificate to the effect that such an amendment or supplement is not necessary

(v) A County Certificate directing the Trustee to authenticate and then deliver the Additional Bonds to the person or persons named therein upon payment to the Trustee of a specified sum, and directing the Trustee as to the application of proceeds from the sale of the Additional Bonds

(vi) An Opinion of Bond Counsel to the effect (A) that the issuance of the Additional Bonds is permitted under the terms of this Agreement and has been duly authorized, and (B) that the issuance of the Additional Bonds in itself will have no adverse effect on the exemption from Federal income tax to which interest on the Outstanding Bonds is entitled

(vii) Either (A) evidence of the issuance or proposed issuance of one or more lender's title insurance policies (or an appropriate endorsement to an existing policy) in favor of the Trustee, in an aggregate face amount of insurance equal to the total amount of Outstanding Bonds plus the principal amount of the Additional Bonds then to be issued and including any amendment or supplement to the Deed of Trust referenced in (iv) above as an insured instrument, or (B) a County Certificate to the effect that such additional policy or endorsement is not necessary

The Trustee is not required to authenticate and deliver any Additional Bonds if any Event of Default under this Agreement is continuing.

Simultaneously with the delivery of the Additional Bonds, the proceeds (including any accrued interest) of the Additional Bonds will be applied as provided in the certificate described in (v) above.

After the execution and delivery of any Additional Bonds, they will be "Bonds" under this Agreement and subject to all its terms and conditions, except as may be provided in the supplement to this Agreement provided for in (iii) above.

ARTICLE II

REDEMPTION

Section 2.01. Redemption Dates and Prices. The 2024 Bonds are subject to redemption only as provided in this Section.

(a) *Optional Redemption* – The 2024 Bonds maturing on or after October 1, _____, are subject to redemption at the County's option, in whole or in part on any date on or after October 1, _____, upon payment of the principal amount to be redeemed plus interest accrued to the redemption date, without any prepayment penalty or premium.

(b) *Mandatory Sinking Fund Redemption* -- The 2024 Bonds maturing on October 1, _____, and October 1, _____, are required to be redeemed in part prior to maturity pursuant to the terms of the sinking fund requirements of Section 2.05 at a redemption price equal to the principal amount to be redeemed plus interest accrued to the redemption date, without any prepayment penalty or premium.

The supplement to this Agreement providing for the issuance of any Additional Bonds will set out the terms and conditions for their redemption.

Section 2.02. Selection of 2024 Bonds for Redemption.

(a) If less than all the 2024 Bonds are to be redeemed pursuant to the provisions of subsection 2.01(a), they will be redeemed among maturities in any manner the County chooses.

(b) If less than all of the 2024 Bonds of any maturity are to be redeemed, the Trustee must select the 2024 Bonds to be redeemed by lot; provided, however, that so long as a book-entry system with DTC is used for determining beneficial

ownership of 2024 Bonds, if less than all of the 2024 Bonds within a maturity are to be redeemed, the parties agree that DTC may determine which of the 2024 Bonds within the maturity are to be redeemed in accordance with DTC's then-current rules and procedures.

(c) In any case, (i) the portion of any 2024 Bond to be redeemed must be in the principal amount of \$5,000 or some integral multiple thereof, and (ii) in selecting 2024 Bonds for redemption, each 2024 Bond will be considered as representing that number of 2024 Bonds which is obtained by dividing the principal amount of that 2024 Bond by \$5,000. If a portion of a 2024 Bond is called for redemption, the County will prepare, and the Trustee will deliver, a new 2024 Bond of the same series in principal amount equal to the unpaid portion to the registered owner upon the surrender of the 2024 Bond.

Section 2.03. Redemption Notices. (a) The Trustee, at the County's direction, upon being satisfactorily indemnified with respect to expenses, and with at least two Business Days' notice, will send notice of redemption no less than 30 nor more than 60 days prior to the redemption date, as follows:

(i) With respect to any 2024 Bonds being called for redemption for which DTC or its nominee is the registered owner, to DTC, in whatever manner may be provided for under DTC's standard operating rules as then in effect (and if the Trustee is unable to determine those rules, by registered or certified mail, return receipt requested);

(ii) With respect to any 2024 Bonds for which no book-entry-only system of registration is in effect, to each of the registered owners of those 2024 Bonds at their addresses as shown on the Trustee's registration books, by registered or certified mail; and

(iii) In any case, both (A) to the MSRB for posting on the EMMA System and (B) to the LGC.

Notwithstanding anything to the contrary in this Agreement, the County acknowledges and agrees that the Trustee is not acting as the disclosure or dissemination agent for purposes of Rule 15c2-12 in connection with any notice to be posted with the MSRB via the EMMA System.

Failure to give any notice specified in (i) or (ii), as applicable, or any defect in that notice, will not affect the validity of any proceedings for the redemption of any 2024 Bonds with respect to which no failure has occurred. Failure to give any notice specified in (iii), or any defect in that notice, will not affect the validity of any proceedings for the redemption of any 2024 Bonds with respect to which the notice specified in (i) or (ii) is correctly given. Any notice mailed as provided in this Agreement will conclusively be presumed to have been given regardless of whether received by any Owner.

(b) Any redemption notice, except a notice given in respect of a mandatory sinking fund redemption, may state that the redemption to be effected is conditioned upon --

- (i) the Trustee's receipt on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the 2024 Bonds to be prepaid; or
- (ii) any other condition not unacceptable to the Trustee.

If a notice contains a condition and the Trustee either (A) does not receive moneys sufficient to pay the principal of and premium, if any, and interest on the 2024 Bonds on or prior to the redemption date, or (B) the stated condition is not fulfilled, as evidenced to the Trustee by a County Certificate,

in either case on or prior to the redemption date,

then redemption will not be made, and the Trustee must, within a reasonable time, give notice the same way the redemption notice was given that the moneys were not so received (or condition was not fulfilled) and the redemption was not made.

(c) Each redemption notice must specify (i) the complete designation of the 2024 Bonds to be redeemed, (ii) the CUSIP numbers of the 2024 Bonds to be redeemed, (iii) the dated dates, maturity dates and interest rates of the 2024 Bonds to be redeemed, (iv) the date fixed for redemption, (v) any conditions to the redemption, as contemplated by subsection (b) above, (vi) the principal amount of 2024 Bonds or portions of Bonds to be redeemed, (vii) the applicable redemption price, (viii) the address of the place or places of payment, (ix) the Trustee's name and telephone number, and the name of a contact person, (x) that interest accrued

to the date fixed for redemption will be paid as specified in the notice, and (xi) that on and after the established redemption date interest on 2024 Bonds which have been redeemed will cease to accrue. The Trustee must also include in any redemption notice any additional information provided by the County for use in the notice.

Section 2.04. 2024 Bonds Payable on Redemption Date; Interest Ceases To Accrue. If on or before the date fixed for redemption funds are deposited with the Trustee to pay the principal of and interest accrued to the redemption date on 2024 Bonds called for redemption, the 2024 Bonds (or portions of 2024 Bonds) called for redemption cease to accrue interest from and after the redemption date. Thereafter, those 2024 Bonds (a) are no longer entitled to the benefits provided by this Agreement and (b) are not deemed to be Outstanding under this Agreement.

Section 2.05. Mandatory Sinking Fund Redemption. (a) The Trustee, from amounts received from or on behalf of the County, will redeem 2024 Bonds maturing on October 1, _____, on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount (\$)</u>

 *Final maturity

(b) In addition, the Trustee, from amounts received from or on behalf of the County, will redeem 2024 Bonds maturing on October 1, _____, on October 1 in years and amounts upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, as follows:

<u>Year</u>	<u>Amount (\$)</u>

*Final maturity

The Trustee shall take all appropriate action to withdraw funds from the Principal Account and make timely payment to the Owners of the Term Bonds subject to sinking fund redemption.

(b) Notwithstanding the foregoing, on or before the 70th day next preceding any sinking fund payment date, the County may do either of the following:

(i) deliver to the Trustee for cancellation Term Bonds required to be redeemed on that sinking fund payment date in any aggregate principal amount desired; or

(ii) instruct the Trustee to apply a credit against the County's sinking fund payment obligation for any Term Bonds that previously have been redeemed (other than through the operation of the sinking fund requirements) and canceled by the Trustee but not previously applied as a credit against any sinking fund payment obligation.

The Trustee will credit against the County's sinking fund payment obligation on each sinking fund payment date the amount of 2024 Bonds so purchased, delivered or previously redeemed as described in paragraphs (i) or (ii) above.

(c) Within seven days of receipt of the funds, Term Bonds or instruction to apply a credit (as described in subsection (b) above), any amounts remaining in the Principal Account in excess of the amount required to fulfill the remaining required principal and sinking fund redemption obligations on the next sinking fund payment date will, as specified in a County Certificate, either be (i) transferred to the Interest Account or (ii) used to redeem 2024 Bonds as soon as practicable. In the absence of any written direction from the County, the Trustee will deposit those amounts to the Interest Account.

ARTICLE III

FUNDS AND ACCOUNTS

Section 3.01. Creation and Use of Project Fund. The Trustee will establish a special fund designated as the “Macon County 2024 Project Fund.” The Trustee will keep this Fund separate and apart from all other funds and moneys held by it, and the Trustee will hold and administer this Fund as provided in this Agreement. Moneys in the Project Fund will be expended only as described in Sections 3.02 and 3.03. The Trustee is not required to disburse any moneys from the Project Fund during the continuation of any Event of Default.

Section 3.02. Deposits to Project Fund; Payment of Project Costs.

(a) The Trustee will deposit into the Project Fund the amount specified in the certificate referenced in Section 1.05(d) and all other amounts paid to it for deposit in the Project Fund. This certificate may also direct the Trustee as to the further application of amounts in the Project Fund without any requirement for additional direction or requisition.

(b) In addition, the Trustee will disburse moneys in the Project Fund from time to time, either to pay Project Costs directly or to reimburse the County for previous expenditures on Project Costs, upon the Trustee’s receipt of a requisition substantially in the form of Exhibit E. The Trustee may rely conclusively on requisitions as authorization for payments, and the Trustee has no duty or responsibility to verify any matters in the requisitions. Unless otherwise directed by the County, the Trustee will disburse moneys from the Project Fund that are due to the County by wire transfer to any bank account in the United States as a County Certificate may designate from time to time. Any electronic notice to the Trustee is subject to the provisions of Section 9.02.

Section 3.03. Transfer of Unexpended Proceeds. When the County determines there are no more Project Costs to be paid from the Project Fund, the County will send a County Certificate to that effect to the Trustee. The Trustee will then withdraw all remaining moneys in the Project Fund and deposit those moneys in a separate account within the Payment Fund. The Trustee will then apply those moneys to Bond payments as directed by a County Representative. In the absence of any direction from the County, the Trustee will deposit those moneys in the Interest Account and use them to pay interest on the 2024 Bonds as the same becomes due.

Section 3.04. Other Funds and Accounts. The Trustee will establish the following special funds and accounts, must keep the same separate and apart from all other funds and moneys held by it, and must hold and administer the same as provided in this Agreement:

(a) Macon County 2024 Bond Payment Fund, and therein an Interest Account, a Principal Account and a Redemption Account; and

(b) Macon County 2024 Net Proceeds Fund.

Any amendment or supplement to this Agreement providing for the issuance of Additional Bonds may create additional funds or accounts related to those Bonds.

Section 3.05. Payment Fund. (a) The Trustee must deposit in the proper account in the Payment Fund all amounts paid to it for deposit in the Payment Fund, including all amounts paid to it by the County for payments on the Bonds.

(b) The County will make payments to the Trustee sufficient in times and amounts to allow the Trustee to make full and timely payment of all Bond Payments as the same become due. The County will make the payments to the Trustee not later than the 25th day of the month preceding a Payment Date. The County will make the payments in lawful money of the United States, by wire transfer or other transfer of immediately available funds to any account in the United States as the Trustee may designate to the County from time to time.

(c) Not less than 15 days prior to each Payment Date, the Trustee must determine the amounts on deposit and available to make the payments due on that Payment Date with respect to the 2024 Bonds, whether in (i) the Interest Account or the Principal Account of the Payment Fund, or (ii) any special trust fund established pursuant to Section 11.01. The Trustee must notify the County of the available amounts not less than 10 days prior to the applicable Payment Date. The County's obligation to make payments with respect to any Payment Date is reduced by the available amounts the Trustee determines.

(d) The Trustee must pay the principal of the 2024 Bonds from the Principal Account and the interest on the 2024 Bonds from the Interest Account, as the same become due. On or before each Payment Date, the Trustee must first determine if it has on hand amounts sufficient to pay the principal and interest coming due on the Bonds on the Payment Date. Then, the Trustee must set aside an

amount sufficient to pay the interest on the Bonds becoming due and payable on that Payment Date, and then an amount sufficient to pay the principal on the Bonds becoming due and payable on that Payment Date. The Trustee must then transfer on the Payment Date the amounts due to DTC as registered owner of the Bonds.

(e) If the amount on deposit in the Principal Account or the Interest Account is insufficient for its purposes two Business Days before any Payment Date, the Trustee must notify the County of the amount of the insufficiency. The Trustee must then transfer the required amounts to those Accounts from any amounts as may be available in the Redemption Account.

If the amount on deposit in the Interest Account on any Payment Date exceeds the amount payable on account of interest on the Bonds on that date, the Trustee must, as directed by a County Certificate, retain the excess in the Interest Account or transfer the excess to the Principal Account to be credited against subsequent required deposits to the Principal Account. In the absence of any direction from the County, the Trustee will retain the excess in the Interest Account.

If the amount on deposit in the Principal Account on any October 1 exceeds the amount required on that date to pay principal of Bonds coming due on that date (whether by reason of maturity or mandatory redemption), then the Trustee must, as directed by a County Certificate, retain the excess in the Principal Account or transfer the excess to the Interest Account to be credited against subsequent required deposits to the Interest Account. In the absence of any direction from the County, the Trustee will transfer the excess to the Interest Account.

(f) The Trustee must deposit in the Redemption Account of the Payment Fund all amounts paid to it for deposit in that Account, and must use those amounts within 12 months of their deposit to pay Bonds called for redemption on their redemption dates, as directed by a County Certificate.

(g) The Trustee must apply Net Proceeds deposited in the Redemption Account pursuant to Section 5.16 to the redemption of Bonds pursuant to Section 2.01(a) as directed by a County Representative.

The Trustee must transfer any amounts not so used within 12 months of their deposit in the Redemption Account to the Interest Account for use on the next Payment Date to pay interest on the Bonds, and pending that use or in the absence

of direction must invest those funds in Legal Investments having a yield not in excess of the Restricted Yield.

Subject to retaining moneys necessary to pay Bonds that have been called for redemption but not yet presented for payment, the Trustee must use amounts in the Redemption Account as directed by a County Certificate to make transfers to the Interest Account or the Principal Account to the extent the balances in those Accounts may be insufficient.

Section 3.06. Net Proceeds Fund. The Trustee must deposit in the Net Proceeds Fund (a) Net Proceeds as provided in Section 5.16 and (b) any other amounts paid to it for deposit in that fund. The County must direct the investment and reinvestment of all amounts on deposit in the Net Proceeds Fund only in Legal Investments having a yield not in excess of the Restricted Yield, to the extent those amounts are on deposit on any date following the later of (i) the third anniversary of the Closing Date or (ii) 30 days from the payment of those Net Proceeds to the County or the Trustee. The Trustee must disburse Net Proceeds for replacement or repair as provided in Section 5.16.

Section 3.07. Restricted Yield Investment. Not later than September 1, 2027, the County shall (a) invest any “Covered Proceeds,” as defined below, that the County holds, and (b) direct the Trustee to invest any Covered Proceeds the Trustee holds, in either (i) Legal Investments providing a fixed yield at or below the “Restricted Yield,” as defined below, (ii) obligations described in Code Section 103 that are not “private activity bonds” within the meaning of Code Section 141, or (iii) any other investment approved by a written opinion of Bond Counsel that is satisfactory to the Trustee;

in any case as the County may specify from time to time. It is the County’s responsibility, and not the Trustee’s, to identify and maintain investments as required by this Section.

The “Covered Proceeds” are any amounts on deposit in any Fund or Account under the Trust Agreement that represent proceeds of the 2024 Bonds, including proceeds from the investment of the 2024 Bond proceeds or proceeds from the sale or other disposition of property acquired or improved through the proceeds of the 2024 Bonds (including insurance proceeds).

A "Restricted Yield" means a "yield," within the meaning of Treas. Regs. Secs. 1.103-13(c), -13(d), 1.148-9T(a), or any successor or other provision that may be applicable, not in excess of a "yield" equal to _____%, which is the "yield" on the 2024 Bonds.

ARTICLE IV

SECURITY; APPROPRIATIONS; LIMITED OBLIGATION

Section 4.01. Payments on the Bonds; Additional Payments. (a)

The County will make full and timely payment of all Bond Payments and Additional Payments due from the County under this Agreement, subject to the limitations of Section 160A-20 and the terms of this Agreement, and in particular the terms of Section 4.02 and Section 4.05.

(b) The County must pay all Additional Payments on a timely basis directly to the person or entity to which the Additional Payments are owed in lawful money of the United States. If the County fails to pay any Additional Payment when due, the Trustee may (but is under no obligation to) pay the Additional Payment for the County's account. The County agrees to reimburse the Trustee for any Additional Payment made by the Trustee, together with interest on the amount paid at the annual rate of 4.00% (calculated on the basis of a 360-day year consisting of twelve 30-day months).

(c) The County is not entitled to any abatement or reduction of the Bond Payments or Additional Payments for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim arising out of or related to the Pledged Sites or the Pledged Facilities. The County assumes and bears the entire risk of loss and damage to the Pledged Sites and the Pledged Facilities from any cause whatsoever. The parties intend that the County must make all payments provided for in this Agreement, unless the County's obligation to make the payments has been terminated as provided in this Agreement.

Section 4.02. Appropriations. (a) The County will cause the officer who prepares the draft County budget initially submitted for County Board consideration to include in the initial proposal each year the amount of all Bond Payments and estimated Additional Payments coming due during the Fiscal Year to which the budget applies. Notwithstanding that the initial proposed budget includes

an appropriation for these payments, the County Board may determine not to include the appropriation (in whole or in part) in the final County budget for any Fiscal Year, or may amend an adopted budget to reduce or delete an approved appropriation.

(b) (i) If for any Fiscal Year the County adopts an annual budget that does not appropriate (for that purpose) an amount equal to the Bond Payments and estimated Additional Payments coming due during that Fiscal Year, then the County will send notice of this failure to the Trustee and the LGC within ten days after the adoption of that budget.

(ii) If for any Fiscal Year the County has not adopted an annual budget that appropriates (for that purpose) an amount equal to the Bond Payments and estimated Additional Payments coming due during that Fiscal Year within 15 days after the beginning of any Fiscal Year, then the County will send notice of this failure to the Trustee and the LGC within an additional ten days.

(iii) If at any time the County amends the annual budget to reduce the amounts appropriated for Bond Payments and Additional Payments below the amounts expected to be required for the remainder of that Fiscal Year, then the County will send notice of this amendment to the Trustee and the LGC within ten days after the amendment.

(iv) The County must also post a copy of any notice sent to the LGC under this Section with respect to the Bonds on the EMMA System.

Section 4.03. Deed of Trust. Coincidentally with the execution and delivery of this Agreement, the County is executing and delivering the Deed of Trust. The Deed of Trust secures the County's obligations to each of the Owners, on parity with one another.

Section 4.04. Money in Funds and Accounts. The County grants a security interest, to the Trustee for the benefit of the Owners, in all the funds and accounts held under this Agreement to secure the County's obligations under the Bonds and otherwise under this Agreement. This security interest secures the County's obligations to each of the Owners, on parity with one another.

Section 4.05. Limited Obligation. The Bonds are payable solely from the amounts paid by the County to the Trustee for the Bond Payments, as, when and if

received by the Trustee, except to the extent payable from the proceeds of the Bonds, income from investments, Net Proceeds and other funds and property pledged as provided in this Agreement, which funds are pledged as provided in this Agreement to secure payment of the Bonds.

Notwithstanding any other provision of this Agreement, the parties intend that this transaction comply with the provisions of Section 160A-20. No deficiency judgment may be entered against the County in violation of Section 160A-20.

No provision of this Agreement should be interpreted as creating a pledge of the County's faith and credit within the meaning of any constitutional debt limitation. No provision of this Agreement should be construed or interpreted as an illegal delegation of governmental powers or as an improper donation or lending of the County's credit within the meaning of the North Carolina constitution. The County's taxing power is not and may not be pledged directly or indirectly or contingently to secure any moneys due under this Agreement.

No provision of this Agreement should be interpreted as pledging or creating a lien on any class or source of the County's moneys (other than Net Proceeds and the funds and accounts established pursuant to this Agreement as may be provided in this Agreement). No provision of this Agreement restricts the County's future issuance of any of its bonds or other obligations payable from any class or source of the County's moneys (except to the extent this Agreement, the Deed of Trust and the 2024 Bonds restrict the incurrence of additional obligations secured by the Mortgaged Property).

To the extent of any conflict between this Section and any other provision of this Agreement, this Section takes priority.

ARTICLE V

CONSTRUCTION, MAINTENANCE AND OTHER PROVISIONS RELATED TO THE PLEDGED FACILITIES

Section 5.01. Construction Contracts; Changes. (a) The County will comply with the provisions of the North Carolina General Statutes and enter into the Construction Contracts. The County will cause the construction of the Pledged Facilities to be carried on continuously in accordance with the Construction Contracts and all applicable State and local laws and regulations.

(b) The County will provide for the Pledged Facilities to be constructed on the Pledged Sites and will insure (i) that no portion of the Pledged Facilities encroaches upon nor overhangs any easement or right-of-way, (ii) that the Pledged Facilities will be wholly within any applicable building restriction lines, however established, and (iii) that the Pledged Facilities will not violate applicable use or other restrictions, whether imposed by law or rule or by prior conveyances.

(c) The County may approve changes to the Construction Contracts in its discretion except that the County may not approve any changes that (i) increase total estimated Project Costs above the amounts previously identified and designated for the payment of those costs, or (ii) result in the use of the Mortgaged Property for purposes substantially different from the use intended as of the Closing Date.

Section 5.02. Contractors' Performance and Payment Bonds. The County shall require each contractor entering into a Construction Contract to furnish a performance bond and a separate labor and material payment bond as required by State law. The County shall provide copies of all bonds to the Trustee at the Trustee's request.

Section 5.03. Cooperation. The Trustee and the County will cooperate fully with each other in filing any claim or proof of loss with respect to any bond or insurance policy described in this Agreement.

Section 5.04. Care and Use. The County must use the Pledged Sites and the Pledged Facilities in a careful and proper manner. The County must keep the Mortgaged Property in good condition, repair, appearance and working order for the purposes intended.

Section 5.05. Utilities. The County must pay all charges for utility services furnished to or used on or in connection with the Pledged Sites and the Pledged Facilities.

Section 5.06. Risk of Loss. The County bears all risk of loss to and condemnation of the Pledged Facilities and the Pledged Sites. Upon loss, damage or condemnation of the Mortgaged Property, the County must proceed as provided in Sections 5.15 and 5.16.

Section 5.07. Trustee's Performance of County's Responsibilities.

The Trustee may (but is not required to) undertake any payment or performance required of the County for the insurance, maintenance or preservation of the Mortgaged Property that is not timely paid or performed by the County. The County must then reimburse the Trustee for any payments and for any associated costs and expenses, legal or otherwise, together with interest at annual rate of 4.00% (calculated on the basis of a 360-day year consisting of twelve 30-day months), all as Additional Payments under this Agreement.

Section 5.08. Compliance with Requirements.

The County must promptly and faithfully comply with all requirements of governmental authorities relating to the use or condition of the Mortgaged Property, the violation of which would adversely affect the use, value or condition of the Mortgaged Property, whether or not any requirement necessitates structural changes or improvements or interferes with the use or enjoyment of the Mortgaged Property (or be diligently and in good faith contesting such requirements). Unless required by applicable law or unless the Trustee has otherwise agreed in writing, the County must not use the Mortgaged Property for any purposes other than that for which the same were intended as of the Closing Date. In no event may the County use the Mortgaged Property or any part thereof, nor allow the same to be used for, any unlawful purpose or in violation of any certificate of occupancy or other permit or certificate, or any law, ordinance or regulation.

Section 5.09. Use and Operation.

(a) The County represents that the acquisition and construction of the new Franklin High School will be useful to the County in carrying out its required function of providing school facilities. The County and the School Board have an immediate need for the Pledged Facilities, and the County expects the School Board to use the Pledged Facilities throughout the Contract Term.

(b) The County will be solely responsible for the operation of the Pledged Facilities and will not contract with any other person or entity for that operation. The Pledged Facilities will not be used in any private business or put to any private business use, except for such minor and occasional uses as may be consistent with their use as local government facilities and that will not cause the County to be in violation of its covenant as set forth in Section 6.01(k). The County will use and operate, or will cause the School Board to use and operate, the Facility for public educational purposes, and for no other purpose unless required by law.

(b) Notwithstanding the provisions of subsections (a) and (b), the parties acknowledge that the County intends to lease the Pledged Facilities to the School Board, or may otherwise provide for the School Board's use and operation of the Pledged Facilities. In addition, the County and the School Board may agree that the School Board will assume some of the County's responsibilities under this Agreement, including obligations with respect to entering into and monitoring construction contracts related to the Pledged Facilities and maintaining primary casualty insurance on the Pledge Facilities. Notwithstanding any other provision of this Agreement to the contrary, the parties agree that any such lease or other arrangements between the County and the School Board will not violate any provision of this Agreement. No such lease or other arrangement, however, will in any way reduce the County's responsibilities with respect to the Pledged Facilities under this Agreement.

Section 5.10. Modification of Pledged Facilities; Installation of Equipment and Machinery. The County has the right to repair, maintain and remodel the Pledged Facilities or make substitutions, additions, modifications and improvements to the Pledged Facilities, at its own cost and expense; provided, however, that any substitutions, additions, modifications and improvements must not in any way damage the Pledged Facilities or result in the use of the Pledged Facilities for purposes substantially different from those initially proposed; and provided further that the Pledged Facilities, as improved or altered, upon completion of these substitutions, additions, modifications and improvements, will be of a value not materially less than the value of the Pledged Facilities immediately prior to making those substitutions, additions, modifications and improvements.

The County may also, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Pledged Facilities. All that property will remain the County's sole property in which neither the Trustee nor any Bondholder will have any interest; provided, however, that any property which becomes permanently affixed to the Pledged Facilities will be subject to this Agreement and the lien and security interest arising under the Deed of Trust if the Trustee determines that the Pledged Facilities would be damaged or impaired by the removal of that machinery, equipment or other tangible property.

Section 5.11. Property Damage Insurance. (a) The County must, at its own expense, acquire, carry and maintain broad form extended coverage property damage insurance with respect to the Pledged Facilities in an amount equal to the

replacement cost. This insurance must include standard mortgagee coverage in favor of the Trustee.

(b) (i) The County must maintain the insurance required by this Section with generally recognized responsible insurers and may carry reasonable deductible or risk-retention amounts. The County must provide copies of all policies to the Trustee upon request.

(ii) In the alternative, the County may maintain the insurance required by subsection (a) above (A) by one or more blanket or umbrella insurance policies or (B) by means of an adequate self-insurance fund or risk-retention program, or by participation in a group risk pool or similar program.

(iii) If the County obtains blanket or umbrella coverage, the County must provide to the Trustee, upon the Trustee's request, a certificate or certificates of the respective insurers evidencing the coverage and, with respect to property insurance, stating the amount of coverage provided with respect to the Pledged Facilities (or any covered portion thereof). The County must provide to the Trustee such evidence as to the sufficiency of any such alternative program as the Trustee may reasonably request.

(c) Before the County adjusts or settles any property damage loss greater than \$1,000,000 with respect to the Pledged Facilities, whether or not covered by insurance, the County must first notify the Trustee of the planned adjustment or settlement and the County's planned use of insurance proceeds.

(d) The Trustee is not responsible for the sufficiency or adequacy of any required insurance. The Trustee shall have no liability in accepting payment on account of any insurance or with respect to any adjustment, compromise or settlement of any loss agreed to by the County.

Section 5.12. Right of Entry and Inspection. The Trustee and its representatives and agents have the right to enter upon the Pledged Sites and inspect the Pledged Facilities at any time while any Bonds are Outstanding.

No right of inspection or approval granted in this Section imposes upon any party any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection or approval by any party imposes upon any party any duty or obligation whatsoever to identify or correct any defects in the Pledged Facilities

or to notify any person with respect thereto. No inspection constitutes a warranty (either express or implied) by the Trustee as to the quality or fitness of any improvement. Any such inspection is solely for the benefit of the Trustee and the Bondholders, and not for the County's benefit.

Section 5.13. Title. Title to the Pledged Sites and the Pledged Facilities and all additions, repairs, replacements or modifications thereto will always be in the County, subject to the lien of the Deed of Trust and to the other Permitted Encumbrances.

Section 5.14. Taxes and Encumbrances. (a) If the Mortgaged Property (or any portion) is, for any reason, deemed subject to taxation, assessments or other lawful governmental charges the County will, during the Contract Term, pay (as Additional Payments) the amount of all those taxes, assessments and governmental charges. With respect to special assessments or other charges which may be lawfully paid in installments over a period of years, the County is obligated under this Agreement only to provide for the installments that are required to be paid during the Contract Term. The County must not allow any liens for taxes, assessments or governmental charges with respect to the Mortgaged Property (or any portion) to become delinquent, including any taxes levied upon the Trustee's interest in the Mortgaged Property, or on any rentals or other revenues derived from the Mortgaged Property.

(b) The County will not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Mortgaged Property (or any portion), except Permitted Encumbrances. The County will promptly, at its own expense, take such action as may be appropriate to discharge any such mortgage, pledge, lien, charge, encumbrance or claim.

(c) The County may, at its own expense and in its own name, in good faith contest any taxes or other charges and encumbrances described in this section. In the event of a contest, the County may permit the charges to remain unpaid during the period of the contest and any appeal. If, however, the Trustee notifies the County that, in the opinion of independent counsel selected by the Trustee, the security afforded pursuant to this Agreement or the Deed of Trust will be materially endangered by nonpayment of any items, then the County must promptly pay those items (but the payment will not in itself constitute a waiver of the right to continue to contest the charges).

Section 5.15. Damage, Destruction or Condemnation. The County must promptly notify the Trustee if (a) the Mortgaged Property or any portion thereof is destroyed or damaged by fire or other casualty, (b) any governmental authority takes, or notifies the County of any intent to take, title to, or the temporary or permanent use of the Mortgaged Property or any portion thereof, or the estate of the County or the Trustee in the Pledged Facilities, the Pledged Sites or any portion thereof, under the power of eminent domain, (c) a material defect in the construction of the Pledged Facilities becomes apparent, or (d) title to or the use of all or any portion of the Mortgaged Property is lost by reason of a defect in title.

Each notice must describe generally the nature and extent of the damage, destruction or taking. The County must provide any additional information concerning the matter as the Trustee may reasonably request.

The County must file its claims under insurance coverages and claims for awards or payments in the nature of condemnation awards resulting from any damage, destruction or taking. The County must prosecute all its claims for awards or payments in good faith and with due diligence. Any Net Proceeds received by the County because of those claims will be used as provided in Section 5.16.

Section 5.16. Deposit and Use of Net Proceeds.

(a) If the amount of Net Proceeds received by the County from any single event or any single series of related events is less than \$1,000,000, then the County has no obligation to account to the Trustee or any other person or entity with respect to the use of such Net Proceeds. The County, however, acknowledges that its use of funds may be constrained by the requirements of the Code and the County's covenants and representations in Section 6.01(k).

(b) If the amount of Net Proceeds received by the County from any single event or any single series of related events is at least \$1,000,000, the County must cause the Net Proceeds to be paid to the Trustee for deposit and application as provided in this Section.

(c) The County may elect to proceed under either part (i), (ii) or (iii) of this subsection with respect to Net Proceeds deposited with the Trustee pursuant to subsection (b). The County must notify the Trustee of its election within 60 days after the date of the deposit.

(i) The County may direct the Trustee to deposit the Net Proceeds into the Redemption Account in the Bond Fund and use the Net Proceeds, together with any other available funds the County may provide in its discretion, to redeem or defease the Bonds in whole (but not in part), pursuant to Section 2.01 and Article XI, as appropriate, and as directed in a County Certificate.

(ii) If the County determines that the Net Proceeds, together with any other available funds the County may provide in its discretion, will be sufficient to repair or restore that portion of the Pledged Facilities regarding which the Net Proceeds arose, then the County may direct the deposit of the Net Proceeds to the Net Proceeds Fund and then may apply those proceeds to repair or restoration. The County must act with due diligence and in a commercially reasonable manner to provide for the repair and restoration.

The Trustee will disburse Net Proceeds for the payment of such costs upon receipt of requisitions provided by the County and substantially in the form of Exhibit E. The Trustee may rely conclusively on requisitions as authorization for payments, and the Trustee has no duty or responsibility to verify any matters in the requisitions. The Trustee must not honor any requisition if an Event of Default is continuing.

The County will not be entitled to any reimbursement of any funds paid pursuant to this subsection, nor will the County be entitled to any postponement or diminution of its obligation to make Bond Payments because of any contribution. Any repair or replacement paid for in whole or in part out of Net Proceeds will be the County's property and will be part of the Mortgaged Property.

(iii) If the County determines that the Net Proceeds and other funds will not be sufficient for the purposes described in (i) or (ii), then the County must direct the Trustee to deposit the Net Proceeds into the Redemption Account in the Bond Fund and use the Net Proceeds to prepay or defease the Bonds in whole or in part pursuant to Section 2.01 and Article XI and as directed by a County Representative.

(d) Nothing in this Section creates an option in the County or any other party to provide for the early payment of Bonds not provided for in Article II.

ARTICLE VI

COUNTY'S WARRANTIES, REPRESENTATIONS AND COVENANTS

Section 6.01. In General. The County makes the following statements of fact, with the intent and understanding that the Trustee and the Bondholders will rely on these statements in deciding to enter into this Agreement and to purchase and hold 2024 Bonds.

(a) The County is a duly organized and validly existing political subdivision of the State. The County has all powers necessary to enter into the transactions contemplated by this Agreement and the Deed of Trust and to carry out its obligations under this Agreement.

(b) The County has duly and validly authorized, issued, executed and delivered this Agreement, the 2024 Bonds and the Deed of Trust. Assuming due authorization, execution and delivery by the other parties, this Agreement, the 2024 Bonds and the Deed of Trust constitute valid, legal and binding obligations of the County, enforceable (in the case of the Deed of Trust, by the Deed of Trust Trustee and the Trustee) in accordance with their respective terms, subject to bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and applicable principles of equity.

(c) The County requires no further approval or consent from any governmental authority with respect to the County's entering into or performing under this Agreement or the Deed of Trust.

(d) There is no action, suit or proceeding at law or in equity before or by any court, public board or body pending or, to the best of the County's knowledge, threatened, against or affecting the County (or any official thereof in an official capacity) (i) challenging the validity or enforceability of the Trust Agreement or the 2024 Bonds, or seeking to restrain or enjoin the issuance or delivery of the 2024 Bonds, or (ii) challenging (A) the County's organization or existence, (B) the County's issuance of the 2024 Bonds, or (C) the title to office of any County Board member or other County officer, or (iii) that otherwise would be likely (if decided adversely to the County) to have a material adverse effect on the County's ability to provide for timely payment of the 2024 Bonds.

(e) The County's performance of its obligations under the Bonds, this Agreement and the Deed of Trust, and compliance with their respective provisions, under the contemplated circumstances, does not and will not in any material respect constitute on the County's part a breach of or default under, or result in the creation

of any material lien or other encumbrance on any County property (except as contemplated in such instruments) pursuant to, any agreement or other instrument to which the County is a party, or any existing law, regulation, court order or consent decree to which the County is subject.

(f) No County representation, covenant or warranty in this Agreement is false or misleading in any material respect.

(g) The County is vested with fee simple title to the Pledged Sites. There are no liens or encumbrances on the Pledged Facilities or the Pledged Sites other than the existing encumbrances, as shown on Exhibit C to the Deed of Trust.

(h) The County Board resolutions relating to the County's execution and delivery of this Agreement, the 2024 Bonds, the Deed of Trust and the transactions contemplated by those instruments have been duly adopted, are in full force and effect, and have not been in any respect modified, revoked or rescinded.

(i) The County believes funds will be available to satisfy all its obligations under this Agreement.

(j) The Pledged Facilities have been designed and will be constructed to comply with all applicable subdivision, building and zoning ordinances and regulations, and all applicable federal and State standards and requirements relating to the Pledged Facilities.

(k) The County will not take or permit, or omit to take or cause to be taken, any action that would cause the 2024 Bonds to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code. If the County does take or permit, or take or cause to be taken, any such action, or omit to take or cause to be taken, the County must take (or cause to be taken) all lawful actions within its power reasonably necessary to rescind or correct such actions or omissions promptly upon having knowledge of the effect of such actions.

Section 6.02. County's Undertakings as to Environmental Matters. The County makes the following statements of fact, with the intent and understanding that the Trustee and the Bondholders will rely on these statements in deciding to enter into this Agreement and to purchase and own Bonds.

(a) The County has no knowledge (i) that any industrial use has been made of the Mortgaged Property, (ii) that the Mortgaged Property has been used for the storage, treatment or disposal of chemicals or any Hazardous Materials, (iii) that any manufacturing, landfilling or chemical production has occurred on the Mortgaged Property, or (iv) that there is any asbestos or other contaminant on, in or under the Mortgaged Property.

(b) To the County's knowledge, the Mortgaged Property complies with all federal, State and local environmental laws and regulations. The County will keep the Mortgaged Property, and the activities at the Mortgaged Property, in compliance with all environmental laws, rules, and regulations. The County will, in a timely manner, take all lawful action necessary to maintain compliance or to remedy any lack of compliance.

(c) The County will use and maintain Hazardous Materials on the Mortgaged Property only for the routine maintenance and operation of the Mortgaged Property. The County will maintain these Hazardous Materials only in appropriate quantities for these purposes, and will use them only in substantial compliance with label instructions and all State and federal environmental laws, rules and regulations. The County will not use the Mortgaged Property (A) for the manufacture, transport, process, storage, treatment or disposal of any Hazardous Materials or (B) for any industrial, manufacturing or landfilling use or for any chemical production.

(d) The County will promptly send to the Trustee, upon the Trustee's request, copies of any citations, orders, notices or other material governmental or other communication received with respect to any Hazardous Materials.

For the purposes of this Section, "Hazardous Materials" means any chemicals, materials, substances, wastes or other substances that are classified and regulated by any by federal, State or local laws as hazardous or toxic substances that exist on or affect the Mortgaged Property.

Section 6.03. County's Undertaking for Continuing Disclosure. The County undertakes, for the benefit of the beneficial owners of the Bonds, to provide the following items and information to the MSRB:

(a) by not later than seven months from the end of each of the County's Fiscal Years, beginning with the Fiscal Year that ends June 30, 2025, audited County

financial statements for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements are not available by seven months from the end of any fiscal year, unaudited County financial statements for such fiscal year, to be replaced subsequently by audited County financial statements to be delivered within 15 days after such audited financial statements become available for distribution;

(b) by not later than seven months from the end of each of the County's Fiscal Years, beginning with the Fiscal Year that ends June 30, 2025, the financial and statistical data as of a date not earlier than the end of the preceding fiscal year (which data will be prepared at least annually, will specify the date as to which such information was prepared and will be delivered with any subsequent material events notices specified in subparagraph (c) below) for the type of information included in Appendix A to the final Official Statement relating to the 2024 Bonds under the captions "Debt Information" and "Tax Information" (excluding any information on overlapping or underlying debt) to the extent such items are not included in the audited financial statements referred to in (a) above;

(c) in a timely manner, not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the 2024 Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on any credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax

status of the 2024 Bonds, or other material events affecting the tax status of the 2024 Bonds;

(7) modifications to rights of the beneficial owners of the 2024 Bonds, if material;

(8) calls for redemption of 2024 Bonds (other than calls pursuant to sinking fund redemption), if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of any property securing repayment of the 2024 Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar proceedings related to the County, the Trustee or any other person or entity that may at any time become legally obligated to make Bond Payments (collectively, the “Obligated Persons”);

(13) the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a financial obligation (as defined below) of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect Bondholders, if material; and

(16) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties; and

(d) in a timely manner, not in excess of ten Business Days after the occurrence of the failure, notice of a failure of the County to provide required annual financial information described in (a) or (b) above on or before the date specified.

“Financial obligation” means (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of an obligation described in either clause (a) or (b). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”).

As used above, the “final Official Statement” means the Official Statement dated _____, 2024, that the County Board has approved and authorized for use in connection with the offering and sale of the 2020 Bonds.

For the purposes of the events identified in subparagraph (c)(12) above, the event is considered to occur when any of the following occurs: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

If the County fails to comply with the undertaking described above, the Trustee may take action to protect and enforce the rights of all the beneficial owners of the 2024 Bonds with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking will not be an Event of Default and will not result in any acceleration of payment of the 2024 Bonds. All actions will be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the 2024 Bonds.

The County must provide the documents and other information referred to above to the MSRB in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

The County may discharge its undertaking as set forth in this Section by providing such information in any manner that the United States Securities and Exchange Commission subsequently authorizes in lieu of the manner described above.

The County reserves the right to modify from time to time the information to be provided, or the presentation of the information to be provided, to the extent necessary or appropriate in the County's judgment, provided that:

(A) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County;

(B) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 as of the date of the final Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(C) any such modification does not materially impair the interests of the beneficial owners, as determined by the Trustee, by Bond Counsel, or by the approving vote of the Majority Owners pursuant to the terms of this Agreement, as it may be amended from time to time, at the time of the amendment.

Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section will terminate upon payment, or provision having been made for payment, in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all the Bonds.

ARTICLE VII

INDEMNIFICATION

To the extent permitted by law, the County will indemnify, protect and save

(a) the LGC and its members and employees, and

(b) the Trustee and its officers, directors, agents and employees,

in all cases harmless from all liability and losses, including expenses and legal fees, expenses and costs, arising out of, connected with, or resulting directly or indirectly

(A) from the Project, the Mortgaged Property or from the Deed of Trust and this Agreement or from the County's performance under each of said documents, including, without limitation, the possession, condition or use of the Project or the Mortgaged Property; or

(B) as a result of any warranty or representation made by the County in Section 6.02 being false or untrue in any material respect, or any requirement under any law or regulation which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances by the Trustee, the County or any transferee or assignee of the County or the Trustee.

The County has no obligation to indemnify any indemnified party for the gross negligence or intentional misconduct of the indemnified party or any of its employees or representatives. The County's obligation to provide indemnification under this Article continues even after the payment in full of all the County's obligations under this Agreement. The County's obligation extends to any Trustee even after the removal or resignation of that Trustee. The parties intend that the LGC is a third-party beneficiary of the County's obligations under this Article VII.

ARTICLE VIII

DISCLAIMER OF WARRANTIES

The County acknowledges that the Trustee has not designed the Pledged Facilities, that the Trustee has not supplied any plans or specifications with respect thereto and that the Trustee

(a) is not a manufacturer of, nor a dealer in, any of the component parts of the Financed Facilities or similar facilities,

(b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Financed Facilities or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Financed Facilities or any component part thereof or any property or rights relating thereto at any stage of the construction thereof,

(c) has not at any time had physical possession of the Financed Facilities, the sites on which those facilities are or will be established, or any component part thereof or made any inspection thereof or any property or rights relating thereto, and

(d) has not made any warranty or other representation, express or implied, that the Financed Facilities or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed or will accomplish the results which the County intends therefor, or (iii) is safe in any manner or respect.

THE TRUSTEE MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE FINANCED FACILITIES OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, workmanship, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the ability of the Financed Facilities to perform any function; or any other characteristic of the Financed Facilities. The County bears all risks relating to the Financed Facilities or the transactions contemplated by this Agreement or by the Deed of Trust, and the County waives the benefits of all implied warranties and representations of the Trustee.

The provisions of this Article continue in effect even if the Contract Term has expired, and continue to apply with respect to any particular Trustee even after the removal or resignation of that Trustee.

ARTICLE IX

THE TRUSTEE

Section 9.01. Rights and Duties. (a) If an Event of Default is continuing, the Trustee must exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of that person's own affairs.

(b) Except during the continuation of an Event of Default:

(i) the Trustee need perform only those duties that are specifically set forth in this Agreement and no other, and no implied covenants or obligations shall be read into this Agreement against the Trustee;

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed, upon certificates, opinions or other writings furnished to the Trustee and conforming to the requirements of this Agreement which the Trustee actually and in good faith believes to be genuine and to have been signed or presented by the proper person. other, and no implied covenants or obligations shall be read into this Agreement against the Trustee.

(c) The Trustee is not relieved from liability for its own negligent action, its own grossly negligent failure to act or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of subsection (a) above;

(ii) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 10.05; and

(iii) the Trustee will not be liable with respect to any information contained in any offering documents (except to the extent of information about the Trustee provided by the Trustee specifically for inclusion in that offering document). The Trustee has no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(d) Every provision of this Agreement that in any way relates to the Trustee is subject to all the provisions of this Section 9.01.

(e) Not later than August 1 of each year, the Trustee will notify the LGC and the County of the principal amount of Bonds Outstanding as of the preceding June 30, with a breakdown of Bonds by series.

(f) No provision of this Agreement requires the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, unless it receives indemnity satisfactory to it against any loss, liability or expense, except that the Trustee may not require indemnity as a condition to declaring the principal and interest with respect to the Bonds to be due immediately under Section 10.02. No permissive right of the Trustee should be construed as a duty.

(g) The Trustee is not liable for interest on any cash held by it except as the Trustee may agree with the County in writing.

(h) If a Default is continuing and is known to the Trustee, then the Trustee must notify the Owners and the LGC within 15 days after the Default becomes known to the Trustee. The Trustee, however, will only be deemed to have knowledge of (i) defaults in payment as described in Sections 10.01(a) and (b) and (ii) defaults with respect to which the Trustee has received written notice, describing the default, from any interested party.

(i) The Trustee may consult with counsel and is not liable for any action it takes or omits to take in good faith in reliance on advice from counsel as to legal matters, including but not limited to interpretation of this Agreement.

(j) Notwithstanding anything in this Agreement to the contrary, the Trustee and its agents have the right to require additional evidence, certificates or opinions of counsel as to legal matters as the Trustee may deem appropriate to establish the County's right to the withdrawal of any funds held under this Agreement or to require the Trustee's taking of any other action under this Agreement.

(k) The Trustee must keep complete and accurate records of all moneys received and disbursed by it under this Agreement. These records must be available for inspection by the County and any Owner, or any of their agents, at any time during regular business hours upon reasonable prior notice to the Trustee.

(l) In any judicial proceeding to which the County is a party and which in the Trustee's opinion has a substantial bearing on the interests of Owners, the Trustee may intervene on the Owners' behalf, and must do so if requested in writing by the Majority Owners, provided that the Trustee has received the indemnity provided for in subsection (f) above.

(m) The Trustee may act through agents or co-trustees.

(n) The Trustee has no duty to inspect or oversee the construction or completion of any property to be acquired, constructed or improved using Bond proceeds.

(o) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; falling space debris; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services, in all cases not specific to the Trustee; accidents; acts of civil or military authority or governmental action; it being understood that the Trustee shall in all cases use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(p) The Trustee may rely on, and need only rely on, notices and instructions provided by the County in the form of a County Certificate.

Section 9.02. Communication with the Trustee. The Trustee may accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means. If the County elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon those Instructions, the Trustee's understanding of the Instructions controls.

The County understands and agrees that the Trustee cannot determine the identity of the actual sender of Instructions and that the Trustee may conclusively presume that Instructions that purport to have been sent by a County Representative have in fact been sent by that County Representative. The County is

responsible for ensuring that only County Representatives transmit Instructions to the Trustee, and the County is solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and authentication keys. The Trustee is not liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with Instructions that purport to have been sent by a County Representative, notwithstanding that an Instruction may conflict with or be inconsistent with another Instruction received after the Trustee's action.

The County agrees: (a) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee's acting on unauthorized Instructions that purport to be sent by an County Representative, and the risk of interception and misuse by third parties; (b) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the County; (c) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (d) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

In this Agreement, "Electronic Means" means electronic mail or similar methods. Voice communication and delivery of signed paper documents are not "Electronic Means."

Section 9.03. Trustee's Individual Rights. The Trustee in its individual or any other capacity may become the Owner or pledgee of Bonds and may otherwise deal with the County or its affiliates with the same rights it would have if it were not Trustee.

Section 9.04. Disclaimer. The Trustee makes no representation as to the validity or adequacy of this Agreement or the Bonds, and the Trustee is not accountable for the County's use of the proceeds of the Bonds.

Section 9.05. Eligibility. The County must maintain a trustee for this Agreement. No corporation may be appointed or serve as Trustee unless (a) it is approved by the LGC for service as Trustee under this Agreement, (b) it is a corporation organized and doing business under the laws of the United States or any

state or the District of Columbia, is authorized under such laws and the laws of the State to exercise corporate trust powers, and is subject to supervision or examination by the United States, any state or the District of Columbia, and (c) it has a combined capital and surplus of at least \$100,000,000 as set forth in its most recent published annual report of condition.

Section 9.06. Resignation; Removal; Replacement. The Trustee may resign at any time by delivering notice of its resignation to the County at least 30 days prior to the effective date of the resignation. The County may remove the Trustee at any time by delivering notice of the removal to the removed Trustee at least 30 days prior to the effective date of the removal, but the County may remove the Trustee only if no Event of Default is continuing at the time the County sends the notice. The Majority Owners may remove the Trustee at any time by delivering notice of the removal to the County and the removed Trustee at least 30 days prior to the effective date of the removal and may at the same time (or at any time during the 30-day notice period) appoint a new Trustee by notice to the County and the removed Trustee.

If the Trustee resigns or is removed or if a vacancy otherwise exists in the office of Trustee for any reason, the County must promptly appoint a successor Trustee (except when that right is exercised by the Majority Owners as described in the preceding paragraph).

A successor Trustee must deliver a written acceptance of its appointment to the retiring Trustee and to the County. Immediately upon receipt of the acceptance, the retiring Trustee must transfer all property held by it as trustee to the successor Trustee; only then will the resignation or removal of the retiring Trustee become effective. The successor Trustee has all the rights, powers and duties of the Trustee under this Agreement.

If the Trustee fails to meet the requirements of Section 9.05, any Owner may petition any court for the removal of the Trustee and the appointment of a successor Trustee.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, then the retiring Trustee, the County or the Majority Owners may petition any court for the appointment of a successor Trustee.

Section 9.07. Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust assets) to another corporation, then the resulting, surviving or transferee corporation without any further act will be the successor Trustee.

Section 9.08. Consent to Jurisdiction and Venue. The Trustee consents to jurisdiction in the State of North Carolina and venue in Macon County for any lawsuit arising from the Trust Agreement or the Bonds, or from the related transactions contemplated by the Trust Agreement or the Bonds.

ARTICLE X

DEFAULTS; REMEDIES

Section 10.01. Events of Default. An "Event of Default" is any of the following:

(a) Default in the payment of the principal of any Bond when the same becomes due and payable, whether at the stated maturity of the Bond or upon proceedings for mandatory (but not optional) redemption.

(b) Default in the payment of any interest on any Bond when the same becomes due and payable.

(c) The occurrence of an Event of Nonappropriation.

(d) The County breaches or fails to perform or observe any term, condition or covenant of this Agreement, the Bonds or the Deed of Trust on its part to be observed or performed, other than as referred to in the preceding subsections, including payment of any Additional Payment, for a period of 90 days after written notice specifying the failure and requesting that it be remedied has been given to the County by any person or entity, unless the Trustee agrees in writing to an extension of the 90-day period prior to its expiration; provided, however, that if the failure stated in the notice cannot reasonably be corrected within the notice period and the County institutes corrective action within the notice period, no Event of Default will be deemed to have occurred so long as the County diligently pursues remedial action.

(e) Any warranty, representation or statement made by the County in this Agreement, the Bonds or in the Deed of Trust is found to be incorrect or misleading in any material respect as of the Closing Date.

(f) Any lien, charge or encumbrance (other than Permitted Encumbrances) prior to or affecting the validity of the Deed of Trust is found to exist, or proceedings are instituted to enforce any lien, charge or encumbrance against the Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of the Deed of Trust.

Section 10.02. Acceleration. If any Event of Default is continuing, then (a) the Trustee, by notice to the County, or (b) the Majority Owners, by notice to the County and the Trustee, may declare the principal of and accrued interest with respect to the Bonds to be due and payable immediately, and such principal and interest will thereupon become and be immediately due and payable. The Trustee must immediately give notice of any acceleration to all Owners. The Trustee may rescind an acceleration and its consequences if all existing Events of Default have been cured or waived, if the rescission would not conflict with any judgment or decree.

Section 10.03. Other Remedies. If an Event of Default is continuing, the Trustee may pursue any remedy at law or in equity to collect the principal or interest with respect to the Bonds or to enforce the performance of any provision of this Agreement, the Bonds, or the Deed of Trust, including by foreclosure on the Mortgaged Property.

The Trustee may maintain a proceeding even if it does not possess any of the Bonds or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Owner in exercising any right or remedy accruing upon an Event of Default does not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

Section 10.04. Waiver of Past Defaults. The Majority Owners, by notice to the Trustee, may waive an existing Event of Default and its consequences. When an Event of Default is waived, it is cured and stops continuing, but no waiver extends to any subsequent or other Event of Default or impairs any right consequent to it.

Section 10.05. Majority's Control. The Majority Owners, upon satisfactory indemnification of the Trustee, may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on it. The Trustee, however, may refuse to follow any direction that it reasonably believes conflicts with law or this Agreement or, subject to Section 9.01, that the Trustee determines is unduly prejudicial to the rights of other Owners or would involve the Trustee in personal liability.

Section 10.06. Limitation on Suits. An Owner may not pursue any remedy with respect to this Agreement or the Bonds (except as provided in Section 10.07) unless (a) the Owner gives the Trustee notice stating that an Event of Default is continuing, (b) the Majority Owners make a written request to the Trustee to pursue the remedy, (c) that Owner or Owners offer to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense, and (d) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity.

An Owner may not use this Agreement to prejudice the rights of another Owner or to obtain a preference or priority over the other Owners.

Section 10.07. Rights To Receive Payment. This Agreement preserves the right of any Owner to receive payment of principal, premium, if any, and interest on a Bond, on or after the due dates expressed in the Bond, or to sue for the enforcement of any such payment on or after such dates. These rights of an Owner may not be impaired or affected without that Owner's consent.

Section 10.08. Collection Suit by Trustee. If an Event of Default occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the County for the whole amount remaining unpaid.

Section 10.09. Trustee May File Proofs of Claim. (a) The Trustee may file proofs of claim and other papers or documents as may be necessary or advisable to have the claims of the Trustee and the Owners allowed in any judicial proceedings relative to the County, its creditors or its property. Unless prohibited by law or applicable regulations, may vote on behalf of the Owners in any election of a trustee in bankruptcy or other person performing similar functions.

(b) If the Trustee incurs expenses or renders services in any proceedings resulting from any Default or Event of Default, the parties intend that the expenses

incurred and compensation for services rendered will constitute expenses of administration under the United States Bankruptcy Code or any similar state or federal law.

Section 10.10. Priorities. If the Trustee collects any money pursuant to this Article, it must deposit that money in a special account in the Payment Fund and pay out that money in the following order:

(a) If the principal of all Bonds has not become or will not be declared due and payable, all the moneys in the Payment Fund will be applied as follows and in the following order:

First, Costs and Expenses: to the payment of the costs and expenses of the Trustee and of the Owners in declaring the Event of Default and pursuing remedies under this Agreement, including reasonable compensation to its or their agents, attorneys and counsel.

Second, Interest: to the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of the installments, beginning with the earliest unpaid installment. If the amount available is not sufficient to pay in full any installment or installments coming due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference.

Third, Principal: to the payment to the persons entitled thereto of the unpaid principal on any Bonds which have become due, whether at maturity or by call for redemption, in the order of their due dates, beginning with the earliest unpaid installment, with interest on the overdue principal at a rate equal to the rate paid on the Bonds. If the amount available is not sufficient to pay in full all the amounts due on the Bonds on any date, together with the required interest, then to the payment thereof ratably, according to the amounts of principal due on that date to the persons entitled thereto, without any discrimination or preference.

(b) If the principal of all Bonds has become or has been declared due and payable, all the money will be applied (i) first to pay the fees and expenses as described in subsection (a), and then (ii) to pay the principal and interest then due on the Bonds, without preference or priority of principal or interest, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably according to the amounts due respectively for principal and

interest, in each of these cases to the persons entitled thereto without any discrimination or privilege.

The Trustee may fix the date for any payment to Owners under this Section.

Section 10.11. Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Agreement or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable legal fees, against any party, having due regard to the merits and good faith of the claims or defenses made by the party. This Section does not apply to a suit by the Trustee or any authorized suit by any Owner.

ARTICLE XI

DISCHARGE OF TRUST AGREEMENT

Section 11.01. Bonds Deemed Paid; Discharge of Trust Agreement. Any Bond will be deemed paid for all purposes of this Agreement when (a) payment of the principal, premium, if any, and interest on that Bond to the due date of those amounts (whether at maturity, upon redemption or otherwise) either (i) has been made in accordance with the terms of the Bonds or (ii) has been provided for by irrevocably depositing with the Trustee or other fiduciary in escrow (A) cash sufficient to make the payments or (B) Federal Securities maturing as to principal and interest in such amounts and at such times as will ensure, without reinvestment, the availability of sufficient moneys to make those payments and which are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder, and (b) all compensation and expenses of the Trustee have been paid or provided for to the Trustee's satisfaction.

The sufficiency of the deposit referenced above must be evidenced or verified by a certificate or other writing, in form and substance satisfactory to the Trustee, of a person or entity experienced in making these calculations as the County may select.

When a Bond is deemed paid as a result of a deposit as provided under (ii) above, it is no longer secured by or entitled to the benefits of this Agreement, and all rights to payment of those Bonds are limited to payment from the moneys or

Federal Securities that have been deposited. Those Bonds, however, may still be transferred, exchanged, registered or replaced as provided in Article XIV, and still represent installment contracts and obligations of the County payable from that special fund.

Notwithstanding the foregoing, the County may make no deposit under clause (a)(ii) above until the County has furnished the Trustee an Opinion of Bond Counsel to the effect that the deposit of cash or Federal Securities will not cause the Bonds to become "arbitrage bonds" within the meaning of the Code if the interest on those Bonds is intended to be not included in gross income for federal income tax purposes. Also, if a Bond is to be prepaid prior to maturity, notice of redemption of the Bond must be given in accordance with this Agreement or any supplement or amendment for the deposit to be deemed a payment of that Bond. If the Bond, however, is not to be paid or prepaid within the next 60 days following the deposit date, the County must give the Trustee, in form satisfactory to the Trustee, irrevocable written instructions as follows:

(A) to provide notice to the Bondholders, as soon as practicable, that the County has made the deposit required by (a)(ii) above and that the Bond is deemed to be paid under this Article, and further stating the maturity or redemption date upon which moneys are to be available for the payment of the principal with respect to the Bond, and

(B) to give notice of redemption not less than 30 nor more than 60 days prior to the redemption date for that Bond as provided in this Agreement or any supplement or amendment.

When all Outstanding Bonds are deemed paid under this Section, the Trustee must, upon the County's request, acknowledge the discharge of the lien of this Agreement and repay any excess amounts remaining on deposit in the Funds established under this Agreement to the County.

The County agrees that no deposit must be made or accepted, and no use made of any deposit, that would cause any Bonds to be treated as "arbitrage bonds" within the meaning of the Code if the interest on that Bond is intended to be not included in gross income for federal income tax purposes.

Section 11.02. Application of Trust Money. The Trustee must hold in trust money or Federal Securities deposited with it pursuant to Section 11.01 and

must apply the deposited money and the money paid with respect to the Federal Securities in accordance with this Agreement only to the payment of principal, interest and any applicable redemption premium with respect to the affected Bonds.

ARTICLE XII

INVESTMENT OF MONEYS IN FUNDS

Section 12.01. Investments Authorized.

(a) Subject to the further provisions of this Article XII, the Trustee must invest and reinvest moneys held by it under this Agreement upon the County's written direction in Investment Obligations that are Legal Investments. All investments, if registrable, must be registered in the name of the Trustee or its assignee for the benefit of the Owners and held by the Trustee. If the County does not provide the Trustee with written direction as to any investment or reinvestment of moneys held under this Agreement, the Trustee will invest or reinvest those moneys in the North Carolina Capital Management Trust (or its successor).

(b) The Trustee may purchase or sell, to itself or to any affiliate, as principal or agent, any investments of funds held under this Agreement. The Trustee may act as purchaser or agent in the making or disposing of any investment, may make any investment through its bond or investment department or those of its affiliates, and may charge its ordinary and customary fees for those transactions.

(c) The Trustee is not responsible or liable for any loss suffered in connection with any investment of funds made in accordance with this Section. The Trustee may conclusively rely on the County's investment directions as to both the suitability and legality of any investment made at the County's direction, and therefore the Trustee has no obligation or responsibility with respect to whether any particular investment is a Legal Investment or an Investment Obligation within the meaning of this Agreement.

(d) The County must direct the investment and reinvestment of all moneys in Investment Obligations having maturities not extending beyond the date on which the County estimates those moneys are to be needed for their intended purposes. Investments will be considered as maturing on the date on which they are

redeemable without penalty at the holder's option or the date on which the Trustee may require their repurchase without penalty pursuant to a repurchase agreement.

Section 12.02. Held in Trust. The moneys and investments held by the Trustee under this Agreement are irrevocably held in trust for the benefit of the Owners, and those moneys, and any income or interest earned thereon, must be expended only as provided in this Agreement. To the extent permitted by law, those moneys and investments will not be subject to levy or attachment or lien by or for the benefit of any creditor of the Trustee or the County, other than the Owners.

Section 12.03. Investments Part of Fund. Any income, profit or loss on the investment of moneys held by the Trustee under this Agreement must be credited to the respective fund to which those moneys are credited, except as otherwise provided in this Agreement.

Section 12.04. Accounting. The Trustee must furnish to the County, not less frequently than monthly, an accounting of all investments made by the Trustee in all funds and accounts held by the Trustee. These accountings may be supplied in the form of the Trustee's customary statements. The Trustee must keep accurate records of all funds administered by it and of all Bonds paid and discharged. Although the County recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the County agrees that the Trustee is not required to issue broker confirmations of investments for any month for which the Trustee delivers a monthly statement.

Section 12.05. Valuation. To determine the amount on deposit in any Fund or Account held under this Agreement, the Trustee must value any investment credited to a Fund or Account at its market value. The Trustee must make these valuations annually as of each June 30, beginning June 30, 2025, and at such additional times as this Agreement may require or as the County may request. The County may not make more than one request in a calendar month.

Section 12.06. Disposition. The Trustee must sell, or present for redemption, and reduce to cash any investment in a Fund or Account whenever the cash balance in the Fund or Account is insufficient for its purposes.

Section 12.07. Commingling of Moneys in Funds. The Trustee must separately account for all Funds and Accounts held by it under this Agreement. With

the County's approval, however, the Trustee may commingle for investment purposes any funds held under this Agreement with any other funds.

Section 12.08. Information Concerning Investments. The Trustee must establish and maintain written records regarding investments made under this Article XII and must supply the information to the County at its request. The Trustee's records must show for each investment obligation information as to: (a) purchase date; (b) purchase price; (c) any accrued interest paid; (d) face amount; (e) coupon rate; (f) periodicity of interest payments; (g) disposition price; (h) any accrued interest received; and (i) disposition date.

Section 12.09. Restricted Yield Investments. The County may direct the investment of any funds held under this Agreement without regard to yield, despite any provision in this Agreement directing investment with regard to the Restricted Yield, but only if the County provides the Trustee with an Opinion of Bond Counsel, in form and substance reasonably acceptable to the Trustee, to the effect that such an investment would not adversely affect any exclusion from gross income that would otherwise be applicable to interest payments on the Bonds.

ARTICLE XIII

AMENDMENTS OF AND SUPPLEMENTS TO TRUST AGREEMENT, BONDS OR DEED OF TRUST

Section 13.01. Without Owners' Consent. The County and the Trustee may amend or supplement this Agreement, any Bonds or the Deed of Trust without notice to or consent of any Owner for any of the following purposes, or for any combination of the following purposes:

- (a) to cure any ambiguity, inconsistency or formal defect or omission
- (b) to grant to the Trustee for the benefit of the Owners additional rights, remedies, powers or authority
- (c) to subject to this Agreement additional collateral or to add other agreements of the County, including the addition of real estate or other collateral to be subject to the lien of this Agreement or the Deed of Trust

(d) to permit the qualification of this Agreement under any federal or state statute, whenever enacted, and, in that connection, to add to this Agreement or any other supplemental trust agreement any other terms, conditions and provisions as may be permitted or required by the federal or state statute

(e) to provide for the issuance of Additional Bonds as otherwise permitted by this Agreement

(f) to provide for Bonds to be issued or exchanged for Bonds in any other form or format at that time permitted by law

(g) to evidence the succession of a new Trustee, or to provide for the appointment and operation of a Bond registrar separate from the Trustee

(h) to make any other change that does not materially adversely affect the rights of any Owner

The Trustee may conclusively rely on a County Certificate to the effect that a proffered amendment or supplement is within the scope of this Section 13.01.

At least five Business Days prior to its execution and delivery of any supplemental agreement or instrument for any of the purposes described in this Section, the Trustee shall provide for a notice of the proposed agreement or instrument to be mailed first-class, postage prepaid, to the LGC and to all Owners of Bonds at the addresses shown in the register maintained pursuant to Section 14.05. The notice must briefly set forth the nature of the proposed agreement or instrument, or include a copy, and state that copies of the proposed agreement or instrument are available to all Owners of Bonds upon written request to the County or the Trustee at addresses stated in the notice. This requirement for notice, however, does not apply in the case of an amendment authorized under (e) above.

The County must pay the expenses of any mailing and copies required under this Section. A failure on the Trustee's part to mail the notice required by this Section will not affect the validity of any supplemental agreement or instrument.

Section 13.02. With Owners' Consent. (a) If Section 13.01 does not permit an amendment of or supplement to this Agreement, any Bonds or the Deed of Trust without any consent of Owners, the County and the Trustee may enter into that amendment or supplement only with the consent of the Majority Owners.

(b) Without the consent of each Owner affected, however, no amendment or supplement to this Agreement, the Deed of Trust or any Bonds may (i) extend the maturity of the principal or interest on any Bond; (ii) reduce the principal amount of, or rate of interest on, any Bond; (iii) effect a privilege or priority of any Bond or Bonds over any other Bond or Bonds; (iv) reduce the percentage of the principal amount of the Bonds required for consent to any amendment or supplement, (v) intentionally impair any exclusion of interest on the Bonds from the federal gross income of the Owner of any Bond to which that interest was intended to be entitled; (vi) change any redemption terms of those Bonds; (vii) create a lien ranking prior to or on a parity with the lien of this Agreement on the property pledged under this Agreement (except with respect to a parity pledge for the benefit of the Owners of Additional Bonds); or (viii) deprive any Owner of the lien created by this Agreement on any property.

In addition, if moneys or Federal Securities have been deposited or set aside with the Trustee pursuant to Article XI for the payment of Bonds and those Bonds have not in fact been paid in full, the parties may make no amendment to the provisions of that Article without the consent of each Owner affected.

Section 13.03. Procedure for Amendment with Owners' Consent.

(a) If a proposed amendment requires the consent of Owners, the Trustee must establish a record date, and Owners as of that record date will be the Owners with the right to consent to the proposed amendment or supplement. This record date must be a date not less than five nor more than 45 Business Days after the date the Trustee receives notice or direction from the County to solicit consents.

(b) The Trustee shall provide for there to be mailed to the LGC and to all Owners of Bonds a copy of the proposed supplement or amendment, together with a request to the Owners for their consent. The Trustee shall send this notice by first-class mail, postage prepaid, to the Owners of Bonds at the addresses shown in the register maintained pursuant to Section 14.05, but failure to send or receive copies of the supplement or amendment and request does not affect the validity of the supplement or amendment when assented to as provided in this Section. The request mailed by the Trustee must also designate a date not more than 180 nor less than 30 days following the mailing date, as designated by the County, by which consent must be returned to be effective. The County must pay the expenses of any mailing and copies required under this Section.

(c) The proposed supplement or amendment will not become effective unless and until there are filed with the Trustee the written consent of the Owners (as of the record date) of not less than a majority in aggregate principal amount of the Bonds Outstanding as of the established record date (exclusive of Bonds disregarded from the calculation as provided in Section 13.04) and the Trustee has mailed the notices required by Section 13.09. Each consent will be effective only if accompanied by proof of ownership of the Bonds for which the consent is given as provided in Section 13.05 and given within the time designated as provided in subsection (b) above.

Section 13.04. Bonds Excluded from Calculation. Bonds owned or held by or for the account of the County or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the County (except any Bonds held in any pension or retirement fund), are not deemed Outstanding for any action or any calculation of Outstanding Bonds provided for in this Agreement. Similarly, Owners of those Bonds are not entitled to take any action provided for in this Agreement. If, however, all Outstanding Bonds are owned by the County or other Owners described in this paragraph, then none of the Outstanding Bonds are excluded from calculation under this paragraph.

For purposes of this Section, the Trustee may assume that no Bonds are excluded from any calculation of Outstanding Bonds provided for in this Agreement except for Bonds (i) that are registered in the County's name or (ii) for which the Trustee has received written notice that the Bonds are owned or held by or for the account of the County or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with the County.

The County and the Trustee intend, however, that the County's ownership or holding of Bonds will not, by itself, give rise to an extinguishment of the Bonds or of any obligation arising under this Agreement.

The Trustee may (but is not required to) provide for each Owner, before an Owner's consent is deemed effective, to certify or otherwise provide evidence to establish whether the Bonds as to which the consent is given are excluded as provided in this Section.

Section 13.05. Owners' Consents. Any consent or other instrument required to be signed by Owners may be in any number of concurrent documents and may be

signed by an Owner or by the Owner's agent appointed in writing. Proof of the execution of the instrument, or of the instrument appointing an agent, and of the ownership of Bonds, if made in the following manner, will be conclusive for any purposes of this Agreement regarding any action taken by the Trustee.

(a) The fact and date of a person's signing an instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within that jurisdiction that the person signing the writing acknowledged before the officer the execution of the writing, or by an affidavit of any witness to the signing.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of such Bonds and the date of holding will be proved by the registration books kept pursuant to this Agreement.

Section 13.06. Effect of Consents. After an amendment or supplement becomes effective, it binds every Owner. Any consent is binding upon and irrevocable by the Owner of the Bond giving the consent and on any subsequent Owner (whether or not any subsequent Owner has notice of the consent), unless the consent is revoked in writing by the Owner giving the consent, or a subsequent Owner of the same Bonds, by filing a revocation with the Trustee prior to the time when the Trustee has mailed the notice provided for in Section 13.09.

Section 13.07. Trustee's Execution of Amendments and Supplements. The Trustee must execute and deliver any amendment or supplement to the Trust Agreement or the Bonds authorized by this Article if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee, as the Trustee may determine in its reasonable discretion. If the amendment or supplement has such an adverse effect, the Trustee may, but need not, execute and deliver it. In determining to execute and deliver an amendment or supplement, the Trustee is entitled to receive and may conclusively rely on an Opinion of Counsel to the effect (a) that the amendment or supplement is authorized by this Agreement and (b) that upon execution it will be valid and binding upon the party or parties executing it in accordance with its terms.

Section 13.08. LGC's Consent Required. No amendment or supplement to this Agreement, the Deed of Trust or the Bonds will become effective unless the LGC delivers to the County and the Trustee its prior written consent to the amendment or supplement.

Section 13.09. Notice of Amendments and Supplements. The Trustee must cause notice of the execution of any supplement or amendment to this Agreement or the Bonds to be mailed to the Owners. The notice will, at the Trustee's option, either (a) briefly state the nature of the amendment or supplement and that copies of it are on file with the Trustee for inspection by Owners, or (b) enclose a copy of the amendment or supplement. The County must pay the expenses of any mailing and copies required under this Section. Any failure on the Trustee's part to mail the notice required by this Section will not affect the validity of any supplemental agreement.

Section 13.10. Notation on or Exchange of Bonds. If an amendment or supplement changes the terms of a Bond, the Trustee may require the Owner of that Bond to deliver it to the Trustee. The Trustee may place an appropriate notation on the Bond about the changed terms and return it to the Owner. Alternatively, if the Trustee and the County agree, in exchange for the Bond the County will execute, and the Trustee will authenticate and deliver, a new Bond that reflects the changed terms.

ARTICLE XIV

ADDITIONAL PROVISIONS FOR THE FORM, REGISTRATION AND EXCHANGE OF BONDS

Section 14.01. Form and Details of Bonds. Each Series of Bonds will be dated the date of the initial delivery of those Bonds to their initial purchaser. The Bonds will be issuable only as fully registered Bonds in a minimum denomination of \$5,000 and integral multiples of \$5,000 above the minimum. Each Bond will be payable as to interest (a) from its date, if that Bond is authenticated prior to the Record Date preceding its first Payment Date, (b) from the succeeding Payment Date, if that Bond is authenticated between a Record Date and the succeeding Payment Date, or (c) otherwise from the Payment Date that is, or immediately precedes, the date on which that Bond is authenticated; provided, however, that if at the time of authentication of a Bond any payment of interest on that Bond is in default, then that Bond is payable as to interest from the date to which interest has been paid. Principal, interest and any redemption premium for all Bonds are payable in lawful money of the United States of America.

Section 14.02. Book-Entry-Only Form. (a) All Bonds will be issued by means of a book-entry system, with one certificate for each maturity of each series of Bonds immobilized at DTC and not available for distribution to the public. Bonds registered in the name of DTC or its nominee may be held in custody by the Trustee in lieu of immobilization at DTC if permitted under DTC's rules and procedures.

The parties agree that transfer of beneficial ownership interests in the Bonds in the principal amounts of \$5,000 and integral multiples of \$5,000 above the minimum will be effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Principal, interest and any redemption premium on the Bonds are payable to DTC or its nominee as registered owner of the Bonds. The parties agree that transfer of principal, interest and any redemption premium to DTC participants will be DTC's responsibility, and that transfer of principal, interest and any redemption premium on the Bonds to beneficial owners of the Bonds by DTC participants will be the responsibility of those participants and other nominees of beneficial owners. Neither the Trustee nor the County will be responsible or liable for transfer of payments beyond DTC or for maintaining, supervising or reviewing the records maintained by DTC, its participants, or persons acting through those participants.

(b) If (i) DTC determines not to continue to act as securities depository for the Bonds or (ii) the County directs, the County and the Trustee will arrange to discontinue the book-entry system with DTC. If the County designates an alternate qualified securities depository to replace DTC, that depository will replace DTC and all references to DTC in this Agreement will be deemed references to the alternate depository. If the County does not designate another depository to replace DTC, the County must deliver fully registered Bonds as replacements for Bonds in book-entry form for the Trustee's authentication and delivery.

Section 14.03. Execution. The Bonds must be signed on the County's behalf by the manual or facsimile signature of the presiding officer of the County Board or the County Manager, and the County's seal must be impressed or imprinted on the Bonds by facsimile or otherwise and attested by the manual or facsimile signature of the County Clerk or any Deputy or Assistant Clerk. If any County officer whose signature is on a Bond no longer holds that office at the time the Trustee authenticates the Bond, that Bond is nevertheless valid. If a person signing a Bond is the proper officer on the actual date of execution, the Bond is valid even if that person is not the proper officer on the nominal date of action.

Section 14.04. Authentication. Each Bond must bear a certificate of authentication from the Trustee. No Bond will be valid until the Trustee has duly executed the certificate of authentication and inserted the authentication date on that Bond. The Trustee must authenticate each Bond with the signature of an authorized representative or employee, but it is not necessary for the same person to authenticate all the Bonds. Only Bonds authenticated as provided in this Section are entitled to any right or benefit under this Agreement.

Section 14.05. Registration and Exchange of Bonds; Persons Treated as Owners. The Trustee will establish and maintain a register as to the ownership of Bonds. An Owner may exchange and transfer Bonds only through the register. Upon surrender for transfer to the Trustee of any Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or the Owner's duly authorized attorney, the Trustee will authenticate a new Bond or Bonds in an equal total principal amount and registered in the name of the transferee.

Bonds may be exchanged for an equal total principal amount of Bonds of different but authorized denominations. The Trustee must authenticate and deliver Bonds that the Owner making the exchange is entitled to receive, bearing numbers not then Outstanding.

The Trustee is not required to exchange or register the transfer of any Bond after the giving of notice calling such Bond for redemption. If it does, the Trustee must deliver to the transferee any applicable redemption notice when it effects a transfer or exchange of any Bond after the mailing of notice calling the Bond or any portion of the Bond for redemption.

The Owner is the absolute owner of the Bond for all purposes, and payment of principal and interest will be made only to or upon the written order of the Owner or the Owner's legal representative, except that payments will be made to the persons shown as the owners as of the applicable Record Date.

The Trustee must require the payment by an Owner requesting exchange or transfer of any tax or other governmental charge required to be paid in respect of the exchange or transfer but must not impose any other charge.

Section 14.06. Mutilated, Lost, Stolen or Destroyed Bonds.

(a) If any Outstanding Bond is damaged, mutilated, lost, stolen or destroyed, the County must execute, and the Trustee must authenticate and deliver, a replacement Bond, of the same tenor as the damaged, mutilated, lost, stolen or destroyed Bond, in the manner provided below.

(b) (i) The Owner must apply to the Trustee for exchange and substitution of damaged, mutilated, lost, stolen or destroyed Bonds. In every case, the applicant for a replacement Bond must furnish to the County and the Trustee such security or indemnity as each may reasonably require. In every case of loss, theft or destruction of a Bond, the applicant must also furnish to the County and the Trustee evidence to their reasonable satisfaction of the loss, theft or destruction. In the case of damage or mutilation of a Bond, the applicant must surrender the damaged or mutilated Bond.

(ii) Notwithstanding the foregoing, if any such Bond has matured, and no default is then continuing in the payment of the principal or interest on that Bond, the County may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a substitute Bond, provided security or indemnity is furnished as provided above in the case of a lost, stolen or destroyed Bond.

(c) The requirements for indemnity in this Section are in addition to any requirements imposed by law, including any requirements of General Statutes Section 159-137.

(d) The Trustee shall charge the Owner of such Bond with all expenses in connection with the issuance of any substitute Bond. Every substitute Bond issued pursuant to the provisions of this Section because any Bond is lost, stolen or destroyed, whether or not the lost, stolen or destroyed Bond may be found at any time, or may be enforceable by anyone, is entitled to all the benefits of this Agreement equally and proportionally with all other Bonds duly issued under this Agreement.

Section 14.07. Cancellation. Whenever a Bond is delivered to the Trustee for cancellation (upon payment, redemption or otherwise) or for transfer, exchange or replacement, the Trustee must promptly destroy the Bond and deliver a written certificate of that destruction to the County.

Section 14.08. Temporary Bonds. Prior to the preparation of Bonds in definitive form the County may execute, and the Trustee must then authenticate and deliver, temporary Bonds in any denominations as the County may determine, but otherwise in substantially the form set out in this Agreement. The County must promptly prepare, execute and deliver to the Trustee, before the first Payment Date for those Bonds, permanent Bonds in definitive form, and thereupon, upon surrender of Bonds in temporary form, the Trustee will authenticate and deliver in exchange therefor Bonds in definitive form of the same maturity and having an equal aggregate principal amount. Until exchanged for Bonds in definitive form, Bonds in temporary form are entitled to the lien and benefit of this Agreement.

Section 14.09. Non-Presentation of Bonds. (a) If any Bond is not presented for payment when the principal of that Bond becomes due (whether at maturity, upon acceleration or call for redemption or otherwise), all liability to the Owner for the payment of that Bond will be completely discharged if funds sufficient to pay the Bond and the premium, if any, and interest due on that Bond are held by the Trustee for that Owner's benefit. It is then the Trustee's duty to hold these funds subject to subsection (b) below, without liability for interest, for the benefit of the Owner. The Owner will thereafter be restricted exclusively to those funds for any claim of whatever nature under this Agreement with respect to that Bond.

(b) Notwithstanding any provision of this Agreement to the contrary, the Trustee must dispose of moneys held by it for the payment of principal, premium, or interest on Bonds left unclaimed for five years after the date the principal on those Bonds becomes due in accordance with N.C. Gen. Stat. Sec. 116B-51 or any successor provision. After the disposition, the Owners of those Bonds are thereafter entitled to look only to their remedies under N.C. Gen. Stat. Chapter 116B or any successor provision. The Trustee and the County have no further responsibility with respect to that money or for that payment.

Section 14.10. Supplemental Agreements May Vary Terms. Any supplement or amendment to this Agreement may, by its express terms only, vary any of the terms and provisions of this Article with respect to any Series of Bonds.

ARTICLE XV

MISCELLANEOUS

Section 15.01. Notices.

(a) Any communication provided for in this Agreement must be in English and must be in writing. "Writing" includes electronic mail but does not include facsimile transmission.

(b) For the purposes of this Agreement, any communication sent by electronic mail will be deemed to have been given on the date the communication is similarly acknowledged by a County Representative (in the case of the County) or other authorized representative (in the case of any other party). No such communication will be deemed given or effective without such an acknowledgment. Any electronic communication to the Trustee is subject to the provisions of Section 9.02.

(c) Any other communication under this Agreement will be deemed given on the delivery date shown on a United States Postal Service certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

(i) if to the County, to Macon County, Attn: County Manager, Re: Notice for 2024 Franklin High School Financing, 5 West Main St., Franklin, NC 28734

(ii) if to the Trustee, to U.S. Bank Trust Company, National Association, Attention: Corporate Trust Services, Regarding: Notice under 2024 LOBs Financing for Macon County (North Carolina), 214 North Tryon Street, 27th Floor, Charlotte, North Carolina 28202

(iii) if to the LGC, to North Carolina Local Government Commission, Attention: Secretary, Re: Re: Notice for 2024 Macon County LOBs Financing, 3200 Atlantic Avenue, Longleaf Building, Raleigh NC 27604

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

(e) Whenever this Agreement requires the giving of a notice, the person entitled to receive the notice may waive the notice, in writing. The giving or receipt of the notice will then not be a condition to the validity of any action taken in reliance upon the waiver.

Section 15.02. Limitation of Rights. Nothing expressed or implied in this Agreement or the Bonds gives any person other than the Trustee, the County and the Owners any right, remedy or claim under or with respect to this Agreement.

Section 15.03. Severability. If any provision of this Agreement is determined to be unenforceable, that does not affect any other provision of this Agreement.

Section 15.04. Non-Business Days. If a Payment Date is not a Business Day, then payment may be made on the next Business Day, and no interest will accrue for the intervening period. When any other action is provided in this Agreement to be done on a day or within a time period named, and the day or the last day of the period is not a Business Day, the action may be done on the next ensuing Business Day.

Section 15.05. Governing Law; Forum. The parties intend that North Carolina law will govern this Agreement, the Bonds, and all matters of their interpretation. To the extent permitted by law, the parties agree that any action brought with respect to this Agreement must be brought in the North Carolina General Court of Justice in Macon County, North Carolina.

Section 15.06. Limitation on Liability of Officers and Agents. No officer, agent or employee of the County, the Trustee or the LGC is subject to any personal liability or accountability by reason of that officer's execution of this Agreement, the Bonds or any other documents related to the transactions contemplated by this Agreement. These officers or agents are deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section does not relieve any person from the performance of any official duty provided by law or by this Agreement.

Section 15.07. Binding Effect. This Agreement is binding upon, inures to the benefit of and is enforceable by the parties and their respective successors and assigns.

Section 15.08. Waiver of Notice. Whenever in this Agreement the giving of notice is required, the giving of such notice may be waived in writing by the person entitled to receive such notice, and the giving or receipt of such notice will not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 15.09. Counterparts. This Agreement may be signed in several counterparts, including separate counterparts. Each will be an original, but all of them together constitute the same instrument.

Section 15.10. Definitions; Rules of Interpretation. Unless the context clearly requires otherwise, capitalized terms used in this Agreement and not otherwise defined have the meanings set forth in Exhibit B, and this Agreement will be interpreted in accordance with the rules set forth in Exhibit B.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed, sealed and delivered in their corporate names by their duly authorized representatives, all as of September 1, 2024.

(SEAL)

ATTEST:

**MACON COUNTY,
NORTH CAROLINA**

Tammy Keezer
Deputy Clerk, Board of Commissioners

By: _____
Derek Roland
County Manager

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee**

By: _____

Printed name: _____

Title: _____

Exhibits:

- A Project description
- B Definitions; Rules of Interpretation
- C Form of the Bonds
- D Schedule of principal and interest payments
- E Form of requisition

[Trust Agreement dated as of September 1, 2024]

Exhibit A – Project Description

The Project consists of carrying out the acquisition, construction and equipping of a new Franklin High School and paying the related Financing Costs.

Component	Estimated amount (\$)
Construct, equip and finance a new Franklin High School	
Financing Costs	
TOTAL	

The amounts stated above are estimates only. The County may use any portion of the Amount Advanced for any of the Financed Facilities or any of the Financing Costs, subject to the County’s obligation to undertake and complete those components of the project related to the Pledged Facilities and the limitation on the use of funds only for Project Costs.

Exhibit B -- Definitions; Rules of Interpretation

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

"2024 Bonds" means the [\$70,500,000] original aggregate principal amount Limited Obligation Bonds, Series 2024, issued pursuant to this Agreement.

"Additional Bonds" means any Bonds delivered pursuant to Section 1.06.

"Additional Payments" means the Trustee's reasonable and customary fees and expenses, any of the Trustee's expenses (including legal fees, costs and expenses) in prosecuting or defending any action or proceeding in connection with this Agreement, or any other amounts payable by the County as a result of its covenants under this Agreement, the Bonds or the Deed of Trust (together with interest that may accrue on any of the above if the County fails to pay the same, as set forth in this Agreement or in the Deed of Trust).

"Amount Advanced" has the meaning assigned in Section 1.01.

"Bond Counsel" means any attorney or firm of attorneys nationally recognized on the subject of municipal obligations as the County may select from time to time.

"Bond Payments" means all the amounts due for payment of principal, interest and redemption premium (as applicable) on Bonds.

"Bondholder," means the person in whose name a Bond is registered on the registration books maintained by the Trustee.

"Bonds" means, together, the 2024 Bonds and all Additional Bonds.

"Business Day" means any day (a) other than a day on which banks in New York, New York, or the city to which notices to the Trustee under this Agreement are to be sent, are required or authorized to close, and (b) on which the New York Stock Exchange is not closed.

"Closing Date" means the date on which this Agreement is first executed and delivered by the parties and the 2024 Bonds are delivered to their initial purchaser, which the parties expect to be on or about September ____, 2024.

"Code" means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder or under the Internal Revenue Code of 1954, as amended, as applicable to the Bonds.

"Construction Contract" means any agreement between the County and any other person or entity related to any part of the construction of the Pledged Facilities, including contracts for site preparation and related work.

"Contract Payments" means all Bond Payments and Additional Payments.

"Contract Term" means the time beginning with the Closing Date and continuing until no Bonds are Outstanding under this Agreement.

"County" means Macon County, North Carolina, or its successors.

"County Board" means the County's governing board as from time to time constituted.

"County Certificate" means any written document (in whatever form, however designated) executed and delivered by a County Representative.

"County Representative" means the County Manager, the County's statutory finance officer, or any other person or persons at the time designated, by a written certificate furnished to the Trustee that (a) is signed on the County's behalf by the County Manager or the presiding officer of the County Board to act on the County's behalf (or to perform any specified act) under this Agreement, and (b) contains the specimen signature of the designated person.

"Deed of Trust" means the Deed of Trust and Security Agreement dated as of September 1, 2024, from the County to a deed of trust trustee for the Trustee's benefit, as it may be duly amended or supplemented.

"Deed of Trust Trustee" means the person or entity serving in that capacity from time to time under the Deed of Trust.

“Default” means an event or condition that, with notice or the passage of time or both, would become an Event of Default.

"DTC" means The Depository Trust Company, New York, New York, or its successors as the securities depository maintaining a book-entry system for recording beneficial ownership interests in the Bonds

“EMMA System” means the “EMMA” continuing disclosure system maintained by the MSRB, or any successor to its functions.

"Event of Default" has the meaning set forth in Section 10.01.

"Event of Nonappropriation" means a failure or refusal by the County Board to include funds for Contract Payments in the County’s budget for any Fiscal Year, or any reduction or elimination of an appropriation for Contract Payments, all as further described in Section 4.02.

"Federal Securities" means, to the extent the same are Legal Investments, (a) direct obligations of the United States of America for which its full faith and credit are pledged, or (b) securities or obligations evidencing direct ownership interests in specified portions (principal or interest) of obligations described in (a), and expressly includes obligations stripped by the United States Treasury itself.

“Financed Facilities” means any facilities, equipment or other assets or undertakings paid for in whole or in part from the proceeds of Bonds, including the Pledged Facilities.

“Financing Costs” means all professional and administrative costs related to the authorization, execution and delivery of Bonds, including printing and publication costs and legal, accounting, advisory and other fees and expenses. Financing Costs are a subset of Project Costs.

"Fiscal Year" means the County's fiscal year beginning July 1, or such other fiscal year as the County may later lawfully establish, and also includes the period between the Closing Date and June 30, 2025.

"Independent Counsel" means an attorney duly admitted to the practice of law in the State as the County may select from time to time.

"Interest Account" means the account of that name in the Payment Fund established in Section 3.04.

"Legal Investments" means all investments as are legal investments for the County's funds, as determined at the time of investment, and "Investment Obligations" means the securities purchased as Legal Investments and held under this Agreement.

"LGC" means the North Carolina Local Government Commission, or any successor to its functions.

"Majority Owners" means, as of any date, the Owners of at least a majority in principal amount of the Bonds then Outstanding.

"Mortgaged Property" has the meaning assigned to that term in the Deed of Trust, and generally includes the Pledged Facilities and the Pledged Sites.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor to its functions.

"Net Proceeds" means all payments and proceeds derived from (a) claims made on account of insurance coverages required under this Agreement, (b) any exercise of condemnation or eminent domain authority related to all or any portion of the Mortgaged Property, (c) proceeds of title insurance related to the Mortgaged Property, or (d) any sale of the Pledged Facilities, as well as all judgments, settlements or other payments in lieu of any of the foregoing, but in any case reduced by the sum of all amounts (including legal fees, costs and expenses) expended by the County or the Trustee (i) to collect those gross proceeds or (ii) to remedy the event giving rise to the proceeds, all of which amounts will be paid or reimbursed from the gross proceeds.

"Net Proceeds Fund" means the Macon County 2024 Net Proceeds Fund established in Section 3.04.

"Opinion of Counsel" or "Opinion of Bond Counsel" means a written opinion of Independent Counsel or Bond Counsel, as appropriate.

"Outstanding," when used with reference to Bonds, or "Bonds Outstanding," means all Bonds which have been authenticated and delivered by the Trustee under this Agreement and not yet paid, except the following:

(a) Bonds canceled or purchased by or delivered to the Trustee for cancellation;

(b) Bonds that have become due (at maturity or on redemption, acceleration or otherwise) and for the payment, including interest accrued to the due date, of which the Trustee holds sufficient moneys;

(c) Bonds deemed paid in accordance with Article XI; and

(d) Bonds in lieu of which others have been authenticated under Section 14.05 (relating to registration and exchange of Bonds) or Section 14.06 (relating to mutilated, lost, stolen, destroyed or undelivered Bonds).

"Owner," when used with reference to a Bond, means the person in whose name that Bond is registered on the registration books maintained by the Trustee.

"Payment Date" means, with respect to the 2024 Bonds, each October 1 and October 1 beginning April 1, 2025, and with respect to any Additional Bonds means the dates specified for principal and interest payments with respect to those Additional Bonds.

"Payment Fund" means the Macon County 2024 Bond Payment Fund established in Section 3.04.

"Permitted Encumbrances" means, as of any particular time, (a) the encumbrances shown on Exhibit C to the Deed of Trust, (b) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pursuant to Section 5.14, (c) the Deed of Trust, (d) any lien or encumbrance made by its terms expressly subordinate to the lien of the Deed of Trust, and (e) easements and rights-of-way granted by the County pursuant to Section 1-6 of the Deed of Trust.

"Pledged Facilities" has the meaning ascribed to that term in the Deed of Trust, and generally includes the planned new Franklin High School to be located at _____, Franklin, North Carolina.

“Pledged Sites” has the meaning ascribed to that term in the Deed of Trust, and generally includes the real property upon which the Pledged Facilities are located (or are to be constructed) and associated property.

"Principal Account" means the account of that name in the Payment Fund established in Section 3.04.

“Project” has the meaning ascribed to that term in the recitals to this Agreement.

“Project Costs” means all costs of carrying-out of the Project, including the costs of the design, planning, constructing, acquiring, installing, equipping of improvements to the Pledged Facilities, all as determined in accordance with generally accepted accounting principles and that will not adversely affect the exclusion from gross income for federal income tax purposes of interest on Bonds to which it is intended that interest will be entitled. “Project Costs” include (a) sums required to reimburse the County or its agents for advances made for any costs otherwise described in this definition, (b) interest during the period of acquisition and construction of improvements and for up to six months thereafter, and (c) all Financing Costs.

"Project Fund" means the Macon County 2024 Project Fund established in Section 3.01.

"Record Date" means the end of the calendar day on the 15th day of the month (whether or not a Business Day) preceding a Payment Date.

"Redemption Account" means the account of that name in the Payment Fund established in Section 3.04.

"Restricted Yield" means an annual "yield," within the meaning of Treas. Regs. Secs. 1.103-13(c), -13(d), 1.148-9T(a), not in excess of an annual "yield" equal to _____%.

“Rule 15c2-12” means Rule 15c2-12 promulgated by the United States Securities Exchange Commission under the Securities Act of 1934.

“School Board” means The Macon County Board of Education, or any successor to its functions.

“Section 160A-20” means Section 160A-20 of the North Carolina General Statutes.

"State" means the State of North Carolina.

“Term Bonds” means the 2024 Bonds maturing in the years ____ and ____, which are subject to sinking fund redemption as provided in Section 2.01(b) and 2.05.

"Trust Agreement" or “Agreement” means this Agreement, as it may be duly amended or supplemented.

“Trustee” means the bank or trust company from time to time serving as trustee under this Agreement, whether the original or a successor Trustee.

Rules of Interpretation. Unless the context otherwise requires,

(a) An accounting term not otherwise defined has the meaning assigned to it in accordance with generally accepted accounting principles, and any accounting term should be understood to include any successor term or other new term with a substantially equivalent function.

(b) Unless otherwise indicated, references to Articles, Sections and Exhibits are to the Articles, Sections and Exhibits of this Agreement.

(c) Words importing the singular will include the plural and vice versa, and words importing the masculine gender will include the feminine and neuter genders as well, and vice versa.

(d) The headings on sections and articles are solely for convenience of reference. They do not constitute a part of this Agreement nor should they affect its meanings, construction or effect.

(e) Words importing the redemption or calling for redemption of Bonds should not be deemed to refer to or connote the payment of Bonds at their stated maturity.

(f) Reference to any statute or regulation should be understood to include any successor provision.

(g) All references to the payment of Bonds are references to payment of principal of and premium, if any, and interest with respect to the Bonds; and

(h) The use of the term “including” should in all cases be understood to mean “including, without limitation.”

(i) All interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months, unless another convention is specified.

Exhibit C – Form of 2024 Bond

REGISTERED

Number R-X

REGISTERED

MACON COUNTY, NORTH CAROLINA

Limited Obligation Bond, Series 2024

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____ %	October 1, _____	September __, 2024	555645 XXX

REGISTERED OWNER: *****CEDE & CO.*****

PRINCIPAL AMOUNT: ****_ THOUSAND DOLLARS****
****(\$_____,000)***

MACON COUNTY, NORTH CAROLINA (the "County"), for value received, promises to pay, but solely from the sources and in the manner provided, to the registered owner hereof, or registered assigns or legal representative, the principal amount stated above on the maturity date stated above, and to pay interest on this Bond semiannually on each April 1 and October 1, beginning April 1, 2025, at the annual rate stated above.

Interest is payable (a) from the Dated Date stated above, if this Bond is authenticated prior to April 1, 2025, or (b) otherwise from the April 1 or October 1 that is, or immediately precedes, the date on which this Bond is authenticated (unless payment of interest on this Bond is in default, in which case this Bond will bear interest from the date to which interest has been paid). Principal and interest are payable in lawful money of the United States of America.

This Bond is one of an issue of [\$70,500,000] Limited Obligation Bonds, Series 2024 (the "Bonds"), of like date and tenor, except as to number, denomination, rate of interest, privilege of redemption and maturity. The Bonds are issued under, and are equally and ratably secured by, a Trust Agreement dated as of September 1, 2024 (the "Trust Agreement"), between the County and U.S. Bank Trust Company, National Association, as trustee (the "Trustee").

This Bond constitutes an installment contract within the meaning of Section 160A-20 of the North Carolina General Statutes, as the same may be in effect from time to time ("Section 160A-20"), between the County and the owner (from time to time) of this Bond. The Bonds are payable solely from funds appropriated on an annual basis by the County's governing Board of Commissioners, and other funds available for the purpose of payment pursuant to the Trust Agreement, such as certain net insurance and condemnation awards and the proceeds of remedial action, which revenues and other moneys have been pledged as described in the Trust Agreement to secure payment of the Bonds. Neither the County's faith and credit nor its taxing power is pledged to the payment of any amounts due under the Bonds. As provided for under Section 160A-20, no deficiency judgment may be rendered against the County in any action for breach of a contractual obligation under the Bonds or the Trust Agreement.

To further secure its obligations under the Trust Agreement, the County has granted, for the benefit of the Trustee on behalf of the owners of the Bonds, a security interest in certain public facilities, including the underlying real property, and certain other property pursuant to the Trust Agreement and a Deed of Trust and Security Agreement dated as of September 1, 2024.

Reference is made to the Trust Agreement, the Deed of Trust referenced above and all amendments and supplements for the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the County and the Trustee, the rights of the Owners of the Bonds and the terms upon which the Bonds are executed, delivered and secured, to all of which provisions the owner of this Bond, by the acceptance of this Bond, agrees. Additional Bonds secured by a parity interest in the property securing the Bonds may be issued under the terms and conditions set forth in the Trust Agreement.

The Bonds are issued by means of a book-entry system, with one certificate for each maturity immobilized at The Depository Trust Company, New York, New York ("DTC"), and not available for distribution to the public. Transfer of beneficial

ownership interests in the Bonds in the principal amount of \$5,000 or any integral multiple thereof will be effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Principal and interest on the Bonds are payable to DTC or its nominee as registered owner of the Bonds. Neither the Trustee nor the County is responsible or liable for the transfer of ownership or payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

If (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the County so elects, the County and the Trustee will discontinue the book-entry system with DTC. If the County does not identify another qualified securities depository to replace DTC, the County will prepare and execute, and the Trustee will authenticate and deliver in exchange, replacement Bonds in the form of fully registered Bonds.

The Bonds may not be redeemed prior to maturity except as provided in this Bond and in the Trust Agreement.

The Bonds maturing on or October 1, _____, are subject to redemption at the County's option in whole or in part on any date on or after October 1, _____, upon payment of the principal amount to be prepaid plus interest accrued to the redemption date, without premium. If less than all the Bonds are to be redeemed pursuant to this provision, they will be redeemed among maturities in any manner the County chooses.

The Trustee will redeem Bonds maturing on October 1, _____, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, on October 1 in years and amounts as follows:

<u>Year</u>	<u>Amount (\$)</u>

*Final maturity

In addition, the Trustee will redeem Bonds maturing on October 1, _____, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, on October 1 in years and amounts as follows:

<u>Year</u>	<u>Amount (\$)</u>

*Final maturity

The amount of Bonds to be redeemed on any sinking fund payment date may be reduced in accordance with the provisions of the Trust Agreement.

If less than all the Bonds of any maturity are called for redemption, the Trustee will select the Bonds to be redeemed by lot; provided, however, that so long as a book-entry system with DTC is used for recording beneficial ownership of Bonds, if less than all of the Bonds within a maturity are to be redeemed, DTC and its participants will determine which of the Bonds within any such maturity are to be redeemed.

In any case, (1) the portion of any Bond to be prepaid will be in the principal amount of \$5,000 or some integral multiple thereof, and (2) in selecting Bonds for redemption, each Bond will be considered as representing that number of Bonds which is obtained by dividing the principal amount of that Bond by \$5,000. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unpaid portion will be issued to the registered owner upon the surrender of the Bond.

The Trustee will send notice of redemption to DTC or its nominee as the Owner of the Bonds as provided in the Trust Agreement. The Trustee will send the notice not more than 60 days nor less than 30 days prior to the date fixed for redemption. Neither the Trustee nor the County is responsible for sending notices of redemption to anyone other than DTC or its nominee, so long as all the Bonds to be redeemed are held in a book-entry-only form with DTC.

If on or before the date fixed for redemption funds have been deposited with the Trustee to pay the principal and interest accrued to the redemption date with respect to the Bonds called for redemption, the Bonds or portions thereof thus called for redemption will cease to accrue interest from and after the redemption date, will no longer be entitled to the benefits provided by the Trust Agreement, and will not be deemed to be Outstanding under the Trust Agreement.

The Owner of this Bond has no right to enforce the provisions of the Trust Agreement or to institute action to enforce the covenants therein, or to take any action with respect to any event of default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Trust Agreement. Changes to or supplements of the Trust Agreement may be made to the extent and in the circumstances permitted by the Trust Agreement.

Ownership of this Bond will be registered on the Bond register (as provided for in the Trust Agreement) to be kept for that purpose by the Trustee, which will act as Bond registrar for the Bonds. This Bond may be exchanged, and its transfer may be effected, only by the Owner hereof in person or by attorney duly authorized in writing at the designated office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement, and upon surrender and cancellation of this Bond. Upon exchange or registration of such transfer a new registered Bond or Bonds of the same maturity and interest rate and of authorized denomination or denominations for the same aggregate principal amount will be issued in exchange therefor.

The County and the Trustee may deem and treat the person in whose name this Bond will be registered on the Bond register as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal of and interest due on this Bond and for all other purposes, and neither the County nor the Trustee will be affected by any notice to the contrary, except that interest payments will be made to the persons shown as Owners on the Trustee's registration books on the **Record Date**, which is the end of the calendar day on the 15th day of the month (whether or not a business day) preceding each Payment Date.

All acts, conditions and things required by the Constitution and laws of the State of North Carolina to happen, exist or be performed precedent to and in the execution and delivery of this Bond have happened, exist and have been performed.

This Bond and the issue of which it is a part are issued with the intent that North Carolina law will govern this Bond and all matters of its interpretation.

This Bond will not be entitled to any benefit under the Trust Agreement or be valid or obligatory for any purpose until the Trustee has executed the Certificate of Authentication appearing on this Bond.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, the County has caused this instrument to be signed, sealed and delivered by duly authorized representatives, as of the day and year first above written.

(SEAL)

ATTEST:

**MACON COUNTY,
NORTH CAROLINA**

Tammy Keezer
Deputy Clerk, Board of Commissioners

By: _____
Derek Roland
County Manager

**[Macon County, North Carolina
[\$70,500,000] Limited Obligation Bonds, Series 2024]**

This Bond has been approved under the provisions of Section 160A-20 and Article 8, Chapter 159 of the General Statutes of North Carolina.

Jennifer Wimmer
Deputy Secretary, North Carolina
Local Government Commission

By _____
[Jennifer Wimmer
or Designated Assistant]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds referred to in the Trust Agreement dated as of September 1, 2024 (the "Trust Agreement"), between Macon County, North Carolina, and U.S. Bank Trust Company, National Association, as trustee (the "Trustee").

Date of Authentication: _____

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as
Trustee**

By: _____
Authorized Representative

**[Macon County, North Carolina
[\$70,500,000] Limited Obligation Bonds, Series 2024]**

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

_____ (Please print or type transferee's name and address, including zip code)

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF TRANSFEREE:

the within bond and all rights thereunder, hereby irrevocably constituting and appointing _____, Attorney, to transfer said certificate on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(Signature of Owner)

NOTICE: Signature(s) must be guaranteed by a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program

NOTICE: The signature above must correspond with the name the Owner as it appears on the front of this certificate in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT D – Schedule of Payments on 2024 Bonds

Principal is payable in the amounts and on the dates as shown below, subject to redemption of Bonds as provided in this Agreement. Interest is payable on the dates shown below.

All of the Bonds will bear interest from the Closing Date until paid. Interest is calculated at the rates shown in Section 1.03. The schedule below shows the expected interest payment amounts. The County’s obligation on each Payment Date is the amount shown above as the “total payment” for that date, subject to adjustment as provided in Section 3.05(c).

Payments are due to the Bondholders on the indicated Payment Dates. The County will deposit the amounts required for payment with the Trustee by the 25th day of the month preceding the Payment Date.

Payment Date	Principal (\$)	Interest (\$)	Total Payment (\$)
[To come]			

Exhibit E – Form of Requisition

[Date] _____

U.S. Bank Trust Company, National Association, as trustee

Attention: Corporate Services

RE: Request by Macon County, North Carolina (the "County"), for disbursement of funds from a Project Fund created under a Trust Agreement dated as of September 1, 2024

214 North Tryon Street, 27th Floor
Charlotte, North Carolina 28202

To the Trustee:

Pursuant to the terms and conditions of the above-referenced Trust Agreement, the County authorizes and requests the disbursement of funds from the "Macon County 2024 Project Fund" (the "Project Fund") established under that Trust Agreement for the costs described below. Capitalized terms used in this requisition and not otherwise defined have the meanings ascribed in the Trust Agreement.

This is requisition number ____ from the Project Fund.

Total Amount for Disbursement	
Payee	
Payee's address or wiring instructions	

The County makes this requisition pursuant to the following representations:

1. The County has appropriated in its current fiscal year funds sufficient to pay the Bond Payments and estimated Additional Payments due in the current fiscal year.

2. The purpose of this disbursement is for payment of Project Costs as provided for in the Trust Agreement.
3. The requested disbursement has not been subject to any previous requisition.
4. No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition.
5. This requisition contains no items representing payment on account of any percentage entitled to be retained on the date of this requisition.
6. No Event of Default is continuing, and no event or condition is existing which, with notice or lapse of time or both, would become an Event of Default.
7. The County has insurance in place that complies with the insurance requirements of the Trust Agreement.
8. No portion of the amounts set forth in this requisition represents amounts paid or payable as North Carolina state sales taxes.

**MACON COUNTY,
NORTH CAROLINA**

By: ***[Exhibit Form Only - Do Not Sign]***

Title: _____
County Representative

[\$Amount]
MACON COUNTY, NORTH CAROLINA
LIMITED OBLIGATION BONDS, SERIES 2024

BOND PURCHASE AGREEMENT

September 11, 2024

Macon County, North Carolina
Franklin, North Carolina

Ladies and Gentlemen:

The undersigned, Robert W. Baird & Co. Incorporated, on its own behalf and on behalf of Wells Fargo Bank, National Association (together, the “Underwriters”), offers to enter into the following purchase agreement (this “Bond Purchase Agreement”) with Macon County, North Carolina (the “County”), which, upon the County’s acceptance of this offer, will be binding upon the County and the Underwriters. This offer is made subject to the County’s acceptance of this Bond Purchase Agreement, which acceptance shall be evidenced by the execution and delivery of this Bond Purchase Agreement by a duly authorized officer of the County on or before 6:00 p.m., Eastern Time, on the date shown above. Upon such acceptance, execution and delivery, this Bond Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the County and the Underwriters. Except as expressly otherwise defined herein, capitalized terms used herein shall have the same meanings as set forth in the Preliminary Official Statement (as defined below).

(1) Purchase and Sale. (a) Upon the terms and conditions and based on the representations, warranties and covenants hereinafter set forth, the Underwriters hereby agree to purchase from the County, and the County hereby agrees to sell to the Underwriters, all (but not less than all) of the \$[Amount] aggregate principal amount of the County’s Limited Obligation Bonds, Series 2024 (the “Bonds”), dated the date of payment for and the delivery of the Bonds (such payment and delivery being herein sometimes called the “Closing”). The purchase price for the Bonds shall be \$_____ (principal amount of the Bonds, plus [net] original issue premium of \$_____, less underwriters’ discount of \$_____) (the “Purchase Price”). The Underwriters shall pay the Purchase

Price for the Bonds on the day of the Closing by wiring \$_____, at the County's direction, to the Trustee (as defined below).

(b) The Bonds shall be issued and secured under and pursuant to a Trust Agreement dated as of September 1, 2024 (the "Trust Agreement") between the County and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The County is authorized pursuant to Section 20 of Chapter 160A of the General Statutes of North Carolina (the "Act") to issue the Bonds for the purpose of providing funds to the County to (i) acquire, construct, equip and otherwise improve the facilities described in the Preliminary Official Statement and the Trust Agreement, and (ii) pay certain costs incurred in connection with the sale and issuance of the Bonds. The County's issuance of the Bonds has been authorized by a resolution adopted by the Board of Commissioners of the County on August 13, 2024 (the "Approving Resolution"). As security for performance of the County's obligations under the Trust Agreement, the County will execute and deliver a Deed of Trust and Security Agreement dated as of September 1, 2024 (the "Deed of Trust"), granting a first lien of record on the Mortgaged Property, subject to Permitted Encumbrances.

(c) The Bonds shall be dated the date of the Closing, shall mature on the dates and in the amounts, shall bear interest at the rates and shall have the terms stated in Exhibit A attached hereto.

(2) Sale of All the Bonds; Offering. It shall be a condition to the County's obligation to sell and deliver the Bonds to the Underwriters, and to the obligation of the Underwriters to purchase and accept delivery of the Bonds, that the entire principal amount of the Bonds is sold and delivered by the County, and accepted and paid for by the Underwriters at the Closing. The Underwriters intend to make a bona fide public offering of all the Bonds at a price or prices not in excess of the initial public offering price or prices set forth in Exhibit A. The Bonds may be offered and sold to certain dealers (including dealers depositing such Bonds into investment trusts or mutual funds) at prices lower than such public offering prices. The Underwriters reserve the right to make such changes in such prices as the Underwriters shall deem necessary in connection with the offering of the Bonds.

(3) Establishment of Issue Price.

(a) Robert W. Baird & Co. Incorporated, as representative of the Underwriters (the "Representative"), on behalf of the Underwriters, agrees to assist the County in establishing the issue price of the Bonds and shall execute and deliver to the County at

Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit D, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the County and Sanford Holshouser LLP (“Bond Counsel”), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) [Except as otherwise set forth in Exhibit A attached hereto,] the County will treat the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Representative shall report to the County the price or prices at which the Underwriters have sold to the public each maturity of Bonds. [If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Representative agrees to promptly report to the County the prices at which Bonds of that maturity have been sold by the Underwriters to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriters’ reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Representative, the County or bond counsel.] For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) [The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the County and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the County to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or

- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative will advise the County promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.]

(d) The Representative confirms that:

- i. any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

- (A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Representative, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative and as set forth in the related pricing wires,

- (B) to promptly notify the Representative of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

- (C) to acknowledge that, unless otherwise advised by an Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by an Underwriter, dealer or broker-dealer is a sale to the public.

- ii. any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the

Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Underwriter or dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Representative or such Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Representative or such Underwriter or dealer and as set forth in the related pricing wires.

(e) The County acknowledges that, in making the representations set forth in this section, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The County further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

i. “public” means any person other than an underwriter or a related party,

ii. “underwriter” means (A) any person that agrees pursuant to a written contract with the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

iii. a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

iv. “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

(4) Official Statement. The County hereby ratifies and approves the Preliminary Official Statement dated July 30, 2024 (the “Preliminary Official Statement”), and consents to its distribution and use by the Underwriters prior to the date hereof in connection with the public offering and sale of the Bonds. The County confirms that the Preliminary Official Statement was “deemed final” by the County as of its date for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Rule”). Upon acceptance of this offer, the County shall prepare a final Official Statement and shall, within the earlier of seven business days following the date hereof or two business days prior to the Closing Date, deliver to the

Underwriters either electronically or by mail copies of such final Official Statement (such final Official Statement, together with any amendment or supplement thereto, being the “Official Statement”) in sufficient quantity as may reasonably be required by the Underwriters in order to comply with the Rule and any applicable rules of the Municipal Securities Rulemaking Board (the “MSRB”). The County hereby authorizes and approves the Official Statement and consents to the use and distribution of the Official Statement by the Underwriters in connection with the public offering and sale of the Bonds. At the time of or prior to the Closing, the Representative will file, or cause to be filed, the Official Statement with the MSRB. In addition, the County hereby approves and authorizes the Underwriters to coordinate the printing of the Official Statement and consents to the electronic distribution of the Official Statement.

(5) Representations of the County. The County hereby represents, warrants and covenants that:

(a) The County is a political subdivision duly organized and validly existing under the Constitution and laws of the State of North Carolina (the “State”), and is authorized pursuant to the laws of the State, including the Act, and the Approving Resolution to issue the Bonds.

(b) The County has full legal right, power and authority to (i) adopt the Approving Resolution; (ii) execute, deliver and perform its obligations under this Bond Purchase Agreement, the Trust Agreement, the Bonds, and the Deed of Trust; (iii) issue and deliver the Bonds to the Underwriters as provided in this Bond Purchase Agreement; (iv) approve and authorize the distribution of the Preliminary Official Statement and the Official Statement; and (v) carry out and consummate all other transactions contemplated by this Bond Purchase Agreement, the Trust Agreement, the Bonds, the Deed of Trust and the Official Statement.

(c) The Approving Resolution has been duly adopted by the County, and the County has duly authorized all necessary action to be taken by the County for: (i) the offering, issuance, sale, and delivery of the Bonds upon the terms set forth herein and in the Official Statement, (ii) the execution and delivery by the County of the Bonds, this Bond Purchase Agreement, the Trust Agreement, the Deed of Trust, and the performance of its obligations under the Bonds, this Bond Purchase Agreement, the Trust Agreement, the Deed of Trust and any and all such other agreements and documents as may be required to be executed, delivered, and received by the County in order to carry out, give effect to, and consummate the transactions contemplated hereby and by the Official Statement (the Bonds, this Bond Purchase Agreement, the Trust Agreement, the Deed of Trust and such

other agreements and documents being collectively referred to herein as the “County Documents”), and (iii) the authorization of the use and distribution of the Official Statement.

(d) The Approving Resolution was duly adopted at a meeting of the Board of Commissioners of the County called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(e) This Bond Purchase Agreement, the Trust Agreement, the Deed of Trust and any other instrument or agreement to which the County is a party in connection with the consummation of the transactions contemplated by the foregoing documents, when executed and delivered by the parties thereto, and assuming such documents are enforceable against the parties thereto other than the County, will constitute legal, valid and binding obligations of the County (subject, as to the enforcement of remedies, to the valid exercise of judicial discretion, the sovereign police powers of the State and constitutional powers of the United States of America and to any valid applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the rights of creditors generally and the exercise of judicial discretion in accordance with general principles of equity).

(f) When delivered to and paid for by the Underwriters at the Closing, in accordance with the provisions of this Bond Purchase Agreement, the Bonds will have been duly authorized, executed and delivered by the County and will constitute legal, valid and binding special obligations of the County, enforceable in accordance with their terms (subject, as to the enforcement of remedies, to the valid exercise of judicial discretion, the sovereign police powers of the State and constitutional powers of the United States of America and to any valid applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the rights of creditors generally and the exercise of judicial discretion in accordance with general principles of equity) and will be entitled to the benefits of, and secured as provided in, the Trust Agreement.

(g) The County has complied, and will at the Closing be in compliance, in all material respects, with the Approving Resolution, the Trust Agreement and the Act and all other agreements relating to projects undertaken by the County or with respect to which the County has assumed responsibility.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of

the County, threatened against or affecting the County (or, to the knowledge of the County, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the County from functioning or contesting or questioning the existence of the County or the titles of the present officers of the County to their offices or (ii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the existence or powers of the County or the validity or enforceability of the Bonds, the Approving Resolution, the Trust Agreement, this Bond Purchase Agreement, the Deed of Trust or any agreement or instrument to which the County is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby including, without limitation, the County Documents and the Official Statement; or (B) materially adversely affect (1) the transactions contemplated by the County Documents or the Official Statement, or (2) the exemption of the interest on the Bonds from federal or State income taxation.

(i) The County's adoption of the Approving Resolution, its execution and delivery of the County Documents and the Bonds, and compliance with the provisions thereof and hereof, do not and will not conflict with or constitute, on the County's part, a violation of, breach of or default under any material statute, existing law, administrative regulation, filing, decree or order, state or federal, or any provision of the Constitution or laws of the State, or any rule or regulation of the County, or any material indenture, mortgage, lease, deed of trust, note, resolution, or other agreement or instrument to which the County, or its properties, are subject or by which the County, or its properties, are or may be bound or, to the knowledge of the County, any order, rule or regulation of any regulatory body or court having jurisdiction over the County or its activities or properties.

(j) The County is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money and is not in default in any material respect under any document or instrument under and subject to which any indebtedness for borrowed money has been incurred which default would affect materially and adversely the transactions contemplated by any of the County Documents. No event has occurred or is continuing under the provisions of any such document or instrument that, with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder, which event of default would affect adversely the transactions contemplated by any of the County Documents.

(k) The County is not in material breach of or in default under the Approving Resolution, any applicable law or administrative regulation of the State or the United States, or any applicable judgment or decree, or any loan agreement, note, resolution or other agreement or instrument to which the County is a party or is otherwise

subject, which breach or default would in any way materially adversely affect the authorization or issuance of the Bonds and the transactions contemplated hereby, and no event has occurred and is continuing which, with the passage of time or the giving of notice or both, would constitute such a breach or default.

(l) On and as of the Closing, all authorizations, consents, and approvals of, notices to, registrations or filings with, or actions in respect of any governmental body, agency, or other instrumentality or court required to be obtained, given, or taken on behalf of the County in connection with the execution, delivery and performance by the County of the County Documents, and any other agreement or instrument to which the County is a party and which has been or will be executed in connection with the consummation of the transactions contemplated by the foregoing documents, will have been obtained, given, or taken and will be in full force and effect.

(m) Any certificate signed by an authorized officer of the County delivered to the Underwriters shall be deemed a representation and warranty by the County to the Underwriters as to the truth of the statements made therein.

(n) The County has and will cooperate with the Underwriters and its counsel in any endeavor to qualify the Bonds for offering and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States as the Underwriters may request; provided, however, that the County will not be required to execute a general or special consent to service of process or qualify to do business in connection with any qualification or determination in any jurisdiction.

(o) The audited financial statements of the County as of June 30, 2023, present fairly the County’s financial condition as of such date and the results of its operations for the respective periods set forth therein and have been prepared in accordance with generally accepted accounting principles consistently applied. There has been no material change in the financial affairs of the County since June 30, 2023, except as disclosed specifically in the Official Statement.

(p) If between the date of this Bond Purchase Agreement and the date 25 days after the “end of the underwriting period” for the Bonds, as defined in the Rule, any event occurs which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the County shall promptly provide written notice to the Underwriters thereof, and if, in the opinion of the County or the Underwriters, such event

requires the preparation and publication of a supplement or amendment to the Official Statement, the County shall at its expense supplement or amend the Official Statement in a form and in a manner approved by the Underwriters. The Underwriters will notify the County on or before the Closing Date in the event that the “end of the underwriting period” under the Rule will not be the Closing Date.

(q) If the Official Statement is supplemented or amended pursuant to subsection (p) of this Section, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subsection) at all times subsequent thereto up to and including the Closing Date, the County shall take all steps necessary to ensure that the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(r) The information in the Preliminary Official Statement (excluding therefrom the information under the captions “INTRODUCTION – Book-Entry Only” and “UNDERWRITING” and in Appendix E, as to which no representations or warranties are made), including its attachments and appendices, at the time of acceptance hereof is correct in all material respects, and such Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and the information in the Official Statement (excluding therefrom the information under the captions “INTRODUCTION – Book-Entry Only” and “UNDERWRITING” and in Appendix E, as to which no representations or warranties are made) as of its date and as of the Closing Date, will be true and correct and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(s) Between the date hereof and the Closing, the County shall not, without the prior written consent of the Underwriters, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the County or except for such borrowings as may be described in or contemplated by the Official Statement.

(t) Except as described in the Official Statement, during the last five years, the County has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to the Rule.

The execution and delivery of this Bond Purchase Agreement by the County shall constitute a representation by the County to the Underwriters that the representations, warranties and covenants contained in this Section 5 are true as of the date hereof; provided that no officer of the County shall be individually liable for the breach of any representation, warranty or covenant made by the County in this Section 5.

(6) Closing. At 10:00 a.m., Eastern Time, on September __, 2024, or at such other time or date as the County and the Underwriters shall mutually agree upon (the “Closing Date”), the County shall (a) deliver or cause to be delivered, through the facility of The Depository Trust Company, New York, New York (“DTC”), or at such place as the County and Underwriters shall mutually agree upon, for the account of the Underwriters, the Bonds duly executed by the County in fully registered form, bearing proper CUSIP numbers, and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds; and (b) deliver or cause to be delivered, to the Underwriters, the documents described in Section 7(d) hereof. Concurrently with the delivery of the Bonds and the documents mentioned in Section 7(d) hereof at the Closing, subject to the conditions contained herein, the Underwriters will accept such delivery and will pay the Purchase Price of the Bonds in the amount set forth in Section 1 hereof by wire transfer in immediately available funds to the Trustee for the account of the County. The Closing shall take place at the offices of the County. The Bonds shall be available for inspection by the Underwriters at least two business days prior to Closing.

(7) Closing Conditions/Right to Cancel. The Underwriters enter into this Bond Purchase Agreement in reliance upon the County’s representations and agreements herein and the performance by the County of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriters’ obligations under this Bond Purchase Agreement are and shall be subject to the following additional conditions:

(a) At the time of the Closing, the Approving Resolution, the Trust Agreement, and the Deed of Trust shall be in full force and effect and none of the Approving Resolution, the Trust Agreement, the Deed of Trust or the Official Statement shall have been amended, modified or supplemented, except as may have been approved in writing by the Underwriters, and the County shall have duly adopted, and there shall be in full force and effect, such other resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby.

(b) The Bonds shall be delivered to the Trustee to be held by the Trustee under DTC's FAST program.

(c) The Underwriters shall have the right to cancel their obligations to purchase the Bonds at the time of Closing if any of the documents, certificates or opinions to be delivered to the Underwriters hereunder are not delivered at the time of Closing or if, between the date hereof and the time of Closing, one or more of the following occurs:

(i) Legislation (whether or not yet introduced in Congress of the United States ("Congress")) shall be enacted or be actively considered for enactment by the Congress or recommended to the Congress by the President of the United States or favorably reported for passage to either House of Congress by any committee of such House, or a conference committee of both Houses, to which such legislation had been referred for consideration, or a decision by a federal court of the United States or the United States Tax Court shall be rendered, or an order, ruling, regulation or official statement by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or other governmental agency shall be made or proposed, or a release or official statement made by the President of the United States or by the Treasury Department of the United States or the Internal Revenue Service, with respect to federal taxation upon revenues or other income of the general character to be derived by the County or upon interest received on obligations of the general character of the Bonds which in the Underwriters' judgment, materially adversely affects the market for the Bonds; or

(ii) Legislation shall hereafter be enacted or actively considered for enactment or introduction, with an effective date on or prior to the Closing, or a decision by a court of the United States shall be rendered or a stop order, ruling, regulation or proposed regulation by or on behalf of the Securities and Exchange Commission or other agency having jurisdiction shall be made, to the effect that the issuance, sale and delivery of the Bonds, or any other obligations of any similar public body of the general character of the County is in violation of the Securities Act of 1933, as amended (the "Securities Act"), of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or of the Trust Indenture Act of 1939, as amended, or with the purpose or effect of otherwise prohibiting the issuance, sale or delivery of the Bonds, as contemplated hereby, or of obligations of the general character of the Bonds; or

(iii) There shall have occurred any outbreak or escalation of hostilities or other national or international calamity or crisis, the effect of such

outbreak, calamity or crisis on the financial markets of the United States being such as, in the Underwriters' judgment, would materially adversely affect the market for, or market price of, the Bonds; or

(iv) There shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on The New York Stock Exchange whether by virtue of a determination by that Exchange or by order of the U.S. Securities and Exchange Commission or any other governmental authority having jurisdiction; or

(v) A general banking moratorium shall have been declared by federal, State or New York authorities having jurisdiction, and be in force, or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred such as to make it, in the judgment of the Underwriters, impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Official Statement; or

(vi) an event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein not misleading in any material respect and requires an amendment of or supplement to the Official Statement and the effect of which, in the judgment of the Underwriters, would materially adversely affect the market for the Bonds or the sale, at the contemplated offering prices (or yields), by the Underwriters of the Bonds; or

(vii) any of Moody's Investors Service, Inc. ("Moody's") or S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P") shall have taken any action to lower, suspend or withdraw their respective ratings on the Bonds and such action, in the opinion of the Underwriters, would adversely affect the market price or marketability of the Bonds.

(d) At the Closing, the Underwriters shall receive the following documents:

(i) Duly executed or certified copies of each of the Trust Agreement and Deed of Trust;

(ii) The approving opinion of Bond Counsel in the form set forth in Appendix D of the Official Statement together with a supplemental opinion in the form attached hereto as Exhibit B, each of which shall be dated the Closing Date;

(iii) The opinion of Eric Ridenour, Esq., County Attorney, dated the Closing Date and addressed to the Underwriters and Bond Counsel in the form attached hereto as Exhibit C;

(iv) An opinion of Pope Flynn, LLC, as counsel to the Underwriters, dated the Closing Date and addressed to the Underwriters in form and substance satisfactory to the Underwriters;

(v) A certificate, dated the Closing Date, of the duly authorized representative(s) or officer(s) of the County and in form and substance satisfactory to the Underwriters, to the effect that (A) the representations and agreements of the County herein are true and correct in all material respects as of the date of Closing; (B) there are not pending or, to such officials' knowledge, threatened legal proceedings that will materially adversely affect the transactions contemplated hereby or by the Trust Agreement, or the validity or enforceability of the Bonds, or the security therefor; (C) the financial information relating to the County provided to the Underwriters presents fairly the financial position of the County as of the date indicated therein and the results of its operations for the period specified therein and the financial statements from which such information was derived have been prepared in accordance with applicable law with respect to the period involved; (D) since June 30, 2023, there has not been any material adverse change in the financial condition of the County taken as a whole or no increase in the County's indebtedness for borrowed money, other than as disclosed in the Official Statement or otherwise disclosed in writing to the Underwriters; (E) the information contained in the Official Statement as of the Closing Date is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and (F) the County has complied with all agreements and satisfied all the conditions on its part required to be performed or satisfied at or prior to the Closing, other than those specified hereunder that have been waived by the Underwriters;

(vi) One counterpart original of a transcript of all proceedings taken by the County relating to the authorization and issuance of the Bonds;

(vii) Specimen Bonds;

(viii) A certificate, dated the date of the Closing, of the duly authorized representative(s) or officer(s) of the County, with a copy of the Approving Resolution attached, to the effect that the Approving Resolution has been duly adopted and remains in full force and effect;

(ix) A certificate, dated on or before the Closing Date, evidencing the property insurance required by the Trust Agreement;

(x) A title insurance commitment satisfactory to the Underwriters (the "Title Insurance Commitment"), relating to the Deed of Trust and naming the Trustee as a beneficiary, together with a certificate satisfactory to the Underwriters from counsel to the County (a) documenting the recording of the Deed of Trust, (b) certifying there are no encumbrances on the Mortgaged Property, other than as set forth in the Title Insurance Commitment, and (c) confirming that all conditions set forth in the Title Insurance Commitment to the issuance of the title insurance policy have been satisfied;

(xi) Federal tax form 8038-G prepared with respect to the Bonds and ready for filing;

(xii) A tax certificate of the County in form and content reasonably satisfactory to the Underwriters;

(xiii) Evidence that Moody's and S&P have issued ratings for the Bonds of not less than "___" and "___," respectively; and

(xiv) Such additional legal opinions, certificates, proceedings, instruments and other documents, as the Underwriters or legal counsel to the Underwriters may reasonably request to evidence compliance by the County with legal requirements relating to the issuance of the Bonds, the truth and accuracy, as of the date of Closing, of all representations contained herein and the due performance or satisfaction by the County at or prior to the date of Closing of all agreements then to be performed and all conditions then to be satisfied as contemplated under this Bond Purchase Agreement and the Trust Agreement.

If the County shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Bond Purchase Agreement or if the obligations of the Underwriters shall be terminated for any reason permitted by this Bond Purchase

Agreement, this Bond Purchase Agreement shall terminate and none of the County or the Underwriters shall have any further obligations hereunder, except that Sections 9 and 10 and the representations and warranties of the County contained herein (as of the date made) will continue in full force and effect.

(8) Survival. All representations, warranties and agreements of the County set forth in or made pursuant to this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriters and shall survive the delivery of and payment for the Bonds.

(9) Payment of Expenses. The County shall pay, out of the proceeds of the Bonds or from its own funds, any expenses incident to the performance of the obligations of the County or the Underwriters hereunder, including but not limited to: (i) the cost of the preparation, reproduction, printing, distribution, and mailing, of the Official Statement; (ii) the fees and disbursements of Bond Counsel and counsel for the County; (iii) the fees and disbursements of any experts retained by the County or the Underwriters; and (iv) fees charged by the rating agencies for the rating of the Bonds.

If the Bonds are not delivered to the Underwriters pursuant to this Bond Purchase Agreement, the County shall pay all expenses incident to the performance of the County's and the Underwriters' obligations hereunder as provided in this Section.

The Underwriters shall pay (i) any fees of the MSRB in connection with the issuance of the Bonds; (ii) the cost of obtaining CUSIP number(s) assigned for the Bonds; (iii) the fees and disbursements of counsel for the Underwriters; and (iv) the cost of qualifying the Bonds under the laws of such jurisdictions as the Underwriters may designate, including filing fees and fees and disbursements of counsel for the Underwriters in connection with such qualification and the preparation of Blue Sky Memoranda.

(10) Indemnification. To the extent permitted by law, the County agrees to indemnify and hold harmless the Underwriters, the directors, officers, employees and agents of the Underwriters and each person who controls the Underwriters within the meaning of either the Securities Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities arise out of or are based upon any untrue statement or alleged untrue statement of a material fact (except statements pertaining to the Underwriters) contained in the Preliminary Official Statement, the Official Statement (or in any supplement or amendment

thereto), or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except omissions or alleged omissions pertaining to the Underwriters). This indemnity agreement will be in addition to any liability which the County may otherwise have.

The Underwriters agree to indemnify and hold harmless the County, and its officials, directors, officers and employees, and each person who controls the County within the meaning of either the Securities Act or the Exchange Act, to the same extent as the foregoing indemnity from the County to the Underwriters, but only with reference to written information furnished by the Underwriters to the County or information provided by the Underwriters specifically for inclusion in the Preliminary Official Statement or the Official Statement (or in any amendment or supplement thereto).

Promptly after receipt by an indemnified party of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the

indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding.

In the event that the indemnity provided herein is unavailable or insufficient to hold harmless an indemnified party for any reason the County and the Underwriters agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending the same) to which the County and the Underwriters may be subject in such proportion as is appropriate to reflect the relative benefits received by the County on the one hand and by the Underwriters on the other from the offering. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the County and the Underwriters shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the County on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, as well as any other relevant equitable considerations. In no case shall the Underwriters be responsible for any amount in excess of the purchase discount or fee applicable to the Bonds purchased by the Underwriters hereunder. Benefits received by the County shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by it, and benefits received by the Underwriters shall be deemed to be equal to the total purchase discounts and commissions in each case set forth on the cover of the Official Statement. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the County on the one hand or the Underwriters on the other, the intent of the parties and their relative knowledge, information and opportunity to correct or prevent such untrue statement or omission. The County and the Underwriters agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Each person who controls the Underwriters within the meaning of either the Securities Act or the Exchange Act and each director, officer, employee and agent of

the Underwriters shall have the same rights to contribution as the Underwriters, and each person who controls the County within the meaning of either the Securities Act or the Exchange Act and each official, director, officer and employee of the County shall have the same rights to contribution as the County, subject in each case to the applicable terms and conditions of this paragraph.

(11) Notices. Any communication under this Bond Purchase Agreement will be deemed given on the delivery date shown on a United States Postal Service certified mail receipt, or a delivery receipt (or similar evidence) from a national commercial package delivery service, if addressed as follows:

If to the County:

Macon County, North Carolina
5 West Main Street
Franklin, North Carolina 28734
Attention: Finance Director

If to the Underwriters:

Robert W. Baird & Co. Incorporated
380 Knollwood Street, Suite 440
Winston-Salem, North Carolina 27103
Attention: Ryan Maher, Managing Director

(12) Governing Law. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

(13) Arm's-Length Transaction. The County acknowledges and agrees that the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the County and the Underwriter, acting solely as principal and not as municipal advisor, financial advisor or agent of the County. The Underwriters has not assumed a financial advisory responsibility in favor of the County with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriters, or any affiliate of the Underwriters, has advised or is currently advising the County on other matters) or any other obligation to the County except the obligations expressly set forth in this Bond Purchase Agreement, it being the County's understanding that a financial advisory relationship shall not be deemed to exist when, in the course of

acting as an underwriter, a broker, dealer or municipal securities dealer, a person renders advice to an issuer, including advice with respect to the structure, timing, terms and other similar matters concerning a new issue of municipal securities. The Underwriters have provided to the County prior disclosures regarding their respective roles as an underwriter, their respective compensation, any potential or actual material conflicts of interest, and material financial characteristics and material financial risks associated with the transaction to the extent required by MSRB rules. The Underwriters hereby notify the County that the Underwriters are not acting as a Municipal Advisor (as defined in Section 15B of the Exchange Act), the Underwriters are not an agent of the County, and the Underwriters do not have a fiduciary duty to the County in connection with the matters contemplated by this Bond Purchase Agreement. The County has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate.

(14) Miscellaneous. (a) If any provision of this Bond Purchase Agreement shall be held or deemed to be or shall, in fact, be inoperative, invalid or unenforceable as applied in any particular case in any jurisdiction or jurisdictions because it conflicts with any provisions of any constitution, statute, rule or public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Bond Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

(b) This Bond Purchase Agreement may be signed in any number of counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

(c) This Bond Purchase Agreement is made solely for the benefit of and is binding on the County and the Underwriters (including successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. It is the entire agreement of the parties, superseding all prior agreements, and may not be modified except in writing signed by both of the parties hereto.

(d) Under this Bond Purchase Agreement, the Underwriters are acting as a principals and not as agents or fiduciaries, and the Underwriters' engagement is as independent contractors and not in any other capacity. The County agrees that it is solely responsible for making its own judgments in connection with the offering of the Bonds regardless of whether the Underwriters have or are currently advising the County on related or other matters.

(15) E-Verify. The Underwriters understand that “E-Verify” is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with Section 64-25(5) of the General Statutes of North Carolina, as amended. The Underwriters use E-Verify to verify the work authorization of its employees in accordance with Section 64-26(a) of the General Statutes of North Carolina, as amended. The Underwriters will not use any subcontractors in connection with this Bond Purchase Agreement.

[Remainder of Page Intentionally Left Blank]

Very truly yours,

ROBERT W. BAIRD & CO.

INCORPORATED, on its own behalf and on
behalf of Wells Fargo Bank, National Association

By: _____
Ryan Maher, Managing Director

Approved, accepted and agreed to:

MACON COUNTY, NORTH CAROLINA

By: _____

Name:

Title:

EXHIBIT A

Terms of the Bonds

Maturity, Principal Amounts, Interest Rates, Yields and Prices

<u>Due</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
--------------------------------	-----------------------------------	----------------------	--------------	--------------

\$_____ % Term Bonds due April 1, 20__, Yield _____%

* Priced to April 1, 20__ par call.

Redemption Provisions

Optional Redemption. The Bonds maturing on or after April 1, 20__ are subject to redemption at the County's option, in whole or in part on any date on or after April 1, 20__, upon payment of the principal amount to be redeemed plus interest accrued to the redemption date, without any prepayment penalty or premium.

Mandatory Sinking Fund Redemption. The Bonds maturing on April 1, 20__ are subject to mandatory sinking fund redemption prior to maturity, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, on April 1 in the years and amounts as follows:

Year	Principal Amount
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* Maturity

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

September __, 2024

Robert W. Baird & Co. Incorporated
Winston-Salem, North Carolina

Wells Fargo Bank, National Association
Charlotte, North Carolina

[\$Amount]
Macon County, North Carolina
Limited Obligation Bonds, Series 2024

We have acted as bond counsel to Macon County, North Carolina (the “County”), in connection with the execution and delivery today of \$[Amount] Limited Obligation Bonds, Series 2024 (the “Bonds”), and related transactions. Robert W. Baird & Co. Incorporated and Wells Fargo Bank, National Association (together, the “Underwriters”) are purchasing the Bonds pursuant to a Bond Purchase Agreement dated September 11, 2024 (the “Bond Purchase Agreement”), between the County and Robert W. Baird & Co. Incorporated, on its own behalf and on behalf of Wells Fargo Bank, National Association. All terms used in this opinion as capitalized defined terms and not otherwise defined have the meanings specified for those terms in the Bond Purchase Agreement.

The County is and has been our only client in this transaction. Our delivering this opinion to you does not create or indicate an attorney-client relationship between our Firm and you.

In our capacity as bond counsel, we have today delivered our principal approving opinion (the “Bond Opinion”) relating to the legality, validity and enforceability of the Bonds, the tax status of certain interest payments and certain other matters, all as described in the Bond Opinion. In connection with acting as the underwriter for the Bonds, you are authorized to rely upon the Bond Opinion to the same extent as if it were addressed to you.

We have examined the applicable law and certified copies of proceedings and documents relating to this issuance of the Bonds, and made other examinations and

investigations of law, as we have deemed necessary and appropriate as a basis for the opinions expressed below.

In our examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as copies, and the authenticity of originals of such copies. As to any facts material to this opinion that we did not independently establish or verify, we have relied upon statements and representations of officers and other representatives of the LGC, the County and others.

On the basis of the foregoing, we are of the opinion that (1) the information contained in the Official Statement on the cover and under the headings “INTRODUCTION—Security” and “—The 2024 Bonds,” “THE 2024 BONDS”, “SECURITY AND SOURCES OF PAYMENT OF 2024 BONDS” and “CONTINUING DISCLOSURE OBLIGATION” and in Appendix C - “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS,” to the extent that information purports to summarize certain terms of the Trust Agreement, the Deed of Trust and the Bonds, fairly and accurately summarizes those terms and (2) the statements contained in the Official Statement under the headings “INTRODUCTION—TAX STATUS” and “TAX TREATMENT” are fair and accurate.

We are further of the opinion that in connection with the offering and sale of the Bonds, the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification as an “indenture” under the Trust Indenture Act of 1939, as amended.

We are also of the opinion that the County has duly approved the Preliminary Official Statement, the Official Statement, and the Underwriters’ use of those documents in connection with its offering and sale of the Bonds.

In addition, we have examined documents and proceedings related to the County’s execution and delivery of the Bond Purchase Agreement. In our opinion, as of today and under existing law, the Bond Purchase Agreement constitutes a valid and binding agreement of the County, enforceable in accordance with its terms. Our opinions as set forth in this paragraph are subject to the effect (a) of bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, and (b) of general principles of equity, regardless of whether applied in a proceeding in equity or at

law. We have assumed the enforceability of the Bond Purchase Agreement against the Underwriters.

We have not made any investigation concerning the County's operations or condition. We express (and have expressed) no opinion as to the County's ability to provide for payments on the Bonds.

This opinion is based on constitutional and statutory provisions and judicial decisions existing today. We assume no responsibility to update this opinion or take any other action regarding changes in facts, circumstances or the applicable law.

Very truly yours,

[To Be Signed, "Sanford Holshouser LLP"]

EXHIBIT C

FORM OF OPINION OF COUNSEL FOR THE COUNTY

September __, 2024

Macon County, North Carolina

Robert W. Baird & Co. Incorporated

U.S. Bank Trust Company, National
Association, as Trustee

Wells Fargo Bank, National Association

Sanford Holshouser LLP

[\$Amount]

Macon County, North Carolina
Limited Obligation Bonds, Series 2024

I have served as County Attorney for Macon County, North Carolina (the “County”), in connection with the execution and delivery of the above-captioned bonds (the “Bonds”) and related transactions. Robert W. Baird & Co. Incorporated and Wells Fargo Bank, National Association (together, the “Underwriters”) are purchasing the Bonds pursuant to a Bond Purchase Agreement dated September 11, 2024 (the “Purchase Agreement”), between the County and Robert W. Baird & Co. Incorporated, on its own behalf and on behalf of Wells Fargo Bank, National Association. All capitalized terms used in this opinion letter and not otherwise defined have the meanings given those terms in the Purchase Agreement. I am delivering this opinion letter pursuant to the requirements of Section 7(d)(3) of the Purchase Agreement.

I have examined documents related to the transactions contemplated by the Trust Agreement, the Purchase Agreement, the Bonds and the Deed of Trust (the Trust Agreement, the Purchase Agreement, the Bonds and the Deed of Trust are referred to in this opinion letter as the “County Documents”), including a resolution (the “Approving Resolution”) adopted by the County’s governing Board of Commissioners at a meeting on August 13, 2024.

In connection with this opinion, I also have examined originals, or copies identified to my satisfaction, of such other documents, instruments, certificates and records as I have considered appropriate to render the opinions in this letter. Where I have considered it

appropriate, as to certain facts I have relied, without investigation or analysis of any underlying data, upon certificates or other comparable documents of public officials or appropriate County representatives.

In rendering the opinions in this letter, I have assumed, among other things, the legal capacity of all natural persons, the genuineness of all signatures not signed in my presence, the authenticity of all documents submitted to me as originals, that all documents submitted to me as copies conform with the originals, that the County Documents fully state the agreement between the County and the other parties thereto, and that the County Documents constitute the legal, valid and binding obligation of the parties thereto other than the County, enforceable in accordance with their respective terms.

The phrases “to my knowledge” and “known to me” mean my conscious awareness of factual matters as I may recognize as being relevant to the opinion or confirmation so qualified.

The opinions set forth herein are limited to matters governed by the laws of the State of North Carolina and the federal laws of the United States, and I express no opinion as to the laws of any other jurisdiction. I express no opinion concerning any matter respecting or affected by any laws other than laws that a lawyer in North Carolina exercising customary professional diligence would reasonably recognize as being directly applicable to the County, the Bonds or both.

Based on the foregoing, as of today and under existing law, I am of the following opinions:

1. The County is a political subdivision of State of North Carolina, duly organized and existing under the constitution and laws of the State of North Carolina, and has the full legal right, power and authority to execute and deliver the County Documents and to perform all the obligations thereunder and as contemplated thereby.

2. All consents, approvals or authorizations of any governmental entity and all filings required on the part of the County in connection with the authorization, execution and delivery of the County Documents and the consummation of the transactions contemplated thereby have been obtained and are in full force and effect, except that we express no opinion as to any federal or state regulatory requirements of Underwriters or any action required under federal or state securities or Blue Sky laws in connection with the offering and sale of the Bonds by Underwriters.

3. To the best of my knowledge, the County is not in violation or breach of or in default under any applicable law or administrative regulation of the State of North Carolina or the United States or any applicable judgment or decree or administrative ruling or any agreement, resolution, certificate or other instrument to which the County is a party or is otherwise subject which violation, breach or default would in any way materially adversely affect the County's transactions contemplated by the County Documents or the execution and delivery of the Bonds, and, to the best of my knowledge, no event has occurred and is continuing which with the passage of time or giving of notice, or both, would constitute such a violation or breach thereof or default thereunder.

4. The County's execution and delivery of the County Documents, the County's compliance with the provisions of the County Documents under the contemplated circumstances, and the County's approval of the Preliminary Official Statement and the Official Statement, (a) are within the County's powers, and (b) to the best of my knowledge, do not and will not constitute on the part of the County any material breach of or default under (i) any indenture, deed of trust, mortgage, agreement or other instrument to which the County is a party, or (ii) any court order or consent decree to which the County is subject, or (iii) any existing law, public administrative rule or regulation to which the County is subject.

The opinions expressed above are subject to the following qualifications and limitations:

(A) Enforcement of the County Documents is subject to the effect of applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and similar laws affecting the enforcement of creditors' rights generally.

(B) Enforcement of the County Documents is subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law) by which a court with proper jurisdiction may deny rights of specific performance, injunction, self-help, possessory remedies or other remedies.

(C) Indemnification provisions in the County Documents are subject to and may be rendered unenforceable by applicable law or public policy, including applicable securities law.

I advise you that, to my knowledge, after reasonable investigation, there is no action,

suit, proceeding or governmental investigation at law or in equity before or by any court, public board or body, pending of which the County has been served with a summons, summons and complaint or other notice of commencement, or threatened against the County, (a) to restrain or enjoin the execution or delivery of the Bonds, (b) challenging the validity of the Approving Resolution or the County Documents, or contesting the County's power and authority to execute and deliver the County Documents or to consummate the transactions contemplated by them, or (c) that would have a material adverse effect on the security for the Bonds.

Based upon information made available to me in the course of my representation of the County, and without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, nothing has come to my attention that would lead me to believe that the information contained in the Official Statement under the headings "AVAILABLE SOURCES FOR PAYMENT," "THE PLAN OF FINANCE," "ESTIMATED SOURCES AND USES OF FUNDS," "CERTAIN RISKS OF 2024 BOND OWNERS," "THE COUNTY" and "LEGAL MATTERS—Litigation" and Appendix A "THE COUNTY" (excluding in all cases financial and statistical data included or mentioned therein, as to which I express no opinion) contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The effective date of this opinion is the date first above-written. This opinion is based on such facts and information provided and made known to me by Macon County or its agents and employees or otherwise within my knowledge through the course of my representation of the County. I make the representations in this opinion based on my own actual knowledge, including information provided to me by County officers and other County representatives, but I have not undertaken any special investigation for the specific purposes of this certificate.

This opinion is rendered solely for your benefit in connection with the subject transaction and may not be relied upon by you or any other person for any other purposes without my prior written consent.

Very truly yours,

EXHIBIT D

FORM OF ISSUE PRICE CERTIFICATE

#[Amount]

MACON COUNTY, NORTH CAROLINA LIMITED OBLIGATION BONDS, SERIES 2024

ISSUE PRICE CERTIFICATE

The undersigned, Robert W. Baird & Co. Incorporated, as representative (the “Representative”), on behalf of itself and Wells Fargo Bank, National Association, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. [Sale of the Bonds]. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.] [Sale of the General Rule Maturities]. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.]

2. [Initial Offering Price of the Hold-the-Offering-Price Maturities].

a. [Baird offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

b. [As set forth in the Contract of Purchase for the Bonds, Baird has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such

agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

3. Defined Terms.

[(a) “General Rule Maturities” means those Maturities of the Bonds listed in Schedule A attached hereto as the “General Rule Maturities”].

[(b) “Hold-the-Offering-Price Maturities” means those Maturities of the Bonds listed in Schedule A attached hereto as the “Hold-the-Offering-Price Maturities.”]

[(c) “Holding Period” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering Price Maturity.]

[(d) “Issuer” means the Macon County, North Carolina.

[(e) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

[(f) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

[(g) “Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is September __, 2024.

[(h) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating

in the initial sale of the Bonds to the Public).

4. Disclaimer. The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Sanford Holshouser LLP, Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. The representations set forth herein are not necessarily based on personal knowledge.

ROBERT W. BAIRD & CO.
INCORPORATED, as Representative

By: _____
Ryan Maher, Managing Director

Dated: September __, 2024

SCHEDULE A

SALE PRICES OF THE BONDS

<u>Due</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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*Yield to call date of April 1, 20__ at par.

SCHEDULE B

**[COPY OF THE PRICING WIRE –
HOLD-THE-OFFERING-PRICE MATURITIES ONLY]**

THIS PRELIMINARY OFFICIAL STATEMENT AND THE INFORMATION CONTAINED HEREIN ARE SUBJECT TO COMPLETION OR AMENDMENT IN A FINAL OFFICIAL STATEMENT. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the 2024 Bonds offered hereby in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 4, 2024

NEW ISSUE BOOK-ENTRY ONLY

Ratings: Moody's: ___
S&P: ___
(See "RATINGS" herein)

In the opinion of Bond Counsel and subject to the qualifications described in this Official Statement, interest on the 2024 Bonds is not includable in gross income for federal income tax purposes, and interest on the 2024 Bonds is exempt from current State of North Carolina income taxes. See "TAX TREATMENT" herein for additional information regarding tax consequences arising from ownership or receipt of interest on the 2024 Bonds.

[\$Amount]*
MACON COUNTY, NORTH CAROLINA
LIMITED OBLIGATION BONDS, SERIES 2024

Dated: Date of Delivery

Due: October 1, as shown on the inside front cover

This Official Statement has been prepared by Macon County, North Carolina (the "County") to provide information on the Macon County, North Carolina Limited Obligation Bonds, Series 2024 (the "2024 Bonds"). Selected information is presented on this cover page for the convenience of the user. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

Security: The payment by the County of the principal of and interest on the 2024 Bonds is limited to funds appropriated for that purpose by the Board of Commissioners for the County in its sole discretion, except to the extent payable from proceeds of the 2024 Bonds, investment earnings, Net Proceeds related to casualty or condemnation proceeds, or amounts derived from the enforcement of remedies on default.

As security for the 2024 Bonds, the County has executed and delivered a deed of trust, granting, among other things, a lien of record on the Mortgaged Property subject to Permitted Encumbrances (as such terms are defined herein).

THE OBLIGATION TO MAKE PAYMENTS WITH RESPECT TO THE 2024 BONDS IS NOT A GENERAL OBLIGATION OF THE COUNTY, AND THE TAXING POWER OF THE COUNTY IS NOT PLEDGED DIRECTLY OR INDIRECTLY TO SECURE ANY MONIES DUE TO THE OWNERS OF THE 2024 BONDS. See "SECURITY AND SOURCES OF PAYMENT OF 2024 BONDS" herein.

Redemption: The 2024 Bonds are subject to optional redemption and mandatory sinking fund redemption as described herein.

Purpose: Proceeds of the 2024 Bonds will be used (1) to acquire, construct, equip and finance a new high school, and (2) to pay certain costs incurred in connection with the issuance of the 2024 Bonds.

Interest Payment Dates: April 1 and October 1 of each year, commencing April 1, 2025

Denomination: \$5,000 or integral multiples thereof

Delivery: On or about September 26, 2024

Bond Counsel: Sanford Holshouser LLP

County Attorney: Eric Ridenour, Esq.

Financial Advisor: Davenport & Company LLC

Underwriters' Counsel: Pope Flynn, LLC

Trustee: U.S. Bank Trust Company, National Association

Baird

Wells Fargo Securities

The date of this Official Statement is September __, 2024.

* Preliminary, subject to change.

MATURITY SCHEDULE

**[\$Amount]*
Macon County, North Carolina
Limited Obligation Bonds, Series 2024**

<u>Due October 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁺</u>
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\$_____ * _____% Term Bonds due October 1, 20____, Yield _____%, CUSIP⁺ _____

*Preliminary, subject to change.

⁺CUSIP numbers have been assigned by an organization not affiliated with the County or the Underwriters, and are included solely for the convenience of the holders of the 2024 Bonds. Neither the County nor the Underwriters are responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the 2024 Bonds or as indicated above.

IN CONNECTION WITH THIS OFFERING, ROBERT W. BAIRD & CO. INCORPORATED AND WELLS FARGO BANK, NATIONAL ASSOCIATION (THE "UNDERWRITERS") MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2024 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representation other than those contained in this Official Statement in connection with the offering described herein, and, if given or made, such other information or representation must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the 2024 Bonds offered hereby, nor shall there be any offer or solicitation of such offer or sale of the 2024 Bonds in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the County and other sources that are deemed to be reliable.

The electronic distribution of this Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the 2024 Bonds described herein to the residents of any particular state and is not specifically directed to the residents of any particular state. The 2024 Bonds will not be offered or sold in any state unless and until they are either registered pursuant to the laws of such state, or qualified pursuant to an appropriate exemption from registration in such state.

NEITHER THE 2024 BONDS NOR THE TRUST AGREEMENT HAVE BEEN REGISTERED OR QUALIFIED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTION 3(A)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED AND SECTION 304(A)(4) OF THE TRUST INDENTURE ACT OF 1939, AS AMENDED. THE REGISTRATION OR QUALIFICATION OF THE 2024 BONDS OR THE TRUST AGREEMENT IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAW OF THE STATES IN WHICH THE 2024 BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES, SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

All quotations from and summaries and explanations of laws and documents herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE OF THE 2024 BONDS SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COUNTY SINCE THE DATE HEREOF.

The information set forth herein has been obtained from sources which are believed to be reliable and is in a form deemed final by the County for the purpose of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for certain information permitted to be omitted under Rule 15c2-12(b)(1)). The information contained herein is subject to change after the date of this Official Statement, and this Official Statement speaks only as of its date.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Rule 15c2-12 (as defined herein).

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

MACON COUNTY, NORTH CAROLINA



BOARD OF COMMISSIONERS

Gary Shields, Chair
Danny Antoine
Paul Higdon
John Shearl
Josh Young



COUNTY STAFF

Derek Roland County Manager
Tammy Keezer Human Resources Director
Lori M. Carpenter Finance Director
Eric Ridenour, Esq. County Attorney



BOND COUNSEL

Sanford Holshouser LLP



FINANCIAL ADVISOR

Davenport & Company LLC

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\$[Amount]*
Macon County, North Carolina
Limited Obligation Bonds, Series 2024

INTRODUCTION

The purpose of this Official Statement, which includes the Appendices hereto, is to provide certain information in connection with the Macon County, North Carolina Limited Obligation Bonds, Series 2024 in the aggregate principal amount of \$[Amount]* (the “2024 Bonds”).

The 2024 Bonds will be issued pursuant to a Trust Agreement dated as of September 1, 2024 (the “Trust Agreement”), between Macon County, North Carolina (the “County”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). Capitalized terms used in this Official Statement, unless otherwise defined herein, have the meanings set out in Appendix C hereto.

This Introduction provides only certain limited information with respect to the contents of this Official Statement and is expressly qualified by the Official Statement as a whole. Prospective investors should review the full Official Statement and each of the documents summarized or described herein. This Official Statement speaks only as of its date, and the information contained herein is subject to change.

THE COUNTY

The County is a political subdivision of the State of North Carolina (the “State”). See Appendix A, “**THE COUNTY**,” hereto for certain information regarding the County. The County’s most recent audited financial statements are contained in Appendix B hereto.

PURPOSE

The 2024 Bonds are being issued in order (i) to acquire, construct, equip and finance a new Franklin High School (“Franklin High School”), and (ii) to pay certain costs incurred in connection with the issuance of the 2024 Bonds. See “**THE PLAN OF FINANCE**” and “**ESTIMATED SOURCES AND USES OF FUNDS**” herein.

SECURITY

The payment by the County of the principal of and interest on the 2024 Bonds is limited to funds appropriated for that purpose by the Board of Commissioners for the County (the “Board of County Commissioners”) in its sole discretion, except to the extent payable from proceeds of the 2024 Bonds, investment earnings, Net Proceeds related to casualty or condemnation proceeds, or amounts derived from the enforcement of remedies on default.

As security for the 2024 Bonds and any additional bonds issued under the Trust Agreement on a parity therewith (the “Additional Bonds” and together with the 2024 Bonds, the “Bonds”), the County will execute and deliver to a deed of trust trustee (the “Deed of Trust Trustee”), for the benefit of the Trustee, a Deed of Trust and Security Agreement dated as of September 1, 2024 (the “Deed of Trust”) granting a lien of record on the site of Franklin High School in Franklin, North Carolina, and the real estate improvements thereon and appurtenances thereto (collectively, the “Mortgaged Property”), all as more particularly described in the Deed of Trust, subject only to Permitted Encumbrances (as defined in Appendix C hereto).

* Preliminary, subject to change.

The Deed of Trust authorizes future obligations evidenced by Additional Bonds (as described below) to be secured by the Deed of Trust, provided that the total amount of present and future obligations secured by the Deed of Trust at any one time does not exceed \$125,000,000 and such future obligations are incurred not later than 30 years from the date of the Deed of Trust.

In addition, the County will grant to the Trustee a lien on and security interest in all moneys held by the Trustee in the funds and accounts created under the Trust Agreement.

If a default occurs under the Trust Agreement, the Trustee is authorized to direct the Deed of Trust Trustee to foreclose on the Mortgaged Property and apply the proceeds received as a result of any such foreclosure to the payment of the amounts due to the owners of the 2024 Bonds, subject to the rights of the owners of any other Bonds. No assurance can be given that any such proceeds will be sufficient to pay the principal of and the interest on the Bonds. In addition, no deficiency judgment can be rendered against the County if the proceeds from any such foreclosure sale (together with other funds that may be held by the Trustee under the Trust Agreement) are insufficient to pay the Bonds in full. The 2024 Bonds do not constitute a pledge of the County's faith and credit within the meaning of any constitutional provision. See **"SECURITY AND SOURCES OF PAYMENT OF 2024 BONDS"** herein.

THE 2024 BONDS

The 2024 Bonds will be dated as of their date of delivery. Interest is payable on April 1 and October 1 of each year, beginning April 1, 2025, at the rates set forth on the inside front cover page of this Official Statement. Principal is payable, subject to redemption as described herein, on October 1 in the years and in the amounts set forth on the inside front cover page of this Official Statement.

ADDITIONAL BONDS

Under the conditions described in the Trust Agreement, without the approval or consent of the Owners of the then-outstanding Bonds and without notice to such Owners, Additional Bonds may be delivered and secured on parity with the 2024 Bonds to provide funds (a) to expand or improve the Pledged Facilities (as defined in the Deed of Trust), (b) to construct further improvements to the Pledged Sites (as defined in the Deed of Trust), (c) to refund any Outstanding Bonds, (d) to pay financing costs or establish reserves in connection with the issuance of Additional Bonds, (e) for any other purpose that may be allowed by law from time to time, including the acquisition and construction of additional public facilities, whether or not any such facility is related to the Pledged Facilities or the Pledged Sites, or (f) for any combination of these purposes. See **"SECURITY AND SOURCES OF PAYMENT OF 2024 BONDS—ADDITIONAL BONDS"** herein.

BOOK-ENTRY ONLY

The 2024 Bonds will be delivered in book-entry form only without physical delivery of certificates to beneficial owners of the 2024 Bonds. Payments to beneficial owners of the 2024 Bonds will be made by The Depository Trust Company ("DTC"), and its participants. See Appendix E, **"BOOK-ENTRY ONLY SYSTEM"** hereto. So long as Cede & Co. is the registered owner of the 2024 Bonds, references herein to registered owner or Owners of the 2024 Bonds means Cede & Co. and not the beneficial owners of the 2024 Bonds.

TAX STATUS

In the opinion of Bond Counsel and subject to the qualifications described in this Official Statement, interest on the 2024 Bonds is not includable in gross income for federal income tax purposes, and interest on the 2024 Bonds is exempt from current State of North Carolina income taxes. See **"TAX**

TREATMENT” herein for additional information regarding tax consequences arising from ownership or receipt of interest on the 2024 Bonds, including information regarding the application of federal alternative minimum tax provisions to the Bonds and certain other federal, State and local tax consequences.

PROFESSIONALS

Robert W. Baird & Co. Incorporated and Wells Fargo Bank, National Association (the “Underwriters”) are underwriting the 2024 Bonds. U.S. Bank Trust Company, National Association is serving as Trustee with respect to the 2024 Bonds. Davenport & Company LLC is serving as financial advisor. Sanford Holshouser LLP is serving as Bond Counsel. Eric Ridenour, Esq. is the County Attorney. Pope Flynn, LLC is serving as counsel to the Underwriters.

ADDITIONAL INFORMATION

Summaries of the Trust Agreement and the Deed of Trust, including a list of definitions of certain terms, are included as Appendix C. All quotations from and summaries and explanations of the Trust Agreement and the Deed of Trust contained in this Official Statement, including in Appendix C, do not purport to be complete. Reference is made to such documents for full and complete statements of their respective provisions.

Additional information and copies in reasonable quantity of the principal financing documents may be obtained from the County at 5 West Main Street, Franklin, North Carolina 28734, Attention: Finance Director. Copies of such documents can also be obtained during the offering period from Robert W. Baird & Co. Incorporated at 380 Knollwood Street, Suite 440, Winston-Salem, North Carolina 27103. After the offering period, copies of such documents may be obtained from the Trustee at 214 North Tryon Street, 27th Floor, Charlotte, North Carolina 28202.

THE 2024 BONDS

AUTHORIZATION

The County is issuing the 2024 Bonds pursuant to the provisions of Section 20 of Chapter 160A of the North Carolina General Statutes and Article 8 of Chapter 159 of the North Carolina General Statutes, each as amended (collectively, the “Act”), and a resolution of the Board of County Commissioners adopted on August 13, 2024. Each 2024 Bond will be deemed an “installment contract” under the Act.

In addition, the County’s issuance of the 2024 Bonds is expected to be approved by the North Carolina Local Government Commission (the “LGC”) on September 10, 2024. The LGC is a division of the State Treasurer’s office charged with general oversight of local government finance in the State. LGC approval is required for substantially all bond issues and other local government financing arrangements in the State. Before approving an installment financing (which includes the financing arrangement for the 2024 Bonds), the LGC must determine, among other things, that (1) the proposed financing is necessary and expedient, (2) the financing, under the circumstances, is preferable to a general obligation or revenue bond issue for the same purpose, and (3) the sums to fall due under the proposed financing are not excessive for the local government.

GENERAL

Payment Terms. The 2024 Bonds will be dated their date of delivery. Interest on the 2024 Bonds is payable on each April 1 and October 1 (the “Payment Dates”), beginning April 1, 2025, at the rates set forth on the inside front cover page of this Official Statement (calculated on the basis of a 360-day year

consisting of twelve 30-day months). Interest payments will be made to the person shown as the owner of the 2024 Bond as of the applicable Record Date. “Record Date” means the end of the calendar day on the 15th day of the month (whether or not a Business Day) preceding a Payment Date. Principal on the 2024 Bonds is payable on October 1 in the years and amounts set forth on the inside front cover page of this Official Statement. Payments will be effected through DTC. See Appendix E, “**BOOK-ENTRY ONLY SYSTEM**” hereto.

Registration and Exchange. So long as DTC or its nominee is the registered owner of the 2024 Bonds, transfers and exchanges of beneficial ownership interests in the 2024 Bonds will be available only through DTC Participants and DTC Indirect Participants. See Appendix E, “**BOOK-ENTRY ONLY SYSTEM**” hereto. The Trust Agreement describes provisions for transfer and exchange applicable if a book-entry system is no longer in effect. These provisions generally provide that the transfer of the 2024 Bonds is registrable by the Owners thereof, and the 2024 Bonds may be exchanged for an equal aggregate, unredeemed principal amount of 2024 Bonds of the authorized denomination and of the same maturity and interest rate, only upon presentation and surrender of the 2024 Bonds to the Trustee at the principal corporate trust office of the Trustee together with an executed instrument of transfer in a form approved by the Trustee in connection with any transfer. The Trustee may require the person requesting any transfer or exchange to reimburse it for any shipping and tax or other governmental charge payable in connection therewith.

REDEMPTION PROVISIONS

Optional Redemption. The 2024 Bonds maturing on or after October 1, 20__ are subject to redemption at the County’s option, in whole or in part on any date on or after October 1, 20__, upon payment of the principal amount to be redeemed plus interest accrued to the redemption date, without any prepayment penalty or premium.

Mandatory Sinking Fund Redemption. The 2024 Bonds maturing on October 1, 20__ are subject to mandatory sinking fund redemption prior to maturity, upon payment of 100% of the principal amount thereof plus interest accrued to the redemption date, on October 1 in the years and amounts as follows:

Year	Principal Amount
------	---------------------

¹ Maturity

On or before the 70th day next preceding any sinking fund payment date, the County may do either of the following:

- (i) deliver to the Trustee for cancellation 2024 Bonds that are subject to a sinking fund redemption, in any aggregate principal amount desired; or
- (ii) instruct the Trustee to apply a credit against the County’s sinking fund payment obligation for any such 2024 Bonds that previously have been redeemed (other than through the operation of the sinking fund requirements) and canceled by the Trustee but not previously applied as a credit against any sinking fund payment obligation.

The Trustee will credit against the County's sinking fund payment obligation on such sinking fund payment date the amount of such 2024 Bonds so purchased, delivered or previously redeemed as described in paragraphs (i) or (ii) above.

Selection. If less than all of the 2024 Bonds are to be optionally redeemed as described above, the County in its discretion may elect which maturities of 2024 Bonds are to be redeemed. If less than all the 2024 Bonds of any maturity are to be redeemed, the Trustee shall select the 2024 Bonds to be redeemed by lot; provided, however, that so long as a book-entry system with DTC is used for determining beneficial ownership of 2024 Bonds, if less than all the 2024 Bonds within a maturity are to be redeemed, the parties agree that DTC may determine which of the 2024 Bonds within the maturity are to be redeemed in accordance with DTC's then-current rules and procedures.

In any case, (1) the portion of any 2024 Bond to be redeemed must be in the principal amount of \$5,000 or some integral multiple thereof, and (2) in selecting 2024 Bonds for redemption, each 2024 Bond will be considered as representing that number of 2024 Bonds which is obtained by dividing the principal amount of that 2024 Bond by \$5,000. If a portion of a 2024 Bond is called for redemption, a new 2024 Bond of the same maturity in principal amount equal to the unpaid portion will be delivered to the registered owner upon the surrender of the 2024 Bond.

Effect of Call for Redemption. If on or before the date fixed for redemption funds are deposited with the Trustee to pay the principal and interest accrued to the redemption date with respect to the 2024 Bonds called for redemption, the 2024 Bonds or portions of the 2024 Bonds called for redemption cease to accrue interest from and after the redemption date, and thereafter those 2024 Bonds (1) are no longer entitled to the benefits provided by the Trust Agreement and (2) are not deemed to be Outstanding under the Trust Agreement.

Notice of Redemption. The Trustee, at the County's direction, upon being satisfactorily indemnified with respect to expenses and with at least two Business Days' notice, shall send notice of redemption no less than 30 nor more than 60 days prior to the redemption date, as follows: (1) with respect to any 2024 Bonds being called for redemption for which DTC or its nominee is the registered owner, to DTC, in whatever manner may be provided for under DTC's standard operating rules as then in effect (and if the Trustee is unable to determine those rules, by registered or certified mail, return receipt requested); (2) with respect to any 2024 Bonds for which no book-entry only system of registration is in effect, to each of the registered owners of those 2024 Bonds at their addresses as shown on the Trustee's registration books, by registered or certified mail; and (3) in any case, both (A) to the Municipal Securities Rulemaking Board for posting on its "EMMA" continuing disclosure system, or any successor system, and (B) to the LGC.

Failure to give any notice specified in (1) or (2) above, as applicable, or any defect in that notice, will not affect the validity of any proceedings for the redemption of any 2024 Bonds with respect to which no failure has occurred. Failure to give any notice specified in (3) above, or any defect in that notice, will not affect the validity of any proceedings for the redemption of any 2024 Bonds with respect to which the notice specified in (1) or (2) above is correctly given. Any notice mailed as provided in the Trust Agreement will conclusively be presumed to have been given regardless of whether received by any Owner.

Any redemption notice, except a redemption notice in respect of a mandatory sinking fund payment, may state that the redemption to be effected is conditioned upon (1) the Trustee's receipt on or prior to the redemption date of moneys sufficient to pay the principal of and interest on the 2024 Bonds to be redeemed; or (2) any other condition not unacceptable to the Trustee. If a notice contains a condition and the Trustee either (i) does not receive moneys sufficient to pay the principal of and interest on the 2024 Bonds on or prior to the redemption date, or (ii) the stated condition is not fulfilled, in either case on or

prior to the redemption date, then redemption will not be made and the Trustee must, within a reasonable time, give notice in a manner in which the redemption notice was given that the moneys were not so received (or condition was not fulfilled) and the redemption was not made.

SECURITY AND SOURCES OF PAYMENT OF 2024 BONDS

GENERAL

The 2024 Bonds are payable from payments to be made by the County pursuant to the Trust Agreement and from certain other moneys, including certain Net Proceeds, if any, and certain amounts realized from any sale or lease of the Mortgaged Property, which payments and other moneys have been pledged to such payment as provided in the Trust Agreement.

PAYMENT OF BONDS; LIMITED OBLIGATION; BUDGET AND APPROPRIATIONS

The County shall cause to be paid, when due, the principal of (whether at maturity, by acceleration, or otherwise) and the interest on the 2024 Bonds at the places, on the dates and in the manner described in the Trust Agreement. The County is obligated to pay Additional Payments in amounts sufficient to pay the fees and expenses of the Trustee, taxes or other expenses required to be paid pursuant to the Trust Agreement. Additional Payments are to be paid by the County directly to the person or entity to which such Additional Payments are owed.

In the Trust Agreement, the County agrees to include in the initial proposal for each of the County's annual budgets for review and consideration by the Board of County Commissioners, in any Fiscal Year, items for all Bond Payments and the reasonably estimated Additional Payments coming due in such Fiscal Year. Notwithstanding that the initial proposed budget includes an appropriation for Bond Payments and Additional Payments, the Board of County Commissioners may determine not to include such an appropriation in the final County budget for such Fiscal Year; further, the Board of County Commissioners may amend an adopted budget to reduce or delete an approved appropriation. If for any Fiscal Year the County adopts an annual budget that does not appropriate (for that purpose) an amount equal to the Bond Payments and estimated Additional Payments for that Fiscal Year, fails to adopt an annual budget that appropriates (for that purpose) an amount equal to the Bond Payments and estimated Additional Payments coming due during that Fiscal Year within 15 days after the beginning of any Fiscal Year, or amends the annual budget to reduce the amounts appropriated for Bond Payments and Additional Payments below the amounts expected to be required for the remainder of that Fiscal Year, then the County must provide notice of such event to the Trustee and the LGC and post such notice on the MSRB's EMMA system. An Event of Nonappropriation constitutes an Event of Default under the Trust Agreement, which entitles the Trustee to exercise its remedies under the Trust Agreement, including its rights to foreclose on the Mortgaged Property under the Deed of Trust.

IN CONNECTION WITH THE BOND PAYMENTS AND THE ADDITIONAL PAYMENTS, THE APPROPRIATION OF FUNDS THEREFOR IS WITHIN THE SOLE DISCRETION OF THE BOARD OF COUNTY COMMISSIONERS.

TRUST AGREEMENT

Under the Trust Agreement, the County has granted to the Trustee for the benefit of the Owners of the 2024 Bonds a lien on and security interest in all moneys and securities from time to time held by the Trustee under the Trust Agreement.

DEED OF TRUST

General. In connection with the execution and delivery of the 2024 Bonds, the County will execute the Deed of Trust to provide security for its obligations under the Trust Agreement by granting a lien of record on the Mortgaged Property. The Deed of Trust secures the 2024 Bonds and any Additional Bonds issued under the Trust Agreement.

ONLY THE SITE OF FRANKLIN HIGH SCHOOL AND ALL IMPROVEMENTS THEREON WILL BE INCLUDED IN THE DEFINITION OF "MORTGAGED PROPERTY" AND, CONSEQUENTLY, SUCH REAL PROPERTY AND ANY IMPROVEMENTS THEREON WILL BE SUBJECT TO THE LIEN CREATED BY THE DEED OF TRUST. See "THE PLAN OF FINANCE" herein.

The Deed of Trust authorizes future obligations evidenced by Additional Bonds executed and delivered under the Trust Agreement to be secured by the Deed of Trust, provided that the total amount of present and future obligations secured thereby at any one time does not exceed \$125,000,000 and such future obligations are incurred not later than 30 years from the date of the Deed of Trust.

The Deed of Trust will be recorded in the office of the Register of Deeds of Macon County, North Carolina, and the liens created thereby will be insured by a title insurance policy.

Release of Security. The Trustee is required, upon the County's direction and at any time, to release all or a portion of the Mortgaged Property from the lien of the Deed of Trust upon the County's compliance with the following requirements:

(a) The County must file with the Trustee a certificate signed by an appropriate County representative (i) stating that (A) no Event of Default is continuing, (B) the release will not materially impair the intended use of the property remaining subject to the Deed of Trust, and (C) the release complies with the requirements of the Deed of Trust, (ii) providing a copy of the proposed instrument of release, (iii) directing the execution and delivery of the instrument, and (iv) providing evidence of compliance with (b) or (c) below. The Trustee may not release any property pursuant to such terms during the continuation of an Event of Default.

(b) In the case of a proposed release of all the Mortgaged Property, the County must pay to the Trustee (or other fiduciary) an amount (i) that is sufficient to provide for the payment in full of all Outstanding Bonds in accordance with the Trust Agreement and (ii) that is required to be used for such payment.

(c) In connection with the release of a portion (but less than all) of the Mortgaged Property, the County must provide evidence to the Trustee that the appraised, tax or insured value of that portion of the Mortgaged Property that is proposed to remain subject to the lien of the Deed of Trust is not less than 50% of the aggregate principal component of the Bonds Outstanding at the time the release is effected.

In addition to the provisions for release described above, so long as the grant or disposition will not materially impair the intended use thereof, the County may from time to time grant easements, licenses, rights-of-way and other similar rights with respect to any part of the Mortgaged Property, and the County may release such interests, with or without consideration, and the County may dispose of any undesirable or unnecessary fixture.

See “**THE DEED OF TRUST—No Transfers; Releases; Grants of Easements**” in Appendix C hereto.

ENFORCEABILITY

The enforceability of the parties’ obligations under the Trust Agreement and the Deed of Trust is subject to bankruptcy, insolvency, reorganization and other laws related to or affecting the enforcement of creditors’ rights generally and, to the extent that certain remedies under such instruments require or may require enforcement by a court, to such principles of equity as the court having jurisdiction may impose.

NOTWITHSTANDING ANYTHING THEREIN TO THE CONTRARY, THE DELIVERY OF THE 2024 BONDS SHALL NOT BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. IN ADDITION, NEITHER THE 2024 BONDS NOR THE TRUST AGREEMENT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATES THE COUNTY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE SOLE DISCRETION OF THE BOARD OF COUNTY COMMISSIONERS FOR ANY FISCAL YEAR IN WHICH THE 2024 BONDS ARE OUTSTANDING. IF THE COUNTY FAILS TO MAKE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE 2024 BONDS, THE TRUSTEE MAY DECLARE THE ENTIRE UNPAID PRINCIPAL OF THE 2024 BONDS TO BE IMMEDIATELY DUE AND PAYABLE AND DIRECT THE DEED OF TRUST TRUSTEE TO INSTITUTE FORECLOSURE PROCEEDINGS UNDER THE DEED OF TRUST AND PROCEED IN ACCORDANCE WITH LAW TO ATTEMPT TO DISPOSE OF THE MORTGAGED PROPERTY AND APPLY THE PROCEEDS OF SUCH DISPOSITION TOWARD ANY BALANCE, OWING BY THE COUNTY ON THE 2024 BONDS. NO ASSURANCE CAN BE GIVEN THAT SUCH PROCEEDS WILL BE SUFFICIENT TO PAY ALL PRINCIPAL OF AND INTEREST ON THE 2024 BONDS. IN ADDITION, SECTION 160A-20(f) OF THE NORTH CAROLINA GENERAL STATUTES PROVIDES THAT NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE COUNTY FOR BREACH OF ANY CONTRACTUAL OBLIGATION AUTHORIZED UNDER SECTION 160A-20 AND THAT THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY TO SECURE ANY MONEYS DUE FROM THE COUNTY. See “**THE TRUST AGREEMENT—Defaults and Remedies under Trust Agreement - Acceleration**” and “**—Other Remedies**” and “**THE DEED OF TRUST—Defaults and Remedies; Foreclosure**” in Appendix C hereto and the caption “**CERTAIN RISKS OF 2024 BOND OWNERS**” herein.

ADDITIONAL BONDS

Under the conditions described in the Trust Agreement, without the approval or consent of the Owners of the then Outstanding 2024 Bonds, Additional Bonds may be delivered and secured on parity with the 2024 Bonds to provide funds (a) to expand or improve the Pledged Facilities, (b) to construct further improvements to the Pledged Sites, (c) to refund any Outstanding Bonds, (d) to pay financing costs or establish reserves in connection with the issuance of Additional Bonds, (e) for any other purpose that may be allowed by law from time to time, including the acquisition and construction of additional public facilities, whether or not any such facility is related to the Pledged Facilities or the Pledged Sites, or (f) for any combination of such purposes. Neither the Trust Agreement nor the Deed of Trust require that additional collateral be added to the Deed of Trust in connection with the issuance of Additional Bonds. See “**THE TRUST AGREEMENT—Additional Bonds**” in Appendix C hereto.

USE OF NET PROCEEDS

The County must elect to use Net Proceeds and other funds available therefor, subject to provisions of the Trust Agreement, to repair and restore the Mortgaged Property or to redeem or defease the 2024 Bonds in whole (but not in part) pursuant to the optional redemption provisions described above or the defeasance provisions of the Trust Agreement, as appropriate. The County has no option to redeem the

2024 Bonds from Net Proceeds other than in accordance with the optional redemption provisions described in “**THE 2024 BONDS—REDEMPTION PROVISIONS**” herein.

AVAILABLE SOURCES FOR PAYMENT

GENERAL

The County may pay its obligations under the Trust Agreement from any source of funds, including revenues generated by the projects financed under the Trust Agreement and other facilities in the County, available to it in each year and appropriated therefor until maturity of the 2024 Bonds.

GENERAL FUND REVENUES

The County’s general fund revenues for the Fiscal Year ended June 30, 2023 were \$_____. The County’s general fund revenues were budgeted to be \$_____ for the Fiscal Year ended June 30, 2024 and are budgeted to be \$_____ for the Fiscal Year ending June 30, 2025. General fund revenues are derived from various sources, including property taxes (which generated approximately ___% of the general fund revenues in the Fiscal Year ended June 30, 2023 and are budgeted to generate approximately ___% of general fund revenues in the Fiscal Year ending June 30, 2025), sales taxes, intergovernmental revenues, and fines and forfeitures. For the Fiscal Years ended June 30, 2023 and June 30, 2024, the County imposed a property tax of \$0.4000 and \$0.4000, respectively, per \$100 of assessed value. For the Fiscal Year ending June 30, 2025, the County will impose a property tax of \$0.____ per \$100 of assessed value. A rate of \$0.01 per \$100 of assessed value in the Fiscal Year ended June 30, 2024 generated approximately \$_____. In the Fiscal Year ending June 30, 2025, a rate of \$0.01 per \$100 of assessed value is expected to generate approximately \$_____. The General Statutes of North Carolina permit counties to impose property taxes of up to \$1.50 per \$100 of assessed value for certain purposes without the requirement of a voter referendum. See Appendix B hereto for a description of the uses of the County’s general fund revenues for the Fiscal Year ended June 30, 2023.

THE PLAN OF FINANCE

The 2024 Bonds are being issued to provide funds (1) to acquire, construct, equip and finance Franklin High School, and (2) pay certain costs incurred in connection with the issuance of the 2024 Bonds.

Franklin High School will be constructed on 28 acres over two contiguous parcels in Franklin, North Carolina. The approximately 289,000 square-foot school (which includes approximately 12,000 square feet in three separate athletics buildings) will have a capacity for approximately 1,400 students. The estimated cost of Franklin High School is approximately \$[137,624,444], of which \$62,000,000 will be funded by a grant from the Needs-Based Public School Capital Fund administered by the North Carolina Department of Public Instruction.

ONLY FRANKLIN HIGH SCHOOL WILL BE INCLUDED AS PART OF THE MORTGAGED PROPERTY.

Franklin High School will be leased to and operated by the Macon County Board of Education (the “Board of Education”) under a Lease Agreement dated as of September 1, 2024 (the “Lease”) between the County and the Board of Education. Under the terms of the Lease, following completion of construction, the Board of Education will be responsible for operating and maintaining Franklin High School, including costs of insurance, maintenance and repairs, utilities and all other operating costs associated with operating an elementary school. The term of the Lease will remain in effect so long as any Bonds are Outstanding.

If at any point there are no Bonds Outstanding and the Trust Agreement has been terminated, the County agrees in the Lease to transfer the Project to the Board of Education.

ESTIMATED SOURCES AND USES OF FUNDS

The County estimates the sources and uses of funds for the plan of finance to be as follows:

SOURCES:

Par Amount of the 2024 Bonds	\$_____
[Net] Original Issue Premium [Discount]	_____
State Grant	_____
TOTAL SOURCES OF FUNDS	\$_____

USES:

Deposit to Project Fund	\$_____
Costs of Issuance ¹	_____
TOTAL USES OF FUNDS	\$_____

¹ Includes legal fees, underwriters’ compensation, financial advisor fees, rating agency fees, fees and expenses of the Trustee and miscellaneous fees and expenses.

TOTAL ANNUAL DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements on the 2024 Bonds for each Fiscal Year of the County.

Fiscal Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
Total			

CERTAIN RISKS OF 2024 BOND OWNERS

INSUFFICIENCY OF PAYMENTS

If the County fails to pay any payments on the 2024 Bonds as the same become due or if another event of default occurs under the Trust Agreement, the Trustee may accelerate the principal with respect to the 2024 Bonds, direct the Deed of Trust Trustee to foreclose on the Mortgaged Property under the Deed of Trust, take possession of the Mortgaged Property and attempt to dispose of the Mortgaged Property. See “**THE DEED OF TRUST**” in Appendix C hereto. Zoning restrictions and other land use factors relating to the Mortgaged Property may limit the use of the Mortgaged Property and may affect the proceeds obtained on any disposition by the Deed of Trust Trustee. THERE CAN BE NO ASSURANCE THAT THE MONEYS AVAILABLE IN THE FUNDS AND ACCOUNTS HELD BY THE TRUSTEE AND THE PROCEEDS OF ANY SUCH DISPOSITION OF THE MORTGAGED PROPERTY WILL BE SUFFICIENT TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST WITH RESPECT TO THE BONDS. SECTION 160A-20(f) OF THE GENERAL STATUTES OF NORTH CAROLINA PROVIDES THAT NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE COUNTY FOR ANY AMOUNTS THAT MAY BE OWED BY THE COUNTY UNDER THE TRUST AGREEMENT, AND THE TAXING POWER OF THE COUNTY IS NOT AND MAY NOT BE PLEDGED DIRECTLY OR INDIRECTLY OR CONTINGENTLY TO SECURE ANY MONEYS OWING BY THE COUNTY UNDER THE TRUST AGREEMENT. THE REMEDIES AFFORDED TO THE TRUSTEE AND THE OWNERS OF THE BONDS ON A DEFAULT BY THE COUNTY UNDER THE TRUST AGREEMENT ARE LIMITED TO THOSE OF A SECURED PARTY UNDER THE LAWS OF THE STATE OF NORTH CAROLINA, INCLUDING FORECLOSING ON THE DEED OF TRUST.

RISK OF NONAPPROPRIATION

The appropriation of moneys to make payments pursuant to the Trust Agreement is within the sole discretion of the Board of County Commissioners. If the Board of County Commissioners fails to appropriate such moneys, the only sources of payment for the Bonds will be the moneys, if any, available in certain funds and accounts held by the Trustee under the Trust Agreement and the proceeds of any attempted foreclosure on the County’s interest in the Mortgaged Property under the Deed of Trust.

VALUE OF COLLATERAL

The County’s estimated value of the Mortgaged Property (as further described under the caption above “**THE PLAN OF FINANCE**”) is \$[_____] after completion of the improvements and renovations being financed with proceeds of the 2024 Bonds, which includes \$[_____] in estimated land value. This value is based in part on the County’s own estimates, and the County has not commissioned or obtained any appraisals for the purpose of this valuation. The amount of proceeds received through foreclosure of the County’s interest in the Mortgaged Property may be affected by a number of factors, including (1) the costs and expenses in enforcing the lien and security, (2) the condition of the Mortgaged Property, (3) the occurrence of any damage, destruction, loss or theft of the Mortgaged Property which is not repaired or replaced and for which there are not received from insurance policies or appropriated moneys from any risk management program, (4) problems relating to the paucity of alternative uses of the facilities arising from their design, zoning restrictions, use restrictions, easements and encumbrances on the Mortgaged Property and (5) environmental problems and risks with respect to the Mortgaged Property.

The Trust Agreement permits the issuance of Additional Bonds without regard to the value of the Mortgaged Property, and the Deed of Trust allows for up to \$125,000,000 in principal amount of present and future obligations to be secured thereby. To the extent that Additional Bonds are issued and no additional property is subject to the Deed of Trust, the value of the collateral as a percentage of the outstanding principal amount of Bonds should be expected to decrease, which decrease may be material.

NO REPRESENTATION IS MADE AS TO THE VALUE OF, OR THE AMOUNT OF PROCEEDS THAT MAY BE REALIZED FROM, THE COUNTY'S INTEREST IN THE MORTGAGED PROPERTY IN THE EVENT OF A FORECLOSURE.

UNINSURED CASUALTY

If all or any part of the Mortgaged Property is damaged or destroyed by any casualty or taken by any governmental authority, the County is obligated under the Trust Agreement to apply any Net Proceeds from insurance or condemnation (1) to repair, restore or rebuild the Mortgaged Property or (2) to provide for the redemption or defeasance of all, but not less than all, of the Bonds. If the County applies any Net Proceeds to repair, restore or rebuild the Mortgaged Property and such Net Proceeds are not sufficient to repair, restore or rebuild the Mortgaged Property to its condition prior to such damage, destruction or taking, then the value of the Mortgaged Property would be reduced. The Trust Agreement requires that certain insurance be maintained with respect to the Mortgaged Property. Such insurance may not, however, cover all perils to which the Mortgaged Property is subject.

OUTSTANDING GENERAL OBLIGATION DEBT OF THE COUNTY

The County may issue general obligation bonds and notes in the future. The County will pledge its faith and credit and taxing power to the payment of its general obligation bonds and notes to be issued. See Appendix A, "**THE COUNTY—DEBT INFORMATION**" attached hereto. FUNDS WHICH MAY OTHERWISE BE AVAILABLE TO PAY BOND PAYMENTS OR ADDITIONAL PAYMENTS OR TO MAKE OTHER PAYMENTS TO BE MADE BY THE COUNTY UNDER THE TRUST AGREEMENT MAY BE SUBJECT TO SUCH FAITH AND CREDIT PLEDGE BY THE COUNTY AND THEREFORE MAY BE REQUIRED TO BE APPLIED TO THE PAYMENT OF ITS GENERAL OBLIGATION INDEBTEDNESS.

ENVIRONMENTAL RISKS

[Note: description of previous use of property to come] The County purchased the site of Franklin High School in ____ and since the completion of construction the property has been used as a _____. The County is not aware of any material environmental contamination on the site of Franklin High School.

Undiscovered or future environmental contamination could have a material adverse effect on the value of the Mortgaged Property; however, the County is required under the Trust Agreement to undertake whatever environmental remediation may be required by law.

ADDITIONAL BONDS

The County may execute and deliver Additional Bonds under the Trust Agreement that are secured by the Mortgaged Property, thereby diluting the relative value of the collateral with respect to the 2024 Bonds. In addition, remedies under the Trust Agreement and the Deed of Trust are controlled by the Majority Owners. Upon issuance of the 2024 Bonds, the Owners of the 2024 Bonds will collectively be the Majority Owners, but may not continue to be the Majority Owners if Additional Bonds are issued or if a portion of the 2024 Bonds are redeemed or discharged prior to maturity.

BANKRUPTCY

Chapter 9 of Title 11 of the United States Code (as amended, the "Bankruptcy Code") provides a process for a political subdivision of a state to voluntarily adjust its debts. An involuntary bankruptcy case may not be commenced against a political subdivision under Chapter 9. Section 109(c) of the Bankruptcy Code sets forth certain conditions that must be met for an entity to be a debtor under Chapter 9, including that the entity is specifically authorized to be a debtor under Chapter 9 by state law (or by a governmental

officer or organization empowered by state law to authorize the entity to be a debtor under Chapter 9). Section 23-48 of the North Carolina General Statutes (the “NC Authorizing Statute”) authorizes any county or city in the State to file a Chapter 9 bankruptcy case, but only with the approval of the LGC. While the 2024 Bonds are outstanding, the provisions of the Bankruptcy Code and applicable State law, including the NC Authorizing Statute, may be amended, supplemented or repealed; therefore, it is not possible to predict whether and under what conditions the County may be authorized to become a debtor in a bankruptcy case and how any such bankruptcy case might affect holders of the 2024 Bonds in the future.

If the County were to initiate bankruptcy proceedings under Chapter 9 with the consent of the LGC, the bankruptcy proceedings could have material and adverse effects on holders of the 2024 Bonds, including (1) the application of the automatic stay provisions of the Bankruptcy Code, which, until relief is granted, would prevent collection of payments from the County or the commencement of any judicial or other action for the purpose of recovering or collecting a claim against the County; (2) the incurrence of additional debt, including the claims of those supplying good and services to the County after the initiation of bankruptcy proceedings and the expenses of administering the bankruptcy case, which may have a priority of payment superior to that of the bondholders; and (3) the possibility of the adoption of a plan for the adjustment of the County’s debt without the consent of all of the Owners of the 2024 Bonds, which plan may restructure, delay, compromise or reduce the amount of the claim of the Owners of the 2024 Bonds. In addition, the Bankruptcy Code might invalidate any provision of the documents that makes the bankruptcy or insolvency of the County an event of default.

The effect of the Bankruptcy Code on the rights and remedies of the Owners of the 2024 Bonds cannot be predicted with certainty and may be affected significantly by judicial interpretation, general principles of equity and considerations of public policy.

Regardless of any specific adverse determinations in a bankruptcy case of the County, the fact of such a bankruptcy case could have an adverse effect on the liquidity and value of the 2024 Bonds.

CYBERSECURITY

The County, like many other public and private entities, relies on a robust and complex technology environment to conduct its operations and faces multiple cybersecurity threats involving, but not limited to, hacking, phishing viruses, malware and other attacks on its computing and other digital networks and systems (collectively, “Systems Technology”). As a recipient and provider of personal, private, or sensitive information, the County may be the target of cybersecurity incidents that could result in adverse consequences to the County and its Systems Technology, requiring a response action to mitigate the consequences.

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the County’s Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage from cybersecurity incidents or cyber-attacks, the County invests in various forms of cybersecurity and operational safeguards. These safeguards include a cybersecurity policy applying to all County data, systems, communications, activities, and assets owned, leased, acquisitioned, controlled, or used by the County, its agents, contractors, or other business partners on behalf of the County, as well as all County employees, contractors and subcontractors. The County maintains cyber liability insurance coverage.

While the County’s cybersecurity and operational safeguards are periodically tested, the County cannot give any assurances that such measures will ensure against other cybersecurity threats and attacks. Cybersecurity breaches could cause material disruption to the County’s finances or operations. The

costs of remedying any such damage or obtaining insurance related thereto or protecting against future attacks could be substantial and insurance may not be adequate to cover such losses or other consequential County costs and expenses. Further, cybersecurity breaches could expose the County to material litigation and other legal risks, which could cause the County to incur material costs related to such legal claims or proceedings.

CLIMATE CHANGE

The County is susceptible to the effects of extreme weather events and natural disasters, including floods, droughts and hurricanes, and has experienced severe weather events within the past several years. These effects may be amplified by a prolonged global temperature increase over the next several decades (commonly referred to as “climate change”). No assurances can be given that a future extreme weather event driven by climate change will not adversely affect the County.

THE COUNTY

GENERAL

See Appendix A for a description of the County.

FINANCIAL INFORMATION

The financial statements of the County have been audited by certified public accountants for the Fiscal Year ended June 30, 2023. Excerpts from the financial statements of the County for the Fiscal Year ended June 30, 2023 are available in Appendix B hereto.

LEGAL MATTERS

LITIGATION

To the best of the knowledge of the County, no litigation is now pending or threatened against or affecting the County which seeks to restrain or enjoin the authorization, execution or delivery of the 2024 Bonds, the Trust Agreement or the Deed of Trust, or which contests the County’s creation, organization or corporate existence, or the title of any of the present officers thereof to their respective offices or the authority or proceedings for the County’s authorization, execution and delivery of the 2024 Bonds, the Trust Agreement or the Deed of Trust, or the County’s authority to carry out its obligations thereunder or which would have a material adverse impact on the County’s condition, financial or otherwise.

OPINIONS OF COUNSEL

Legal matters related to the execution, sale and delivery of the 2024 Bonds are subject to the approval of Sanford Holshouser LLP. Certain legal matters will be passed upon for the County by its counsel, Eric Ridenour, Esq., and for the Underwriters by their counsel, Pope Flynn, LLC. The opinion of Sanford Holshouser LLP, as Bond Counsel, substantially in the form set forth in Appendix D hereto, will be delivered at the time of the delivery of the 2024 Bonds.

Bond Counsel’s approving legal opinion expresses Bond Counsel’s professional judgment as to the legal issues explicitly addressed in the opinion. By rendering a legal opinion, an opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Additionally, the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction, and a bond opinion is

not a statement (either expressly or by implication) concerning the marketability, value or likelihood of payment of the 2024 Bonds.

Bond Counsel has not been engaged to investigate the County's operations or condition or the County's ability to provide for payments on the 2024 Bonds. Bond Counsel will express no opinion (1) as to the County's financial condition or its ability to provide for payments on the 2024 Bonds, or (2) as to the accuracy, completeness or fairness of any information that may have been relied on by anyone in making a decision to purchase 2024 Bonds, including this Official Statement. Bond counsel has, however, provided the sample legal opinion form that appears as Appendix D, prepared the document summaries that appear as Appendix C, and approved the descriptions in the Official Statement of the terms of the 2024 Bonds and the financing documents. In this transaction, Bond Counsel serves only as bond counsel to the County.

TAX TREATMENT

OPINION OF BOND COUNSEL

Tax Treatment of 2024 Bonds. In the opinion of Sanford Holshouser LLP, Carrboro, North Carolina, Bond Counsel for the County ("Bond Counsel"), under existing law, interest on the 2024 Bonds (1) will not be included in gross income for federal income tax purposes, and (2) will be exempt from existing State of North Carolina income taxation. Interest on the 2024 Bonds is not a separate tax preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the "Code," as defined below) for the purpose of computing the alternative minimum tax imposed on corporations.

The County has covenanted to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), regarding, among other matters, the use, expenditure and investment of the proceeds derived from the sale of the 2024 Bonds and the timely payment to the United States of any arbitrage profit with respect to the 2024 Bonds. The County's failure to comply with such covenants could cause interest on the 2024 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the 2024 Bonds.

In addition to the matters addressed above, prospective purchasers of the 2024 Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including without limitation financial institutions, property and casualty insurance companies, certain S corporations, certain foreign corporations subject to the branch profits tax, corporations subject to the environmental tax, recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the 2024 Bonds should consult their tax advisors as to the applicability and impact of such consequences.

Other Matters. Bond Counsel will give its opinions in reliance upon certifications by County representatives and others as to certain facts relevant to the opinion.

Bond Counsel's opinions do not address the tax-exempt status of payments on the 2024 Bonds derived from parties other than the County, even if those payments are denominated as interest with respect to the 2024 Bonds. Bond Counsel will express no other opinion regarding the federal or North Carolina tax consequences of the ownership of or the receipt or accrual of interest on the 2024 Bonds.

Interest on the 2024 Bonds may or may not be subject to state or local taxation in jurisdictions other than North Carolina. Prospective purchasers of the 2024 Bonds should consult their own tax advisors as to

the status of interest on the 2024 Bonds under the tax laws of any such jurisdiction other than North Carolina.

ORIGINAL ISSUE PREMIUM

The 2024 Bonds maturing on October 1, _____ (collectively, the “Premium Bonds”) are being sold at an initial offering price in excess of the principal amounts payable at maturity. Under the Code, the difference between (a) the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of each maturity of the Premium Bonds is sold and (b) the principal amount payable at maturity of such Premium Bonds constitutes “original issue premium”. Original issue premium is not deductible for federal income tax purposes.

For an owner of a Premium Bond, the amount of the original issue premium which is treated as having accrued over the term of such Premium Bond is reduced from the owner’s cost basis of such Premium Bond in determining, for federal income tax purposes, the gain or loss upon the sale, redemption or other disposition of such Premium Bond (whether upon its sale, redemption or payment at maturity).

Bond Counsel’s opinion will not specifically address any issues relating to the treatment of premiums paid on Premium Bonds. **Owners of Premium Bonds should consult their tax advisors with respect to the tax consequences of owning or disposing of a Premium Bond.**

ORIGINAL ISSUE DISCOUNT

The 2024 Bonds maturing on October 1, _____ (collectively, the “Discount Bonds”) are being sold at initial offering prices which are less than the principal amounts payable at maturity. Under the Code, the difference between (a) the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of each maturity of the Discount Bonds is sold and (b) the principal amount payable at maturity of such Discount Bonds constitutes original issue discount treated as interest which will be excluded from the gross income of the owners of such Discount Bonds for federal income tax purposes.

In the case of an owner of an Discount Bond, the amount of original issue discount on such Discount Bond is treated as having accrued daily over the term of such Discount Bond on the basis of a constant yield compounded at the end of each accrual period and is added to the owner’s cost basis of such Discount Bond in determining, for federal income tax purposes, the gain or loss upon the sale, redemption or other disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on the sale, redemption or other disposition of a Discount Bond which are attributable to accrued original issue discount on such Discount Bond will be treated as interest exempt from gross income, rather than as a taxable gain, for federal income tax purposes, and will not be a specific item of tax preference for purposes of the federal alternative minimum tax imposed on corporations and individuals. However, it should be noted that with respect to certain owners, a portion of the original issue discount that accrues in each year may result in other collateral federal income tax consequences for certain taxpayers in the year of accrual. Consequently, owners of a Discount Bond should be aware that the accrual of original issue discount on any Discount Bond in each year may result in a federal alternative minimum tax liability or other collateral federal income tax consequences, even though the owner may not have received any cash payments attributable to such original issue discount in such year.

Original issue discount is treated as compounding semiannually (which yield is based on the initial public offering price of such Discount Bond) at a rate determined by reference to the yield to maturity of each individual Discount Bond. The amount treated as original issue discount on an Discount Bond for a particular semiannual accrual period is equal to (a) the product of (1) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (2) the amount which would

have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of interest payable on such Discount Bond during the particular accrual period. The tax basis is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts which have been treated as original issue discount for such purposes during all prior accrual periods. If a Discount Bond is sold between semiannual compounding dates, original issue discount which would have accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

The Code contains additional provisions relating to the accrual of original issue discount in the case of owners of the Discount Bonds who subsequently purchase any Discount Bonds after the initial offering or at a price different from the initial offering price during the initial offering of the 2024 Bonds. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal and state income tax purposes of the amount of original issue discount accrued upon the sale, redemption or other disposition of a Discount Bond as of any date and with respect to other federal, state and local tax consequences of owning and disposing of a Discount Bond. It is possible that under the applicable provisions governing the determination of state or local taxes, accrued original issue discount on a Discount Bond may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment attributable to such original issue discount until a later year.

Bond Counsel's opinion will not address issues relating to the treatment of original issue discounts on Discount Bonds. **Owners of Discount Bonds should consult their tax advisors with respect to the tax consequences of owning or disposing of a Discount Bond.**

CONTINUING DISCLOSURE OBLIGATION

In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the County has undertaken in the Trust Agreement to provide, or cause to be provided through the Trustee, to the Municipal Securities Rulemaking Board (the "MSRB"):

(1) by not later than seven months after the end of each Fiscal Year, beginning with the Fiscal Year ended June 30, 2024, the audited financial statements of the County for such Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the County for such Fiscal Year to be replaced subsequently by audited financial statements of the County to be delivered within 15 days after such audited financial statements become available for distribution;

(2) by not later than seven months after the end of each Fiscal Year, beginning with the Fiscal Year ended June 30, 2024, (a) the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the captions "**THE COUNTY—DEBT INFORMATION**" and "**—TAX INFORMATION**" in Appendix A relating to the 2024 Bonds (excluding any information on overlapping or underlying debt) to the extent such items are not included in the audited financial statements referred to in (1) above;

(3) in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the 2024 Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;

- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2024 Bonds, or other material events affecting the tax status of the 2024 Bonds;
- (g) modifications to rights of holders of the 2024 Bonds, if material;
- (h) calls for redemption of 2024 Bonds (other than calls pursuant to sinking fund redemption), if material, and tender offers;
- (i) defeasances;
- (j) release, substitution, or sale of property securing repayment of the 2024 Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar proceedings related to the County or any other person or entity that may at any time become legally obligated to make payments on the 2024 Bonds (collectively, the “Obligated Persons”);
- (m) the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County or any Obligated Person, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties.

(4) in a timely manner, not in excess of ten business days after the occurrence of the failure, notice of a failure of the County to provide required annual financial information described in (1) or (2) above on or before the date specified.

“Financial obligation” means, for purposes of the foregoing, (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of an obligation described in either clause (a) or (b). The term

“financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

For the purposes of the event identified in subparagraph (3)(1) above, the event is considered to occur when any of the following occurs: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

The County shall provide the document referred to above to the MSRB in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

The County may discharge its undertaking described above by transmitting the documents referred to above to any entity and by any method authorized by the U.S. Securities and Exchange Commission.

At present, Section 159-34 of the General Statutes of North Carolina requires that the County’s financial statements be prepared in accordance with generally accepted accounting principles and that they be audited in accordance with generally accepted auditing standards.

The County has acknowledged in the Trust Agreement that its undertaking pursuant to Rule 15c2-12 is intended to be for the benefit of the registered owners of the 2024 Bonds and is enforceable by the Trustee or by any registered owner of the 2024 Bonds. THE RIGHT TO ENFORCE THE PROVISIONS OF THE COUNTY’S RULE 15C2-12 UNDERTAKINGS IS LIMITED TO A RIGHT TO OBTAIN SPECIFIC PERFORMANCE OF THE COUNTY’S OBLIGATIONS AND A FAILURE BY THE COUNTY TO COMPLY WITH ITS RULE 15C2-12 UNDERTAKINGS WILL NOT BE AN EVENT OF DEFAULT UNDER THE TRUST AGREEMENT AND WILL NOT RESULT IN ACCELERATION OF THE INSTALLMENT PAYMENTS.

The County may modify from time to time, consistent with Rule 15c2-12, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County; provided that (1) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the County; (2) the information to be provided, as modified, would have complied with the requirements of the Rule 15c2-12 as of the date of this Official Statement, after taking into account any amendments or interpretations of the Rule 15c2-12, as well as any changes in circumstances; and (3) any such modification does not materially impair the interest of the Owners or the beneficial owners, as determined by the Trustee or nationally recognized bond counsel or by the approving vote of the Owners of a majority in principal amount of the 2024 Bonds. Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The County’s Rule 15c2-12 undertakings will terminate upon payment in full, or provision having been made for payment in full, of the principal and interest on the 2024 Bonds.

To the best of the County’s knowledge, it has complied in all material respects with its previous continuing disclosure undertakings under Rule 15c2-12 for the past five years. [Note: continuing disclosure review to be completed]

UNDERWRITING

The Underwriters have agreed under the terms of a Bond Purchase Agreement (the “Purchase Agreement”) to purchase all of the 2024 Bonds, if any of the 2024 Bonds are to be purchased, at a purchase price equal to 100% of the principal amount of the 2024 Bonds, plus [net] original issue premium of \$_____, less an Underwriters’ discount of \$_____. The Underwriters’ obligation to purchase the 2024 Bonds is subject to certain terms and conditions set forth in the Purchase Agreement.

The Underwriters may offer and sell the 2024 Bonds to certain dealers (including dealers depositing the 2024 Bonds into investment trusts) and others at prices lower than the initial public offering prices stated on the inside front cover page hereof. The public offering prices may be changed from time to time by the Underwriters.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group (“WFBNA”), one of the underwriters of the 2024 Bonds, has entered into an agreement (the “WFA Distribution Agreement”) with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) (“WFA”), for the distribution of certain municipal securities offerings, including the 2024 Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2024 Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the 2024 Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

RATINGS

Moody’s Investors Service, Inc. and S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC, have assigned ratings of “[____]” and “[____],” respectively, to the 2024 Bonds. These ratings reflect only the view of such rating agencies, and an explanation of the significance of such ratings may be obtained from such rating agencies. Certain information and materials not included in this Official Statement were furnished to such rating agencies. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2024 Bonds.

MISCELLANEOUS

All quotations from and summaries and explanations of the Trust Agreement and the Deed of Trust contained herein or in Appendix C hereto do not purport to be complete, and reference is made to such documents for full and complete statements of their respective provisions. The Appendices attached hereto are a part of this Official Statement.

The information contained in this Official Statement has been compiled or prepared from information obtained from the County and other sources deemed to be reliable and, although not guaranteed as to completeness or accuracy, is believed to be correct as of this date. Any statements involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

APPENDIX A
THE COUNTY

**APPENDIX A
THE COUNTY**

GENERAL DESCRIPTION

The County was originally established in 1828 when it was carved from what was then Haywood County and declared an independent local government. The subsequent creation of additional western North Carolina counties reduced the overall size of the County to its present 515 square mile area. The County is located in far western North Carolina and is often termed “The Center of the Mountain Lands.” It rests within the Great Smoky Mountains and is surrounded by the Appalachian and Blue Ridge Mountain Ranges. Approximately 46% of the County’s land area is owned by the United States Forest Service, including Nantahala National Forest. The County borders the State of Georgia to its south. The County is known for its natural beauty and proximity to larger population centers, benefiting the County’s tourist sector.

The Town of Franklin is the County seat. It lies at the approximate geographic center of the County, has an elevation of 2,080 feet and an average temperature of 56.1 degrees.

DEMOGRAPHIC CHARACTERISTICS

The United States Department of Commerce, Bureau of the Census, has recorded the County’s population to be as follows:

<u>2000</u>	<u>2010</u>	<u>2020</u>
29,946	33,922	37,014

The North Carolina Office of State Budget and Management has estimated the County’s population to be as follows:

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
35,596	36,101	37,022	37,041	37,636

According to the North Carolina Office of State Budget and Management, as of July 1, 2022, the Town of Franklin had a population of 4,242, and the Town of Highlands had a population of 1,097.

Per capita income figures for the County, the State and the United States are presented in the following table:

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2018	\$38,245	\$46,040	\$53,309
2019	41,146	48,366	55,547
2020	43,926	51,781	59,153
2021	47,209	56,705	64,430
2022	48,309	58,109	65,470

Source: Bureau of Economic Analysis, U.S. Department of Commerce.

COMMERCE AND INDUSTRY

The following table lists the ten largest employers in the County as of June 30, 2023:

<u>Company</u>	<u>Industry</u>	<u>Employment Number</u>
Macon County Public Schools	Education	675
Macon County	Public Administration	654
Drake Software, Inc. ¹	Telecommunications	641
Ingles Markets, Inc.	Food, Facilities & Uniform Services	509
Wal-Mart Associates Inc	Retail	270
Mission Health (f/k/a Angel Medical Center)	Health Services	226
Drake Enterprises LTD (A Corp)	Telecommunications	151
Lowe's Home Centers Inc	Retail	140
Madison's	Tourism	103
Beasley Flooring (f/k/a Shaw Industries Group)	Manufacturing	88

¹ Formerly part of Drake Enterprises LTD (A Corp).
Source: Annual Comprehensive Financial Reports of the County.

Construction activity in the County for the past five Fiscal Years is indicated by the number and construction value of building permits as set forth in the following table:

<u>Fiscal Year</u>	<u>Number</u>	<u>Non-Residential</u>	<u>Residential</u>	<u>Total</u>
2020	609	\$13,902,502	\$ 57,321,677	\$ 71,224,179
2021	707	62,987,928	131,633,560	194,621,488
2022	767	44,768,048	123,731,560	168,499,608
2023	790	19,859,790	128,713,024	148,572,814
2024	829	22,802,101	149,780,390	172,582,491

Source: Macon County Planning, Permitting & Development Department.

Total taxable sales in the County for the past five full Fiscal Years and the current Fiscal Year are shown in the following table: [Note: 2024 to be updated]

<u>Fiscal Year</u>	<u>Taxable Sales</u>	<u>Increase Over Previous Year</u>
2019	\$556,469,301	6.0%
2020	571,501,972	2.7
2021	723,867,477	26.7
2022	846,962,521	17.0
2023	957,089,699	13.0
2024 (10 months) ¹	779,264,486	--

¹ For the ten-month period ended April 30, 2024. Taxable sales for the comparable ten-month period ended April 30, 2023 amounted to \$808,217,430.
Source: North Carolina Department of Revenue.

Sales tax revenue of the County for the past five Fiscal Years is shown in the following table: [Note: 2024 to be updated]

<u>Fiscal Year</u>	<u>Sales Tax Revenue</u>	<u>Increase Over Previous Year</u>
2019	\$10,506,182	6.2%
2020	11,062,077	5.3
2021	13,915,746	25.8
2022	15,890,574	14.2
2023	17,801,924	12.0
2024 (10 months) ¹	14,316,219	--

¹ For the ten-month period ended April 30, 2024. Taxable sales for the comparable ten-month period ended April 30, 2023 amounted to \$14,645,877.

Source: Annual Comprehensive Financial Reports of the County and County Finance Department.

Economic Development

Retail trade, hospitality, health care, construction and tax software development/support are among the predominant private industries in the County. Other important sectors include manufacturing (wood flooring products, health care communication devices, defense services, metal fabrication), agriculture and banking. Second homes and vacation homes also are significant economic drivers, with approximately 19,378 residential tax bills sent to non-county residents, resulting in significant seasonal population gains. The area is also popular as a year-round retirement destination.

The Macon County Economic Development Commission (the “EDC”) is the economic development organization for the County. The EDC is comprised of 15 members and serves as an advisory board to the Board of County Commissioners. The EDC collaborates with a number of organizations including the North Carolina Economic Developers Association, Mountain West Partnership, the Southwestern Commission—Region A Council of Government, Southwestern Community College, Western Carolina University, Macon County Public Schools and the North Carolina Partnership for Economic Development, to create a climate for business and industry investment, and quality job creation in the County.

Recent economic development activities in the County include: Duotech Services, LLC, an engineering company specializing in the repair and maintenance of legacy defense equipment, announced an expansion investment of \$6.5 million in March 2024 that is expected to create 95 new jobs with an average salary of \$90,000. Commercial development continues along the US 441/64 bypass corridor. Recent additions include Aldi grocery, Starbucks, a Frito Lay distribution center and a third Ingles grocery,

Broadband expansion, led by the Macon County Broadband Committee (working with State, regional and private sector partners), continues with connectivity reaching into more remote areas of the County. These efforts are essential for continued economic growth. Workforce development efforts continue, with paid internship programs being implemented by the Macon County Public Schools’ Career Technology Education programs.

Tourism. Visitor spending in the County exceeded \$337.41 million in calendar year 2022 (latest figures available from the North Carolina Department of Commerce), providing over 1,702 jobs. Franklin, the first town to be named an Appalachian Trail Gateway Community by the Appalachian Trail Conservancy, is known for many “green” tourism options such as hiking, trout fishing, whitewater rafting, backpacking, biking and hunting. Local outfitting companies and two breweries have been established in recent years to accommodate the growing number of eco-visitors. Franklin also retains its reputation as the

“Gem Capital of the World”, with several gem mines operating in the area, offering visitors the opportunity to mine for rubies and sapphires. The Smoky Mountain Center for the Performing Arts, a 1,500-seat venue, offers nationally known musical and theatrical productions. The Town of Highlands, located in the southeastern portion of the County, is an internationally known vacation and second home destination. Just two hours north of Atlanta, surrounded by the Nantahala National Forest and situated atop a plateau elevation at 4,118 feet, the abundance of lakes and waterfalls provides visitors with opportunities to hike, picnic and enjoy the outdoors. Highlands attracts guests for destination weddings, weekend getaways and family retreats. In the western part of the County, Lake Nantahala boasts a growing vacation home and tourism economy.

Employment

The North Carolina Department of Commerce has estimated the percentage of unemployment in the County to be as follows:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
January	4.2%	5.8%	3.6%	3.8%	3.4%
February	4.1	5.6	3.8	3.8	3.5
March	4.9	5.0	3.4	3.3	3.4
April	13.6	4.4	3.1	2.7	2.9
May	11.0	4.6	3.5	3.0	3.2
June	8.8	4.9	3.9	3.1	
July	8.0	4.4	3.6	3.2	
August	5.9	4.3	3.9	3.3	
September	5.4	3.4	3.2	2.9	
October	4.8	3.5	3.5	3.1	
November	4.7	3.3	3.3	3.1	
December	5.0	2.7	2.9	2.7	

Note: Not seasonally adjusted.

Source: N.C. Department of Commerce: Labor and Economic Analysis Division.

GOVERNMENT AND MAJOR SERVICES

Government Structure. The County operates under a commissioner/manager form of government. A five-member Board of Commissioners is elected on a partisan basis by a countywide vote, although each commissioner must reside within the district from which he or she seeks election. One member is from District I, which consists of the townships of Highlands, Flats, Sugarfork and Ellijay. Three members represent District II, which is made up of the Franklin, Millshoal, Smithbridge, Union and Iotla townships. One member is from District III, which consists of the Cartoogechaye, Nantahala, Burningtown and Cowee townships. The commissioners serve four-year staggered terms, with two of the five elected during the presidential election years and the remaining three in the “midterm” election cycle. The Board of Commissioners appoints a full-time manager to administer the activities of the County as set forth under North Carolina General Statute 152A-82.

The duties of the Board of Commissioners include adoption of the County’s annual budget, establishment of the annual ad valorem or property tax rate, and appointment of the County Manager, County Attorney, Tax Administrator and the Clerk to the Board. In the County, the County Manager also serves as the Ex Officio Clerk to the Board of Commissioners. The Board of Commissioners also makes appointments to various County boards, committees and commissions, many of which serve in an advisory capacity to the Board of Commissioners. The Board of Commissioners votes to approve and/or amend

County ordinances and policies, authorizes the enactment and execution of County contracts, and can establish or dissolve County programs and/or departments.

Education. The County has one County-wide school system. The school system is operated and administered by an elected Board of Education which appoints the school superintendent. The Board of Education submits annual budgets to the Board of County Commissioners for approval.

State law provides a basic minimum educational program for each school administrative unit or district, which in turn is supplemented by the County and federal governments. The minimum program provides funds for operational costs only. The building of public school facilities has also been a joint State and County effort. Local financial support is provided by the County for capital and operating expenses not provided for by the State.

The County has eleven school facilities, including two schools for grades K-12, four schools for grades K-4, one school for grades 5-6, one school for grades 7-8, one school for grades 9-12, one alternative school (grades 7-12) and one early college (grades 9-13). The following table shows the average daily membership for the past five school years:

<u>School Year</u>	<u>Elementary (Grades K-6)</u>	<u>Intermediate (Grades 7-8)</u>	<u>Secondary (Grades 9-13)</u>	<u>Total</u>
2019-20	2,401	726	1,269	4,396
2020-21	2,293	719	1,300	4,312
2021-22	—	—	—	—
2022-23	—	—	—	—
2023-24	—	—	—	—

¹ ADM or average daily membership, determined by actual records at the schools, is computed by the North Carolina Department of Public Instruction on a uniform basis for all public school units in the State. The ADM computations are used as a basis for teacher allotments.

Source: Macon County Schools.

Within a 25 mile radius of the County, County residents have access to colleges, universities and trade schools, including the Southwestern Community College (“Southwestern”) and Western Carolina University (“WCU”).

A 23,000 square-foot extension of Southwestern opened in Franklin in 2007. This campus, known as the Cecil L. Groves Center, houses computer labs, interactive classrooms, a learning assistance center, a college bookstore and a student services department, as well as Macon Early College, a high school program designed to allow students to earn a high school degree and an associate degree in five years.

WCU is one of the constituent institutions of the consolidated University of North Carolina. WCU is located in Cullowhee, approximately 25 miles from Franklin. Enrollment in the Fall 2023 semester was 11,628 students, of which more than 9,000 were undergraduate students, including the third largest freshmen class in WCU’s history. WCU provides more than 115 undergraduate majors and concentrations, and more than 40 graduate programs.

Transportation. Major expansion, maintenance and improvement of primary and secondary highways of the federal and State Highway systems within the County are primarily the responsibility of the State. Municipalities within the County bear the primary responsibility for local street systems. By State law, the County has no financial obligation, or responsibility of any nature, for the construction and maintenance of streets or highways.

The County is served by approximately 541 miles of State and federally maintained highways and roads. Primary roadways in the County include U.S. Highways 64 and 23/441 and North Carolina Highways 28 and 106. Access to major interstate exchanges (I-40, I-85 and I-26) from most locations in the County are within approximately one hour's drive. Completion of the widening of U.S. 441 south has enhanced the accessibility and traffic flow from Georgia, particularly the Atlanta area. Access to Raleigh, the North Carolina State capital, which is 275 miles away, is completely by four-lane highway. The County is served by several motor freight carriers. Terminals of most major carriers are located in Asheville, 60 miles away. Parcel carriers that serve the area include UPS and Federal Express.

The County operates Macon County Transit ("MCT") which provides public transportation to residents and visitors. MCT is supported by grants from the State and federal government, general fund revenues and contracts with human service agencies, nursing homes, and other agencies as well as fare collections and advertising on vehicles. MCT utilizes a fleet of 16 vehicles, of which 15 are ADA accessible. The transit system provides service for general public passengers and human service agency clients. MCT operates Monday through Friday from 7:00 a.m. until 5:00 p.m.

MCT's primary service delivery is through its demand response system. Transportation requests are made through a centralized scheduling and dispatching center. Service is provided for rides to and from employment, medical appointments (local and out of county), educational institutions, senior center, grocery stores, shopping centers, and other destinations upon request. MCT also operates a deviated fixed route service within Franklin. This service has designated stop locations at set times and will deviate up to ¼ mile off the route upon request. Service runs on 30-minute intervals for pick up and drop off at timed locations.

The County is served by Macon County Airport, a public use general aviation facility with a 5,000-foot business-jet accessible runway that is located three miles northwest of Franklin's central business district. Asheville Regional Airport is approximately 60 miles from Franklin, and Greenville-Spartanburg International Airport and Hartsfield-Jackson Atlanta International Airport are each approximately a two hour drive from the County.

Health and Human Services. The County Health Department provides a broad range of public health-related programs including Maternal and Child Health, Adult Health, Environmental Health Nutrition Services, Laboratory and Public Health Education services. Contracted physicians and employed nursing staff provide all clinical services. Clinical services include primary care, immunizations, family planning, communicable disease, and maternal and child health care. The Health Department provides a full-time Medical Laboratory Technician who performs a wide variety of medical laboratory procedures. A full-time nutritionist provides nutrition counseling and education programs, as well as women and infants' childcare support. The Health Department is the lead agent for the School Health Program. The County's Environmental Health Program includes food and lodging inspections, water and sewage inspections and consultations, public health complaint investigation, and environmental health education. The Health Department provides a Dental Health program that travels to the County's schools serving needy youths. All public health services are supported by outreach and administrative services. The actual County contribution for health programs in the Fiscal Years ended June 30, 2023 and 2024 were \$_____ and \$_____, respectively.

The County Department of Social Services ("DSS") provides low-income individuals and families with assistance to support their self-sufficiency through job training and employment services, food assistance, health care coverage, energy assistance, and other economic supports for families. Additionally, DSS is statutorily obligated to protect individuals, families and communities by strengthening their efforts toward independence, permanence and safety. This is achieved through the prevention and evidencing of

abuse, neglect and exploitation of vulnerable citizens and the promotion of self-reliance and self-sufficiency for individuals and families. All social service program areas are funded by the State and federal governments with local matching funds provided by the County. As a local government agency, the functions and services provided by DSS are considered essential governmental operations. DSS has a state and federally mandated responsibility in accordance with federal merit standards and the State Human Resources Act to carry out these functions and provide these services. The actual County contribution for social service programs in the Fiscal Years ended June 30, 2023 and 2024 were \$_____ and \$_____, respectively.

Medical Facilities. The County is served by several medical clinics and hospitals, including Angel Medical Center in Franklin and Highlands-Cashiers Hospital in Highlands, each of which are components of Mission Health. The County is also served by Harris Regional Hospital (a Duke LifePoint Hospital) in Sylva, about 20 miles from Franklin, and Mission Hospital in Asheville, about 60 miles from Franklin. Mission Hospital is also a component of HCA Healthcare. The County has no financial responsibility for any of these facilities.

A County-operated emergency medical service provides 24-hour ambulance service by emergency medical technicians. In addition, a regional air ambulance service and a regional ground ambulance service, based in Franklin, is available through Mission Hospital in Asheville.

Recreation Services. Macon County Parks & Recreation operates parks and recreation facilities, including tennis courts, swimming pools, disc golf course, greenways, river access points, playgrounds, splash pads, shelters, ballfields, outdoor and indoor multi use courts, among other amenities, at the Allman Drive, Cullajasa Park, Georgia Road, Cartoogechaye Park and Parker Meadows Complex facilities. These facilities, which offer a wide range of activities, are heavily utilized and have become focal points of community activity.

Public Service Enterprises. The Macon County Solid Waste Department provides waste disposal capacity to all residents and businesses in the County in a Subtitle D Municipal Solid Waste Landfill. The Department also operates eleven Convenience Centers throughout the County for drop-off of residential waste and recycling. Collection of solid waste is provided in the unincorporated areas of the County via a contracted private vendor. The Department operates as an Enterprise Fund and is self-supporting via tipping fees, availability fees, and other revenues. These fees and revenues fund department operations, capital projects, and financial assurance obligations (closure, post-closure care, and potential assessment of corrective actions).

Other Services. Fire protection is provided by two municipally chartered combination fire departments and nine rural volunteer or combination fire departments. The fire departments are funded by Fire District ad valorem taxes, donations, and fundraisers.

DEBT INFORMATION

Legal Debt Limit

In accordance with the provisions of the State Constitution and The Local Government Bond Act, as amended, the County had the statutory capacity to incur additional net debt in an approximate amount of \$657,207,000 as of June 30, 2023.

Outstanding General Obligation Debt

The County does not currently have any outstanding general obligation debt and has had no general obligation debt within the last five Fiscal Years.

General Obligation Debt Ratios

<u>June 30,</u>	<u>Total Outstanding GO Debt</u>	<u>Assessed Valuation</u>	<u>Total GO Debt To Assessed Valuation</u>	<u>Population</u> ¹	<u>Total GO Debt Per Capita</u>
2019	\$0	\$8,134,586,247	0%	36,101	\$0
2020	0	8,120,570,189	0	36,544	0
2021	0	8,254,306,639	0	37,102	0
2022	0	8,397,477,586	0	37,347	0
2023	0	8,553,253,685	0	37,636	0

¹ Estimate of North Carolina Office of State Budget and Management.

General Obligation Bonds Authorized and Unissued

The County has no general obligation bonds authorized but unissued.

General Obligation Debt Information for Underlying Units as of June 30, 2023

<u>Unit</u>	<u>2022 Population</u> ¹	<u>Assessed Valuation</u> ²	<u>Tax Rate Per \$100</u> ²	<u>Total GO Debt</u>	<u>Total GO Debt Per Capita</u>
Town of Franklin	4,242	\$ 784,609,130	0.400	\$ 0	-
Town of Highlands	1,085	1,825,081,660	0.400	0	-

¹ Estimates of North Carolina Office of State Budget and Management as of July 1, 2022.

² Rates and assessed valuation are for the Fiscal Year ended June 30, 2023.

³ Does not include installment financing agreements, revolving loans and revenue bonds as these obligations are not general obligations.

Other Long-Term Commitments

[to be provided]

Debt Outlook

The County does not expect to borrow funds for capital projects in the next five years.

TAX INFORMATION

General Information

	Fiscal Year Ended 30,			
	2020	2021	2022	2023
Assessed Valuation				
Assessment Ratio ¹	100%	100%	100%	100%
Real Property	\$7,462,580,023	\$7,519,567,555	\$7,617,621,336	\$7,705,968,411
Personal Property	488,645,357	561,673,699	596,507,750	643,793,715
Public Service Companies ²	169,344,809	173,065,385	183,348,500	203,491,559
Total Assessed Valuation ²	\$8,120,570,189	\$8,254,306,639	\$8,397,477,586	\$8,553,253,685
Tax Rate per \$100	0.3747	0.3747	0.4000	0.4000
Levy	\$ 30,407,062	\$30,928,764	\$ 33,566,407	\$ 34,212,857

Note: A revaluation in the County was completed in 2023 and went into effect in the Fiscal Year ended June 30, 2024.

¹ Percentage of appraised value has been established by statute.

² Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

Tax Collections

Fiscal Year	Total Tax Levy	Collections in Year Levied	Percentage of Levy Collected in Year Levied	Cumulative Collections	Total Percentage Collected
2019	\$28,389,706	\$27,927,674	98.37%	\$28,318,532	99.75%
2020	30,407,062	29,927,608	98.42	30,326,383	99.73
2021	30,928,764	30,510,957	98.65	30,822,867	99.66
2022	33,566,407	33,229,757	99.00	33,392,149	99.48
2023	34,212,857	33,805,041	98.81	33,805,041	98.81

Source: Annual Comprehensive Financial Report of the County for the Fiscal Year ended June 30, 2023.

Ten Largest Taxpayers for the Fiscal Year Ended June 30, 2023

Name	Type of Enterprise	Assessed Valuation	Percentage of Assessed Value
Duke Energy	Public Utility	\$170,252,882	1.99%
Old Edwards Inn and Spa, LLC	Tourism	42,800,899	0.50
MH Angel Medical Center LLP	Medical	39,097,065	0.46
Highlands Golf Club	Recreation	26,433,642	0.31
Tri Real Estate LLC	Real Estate	20,648,590	0.24
Cullasaja Club Inc.	Recreation	18,370,133	0.21
Beasley Flooring Products	Manufacturing	16,584,402	0.19
Ingles Markets Inc.	Supermarket	15,943,679	0.19
Sagee Property Investments	Real Estate	15,647,780	0.18
Rockwood Lodge LLC	Recreation	<u>15,560,580</u>	<u>0.18</u>
		\$381,339,652	4.45%

Source: Annual Comprehensive Financial Report of the County for the Fiscal Year ended June 30, 2023.

BUDGET RESULTS AND OUTLOOK

The County is in sound financial health due to prudent decision-making and controlled spending over the last several years. The total available fund balance for the County's General Fund increased from \$_____ in the Fiscal Year ended June 30, 2022 to \$_____ in the Fiscal Year ended June 30, 2023 (a ___% increase).

The County currently projects that for the Fiscal Year ended June 30, 2024, revenues will come in [over][under] budget by ___% and expenditures will come in [over][under] budget by __%, resulting in a [positive][negative] variance of \$_____ against the operating budget. For the Fiscal Year ended June 30, 2024, the County expects the total fund balance for the County's General Fund to [increase][decrease] to \$_____.

The County's approved and adopted General Fund budget for the Fiscal Year ending June 30, 2025 includes a \$0.____ per \$100 assessed valuation property tax rate.

PENSION PLANS

The County participates in the Local Governmental Employees' Retirement System ("LGERS") plan administered by the State. This plan is a cost-sharing, multiple-employer, defined benefit pension plan established by the State to provide benefits for employees of local governments. Membership is comprised of general employees, local law enforcement officers ("LEOs"), firefighters and rescue squad workers. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members.

LGERS provides retirement, disability and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (15 years of credible service for firefighters and rescue squad members who are killed in the line of duty). LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years creditable service as an officer.

Plan members are required to contribute 6% of their annual pay. The required contribution rates for employers are set periodically and affirmed annually by the LGERS Board of Trustees. Contributions to the system are determined on an actuarial basis. The contribution rate for the County was 13.10% of compensation for law enforcement officers and 12.10% for general employees and firefighters for the Fiscal Year ended June 30, 2023. These amounts, combined with member contributions and investment income, fund the benefits earned by plan members during the year, a payment to reduce the net pension liability, a payment for past service liability, if applicable, and administrative expenses. The State's responsibility is administrative only. Contributions to the pension plan from the County were \$2,575,654 for the Fiscal Year ended June 30, 2023.

For information concerning the County's participation in the LGERS and the Supplemental Retirement Income Plan of North Carolina, see the Notes to the County's Audited Financial Statements in Appendix B.

Financial statements and required supplementary information for LGERS are included in the Annual Comprehensive Financial Report (“ACFR”) for the State. Please refer to the State’s ACFR for additional information.

OTHER POST-EMPLOYMENT BENEFITS

The County administers a single employer defined benefit Retiree Healthcare Benefits Plan. This plan provides post-employment health care benefits to retirees of the County.

Employees who are eligible and approved to receive retirement benefits in accordance with the regulations of the North Carolina Local Government Employees Retirement System, are actively employed with the County at the time of retirement and are members of the County’s Group Health Insurance Plan will be eligible for post-employment health care benefits according to the following schedule:

Hired Prior to July 1, 2014

Years of Service at Retirement	Group Medial Insurance	Group Prescription Drug Insurance	Medicare Supplement Coverage	Spouse Coverage Available to Retiree
15 – 24	Until Age 65	Until Age 65	No	No
25-29	Until Age 65	Until Age 65	Yes	No
30 or more	Until Age 65	Until Age 65	Yes	Yes

Hired after July 1, 2014

Years of Service at Retirement	Group Medial Insurance	Group Prescription Drug Insurance	Medicare Supplement Coverage	Spouse Coverage Available to Retiree
30 or more	Until Age 65	Until Age 65	Yes	No

The County’s total OPEB liability of \$31,739,215 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021.

For more information on the County’s financial obligations with respect to other post-employment benefits, see the Notes to County’s Audited Financial Statements in Appendix B.

CONTINGENT LIABILITIES

The County is not aware of any contingent liabilities that it expects would materially adversely affect its ability to meet its financial obligations.

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APPENDIX B

**MANAGEMENT'S DISCUSSION AND ANALYSIS AND
THE BASIC FINANCIAL STATEMENTS OF
MACON COUNTY, NORTH CAROLINA**

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Management's Discussion and Analysis

The Management's Discussion and Analysis of the financial activities of the County, lifted from the Comprehensive Annual Financial Report for the County for the Fiscal Year ended June 30, 2023, is included in this Appendix. Management's Discussion and Analysis provides an objective and easily readable short and long-term analysis of the County's financial activities based on currently known facts, decisions or conditions. Management's Discussion and Analysis is not a required part of the Basic Financial Statements but is supplementary information required by the Governmental Accounting Standards Board. The independent auditors of the County have applied certain limited procedures, which consist primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, they did not audit this information and did not express an opinion on it.

Financial Information

The financial statements of the County have been audited by certified public accountants for the Fiscal Year ended June 30, 2023. Copies of these financial statements containing the unqualified report of the independent certified public accountant are available in the office of the Finance Director at 5 West Main Street, Franklin, North Carolina 28734.

The following financial statements are the Basic Financial Statements of the County, the notes thereto and certain required supplementary information, lifted from the Comprehensive Annual Financial Report of the County for the Fiscal Year ended June 30, 2023.

APPENDIX C
SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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APPENDIX E

BOOK-ENTRY ONLY SYSTEM

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APPENDIX E

BOOK-ENTRY ONLY SYSTEM

Beneficial ownership interests in the 2024 Bonds will be available only in a book-entry system. The actual purchasers of the 2024 Bonds (the “Beneficial Owners”) will not receive physical certificates representing their interests in such 2024 Bonds purchased. So long as The Depository Trust Company (“DTC”), New York, New York, or its nominee is the registered owner of the 2024 Bonds, references in this Official Statement to the Owners of the 2024 Bonds shall mean DTC or its nominee and shall not mean the Beneficial Owners of the 2024 Bonds. The Trust Agreement contains provisions applicable to periods when DTC or its nominee is not the registered owner.

The following description of DTC, its procedures and record keeping with respect to beneficial ownership interests in the 2024 Bonds, payment of interest and other payments with respect to the 2024 Bonds to DTC Participants or to beneficial owners, confirmation and transfer of beneficial ownership interests in the 2024 Bonds and/or other transactions by and between DTC, DTC Participants and beneficial owners is based on information furnished by DTC.

DTC will act as securities depository for the 2024 Bonds. The 2024 Bonds will be registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate in the aggregate principal amount of each maturity of the 2024 Bonds will be deposited with DTC or its designee. So long as Cede & Co. is the registered owner of the 2024 Bonds, as DTC’s Partnership nominee, reference herein to the Owners or registered owners of the 2024 Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the 2024 Bonds.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation as well as by the New York Stock Exchange, Inc., the American Stock Exchange, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the “Indirect Participants” and collectively with the Direct Participants, the “Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for 2024 Bonds on DTC’s records. The ownership interest of each actual purchaser of the 2024 Bonds (the “Beneficial Owner”) is in turn to be recorded on the Direct and Indirect

Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners of such 2024 Bonds. Beneficial Owners will not receive certificates representing their ownership interests in 2024 Bonds, except in the event that use of the book-entry system for such 2024 Bonds is discontinued.

To facilitate subsequent transfers, all 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such name as may be requested by an authorized representative of DTC. The deposit of 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the identities of the actual Beneficial Owners of the 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2024 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to such 2024 Bonds, such as redemptions, defaults and proposed amendments to the security documents. For example, Beneficial Owners of the 2024 Bonds may wish to ascertain that the nominee holding such 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2024 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the 2024 Bonds of such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting and voting rights to those Direct Participants to whose accounts such 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Because DTC is treated as the owner of the 2024 Bonds for substantially all purposes under the Trust Agreement, Beneficial Owners may have a restricted ability to influence in a timely fashion remedial action or the giving or withholding of requested consents or other directions. In addition, because the identity of Beneficial Owners is unknown to the County, to DTC or to the Trustee, it may be difficult to transmit information of potential interest to Beneficial Owners in an effective and timely manner. **Beneficial Owners should make appropriate arrangements with their broker or dealer regarding distribution of information regarding the 2024 Bonds that may be transmitted by or through DTC.**

Principal, premium, if any, and interest payments on the 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records.

Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participants and not of DTC (nor its nominee), the Trustee or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the Trustee’s responsibility, disbursement of such payments to Direct Participants is DTC’s responsibility, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants. The County cannot and does not give assurance that Direct and Indirect Participants will promptly transfer payments to Beneficial Owners.

DTC may discontinue providing its services as securities depository with respect to the 2024 Bonds at any time by giving reasonable notice to the County and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates representing interests in 2024 Bonds are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to DTC.

The County and the Trustee have no responsibility or obligation to DTC, the Direct Participants, the Indirect Participants or the Beneficial Owners with respect to (1) the accuracy of any records maintained by DTC or any Participant, or the maintenance of any records; (2) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the 2024 Bonds, or the sending of any amount due to any beneficial owner in respect to the 2024 Bonds or the sending of transaction statements; (3) the delivery or timeliness of delivery by DTC or any Participant of any notice to any Beneficial Owner which is required or permitted under the Trust Agreement to be given to Owners; (4) the selection of the Beneficial Owners to receive payments upon any partial redemption of the 2024 Bonds; or (5) any consent given or other action taken by DTC or its nominee as the registered owner of the 2024 Bonds, including any action taken pursuant to an omnibus proxy.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Draft Financial Policy Guidelines



For:
Macon County, North Carolina

Presented on August 13, 2024

Adopted on _____, 2024

FINANCIAL POLICY GUIDELINES

**Macon County, North Carolina
Adopted Financial Policy Guidelines**



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FINANCIAL POLICY GUIDELINES

Macon County, North Carolina
Adopted Financial Policy Guidelines



FINANCIAL POLICY GUIDELINES - OBJECTIVES

This financial policy is a statement of the guidelines and goals that will influence and guide the financial management practice of Macon County, North Carolina. A financial policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management. Effective financial policy:

- Contributes significantly to the Macon County’s ability to insulate itself from fiscal crisis,
- Enhances short term and long term financial credit ability by helping to achieve the highest credit and bond ratings possible,
- Promotes long-term financial stability by establishing clear and consistent guidelines,
- Directs attention to the total financial picture of Macon County rather than single issue areas,
- Promotes the view of linking long-run financial planning with day to day operations, and
- Provides the Staff, the Governing Body and citizens a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

To these ends, the following financial policy statements are presented.

FINANCIAL POLICY GUIDELINES

Macon County, North Carolina Adopted Financial Policy Guidelines



CAPITAL IMPROVEMENT BUDGET POLICIES

1. Macon County will consider all capital improvements in accordance with an adopted capital improvement program and budget.
2. Macon County will develop a ten-year Capital Improvement Program that is reviewed and updated annually.
3. Macon County will enact an annual capital budget focusing on the first five years of the ten-year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be calculated and included in capital budget projections.
4. Macon County will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected.
5. Macon County will use intergovernmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and County priorities, and whose operating and maintenance costs have been identified.
6. The Capital Improvement Program will include the estimated cost to maintain assets at a level adequate to protect Macon County's capital investment and to minimize future maintenance and replacement costs.
7. The Capital Improvement Program will include equipment replacement and maintenance needs for the next several years.
8. Macon County will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.
9. Macon County will attempt to determine the least costly, most appropriate and most flexible financing method for all new projects.

FINANCIAL POLICY GUIDELINES

Macon County, North Carolina Adopted Financial Policy Guidelines



DEBT POLICIES

General

1. Macon County will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues except where approved justification is provided.
2. Macon County will take a balanced approach to capital funding utilizing debt financing, Capital Reserves and pay-as-you go funding.
3. When Macon County finances capital improvements or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project. Target debt ratios will be annually calculated and included in the review of financial trends.
4. The Finance Director shall maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirements for the federal tax code.
5. The Finance Director will be responsible for continuing disclosure obligations under 15c2-12 as required under Continuing Disclosure Agreements associated with existing debt outstanding.

Tax Supported Debt

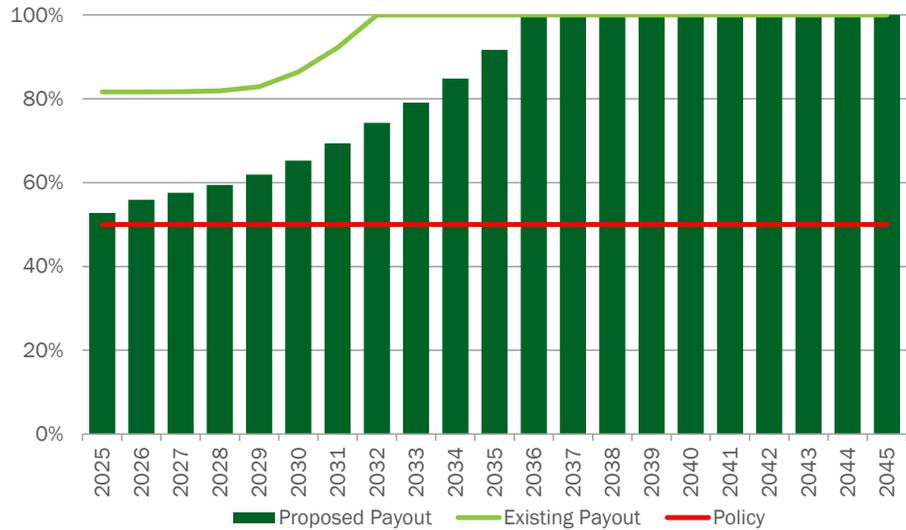
6. Net debt as a percentage of assessed value of taxable property shall not exceed 2.0%. Net debt is defined as any and all debt that is based upon the taxing authority of the County Tax Supported Debt.
7. The ratio of tax-supported debt service expenditures as a percent of total governmental fund expenditures shall not exceed 15.0% with a minimum aggregate ten-year tax-supported principal payout ratio of 50%.
8. In the event that Macon County anticipates exceeding the policy requirements stated in items 6 and 7 above, Staff may request an exception from the Governing Body stating the reason and length of time.



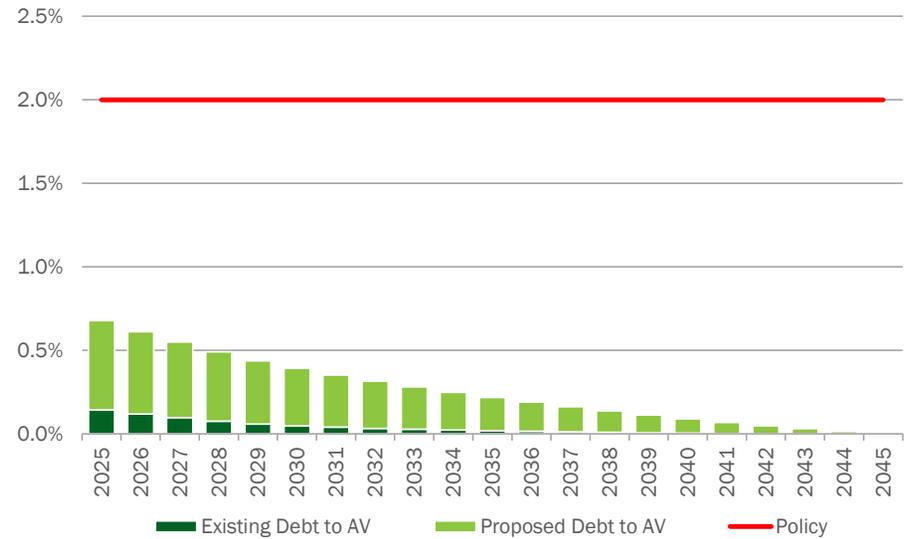
Key Debt Ratios (as presented on May 28, 2024)

Existing and Proposed Tax Supported Debt Service | 5-Year CIP (FY 2025 – 2029)

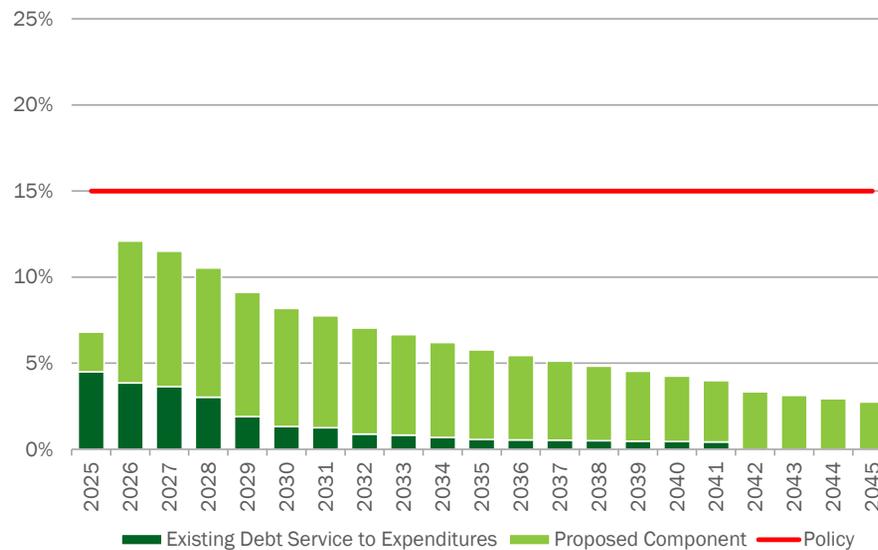
10-Year Payout



Debt to Assessed Value



Debt Service to Expenditures



FINANCIAL POLICY GUIDELINES

Macon County, North Carolina Adopted Financial Policy Guidelines



RESERVE POLICIES

1. Macon County will maintain a minimum Unassigned Fund Balance, as defined by the Governmental Accounting Standards Board, at the close of each fiscal year equal to 25% of General Fund Expenditures and current year Debt Service payments with a targeted Unassigned Fund Balance equal to 30% of General Fund Expenditures.
2. In the event that funds are available over and beyond the targeted amount (30%), those funds may be transferred to debt service, capital reserve funds or capital projects funds at the Governing Body's discretion.
3. The Governing Body may, from time-to-time, utilize fund balances that will reduce Unassigned Fund Balance below the 25% minimum for the purposes of a declared fiscal emergency or other such purpose as to protect or enhance the long-term fiscal security of Macon County. In such circumstances, the Governing Body will adopt a plan to restore the Unassigned Fund Balance to the target level within 36 months. If restoration cannot be accomplished within such time period without severe hardship to Macon County, then the Governing Body will establish a different but appropriate time period.

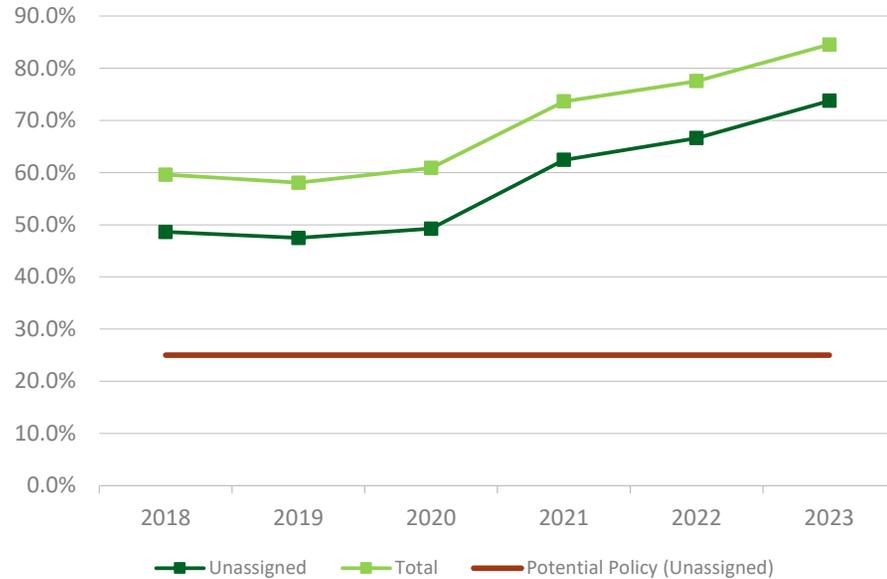
BUDGET DEVELOPMENT POLICIES

1. The Budget Process and Fiscal Procedures will be compliant with the North Carolina Local Government Budget and Fiscal Control Act.
2. One-time or other special revenues will not be used to finance continuing operations but instead will be used for funding special projects.
3. Macon County will pursue an aggressive policy seeking the collection of current and delinquent property taxes, utility, license, permit and other fees due to Macon County.
4. Budget amendments will be brought to the Governing Body for consideration as needed consistent with the County's budget ordinance.
5. The Governing Body will receive a financial report at least quarterly showing year-to-date revenues and expenditures and comparing each amount to the budget as amended.



General Fund Balance Performance and Policy

General Fund Balance as a % of Expenditures



Potential Fund Balance Policy Levels

	A	B	C	D	E
	Potential Policy (% of GF Expenditures)	FY 2023 GF Operating Expenditures plus Annual DS	Potential Policy Requirement	FY 2023 Unassigned Fund Balance	Excess Fund Balance (D - C)
1	25%	62,532,159	15,633,040	45,106,813	29,473,773
2	30%	62,532,159	18,759,648	45,106,813	26,347,165
3	35%	62,532,159	21,886,256	45,106,813	23,220,557
4	40%	62,532,159	25,012,864	45,106,813	20,093,949
5	45%	62,532,159	28,139,472	45,106,813	16,967,341
6	50%	62,532,159	31,266,080	45,106,813	13,840,734

- The County intends to transfer \$20 million from the General Fund to the Capital Reserve Fund based on FY 2023 year-end results, consistent with prior Analyses.
- Based on YTD FY 2024 results, the County may consider transferring additional General Fund dollars to the Capital Reserve Fund.
 - An additional \$5 million transfer is anticipated to result in General Fund Balance as of % of Expenditures in excess of 35%.

FINANCIAL POLICY GUIDELINES

Macon County, North Carolina Adopted Financial Policy Guidelines



CASH MANAGEMENT / INVESTMENT POLICIES

1. It is the intent of Macon County that public funds shall be invested to the extent possible to reduce the need for property tax revenues. Funds shall be invested with the emphasis on safety and liquidity. Yield shall be a secondary consideration. All deposits and investments of Macon County funds shall be in accordance with NCGS 159.
2. The Finance Director will establish a cash management program that maximizes the amount of cash available for investment.
3. Macon County will use a Central Depository to maximize the availability and mobility of cash for all funds that can be legally and practically combined.
4. Liquidity: No less than 20% of funds available for investment will be maintained in liquid investments at any point in time.
5. Maturity: All investments will mature in no more than sixty (60) months from their purchase date.
6. Custody: All investments will be purchased “payment-verses-delivery” and if certificated will be held by the Finance Director in the name of Macon County. All non-certificated investment will be held in book-entry form in the name of Macon County with the County’s third-party Custodian (Safekeeping Agent).
7. Authorized Investments: Macon County may deposit County Funds into: Any Governing Body approved Official Depository, if such funds are secured in accordance with NCGS-159 (31). Macon County may invest County Funds in: the North Carolina Capital Management Trust and other Money Market Local Government Investment Pools approved by the LGC, US Treasury Securities, US Agency Securities specifically authorized in GS-159 and rated no lower than “AAA”, and Commercial Paper meeting the requirements of NCGS-159 plus having a national bond rating.
8. Diversification: No more than 5% of the County’s investment funds may be invested in a specific company’s commercial paper and no more than 25% of the County’s investments may be invested in any one US Agency’s Securities.

FINANCIAL POLICY GUIDELINES

Macon County, North Carolina Adopted Financial Policy Guidelines



9. Allocation: Investment income will be allocated to each participating fund or account based on a fair and equitable formula determined by the Finance Director.
10. Reporting: Not less than twice per year the Finance Director will produce an investment report on the current investment portfolio.

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – REPORTS/PRESENTATIONS

MEETING DATE: August 13, 2024

9A. VAYA Health Community Relations Regional Director Shelly Foreman will provide an update on the VAYA Health Tailored Plan. A copy of her presentation is included in the packet.

9B. Soil and Water Conservation District Director Doug Johnson and representatives from the Foothills Regional Conservancy will present Macon County's recently completed Farmland Protection Plan. Mr. Johnson has discussed the plan with Commissioner Shields and Commissioner Young and will answer any questions at the meeting. A copy of the plan is included in your packet.



VAYAHEALTH

Macon County Board of Commissioners

Shelly Foreman

Community Relations Regional Director

August 13, 2024

What is a Tailored Plan?

**North Carolina must move NC Medicaid to managed care.
The launch of Standard Plans was the first step. Tailored Plans began July 1, 2024.
Tailored Plans cover the same services that you get from NC Medicaid Direct.**



Tailored Plans are designed to put you first

That means looking at you as a whole person, all of you!



All your health needs met in one plan

With a Tailored Plan, your physical, mental, severe substance use, intellectual/developmental disability or traumatic brain injury needs are not separate.



Support from Tailored Care Managers

Tailored Care Managers help you get the medical or specialized care you need. They can help schedule your medical appointments, arrange transportation, and more.



July 1 Launch

**What is a Tailored Plan and
Vaya Total Care?**

What is a Tailored Plan?

Tailored Plans are a new kind of NC Medicaid Managed Care health plan. They cover mental health, severe substance use, I/DD, TBI and prescriptions in one plan.

If NC Members had Medicaid Direct services for these needs, NC Medicaid plan may be moved to a Tailored Plan. The name is changing, but the services are not.



Serious
Mental Illness (SMI)



Severe Substance
Use Disorders (SUD)

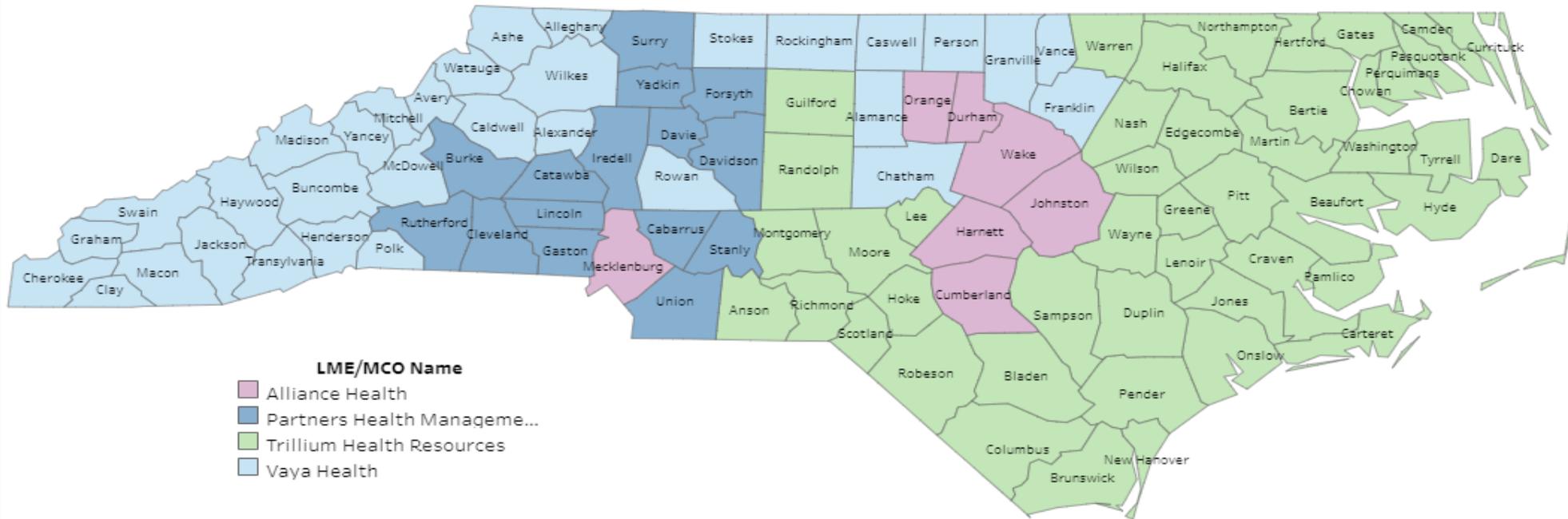


Intellectual/
Developmental
Disabilities (I/DD)



Traumatic Brain
Injuries (TBI)

Who Manages Tailored Plans?



This map shows LME/MCO configuration effective 2/1/24.

Tailored Plan Management

How do people know which Tailored Plan they are in?

A letter was mailed in mid-April. It informed Members which Tailored Plan they are in. The Plan is assigned based on the county where one gets their Medicaid benefits.

There is only one Tailored Plan per County.

The assigned Tailored Plan is based on the county that manages the Medicaid benefits for the Member. You cannot choose a different Tailored Plan.

What's new?

- + Providers must be in-network**
Providers (doctors and specialists) must be in the Tailored Plan's network (also called "in-network") to be covered.
- + Members must choose a new PCP if not in-network**
If Member's don't choose a PCP that's in Tailored Plan's network, one will be assigned. You can change it until January 31, 2025.
- + More covered services**
If Member to move from a Standard Plan (Healthy Blue, AmeriHealth Caritas, Carolina Complete, UnitedHealthcare or WellCare), they will get more services covered than they do now.

What's staying the same?

- = Each plan covers the same services as before**
This includes I/DD, TBI, mental health, severe substance use, and care management services.
- = Waitlist members keep their spots**
Innovations and TBI Waiver members keep their slots. People who are waitlisted keep their spots, too.
- = Same Tailored Care Manager as the one you have now**
Members have access to a Tailored Care Manager, who can help get the health services a Member needs. If they have one now, they won't change.

Services offered by Tailored Plans

If a Member opts out of Tailored Plans, these services are not paid for by other NC Medicaid Managed Care health plans.

Here are some examples:

Child and adolescent day treatment services

Intensive in-home services

Multi-systemic therapy services

Psychosocial rehabilitation

Residential treatment facility services

Community living and supports (specific to I/DD & TBI)

Supported employment (available to I/DD, TBI, and behavioral health)

Respite (specific to I/DD, TBI, serious emotional disturbance and severe SUD)

State-funded behavioral health, I/DD, and TBI services

Vaya Total Care: What's New for Members?

- New Vaya Total Care ID card with PCP listed on card
- How Members can get information:
 - ❖ Behavioral Health Crisis line
 - ❖ Member & Recipient Services line
 - ❖ Pharmacy line
 - ❖ Nurse line
 - ❖ How to schedule non-emergency Medicaid transportation
- Information in Handbook and Welcome Packet on additional supports

Vaya Total Care: Supports for Members

- Vaya Total Care Perks for Plan Members- VTC Perks are designed to support Members with a variety of health and wellbeing outside of services they receive. Perks for eligible Members may include:
 - Wellness Perks: Home delivered meals for Members being discharged from qualifying hospital care, Voucher for WW (Weight Watchers) mobile app subscriptions and gift cards for Covid-19 and flu vaccines.
 - Pregnancy Perks: Breast pumps and lactation support.
 - GED Perks: Education vouchers to offer guidance, tutoring, practice tests, test passage guarantee, online community support and ability to earn college credits.

Vaya Total Care: Supports for Members

- Safety Perks: Discount vouchers on home safety and assistance equipment not covered by Medicaid.
- Non-Medical Transportation Perks: Up to 24 trips per year from Modivcare for going to grocery stores/markets, libraries, parks, community activities, business offices and other places to support Member.
- Non-Emergency Medicaid Transportation(NEMT) for Physical and Behavioral Health appointments- VTC will be responsible for Member transportation which can be scheduled by a Care Manager, Provider and/or Member. Scheduling can be done through mobile app, call in number, or on-line scheduler. Transportation vendor is Modivcare.

Vaya Total Care: Supports from Tailored Care Managers

- Arrange your medical appointments
- Find medicine and medical supplies
- Provide support with chronic health issues
- Locate childcare, after school care
- Find housing options and financial help
- Help you join prevention programs
- Find resources for home maintenance and repairs
- Support transitions out of hospital or nursing facilities
- Arrange transportation

Healthy Opportunities Pilot

The federal government authorized up to \$650 million for five years in state and federal Medicaid funding to test evidence-based, non-medical interventions designed to improve health outcomes and reduce health care costs for a subset of Medicaid enrollees. **Who is Eligible for the HOP?**

- Be enrolled in a Vaya Total Care Health Medicaid Health Plan.
- Have at least one qualifying physical or behavioral health condition and one qualifying social risk factor.
- Live in one of the following counties: Avery, Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Transylvania, Swain, and Yancey.

Healthy Opportunity Pilot Supports

Impact Health is the Administering Agency working with a variety of community-based organizations to deliver these supports.

Housing Supports: Tenancy supports and sustaining services, housing quality and safety improvements and one-time securing home payment.

Food Supports: Healthy food boxes, medically tailored meals, linkage to nutrition programs and counseling/coaching on nutrition & cooking.

Transportation Supports: Linkage to existing public transit and payment for transit to access Pilot supports.

Toxic Stress & Interpersonal Violence Supports: Linkage to legal services for interpersonal violence issues, evidence-based parenting support programs and evidence-based home visiting programs.



VAYAHEALTH

**THANK
YOU**



August 6, 2024

Dear Commissioner Antoine,

In 2022, Macon Soil and Water Conservation District (SWCD) applied for and received a grant from North Carolina Ag Development and Farmland Preservation Trust Fund (ADFP) to develop a Farmland Protection Plan for Macon County. We then reached out to Foothills Regional Commission which was the closest firm with experience developing these plans and subsequently contracted with them to develop Macon's Plan. The plan is now completed and is included in this packet for your review.

North Carolina ranks 30th in the nation in terms of agricultural acreage but it ranks 2nd in the nation in terms of agricultural land lost to development. Between 2001 and 2016, North Carolina saw 732,000 acres no longer in agricultural use. This plan is designed to highlight the importance of agriculture in Macon County and provide a plan going forward to maintain agriculture's viability in an ever changing economy. From a more specific economic benefit standpoint, having this Plan in place will allow Macon County to apply for certain future State grants with a smaller match requirement, potentially saving the County thousands of dollars.

Foothills Regional Commission will be doing a very brief presentation on the Farmland Protection Plan at the August 13th Board of Commissioners meeting after which we will ask for your endorsement of the Plan. Should you have any questions regarding the Plan or want more information about it prior to the BOC meeting, feel free to reach out to me at either (828) 349-2044 or (828) 332-7650 or by email at djohnson@maconnc.org

Thank you for your time in considering this and for all you do as a Commissioner for Macon County.

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Johnson".

Doug Johnson
Macon SWCD District Director

H&H Farm

2024 FARMLAND PROTECTION PLAN



**MACON COUNTY,
NORTH CAROLINA**



FARMLAND PROTECTION PLAN

for Macon County, North Carolina - May 2024

Prepared for the Macon County Soil and Water
Conservation District.

Prepared by:

Magnolia Long

Jordan Barnes

Alan Toney

ACKNOWLEDGEMENT

The authors thank the Macon County Soil & Water Conservation District for their support and guidance. Special thanks are extended to the farmers, landowners, and concerned citizens in Macon County who participated in surveys, interviews, and meetings.

Contributions Provided by:

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Christy Bredenkamp, Macon County Cooperative Extension Director

N.C. Cooperative Extension, Macon County
Macon County Soil & Water

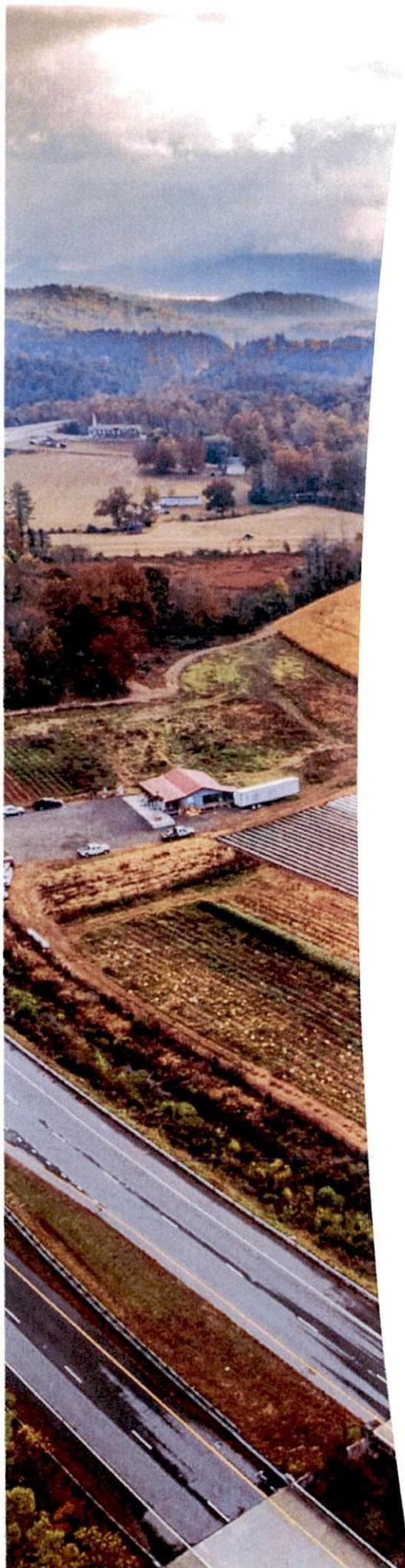
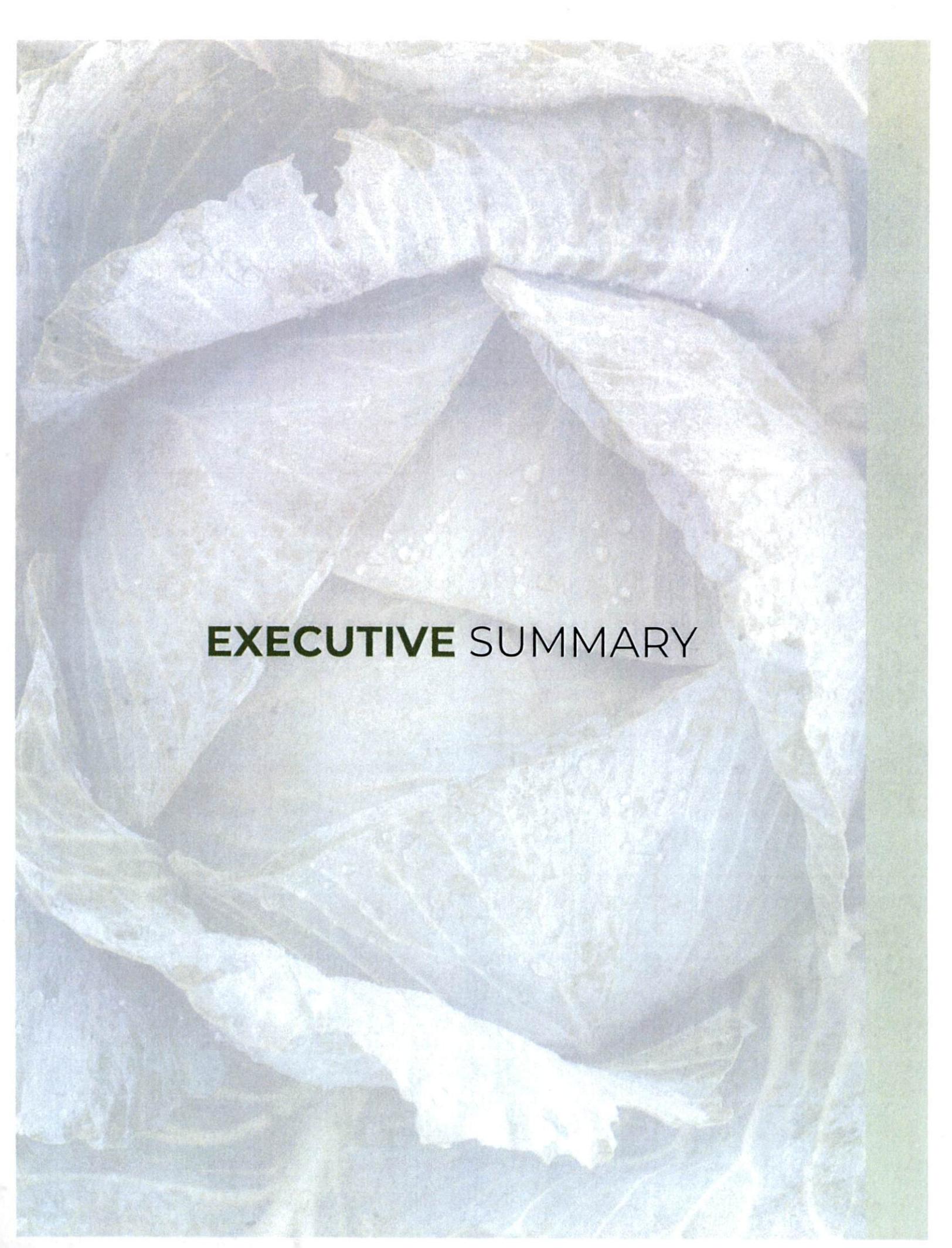


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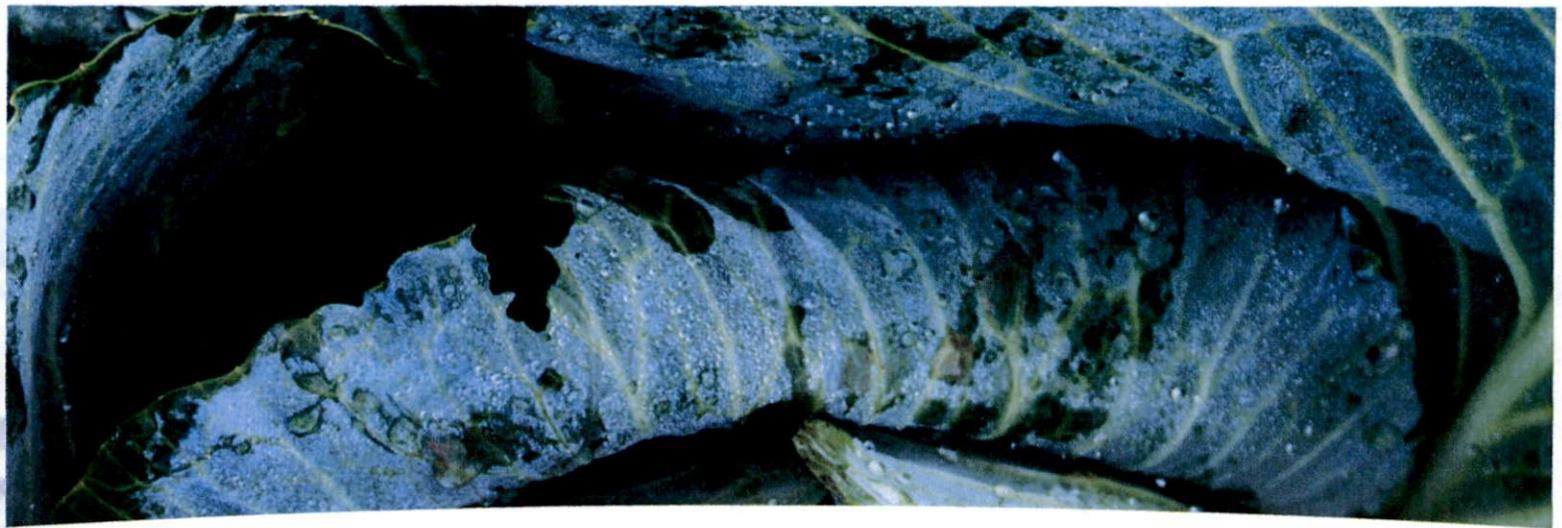
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EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

The Macon County Farmland Protection Plan was commissioned in April of 2023 by the Macon County Commissioners to meet the North Carolina state requirements for farmland protection plans. This plan analyzes the current state of farming in Macon County, identifies the primary challenges and opportunities for agriculture, and presents a set of recommendations to assist government leaders in preserving local agriculture. The assessment was made by compiling information from agricultural census reports, conducting a survey of Macon farmers, and by holding individual interviews with farmers, agribusinesses, and key stakeholders involved in agricultural-related activities.

GOALS

Analyze and understand the existing agricultural economy in Macon County

Understand gaps and opportunities to advance agriculture in Macon County

Set forth recommendations to protect and preserve open land

APPROACH

Collect data from Agricultural Census Reports, surveys, and interviews

Identification of agricultural deficiencies and opportunities

Local Adoption and Application

EXECUTIVE SUMMARY

The 2022 Census of Agriculture found 21,973 acres of active farmland on 346 farms throughout the county. Farming occupies roughly 7% of the county's land base and can be found dispersed across the county, primarily outside of town limits. Primary farmland uses include forage and livestock, particularly cattle and layers. Between 2007 and 2022, the number of farms ultimately remained the same and the amount of farmland increased by 3.9% percent.



Agricultural production boomed and the market value of all agricultural products increased by 19.5% since 2007. Prior to 2022, livestock and poultry sales were the main economic driver of the agriculture industry, which consistently contributed more than \$1 million more than crop sales to the overall economic value. But in 2022, crop items became the largest economic driver in all agriculture related sales in Macon County, which increased by 75.6% from 2007. Livestock and poultry sales decreased nearly 57% between 2017 and 2022. Other demographic and farm trends indicate that since 2007, more individuals are pursuing farming part-time than full-time; the average farm size has increased; and the number of producers has increased while their average age has slightly decreased.



*2012

IMPORTANCE OF AGRICULTURE IN MACON COUNTY

Between 2007 and 2022, the number of farms and total acreage have fluctuated. The number of farms have seen a 0% increase overall, and acreage has seen a 3.9% increase between 2007 and 2022. Between 2017 and 2022, the acreage of owned farmland has increased by 45.6%, and rented farmland has decreased by 43.5%.

Despite the increase in farmland acreage, the agricultural economy in Macon County continues to struggle. **Only 30% of farmers reported net gains in their operation in 2022, which is a dramatic decrease since 2017.** Only 13% of farmers sell directly to the consumer. While many factors could influence this point, interviews with farmers identified increased hardship to sell their product locally. Local farmers in Macon County mentioned selling their products wholesale, due to the absence of local and reliable farmer's markets. Many farms do not have the labor or infrastructure available to sell via farmstands.

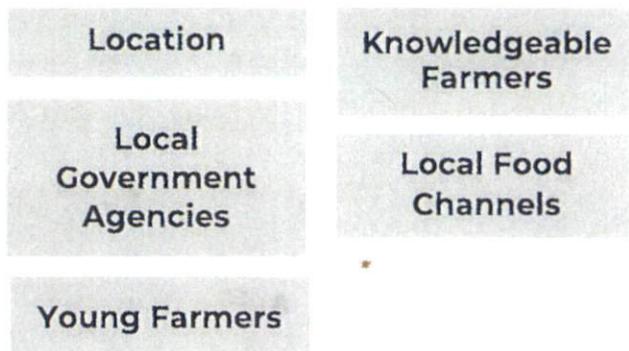
Macon County has a very unique topography, consisting of high peaks and low valleys. During interviews with Macon County farmers, all farmers mentioned challenges farming on the unique terrain. Furthermore, farmers expressed challenges to locate, purchase, and repair equipment nearby.

To preserve farmland as a natural resource, local government agencies should prioritize increasing awareness and support for farmers who are interested in transition planning. This plan discusses many opportunities to preserve farmland through Voluntary Agricultural Districts, Enhanced Voluntary Agricultural Districts, Present-Use Value, Conservation Easements, and land lease programs. It is important to prioritize farmland preservation with the aging farmer population in Macon County and development pressures from the expected population boom in North Carolina. **Macon County is well-positioned for intervention by supporting the agricultural economy and the people who choose to farm.**



SUMMARY

STRENGTHS TO AGRICULTURE



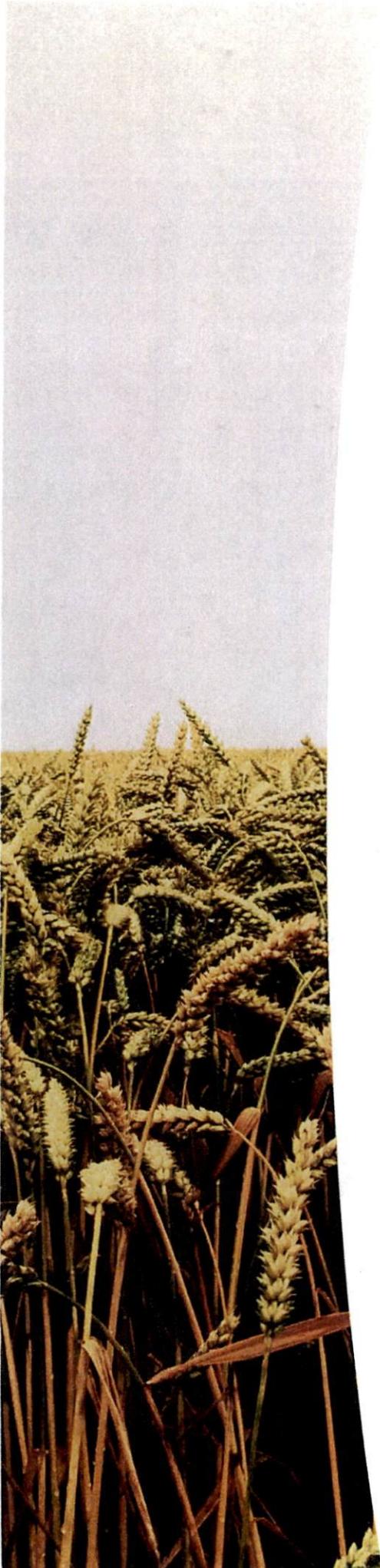
CHALLENGES TO AGRICULTURE



To address the challenges and seize the opportunities, Macon County farmers and farms must be recognized as valuable assets and supported through political, economic, and social investment. These recommendations fall into several categories including **strengthening the agricultural economy, protecting farmland as a valuable resource, and fostering awareness and public support for agriculture.** Specific recommendations include:

- **Invest in local farmer's markets.**
- **Increase awareness about opportunities and resources provided by local government entities.**
- **Provide support and marketing assistance to farmers and agribusinesses.**
- **Encourage farmers to diversify crop/livestock items to become resilient to market changes**
- **Increase awareness and support for those interested in transition planning.**
- **Increase awareness around conservation easements through outreach.**
- **Support the Macon County Fair.**
- **Support agriculture training and education at the K-12 levels.**
- **Set enrollment goals for the VAD and establish an EVAD.**
- **Develop a land lease recruitment program.**

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PLAN INTRODUCTION

Agriculture is a key component of Macon County that contributes to the economic prosperity of both the local community and the region as a whole. Economic development within the county relies heavily on the success of farms and farm-related businesses that provide products, income, and employment. Agriculture also protects the county's soil, water resources, wildlife habitats, and scenic views that define Macon's rural character. Due to the varying benefits of agriculture, the promotion of the local agricultural industry and the protection of farmland is paramount to the success of the county.

Unfortunately, farmers in Macon County, as well as others throughout the United States, are struggling to make ends meet in a market that is plagued by high up-front costs and low wholesale prices. In addition to low or non-existent profits, farmers are facing challenges from sprawling developments encroaching on prime farmland, labor shortages, underperforming local markets, and an aging farmer population, all of which impede a grower's ability to operate a successful farm business. As a result, these challenges push farmers out of the agricultural industry and leave the future of farming hanging in the balance.

With the creation of this plan, the Macon County Soil and Water Conservation District, along with the Foothills Regional Commission, will present a set of actions and strategies to ensure a viable farming industry in the county. To accomplish this, an assessment of the agricultural industry in Macon County was made, and its challenges and opportunities were identified. The recommendations of this plan are intended to directly support the preservation of farmland while also strengthening the county's agricultural economic development and fostering greater support for the industry.

PLAN METHODOLOGY

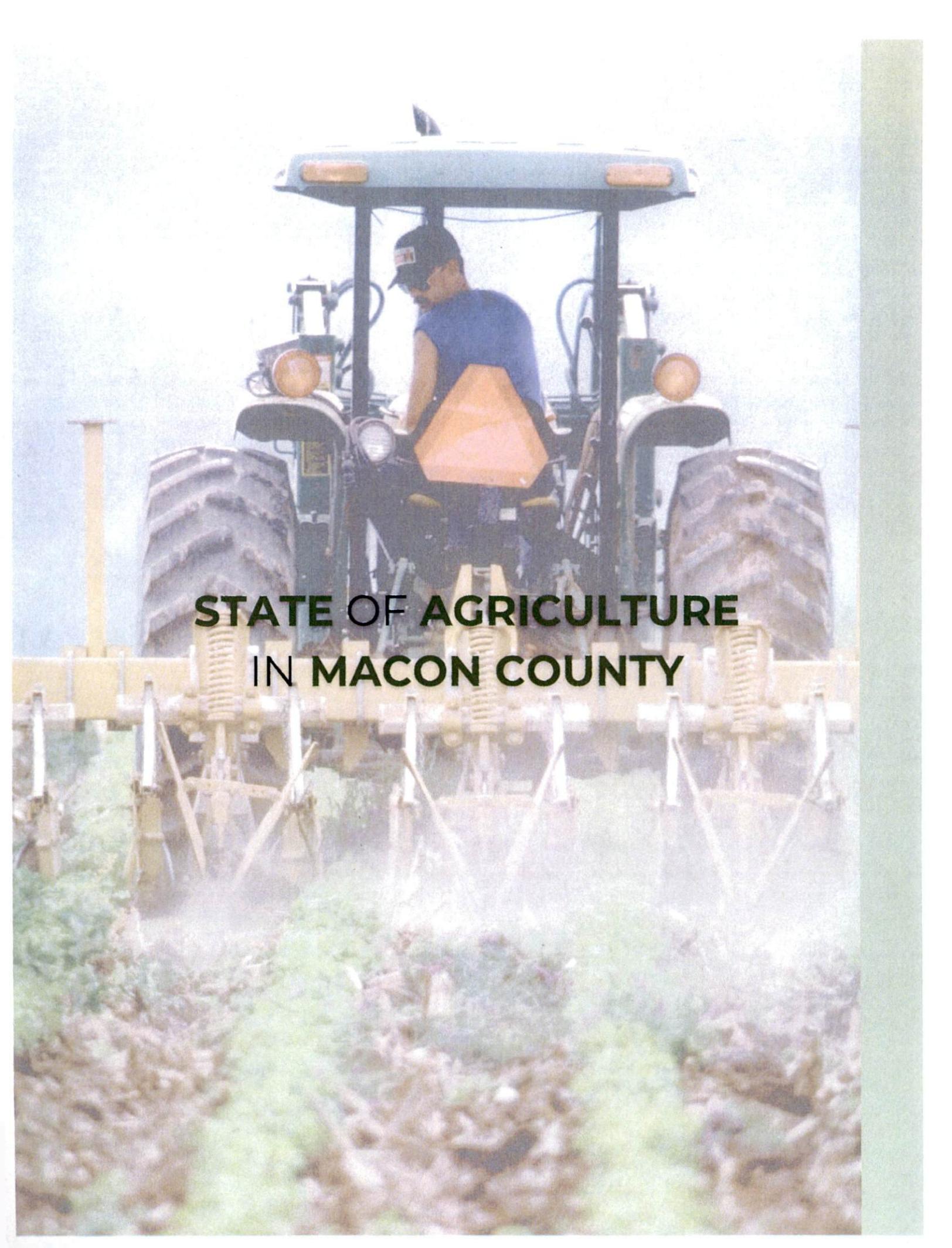
This plan was informed by the perspectives of Macon County farmers and landowners through a survey instrument and one-on-one interviews. The Macon County Farmer Survey was created by the Foothills Regional Commission and reviewed by the Farmland Advisory Board. The survey, which was created on the online platform Survey Monkey, consisted of 24 questions related to farm operations in the county, obstacles and opportunities for agriculture, and the types of programs most in demand from the farming community. The survey opened on April 23, 2023 and closed on April 19, 2024. A total of 16 individuals completed the survey.

To supplement the survey, six farmers were interviewed. The interviewed farmers operate on various scales and represent a diverse array of crops, ages, and backgrounds thereby providing well-rounded and informed perspectives. The farmers were asked a series of questions regarding current challenges, the efficiency of farmland preservation programs, and ways to support their operations. These questions can be found in Appendix E. Additional information was gathered through conversations with stakeholders in the agriculture economy.

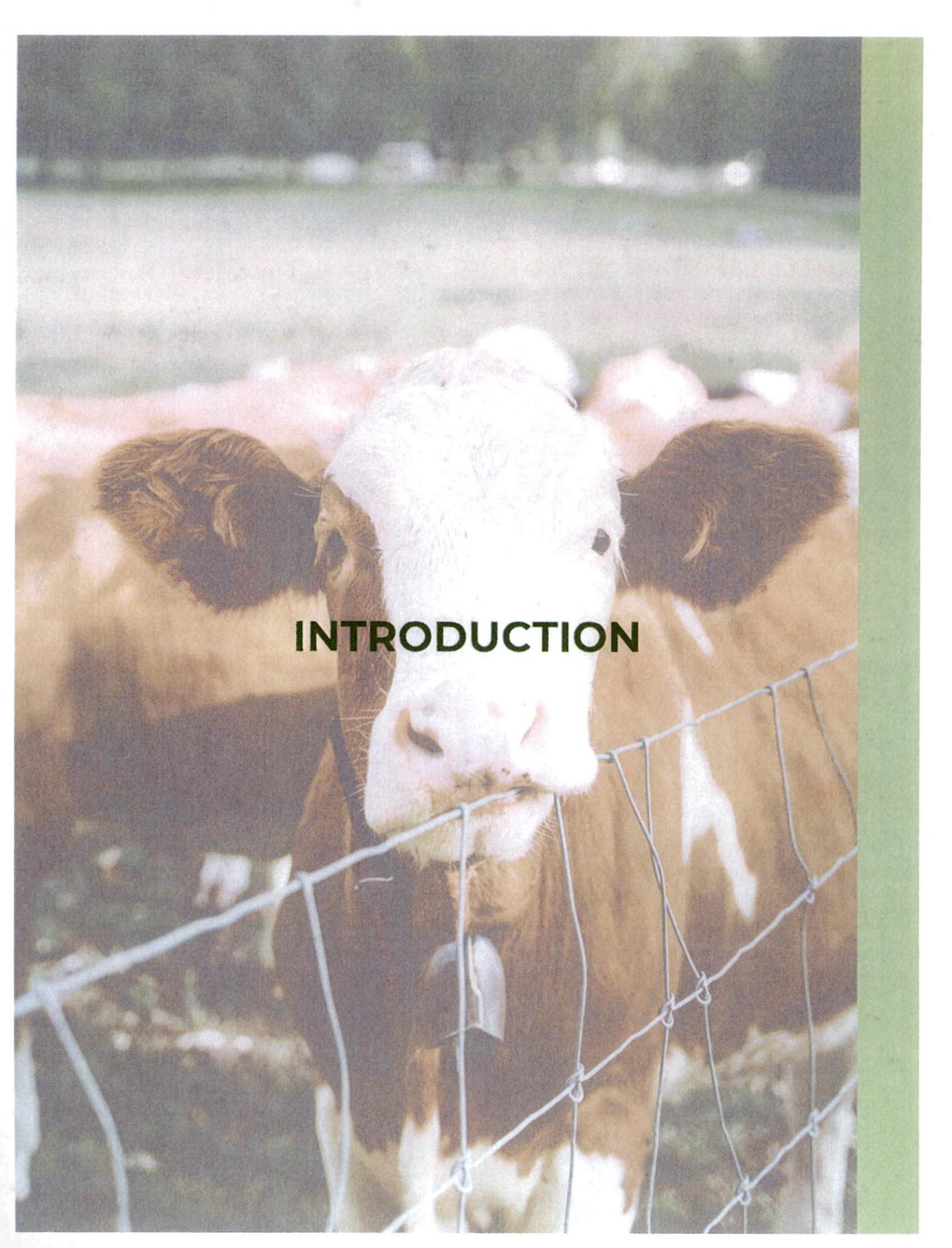
Statistical data was gathered from the Census of Agriculture, which is published every five years by the National Agricultural Statistics Service (NASS). The census offers a count of farms and ranches across the U.S., specifically looking at land use and ownership, operator characteristics, production practices, income, and expenditures. The data is aggregated at the national, state, and county levels. This plan compares data on the county level from the 2007, 2012, 2017, and 2022 censuses.



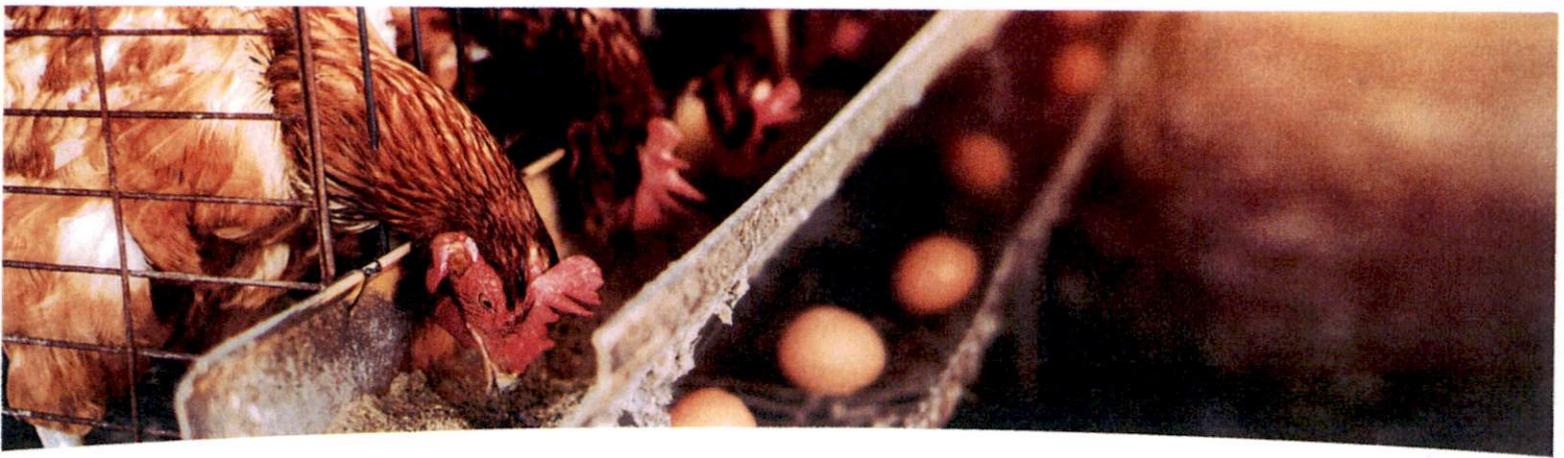
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A photograph of a farmer operating a tractor in a field. The tractor is a large, modern model with a blue cab and orange accents. The farmer is wearing a blue sleeveless shirt and a black cap. The tractor is pulling a yellow tillage implement, likely a moldboard plow or similar, which is turning over dark brown soil. The background shows a hazy, overcast sky. The text "STATE OF AGRICULTURE IN MACON COUNTY" is overlaid in the center of the image.

**STATE OF AGRICULTURE
IN MACON COUNTY**



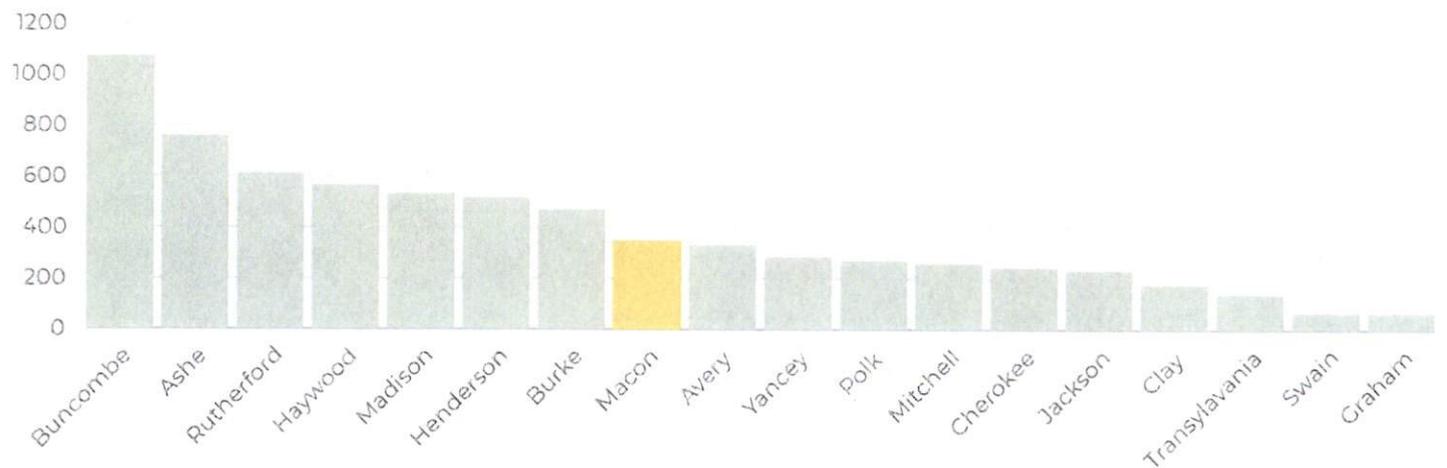
INTRODUCTION



STATE OF AGRICULTURE IN MACON COUNTY

In 2022, Macon County ranked eighth in terms of number of farms in the 18-county region of Western North Carolina. Macon County had 346 farms, behind Burke County with 473 farms and ahead of Avery County with 335 farms.

Figure 1. Number of Farms in WNC Counties



With regard to acreage, Macon County dropped in ranking to twelfth following Jackson County with 22,208 acres.

Figure 2. Farmland Acreage in WNC Counties

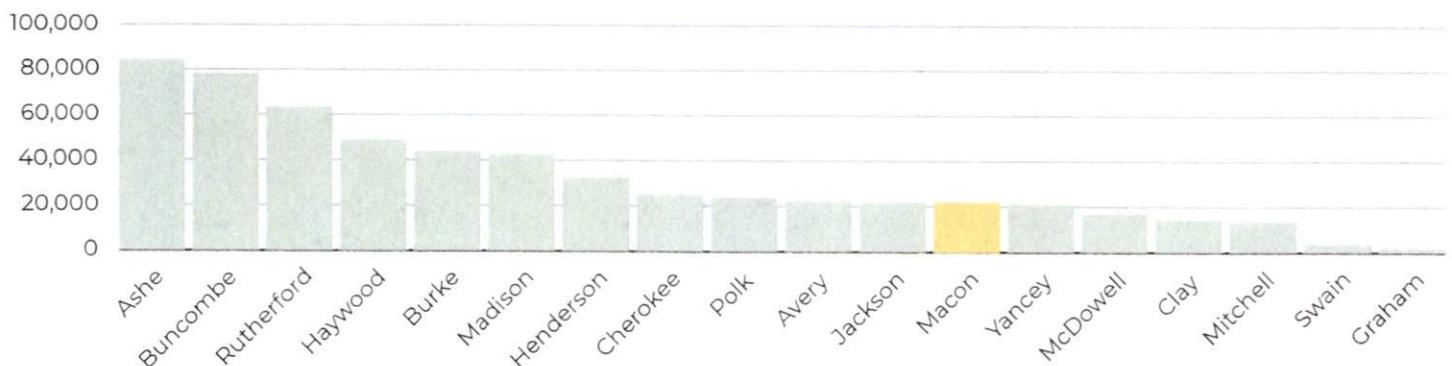


Table 1. Farm Number and Acreage in Macon County

	2007	2012	2017	2022	% Change, 2007-2022
Number of Farms	346	326	340	346	0%
Acreage	21,133	22,684	19,775	21,973	3.9%
Owned Farmland, Acreage	(D)	(D)	12,121	17,645	45.6%*
Rented Farmland, Acreage	(D)	(D)	7,654	4,328	-43.5%*

(D) Data unavailable

*% change, 2017-2022

Table 1 shows the number and acreage of farms in Macon County in the years 2007, 2012, 2017, and 2022. Statistics that outlined the number of owned and rented farmland was only available in 2017 and 2022, which is also shown in Table 1.

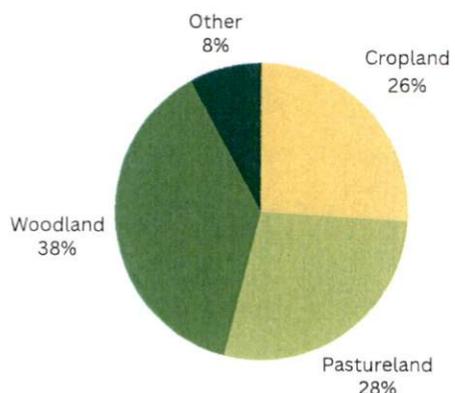


Figure 3. Distribution of Active Farmland in Macon County, 2017

In 2022, there were 21,973 acres of active farmland in Macon County. While the farm acreage has only increased slightly and number of farms have remained the same between 2007 and 2022. Farming utilizes approximately 7% of the county's 515-square-mile land base. The county's farmland is divided into fractions of cropland (26%), pastureland (28%), and woodland (38%).

Table 2 lists the top crop and livestock items produced in Macon County in 2022. Forage is the leading crop in terms of land use, followed by vegetables and corn for grain. Cattle is the main livestock farmed in the county, followed by chickens, including layers and broilers.

Table 2. Top Agricultural Items by Quantity in 2022

Top Crop Items	Acres	Top Livestock Items	Number
Forage (hay/haylage)	3,290	Cattle and calves	3,876
Vegetables harvested, all	107	Layers	1,632
Corn for grain	97	Broilers and other meat-type chickens	1,260*
		Sheep and Lambs	297
		Goats	175

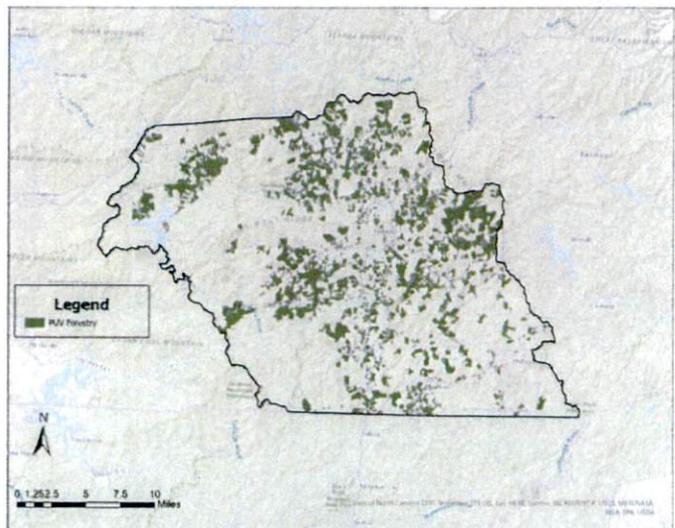
*Data from 2017

PRESENT-USE VALUE

Figure 4 and 5 shows the forestry and agricultural land enrolled in the Present-Use Value (PUV) program within Macon County. In order for land to qualify for PUV, there are four general requirements revolving around ownership, minimum acreage, and income. These requirements are fairly easy to meet, and in tandem with significant financial benefits, the PUV program incentivizes landowners to enroll. With this in mind, this image reveals the immense presence of agricultural land and forestry land in Macon County. In total, there are 103,102.53 acres of land enrolled in the Present-Use Value program in Macon County. Larger maps will be found in Appendix A and B of this plan.

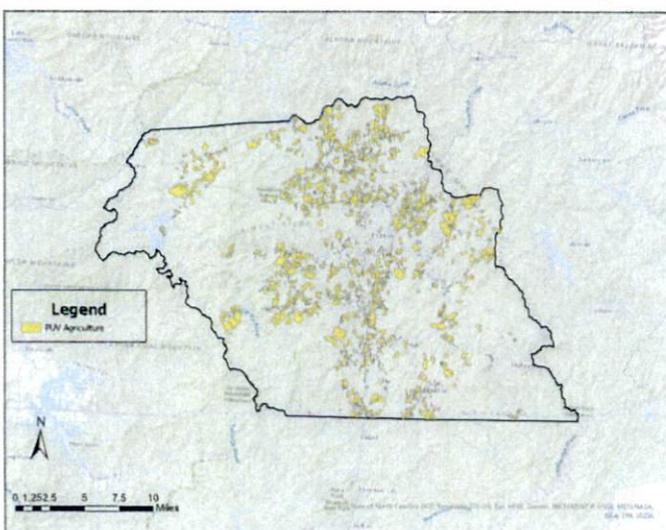
Generally, land enrolled in the PUV program lies outside the town limits of Franklin and Highlands. To be certified as forestland, one tract of at least 20 acres must be actively engaged in the commercial growing of trees. In turn, there are large swaths of forestland found in the Eastern and central portions of the county. There are 62,198.94 acres of forestry land currently enrolled in the PUV program.

Figure 4. Forestry Land Enrolled in PUV Program



62,198.94 Acres

Figure 5. Agricultural Land Enrolled in PUV Program



40,904.59 Acres

To retain the agricultural classification, there must be at least 10 acres of land actively engaged in the commercial production or growing of crops, plants, and/or animals. Plots of agricultural land are scattered throughout the county, with more concentrated pockets located along the central, Northeast, and Southwest parts of the county. There are 40,904.59 acres of agricultural land enrolled in the PUV program.

ECONOMIC BENEFITS

Since 2007, Macon County has seen a gradual increase in agricultural production. The market value of all agricultural products sold in Macon increased by nearly twenty percent between 2007 and 2022, increasing from \$5,589,000 to \$6,681,000. Although Macon County saw a steady increase in market value of agricultural products sold, only 30% of farms reported net gains in 2022. While Macon has experienced an increase in agricultural production over the past 20 years, the county falls short compared to other WNC areas. In 2017, Macon ranked eleventh out of eighteen counties for market value of all agricultural products sold in Western North Carolina, which is seen in Figure 6.

Figure 6. Market Value of Agricultural Products Sold in WNC, 2017

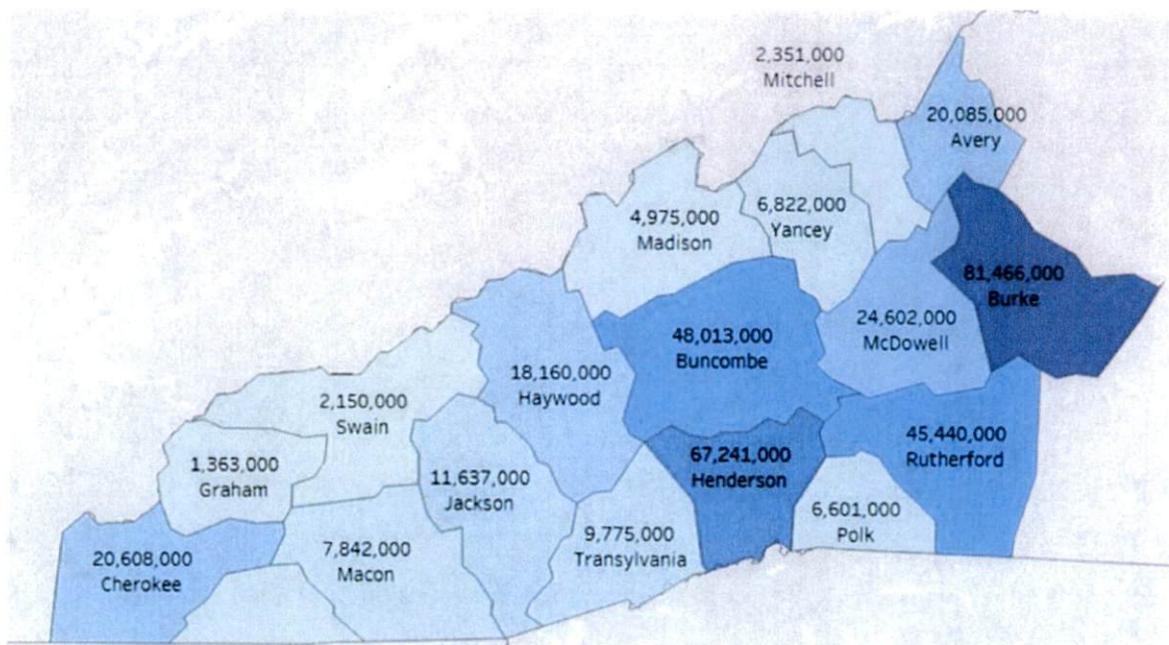


Table 3 lists the top crop and livestock items by value in Macon County in 2022. The “Fruit, tree nuts, berries” and “Vegetables, melons, potatoes, sweet potatoes” categories are the leading crops of value.

Table 3. Top Agricultural Items by Value in 2022

Top Crop Items	\$1,000	Top Livestock Items	\$1,000
Fruit, tree nuts, berries	1,786	Cattle and calves	1,205
Vegetables, melons, potatoes, sweet potatoes	1,225	Other animals and animal products	64
Other crops & hay	620	Poultry & eggs	45*
Nursey, greenhouse, floriculture, and sod	220	Sheep, goats, wool, mohair, milk	42
		Horses, ponies, mules, burros, & donkeys	37

*Data from 2017



Table 4 shows various drivers that influence the economic value of agriculture in Macon County. Through the years 2007 through 2017, livestock and poultry sales were the main economic driver of the county's agricultural sector, accounting for nearly 91.2% of all sales in 2017. Livestock and poultry sales dropped to \$2,670,000 in 2022 and decreased by 26.1% from 2007 to 2022.

Despite the historical economic value of livestock and in previous years, crop sales were the main economic driver in 2022. Crop sales made up 60% of the total sales, with livestock and poultry trailing with the remaining 40%.

Table 4. Economic Value of Agriculture in Macon County

	2007	2012	2017	2022	% Change, 2007-2022
Market Value of Ag Products Sold, \$s	\$5,589,000	\$5,638,000	\$7,842,000	\$6,681,000	19.5%
Average Market Value of Ag Products Sold per Farm, \$s	\$16,154	\$17,295	\$23,064	\$19,310	19.5%
Crop sales, \$s	\$2,284,000	\$2,027,000	\$1,675,000	\$4,011,000	75.6%
Livestock, poultry, and their products sales, \$s	\$3,611,000	\$3,305,000	\$6,167,000	\$2,670,000	-26.1%

In 2022, the leading crop in terms of acreage was hay; across 147 farms, 3,290 acres were used for all hay, haylage, grass silage, and greenchop. Hay and other crops produced \$620,000 in 2017, but only accounts for roughly 15% of the crop sales in 2022. Fruits, tree nuts, and berries; vegetables, melons, potatoes, and sweet potatoes; account for 75% of the crop sales in Macon County in 2022.

The overall market value of all agricultural products sold dropped over \$1 million dollars between 2017 and 2022, prior to the dramatic increase of inflation. This may be attributed to a reporting issue, sharp decrease in livestock sales, or the reduction of Christmas Tree sales in 2022.

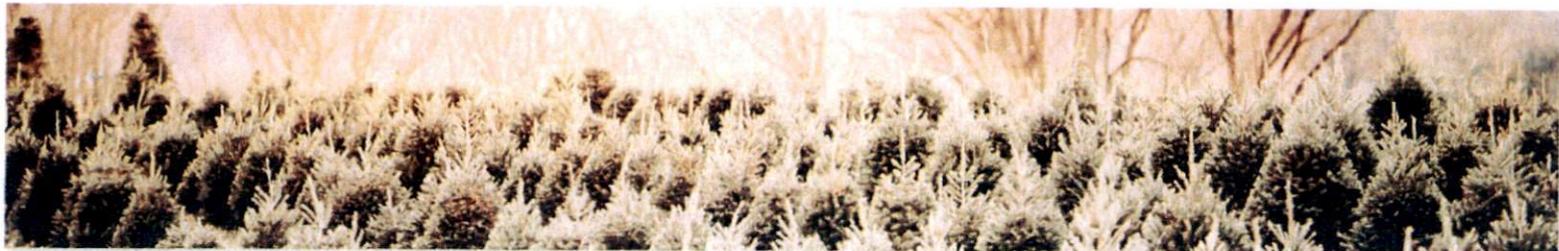


Table 5. Cultivated Christmas Trees in Macon County

2017			2022		
# of Farms	Acres	# of Trees Cut	# of Farms	Acres	# of Trees Cut
8	91	19,410	12	124	122

Cultivated Christmas trees and short rotation woody crops were a main economic driver in Macon County prior to 2022. In 2017, 8 farms maintained 91 acres of Christmas trees, and cut 19,410 trees. In 2022, 12 farms maintained 124 acres of Christmas trees, and cut 122 trees.

Forestry is a major aspect of the agricultural economy in Macon County. In 2020, there were about 244,210 acres of forest in the county, of which approximately 163,902 acres were privately owned. In fact, NCSU Forestry Extension Service estimates that almost half of all land in the county, about 49.3 percent, is private timberland. In 2020, landowners in the county received an estimated stumpage harvest value of \$0.7 million, a decrease of \$2 million from 2018 reports. Overall, the forest sector in the county, including forestry, logging, and forest product industries, had a total economic contribution of approximately \$55 million in industrial output to the county’s economy, supporting about 316 total jobs with a payroll of about \$11 million.

Closing of the Canton Paper Mill

In June of 2023, Pactiv Evergreen Inc began laying off employees of the Canton Paper Mill. The closing of this mill has had lasting economic ripples throughout the Western North Carolina region. In a study commissioned by the Dogwood Health Trust, Syneva Economics examined the specific implications of the Mill’s closing to each county in Western North Carolina.

The largest impact of the economy will be seen in the Forestry and Sawmills sector, with 324 jobs lost across the Western North Carolina Region. Macon County, specifically, will lose 13 local supplier jobs and a total of \$669,158 lost labor income.

Since Macon County lies in USDA Hardiness Zones 6b, 7a and 7b, it enjoys a relatively temperate climate that allows for an assortment of trees, shrubs, and plants to thrive. As a result, nurseries, greenhouses, and floriculture farms have experienced success in the county, generating \$72,920 in sales in 2022. In 2022, 14 farms grew nursery stock; this includes all trees, shrubs, ornamental plants, grass sod, foliage plants, or marsh plants grown or propagated for sale or distribution.

Out of all 340 farms in the county, only 31 were responsible for growing vegetables, melons, potatoes, and sweet potatoes in 2022. Together, these farms harvested 107 acres of produce, resulting in over \$1,225,000 in sales. Potatoes were the leading crop in terms of acreage, comprising approximately 18 acres in 2022. Regarding production levels, potatoes experienced a 59.3 percent decrease in production after 2012. Following this crop was squash, sweet corn, and bush and pole snap beans, which each had 4 acres harvested in 2017. Out of this group, sweet corn also had a dramatic decrease in production levels after 2012, resulting in a decline of 80 percent.

Fruits, berries, and tree nuts resulted in \$1,786,000 in sales in 2022. Not including berry production, there were 30 farms growing noncitrus fruits across 96 acres in 2022. The top cultivated fruits include apples (21 farms, 42 acres) and grapes (13 farms, 31 acres). Additionally, the following berry varieties were grown in the county: blueberries (15 farms, 34 acres), raspberries (5 farms, 21 acres), strawberries (9 farms, 9 acres), blackberries, dewberries, and marionberries (5 farms, 2 acres), and other berries (6 farms, 1 acre). In 2022, no farms reported any nut sales.



Deal Farm

FARM STATISTICS & TRENDS

Table 6 summarizes figures on farm size and value for 2007, 2012, 2017, 2022. Between the years of 2007 and 2022, the number of farms within Macon County fluctuated, but ultimately remained at 346 farms. Simultaneously, the total area of land in farms increased by 3.97%, totaling approximately 840 acres of land gained. The number of small- and medium-sized farms have decreased, but large farms, over 179 acres, have increased by 50%. The average size of farm in Macon County is 64 acres, which has increased by 4.9% between 2007 and 2022.

Table 6. Farm Statistics in Macon County

	2007	2012	2017	2022	% Change, 2007-2022
Number of Farms	346	326	340	346	0%
Land in Farms (acres)	21,133	22,648	19,775	21,973	3.97%
Average Farm Size (acres)	61	70	50	64	4.9%
Median Farm Size (acres)	31	38	26	25	-19.4%
Average Value of Land and Buildings (per farm)	\$533,897	\$530,995	\$463,306	\$430,254	-19.4%
Farms Less than 50 Acres	250	202	237	231	-7.6%
Farms 50 to 179 Acres	99	96	76	82	-17.2%
Farms Over 179 Acres	22	28	27	33	50%

Notably, between 2007 and 2022, the number of farms smaller than 50 acres and those between 50 to 179 acres decreased. The sharp decline in small farms from 2007 to 2012 coincides with the 2008 economic recession, which would heavily impact smaller operations that had less financial security. Despite this decline, small scale farms regained 29 operations by 2022, but overall failed to reach pre-recession data. Meanwhile, mid-size farms continually decreased from 2007 to 2022 with a 17.2% loss. In contrast, large scale farms, those with more than 179 acres, increased since 2007 by 50% percent. As a result of farmland lost, the average value of land and buildings per farm also decreased by almost 19.4% from 2007 to 2022.

FARM INCOME DISTRIBUTION

Table 7. Distribution of Farms by Income

	2007	2012	2017	2022	Change in Number of Farms from 2007 to 2022
Less than \$2,500	146	135	167	149	2%
\$2,500 to \$9,999	121	124	101	115	-4.9%
\$10,000 to \$24,999	43	39	51	35	-18.6%
\$25,000 to \$49,999	26	16	7	16	-42.3%
\$50,000 to \$99,999	3	7	8	20	566.7%
\$100,000 or more	7	5	6	11	57.1%
Average Net Farm Income, \$s	-\$1,500	-\$906	\$5,955	-\$905	39.6%
Average Farm Production Expenses	\$17,731	(D)	\$18,874	\$22,160	17.4%*

(D) Data unavailable

*% change, 2017-2022

Table 7 illustrates the distribution of farms based on their annual revenue between 2007 and 2022. While the total number of farms in Macon County have fluctuated between these years, many of the remaining operations have experienced a decrease in their revenue. This trend is apparent when examining the \$25,000 to \$49,999 range of farms, which recorded a loss of 10 operations between 2007 and 2022. In contrast, the \$50,000 to \$99,999 category increased by 17 farms. Moreover, the majority of farms in both 2007 and 2022 generated annual revenues at or below \$24,999. These figures indicate that numerous operations have decreased their production levels over the past 10 years, consequently transitioning to a lower income bracket.

While the average net income per farm has increased by 39.6% between the years of 2007 and 2022, 70% of farms are reporting net losses of \$905. Only 30% of farms in Macon County are reporting net gains in 2022. Consequently, the average farm production expenses, which include fertilizers, seeds, livestock, property tax, lease expenses, and mor, have increased 17.4% between 2017 and 2022. While the inflation rates increased dramatically, from 2.1% in 2017 to 6.5% in 2022, the increase in average farm production expenses can be attributed to several factors beyond inflation, like increasing costs for inputs and labor costs.



FARM OPERATORS

In 2022, Macon County had 635 total producers, a 24.3% increase from 2007, which estimated 511 farmers. According to the 2022 reports, there were 397 operators with farming as their secondary occupation, compared to 228 operators pursuing farming full-time. Given that approximately 76% (264 of 346) of farms in Macon County made less than \$9,999 in 2022, it is unsurprising that over half of all producers listed farming as their secondary occupation. The growth of this category can be seen from 2007 to 2022 with a 107.9% increase.

Table 8. Farm Operators

	2007	2012	2017	2022	% Change, 2007-2022
Total producers	511	498	561	635	24.3%
Average Operator Age	60	60.7	59.8	(D)	-0.33%*
# of operators, farming primary occupation	155	138	158	228	44.3%
# of operators, farming secondary occupation	191	188	279	397	107.9%
Number of new and beginning producers	89 (<9 years)	79 (<9 years)	184 (<10 years)	241 (<10 years)	Different Metrics

(D) Data unavailable

*Data from 2017

Over the past 10 years, the average farmer age has consistently remained close to 60, with 59.8 years being the average age of Macon farmers in 2017. The trend of an older farmer population is not isolated to Macon County, for the average farmer in the United States is 57.5 years old. However, the data reveals a growing population of young farmers in Macon County. In 2007, there were 10 producers that were 34 years old and younger; in 2012 there were 10 producers; and in 2017, there were 32 producers. While young farmers make up a fraction of the farmer population, they are a growing segment that demands greater support as older farmers age out of the profession.

HIRED FARM LABOR

Table 9 summarizes hired farm labor in Macon County from 2007 to 2022, specifically the number of farms who hire extra labor and migrant workers. In 2022, 62 farms or 18% of the farms in Macon County hired 131 workers. The number of farms who hired labor decreased by 7.5%, but the number of workers hired decreased by nearly 49%.

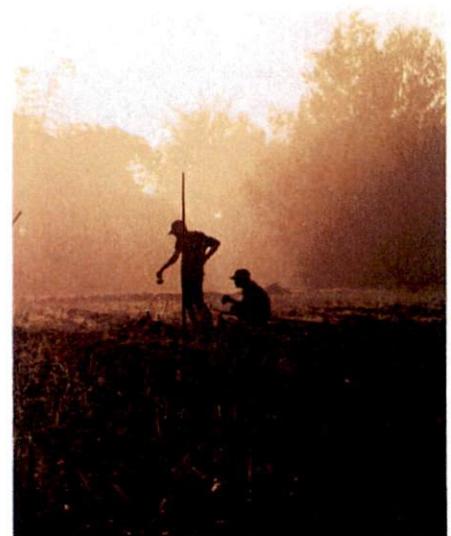
Table 9. Hired Farm Labor

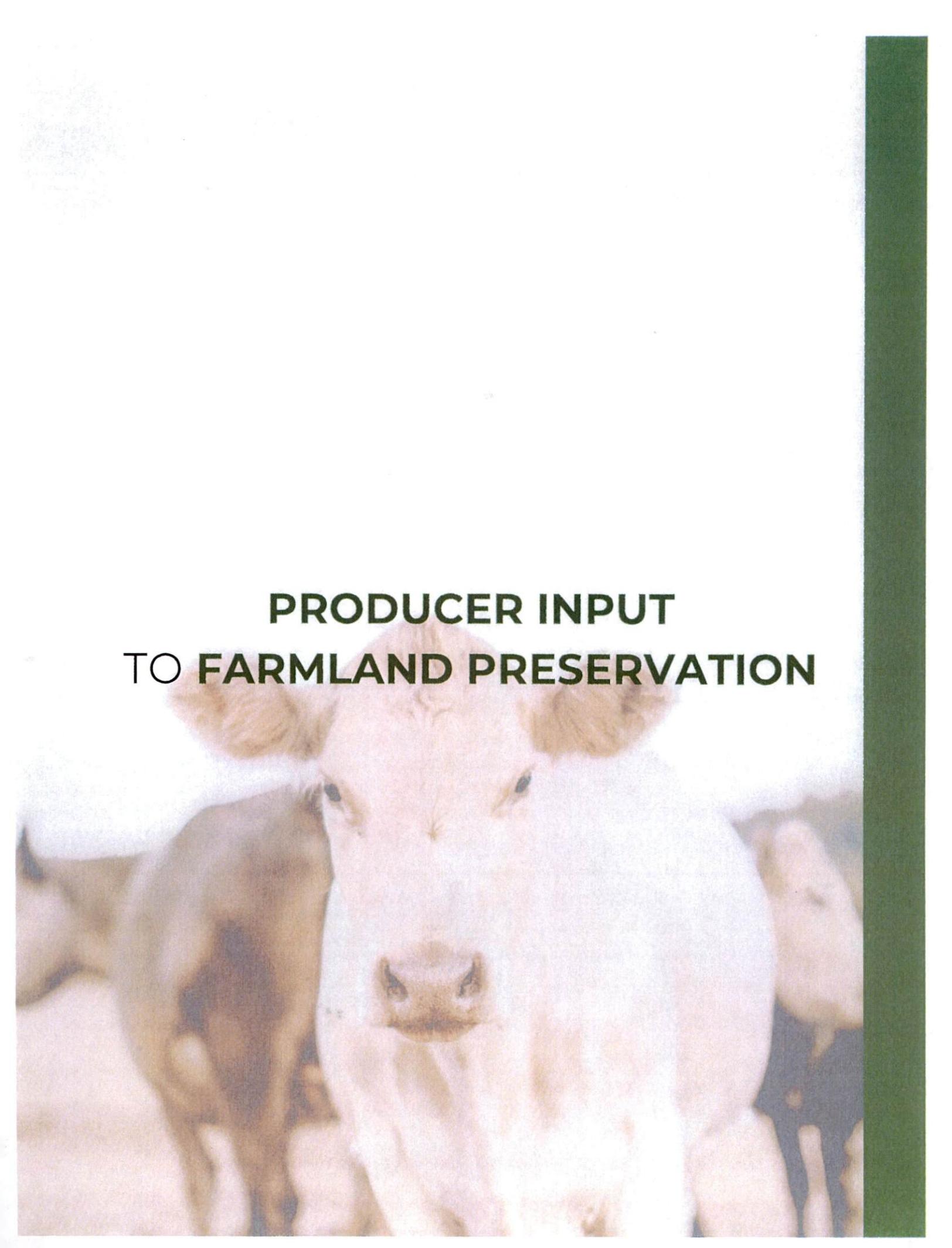
	2007	2012	2017	2022	% Change, 2007-2022
Hired Farm Labor, # of Farms	67	66	47	62	-7.5%
Hired Farm Labor, # of Workers	253	204	263	131	-48.2%
Migrant Farm Workers, # of Farms	5	1	0	4	-20%
Migrant Farm Workers, # of Workers	(D)	(D)	0	18	-
Unpaid Workers, # of farms	(D)	169	178	143	-15.4%*
Unpaid Workers, # of workers	(D)	450	360	341	-24.2%*

*% Change 2012-2022

While the number of farms who hired migrant workers was recorded in 2007, the number of migrant workers and unpaid workers were not recorded. Between 2007 and 2022, the number of farms who hired migrant workers decreased by 20%, from 5 to 4 farms. In 2022, 4 farms hired 18 migrant workers.

Between 2012 and 2022, the number of farms who had unpaid workers decreased by 15.4%. In 2022, 143 farms had 341 unpaid workers on their farm. Unpaid workers include agricultural workers not on the payroll who performed activities or work on a farm or ranch.





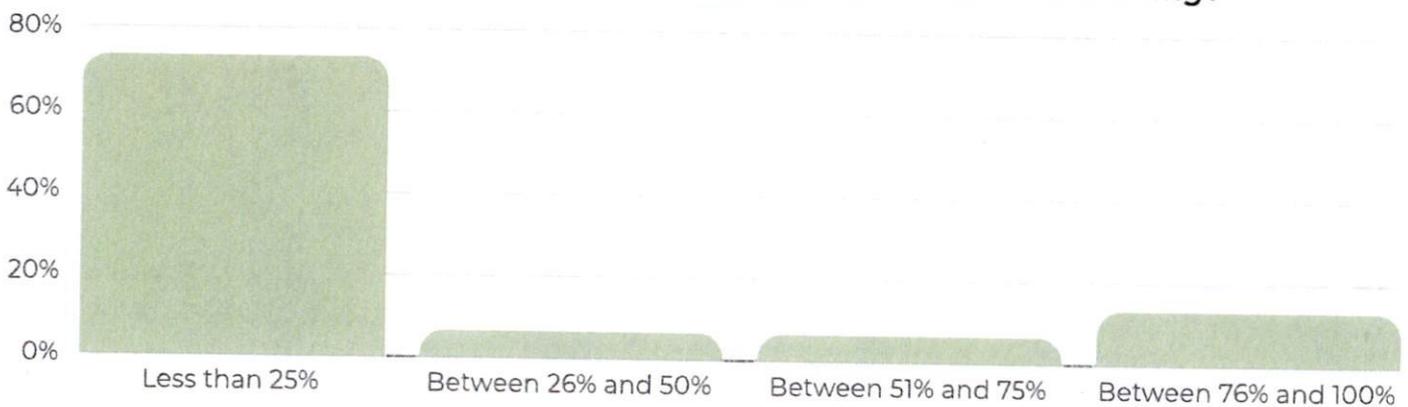
**PRODUCER INPUT
TO FARMLAND PRESERVATION**

PRODUCER INPUT TO FARMLAND PRESERVATION

From the start, a central goal of this plan was to solicit input directly from the agricultural producers and farmland owners of Macon County. This was accomplished through a farmer survey and one-on-one interviews with farmers that represent the diverse nature of agricultural production in the county. These results provide insight into the challenges farmers face, the types of programs most in demand from the farming community, and opportunities that can be leveraged for the health of the agricultural economy.

16 Macon County farmers responded to the Macon County Farmer Survey. The following section provides a high-level review of the survey results.

What percent of your household income comes from farming?



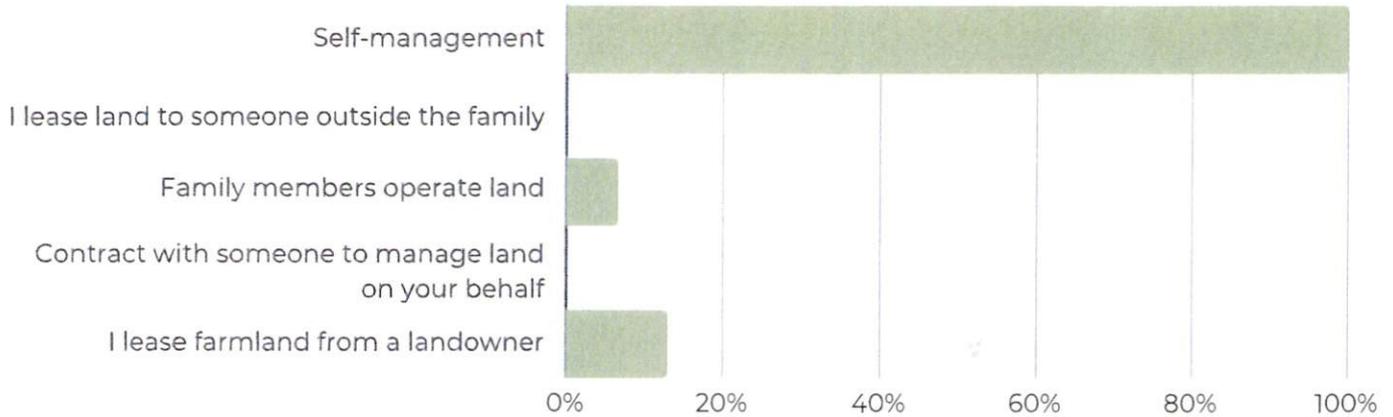
73% of respondents deemed farming as their secondary occupation. Two-thirds of respondents deemed farming their secondary occupation. Subsequently, most respondents, 73%, indicated that less than 25% of their income comes from farming. Only 20% stated that farming generates more than 50% of their income.

According to the survey, the top three agricultural uses of land in Macon County according to the survey are cattle for beef at 73%, hay at 53%, and vegetables at 47%.

Only 13% of surveyed respondents are older than 64 years old. Roughly 47% of respondents are between the ages of 45 and 64, 20% are between the ages of 25 and 44, and 20% are younger than 25 years old.

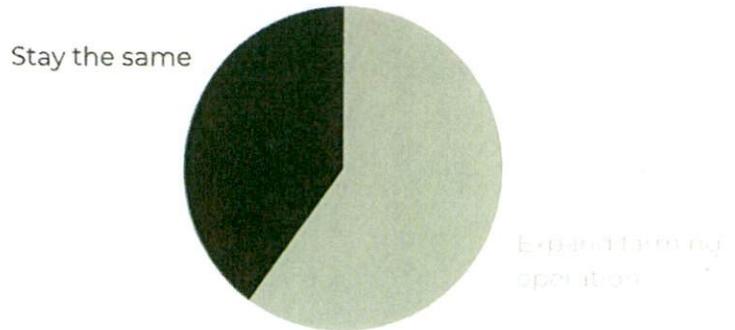
33% of respondents are first generation farmers, but more than 50% of respondents are 4th and 5th generation farmers. Over half of all respondents (53.3%) have had land in their family for over 50 years, highlighting the generational ties to farming in the county.

How is the land in agriculture/forestry production in Macon County managed?

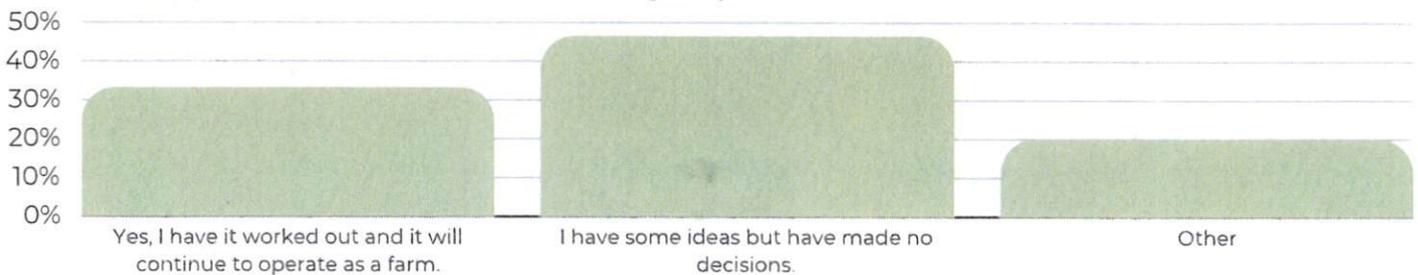


All 15 respondents self-manage their land; of those respondents, 2 indicate that they also lease additional farmland from a landowner. Of these 2 respondents, one is younger than 25 years old, which suggests that leases are a practical way to expand an operation when you are a new or beginning farmer.

In the next five years, about 60% of farmers plan to expand their farming operations. In contrast, 40% of farmers expect their operations to stay the same, and no respondents intend to reduce their operations.



Do you have a transition plan for what will happen to your land after you pass?



The majority of respondents, 60%, have considered implementing a succession plan for their land, but have made no official decisions. About 33% of respondents said they have a transition plan in place and their land will continue to operate as a farm. One respondent mentioned passing their land to their children and letting them decide what to do with the land.

All respondents believe it is important that their land operates as farmland after they pass, indicating a desire amongst farmers to preserve agriculture in the county. Despite these wishes, less than half of the respondents have established a transition plan to ensure their land remains in agricultural production.

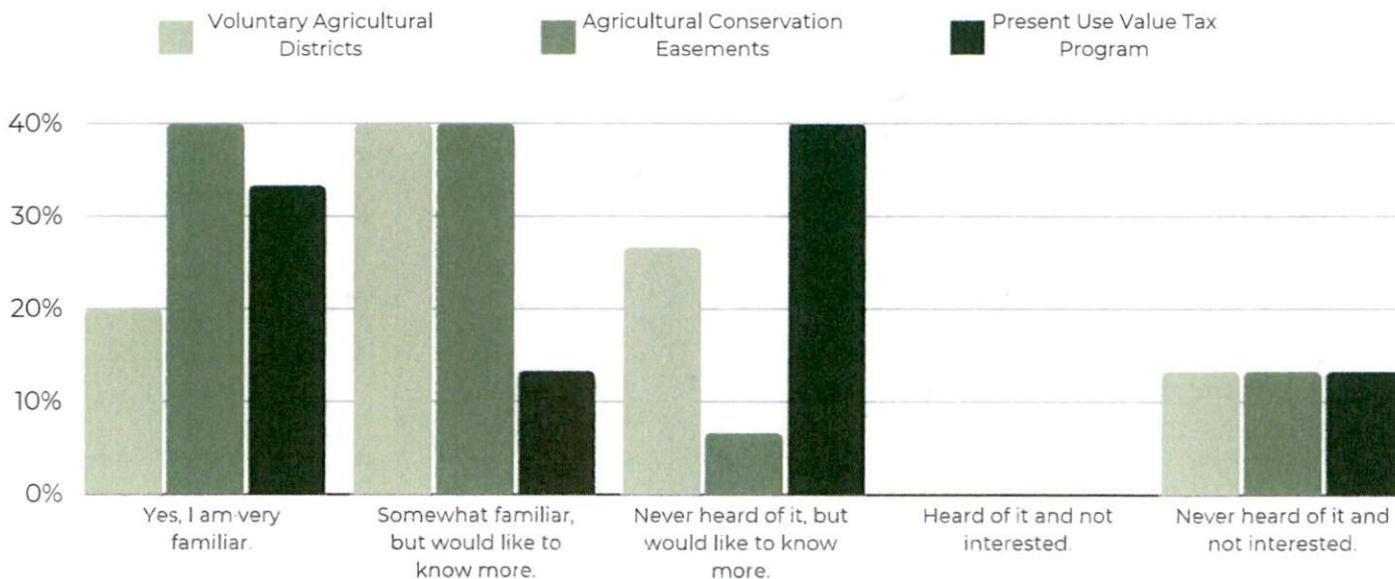
SWOT ANALYSIS

We asked respondents to identify the top three strengths, weaknesses, opportunities, and threats to agriculture in Macon County. The highest ranked from each category can be found in the chart below.



Macon County farmers are familiar with a broad range of programs and services. The three most familiar programs or services are Cooperative Extension Services (93%), NC Agriculture Cost-Share Program through Macon Soil and Water (93%), and the USDA Farm Service Agency (80%). 73% of respondents are familiar with the NC Forest Service, and 67% is familiar with USDA National Resource Conservation Service conservation planning and programs.

How familiar are you with the following programs?

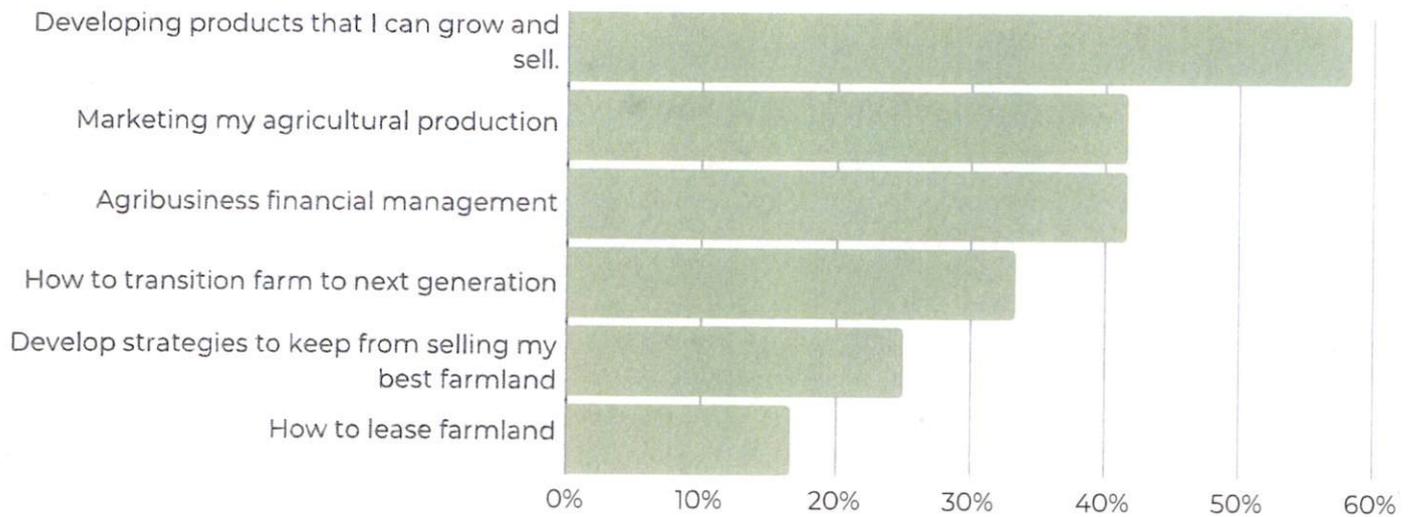


20% of respondents are very familiar with the Voluntary Agricultural Districts program, whereas 40% percent said they are aware but would like to know more. On the contrary, about 27% percent of respondents said they had never heard of the program but are interested in learning more.

About 40% of respondents said they were very familiar with agricultural conservation easements. Of the 60% of respondents on the spectrum of being somewhat familiar or completely unfamiliar with conservation easements, 46% are interested in learning more.

Nearly half of all respondents are unfamiliar with the Present-Use Value Tax program, while about 46% are aware but interested in more information. Despite this being a fairly popular program, an overwhelming majority of respondents are interested in more information.

Would you like to learn more about any of the following? Select all that apply.

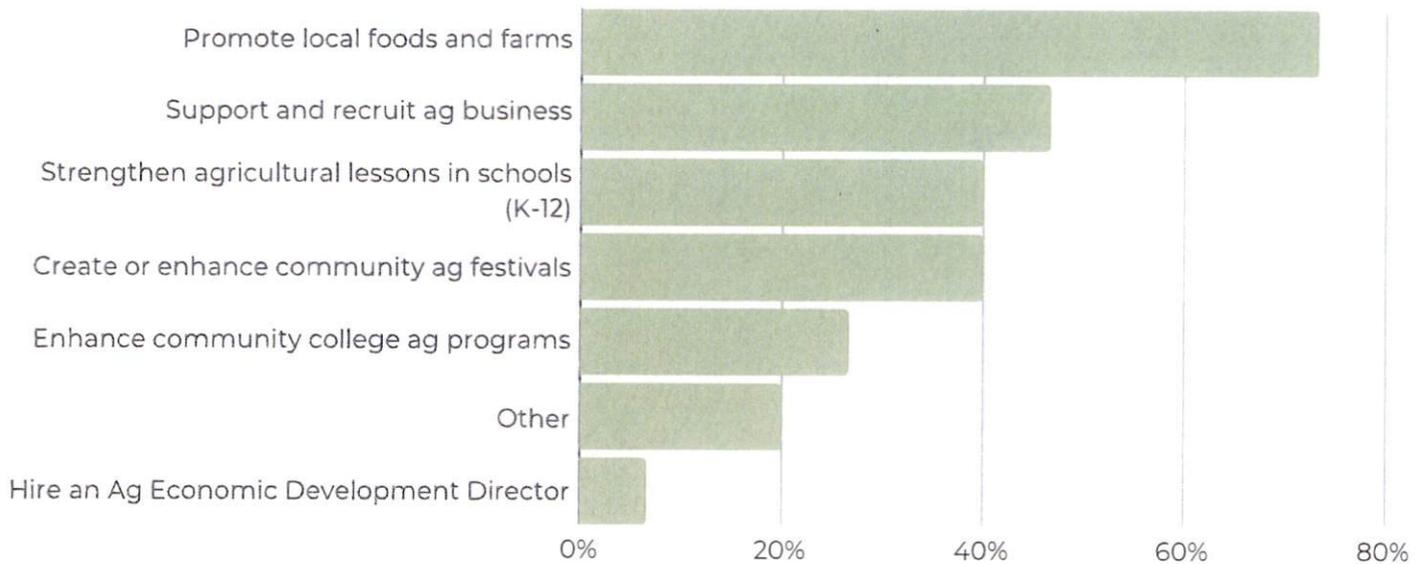


Macon County farmers are most interested in developing products that they can sell and grow, which subsequently addresses the challenges of profitability. About a third of respondents are interested in learning how to market their agricultural production and manage the financials of their agribusiness. About 27% of farmers are interested in learning how to transition their farms from one generation to the next.

Interestingly, about 13% of farmers want to know more about either leasing their land or selling their land for agricultural use. This is salient given that high land costs are initial barriers to entry for new and beginning farmers.



What activities do you recommend the county engage in to help preserve agriculture and farmland in Macon County? Select up to three.

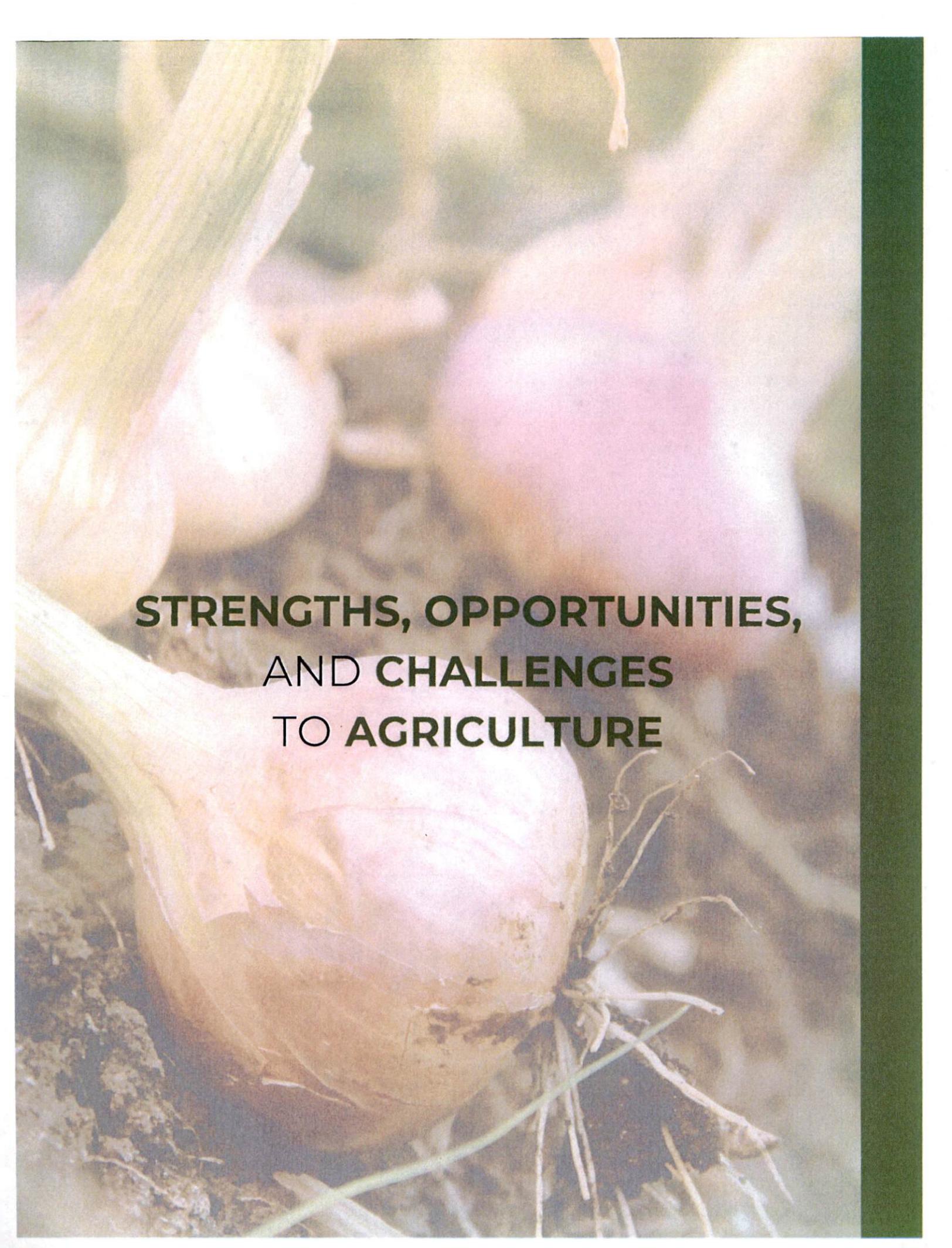


Most respondents recommend the county engage in the promotion of local food and farms and supporting or recruiting ag businesses. The next two most popular recommendations for preserving farmland include strengthening agricultural lessons in K-12 schools and creating or enhancing community ag festivals (40%). Similarly, over a quarter of respondents would like to see the community college agriculture programs strengthened, which demonstrates a consensus around fostering interest in agriculture amongst the younger generations as a means to preserve farmland.

Only 6% of respondents would like to see the county hire an agricultural economic development director, a position that could enhance connections throughout the farming community and support the attraction and retention of agribusinesses in the county.

Other responses include: promoting small, decentralized farms (less than 5 acres), creating a common warehouse space to get bulk deliveries, and make farmland preservation the top priority moving forward.

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**STRENGTHS, OPPORTUNITIES,
AND CHALLENGES
TO AGRICULTURE**

STRENGTHS TO AGRICULTURE

Location

Macon County is located in Western North Carolina, which contributes to its moderate climate and appealing living conditions. Additionally, Macon County is in close proximity to major metropolitan areas such as Asheville, North Carolina. This centralized location allows farmers within the region to expand their marketing channels and sell their products to a larger customer base that prioritizes local or regional products. Utilizing this opportunity and marketing local producers will help support the economic health of agribusinesses in Macon county.



Knowledgeable Farmers

Although the local farmer demographics represent a senior group of agriculture producers, these established farmers are able to provide an abundance of knowledge about agricultural processes. These farmers possess a deep connection to the surrounding land that has been passed down through generations. The heritage that many locals share with agriculture has created a wealth of local technical knowledge specific to the terrain. Within Macon County, there are several networking events that support the sharing of this knowledge and the establishment of relationships. One example is the Macon County Cooperative Extension which hosts projects, workshops, and community involvement programs for new and experienced farmers. Through these type of events, farmers are able to connect and establish communication hubs that can be used to spread knowledge and guidance to all types of farmers.

Local Government Agencies

Within Macon County, there are multiple entities that offer technical assistance and support to local farmers, like the local NC Cooperative Extension office. The staff at the center offer a range of services, including grant assistance, workshops, and access to research-based information. The center is also responsible for 4-H Youth Development which cultivates an increased understanding and appreciation for agriculture amongst the youth and the general public.

Additionally, the Macon County Soil and Water Conservation District (SWCD) provides various financial, technical, and educational assistance to landowners and farmers in the county. Within the SWCD, the NC Agriculture Cost Share Program (ACSP), the Natural Resource Conservation Service (NRCS), and the Farm Service Agency (FSA) work together to address agricultural conservation. These agencies promote resource management and conservation on private lands through voluntary, incentive-based programs. For example, these entities have programs in place that provide landowners with financial assistance for infrastructure construction, restoration from natural disasters, and environmental stewardship.

These agencies are a great strength to Macon County agriculture, but they are not being utilized to their full potential. To increase awareness and utilization of services, there is potential for more consistent communication between the agencies and Macon County farmers.



Young Farmers

Young farmers are a vital component of the agricultural community and seem to be a growing population within Macon County. There are many new farmers, particularly young couples, that have begun small farming businesses within the county. These young adults have an interest in agriculture and possess new mindsets about how farming should be handled. However, the main obstacle young farmers encounter is the upfront costs associated with starting a farming operation. The exorbitant costs of land and its lack of availability pose challenges to those looking to venture into agriculture. With this in mind, many new farmers have opted to rent farmland rather than purchase it. Through this strategy, young farmers are able to connect with established farmers and engage in knowledge sharing. Through this system, transition planning can be accomplished, and a new generation of farmers can be supported.

Local Food and Marketing Channels

In recent years, the local food movement in Macon County has gained momentum as more people have become concerned with the environmental and social repercussions of agriculture. Additionally, the COVID-19 pandemic disrupted the globalized food system and turned consumers' attention and dollars toward local growers. This increased demand for local, sustainably grown food has allowed small-scale farms to increase their direct-to-consumer sales channels through farmers' markets, community-supported agriculture programs, and online orders. The increased demand and attention on local food has opened the door for additional markets and partnerships between local growers and restaurants, grocery stores, and value-added producers.



CHALLENGES TO AGRICULTURE

Profitability

Many farmers in the county are required to work full-time jobs in addition to farming in order to guarantee a stable income. This results in less time spent farming but generates more income to invest in their business. Agriculture's low-profit margins also create barriers to entry for new farmers looking to start an agribusiness. Beginning farmers face high upfront capital investments, that result in immense debts and little profit for several years. This imbalance ultimately creates issues with recruiting a new generation of farmers and sustaining the current farms within Macon County.

Infrastructure Costs

Infrastructure costs can be a large financial burden for new and established farmers. In order for farms to grow, harvest, and process their products, investments in infrastructure are essential. As existing equipment ages, new technologies evolve and many farms are faced with a need for investment capital. Due to the low profitability of farming, many farmers can't afford to invest in the necessary improvements their farms may need. This lack of proper infrastructure leaves small-scale farmers at a disadvantage and results in a decrease in production and efficiency. Farmers with the availability to purchase new equipment must travel well outside of Macon County, or the state, to gain access to this equipment.

Labor Supply

The ability to employ a reliable workforce is a widespread challenge among farmers. The interest surrounding farming fluctuates frequently, which leaves a shortage of laborers that are willing to be involved. Farming labor is also prone to harmful stigmas that perpetuate the myth that manual labor is unskilled and not respectable. This mindset results in many individuals disregarding this line of work. Some farmers have participated in temporary agricultural worker programs, like the H-2A programs. Although this type of program can be effective, it is difficult to maintain due to wage and housing requirements.

Aging Farmer Population

A threat to the long-term viability of agriculture is the lack of young people starting new operations or taking over existing ones. Currently, most farms within Macon County are operated by older farmers that are aging out of the profession. These farmers are reaching the age where they can no longer sustain their farming operations on their own and need a new generation to take over. This transition poses a threat to the future of agriculture as young adults are choosing lifestyles that involve less work, risk, and more income than farming.

Population Growth & Development

The growth and expansion of communities within rural areas significantly impact the amount of available farmland. With an influx of people moving from urban to rural areas, there is an increased demand for residential, commercial, and industrial development. With this pressure to support more people, developers look to purchase prime farmland from landowners without a transition plan. This situation ultimately results in less available farmland for new farmers to acquire and for existing operations to expand into.

Weak Local Markets

Growth in agriculture requires sustainable markets that can support local farmers and attract customers. Within Macon County, the availability of these markets is limited and the quality is subpar compared to surrounding areas. Without consistent and reliable markets, farmers are forced to travel out of the county to sell the quantities needed to sustain their business. To address this issue, awareness and support for existing markets must grow as a way to encourage consumers to shop directly from local farmers. In turn, greater community buy-in will incentivize local growers to pursue direct-to-consumer marketing channels like local farmers markets.

FARMLAND PROTECTION PROGRAMS

Present-Use Value Tax Program

Present-Use Value, or PUV, is a program established in 1973 by N.C.G.S. §§ 105-277.2 to .7 and administered by the county assessor. Through PUV, qualifying property can be taxed based on soil quality and active use as agricultural, horticultural or forest land rather than for its highest and best use. The objective of the program is to keep the family farm in the hands of the family farmer. The NC Use-Value Advisory Board sets the assessment schedule based on the rent a parcel could receive given its soils and its use for agriculture or horticulture. Assessment schedules for forest land are based on the present worth of a future timber harvest. Qualifying property is assessed at its present-use value rather than its market value. Deferred taxes are the difference between the taxes due at market value and the taxes due at the present-use value. Deferred taxes for the current year plus the previous three years will become due and payable with interest when a property loses its eligibility in the present-use value program.

• Basic Requirements

- Minimum acreage of production land:
 - 10 acres for agricultural use.
 - 5 acres for horticulture use.
 - 20 acres for forest use.
 - Production must follow a sound management plan.
 - Agricultural and horticultural land must have at least one qualifying tract that has produced an average gross income of at least \$1,000 for the 3 years preceding the application year.
 - Forest land use must follow a forest management plan.

• Benefits

- Protection from increasing market values, which are based on a property's "highest and best" use, and the resulting increase in property taxes.

• Current Enrollment

- 103,102.53 total acres enrolled
- 62,198.94 acres classified as forestland
- 40,903.59 acres of agricultural land

Voluntary Agricultural Districts (VAD)

Established by N.C.G.S. §106-737-743 and administered at the county level, Voluntary Agricultural Districts are designated areas where commercial agriculture will be encouraged and protected. The purpose of the districts is to increase identity and pride in the agricultural community, encourage the economic and financial health of agriculture, horticulture and forestry; and increase protection from non-farm development and other negative impacts on properly managed farms. The “Macon Voluntary Agricultural District Ordinance” establishes additional rules and requirements for Voluntary Agricultural Districts.

• Requirements

- An Agricultural Advisory Board must be established to implement the provisions of the Macon County Voluntary Agricultural District ordinance.
- All Voluntary Agricultural Districts shall meet the following standards:
 - Meets all requirements in application process (found below); and
 - Shall be part of one region in Macon County (North, South, East, or West). If a single farm has acreage in two or more regions, the farm shall participate in the District where the largest acreage is found.
- To secure county certification as qualifying farmland a farm must:
 - Have 1 or more acres of land used for farming
 - Have 3 years proof of farming
 - Agree to keep your land in farming
 - Exception - 3 family home dwellings

• Benefits

- Increased protection from nuisance suits
 - Making people aware of potential for the following when farming occurs: odor, dust, slow moving farm vehicles, noise, other farm day to day operations, and other items that non-farmers consider a nuisance.
- Signage
- Notice in land records
- Waiver of water and sewer assessments
- Public hearing required for proposed condemnation
- Eligibility for funding
- Voice in county and city government.

• Current Enrollment As of April 25, 2024 - Map Found in Appendix C

- Number of landowners enrolled: 23
- Number of acres enrolled: 1,183 acres

Enhanced Voluntary Agricultural Districts (EVAD)

Established by N.C.G.S §§ 106-743.1 to .5, an Enhanced Voluntary Agricultural District is a VAD formed of one or more farms that are subject to an irrevocable 10-year agreement to limit development. The conservation agreement is automatically renewed for 3 years at the end of the 10-year term unless termination is given in a timely manner.

- **Benefits**

- In return for the condition of irrevocability, the landowner receives the added benefits of being able to receive 25 percent of gross revenue from the sale of non-farm products while still qualifying as a bona fide farm, and being eligible to receive up to 90 percent cost-share assistance from the Agricultural Cost Share Program.
- Operations can bring in and process any amount of a product not grown on the operation if the final product is recognized by the North Carolina Department of Agriculture and Consumer Services as a “Goodness Grows in North Carolina Product.” This value-added processing can be considered a bona fide farm purpose that is also exempt from county zoning. Counties may not recognize the processing of products grown off site as a bona fide farm purpose. This provision provides some additional flexibility for forestry, farm, and horticultural operations subject to a conservation agreement in the EVAD program.
- State departments, institutions, or entities with grants are encouraged to give priority consideration to any person who farms land that is subject to a 10-year conservation agreement.
- Waiver of assessments for utilities for farmland subject to a conservation agreement.
- Forest landowners that also have qualifying farmland are eligible to receive a higher percentage of Agriculture Cost Share Program funds.

Macon County does not have an ordinance for Enhanced Voluntary Agricultural Districts.

Conservation Easements

A conservation easement is a written agreement between a landowner and a qualified conservation organization or public agency under which a landowner may agree to keep the land available for agriculture and to restrict subdivision, non-farm development and other uses that are incompatible with commercial agriculture.

• General Information

- Permanently foregoing the right to subdivide or develop the land being conserved. There will be other limitations on activities to preserve the land's productivity, environmental values and rural character.
- A portion of the property can be left out of the easement, thereby providing an area for future homes and other non-farm activities.
- Agricultural activities, including forestry, are allowed under the agreement.
- Despite the term "easement", access to the public is not provided by the agreement.
- The value of a conservation easement is determined by a licensed land appraiser and is typically between 25 percent and 75 percent of the land's market value.
- A periodic inspection of the property is required to ensure that development does not occur. This provision will be included in the agreement.
- The agreement attached to the title is recorded in the Macon County Registry and noted on the County's land records. All future landowners must comply with the terms and conditions of the agreement.

• Financial Benefits

- If the conservation easement is donated, the landowner will likely qualify for a federal income tax deduction and a state income tax credit. The value of these benefits depends on the appraised value of the easement and the income tax situation obligations of the landowner.
- A conservation easement can also be sold by the landowner through a transaction commonly referred to as a Purchase of Development Rights (PDR), or Purchase of Agricultural Conservation Easement (PACE). Funds to purchase a conservation easement can be raised from private and government sources. North Carolina and the federal government have programs to purchase agricultural conservation easements. Funding through these programs is very competitive and will generally amount to a percentage of the easement's value. The tax benefits described above can be claimed for any of the easement's value above the purchase price.

• Current Enrollment

- There are two Restoration Easements in Macon County through the Southwestern Resource Conservation and Development Council, located along the Cartoogechaye River, and not considered Farmland Preservation Easements.

Agricultural Development and Farmland Preservation Trust Fund

N.C.G.S. § 106-744(c) established a trust fund to be administered by the Commissioner of Agriculture. The trust fund encourages the preservation of agricultural, horticultural, and forest lands. The purpose of the trust fund is to provide grant monies to purchase agricultural conservation easements, develop farmland protection plans, fund programs promoting the development and sustainability of farming, and assist in the transition of existing farms to new farm families. County governments and non-profit organizations can apply for grants for these purposes.

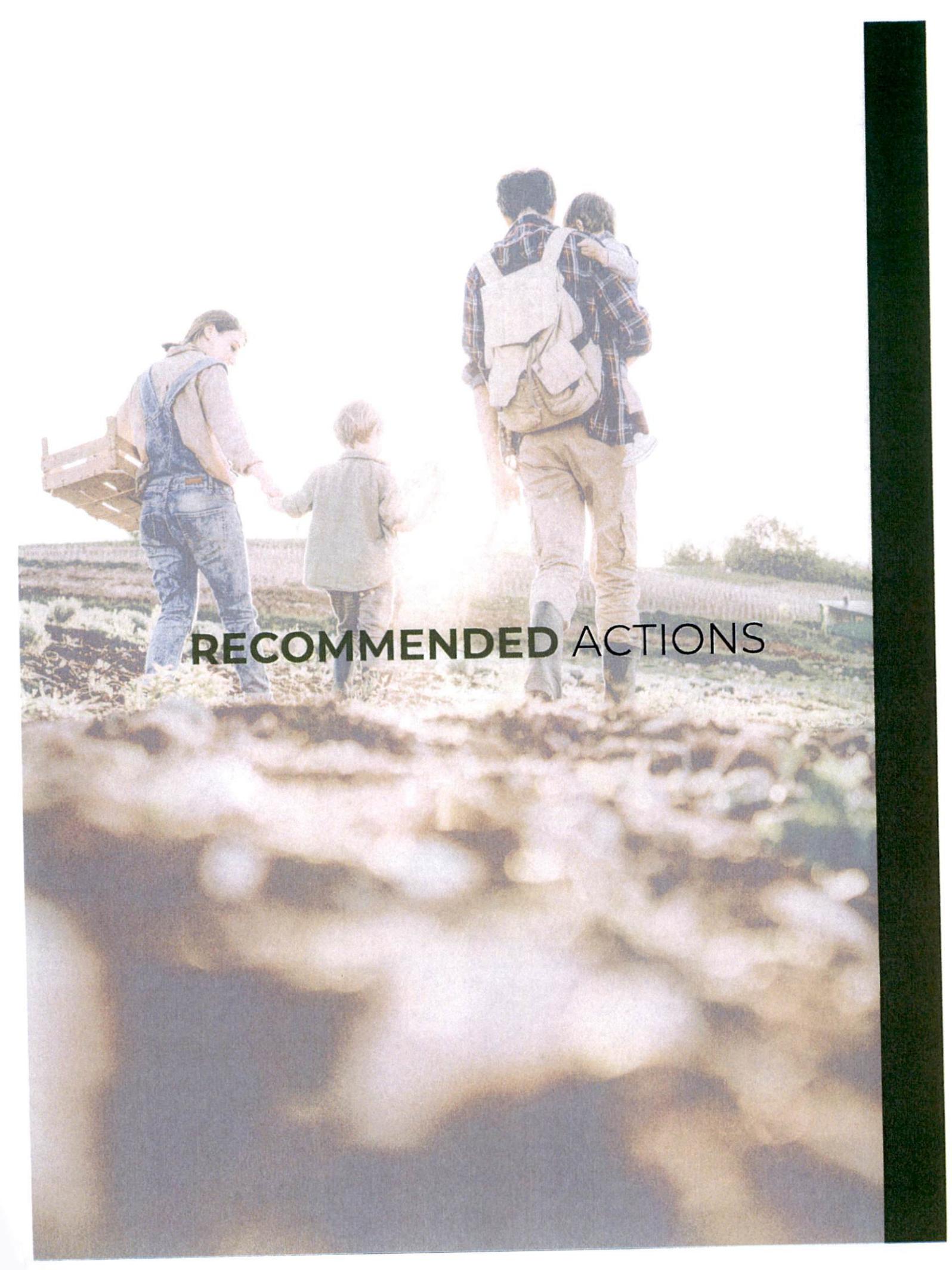
Farm Transition Planning

Making careful plans for the transfer of ownership of farm property and assets from the current owner to the next can be enough to preserve a farm for decades. Many options are available when planning an estate or land transfer. Farm owners can increase the likelihood of a successful transition that maintains the viability of the farm by obtaining professional assistance early in the process. The NC Farm Transition Network provides educational and technical resources to professionals and landowners.

NC State Extension provides support for farm transition and legacy planning through NC FarmLink. Their website lists educational publications addressing the transfer and management of farm and forest land, experts and organizations for farm management, and beginning steps.



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RECOMMENDED ACTIONS

RECOMMENDED ACTIONS

This list of recommendations are meant to create a viable agricultural ecosystem in Macon County. These recommendations were formed by analysis of the Census of Agriculture, farmer and stakeholder interviews, and the public survey. All recommendations will be classified as a short-, near-, or long-term goals. Foothills Regional Commission advises to implement the listed recommendations across the three broad categories, which are Strengthen Agricultural Economy, Foster Awareness and Public Support for Agriculture, and Protect Farmland as a Valuable Resource.

Strengthen Agricultural Economy

Invest in Local Farmer's Markets

Macon County has an opportunity to implement consistent and reliable markets to support local farmers, or partner with neighboring counties to create a regional market. Local or regional markets play a crucial role in the the local community and agricultural economy. Markets will help educate locals about what is grown in their county and provide access to fresh, locally grown produce.

Consistent markets will also open avenues for farmers, both small- and large-scale, to become more profitable. **By buying from local farmers markets, consumers directly support producers, helping to keep money circulating in the local community.** This sustains local businesses, preserves farmland, and strengthens the local economy.

Increase awareness about opportunities and resources provided by local government entities.

Various farmers spoke highly of the resources provided by the local government agencies seeking to advance agriculture in the county. **To ensure that more farmers are aware of the various programs that exist on a local level, the entities should collectively strengthen their marketing efforts and increase their community outreach.** To improve awareness, the agencies should consider creating a marketing strategy that outlines actionable steps and realistic metrics that measure impact. For instance, the agencies could create marketing materials, such as brochures and flyers, that provide detailed information about the available programs as well as appropriate contact information. Additionally, the online presence of the agencies can be improved by adding more program information to each respective website. As for outreach, these entities can collectively create a community outreach strategy that identifies potential events, workshops, and committees that will allow them to reach their target audience. The Region A or Southwestern Commission can assist with providing certain marketing services that will increase awareness at the community level.

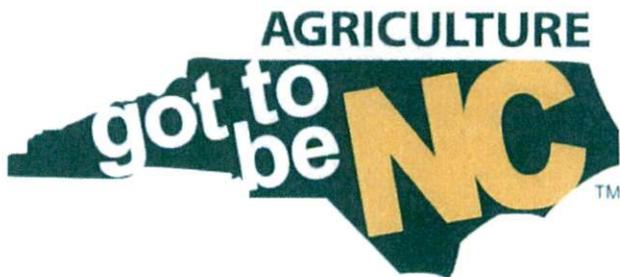
Provide support and marketing assistance to farmers and agribusinesses.

Small business development for farmers involves various strategies to help them succeed in the competitive marketplace while maintaining sustainable agricultural practices. **Offering a range of services, like business planning, education about direct marketing channels (CSA), and marketing assistance, will allow farmers to grow their operation and profits.**

Value-added products: Explore value-added production opportunities such as processing, packaging, marketing farm products in new formats. This could involve producing specialty foods, creating branded merchandise, or offering agritourism experiences such as farm tours or workshops.

In farming, the production of crops or livestock is only one aspect of a successful business. Farmers are also responsible for promoting the value their products hold in order to solicit sales. This involves utilizing a combination of marketing tools including personal branding, digital media such as websites or social media, and print media like flyers and business cards. The survey results revealed that Macon County farmers are eager to learn more about ways to market their agricultural products.

Marketing Assistance: additional training, resources, and workshops can be provided. This includes the promotion of existing statewide brands like "Got To Be NC" and regional brands like "Appalachian Grown," which is reserved for food grown on farms in Western NC and the Southern Appalachian Mountains. These brands offer packaging materials that have strong recognition and positive associations with local and sustainable agriculture, which can help farmers stand out in the market and connect with consumers who value these qualities. Additional marketing support includes connecting farmers with buyers and distributors who value these brands and developing joint marketing campaigns that highlight the unique qualities of local agriculture grown in Western North Carolina.



Encourage farmers to diversify crop/livestock items to become resilient to market changes.

Through the years of 2007 to 2017, livestock and poultry sales were the main economic driver of the County's agricultural sector, accounting for nearly 91% of all sales in 2017. But in 2022, livestock and poultry sales decreased by 29% and crop sales increased by over 75%.

This sharp change in the economic sector may have led to the drastic decrease in net income for farmers. In order to become more resilient to these market changes, farmers must diversify their crop or livestock options. **Diversifying their production will contribute to the overall sustainability, productivity, and resilience of the agricultural system in Macon County, as well as reducing overabundance of crops.**

Diversity often allows for overall increases in production and profitability by offering reduced need for synthetic inputs, decreased pest pressure, and more diverse income sources. Growing a variety of crops reduces the risk of widespread crop failure due to pests or diseases that target specific species. Crop rotation and diversification can help maintain or improve soil fertility.

Farmers can maintain high yields and sustained profits through an updated rotational approach. The Union of Concerned Scientists have recommended a list of policy changes that increase technical assistance to ensure farmers can make the transition to a farming system that supports their livelihood.

More information about crop diversification can be found on the National Sustainable Agriculture Coalition website.



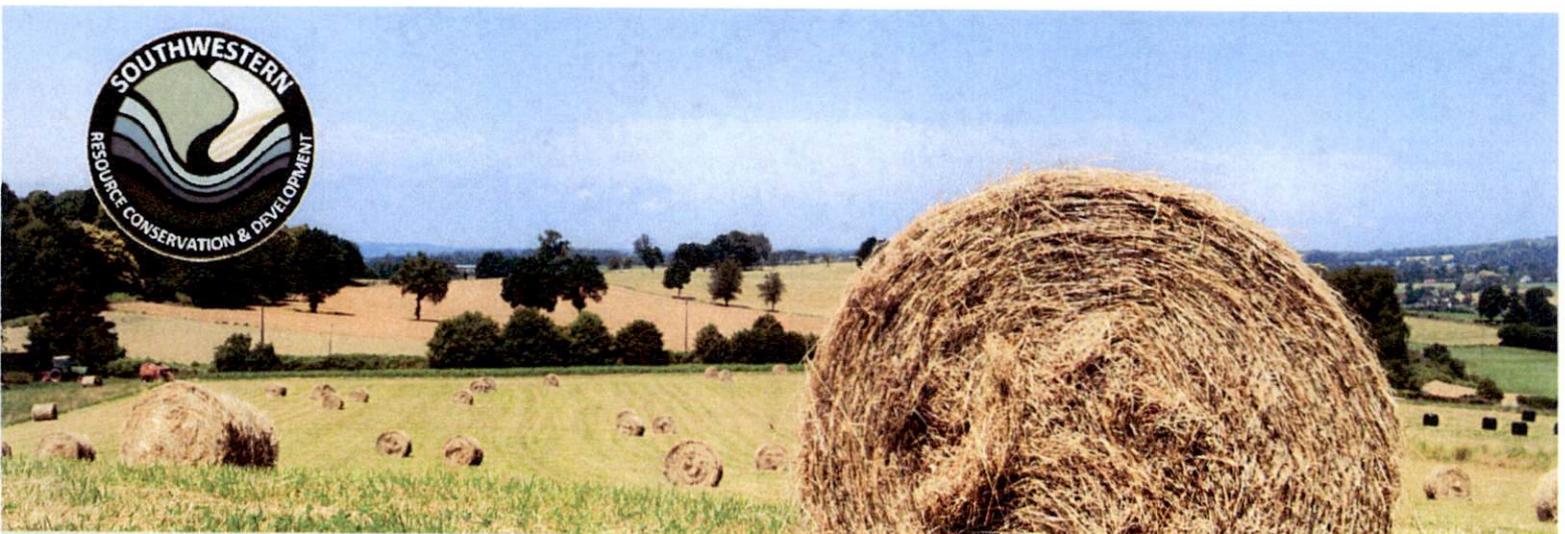
Foster Awareness and Public Support for Agriculture

Increase awareness and support for those interested in transition planning.

To ensure the continued success of agriculture in Macon County, transition planning is a key tool that more farmers should be encouraged to participate in. **Transition planning helps those that have no future arrangements for their land or business safeguard agricultural land so that it can continue to be farmed by future generations.** Through this process, young farmers can bypass some of the barriers to farming and be given the opportunity to take over existing land when starting their own operations. In order for this tool to be utilized, local farmers should be encouraged and provided the resources to participate in this planning system. Awareness surrounding this process should be shared at local agriculture events and among organizations within the county. There should also be sources of contact that can help guide farmers through this process in order to properly establish plans that have viable futures.

Increase awareness around conservation easements through outreach.

Conservation easements are an important tool in the preservation of farmland that restricts residential, commercial, and industrial development. The purpose of these easements is to ensure that land remains in agricultural, horticultural, or forestry production. **Ensuring that farmers are aware of this opportunity and the inner workings of the program is crucial in expanding easements within the county.** In order to achieve this, a partnership with Southwestern Resource Conservation and Development (RC&D) should be pursued. This could consist of RC&D speaking at local agricultural events to engage and educate local farmers on how easements operate. They could also supply pamphlets or other sources of information that are easily accessible to farmers. Outreach of this type would increase the knowledge surrounding conservation easements and their subsequent benefits.



Support the Macon County Fair

The Macon County Fair is crucial to engage the community about the importance of local agriculture through exhibitions and education. **This event showcases the county's rich agricultural heritage, highlighting the hard work and dedication of local farmers and growers.** Visitors to the Macon County Fair learn about various crops, livestock, and agricultural practices, as well as the overall importance of farming and local food production. Overall, this joint effort would be a great way to promote agriculture and community engagement in Macon County.

Support agricultural training and education at the K-12 levels.

In Macon County, the average farmer is 59.6 years old. When the time comes for the older farming generation to step away from agriculture, it is essential that a new generation of farmers are equipped to fill that role. **Fostering the youth's interest in agriculture and providing them with ample opportunities at a young age is essential to preserving the act of farming.** Future Farmers of America chapter affords students the opportunity to explore a broad range of agricultural career pathways while developing their leadership skills. These programs have contributed to flourishing alumni networks, and have seen students gain employment in the ag industry and pursue degrees at N.C. State University.

Some of the extracurricular activities and programs the schools used to offer through their agricultural education courses have yet to return to pre-pandemic levels. **To encourage students to begin thinking about agricultural education while they are in the lower grades, there is room for greater discussion about the food system as a whole.** A poster contest used to occur that allowed elementary-aged students to discuss where food comes from and how it makes its way into stores. Increasing this type of interactive assignment would help younger students gain a better understanding of agriculture production within their community. Another program that could foster elementary and middle schoolers' interest in ag would be local farm and agribusiness visits. This type of experiential learning would teach children how the farming process works and allow them to meet the farmers within their community.

Along with farm visits, farmer guest lectures would provide a great opportunity for students to connect with farmers and learn about different ag operations. This personal approach would get younger students interested in farming before they enter high school and have the ability to enroll in ag courses. Lastly, increasing involvement in 4-H Youth Programs that are offered through the Cooperative Extension would equip youth with the skills and knowledge needed to advance into an agricultural occupation. These programs help foster children's interest in agriculture while giving them an outlet to explore different clubs and activities. Overall, each of these programs would strengthen agricultural training and education while also developing stronger connections between schools and local farms.

Protect Farmland as a Valuable Natural Resource

Set enrollment goals for the VAD and establish an EVAD ordinance.

The VAD serves to increase identity and pride in the agricultural community and increase protection from negative impacts on properly managed farms. The VAD also serves to organize the agricultural community by strengthening solidarity and providing a mechanism for farmers to speak with a unified voice.

The current VAD ordinance is inclusive, as it allows small-scale farmers on at least one acre of land to participate in the program. Farmers must have farmed on that land for a minimum of three years. Unfortunately, only 23 farms (1,183 acres) are currently participating in the VAD program. **Setting enrollment goals for the VAD will strengthen the agricultural community in Macon County and increase protection for farmers.**

Establishing an EVAD ordinance within Macon County would also be beneficial since it irrevocably protects farmland from development for at least ten years. Promoting the VAD and EVAD programs, along with setting enrollment goals, will further preserve farmland in the county.

Develop a land lease recruitment program.

Currently, there is no formalized system in Macon County that connects existing landowners with those looking to establish or grow a farming operation on rental land. During interviews, new and established farmers expressed interest in renting parcels of land to grow their operation. Coupled with an aging farmer population in Macon County, establishing a land lease program will allow aging farmers to establish succession plans and ensure their land remains in active agricultural production.

In order to close this gap, a local land leasing program should be established with the intent of coordinating and facilitating connections. The local program should closely collaborate with WNC Farmlink, a regional branch of NC Farmlink that maintains databases of available farmland and farmers looking for land. **In cooperation, these entities can attract more farmers to the county, ease the financial burdens associated with starting a farm, and expand farmer networks across generations.**

TIMELINE FOR IMPLEMENTATION

	Action	Short-Term	Near-Term	Long-Term
Strengthen Agricultural Economy	Invest in local farmer's markets		✓	
	Increase awareness about opportunities and resources provided by local government entities.		✓	
	Provide marketing assistance and support to farmers and agribusinesses.		✓	
	Encourage farmers to diversify crop/livestock items to become resilient to market changes.			
Foster Awareness and Public Support for Agriculture	Increase awareness and support for those interested in transition planning.	✓		
	Increase awareness around conservation easements through outreach.	✓		
	Support agricultural training and education at the K-12 levels.		✓	
Protect Farmland as a Valuable Natural Resource	Increase awareness about opportunities and resources provided by local government entities.	✓		
	Set enrollment goals for the VAD and establish an EVAD ordinance.	✓		
	Develop a land lease recruitment program.			✓

FUNDING SOURCES

Gold Leaf Foundation

Golden LEAF supports agriculture projects as an economic development engine. Their grants for agriculture projects have supported the development of new crops, expanded markets for agriculture products, scientific research, training for farmers, cost-effective techniques and value-added agricultural enterprises.

WNC Agricultural Options Program

The Ag Options Program helps build sustainable farming communities in our mountain region by providing resources directly to farmers who are diversifying or expanding their operations. The ultimate goal of WNC Ag Options is to protect mountain farmland by assisting the longevity of farm enterprises and encouraging groups of farmers to solve logistical challenges in the local agricultural system.

NC Tobacco Trust Fund

The North Carolina Tobacco Trust Fund Commission provides grants for a variety of projects related to the tobacco industry and its impact on the state. Specifically, the commission focuses on projects that support the economic development of rural communities that have been historically dependent on tobacco production.

USDA Farm to School

On an annual basis, USDA awards competitive Farm to School grants to be used for training, supporting operations, planning, purchasing equipment, developing school gardens, developing partnerships, and implementing farm to school programs.

NC Ag in the Classroom Going Local

Going Local Grants help educators provide Pre-K through collegiate level students with valuable, real-world education and experiences directly related to the agricultural industry and the Common Core State and Essential Standards. Teachers practicing in private and public North Carolina schools, colleges, and universities are encouraged to apply.

USDA Local Food Promotion Program

The Local Food Promotion Program (LFPP) funds projects that develop, coordinate and expand local and regional food business enterprises that engage as intermediaries in indirect producer to consumer marketing to help increase access to and availability of locally and regionally produced agricultural products.

The America's Farmer Grow Communities Bayer Fund

The America's Farmers Grow Communities Bayer Fund program seeks to give \$5,000 grants to farming communities across rural America. They focus on a variety of STEM education efforts, Food and Nutrition, Wellness and Ag Youth initiatives in rural communities where farmers live and work.

Appalachian Regional Commission (ARC)

ARC's agricultural grants are designed to support the economic development of rural communities in the Appalachian region by promoting sustainable agriculture, local food systems, and value-added products.

The Community Foundation of Western North Carolina

This organization aims to increase opportunities for local farmers and food entrepreneurs who support the sustainability and profitability of WNC farms and address food insecurity and facilitate nutrition and healthy eating for all.

Sustainable Agriculture Research & Education (SARE)

SARE offers competitive grants to fund research and education projects that advance sustainable agricultural practices in the United States.

Appalachian Sustainable Agriculture Project (ASAP)

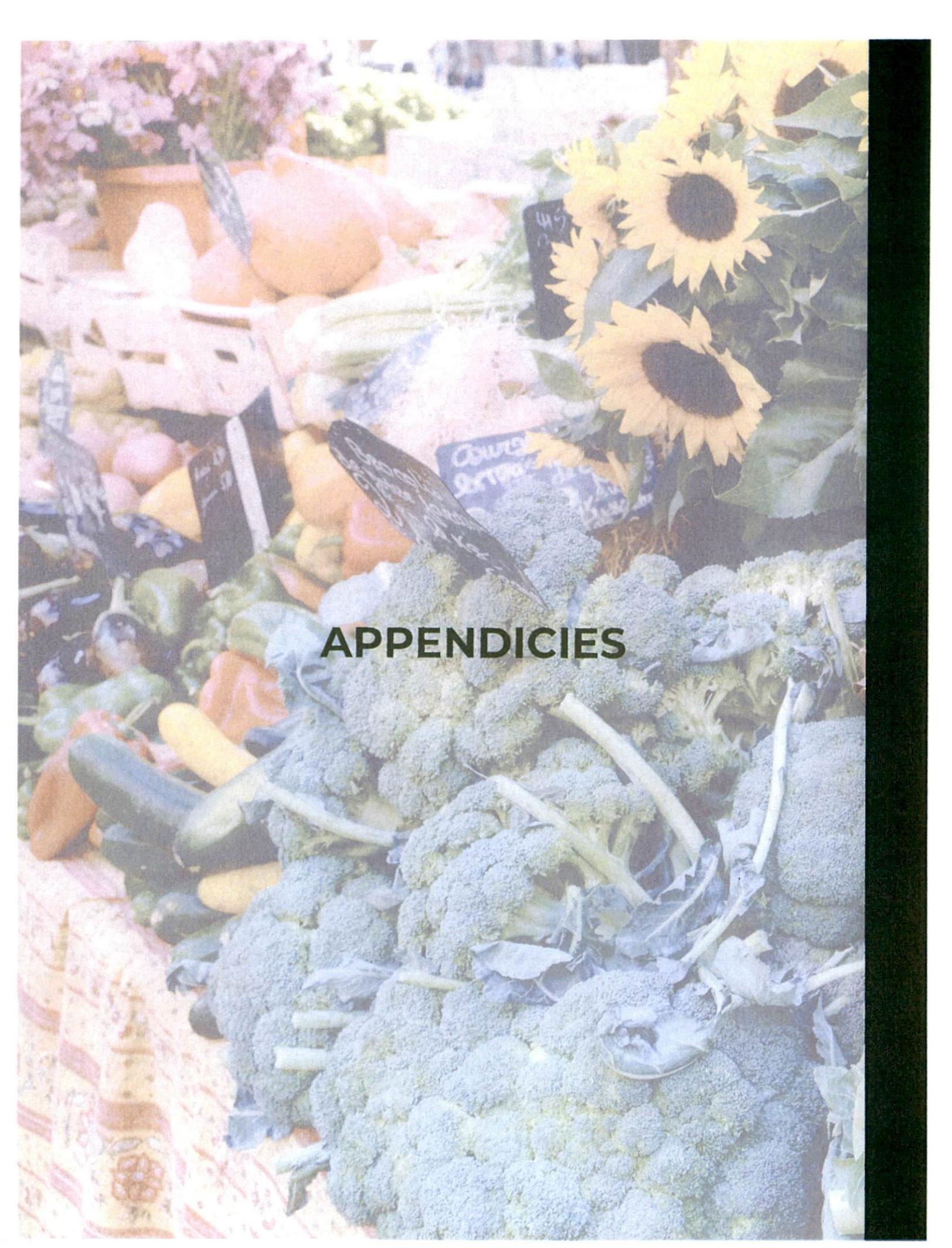
ASAP, through support from the North Carolina Tobacco Trust Fund Commission, has funds available for Appalachian Grown certified farms and farm groups in North Carolina to promote locally grown food. These funds can be used for design and production of labels, packaging, or promotional materials featuring the Appalachian Grown logo.

ACEP Agricultural Land Easements (ACEP-ALE)

NRCS provides financial assistance to eligible partners for purchasing Agricultural Land Easements (ALE) that protect the agricultural use and conservation values of eligible land. In the case of working farms, the program helps farmers and ranchers keep their land in agriculture. The program also protects grazing uses and related conservation values by conserving grassland, including rangeland, pastureland and shrubland. Eligible partners include Indian tribes, state and local governments and non-governmental organizations that have farmland or grassland protection programs.

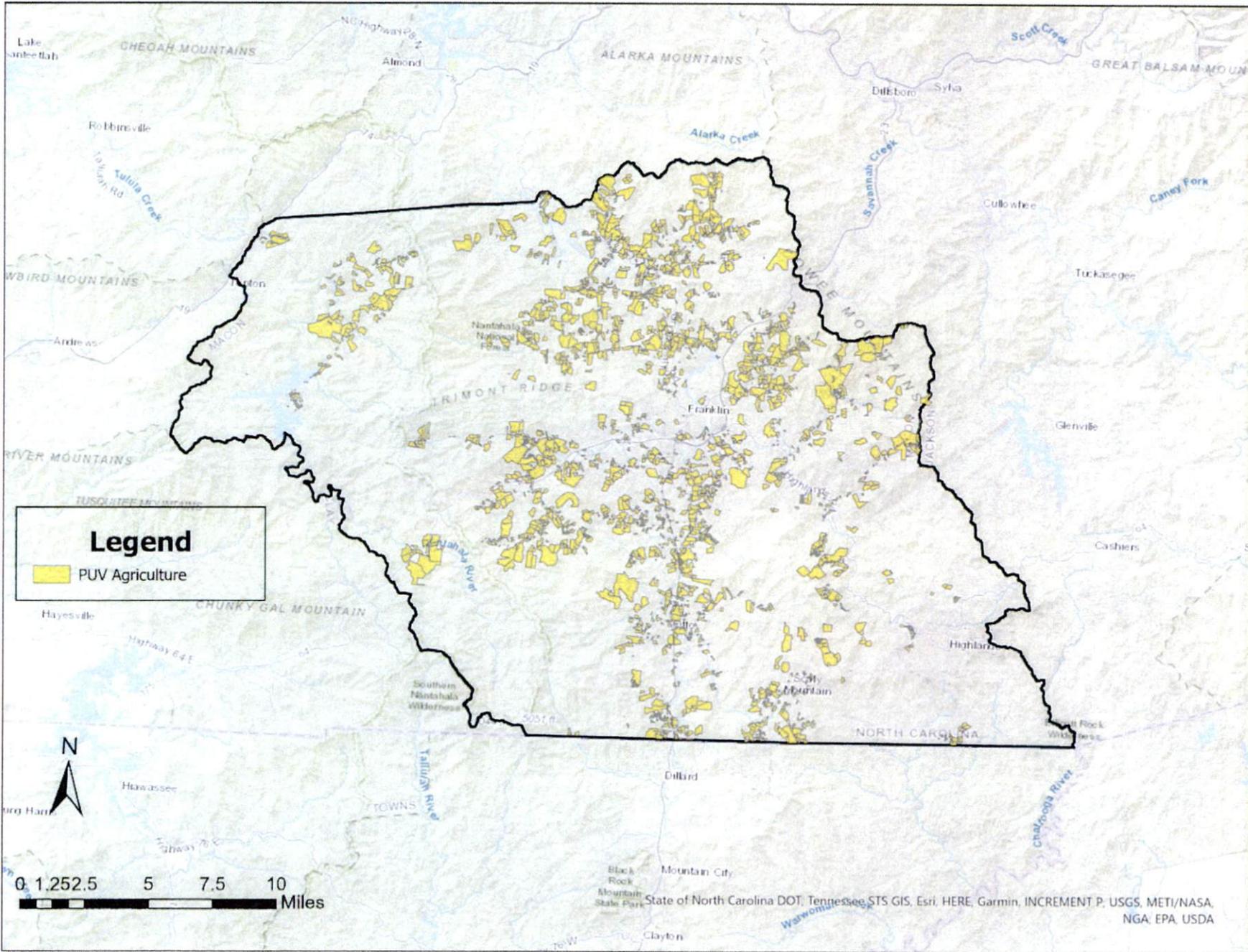
USDA Farmers Market Promotion Program

The Farmers Market Promotion Program (FMPP) funds projects that develop, coordinate and expand direct producer-to-consumer markets to help increase access to and availability of locally and regionally produced agricultural products by developing, coordinating, expanding, and providing outreach, training, and technical assistance to domestic farmers markets, roadside stands, community-supported agriculture programs, agritourism activities, online sales or other direct producer-to-consumer (including direct producer-to-retail, direct producer-to-restaurant and direct producer-to-institutional marketing) market opportunities.

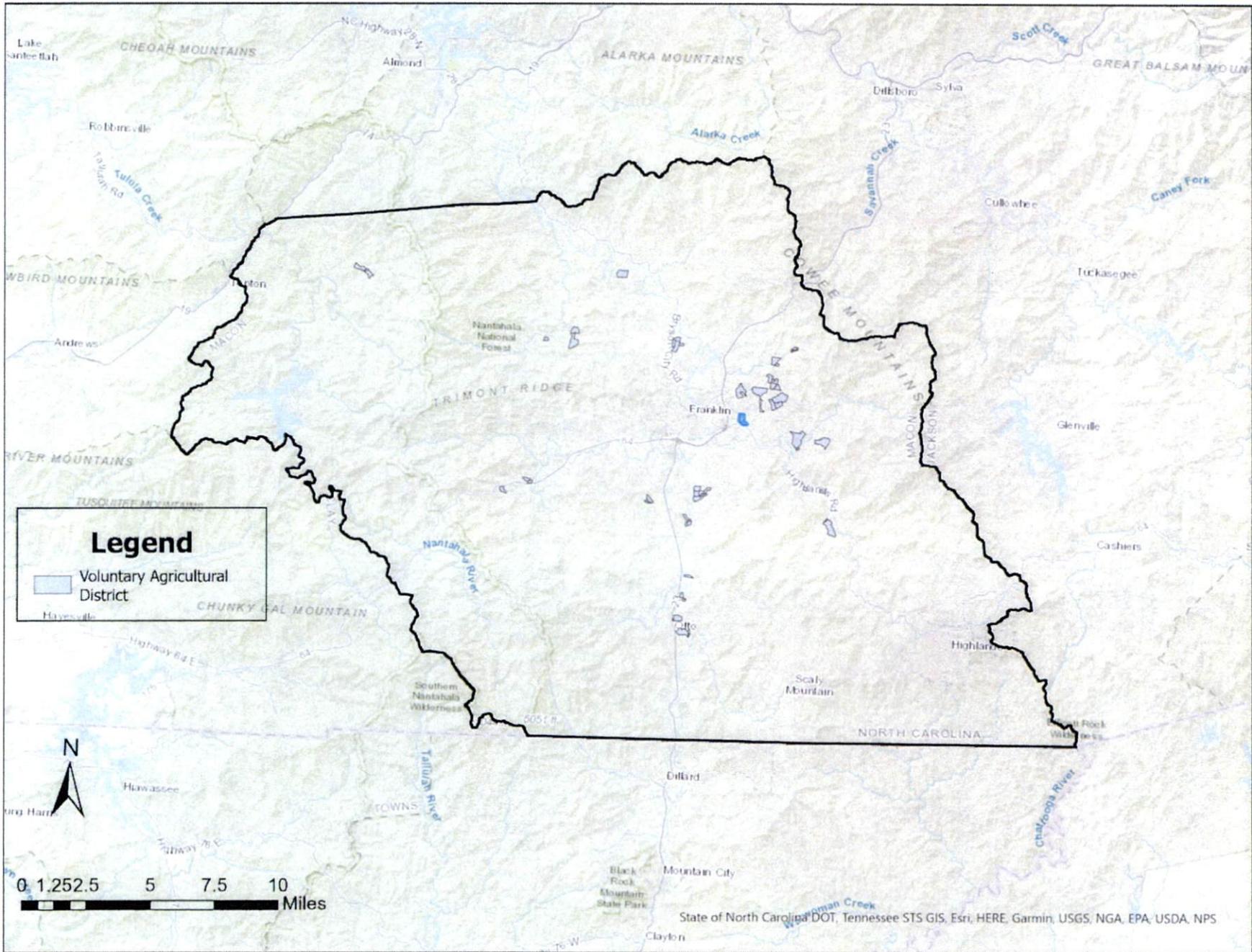


APPENDICIES

Appendix B



Appendix C



Appendix D

Farmer Interview Questions

1. Can you tell us a little bit about yourself, how you got into farming, and what farming means to you?
2. What are some internal and external challenges you've encountered while farming? (this includes costs, managing the business side, ag infrastructure, encroachment on land, etc) What impacts the success of your farm operation the most?
3. Based on these challenges, what would like to see in effect that would be beneficial to farming in Macon County?
4. What are some things the county does right when it comes to supporting farmers and their operations?
5. Do you have any ideas on ways we can preserve farmland and ensure it is used for agricultural purposes in the future?
6. What can be done to support the business side of farming that would keep farms in operation?
7. What are some of the differences in the way you farm compared to other generations? How will that impact the future of farming?
8. Are you optimistic about the future of agriculture in Macon?

Appendix E

EVAD Ordinance Examples

Use the following links to access example EVAD ordinances from surrounding counties. These examples are provided as a resource for entities in the future addition of EVADs within Macon County.

Haywood County

<https://www.ncagr.gov/Farmlandpreservation/VAD/documents/HaywoodEnhancedSearchable.pdf>

Yancey County

<https://www.ncagr.gov/Farmlandpreservation/VAD/documents/YanceyVADOrdinance.pdf>

Henderson County

<https://www.ncagr.gov/Farmlandpreservation/VAD/documents/Henderson.pdf>

Catawba County

<https://www.ncagr.gov/Farmlandpreservation/VAD/documents/CatawbaScanned.pdf>

Buncombe County

<https://www.buncombecounty.org/common/soil/buncombe-farmland-preservation-ordinance.pdf>



MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – OLD BUSINESS

MEETING DATE: August 13, 2024

10(A). Representatives from Vannoy Construction will be present to request approval of early design release cost for the Highlands School project. A copy of the proposal is also included in your packet.

10(B). Project Coordinator Jack Morgan will present a cost estimate to finalize the Wesley's Playground project associated with the new well. A copy of the cost estimate for your consideration and approval is included in your packet.

10(C). At the July 9, 2024, regular meeting the Board began a discussion about what should be done with the old Cowee School when the existing lease expires on April 30, 2025. For your discussion, debate, and consideration, Mr. Ridenour has shared the following available options:

1. Re-lease the property. If the lease is for over 10 years, then the lease would be treated like a sale, which would require following one of the processes below.
2. Competitive sale by public auction (NCGS §160A-270);
3. Competitive sale by sealed bid (NCGS §160A-268);
4. Competitive sale by upset bid process. (NCGS §160A-269). This is the process we traditionally follow when we get an offer on surplus real property.
5. Exchange or trade for fair consideration of other real property. (NCGS §160A-271)
6. Donate to another governmental entity or non-profit that serves a public use, with stipulations in the deed that the property must be continued to be used for a public purpose. (NCGS §160A-279) The Cowee School Arts and Heritage Center is a NC non-profit Corporation that was previously determined to serve a public purpose (NCGS §153A-444 and 153A-449). This is the

process that was previously followed on the Old Pine Grove School when the County deeded it to the Macon Co. Preservation Society. In that case, the Macon Co. Preservation Society failed to follow through with its obligations to maintain, and the County was ultimately able to get it reconveyed back to the County.

10(D). A public hearing on the Soil Erosion and Sedimentation Ordinance was held at the July 9, 2024, regular meeting. The board voted to engage in a follow-up discussion at the August 13, 2024, regular meeting. A copy of the proposed changes was included in the July 9, 2024 agenda packet.



August 8, 2024

Macon County Government
5 West Main Street
Franklin, NC 28734

ATTN: Derek Roland

Early Design Work Package Release

Re: **Highlands School Addition & Renovation Project**

Dear Derek:

While we work to finalize the additional Owner Requests/Design and the Contaminated Soil & Water costs, we need to release a couple of trades on their design and potential material procurement. This will allow the project schedule to stay on track to be complete with the majority of the scope of work by end of next Summer 2025.

- Deep Foundations Engineering, Sheet Piling Procurement and Structural Steel Design: **\$145,500**
- Allowance for Additional Soil & Water Contamination Consultant Investigation Related to the Underground Storage Tank Removal: **\$40,000**

Total: \$185,500

Sincerely,

Kevin Aull

A handwritten signature in blue ink, appearing to read 'K. Aull', is written over a light blue horizontal line.

Project Manager
(828) 417-2129

Below is a cost estimate for completing the water distribution from the new well to the splash pad at Wesley's Park. Completing this project will alleviate future water costs from the Town's public water supply. I will be available for questions and will present this information.

Jack Morgan

Well pump, pipe, wire and controls						\$8,023.61		Cranes	
Construct new electric service, connect well and splash pad controls						\$2,600.00		Bumgarner	
Install 2" PVC water, 1.5" conduit from well to building, replace sidewalk pour slab for well cover, replace defercive solenoids, install UV water treatment		defective solenoids and water filter				\$9,025.00		County Staff	
Park bench for Crane's						\$799.00		Greenway	
				TOTAL		\$20,447.00			

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – NEW BUSINESS

MEETING DATE: August 13, 2024

11(A). The Macon County Board of Education has requested that Mr. Lightner be present to discuss school lunches for Franklin High School and Highlands School.

MACON COUNTY BOARD OF COMMISSIONERS

AGENDA ITEM

CATEGORY – CONSENT AGENDA

MEETING DATE: August 13, 2024

Item 12A. Draft minutes from the June 9, 2024, regular meeting are attached for the board's review and approval. (Tammy Keezer)

Item 12B. Budget Amendments #29-42 are attached for your review and approval. (Lori Carpenter)

Item 12C. Macon County Public Health Billing Guide and Fee Plan. (Melissa Setzer/Kathy McGaha)

Item 12D. Ratification of fireworks permit for fireworks display held on August 2, 2024

Item 12E. Tax releases for the month of July 2024 in the amount of \$4,515.20, per the attached memorandum from Tax Collections Supervisor Delena Raby.

Item 12F. A copy of the ad valorem tax collection report as of July 2024. Report only. No action is necessary. (Delena Raby)



MACON COUNTY BOARD OF COMMISSIONERS
July 9, 2024
REGULAR MEETING MINUTES

Chairman Shields called the meeting to order at 6:00 p.m. All Board Members, County Manager Derek Roland, Deputy Clerk Tammy Keezer, Finance Director Lori Carpenter, and County Attorney Eric Ridenour were present, as were a number of county employees, media, and citizens.

At 6:01 p.m. Chairman Shields made a motion, seconded by Commissioner Antoine, to move the meeting to Courtroom A on the fourth floor of the Macon County Courthouse, located at 5 West Main Street, Franklin, N.C. due to the large number of citizens present. Motion by Shields, seconded by Antoine to recess to Courtroom A. The vote was unanimous. Chairman Shields called the meeting back to order at 6:13 p.m.

ANNOUNCEMENTS:

(A) Ms. Keezer announced that an inspection had been performed on the Senior Services Center and that no ADA issues were found. The safety inspection team has a meeting to discuss the inspection scheduled for the end of July with DSS Director Patrick Betancourt and Senior Services Administrator Jennifer Hollifield. The inspection results will be discussed at this meeting and the team will work with Mr. Betancourt and Ms. Hollifield to identify any other programmatic, space, or parking issues the Senior Center try and come up with ideas for addressing the same. Ms. Keezer said she will plan on bringing the report to the Board of Commissioners in August to discuss potential next steps.

MOMENT OF SILENCE: Chairman Shields requested all in attendance rise and a moment of silence was observed.

PLEDGE OF ALLEGIANCE: Led by Commissioner Young, the pledge to the flag was recited.

PUBLIC HEARING(S):

Proposed Amendment to the Macon County Soil Erosion and Sedimentation Control Ordinance – Commissioner Shields opened the public hearing at 6:25 p.m. and Mr. Roland introduced Caleb Gibson as the County Planner who will be appointed tonight as the Ordinance Administrator. Mr. Gibson gave an overview of the changes to the ordinance saying that the proposed change is to increase the area requiring a sediment and erosion control plan from a design professional from a half acre to one acre. He said this proposed change has already been approved by the Planning Board. The public comment portion of the hearing included the following: **Sarah Johnson** spoke in opposition to changes to the ordinance and talked about protected species living in the waters that are impacted by soil erosion and sedimentation. **Susan Irvin** said we have

all seen muddy waters in the area and requested the Board take things slower and choose to have clear water treating land as more than a commodity, but with respect and as the land we love. **Kelly Moore** said she was representing Mountain True and asked that the ordinance remain as it is. She clarified that the change is about disturbing a half acre of land not about developing a half acre of land. **Rob James** said he was opposed to the proposed changes to the soil erosion ordinance and shared memories of fishing on the Little Tennessee and never catching a fish due to the dirty waters and of the aftermath of Hurricane Ivan and how dirty, thick, and orange the river was. **Don Reece** said his passion is clean water, and clean streams for everyone and stated he wonders why the Board would want to loosen the current restrictions. He said he hopes the Board will do the right thing and speak to the experts and FEMA. **Angela Faye Martin** said she has pictures showing violations of soil erosion and sedimentation control and had spoken to Planning Director Joe Allen in the past and was told she needed to come in and file a complaint. She asked that no changes be made to the ordinance. **Pam Walker** said she is a new resident of Macon County and is here because of the people and how they appreciate the land. She requested no changes to the ordinance. **Brian Almedia** was not present when his name was called so his wife Stephanie spoke on his behalf. She said she lives by a wetland that Josh Young just sold and that before the sale the piece of property was landlocked and she is upset about that changing. She then spoke about wanting people to come together to develop a plan to spend the opioid money that is in the bank to save our youth yet we are talking about filling in land to make more money.

Commissioner Shields made a motion, seconded by Commissioner Young to close the public hearing at 6:50 p.m. The vote was unanimous. Commissioner Shearl said he hears everyone with the complaints and concerns and that this is not a new sedimentation issue. He said if we have issues with construction sites maybe we should increase the permitting of those sites and issue a hefty fine on erosion control issues. Commissioner Shearl asked Mr. Gibson what the requirements for the state are regarding land disturbance. Mr. Gibson said they are one acre. Commissioner Young said he wanted to respond to Ms. Almedia's comment and stated he sold the land and purchased the motel across from Tractor Supply and cleaned the hotel up to help with the drug activity happening there. Commissioner Higdon asked Mr. Gibson about how many ordinances he had to oversee. Mr. Gibson said there are ten or so ordinances that he is responsible for enforcing. Commissioner Higdon asked how many people Mr. Gibson has working for him and Mr. Gibson said none. Commissioner Higdon said he thinks if we don't have enforcement then we are just providing lip service and there is no way that Mr. Gibson can properly address all the issues that Macon County has with the ordinances. Commissioner Shields made a motion, seconded by Commissioner Antoine to table the decision and pick it up again in August at the regularly scheduled meeting. The vote was 3-2 with Commissioner Shields, Commissioner Antoine, and Commissioner Higdon voting in favor of the motion and Commissioner Young and Commissioner Shearl opposed.

Proposed Amendment to the Macon County Watershed Protection Ordinance – Commissioner Shearl made a motion, seconded by Commissioner Young to open the public hearing at 7:07 p.m. The vote was unanimous. Mr. Gibson explained the recommended changes to the ordinance saying the change was to allow RV Parks as a business to be established in the watershed. The public comment portion of the hearing included the following: **Lee Walters** said he feels RV Parks should be treated the same as homes are in that area. **Sarah Johnson** said she is opposed to allowing RV parks to obtain a non-residential specialty allocation and believes this will also take up a lot of agricultural land. **Betsy Baste** asked why you would want to change something that is protecting this beautiful county that we love. She said what works for other topographies does not work for ours and that hefty fines on hefty checkbooks make no

difference and the damage is already done by the time a fine is imposed. **Don Reece** said RV's on a septic tank is not a good thing and the county should instead expand and approve sewer systems. **Angela Faye Martin** said that when she is on the river every RV Park she passes is destroying the riverbanks. She said they do not realize that by cutting the river banks they are increasing the habitat for venomous snakes and killing the habitat for other insects. **Rob James** said he opposes RV parks. **Paul Chew** said he does no-till farming where the water soaks into the ground because any time the soil is disturbed there is erosion and sedimentation. **Brian Almedia** was not present when his name was called.

Commissioner Shields made a motion, seconded by Commissioner Shearl to close the public hearing at 7:28 p.m. The vote was unanimous. Commissioner Shearl said as human beings we all have our interests. Commissioner Young said this issue is not about putting RV Parks in the flood plain but putting them in the watershed. Commissioner Shields made a motion, seconded by Commissioner Antoine to table the issue to the September regular meeting. The vote was 3-2 with Commissioner Shields, Commissioner Antoine, and Commissioner Higdon in favor of the motion and Commissioner Young and Commissioner Shearl opposed.

Proposed Amendment to the Macon County Flood Damage Prevention Ordinance – Commissioner Shields made a motion, seconded by Commissioner Young to open the public hearing at 7:30 p.m. The vote was unanimous. Mr. Gibson explained that the current ordinance does not allow for any fill dirt in the flood plain but that the proposed change allows up to 25 percent fill on a parcel of land in the flood fringe and that anything over 25 percent will require an approved No Adverse Impact Certification. He said this was modeled after Brevard and Transylvania County ordinances which were more strict than others and feels we landed in the middle of the road on the proposed change. The public comment portion of the hearing included the following: **Bob Cook** spoke in opposition to changes to the flood plain ordinance and shared his opinion on what impact allowing fill in the flood plain would have where he lives. **Lee Walters** spoke about the flood fringe and provided a handout to the Board. He said minor amounts of fill should be allowed, but that even though a higher amount of fill on a single property may not make an impact there is a cumulative effect. **Sarah Johnson** said she was opposed to all changes and believes these weaken the protection of the flood plain. She said no experts have been called on this and wanted to know if the Board plans to call experts. **Jordan Smith** representing Mainspring Conservation Trust said any weakening of the current ordinance would damage properties downstream. He said Mainspring opposes the changes. **Doug Woodward** said he served on the subcommittee to find the space for a new landfill years ago and said there were no commissioners on the subcommittee and that the subcommittee sought out experts. He asked where these proposed changes are coming from when we have a very strong ordinance in place. **Bill McKlarney** spoke in opposition to changes to the ordinance and said he knows there is at least one petition being circulated. **Alex Haiss** said he opposes changes to the ordinance and spoke about a petition he created. He said he has received 292 signatures from Macon County residents as well as those who visit here. **Canon Woodard** said he opposes making these changes. **Mark Little** said in his opinion there is not enough information to know what will happen if these changes are made. He said he has not read the ordinances but feels that the 25 percent that he read about in the newspaper is too much and does not make sense. **Scott Baste** said there is no one here who is speaking in favor of the changes and does not understand why we are discussing this and trying to create an issue where one does not exist. **Rob James** said he opposes adding 25 percent fill to the flood plain. **Callie Moore** representing Mountain True asked the Board to retain the ordinance as it is. She said preserving our farmland is good for our community, and for clean water, and spoke about the

cumulative impact. **Kenneth McCaskill** said he was representing the Macon County Farm Bureau Board of Directors who are opposed to any changes. He shared they are opposed to losing any more agricultural land. He also said when building is allowed in a flood plain you are adding to emergency services and then FEMA has to come in when we have a disaster. Mr. McCaskill said when lives are lost you can't replace them. **Monica Barbour** speaking on behalf of the residents of the waterfront subdivision of Cherokee Landing said she has a petition signed by 32 of their residents stating they are opposed to any changes. **Lewis Penland** spoke about his experience as an engineer working with floodplain development issues and asked if the floodplain maps were going to be updated each time fill was added to a piece of property. He said the Board needs to think about the future and sit down and work together and discuss this and added that imposed fines do not work, but that having a stop order will get their attention. **Carolyn Porter** said she opposed changes. **Chris Brauer** said it is too easy to underestimate the impacts and power of water and stated he opposes changes. **Don Reece** spoke in opposition to changes. **Angela Faye Martin** spoke in opposition to changes. She said she does not want anyone to tell her what she can and cannot do on her property.

Commissioner Shields made a motion, seconded by Commissioner Young to close the public hearing at 8:37 p.m. The vote was unanimous. Commissioner Antoine made some comments stating he had learned a lot from hearing what everyone had to say. He said supports keeping all of these ordinances as they are with no changes and would have preferred to vote tonight and then re-visit at some time in the future with a lot more information. Commissioner Young shared issues that he sees with the current ordinances as he feels there is no allowance for compromise. Commissioner Shields made a motion, seconded by Commissioner Young to table this issue to the October 2024 regular meeting. The vote was unanimous.

At 8:51 p.m., Commissioner Shields called a ten-minute recess and called the meeting back to order at 9:00 p.m.

PUBLIC COMMENT PERIOD: **Andy Muncey** spoke about the Coweeta River. He said he thinks it is important to have some enforcement of the ordinances. **Ryan Kuba** spoke about a property owned by Macon County on No Name Road. He expressed his thanks to Ms. Keezer and the other County employees who took quick action following his phone call about the condition of the structure.

ADDITIONS, ADJUSTMENTS TO AND APPROVAL OF THE AGENDA: Upon a motion by Commissioner Higdon, seconded by Commissioner Young, the board voted unanimously to approve the agenda, as adjusted, as follows:

- To move Item 13A Appointment of Planning, Permitting, and Development Ordinance Administrator under Appointments, before Reports and Presentations as a courtesy to Mr. Gibson who was present for the public hearings, per Mr. Roland.

REPORTS/PRESENTATIONS:

- (A) BROADBAND COMMITTEE UPDATE** – Jeff Lee, Macon County Broadband Consultant provided a PowerPoint presentation to share an update from the committee indicating that a project has been awarded to BalsamWest to expand broadband to the areas of Cullasaja, Sanderstown, part of Ellijay, Highway 64 gorge area just north of Highlands, and parts of Nantahala. He provided an update on all the funding that has come into Macon County for broadband expansion. Mr. Lee said all five locations in Nantahala are

connected which consist of Nantahala Volunteer Fire and Rescue, Nantahala Volunteer Fire and Rescue Substation, Nantahala Library and Community Center, EMS, and the recreation park. A copy of his presentation is available in the office of the Clerk to the Board.

(B) HIGHLANDS PLAYGROUND – Brian Stiehler, Town of Highlands Commissioner and Mayor pro temp said the project began with a \$50,000 donation to get a playground project started which will expand the current playground which only has a slide and a couple of swings. He said the Carolina Parks and Play plan and design is for this to be a fun and educational place to be. Mr. Stiehler said there are four avenues of funding being proposed: 1) They have applied for a \$500,000 PARTF grant and expect to hear about awards in August, 2) The Town of Highlands has given \$250,000, 3) Private funding is anticipated to be \$500,000 to \$600,000 with \$200,000 already raised as of today, and 4) a request for Macon County to provide \$350,000 (20 percent of the project cost). Town of Highlands Commissioner Jeff Weller said they are hoping to raise the funds by the end of summer or early fall and then put the project out to bid with a plan to start construction in the spring. Commissioner Young said he couldn't think of a better project to support. Commissioner Shearl said he is a liaison to the recreation board and this is a great way to spend funds for the return on investment and made a motion, seconded by Commissioner Young, to pledge \$350,000 out of the general fund balance. The vote was unanimous.

OLD BUSINESS:

(A) UPDATE ON THE BDA (BI-DIRECTIONAL AMPLIFIER) SYSTEM FOR MACON MIDDLE SCHOOL – Project Manager Jack Morgan said the system has been installed and tested. He reported that testing on six other schools – South Macon, Cartoogechaye, Iotla Valley, East Franklin, Nantahala, and Highlands began in June. Mr. Morgan said that South Macon passed the test while East Franklin, Cartoogechaye, Iotla Valley, Highlands, and Nantahala failed the test. He indicated that he has asked for proposals to repair or replace the systems and will come back to present those and see how the board wants to proceed. Mr. Roland said funding to the schools was increased this fiscal year by \$100,000 and if the school chooses to select one of these as a capital project they can do that. Mr. Morgan recommended adding the system to the Highlands School project for installation while the school is being renovated rather than after the construction is complete.

(B) DISCUSSION REGARDING THE FRANKLIN HIGH SCHOOL PROJECT FINANCING AND SCHEDULE OF PUBLIC HEARING FOR AUGUST 13, 2024 – Mr. Roland requested approval of the notice of public hearing for financing of the Franklin High School project for August 13, 2024, which will allow us to stay on schedule for the project and to be on the LGC (Local Government Commission) meeting schedule on September 10, 2024, with bond sell on September 11, 2024, and close on the public sell on September 26, 2024. Commissioner Shields made a motion, seconded by Commissioner Young to approve the notice as requested. The vote was unanimous.

(C) CONSIDERATION AND APPROVAL OF INTER-LOCAL AGREEMENTS WITH MACON COUNTY BOARD OF EDUCATION

1. Macon Middle School Track Project – Attorney Ridenour indicated that Section II, paragraph H, the last sentence should read as “at the time this agreement is executed available funding consists of remaining contingency funds from the LLB project the amount of

\$750,800 and an appropriation approved by the County Commission at its regular meeting on May 14, 2024, in the amount of \$180,000". Commissioner Higdon made a motion to approve then changed the motion to postpone to August. The motion died for a lack of a second. Commissioner Young made a motion, seconded by Commissioner Antoine to approve the agreement as presented. The vote was 4 to 1 with Commissioner Antoine, Commissioner Shields, Commissioner Shearl, and Commissioner Young voting in favor of the motion and Commissioner Higdon opposed.

2. Franklin High School Project – Attorney Ridenour said the amount to be listed in section 3, G, 7 is \$137,624,444. Commissioner Young made a motion, seconded by Commissioner Shields, to approve the agreement as presented. Ms. Carpenter said she could not pre-audit the agreement or the agreement for the Highlands School because the money had not been appropriated yet. She said the Board can approve the agreement, but it cannot be executed because the funding has not been appropriated. The vote was 3 to 2 with Commissioner Shields, Commissioner Antoine, and Commissioner Young voting in favor of the motion and Commissioner Higdon and Commissioner Shearl opposed.

3. Highlands School Project – Attorney Ridenour said this agreement is correct as it is with the amount in section 3, G, 7 of \$8,575,068. Commissioner Shearl made a motion, seconded by Commissioner Shields to approve the agreement as presented. The vote was 4 to 1 with Commissioner Young, Commissioner Shields, Commissioner Antoine, and Commissioner Shearl voting in favor of the motion and Commissioner Higdon opposed.

4. Nantahala Septic Project – Attorney Ridenour indicated that no action was needed on this agreement at this time due to the unknown cost associated with the project.

(D) CONSIDERATION AND APPROVAL TO TRANSFER FUNDS FROM THE ECONOMIC DEVELOPMENT COMMISSION (EDC) FUND TO THE GENERAL FUND TO SUPPORT A PARTNERSHIP BETWEEN MACON COUNTY EDC AND THE MACON COUNTY SCHOOL CAREER AND TECHNICAL EDUCATION (CTE) PROGRAM BY PROVIDING PAID INTERNSHIPS FOR STUDENTS TO ASSIST PUBLIC AND PRIVATE SECTOR BUSINESSES – Mr. Roland introduced Colleen Strickland and Josh Brooks with the CTE program and said approval was needed to move \$250,000 to general fund to be used for internships for CTE students. Ms. Strickland said they have been working on this for three years and this allows them to work alongside employers in Macon County. Commissioner Young made a motion, seconded by Commissioner Shearl to approve the request as presented including approval of budget amendment 1. The vote was unanimous.

NEW BUSINESS:

(A) APPROVAL OF FIREWORKS PERMIT FOR PARTIES BY DESIGN FOR A WEDDING EVENT TO BE HELD ON JULY 26, 2024, AT OLD EDWARDS INN IN HIGHLANDS – Commissioner Higdon made a motion, seconded by Commissioner Young to approve the permit as requested. The vote was unanimous.

(B) APPROVAL OF RESOLUTION REGARDING KROGER OPIOID SETTLEMENT FUNDS – Mr. Roland said we have approved receiving settlement funds two previous times and that from this settlement we will receive approximately \$159,269 over the next eleven years. He said the board needs to approve the resolution allowing him to sign on and submit into the system for Macon County to receive these funds. Mr. Roland said the resolution had been prepared by Attorney Ridenour by the guidance provided by the North Carolina Association of County Commissioners. Commissioner Higdon made a motion, seconded by Commissioner Shields, to approve the resolution as presented. The vote was unanimous.

(C) APPROVAL OF THE 2024 TITLE VI PROGRAM PLAN FOR MACON COUNTY TRANSIT – Ms. Asher said every three years she is required to update this plan in order to receive federal funding. She indicated that the plan has been approved by the Office of Civil Rights and NC DOT. Commissioner Shields made a motion, seconded by Commissioner Shearl, to approve the plan as requested. The vote was unanimous.

CONSENT AGENDA: Upon a motion by Commissioner Higdon, seconded by Commissioner Shearl, the board voted unanimously to approve the consent agenda as presented which includes: (A) Minutes of the June 11, 2024, regular meeting, (B) Budget Amendments #2-22, (C) Macon County Solid Waste Records Disposal, (D) Monthly ad valorem tax collection report for which no action is necessary.

APPOINTMENTS:

(A) PLANNING, PERMITTING, AND DEVELOPMENT ORDINANCE ADMINISTRATOR - Mr. Roland explained that County Planner Caleb Gibson would be fulfilling the role of Ordinance Administrator to oversee the local and state ordinances due to the resignation of Joe Allen who had previously filled that role. Commissioner Young made a motion, seconded by Commissioner Higdon, to approve the appointment of Mr. Gibson. The vote was unanimous.

(B) Macon County Library Board (1 seat) – Commissioner Antoine made a motion, seconded by Commissioner Shearl, to approve the appointment of Phillip Cucuru as requested. The vote was unanimous.

CLOSED SESSION: At 10:10 p.m., upon a motion by Commissioner Higdon, seconded by Commissioner Shearl, the board voted unanimously to go into closed session as allowed under NCGS 143-318.11(a)(3) to consult with an attorney to receive legal advice. At 10:23 p.m., upon a motion by Commissioner Shearl, seconded by Commissioner Higdon, the board voted unanimously to come out of closed session and return to open session.

ADJOURN: With no other business, at 10:25 p.m., upon a motion from Commissioner Higdon, seconded by Commissioner Shearl, the board voted unanimously to adjourn.

Derek Roland
Ex Officio Clerk to the Board

Gary Shields
Board Chair



Macon County
Public Health

MCPH Billing Guide

Revised 7/1/2024

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Fees

I. Foundation

Macon County Public Health is a public agency whose mission is to promote, protect, and enhance the health of all people and the environment. MCPH provides a multitude of services to the citizens in Macon County. The department has several programmatic units, which operate specifically under Federal, State, and local legal authority to provide services including, but not limited to the following: Clinical Services, Dental Services, Laboratory, Vital Records, Animal Services, School Health, Environmental Health, Emergency Preparedness, and Women, Infant, and Children Nutritional Services.

Macon County Public Health serves the public interest best by assuring that all legally required public health services are furnished to all citizens while prioritizing those citizens with greatest need. MCPH provides services without regard to religion, race, national origin, creed, gender, parity, marital status, age, sexual orientation, or contraceptive preference.

Fees are a means to help distribute services to citizens in the county and help finance and extend public health resources, as government funding cannot support the full cost of providing all required and requested services. Fees are considered appropriate, in the sense that while the entire population benefits from the availability of subsidized public health services for those in need, it is the actual users of such services who gain benefits for themselves.

Fees for Health Department services are authorized under North Carolina 130A-39 (g), provided that 1) they are in accordance with a plan recommended by the Health Director and approved by the Board of Health and the County Commissioners, and 2) they are not otherwise prohibited by law.

II. Fee Setting

In accordance with G.S. 130A-39(g), which allows local health departments to implement fees for services rendered, the Macon County Public Health, with the approval of the county's governing boards will implement specific fees for services and seek reimbursement for services. The method used for setting fees will be solely based on the cost to provide the service. Resources that may be used in this process include, Cost Report, Medicaid Reimbursement rates, fees charged by surrounding health departments/service providers and/or DPH LHD worksheet for setting fees.

1. Fee Setting Procedure

- a. The following is the procedure to which Macon County Public Health uses for setting fees for services:
 - i. A developed multi-disciplinary committee of the Macon County Public Health will meet at least annually, to determine the cost of providing services and discuss the fees for the services provided.
 - ii. Fees will be determined based on the cost to provide services, in conjunction with the cost study analysis, which assesses direct and indirect costs including, but not limited to, the salary of staff rendering services, materials and supplies used, building and maintenance fees.

- iii. In order to set fees, Macon County Public Health may use multiple resources such as, the Workbook for Setting Service Fees that has been provided by the NC Division of Public Health, a cost study analysis, fees of local health departments within the area and/or review the Medicaid, Medicare and Third Party Insurance rates for services.
- iv. Once the fees are reviewed and discussed by the committee, the Health Director will present the fees to the governing boards for their review and final approval.
- v. Once approval has been received, the appropriate fees are set and will be maintained in the Health Department, noted as the approved "Fee Schedule".
- vi. The fee schedule may be automatically adjusted (without Board approval) during the fiscal year if the Health Department receives notification of an increase of the cost of lab tests, vaccinations and/or supplies as long as the approved methodology is used. This includes: the ability to complete any lab test Lab Corp offers and to set the fee based on the approved fee setting methodology, the adjustment of lab fees, the addition of new CPT codes and supply cost increases.

Billing & Revenue

In accordance with G.S. 130-A-39(g), which allows local health departments to implement a fee for services rendered the Macon County Public Health, with the approval of the Macon County Board of Health and the Macon County Commissioners (or appropriate governing body) will implement specific fees for services and seek reimbursement. Specific methods used in seeking reimbursement will be through third-party coverage, including Medicaid, Medicare, private insurance, and individual client pay. The agency will adhere to billing procedures as specified by Program/State regulations in seeking reimbursement for services provided.

Appendix I, includes the list of accepted insurances that Macon County Public Health participates with for both clinical and dental services.

I. Charging for Services

1. There shall be no minimum fee requirement or surcharge that is indiscriminately applied to all clients.
2. Persons requesting program services will be encouraged to apply for Medicaid, when appropriate.
3. Client charges will be determined by each program requirements.
4. Program requirements and MCPH's governing boards determine when program charges are adjusted according to a fee scale. When applicable, charges will be adjusted according to a fee scale based on the Federal Poverty Guidelines ([Poverty Guidelines | ASPE](#)). Some services are

provided on a non-sliding fee basis. See the Program Specific Eligibility and Financial Requirements section for Sliding Fee vs. Non-Sliding Fee determination.

5. There shall be a consistent method applied to “aging” accounts.
6. Clients shall be given a receipt each time a payment is collected.

II. Non-Sliding Fees

Macon County Public Health provides specific services at a non-discounted rate regardless of federal poverty level. These fees will not slide on the sliding fee scale. See the Program Specific Eligibility and Financial Requirements section for this determination.

III. Limiting or Restricting Services Due to Inability to Pay

1. No one shall be denied clinical services based solely on the inability to pay.
2. Non-agency lab orders, Environmental Health Services, Dental Services, and Animal Services may be denied based on inability to pay; however, MCPH will make every effort to establish referral sources and/or discounted fees to make all services accessible.
3. Women’s Health (Family Planning and Maternal Health)
 - a. The Title X guidelines do not distinguish between “inability” and “unwillingness” to pay. For Family Planning clients who do not pay, the agency can use debt set-off. Even if a client establishes a payment plan but then refuses to honor the plan services cannot be denied or restricted.
 - b. Denying or restricting services would constitute client abandonment. Therefore, services for Maternal Health may not be denied because a client is unwilling or unable to pay.
4. Child Health
 - a. MCPH may not restrict Child Health services due to an outstanding bill. Title V funds are used to prevent barriers to care for clients that are Non-Medicaid, non-insured as well.

IV. Clinical Fee Collection

1. Upon each clinic visit, Management Support staff will determine the income and sliding fee scale status of each client, if applicable. Staff will be responsible for documentation of financial eligibility on Self Declaration Income Form to determine eligibility (Attachment B). Clients without required verification will be charged at 100% until income documentation is received, with the exception of Family Planning services per current Title X guidelines.
2. Payment is due and expected at the time services are rendered. If a balance remains, a payment agreement and schedule will be established and signed by the client. (Attachment D)
3. Enrollment under Title XIX (Medicaid) shall be presumed to constitute full payment for billable services to Medicaid.
4. The Accounts Receivable System will be balanced daily.
5. Monthly statements will be mailed to the client/responsible party as long as confidentiality is not jeopardized.

V. Payment Agreement

Payment agreements are offered to each and every patient that owes a balance and is unable to pay in full at time of appointment. See MCPH's Policy 101.01 Collection of Funds Policy.

VI. Fee Waiving Process

MCPH's Health Director has the authority to waive client fees of individuals who, for good cause, are unable to pay. Clients must submit this request to MCPH in writing. MCPH Finance Director will submit the account balance and justification that has been provided by the client and Billing Supervisor to the Health Director for approval. MCPH Health Director will review and approve or deny on a case to case bases. After the decision is made a letter and settlement statement will be provided to the client.

VII. Billing Medicaid and Third-Party Insurance

1. Clients presenting with third party health insurance coverage where copayments are required, shall be subject to collection of the required copayment at the time of service. For Family Planning (Title X) clients, the copay may not exceed the amount they would have paid for services based on the sliding fee scale.
2. Clients will sign a consent on paper to be scanned, or electronically sign a consent allowing the Health Department to file insurance and a copy of the insurance card will be scanned at that time into the client's medical record.
3. Third party insurance is billed the total amount of the service provided. The charge and any remaining balance with the exception of copayments, is billed to the client based on the program sliding fee scale, if applicable. Copayments are not subject to the sliding fee scale adjustment.
4. Claims are filed electronically.
5. Payments are posted electronically/manually to client accounts. If applicable, secondary insurance is filed.
6. Denials are researched using the Remittance Advice (RA) for Medicaid and Explanation of Benefits' for private insurance. Any denials deemed incorrect are resubmitted as quickly as possible. Any remittance or final denial is posted to the client's account. Remaining balance for Medicaid clients are adjusted off (unless it was for a non-covered service that the client was made aware of prior to the service being rendered).
 - a. If a client has any form of third-party reimbursement, that payer must be billed (required if the agency is "in network", otherwise optional), unless confidentiality is a barrier*. Medicaid will be billed as the payer of last resort. Clients should be made aware that they will be responsible for any balance remaining after the claim has been processed. This may include copays, coinsurance, deductibles and non-allowed charges. As required by Title X, Family Planning clients whose family income is between 101%-250% FPL will not pay more in copayments or additional fees than they would otherwise pay when the schedule of discounts is applied.

7. If an encounter with a client is found to be coded incorrectly, the provider may make corrections by appending the provider's note and e-superbill within the client's medical record and notifying the billing department's supervisor. The billing department will review the corrections and update the charges accordingly. If a client has been charged and have received a monthly statement and the addition or correction of the service made by the provider will increase the client's balance, the correction will be made with no additional cost to the client, unless, the client was over charged.
8. * Third party billing is processed in a manner that does not breach client confidentiality, particularly in sensitive cases (e.g., adolescents or young adults seeking confidential services, or individuals for whom billing the policy holder could result in interpersonal violence).The confidential client may give you their insurance card not thinking that the subscriber is not aware of the visit. Filing an insurance claim will result in an EOB (explanation of benefits) being sent to the subscriber which would violate confidentiality. Be certain to have the client sign/initial if they want insurance to be filed.

VIII. Overpayments and Refunds

1. Payment for copays, deductibles, coinsurance, account balances and non-sliding fees will be collected at the time of service.
2. If an overpayment is made by the client, the client will be notified of the overpayment and given the option for refund, or application of the overpayment to another date of service balance or for an upcoming appointment. Overpayments that clients choose to have refunded, will be refunded based on county policy.
3. Overpayments paid by Medicaid, Medicare and insurance will be reviewed and refunded in accordance to the guidelines set forth in our network participatory agreement.
4. See MCPH Policy 299.04 Environmental Health Refunds for EH Refund process.
5. See MCPH Policy 701.11 Animal Services Refunds for AS Refund process.

IX. Bad Debt Write Off and NC Debt Setoff

1. Bad Debt Write Off
 - a. Outstanding accounts having no activity in more than 12 months shall be written off as bad debts, at least annually upon approval of the Macon County Board of Health and the Macon County Commissioners. Board of Health and Board of County Commissioners minutes will serve as documentation that the write-offs have been approved.
 - b. Once an account has been written off as a bad debt it should not be reinstated. Only if the client returns to the clinic and wants to make a payment should action be taken to reinstate only the payment amount, post the payment and leave the remaining balance that was initially written off as it stands.
2. NC Debt Setoff
 - a. Client accounts fulfilling the requirements of NC Debt Setoff will be submitted to the NC Debt Setoff Program, at least annually. The account balance must be (1.) greater than

\$50.00, and (2.) must be 60 days delinquent before it is eligible for Debt Set Off. After being delinquent for a minimum of 60 days, the client/guarantor will be notified of the process of debt setoff, via letter. The client/guarantor has 30 days to take action via payment or payment plan or the debt will be submitted to NC Debt Setoff.

X. Bankruptcy

1. When legal notification is received from Bankruptcy court, there is no further collection of the outstanding account unless a payment schedule is set up by the Bankruptcy court.
2. The client's account is notated/flagged with bankruptcy information, such as the time frame to which the bankruptcy references.
3. The account maybe written off if mandated by court.
4. The client may volunteer to pay.
5. Additional visits to which are not included in the bankruptcy time frame, will be the client's responsibility.

XI. Request for No Mail - Outstanding Debts

1. When a client requests no mail, discussion of payment of outstanding debts shall occur at the time service is rendered.
2. If the client is unable to pay in full at the time of service rendered, a receipt will be given to the client reflecting the partial payment and the client will sign a payment agreement.
3. Medical record is flagged reflecting-- "NO MAIL" and every precaution should be taken to ensure bills are "not" sent to clients, requesting "NO MAIL".
4. Client is reminded every visit of the amount they still owe.
5. No letters or correspondence concerning insurance, past due accounts or other billing issues will be sent to any client that requests "NO MAIL".
6. MCPH reserves the right to pursue all allowable avenues to collect payment. A "No Mail" request does not require MCPH to forfeit that right.

XII. Donations

1. Donations shall be accepted, regardless of income status.
2. The client account will not be reduced due to a donation.
3. There shall be no "schedule of donations", bills for donations, or implied or overt coercion.
4. See MCPH Policy 101.09 Donations Policy for the Donations process.

XIII. Vaccine and Administration

1. Macon County Public Health will not charge a fee to clients for state supplied vaccines provided to clients that are eligible for such vaccine in accordance to the NCIP Coverage Criteria and Vaccine for Children.
2. Administration fees for the rendering of state supplied vaccine may be billed to Medicaid. State supplied vaccine will be identified with a SL modifier. The appropriate NDC code must also be included.

3. Clients and Third Party Payers may be charged and/or billed the administration fee and the cost of purchased vaccine by the Macon County Public Health as a non-sliding fee when provided outside of programs.
4. Vaccine administration and vaccine provided within Child Health, Family Planning, and Maternal Health program will be subject to the sliding fee scale.

XIV. 340b Drugs and Devices

1. Macon County Public Health bills Medicaid the acquisition cost of medication or devices purchased through the 340b drug program.
2. All 340b drugs and devices are identified with a UD modifier in the Patagonia billing system. 340b drugs and devices are billed to Medicaid with an FP and UD modifier. The appropriate NDC code must also be included.
3. Drugs and devices purchased through the 340b program are labeled as 340b and stored separately from other medications and supplies.

Eligibility

I. Identification

It is considered “best practice” for each person presenting for services to establish their identity either with a birth certificate, driver’s license, military I.D., passport, visa, or green card, etc. A local health department may not require a client to present identification that includes a picture of the client for immunization, pregnancy prevention, sexually transmitted disease and communicable disease services (Consolidated Agreement, B, 16). However, you may take a photograph of the client, (with their permission) for internal use only.

II. Determining Family Size

A family is defined as a group of related or non-related individuals who are living together as one economic unit. Individuals are considered members of a single family or economic unit when their production of income and consumption of goods are related. An economic unit must have its own source of income. Also, groups of individuals living in the same house with other individuals may be considered a separate economic unit if each group supports only their unit. A pregnant woman is counted as two (including the unborn child) in determining family size.

Examples: Determining Family Size

- A foster child assigned by DSS with income considered to be paid to the foster parent for support of the child.
 - Family of 1
- A student maintaining a separate residence and receiving most of her/his support from her/his parents or guardians.

- Dependent of the family
- Self-supporting students maintaining a separate residence would be a separate economic unit.
- An individual in an institution.
 - Separate Economic Unit
- A client who requests “confidential services”, regardless of age.
 - Family of 1
 - If a Family Planning client presents for a service and is considered to be a minor, interview questions may include the following
 - Ask the client if their parents are aware of their visit.
 - Ask if “both” parents are aware of their visit, since sometimes the mother may be present with the client; however, the father may not be aware of the visit.
 - Ask if you can send a bill to the home to both parents.
 - If the client states both parents are aware and it is not a confidential visit, you should treat as such and use all family members in the economic unit.

III. Determining Gross Income

Gross income is the total of all cash income before deductions for income taxes, employee’s social security taxes, insurance premiums, bonds, etc. For self-employed applicants (both farm and non-farm) this means net income after business expenses.

1. The following are acceptable types of income to be used when determining gross income, this is not an all-inclusive list:
 - a. Wages (regular, overtime, etc.)
 - b. Alimony
 - c. Any cash earnings (i.e. tips, etc.) and/or contributions received
 - d. Child Support (cannot consider as income for Family Planning)
 - e. Disability
 - f. Dividends
 - g. Military Earnings
 - h. NC Unemployment
 - i. Pensions
 - j. Social Security/Supplemental Security Income (SSI)
2. Exceptions
 - a. Payments to volunteers under Title I (VISTA) and Title II (RSVP, foster grandparents, and others) of the Domestic Volunteer Service Act of 1973
 - b. Payments received under the Job Training Partnership Act
 - c. Payments under the Low-Income Energy Assistance Act
 - d. The value of assistance to children or families under the National School Lunch Act, the Child Nutrition Act of 1966 and the Food Stamp Act of 1977
 - e. Veteran’s Disability payments

3. The following are acceptable forms of documentation of gross income:
 - a. Bank Statement
 - b. Check Stub (includes regular wages, overtime, etc.)
 - c. Client Statement (Family Planning Only)
 - d. Income Tax Return (annual, not quarterly)
 - e. Letter of Verification from Employer
 - f. Military Earnings Statement
 - g. NC Unemployment Statement
 - h. Pension Statement
 - i. Social Security/Supplemental Security Income (SSI) Statement
4. No client will be refused services when presenting for care based on lack of income documentation, however each client will be billed at 100% until proof of income and family size is provided to the agency except Family Planning.
 - a. The client will have 30 days (agency may determine time limit) to present this documentation in order to adjust the previous 100% charge to the sliding fee scale.
 - b. If no documentation is produced in 30 days, then the charge stands at 100% for that visit.
 - c. This does not apply to non-sliding fee scale services, which should be paid in full on the date of service.

IV. Computation of Income

1. Income will be based on a twelve (12) month period. If the client is working the day they present for a service, income will be calculated weekly, bi-weekly, monthly or annually, depending on the documentation obtained.
2. If the client is unemployed the day they present for their service, their “employment only” income will be calculated at zero (0); however, the client should be required to provide “their mechanism”, in regard to their paying for food, clothing, shelter, utility bills, etc. Refer to “sources of income” counted and apply all sources, as appropriate. “Regular contributions received from other sources outside of the home” is most often considered one of those sources. If the client is receiving unemployment or other “sources” of income, as designated above, all of those sources should be counted.
3. The client’s income will be determined by the following:
 - a. Regular Income Formula
 - i. Based on 12 month period
 - ii. Use gross income or self-employed income after business expenses
 - iii. Calculation:
 1. Weekly = pay X 52
 2. Biweekly = pay X 26
 3. Twice a month = pay X 24
 - b. Unemployment or Irregular Income Formula:

- i. Add any Unemployment Compensation and Irregular Income from past 6 months X 2 to project their 12 month income.

V. Title X Income Collection Requirements for Clients Seeking “Confidential Services”

1. Title X requires that any client seeking “confidential services” be considered a family of one and that only their income be used in assessing their percent pay on the sliding fee scale.
2. Confidential Services: provides an additional layer of privacy and confidentiality beyond HIPAA’s regulations. For example: an adolescent seeking Family Planning services, whose parents are not aware, if the adolescent and parents were seeking other services (immunization, etc...) at a later date, the adolescents history of family planning services would not be disclosed to the parent.
3. HIPAA (The Health Insurance Portability and Accountability Act of 1996): is a federal law that required the creation of national standards to protect sensitive patient health information from being disclosed without the patient’s consent or knowledge.
4. A copy of the Income and Eligibility Statement (refer to Attachment B) should be maintained for future reference. The number in the household, annual gross income and percentage of pay should be reflected on the financial documentation. The documentation should be signed and dated by the interviewer and client. Use of electronic signatures is acceptable.
5. Income is re-assessed annually unless there has been a change in financial status. Following the initial financial eligibility determination, the client will be asked at each visit if there has been a change in their financial status. Income will always be based on the “actual date” of service. If there has been a change or it is time for their annual review the income determination process should take place.
6. Client fees are assessed according to the rules and regulations of each program and the recommended Program’s Poverty Level Scale (Sliding Fee Scale) will be used to determine fees. All third-party providers will be billed, without discount, where applicable.
7. Clients presenting with third party health insurance coverage where copayments are required shall be subject to collection of the required copayment at the time of service. For Family Planning (Title X) clients the copay may not exceed the amount they would have paid for services based on sliding fee scale.
8. Income information reported during the financial eligibility screening for one program can be used through other programs offered in the agency, rather than to re-verify income or rely solely on the client’s self-report.

Programs Specifics Eligibility and Financial Requirements

I. Animal Services

- a. MCPH Animal Services' primary mission is to protect the health and safety of our residents, and to protect animals and promote their humane treatment. We will make every effort to promote pet adoptions of healthy, nonaggressive animals by the general public and promote responsible pet ownership. To reduce the number of homeless pets, we will ensure that all dogs and cats are spayed or neutered prior to adoption and current of their immunizations.
- b. **Eligibility:**
 - i. Macon County Jurisdiction
- c. **Financial:**
 - i. Animal Service fees are determined by MCPH Governing Boards, the Board of Health and County Commissioners.
 - ii. Animal Service fees from other counties are taken into consideration.
 - iii. Fees for Animal Services are due at time of service.
 - iv. More information is available in Macon County's Animal Control Ordinance - <https://maconnc.org/images/Animal%20Control%20Ordinance10.13.15.pdf>.
- d. **Sliding Fee:**
 - i. Not Applicable

II. Case Management Services

1. Case Management for at Risk Children (CMARC)

- a. **Eligibility:**
 - i. CMARC is care management for Medicaid children, birth to five years of age, who have long term medical conditions, are in long-term stressful situations (been exposed to adverse childhood experiences or adversely affected by social determinates of health), children in foster care, and/or were in a Neonatal Intensive Care Unit (NICU). Referrals to CMARC may come from any community member, provider, or be a self-referral.
 - ii. Enrollment into CMARC is voluntary for the child and family.
 - iii. Parent or guardian must consent to all services, documentation and analytics.
- b. **Financial:**
 - i. Participants are not charged for these services.
- c. **Sliding Fee:**
 - i. Not Applicable

2. Care Management for High Risk Pregnancies (CMHRP)

- d. Macon County Public Health must assure or provide CMHRP services to Medicaid eligible patients, in accordance to CMHRP program requirements. Macon County Public Health is subcontracted by Prepaid Health plans (PHP) to provide CMHRP services. The CMHRP population is comprised of PHP Priority Members and individuals who are eligible for service.
- e. **Eligibility:**
 - i. At-Risk Pregnant Women who are not aligned with a PHP, but receive Medicaid Direct and Presumptive Eligibility coverage should also be referred to CMHRP services as applicable.
- f. **Financial:**
 - i. Participants are not charged for these services.
- g. **Sliding Fee:**
 - i. Not Applicable

III. Clinical Services

1. Adult Health

- a. Macon County Public Health provides adult services that includes, but is not limited to, the following: employment physicals, DOT physicals, Sheriff's office physicals, daycare (adult employment) physicals, college physicals, foster (parent) physicals, colposcopies, etc.
- b. **Eligibility:**
 - i. 18 years old and over, Resident of Macon County (except for colposcopies, pregnancy tests).
- c. **Finance:**
 - i. Adult health visits are not eligible for sliding fee discounts; Private insurance, can be billed, if available. Patients are responsible for remaining balances or total cost of visit.
- d. **Sliding Fee:**
 - i. Not Applicable – these services are billed at a set fee per type of visit.

2. Breast and Cervical Cancer Control Program (BCCCP)

- a. The goal of the North Carolina Breast and Cervical Cancer Control Program (BCCCP) is to reduce the morbidity and mortality due to breast and cervical cancer in women by providing breast and cervical cancer screening, diagnostic services, and patient navigation services for eligible underserved women of North Carolina.
- b. **Eligibility:**
 - ii. Women 21 to 75 years of age with gross incomes that are below 250% of the federal poverty level, according to the Federal Poverty Guidelines, and who are uninsured or underinsured, may be eligible for breast and cervical services, subject to the limitations and exceptions listed below.

- iii. Women enrolled in Medicare (Part B) and/or Medicaid programs are not eligible for NC BCCCP-funded services.
- iv. Women receiving Family Planning (Title X of the Public Health Service Act) services are not eligible for NC BCCCP-funded services that are available through Title X funding.
- v. Documented citizenship is not required for screening and/or diagnostic services through NC BCCCP.
- vi. Breast Services:
 - 1. At least 75% of all initial mammograms provided through NC BCCCP using federal funds must be for women ages 50 to 64; no more than 25% may be provided for symptomatic women under the age of 50.
 - 2. Symptomatic women under the age of 50
 - a. NC BCCCP state funds or federal funds can be used to reimburse for diagnostic services for symptomatic women under the age of 50.
 - b. Abnormal findings, including a discrete palpable mass, nipple discharge, and skin or nipple changes, a woman can be provided a diagnostic mammogram and a referral for a surgical consultation.
 - 3. Asymptomatic women ages 40 to 49
 - a. NC BCCCP state funds may be used to reimburse for mammograms for women ages 40 to 49.
 - b. NC BCCCP federal funds may only be used for mammograms in this population for women who are symptomatic, subject to the 25% limitation noted above.
 - 4. Asymptomatic women under the age of 40
 - a. NC BCCCP state funds and federal funds can be used to screen asymptomatic women under the age of 40, if they are considered to be at high risk (see high risk defined below) for developing breast cancer.
 - 5. Asymptomatic or symptomatic women ages 65 to 75
 - a. NC BCCCP state funds may be used to reimburse for mammograms for women ages 65 to 75 if no other source of funding is available.
 - b. NC BCCCP federal funds may be used for symptomatic women in this population.
 - 6. All women should undergo a risk assessment to determine if they are at high risk for developing breast cancer.
- vii. Cervical Services:
 - 1. At least 20% of all enrolled women screened for cervical cancer shall meet the definition of never screened (greater than 10 years). The priority age for cervical cancer screening is women between the ages of

21 and 64. All women should undergo a risk assessment to determine if they are at high risk for developing cervical cancer.

2. Women diagnosed outside of NC BCCCP with breast and/or cervical cancer and/or precancerous lesions with a diagnosis that is less than three months prior to the date of BCCM application, and who meet NC BCCCP eligibility criteria may receive Patient Navigation-only (PN-only) services to apply for BCCM.

c. **Financial:**

- i. Women whose gross incomes are less than or equal to 100% of the federal poverty level shall not be charged for any services covered through NC BCCCP. However, ancillary costs and non-NC BCCCP covered fees may be charged to the NC BCCCP participant. Participants shall be notified of any possible charges prior to committing to the procedure.
- ii. A flat fee may not be charged for NC BCCCP services to any woman enrolled in NC BCCCP.

d. **Sliding Fee:**

- i. Sliding fee scales may be used for women whose gross incomes are between 101% and 250% of the federal poverty level.

3. Child Health

- a. MCPH Child Health Program's primary mission is to ensure health services for children, including parenting education, nutrition, well childcare, genetic services, newborn screening, childcare health consultation, developmental screening, early intervention, transition, linkage with medical homes, screening and treatment clinics, resource lines, NC Health Choice, and children/youth families with special health care needs.

b. **Eligibility:**

- i. Birth through 20 years, regardless of residency.

c. **Financial:**

- i. A sliding fee scale is applied based on current child health program guidelines. Medicaid or private insurance plans are billed, if available.

d. **Sliding Fee:**

- i. Sliding fee scales are used for children whose gross household income is between 101% and 250% of the federal poverty level per current NCDPH sliding fee scales.

4. Communicable Disease Control

- a. MCPH Communicable Disease Control's mission is to reduce morbidity and mortality resulting from communicable disease that are a significant threat to the public, through detection, tracking, investigation, control, education, and care activities to improve the health of people in Macon County. Macon County works with the Communicable Disease Branch under the overarching goal to control the spread of communicable

diseases, detect cases of communicable diseases, and monitor for the occurrence of new cases in the community.

- b. **Eligibility:**
 - i. Macon County residents
- c. **Finance:**
 - i. Not Applicable
- d. **Sliding Fee:**
 - i. Not Applicable

5. Dental Services

- a. The Macon County Children’s Dental Clinic (Molar Roller) provides comprehensive general dental services to children from birth to 19 years of age.
- b. **Eligibility:**
 - i. Resident of Macon County or enrolled in Macon County Schools, ages birth to 19.
- c. **Financial:**
 - i. Dental fees will be based on Dentemax rates plus MCPH’s fee adjustment based on the approved fee setting methodology (see attachment).
- d. **Sliding Fee:**
 - i. Self-pay consumers, or those with no dental insurance, may qualify for sliding fee scale based on their family size and household income.
 - ii. Sliding fee discount is based on 250% of Federal Poverty with a maximum discount of 50%.

6. Employee and Family Health

- a. a. Macon County’s Employee and Family Health Program provides Macon County Employees, their dependents and retirees who are enrolled in Macon County’s health insurance plan a clinic that is designed to screen, diagnose, and treat minor illnesses or injuries which require prompt attention, but are not of such seriousness to require a visit to an emergency room. Employee health clinic is not intended to manage chronic health conditions. Employees needing chronic disease management shall be referred to Macon County Primary Care Program. This program is NOT intended to replace an individual’s primary care provider.
- b. **Eligibility:**
 - i. Client must be an employee, dependent or retiree that is enrolled in Macon County’s insurance plan. Select part time county employees, as determined by the county manager, may also access Employee Health.
- c. **Financial:**
 - ii. There is no co-pay for sick visits.

- iii. Over-the-Counter Medications are offered at a reduced cost (\$1 - \$3) per medication.
 - iv. Employee Health eligible clients who have a lab order from their outside provider or through the employee health clinic are able to receive lab services conducted at MCPH's lab at no charge.
- b. **Sliding Fee:**
- i. Not Applicable

7. Family Planning or Women's Health Service

- a. MCPH Family Planning Program's mission is to reduce unintended pregnancies and improve selected health practices among low-income families. Family Planning services provide the delivery of related preventative health services including patient education and counseling, physical examinations, lab testing, basic infertility services, cervical and breast cancer screening, sexually transmitted disease and human immunodeficiency virus prevention education, testing, treatment and referral, pregnancy diagnosis and counseling, preconception health counseling, education regarding a wide range of contraceptive methods, and emergency contraception.
- b. **Eligibility:** Men and Women of childbearing age regardless of residency.
- c. **Finance:**
 - i. A sliding fee scale is applied based on current Family Planning Program billing guidelines. Medicaid or Private Insurance plans are billed, if available and patient does not request to receive "Confidential Services" (see below).
 - ii. Family Planning services must be provided solely on a voluntary basis and may NOT be made a prerequisite to eligibility for, or receipt of, any other services, assistance from or participation in any other programs (Sections 1001 and 1007, PHS Act; 42 CFR 5.5 (a) (2)).
 - iii. Family Planning must provide services without subjecting individuals to any coercion to accept services, or to employ or not to employ any particular methods of family planning (42CFR 59.5 (a) (2)).
 - iv. Adherence to program requirements in project management and administration must be based on Title X Program Requirements.
 - v. Family income shall be assessed before determination whether copayments or additional fees are charged.
 - 3. Patients whose family income is at or below 100% of current Federal Poverty Level will not be charged for services.
 - 4. Patients whose family income is 100%-250% of current Federal Poverty Level will be charged in accordance with a schedule of discounts. These patients shall not pay more in co-payments or additional fees than they would otherwise pay when the schedule of discounts is applied.

5. Patients whose family income is greater than 250% of FPL shall be charged in accordance with a schedule of fees designed to recover the reasonable cost of providing services.
- vi. Reasonable measures to verify income without burdening clients from low-income families should be observed.
1. Agencies that have lawful access to other valid means of income verification because of the patient's participation in another program may use those data rather than re-verify income or rely solely on patients self-report.
 2. If a third party (including a government agency) is authorized or legally obligated to pay for services, all reasonable efforts must be made to obtain the third-party payment without application of any discounts.
 3. Patients must not be charged at 100% if they do not have proof of income at the time of service. The eligibility process should still be completed for clients, and a sliding fee scale (SFS) discount of 0% up to 100% should be applied based on the clients verbal declaration of income (recorded on the Self Declaration of Income form), income reported to another Health Department program, or income documents provided according to the current Family Planning (SFS).
 4. If a patient refuses to provide any income information, including verbal declaration of income (per current Title X guidelines):
 - a. Assure the client that the income information is strictly used to determine eligibility for sliding fee scale discounts on charges incurred for services in the Family Planning clinic.
 - b. Assure the client that the information is not shared outside of the Health Department. Offer the client the option to declare an income range rather than a specific dollar amount.
 - c. Inform the client that income reported to other Health Department programs may be used in lieu of the client's declaration of income; so if the client has reported income to another Health Department program that reported income will be used.
 - d. If no income has been reported for any other Health Department program and the client continues to refuse to declare income, inform the client that (s)he will be charged at 100% of the fee for services rendered without any discount.
 - e. If the client state (s)he cannot pay 100% of the fee for services, explain that eligibility for discounts is determined by income, and offer the client another opportunity to declare income.
 - f. Document the conversation and outcome clearly and thoroughly in the client's record. It is recommended to have the client sign a

statement that (s)he declines to provide any declaration of income and that (s)he understands that (s)he will be charged at 100% because eligibility for discounts cannot be determined in the absence of a declaration of income.

- vii. If a client, including adolescents, is seeking “confidential services”, they will be considered “confidential” and it will be documented on the Financial Eligibility form. Charges to clients seeking confidential services will be based solely on the individual’s income.
 - viii. A sign in the finance/discharge areas is required stating that charges incurred in the family planning program will be based in accordance with a schedule of discounts based on ability to pay and family size, except for persons from families whose annual income exceeds 250% of the Federal Poverty Level (59.5 & 59.10 in the Family Planning Regulations and Title VI of the Civil Rights Act of 1964 through Executive Order 13166).
 - ix. The use of NC Debt Setoff is acceptable for collecting past due amounts for Family Planning clients.
 - 1. Confidential clients should NOT be referred to Debt Set-off.
 - x. The “Bad Debt Write-Off” method of aging accounts will be strictly followed. Bills/receipts given to clients at the time of service show total charges, as well as any allowable discounts.
 - xi. Family Planning clients will pay the lesser of the copay or where they fall on Sliding Fee Scale as required by Title X.
- d. **Sliding Fee:**
- i. A sliding fee scale is applied based on current Family Planning Program billing guidelines. Medicaid or Private Insurance plans are billed, if available and patient does not request to receive “Confidential Services” (see above).

8. Immunization/Immunization Action Plan

- a. Macon County Public Health’s goal is to prevent disease, disability, and death from vaccine preventable diseases in infants, children, and adults. MCPH works with the NC Immunization branch to assure that individuals are age-appropriately immunized, and manages outbreaks of vaccine preventable diseases including: infants, children, college bound individuals, and adults. Macon County Public Health also offers foreign travel vaccines.
- b. **Eligibility**
 - i. There are no residency requirements for immunizations.
- c. **Financial:**
 - i. Some Foreign Travel vaccines are required to be pre-paid before ordering due to high cost of vaccine. Reference XIII (Vaccine and Administration) for further financial information.
- d. **Sliding Fee:**

- i. Not Applicable

9. Laboratory

- a. Laboratory services are performed by LabCorp, North Carolina State Lab of Public Health or Macon County Public Health's lab.
- b. **Eligibility:**
 - i. Not Applicable
- c. **Financial:**
 - i. Billing is determined by services provided.
 - ii. Patient insurance will be filed or patient will be billed for date of services.
- d. **Sliding Fee:**
 - i. Clinical laboratory services will be billed according to individual program Agreement Addenda (ex. Family Planning, Sexually Transmitted Disease, WiseWoman, etc.)
 - ii. External Lab Orders will be charged at 100% of fee.

10. Maternal Health/Prenatal

- a. MCPH Maternal Health Program's purpose is to ensure that all individuals who are pregnant and low-income have access to early and continuous prenatal and postnatal care. Obstetrical care is provided through contracted arrangements with area providers.
- b. **Eligibility:**
 - i. Patients must be a Macon County Resident, proof of residency is required.
- c. **Finance:**
 - i. Presumptive Medicaid, Medicaid or Private Insurance plans are billed, if available.
 - ii. Charges will not be assessed when income falls below 100% of Federal Poverty Guidelines, for Child Health, Family Planning and Maternity programs.
- d. **Sliding Fee:**
 - iii. A sliding fee scale is applied based on current Maternal Health Program billing guidelines.

11. Primary Care

- a. Macon County Public Health provides primary care services to eligible full time Macon County Residents who do not have a primary care doctor and are between the ages of 21-64 years. MCPH will not accept the following for primary care services: chronic pain management, methadone physicals, disability claims. Patients must complete a medical questionnaire, which is reviewed by the MCPH medical provider; patients can be accepted or denied primary care services based on the medical questionnaire and whether or not Macon County Public Health's physician can provide the level of care the patient requires.
- b. **Eligibility:**
 - i. Patient must be a Macon County resident

- ii. Patient must be between the ages of 21-64 years.
- c. **Finance:**
 - i. Patients with Medicare, Medicaid, or private insurance, their plans will be billed for services.
 - ii. Patients with insurance are responsible for insurance co-payments or remaining balances after insurance payment.
 - iii. Self-Pay patients are responsible for remaining balances after sliding fee scale has been applied to their services.
- d. **Sliding Fee:**
 - i. A sliding fee scale is applied to patients without insurance (self-pay) based on provided income, with a maximum discount of 60%.

12.School Based Health Center

- a. Macon County's School-based Health Center's primary mission is to provide students and staff of Macon County Schools a convenient and affordable option to access health care. These services will be provided through a telehealth model. This program is designed to serve one of Macon County's most vulnerable populations.
- b. **Eligibility:**
 - i. Child: Must be enrolled in Macon County Schools, and enrolled in the school based health center.
 - ii. Adult (School Staff): Must be employed by Macon County Schools, and enrolled in the school based health center.
- c. **Finance:**
 - i. Child: Medicaid or private insurance plans will be billed, if available. If non-insured, fees will be based on NC Child Health Program Financial Guidelines (see above).
 - ii. Adult: Medicaid or private insurance plans will be billed, if available. If non-insured a flat fee, determined by MCPH's Governing Boards, will be billed to the patient.
- d. **Sliding Fee:**
 - i. Child: See Child Health Program Financial Guidelines.
 - ii. Adult: Not Applicable

13.Sexually Transmitted Disease Prevention

- a. MCPH STD Prevention Program's mission is closely linked to the mission of the Centers for Disease Control and Prevention (CDC) Division of STD Prevention (DSTDP). The DSTDP has specific disease prevention goals that are contextualized within the broad framework of the social determinants of health, the promotion of sexual health, and the primary prevention of sexually transmitted disease. STD prevention concentrates its efforts on four focus areas to guide STD prevention and maximize longer-term impact:

- i. Adolescents and Young Adults
 - ii. Men Who Have Sex with Men (MSM)
 - iii. Pregnant Women
 - iv. STD Prevention Systems
- b. **Eligibility:**
 - i. No residency requirements
- c. **Financial:**
 - i. Offer routine Sexually Transmitted Disease (STD) and Human Immunodeficiency Virus (HIV) services at no cost to the client regardless of county of residence.
 - ii. STD testing which is not required by North Carolina Administrative Code (I OA NCAC 41A .0204) may be billed according to local billing policy (for example serum herpes testing).
 - iii. Medicaid and Private Insurance plans can be billed, if desired by client.
 - iv. Clients can choose to be a “confidential” patient and to not bill Medicaid or Private insurance plans at no cost to them, unless the service is not covered by program guidelines.
 - v. Non-Insured or confidential clients are billed at a zero charge, unless the service is not required by the North Carolina Administrative code (I OA NCAC 41A .0204), as stated above.
- d. **Sliding Fee:**
 - i. Not Applicable

14. Sexually Transmitted Disease Drugs

- a. The North Carolina Administrative Code (I OA NCAC 4 IA .0204) requires North Carolina local health departments to provide free treatment for clients diagnosed with sexually transmitted diseases (STDs): Local health departments shall provide diagnosis, testing, treatment, follow-up, and preventive services for syphilis, gonorrhea, chlamydia, nongonococcal urethritis, mucopurulent cervicitis, chancroid, lymphogranuloma venereum, and granuloma inguinal. These services shall be provided upon request and at no charge to the patient.
- b. Local health departments are expected to purchase drugs at the lowest available pricing. The Health Resources and Services Administration's (HRSA) federal 340B Drug Pricing Program requires drug manufacturers to provide outpatient drugs to eligible health care organizations/covered entities at significantly reduced prices which are generally recognized as the cheapest available. This 340B Program enables covered entities to stretch scarce federal and state resources as far as possible, reaching more eligible patients and providing more comprehensive services. Local health department clinics which diagnose and treat sexually transmitted diseases and receive funding from state and local resources are 340B Program covered entities.
- c. An individual is a patient of a 340B covered entity only if:

- i. the covered entity has established a relationship with the individual, such that the covered entity maintains records of the individual's health care; and
 - ii. the individual receives health care services from a health care professional who is either employed by the covered entity or provides health care under contractual or other arrangements (e.g., referral for consultation) such that responsibility for the care provided remains with the covered entity; and
 - iii. the individual receives a health care service or range of services from the covered entity which is consistent with the service or range of services for which grant funding has been provided to the entity.
- d. **Eligibility:**
 - i. No residential requirements.
- e. **Finance:**
 - i. Macon County Public Health shall ensure program integrity and maintain auditable records which document compliance with all 340B Program requirements as specified at <https://www.hrsa.gov/opa/program-requirements/index.html>. Billing policies and procedures must comply with North Carolina Administrative Code (I OA NCAC 4 IA .0204) and insurance requirements. Medications on the STD Formulary must be charged at the cost of acquisition. The LHD must establish a fee schedule for all billable STD tests and treatments.
- f. **Sliding Fee:**
 - i. Not applicable

15. Tuberculosis (TB) Control

- a. The mission of the Macon County Public Health TB Program is to eliminate tuberculosis disease as a public health threat by reducing the number of new cases of TB and by controlling the spread of TB into the general population.
- b. **Eligibility:**
 - i. Any persons residing either temporarily or permanently in North Carolina.
- c. **Finance:**
 - i. Clients who are referred or present for evaluation and/or treatment to rule out active tuberculosis, or for evaluation and/or treatment for latent tuberculosis infection. These services are covered under the tuberculosis program.
- d. **Sliding Fee:**
 - i. Not Applicable

16. Wisewoman

- a. The NC WISEWOMAN Project promotes effective screening and lifestyle intervention strategies for cardiovascular health in order to reduce the incidence of heart disease and stroke and reduce mortality in underserved women of North Carolina.
- b. **Eligibility:**

- i. Women ages 40 to 64
 - ii. Women eligible for NC BCCCP, meaning those women with gross incomes that are less than 250% of the federal poverty level.
 - iii. Women not enrolled in Medicare Part B or Medicaid (as women enrolled in Medicare Part B or Medicaid are not eligible for NC WISEWOMAN Project enrollment or program funded services).
 - iv. There is an exception for women age 65 who had been previously enrolled in the
 - v. NC WISEWOMAN Project and who otherwise remain eligible for NC BCCCP: these women may return for their rescreening 12-18 months after their initial NC WISEWOMAN Project visit.
- c. **Financial:**
- i. NC WISEWOMAN Project funds shall only be used for payment after all other third-party payment sources (including private insurance) provide evidence of partial or non-payment of program eligible services. NC WISEWOMAN Project is the payer of last resort.
 - ii. Women whose gross incomes are less than 101 % the federal poverty level cannot be charged for any services covered through NC WISEWOMAN Project. Participants should be notified of any possible charges prior to committing to the procedure.
 - iii. A flat fee cannot be charged for NC WISEWOMAN PROJECT services to any woman enrolled in NC WISEWOMAN Project.
- d. **Sliding Fee:**
- i. Sliding fee scales may be used for women whose gross incomes are between 101% and 250% of the federal poverty level.

17. Workman's Compensation

- a. Macon County Public Health provides Macon County Employees with Workman's Compensation Services during business hours (8am -4:30pm- Monday through Friday) for services that are not serious enough to require an Emergency room visit.
- b. **Eligibility:**
 - i. Must be a Macon County Employee.
- c. **Finance:**
 - i. Workman's compensation claims are filed/billed to Argent by Macon County Public Health Finance.
- d. **Sliding Fee:**
 - i. Not Applicable

IV. Environmental Health Services

- a. MCPH Environmental Health Program's primary mission is to protect environmental and public health by assuring compliance with state and local environmental laws. Environmental Health Services include inspections and permitting of septic systems,

private drinking water wells, swimming pools, hospitals, daycare centers, schools, food handling, tattoo parlors, and lodging establishments.

b. **Eligibility:**

- i. Macon County Jurisdiction

c. **Financial:**

- i. Environmental Health fees are determined by MCPH Governing Boards, the Board of Health and County Commissioners. Environmental Health fees from other counties are taken into consideration.

- i. Fees for Environmental Health Services are due at time of service.

d. **Sliding Fee:**

- i. Not Applicable

V. Women, Infant and Children's Nutrition (WIC) Services

- a. Supplemental nutrition and education program to provide specific nutritional foods and education services to improve health status of target groups.

b. **Eligibility:**

- i. WIC is available to pregnant, breastfeeding, and postpartum women as well as infants and children up to age 5.

- ii. The following criteria must also be met:

1. be a resident of North Carolina;
2. be at medical and/or nutritional risk
3. have a family income less than 185% of the US Federal Poverty Level; Medicaid, AFDC, or food stamps automatically meet the income eligibility requirement.

c. **Financial:**

- i. Participants are not charged for these services.

d. **Sliding Fee:**

- i. Not Applicable

Appendixes

- I. [Attachment – Appendix I – MCPH Accepted Insurances and Governmental Payers](#)
- II. [Attachment – Appendix II – MCPH Fee Plan](#)
- III. [Attachment – Appendix III – MCPH Fee Setting Methodology](#)
- IV. [Attachment – Appendix IV – MCPH Fee Waiver Request Form](#)
- V. [Attachment – Appendix V – MCPH Fee Waiver Settlement Letter](#)

Macon County Billing Guide - Appendix I

MCPH Accepted Insurances and Governmental Payers

Clinical Services

In Network Third Party Insurances

Macon County Public Health is in network and participates with the following Third-Party Insurances to provide clinical services:

- Aetna
- Blue Cross Blue Shield of North Carolina
- Cigna
- Medcost
- North Carolina Health Choice
- Tricare
- Prime
- Standard
- Tricare for Life
- United Healthcare
- UMR
- Humana

Participating Governmental Payers

Macon County Public Health is in network and participates with the following Governmental payers to provide clinical services:

- Medicare
- NC Medicaid
 - Including Prepaid Health Plans provided by the following:
 - Healthy Blue
 - United Health Care
 - Well Care
 - Amerihealth Caritas
 - Carolina's Complete

Dental Services

In Network Third Party Insurances

Macon County Public Health is in network and participates with the following Third-Party Insurances to provide dental services:

- Blue Cross Blue Shield of North Carolina
- Metlife

Participating Governmental Payers

Macon County Public Health is in network and participates with the following Governmental payers to provide dental services:

- NC Medicaid
- NC Health Choice

FOOD, LODGING & INSTITUTIONS	DESCRIPTION	CHARGE CODE	FEE
Temporary Food	Temp Food	Temporary Food	\$75
Limited Food	Limited Food	Food & Lodging	\$75
Plan Review	Plan Review	Food & Lodging	\$200
Mobile Food Unit	Mobile Food	Food & Lodging	\$200
Tattoo Artist (working in a permitted tattoo parlor)	Tattoo Permit	Food & Lodging	\$500
Tattoo Parlor (tattoo artist that owns parlor)	Tattoo Permit	Food & Lodging	\$700
Pools	Pool Permit	Swimming Pool	\$100
Spa	Spa Permit	Swimming Pool	\$50

ONSITE WASTE WATER	DESCRIPTION	CHARGE CODE	FEE
IP-1	IP-1	Wastewater	\$400
IPAC - 1	IPAC - 1	Wastewater	\$400
IP-2 or IP-3	IP-2 or IP-3	Wastewater	\$500
IPAC-2 or IPAC-3	IPAC-2 or IPAC-3	Wastewater	\$500
IP-4 or IP-5	IP-4 or IP-5	Wastewater	\$1,000
IPAC-4 or IPAC-5	IPAC-4 or IPAC-5	Wastewater	\$1,000
IPAC-6 (comm rate)	IPAC-6	Wastewater	\$1,188
IPAC-7 (comm rate)	IPAC-7	Wastewater	\$1,386
Re-connect	Re-connect	Wastewater	\$125
Addition to System	Add to Sys-(# of BR's)	Wastewater	\$250 per BR
Repair	Repair	Wastewater	No Charge
Site Visit	Site Visit	Wastewater	\$125
Locate a System	Locate a System	Wastewater	\$125
Relocate a System	Relocate a System	Wastewater	\$125
Tank Relocation	Tank Relocation	Wastewater	\$125
Return Visit	Return Visit	Wastewater	\$125
Commercial System	Commercial GPD (ie: Comm 100gpd)	Wastewater	\$1.65 per gallon
Commercial Repair	Repair Comm System	Wastewater	\$.42 per gallon

PRIVATE DRINKING WATER WELLS	DESCRIPTION	CHARGE CODE	FEE
New Well	New SF Well or New Shared or Dry Well	\$296 Private \$79 GS/EHS	\$375
Repair	Repair - ASK if want Water Sample	\$50 Collection Fee and \$79 GS/EHS	\$129 with WS, N/C without WS
Site Visit	Site Visit	Priv Water	\$125
Abandonment	Abandonment	No Charge	N/C
Return Site Visit	Return Site Visit	Priv Water	\$125
Relocate Well	Well Relocation	Priv Water	\$125
Well Moves off the parcel it was permitted for	New Single Family or New Shared Well	\$296 to Priv Water \$79 GS/EHS	\$375

Well Variance	Well Variance Request	\$125 Priv Water - \$50 Collection \$79 GS/EHS	\$254
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Macon County Public Health Fee Schedule FY25

CPT Billing Code	LabCorp Test Number	Lab Fees	MCPH Current Fee	Starting Cost	Rounded up to nearest \$	Fees as of 9/1/2024
83498	070085	17-OH Progesterone, LC/MS	\$ 37.00	\$ 16.70	\$ 17.00	\$ 37.00
82024	004440	Adrenocorticotrophic Hormone (ACTH), Plasma	\$ 39.00	\$ 18.97	\$ 19.00	\$ 39.00
85307	117762	Activated Protein C Resistance (APCR)	\$ 50.00	\$ 29.06	\$ 30.00	\$ 50.00
84460	001545	Alanine Aminotransferase (ALT/SGPT)	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
82040	001081	Albumin	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
	140285	Albumin/Creatinine Ratio, Random Urine	See Group			
80320	017996	Ethanol, Whole Blood	\$ 33.00	\$ 12.44	\$ 13.00	\$ 33.00
82075	In House	ALCOHOL- BREATH ETHANOL	\$ 40.00			\$ 50.00
82085	002030	Aldolase	\$ 23.00	\$ 2.74	\$ 3.00	\$ 23.00
82088	004374	Aldosterone, LC/MS	\$ 34.00	\$ 13.18	\$ 14.00	\$ 34.00
84075	001107	Alkaline Phosphatase	\$ 24.00	\$ 3.29	\$ 4.00	\$ 24.00
	602628	Allergen Profile w/Total IgE, Respiratory – Area 2	See Group			
86005	602620	EX01 Animal Mix (Allergy)	***			
82103	001982	a1- Antitrypsin	\$ 27.00	\$ 6.05	\$ 7.00	\$ 27.00
	095653	a1- Antitrypsin Phenotyping	See Group			
82105	002253	α-Fetoprotein (AFP), Tumor Marker	\$ 27.00	\$ 6.99	\$ 7.00	\$ 27.00
	017319	α-Fetoprotein (AFP) Tetra Profile	See Group			
82139	700068	Amino Acid Profile, Quantitative, Plasma	\$ 59.00	\$ 130.33	\$ 131.00	\$ 151.00
80299	007476	Amitriptyline	\$ 118.00	\$ 17.97	\$ 18.00	\$ 38.00
82140	007054	Ammonia, Plasma	\$ 6.00	\$ 6.00	\$ 6.00	\$ 26.00
82150	001396	Amylase	\$ 25.00	\$ 4.60	\$ 5.00	\$ 25.00
82157	004705	Androstenedione, LC/MS	\$ 48.00	\$ 17.47	\$ 18.00	\$ 38.00
82164	010116	Angiotensin- converting Enzyme (ACE)	\$ 26.00	\$ 5.49	\$ 6.00	\$ 26.00
86215	096289	Anti-Dnase B (Streptococcal) Antibodies	\$ 35.00	\$ 14.67	\$ 15.00	\$ 35.00
86225	096339	Anti-dsDNA (Double-stranded) Antibodies	\$ 27.00	\$ 6.99	\$ 7.00	\$ 27.00
86870	006213	Antibody Identification	\$ 37.00	\$ 16.69	\$ 17.00	\$ 37.00
86850	006015	Antibody Screen	\$ 25.00	\$ 4.33	\$ 5.00	\$ 25.00
	791490	Antidepressant Drug Profile, Quantitative	See Group			
86235 (x2)	006338	Antiextractable Nuclear Antigens	\$ 114.00	15.93 (2X)	\$16.00 (2X)	\$ 52.00
86037 (x3)	162388	Antineutrophil Cytoplasmic Antibodies (ANCA)	\$ 108.00	6.14 (3X)	7.00 (3X)	\$ 41.00
86038	164962	Antinuclear Ab by Multiplex Immunoassay, Reflex to 5-biomarker profile	\$ 24.00	\$ 3.86	\$ 4.00	\$ 24.00
86060	006031	Antistreptolysin O (ASO) Antibodies	\$ 24.00	\$ 3.78	\$ 4.00	\$ 24.00
85301	015057	Antithrombin (AT) Antigen (Immunologic)	\$ 39.00	\$ 18.17	\$ 19.00	\$ 39.00
85300	015040	Antithrombin (AT) Activity	\$ 43.00	\$ 22.68	\$ 23.00	\$ 43.00
	015594	Antithrombin (AT) Deficiency Profile	See Group			
82175	007245	Arsenic, Whole Blood	\$ 51.00	\$ 30.99	\$ 31.00	\$ 51.00
84450	001123	Aspartate Aminotransferase (AST/SGOT)	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
86611(x4)	163162	Bartonella Antibody Profile	\$ 42.00	\$ 21.67	22.00 (4X)	\$ 108.00
86146(x2)	163002	β2-Glycoprotein 1 Antibodies, IgG, IgM	\$ 23.00	\$ 5.99	6.00 (2X)	\$ 32.00
82232	480020	β2-Microglobulin (Serial Monitor)	\$ 44.00	\$ 14.52	\$ 15.00	\$ 35.00
82239	010330	Bile Acids	\$ 31.00	\$ 10.88	\$ 11.00	\$ 31.00
82248	001222	Bilirubin, Direct	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00

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82247	001099	Bilirubin, Total	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
85060	005300	Hematopathology Consultation, Peripheral Smear	\$ 24.00	\$ 3.70	\$ 4.00	\$ 24.00
	006049	ABO Grouping and Rho(D) Typing	See Group			
86900	006056	ABO Grouping	\$ 23.00	\$ 2.45	\$ 3.00	\$ 23.00
86901	006064	Rh Typing	\$ 23.00	\$ 2.35	\$ 3.00	\$ 23.00
83880	140889	B-Type Natriuretic Peptide (BNP)	\$ 48.00	\$ 27.12	\$ 28.00	\$ 48.00
82308	004895	Calcitonin (Thyrocalcitonin)	\$ 38.00	\$ 17.63	\$ 18.00	\$ 38.00
82652	081091	Calcitriol (1,25 di-OH Vitamin D)	\$ 38.00	\$ 17.43	\$ 18.00	\$ 38.00
82310	001016	Calcium	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
82330	004804	Calcium, Ionized	\$ 24.00	\$ 3.79	\$ 4.00	\$ 24.00
82340	003269	Calcium, Urine	\$ 25.00	\$ 4.80	\$ 5.00	\$ 25.00
86304	002303	Cancer Antigen (CA) 125	\$ 37.00	\$ 7.99	\$ 8.00	\$ 38.00
86300	483404	Cancer Antigen (CA) 15-3 (Serial Monitor)	\$ 37.00	\$ 16.81	\$ 17.00	\$ 37.00
86300	140293	Cancer Antigen (CA) 27.29	\$ 37.00	\$ 9.77	\$ 10.00	\$ 30.00
36416	In House	CAPILLARY BLOOD DRAW	\$ 4.00			\$ 4.00
86301	002261	Carbohydrate Antigen (CA) 19-9	\$ 30.00	\$ 9.99	\$ 10.00	\$ 30.00
82374	001578	Carbon Dioxide, Total	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
82375	007187	Carbon Monoxide, Whole Blood	\$ 31.00	\$ 11.00	\$ 11.00	\$ 31.00
86147(x3)	161950	Anticardiolipin Antibodies (ACA), IgA, IgG, IgM, Quantitative	\$ 31.00	\$ 30.16	\$ 31.00	\$ 113.00
82380	001529	Carotene, β	\$ 33.00	\$ 12.36	\$ 13.00	\$ 33.00
82384	084152	Catecholamines, Fractionated, Plasma	\$ 45.00	\$ 24.43	\$ 25.00	\$ 45.00
86200	164914	Anti-CCP (Cyclic Citrullinated Peptide) Antibodies, IgG and IgA, ELISA	\$ 35.00	\$ 15.00	\$ 15.00	\$ 35.00
86360	505271	CD4:CD8 Ratio Profile	\$ 29.00	\$ 40.73	\$ 41.00	\$ 61.00
82378	002139	Carcinoembryonic Antigen (CEA)	\$ 28.00	\$ 7.18	\$ 8.00	\$ 28.00
	165126	Celiac HLA Class II	See Group			
82390	001560	Ceruloplasmin	\$ 26.00	\$ 5.79	\$ 6.00	\$ 26.00
86632	096149	Chlamydia trachomatis Antibodies, IgM	\$ 34.00	\$ 13.15	\$ 14.00	\$ 34.00
	180051	Chlamydia/Gonococcus/Genital Mycoplasma Profile, NAA, Urine	See Group			
	180049	Chlamydia/Gonococcus/Mycoplasma genitalium, NAA, Urine	See Group			
	183160	Chlamydia trachomatis, Neisseria gonorrhoeae, and Trichomonas vaginalis,	See Group			
	183194	Chlamydia/Gonococcus, NAA	See Group			
82436	003160	Chloride, 24-Hour Urine	\$ 24.00	\$ 3.29	\$ 4.00	\$ 24.00
82435	001206	Chloride	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
82465	001065	Cholesterol, Total	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
82495	071522	Chromium, Plasma	\$ 49.00	\$ 28.52	\$ 29.00	\$ 49.00
82507	016865	Citric Acid (Citrate), 24-Hour Urine	\$ 37.00	\$ 16.90	\$ 17.00	\$ 37.00
87324	086207	Clostridioides difficile Toxins A and B, EIA	\$ 35.00	\$ 14.53	\$ 15.00	\$ 35.00
86644	006494	Cytomegalovirus (CMV) Antibodies, IgG	\$ 26.00	\$ 5.59	\$ 6.00	\$ 26.00
86645	096727	Cytomegalovirus (CMV) Antibodies, Qualitative, IgM	\$ 28.00	\$ 7.27	\$ 8.00	\$ 28.00
86162	001941	Complement, Total (CH50)	\$ 26.00	\$ 5.04	\$ 6.00	\$ 26.00
85025	005009	Complete Blood Count (CBC) With Differential	\$ 22.00	\$ 2.00	\$ 2.00	\$ 22.00
86880	006270	Coombs', Direct	\$ 31.00	\$ 10.57	\$ 11.00	\$ 31.00

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82533	004051	Cortisol	\$ 26.00	\$ 5.59	\$ 6.00	\$ 26.00
84681	010108	C-Peptide	\$ 25.00	\$ 4.79	\$ 5.00	\$ 25.00
82565	001370	Creatinine	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
	002154	Creatine Kinase (CK), Total Plus Isoenzymes	See Group			
82550	001362	Creatine Kinase (CK), Total	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
82553	120816	Creatine Kinase (CK), MB	\$ 97.00	\$ 76.31	\$ 77.00	\$ 97.00
86141	120766	C-Reactive Protein (CRP), High Sensitivity (Cardiac Risk Assessment)	\$ 26.00	\$ 5.81	\$ 6.00	\$ 26.00
86140	006627	C-Reactive Protein (CRP), Quantitative	\$ 25.00	\$ 4.79	\$ 5.00	\$ 25.00
82523	500089	C-Telopeptide (Endocrine Sciences)	\$ 106.00	\$ 85.23	\$ 86.00	\$ 106.00
82575	003004	Creatinine Clearance	\$ 24.00	\$ 3.50	\$ 4.00	\$ 24.00
82570	003012	Creatinine, 24-Hour Urine	\$ 26.00	\$ 5.39	\$ 6.00	\$ 26.00
82595	001594	Cryoglobulin, Qualitative With Quantitative Reflex	\$ 24.00	\$ 3.82	\$ 4.00	\$ 24.00
87077	008664	Organism Identification, Bacteria	\$ 25.00	\$ 7.00	\$ 7.00	\$ 27.00
87070	008649	Aerobic Bacterial Culture, General	\$ 30.00	\$ 10.00	\$ 10.00	\$ 30.00
80158	706556	Cyclosporine, Whole Blood	\$ 36.00	\$ 15.48	\$ 16.00	\$ 36.00
81220	481025	Cystic Fibrosis (CF), 97 Variants	\$ 160.00	\$ 140.00	\$ 140.00	\$ 160.00
86644	006494	Cytomegalovirus (CMV) Antibodies, IgG	\$ 26.00	\$ 5.59	\$ 6.00	\$ 26.00
86645	096727	Cytomegalovirus (CMV) Antibodies, Qualitative, IgM	\$ 28.00	\$ 7.27	\$ 8.00	\$ 28.00
85379	115188	D-Dimer	\$ 40.00	\$ 19.37	\$ 20.00	\$ 40.00
82627	004020	Dehydroepiandrosterone (DHEA) Sulfate	\$ 30.00	\$ 9.49	\$ 10.00	\$ 30.00
80162	007385	Digoxin	\$ 26.00	\$ 6.00	\$ 6.00	\$ 26.00
80051	303754	Electrolyte Panel	\$ 29.00	\$ 2.02	\$ 3.00	\$ 23.00
86663	096248	Epstein-Barr Virus (EBV) Antibodies to Early Antigen-Diffuse [EA(D)], IgG	\$ 32.00	\$ 11.61	\$ 12.00	\$ 32.00
86664	010272	Epstein-Barr Virus (EBV) Nuclear Antigen Antibodies, IgG	\$ 32.00	\$ 11.97	\$ 12.00	\$ 32.00
	096255	Epstein-Barr Virus (EBV) (Viral Capsid Antigen [VCA] and Early Antigen-	See Group			
	240610	Epstein-Barr Virus (EBV) Antibody Profile	See Group			
82668	140277	Erythropoietin (EPO)	\$ 25.00	\$ 4.49	\$ 5.00	\$ 25.00
82670	004515	Estradiol	\$ 36.00	\$ 15.98	\$ 16.00	\$ 36.00
82677	004614	Estriol	\$ 34.00	\$ 13.78	\$ 14.00	\$ 34.00
82672	004549	Estrogens, Total	\$ 32.00	\$ 11.98	\$ 12.00	\$ 32.00
82679	004564	Esterone	\$ 44.00	\$ 23.96	\$ 24.00	\$ 44.00
85250	086298	Factor IX Activity	\$ 81.00	\$ 60.02	\$ 61.00	\$ 81.00
85220	086249	Factor V Activity	\$ 74.00	\$ 53.27	\$ 54.00	\$ 74.00
81241	511154	Factor V Leiden Mutation Analysis	***	\$ 58.04	\$ 59.00	\$ 79.00
85240	086264	Factor VIII Activity	\$ 81.00	\$ 55.12	\$ 56.00	\$ 76.00
82705	001677	Fecal Fat, Qualitative	\$ 28.00	\$ 7.98	\$ 8.00	\$ 28.00
82710	001354	Fecal Fat, Quantitative	\$ 35.00	\$ 14.28	\$ 15.00	\$ 35.00
82728	004598	Ferritin	\$ 25.00	\$ 4.89	\$ 5.00	\$ 25.00
82731	120857	Fetal Fibronectin	***	\$ 167.10	\$ 168.00	\$ 188.00
85384	001610	Fibrinogen Activity	\$ 25.00	\$ 4.58	\$ 5.00	\$ 25.00
82746	002014	Folate (Folic Acid)	\$ 25.00	\$ 4.79	\$ 5.00	\$ 25.00
83001	004309	Follicle-stimulating Hormone (FSH)	\$ 27.00	\$ 6.30	\$ 7.00	\$ 27.00

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83521(x2)	121137	Free κ and λ Light Chains Plus Ratio, Quantitative	***	\$ 35.00	35.00 (2X)	\$ 90.00
82985	100800	Fructosamine	\$ 63.00	\$ 5.58	\$ 6.00	\$ 26.00
	001917	Glucose 6-Phosphate Dehydrogenase (G6PD), Quantitative, Whole Blood and	See Group			
82941 (per specimen)	004390	Gastrin	\$ 28.00	\$ 7.99	\$ 8.00	\$ 28.00
	180040	Genital Mycoplasma Profile, NAA, Urine	See Group			
82947	001032	Glucose	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
82977	001958	γ-Glutamyl Transferase (GGT)	\$ 24.00	\$ 3.29	\$ 4.00	\$ 24.00
87081	188130	Group B Streptococcus Colonization Detection Culture	\$ 33.00	\$ 12.60	\$ 13.00	\$ 33.00
88175	199300	Gynecologic Pap Test (Image-guided), Liquid-based Preparation With Reflex	\$ 39.00	\$ 19.00	\$ 19.00	\$ 39.00
	199305	Gynecologic Pap Test (Image-guided), Liquid-based Preparation and Human	See Group			
99000	In House	HANDLING FEE	\$ 25.00			\$ 25.00
83010	001628	Haptoglobin	\$ 28.00	\$ 7.81	\$ 8.00	\$ 28.00
84703	004556	Human Chorionic Gonadotropin (hCG), β-Subunit, Qualitative	\$ 27.00	\$ 6.78	\$ 7.00	\$ 27.00
83013	180836	Helicobacter pylori Urea Breath Test	***	\$ 90.00	\$ 90.00	\$ 110.00
87338	180764	Helicobacter pylori Stool Antigen	\$ 50.00	\$ 30.00	\$ 30.00	\$ 50.00
85014	005058	Hematocrit	\$ 23.00	\$ 2.87	\$ 3.00	\$ 23.00
83036	001453	Hemoglobin (Hb) A1c	\$ 24.00	\$ 4.00	\$ 4.00	\$ 24.00
85660	005330	Hemoglobin (Hb) Solubility With Reflex to Hemoglobinopathy Fractionation	\$ 24.00	\$ 4.00	\$ 4.00	\$ 24.00
80074	144000	Acute Viral Hepatitis (HAV, HBV, HCV)	\$ 46.00	\$ 20.30	\$ 21.00	\$ 41.00
86709	006734	Hepatitis A Antibody, IgM	\$ 24.00	\$ 4.00	\$ 4.00	\$ 24.00
86708	006726	Hepatitis A Virus (HAV) Antibody, Total	\$ 25.00	\$ 4.27	\$ 5.00	\$ 25.00
86705	016881	Hepatitis B Core Antibody, IgM	\$ 24.00	\$ 4.00	\$ 4.00	\$ 24.00
86704	006718	Hepatitis B Core Antibody, Total	\$ 26.00	\$ 6.00	\$ 6.00	\$ 26.00
86706	006395	Hepatitis B Surface Antibody, Qualitative	\$ 24.00	\$ 3.40	\$ 4.00	\$ 24.00
87340	006510	Hepatitis B Surface Antigen (HBsAg) Screen, Qualitative	\$ 24.00	\$ 3.51	\$ 4.00	\$ 24.00
86707	006635	Hepatitis Be Antibody	\$ 28.00	\$ 7.02	\$ 8.00	\$ 28.00
87350	006619	Hepatitis Be Antigen	\$ 27.00	\$ 6.15	\$ 7.00	\$ 27.00
87517	551620	Hepatitis B Virus (HBV), Quantitative, DNA Real-time PCR, (Graphical)	\$ 206.00	\$ 185.96	\$ 186.00	\$ 206.00
86803	144050	Hepatitis C Virus (HCV) Antibody With Reflex to Quantitative Real-time PCR	\$ 26.00	\$ 5.86	\$ 6.00	\$ 26.00
87902	550475	Hepatitis C Virus (HCV) Genotyping, Nonreflex	\$ 135.00	\$ 115.00	\$ 115.00	\$ 135.00
86803	140659	HCV Antibody	\$ 38.00			***
80076	322755	Hepatic Function Panel (7)	\$ 27.00	\$ 2.44	\$ 3.00	\$ 23.00
	164099	Herpes Simplex Virus (HSV) Types 1 and 2-Specific Antibodies, IgG	See Group			
83718	001925	High-density Lipoprotein Cholesterol (HDL-C)	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
	500918	Histopathology (Colpo & Mole Removal)	See Group			
87389	083935	HIV p24 Antigen/Antibody With Reflex to Confirmation	\$ 26.00	\$ 5.98	\$ 6.00	\$ 26.00
86703	State	HIV- STATE LAB	-			Free
81374	006924	HLA B27 Disease Association	\$ 42.00	\$ 21.54	\$ 22.00	\$ 42.00
83090	706994	Homocyst(e)ine	\$ 44.00	\$ 23.24	\$ 24.00	\$ 44.00
	164099	Herpes Simplex Virus (HSV) Types 1 and 2-Specific Antibodies, IgG	See Group			
84702	004416	Human Chorionic Gonadotropin (hCG), β-Subunit, Quantitative	\$ 25.00	\$ 5.00	\$ 5.00	\$ 25.00

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87625	507810	Human Papillomavirus (HPV) Genotypes 16 and 18,45	\$ 53.00	\$ 33.00	\$ 33.00	\$ 53.00
	164830	IBD Panel	See Group			
86335	123034	Immunofixation (IFE), Urine	\$ 42.00	\$ 21.70	\$ 22.00	\$ 42.00
	122390	Immunofixation (IFE) and Protein Electrophoresis, Random Urine	See Group			
	001495	Immunofixation (IFE), Serum and Protein Electrophoresis, Serum	See Group			
	003467	Immunofixation (IFE) and Protein Electrophoresis, 24-Hour Urine	See Group			
82785	002170	Immunoglobulin E, Total	\$ 27.00	\$ 6.38	\$ 7.00	\$ 27.00
82784(x3)	001768	Immunoglobulins, Quantitative, IgA, IgG, IgM	***	\$ 13.24	14.00 (3X)	\$ 62.00
	002295	Immunoglobulins, Quantitative, IgA, IgE, IgG, IgM	See Group			
86336	146803	Inhibin A, Ultrasensitive	\$ 134.00	\$ 113.18	\$ 114.00	\$ 134.00
83525	004333	Insulin	\$ 24.00	\$ 3.70	\$ 4.00	\$ 24.00
	501561	Insulin, Free and Total	See Group			
84305	010363	Insulin, Free and Total	\$ 32.00	\$ 11.98	\$ 12.00	\$ 32.00
86340	010413	Intrinsic Factor Blocking Antibodies	\$ 31.00	\$ 10.07	\$ 11.00	\$ 31.00
	001321	Iron and Total Iron-binding Capacity (TIBC)	See Group			
80235	007012	Lacosamide	\$ 196.00	\$ 175.74	\$ 176.00	\$ 196.00
83615	001115	Lactic Acid Dehydrogenase (LD)	\$ 24.00	\$ 3.29	\$ 4.00	\$ 24.00
80175	716944	Lamotrigine, Serum or Plasma	\$ 49.00	\$ 28.52	\$ 29.00	\$ 49.00
83655	007625	Lead, Whole Blood (Adult)	\$ 24.00	\$ 3.45	\$ 4.00	\$ 24.00
80177	716936	Levetiracetam, Serum or Plasma	\$ 38.00	\$ 17.48	\$ 18.00	\$ 38.00
83721	120295	Low-density Lipoprotein Cholesterol (Direct)	\$ 27.00	\$ 6.85	\$ 7.00	\$ 27.00
83690	001404	Lipase	\$ 25.00	\$ 4.29	\$ 5.00	\$ 25.00
80061	235010	Lipid Panel With LDL:HDL Ratio	\$ 30.00	\$ 3.00	\$ 3.00	\$ 23.00
83695	120188	Lipoprotein(a)	\$ 30.00	\$ 9.50	\$ 10.00	\$ 30.00
80178	007708	Lithium	\$ 25.00	\$ 4.89	\$ 5.00	\$ 25.00
	117054	Lupus Anticoagulant Comprehensive	See Group			
83002	004283	Luteinizing Hormone (LH)	\$ 28.00	\$ 7.10	\$ 8.00	\$ 28.00
86617(x2)	163600	Lyme Disease, Line Blot	\$ 49.00	\$ 28.52	29.00 (2X)	\$ 78.00
83735	001537	Magnesium	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
81420	451927	MaterniT21 PLUS Core (chr21,18,13,sex)	\$ 319.00	\$ 29.00	\$ 299.00	\$ 319.00
	058495	Measles, Mumps, Rubella (MMR) Immunity Profile	See Group			
86765	096560	Measles (Rubeola) Antibodies, IgG	\$ 26.00	\$ 5.81	\$ 6.00	\$ 26.00
83825	085324	Mercury, Whole Blood	\$ 45.00	\$ 24.59	\$ 25.00	\$ 45.00
80048	322758	Metabolic Panel (8), Basic	\$ 23.00	\$ 2.58	\$ 3.00	\$ 23.00
80053	322000	Metabolic Panel (14), Comprehensive	\$ 24.00	\$ 3.33	\$ 4.00	\$ 24.00
83835	004234	Metanephrines, Fractionated, Quantitative, 24-Hour Urine	\$ 41.00	\$ 21.00	\$ 21.00	\$ 41.00
83921	706961	Methylmalonic Acid, Serum or Plasma	\$ 40.00	\$ 19.37	\$ 20.00	\$ 40.00
86308	006189	Mononucleosis Test, Qualitative	\$ 25.00	\$ 4.80	\$ 5.00	\$ 25.00
86735	096552	Mumps Antibodies, IgG	\$ 25.00	\$ 4.82	\$ 5.00	\$ 25.00
87563	180076	Mycoplasma genitalium, NAA, Swab	\$ 46.00	\$ 26.00	\$ 26.00	\$ 46.00
83874	010405	Myoglobin	\$ 32.00	\$ 9.24	\$ 10.00	\$ 30.00
83874	003079	Myoglobin, Quantitative, Random Urine	\$ 32.00	\$ 11.63	\$ 12.00	\$ 32.00

Macon County Public Health Fee Schedule FY25

CPT Billing Code	LabCorp Test Number	Lab Fees	MCPH Current Fee	Starting Cost	Rounded up to nearest \$	Fees as of 9/1/2024
	550960	NASH FibroSure® Plus	See Group			
	884247	NMR LipoProfile® With Lipids (Without Graph)	See Group			
80299	007393	Nortriptyline	\$ 150.00	\$ 12.76	\$ 13.00	\$ 33.00
82274	182949	Occult Blood, Fecal, Immunoassay (ColoFIT™)	\$ 40.00	\$ 20.00	\$ 20.00	\$ 40.00
83935	003442	Osmolality, Urine	\$ 26.00	\$ 5.25	\$ 6.00	\$ 26.00
83930	002071	Osmolality	\$ 26.00	\$ 5.04	\$ 6.00	\$ 26.00
	008623	Ova and Parasites Examination	See Group			
83945	003970	Oxalate, Quantitative, 24-Hour Urine	\$ 30.00	\$ 9.58	\$ 10.00	\$ 30.00
87168	188664	Parasite Identification, Arthropod	\$ 64.00	\$ 43.73	\$ 44.00	\$ 64.00
83970	015610	Parathyroid Hormone (PTH), Intact	\$ 26.00	\$ 5.49	\$ 6.00	\$ 26.00
85730	005207	Partial Thromboplastin Time (PTT), Activated	\$ 23.00	\$ 2.91	\$ 3.00	\$ 23.00
86747(x2)	163303	Parvovirus B19 (Human), IgG, IgM	\$ 55.00	\$ 34.82	35.00 (2X)	\$ 90.00
80307	733727	Pain Management Screening Profile (11 Drugs), Urine (PMP-11S)	\$ 156.00	\$ 135.60	\$ 136.00	\$ 156.00
80184	007823	Phenobarbital, Serum or Plasma	\$ 18.00	\$ 12.09	\$ 13.00	\$ 33.00
80185	007401	Phenytoin, Serum or Plasma	\$ 27.00	\$ 6.90	\$ 7.00	\$ 27.00
84105	003251	Phosphorus, 24-Hour Urine	\$ 24.00	\$ 3.57	\$ 4.00	\$ 24.00
84100	001024	Phosphorus	\$ 24.00	\$ 3.29	\$ 4.00	\$ 24.00
85049	005249	Platelet Count	\$ 23.00	\$ 3.00	\$ 3.00	\$ 23.00
84132	001180	Potassium	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
84133	003186	Potassium, 24-Hour Urine	\$ 26.00	\$ 5.44	\$ 6.00	\$ 26.00
84134	016931	Prealbumin	\$ 27.00	\$ 6.71	\$ 7.00	\$ 27.00
	144053	Pregnancy, Initial Screening Profile	See Group			
	007856	Primidone, Serum or Plasma	See Group			
82523	140850	Intact N-Terminal Propeptide of Type 1 Procollagen	\$ 106.00	\$ 161.70	\$ 162.00	\$ 182.00
84144	004317	Progesterone	\$ 28.00	\$ 7.10	\$ 8.00	\$ 28.00
84146	004465	Prolactin	\$ 26.00	\$ 5.95	\$ 6.00	\$ 26.00
84153	010322	Prostate-specific Antigen (PSA)	\$ 25.00	\$ 4.79	\$ 5.00	\$ 25.00
84066	004747	Prostatic Acid Phosphatase (PAP)	\$ 27.00	\$ 6.70	\$ 7.00	\$ 27.00
	003129	Protein and Creatinine, Random Urine	See Group			
85302	080465	Protein C Antigen	\$ 53.00	\$ 32.58	\$ 33.00	\$ 53.00
	283655	Protein C Deficiency Profile	See Group			
85303	117705	Protein C, Functional	\$ 45.00	\$ 24.43	\$ 25.00	\$ 45.00
	117754	Protein S Deficiency Profile	See Group			
	003368	Protein Electrophoresis, 24-Hour Urine	See Group			
	354928	Protein Electrophoresis, Random Urine	See Group			
	225920	Protein Electrophoresis With Interpretation, Serum	See Group			
85306	164525	Protein S, Functional	\$ 38.00	\$ 30.95	\$ 31.00	\$ 51.00
84155	001073	Protein, Total	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
84156	003277	Protein, Total, Quantitative, 24-Hour Urine	\$ 24.00	\$ 3.83	\$ 4.00	\$ 24.00
85610	005199	Prothrombin Time (PT)	\$ 23.00	\$ 2.50	\$ 3.00	\$ 23.00
	480947	PSA Total+% Free	See Group			
86480	182879	QuantiFERON®-TB Gold Plus	\$ 75.00	\$ 42.00	\$ 42.00	\$ 62.00

Macon County Public Health Fee Schedule FY25

CPT Billing Code	LabCorp Test Number	Lab Fees	MCPH Current Fee	Starting Cost	Rounded up to nearest \$	Fees as of 9/1/2024
86480	182893	QuantiFERON®-TB Gold Plus (Client Incubated)	\$ 75.00	\$ 55.00	\$ 55.00	\$ 75.00
86382	083885	Rabies Neut.Abs Titrat.(RFFIT)	\$ 75.00	\$ 55.00	\$ 55.00	\$ 75.00
86593	006460	Rapid Plasma Reagin, Quant	\$ 24.00	\$ 3.50	\$ 4.00	\$ 24.00
85041	005033	Red Blood Cell (RBC) Count	\$ 34.00	\$ 6.12	\$ 7.00	\$ 27.00
80069	322777	Renal Function Panel	\$ 29.00	\$ 2.86	\$ 3.00	\$ 23.00
84244	002006	Renin Activity, Plasma	\$ 31.00	\$ 10.98	\$ 11.00	\$ 31.00
	139845	Respiratory Pathogen Panel	See Group			
87420	014548	Respiratory Syncytial Virus (RSV), Immunoassay	\$ 45.00	\$ 24.96	\$ 25.00	\$ 45.00
85045	005280	Reticulocyte Count	\$ 24.00	\$ 3.49	\$ 4.00	\$ 24.00
86431	006502	Rheumatoid Factor (RF)	\$ 25.00	\$ 4.20	\$ 5.00	\$ 25.00
86757(x2)	016502	Spotted Fever Group Antibodies, IgG and IgM	\$ 40.00	\$ 35.44	36.00 (2X)	\$ 92.00
87425	006866	Rotavirus, Direct Detection Immunoassay	\$ 33.00	\$ 12.48	\$ 13.00	\$ 33.00
86762	006197	Rubella Antibodies, IgG	\$ 25.00	\$ 4.26	\$ 5.00	\$ 25.00
	052373	Scleroderma Diagnostic Profile	See Group			
85652	005215	Sedimentation Rate, Modified Westergren	\$ 23.00	\$ 2.50	\$ 3.00	\$ 23.00
80195	716712	Sirolimus, Whole Blood	\$ 41.00	\$ 20.37	\$ 21.00	\$ 41.00
86235(x2)	012708	Sjögren's Antibodies (Anti-SS-A/Anti-SS-B)	***	\$ 15.92	16.00 (2X)	\$ 52.00
84300	003178	Sodium, 24-Hour Urine	\$ 24.00	\$ 3.29	\$ 4.00	\$ 24.00
84295	001198	Sodium	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
	008144	Stool Culture	See Group			
87186	008680	Susceptibility Testing, Aerobic and Facultatively Anaerobic Organisms	\$ 23.00	\$ 9.00	\$ 9.00	\$ 29.00
86592	012005	Syphilis: RPR With Reflex to RPR Titer and Treponemal Antibodies,	\$ 23.00	\$ 2.50	\$ 3.00	\$ 23.00
80197	700248	Tacrolimus, Whole Blood	\$ 69.00	\$ 48.87	\$ 49.00	\$ 69.00
80156	007419	Carbamazepine, Serum or Plasma	\$ 27.00	\$ 6.90	\$ 7.00	\$ 27.00
84403	004226	Testosterone, Total	\$ 26.00	\$ 6.00	\$ 6.00	\$ 26.00
84402	144980	Testosterone, Free, Direct	\$ 43.00	\$ 22.28	\$ 23.00	\$ 43.00
80198	007336	Theophylline	\$ 31.00	\$ 10.50	\$ 11.00	\$ 31.00
85670	015230	Thrombin Time	\$ 37.00	\$ 16.75	\$ 17.00	\$ 37.00
	117024	Thrombotic Risk Profile, Acquired	See Group			
86376	006676	Thyroid Peroxidase (TPO) Antibodies	\$ 33.00	\$ 5.49	\$ 6.00	\$ 26.00
86800	006685	Thyroglobulin Antibody	\$ 27.00	\$ 6.99	\$ 7.00	\$ 27.00
	000455	Thyroid Profile	See Group			
	000620	Thyroid Profile With TSH	See Group			
84443	004259	Thyroid-stimulating Hormone (TSH)	\$ 23.00	\$ 2.52	\$ 3.00	\$ 23.00
84445	140749	Thyroid-stimulating Immunoglobulin (TSI)	\$ 70.00	\$ 50.00	\$ 50.00	\$ 70.00
84436	001149	Thyroxine (T4)	\$ 22.00	\$ 1.75	\$ 2.00	\$ 22.00
84439	001974	Thyroxine (T4), Free, Direct	\$ 25.00	\$ 4.65	\$ 5.00	\$ 25.00
85705	500146	Tissue Thromboplastin Inhibition Test (TTIT)	\$ 122.00	\$ 91.53	\$ 92.00	\$ 112.00
86359	096834	T-Lymphocyte CD3 Cells	\$ 29.00	\$ 126.63	\$ 127.00	\$ 147.00
	096925	T-Lymphocyte Helper/Suppressor Profile	See Group			
86777	006478	Toxoplasma gondii Antibodies, IgG	\$ 28.00	\$ 7.98	\$ 8.00	\$ 28.00
84466	004937	Transferrin	\$ 28.00	\$ 7.06	\$ 8.00	\$ 28.00

Macon County Public Health Fee Schedule FY25

CPT Billing Code	LabCorp Test Number	Lab Fees	MCPH Current Fee	Starting Cost	Rounded up to nearest \$	Fees as of 9/1/2024
84478	001172	Triglycerides	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
84482	070104	Reverse T3	\$ 41.00	\$ 20.37	\$ 21.00	\$ 41.00
84480	002188	Triiodothyronine (T3)	\$ 24.00	\$ 3.50	\$ 4.00	\$ 24.00
84481	010389	Triiodothyronine (T3), Free	\$ 27.00	\$ 6.09	\$ 7.00	\$ 27.00
84479	001156	T3 Uptake	\$ 22.00	\$ 1.75	\$ 2.00	\$ 22.00
84484	140150	Troponin T (Highly Sensitive)	\$ 93.00	\$ 72.50	\$ 73.00	\$ 93.00
84540	003541	Urea Nitrogen, 24-Hour Urine	\$ 26.00	\$ 5.87	\$ 6.00	\$ 26.00
84520	001040	Urea Nitrogen	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
84560	012898	Uric Acid, Urine	\$ 24.00	\$ 3.57	\$ 4.00	\$ 24.00
84550	001057	Uric Acid	\$ 22.00	\$ 1.60	\$ 2.00	\$ 22.00
87086	008851	Urine Culture, Prenatal, With Group B Streptococcus Susceptibility Reflex	\$ 26.00	\$ 6.00	\$ 6.00	\$ 26.00
87086	008847	Urine Culture, Routine	\$ 26.00	\$ 6.00	\$ 6.00	\$ 26.00
81001	003772	Urinalysis, Complete With Microscopic Examination	\$ 24.00	\$ 3.74	\$ 4.00	\$ 24.00
81001	377036	Urinalysis, Complete With Microscopic Examination With Reflex to Urine	\$ 24.00	\$ 3.63	\$ 4.00	\$ 24.00
81003	003038	Urinalysis, Routine With Microscopic Examination on Positives	\$ 23.00	\$ 2.87	\$ 3.00	\$ 23.00
80164	007260	Valproic Acid, Serum or Plasma	\$ 25.00	\$ 4.64	\$ 5.00	\$ 25.00
84585	004143	Vanillylmandelic Acid (VMA), 24-Hour Urine	\$ 31.00	\$ 10.36	\$ 11.00	\$ 31.00
86787	096206	Varicella Zoster Virus (VZV) Antibodies, IgG	\$ 26.00	\$ 6.00	\$ 6.00	\$ 26.00
36415	998085	Venipuncture	\$ 9.00			\$ 9.00
84590	017509	Vitamin A	\$ 33.00	\$ 12.44	\$ 13.00	\$ 33.00
84425	121186	Vitamin B1, Whole Blood	\$ 35.00	\$ 14.46	\$ 15.00	\$ 35.00
84207	004655	Vitamin B6, Plasma	\$ 41.00	\$ 21.00	\$ 21.00	\$ 41.00
84591	070097	Vitamin B7	\$ 221.00	\$ 200.49	\$ 201.00	\$ 221.00
82607	001503	Vitamin B12	\$ 24.00	\$ 3.50	\$ 4.00	\$ 24.00
82306	081950	Vitamin D, 25-Hydroxy	\$ 35.00	\$ 14.53	\$ 15.00	\$ 35.00
84446	070140	Vitamin E (α and γ Tocopherol)	\$ 28.00	\$ 12.38	\$ 13.00	\$ 23.00
84597	121200	Vitamin K1	\$ 190.00	\$ 169.50	\$ 170.00	\$ 190.00
89055	008656	White Blood Cells (WBC), Stool	\$ 28.00	\$ 7.49	\$ 8.00	\$ 28.00
86794	163084	Zika Virus Antibody, IgM	***	\$ 75.00	\$ 75.00	\$ 95.00
84630	001800	Zinc, Serum or Plasma	\$ 25.00	\$ 4.28	\$ 5.00	\$ 25.00

*Fees listed are the most commonly ordered lab services at Macon County Public Health. A full listing can be referenced by accessing the "LabCorp Cost Schedule" document. A \$20 fee will be added to all lab services listed on the LabCorp document. All fees that require multiple test with one CPT code are calculated by the dollar amount of the test, multiplied by the number of tests, with only one \$20.00 fee added.

CPT Billing Code	Modifier	Clinical Fees	MCPH Current Fee
J0133		Doxycycline/Acyclovir	\$0.00
J0456		Azithromax	\$0.00
J0561		Bicillin	.25/unit
J0696		Ceftriazone	2.50/unit
J1050		Injection, Medroxyprogesterone Acetate, 150 MG (.34 per unit)	\$20.00
J1100		Injection, Dexamethasone sodium phosphate	\$10.00
J1725		17P Injection	\$21.00
J1726		Makena 17P	\$850.00
J2790		Rho (D) Immune Globulin (Rhlg), full dose, 300mcg	\$134.00
J3490		17-P used only for the treatment of advanced adenocarcinoma of the uterine corpus	\$850.00
J7297		Liletta	\$50.00
J7298		Mirena (replaces J7302)	\$350.00
J7298	UD	Mirena IUD - Medicaid	\$311.00
J7300		Intrauterine copper contraceptive device, Paragard T380A	\$265.00
J7300	UD	Intrauterine copper contraceptive device, Paragard T380A	\$265.00
J7301		Skylla IUD small frame	\$800.00
J7301	UD	Skylla IUD small frame - Medicaid	\$376.00
J7302		Levonorgestrel-releasing intrauterine contraceptive system, 52 mg (Mirena)	\$528.00
J7307		Nexplanon	\$500.00
J7307	UD	Nexplanon	\$405.00
Q3014		TELE Psychiatry Origination Site Fee	\$21.00
Q9984		Kyleena IUD - hormone releasing	\$900.00
Q9984	UD	Kyleena IUD - hormone releasing - Medicaid	\$543.00
S0030		Metronidazole	\$0.00
2000F		BPV Measurement of ocular blood flow with interpretation	\$5.00
11200		Removal of skin tags, up to 15 lesions	\$70.00
11201		Removal of skin tags each additional 10 lesions	\$28.00
11400		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 0.5 cm or less	\$115.00

CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee
11401		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 0.6 cm to 1.0 cm	\$135.00
11402		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 1.1 cm to 2.0 cm	\$152.00
11403		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 2.1 cm to 3.0 cm	\$176.00
11404		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter 3.1 cm to 4.0 cm	\$194.00
11406		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), trunk, arms, or legs; excised diameter over 4.0	\$232.00
11420		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 0.5 cm or less	\$110.00
11421		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 0.6 to 1.0 cm	\$142.00
11422		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 1.1 cm to 2.0 cm	\$158.00
11423		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 2.1 cm to 3.0 cm	\$192.00
11424		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter 3.1 cm to 4.0 cm	\$218.00
11426		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), scalp, neck, hands, feet, genitalia; excised diameter over 4.0 cm	\$291.00
11440		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips, mucous membrane; excised diameter 0.5 cm or less	\$132.00
11441		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips, mucous membrane; excised diameter 0.6 cm to 1.0 cm	\$157.00
11442		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips, mucous membrane; excised diameter 1.1 cm to 2.0 cm	\$174.00

CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee
11443		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips, mucous membrane; excised diameter 2.1 cm to 3.0 cm	\$219.00
11444		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips, mucous membrane; excised diameter 3.1 cm to 4.0 cm	\$272.00
11446		Excision, benign lesion including margins. Except skin tag (unless listed elsewhere), face, ears, eyelids, nose, lips, mucous membrane; excised diameter over 4.0 cm	\$333.00
12001		Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk, and/or extremities (including hands and feet); 2.5 cm or less	\$147.00
12002		Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk, and/or extremities (including hands and feet); 2.6 cm to 7.5 cm	\$159.00
12004		Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk, and/or extremities (including hands and feet); 7.6 cm to 12.5 cm	\$184.00
12005		Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk, and/or extremities (including hands and feet); 12.6 cm to 20.0 cm	\$228.00
12006		Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk, and/or extremities (including hands and feet); 20.1 cm to 30.0 cm	\$298.00
12007		Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk, and/or extremities (including hands and feet); over 30.0 cm	\$331.00
12011		Simple repair of superficial wounds of face, ears, eyelids, nose, lips, and/or mucous membranes (including hands and feet); 2.5 cm or less	\$153.00
12013		Simple repair of superficial wounds of face, ears, eyelids, nose, lips, and/or mucous membranes (including hands and feet); 2.6 cm to 5.0 cm	\$171.00
12014		Simple repair of superficial wounds of face, ears, eyelids, nose, lips, and/or mucous membranes (including hands and feet); 5.1 cm to 7.5 cm	\$200.00
12015		Simple repair of superficial wounds of face, ears, eyelids, nose, lips, and/or mucous membranes (including hands and feet); 7.6 cm to 12.5 cm	\$250.00

CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee
12016		Simple repair of superficial wounds of face, ears, eyelids, nose, lips, and/or mucous membranes (including hands and feet); 12.6 cm to 20.0 cm	\$304.00
12017		Simple repair of superficial wounds of face, ears, eyelids, nose, lips, and/or mucous membranes (including hands and feet); 20.1 cm to 30.0 cm	\$394.00
12018		Simple repair of superficial wounds of face, ears, eyelids, nose, lips, and/or mucous membranes (including hands and feet); over 30.0 cm	\$476.00
12020		Treatment of superficial wound dehiscence; simple closure	\$202.00
12021		Treatment of superficial wound dehiscence; with packing	\$148.00
11981		Nexplanon insertion	\$65.00
11982		Nexplanon removal	\$80.00
11983		Nexplanon removal with reinsertion	\$145.00
17110		Destruction (eg, laser surgery, electrosurgery, cryosurger, chemosurgery, surgical curettment), of benign lesions other than skin tags or cutaneous vascular proliferative lesions; up to 14 lesions	\$79.00
54050		Destroy Penis Lesion(s) - Simple Chemical	\$228.00
54065		Destruction Penis Lesion(s) - Extensive Cryosurgery	\$387.00
56501		TCA Vulva	\$229.00
56515		Destroy Vulva Lesion(s) - Complex	\$394.00
57170		Diaphragm fitting with instructions	\$91.00
57452		Colposcopy of the cervix including upper/adjacent vagina	\$191.00
57454		Colposcopy of the cervix including upper/adjacent vagina w/biopsy of cervix or endocervical curettage	\$269.00
57455		Colposcopy of cervix including upper/adjacent vagina w/biopsy of cervix	\$253.00
57456		Colposcopy of the cervix including upper/adjacent vagina w/endocervical curettage	\$239.00
58100		Endometrial sampling (biopsy) with or without endocervical sampling (biopsy), without cervical dilation, any method (separate procedure)	\$109.00
58300		Insert intrauterine device	\$132.00
58301		Removal of IUD	\$169.00
59025		Fetal Non-Stress Test	\$62.00
CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee

59425		Prenatal visits: 4 to 6 visits	\$1,000.00
59426		Prenatal visits: 7 or more visits	\$1,300.00
59430		After Delivery Care	\$121.00
69210		Remove impacted ear wax	\$86.00
83013		Helicobacter Pylon Uren Brenth Test	\$110.00
86580		TB Test	\$21.00
86580P		TB Test - Patient Pay	\$21.00
87428		COVID/Flu	\$64.00
G0008		Administration Fee - Flu Shot (Medicare)	\$14.00
G0009		Administration Fee - Pneumonia Shot (Medicare)	\$14.00
G0010		Administration Fee - Hep B (Medicare)	\$14.00
Q2038		Influenza vaccine quadrivalent 6-36 months	\$16.00
Q2037		Flu Virus Vaccine (Fluvirin) Medicare	\$16.00
Q2038		Flu Virus Vaccine (Fluzone) Medicare	\$16.00
Q2039		Flu Virus Vaccine (Unspecified) Medicare	\$18.00
90471		Vaccine Administration Fee	\$14.00
90472		Vaccine Administration Fee-Each Additional	\$14.00
90473		Immunization administration by intranasal or oral route; one vaccine (single or combination vaccine/toxoid)	\$20.00
90474		Each additional intranasal or oral route vaccine (single or combination vaccine/toxoid)	\$20.00
90620		Meningococcal B (recombinant protein serogroup B, 2 dose)	\$188.00
90621		Meningococcal B (recombinant lipoprotein serogroup B 3 dose)	\$160.00
90632		Hep A - Adult	\$70.00
90633		Hep A - Pediatric	\$48.00
90636		Twinrix Vaccine	\$116.00
90645		Hib - child - HbOC 4 dose schedule	\$31.00
90646		Hib - Adult - booster only	\$31.00
90647		Hib - PRP_OMP 3 dose schedule	\$31.00
90648		Hib - child - PRP-T 4 dose schedule	\$59.00
90650		HPV bivalent 2vHPV (Cervarix)	\$137.00
CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee
90651		HPV 9 3 dose	\$258.00
90657		Flu Shot (6-35 months)	\$11.00

90658		Flu Shot (3 yrs & >)	\$11.00
90660		Flumist - State Supplied	
90662		Fluzone High Dose (65 & >)	\$59.00
90670		Prevnar	\$231.00
90672		Quadrivalent Flu Mist	\$40.00
90675		Rabies Vaccine - Exposure	\$370.00
90676		Rabies Vaccine - Preventive	\$370.00
90680		Rotateq	\$104.00
90681		Rotarix	\$115.00
90685		Influenza virus vaccine,quadrivalent, split virus, preservative free, when administered to children 6-35 months of age, for intramuscular use	\$24.00
90686		Influenza virus vaccine,quadrivalent, split virus, preservative free, when administered to individuals 3 years of age and older, for intramuscular use	\$20.00
90687		Influenza virus vaccine,quadrivalent, split virus, when administered to children 6-35 months of age, for intramuscular use	\$22.00
90688		Influenza virus vaccine,quadrivalent, split virus, when administered to individuals 3 years of age and older, for intramuscular use	\$22.00
90691		Typhoid Vaccine	\$125.00
90696		Kinrix - (DTaP-IPV)	\$72.00
90698		Pentacil - (DTaP-IPV/Hib)	\$130.00
90700		DTAP	\$47.00
90702		DT - Diphtheria Tetanus	\$58.00
90707		MMR	\$96.00
90710		MMRV (Proquad)	\$253.00
90713		IPV	\$53.00
90714		Td	\$53.00
90715		Tdap	\$57.00
90716		Varicella Vaccine	\$156.00
90717		Yellow Fever Vaccine	\$171.00
CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee
90723		Pediarix - (DTaP- HepB-IPV)	\$92.00
90732		Pneumonia Vaccine	\$123.00
90733		Meningococcal	\$118.00
90734		Menactra	\$139.00

90736		Zostavax (Shingles Vaccine)	\$240.00
90738		Japanese Encephalitis Vaccine	\$308.00
90744		Hep B - Pediatric	\$37.00
90746		Hep B - Adult	\$69.00
90750		Shingrix	\$177.00
92552		Hearing Test	\$39.00
92567		Tympanometry	\$18.00
92587		Evoked otoacoustic emissions; limited (single stimulus level, either transient)	\$63.00
93000		EKG with Interpretation and Report	\$40.00
93010		EKG additional testing	\$30.00
96110		Developmental Screening	\$13.00
96127		Brief Emotional/Behavioral Assessment	\$7.00
96150		Health & Behavior Assessment, per 15 min, Initial	\$21.00
96151		Health & Behavior Assessment, per 15 min, re-assessment	\$20.00
96160		Administration of Patient-Focused Health Risk Assessment	\$6.00
96372		Therapeutic Injection	\$20.00
97151		Behavior identification assessment, administered by a physician or other qualified health care professional, each 15 minutes of the physician's or other qualified health care professional's time face-to-face with patient and/or guardian(s)/caregiver(s) administering assessments and discussing findings and recommendations, and non-face-to-face analyzing past data, scoring/interpreting the assessment, and preparing the report/treatment plan	\$100.00
97802		Medical nutrition therapy; initial assessment and intervention, individual,	\$45.00
97803		Medical nutrition therapy; re-assessment and intervention, individual,	\$22.00
98967		Telephone Education, 15 min/unit	\$0.00
98960		Individual Education, face to face	\$0.00
98961		Group Education, face to face	\$0.00
CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee
99080		Special reports such as insurance forms & complete physical forms	\$15.00
99172		Visual Acuity Screening Test - Color	\$5.00
99173		Visual Acuity Screening Test	\$5.00
99201		Office Visit (OV) new patient (pt) minor-phys time approx. 10 minutes	\$83.00
99202		OV new pt, moderate-phys time approx 20 minutes	\$124.00

99203		OV new pt, moderate-phys time approx 30 minutes	\$180.00
99204		OV new pt, complex-phys time approx 45 minutes	\$280.00
99205		OV new pt, severe-phys time approx 60 minutes	\$326.00
99211		OV established (estab) pt, minimal w/wo phys, time approx 5 min (inc limited specialty PE)	\$43.00
99212		OV estab. pt, minor-phys time approx 10 min. (inc. Employment PE)	\$72.00
99213		OV estab. pt, moderate. phys time approx 15 min. (inc. DOT PE)	\$121.00
99214		OV estab. pt, severe. phys time approx 25 min.	\$209.00
99215		OV estab. pt, severe. phys time approx 40 min.	\$262.00
99381		New Patient (NP) physical exam: < 1 year	\$211.00
99382		NP physical exam: 1 to 4 Years	\$227.00
99383		NP physical exam: 5 to 11 years	\$226.00
99384		NP physical exam: 12 to 17 years	\$249.00
99385		NP physical exam: 18 to 39 years	\$242.00
99386		NP physical exam: 40 to 64 years	\$287.00
99387		NP physical exam: 65 years and over	\$310.00
G0438		Initial Visit Medicare Only Once in a lifetime	\$310.00
99391		Established Patient (EP) physical exam: < 1 year	\$200.00
99392		EP physical exam: 1 to 4 years	\$200.00
99393		EP physical exam: 5 through 11 years	\$200.00
99394		EP physical exam: 12 to 17 years	\$216.00
99395		EP physical exam: 18 to 39 years	\$217.00
99396		EP physical exam: 40 to 64 years	\$242.00
99397		EP physical exam: 65 years and older	\$250.00
CPT Billing Code	Modifier	Description- Clinic	MCPH Current Fee
G0439		Medicare Subsequent Annual Wellness Visit	\$250.00
99406		Tobacco Education (3-10 min)	\$13.00
99407		Tobacco Education over 10 min	\$25.00
99408		Substance Abuse	\$31.00
99409		Substance Abuse over 30 min	\$63.00
99420		Additional Assessments	\$9.00

99451		Consultant - 5 minutes or more without patient being present	\$36.00
99452		Consultant Treating Provider 16-30 min communicating & preparing referral	\$36.00
99492		Initial psychiatric collaborative care management first 70 minutes	\$131.00
99493		Subsequent psychiatric collaborative care management 60 minutes	\$105.00
99494		Collaborative care management, each additional 30 mins in a month	\$55.00
99495		Transitional care management services/moderate	\$121.00
99496		Transitional care management services/high	\$209.00
99497		Advance care planning first 30 min	\$180.00
99498		Advance care planning additional 30 minutes	\$180.00
99499		Other Evaluation and Management Services (Replaced LU202)	\$55.00
99412		Preventive medicine, group counseling, appx 60 minutes	\$91.00
Pending		Uninsured Adult School Based Health Center Visit Only	\$30.00

CPT CODE	CHILD DENTAL	CURRENT FEE
D0120	Periodic Oral Evaluation	\$54.00
D0140	Limited oral evaluation - problem focused	\$70.00
D0145	Oral Evaluation, pt < 3yrs	\$69.00
D0150	Comprehensive oral evaluation - new or established patient	\$74.00
D0160	Detailed and extensive oral evaluation - problem focused, by report	\$141.00
D0170	Re-evaluation - limited, problem focused (established patient; not post-op)	\$59.00
D0210	Intraoral - complete series (including bitewings)	\$109.00
D0220	Intraoral - periapical first film	\$39.00
D0230	Intraoral - periapical each additional film	\$36.00
D0240	Intraoral - occlusal film	\$32.00
D0250	Extraoral - first film	\$42.00
D0260	Extraoral - each additional film	\$35.00
D0270	Bitewing - single film	\$39.00
D0272	Bitewings - 2 films	\$49.00
D0273	Bitewings - 3 films	\$55.00
D0274	Bitewings - 4 films	\$62.00
D0330	Panoramic film	\$99.00
D1110	Prophylaxis - adult	\$83.00
D1120	Prophylaxis - child	\$67.00
D1201	Topical Fluoride w/ Prophylaxis	\$82.00
D1206	Topical fluoride varnish; therapeutic application for moderate to high caries risk patients	\$54.00

CPT CODE	CHILD DENTAL	CURRENT FEE
D1208	Topical application of fluoride (prophylaxis not included)	\$45.00
D1351	Sealant - per tooth	\$56.00
D1354	Silver Diamine Fluoride treatment	\$53.00
D1355	Alternative to sealants for site specific prevention	\$55.00
D1510	Space maintainer - fixed - unilateral	\$247.00
D1515	Space maintainer - fixed - bilateral	\$559.10
D1555	Remove Fix Space Maintainer	\$51.00
D1999	Unspecified preventive procedure	\$38.00
D2140	Amalgam - 1 surface, primary or permanent	\$108.00
D2150	Amalgam - 2 surfaces, primary or permanent	\$129.00
D2160	Amalgam - 3 surfaces, primary or permanent	\$151.00
D2161	Amalgam - 4 or more surfaces, primary or permanent	\$176.00
D2330	Resin-based composite - 1 surface, anterior	\$124.00
D2331	Resin-based composite - 2 surfaces, anterior	\$148.00
D2332	Resin-based composite - 3 surfaces, anterior	\$175.00
D2335	Resin-based composite - 4 or more surfaces or involving incisal angle (anterior)	\$205.00
D2336	Resin based composite - 1 surface pstr perm	\$138.00
D2391	Resin-based composite - 1 surface, posterior	\$136.00
D2392	Resin-based composite - 2 surfaces, posterior	\$170.00
D2393	Resin-based composite - 3 surfaces, posterior	\$206.00
D2394	Resin-based composite - 4 or more surfaces, posterior	\$243.00
D2751	Crown, non- precious metal (porcelain)	\$722.00

CPT CODE	CHILD DENTAL	CURRENT FEE
D2910	Recement inlay/onlay or part	\$82.00
D2920	Recement Crown	\$82.00
D2930	Prefabricated stainless steel crown - primary tooth	\$222.00
D2940	Sedative filling	\$85.00
D2950	Core buildup, including any pins	\$194.00
D2951	Pin retention - per tooth, in addition to restoration	\$48.00
D2991	Application hydroxyapatite regeneration medicament	\$55.00
D3220	Therapeutic pulpotomy (excluding final restoration)	\$137.00
D4355	Full mouth debridement to enable comprehensive evaluation and diagnosis	\$130.00
D4381	Localized delivery of antimicrobial agents	\$82.00
D7111	Extraction, coronal remnants - deciduous tooth	\$100.00
D7140	Extraction, erupted tooth or exposed root	\$125.00
D7210	Surgical removal of erupted tooth	\$206.00
D7220	Removal of impacted tooth - soft tissue	\$242.00
D7230	Removal of impacted tooth - partially bony	\$306.00
D7250	Surgical removal of residual tooth roots (cutting procedure)	\$212.00
D7510	Incision and drainage of abscess - intraoral soft tissue	\$199.00
D7530	Removal of foreign body from mucosa, skin, or subcutaneous tissue	\$187.00
D9110	Palliative (emergency) treatment of dental pain - minor procedure	\$54.00
D9940	Occlusal Bite Guard	\$125.00
LU401	MI Paste	\$15.00

Animal Services

Microchipping for general public	\$15.00
Adoption - Cat	\$65.00
Adoption - Dog	\$65.00
Adoption - Special (Animals spayed or neutered prior to entering shelter)	\$45.00
Adoption Fee for Veterans (Dog or Cat)	\$35.00
Reclaim Fee	\$25.00
Citation - Option 1 (at officer's discretion)	\$25.00
Citation - Option 2 (at officer's discretion)	\$50.00
Pet Carrier	\$5.00
Quarantine Fee (per day)	\$10.00
Sponsor Fee	\$65.00
Adoption - Special Event (Festival, Fair, Holiday approved event) - Cat	\$20.00
Adoption - Special Event (Festival, Fair, Holiday approved event) - Dog	\$30.00
Adoption - Overpopulation - Cat	\$10.00
Adoption - Overpopulation - Dog	\$20.00
Adoption - Sponsored Event - fee set by sponsor	Fee set by sponsor
Boarding Fee (per day after notification)	\$10.00
Leash	1.00/un

CPT CODE	OTHER SERVICES	CURRENT FEE
G0108	DSMT (Individual) 1/2 Hour Units	\$54.00
G0109	DSMT (Group) 1/2 Hour Units	\$19.00
G0447	Face To Face Behavioral Counseling for Obesity, Individual, 15 min un	\$25.00
G0473	Face To Face Behavioral Counseling for Obesity, Group, 30 min un	\$25.00
O430T	Diabetes Prevention Program	\$60.00
97802	MNT Individual/Initial (15 Min Units)	\$28.00
97803	MNT Re-Check/Individual (15 Min Units)	\$24.00
S9465	Diabetic management program, dietician visit (BCBS)	\$35.00
S9470	Nutritional counseling, dietician visit (BCBS)	\$35.00
	Baby Think It Over 4 Classes	\$350.00
	Body Fat Monitor & Calipers	\$10.00
	Body Fat Testing by Calipers	\$7.00
	Body Fat Testing by Monitor	\$5.00
	BTIO Keys	\$6.00
	Challenge Course	\$10.00
	CPR Breathing Barriers	\$6.00
	Adult 1st Aid / CPR / AED	\$90.00
	CPR w/AED (Adult & Child) - ELIMINATED	\$0.00
	Adult CPR/AED	\$70.00
	Adult & Pediatric CPR/AED	\$90.00
	Pediatric CPR/AED	\$70.00
CPT CODE	OTHER SERVICES	CURRENT FEE
	CPR w/AED (Child) + Infant CPR + FAB - ELIMINATED	\$0.00
	CPR w/AED (Adult & Child) (+ FAB - ELIMINATED	\$0.00
	Adult & Pediatric 1st Aid/CPR/AED	\$110.00
	First Aid-Basic	\$70.00
	Healthy Heart Screening	\$35.50
S9445	Individual Health Education	\$20.00
	Life Worksite Wellness (A)	\$40.00
	Life Worksite Wellness (B)	\$37.50
	Life Worksite Wellness (C)	\$35.00
	Life Worksite Wellness (D)	\$32.50
	Life Worksite Wellness (E)	\$30.00
	Locking Clips	\$1.00
	Face Shield	\$2.00

FOOD, LODGING & INSTITUTIONS	DESCRIPTION	CHARGE CODE	FEE
Temporary Food	Temp Food	Temporary Food	\$75
Limited Food	Limited Food	Food & Lodging	\$75
Plan Review	Plan Review	Food & Lodging	\$200
Mobile Food Unit	Mobile Food	Food & Lodging	\$200
Tattoo Artist (working in a permitted tattoo parlor)	Tattoo Permit	Food & Lodging	\$500
Tattoo Parlor (tattoo artist that owns parlor)	Tattoo Permit	Food & Lodging	\$700
Pools	Pool Permit	Swimming Pool	\$100
Spa	Spa Permit	Swimming Pool	\$50

ONSITE WASTE WATER	DESCRIPTION	CHARGE CODE	FEE
IP-1	IP-1	Wastewater	\$400
IPAC - 1	IPAC - 1	Wastewater	\$400
IP-2 or IP-3	IP-2 or IP-3	Wastewater	\$500
IPAC-2 or IPAC-3	IPAC-2 or IPAC-3	Wastewater	\$500
IP-4 or IP-5	IP-4 or IP-5	Wastewater	\$1,000
IPAC-4 or IPAC-5	IPAC-4 or IPAC-5	Wastewater	\$1,000
IPAC-6 (comm rate)	IPAC-6	Wastewater	\$1,188
IPAC-7 (comm rate)	IPAC-7	Wastewater	\$1,386
Re-connect	Re-connect	Wastewater	\$125
Addition to System	Add to Sys-(# of BR's)	Wastewater	\$250 per BR
Repair	Repair	Wastewater	No Charge
Site Visit	Site Visit	Wastewater	\$125
Locate a System	Locate a System	Wastewater	\$125
Relocate a System	Relocate a System	Wastewater	\$125
Tank Relocation	Tank Relocation	Wastewater	\$125
Return Visit	Return Visit	Wastewater	\$125
Commercial System	Commercial GPD (ie: Comm 100gpd)	Wastewater	\$1.65 per gallon
Commercial Repair	Repair Comm System	Wastewater	\$.42 per gallon

PRIVATE DRINKING WATER WELLS	DESCRIPTION	CHARGE CODE	FEE
New Well	New SF Well or New Shared or Dry Well	\$296 Private \$79 GS/EHS	\$375
Repair	Repair - ASK if want Water Sample	\$50 Collection Fee and \$79 GS/EHS	\$129 with WS, N/C without WS
Site Visit	Site Visit	Priv Water	\$125
Abandonment	Abandonment	No Charge	N/C
Return Site Visit	Return Site Visit	Priv Water	\$125
Relocate Well	Well Relocation	Priv Water	\$125
Well Moves off the parcel it was permitted for	New Single Family or New Shared Well	\$296 to Priv Water \$79 GS/EHS	\$375
Well Variance	Well Variance Request	\$125 Priv Water - \$50 Collection \$79 GS/EHS	\$254

WATER SAMPLES		
Category	Description	Price
Full Inorganic Panel	Alkalinity, Arsenic, Barium, Cadmium, Calcium, Chloride, Chromium, Nitrate/Nitrite, Copper, Fluoride, Hardness (Total), Iron, Lead, Manganese, Magnesium, Mercury, pH, Selenium, Silver, Sodium, Sulfate, Zinc	\$78.00
Inorganic Panel without Nitrate/Nitrite	Alkalinity, Arsenic, Barium, Cadmium, Calcium, Chloride, Chromium, Copper, Fluoride, Hardness (Total), Iron, Lead, Manganese, Magnesium, Mercury, pH, Selenium, Silver, Sodium, Sulfate, Zinc	\$75.00
Metals Panel	Arsenic, Barium, Cadmium, Calcium, Chloride, Chromium, Copper, Iron, Lead, Manganese, Magnesium, Mercury, Selenium, Silver, Sodium, Zinc	\$67.00
Individual Metals	1-3 maximum from above, with the addition of Uranium to the sample selection	\$53.00
Lead follow-up testing	3 samples from the same location	\$77.00
Anions	Fluoride, Chloride and Sulfate	\$36.00
Disinfection By-Products	Bromide, Bromate, Chlorite and Chlorate	\$36.00
Fluoride only – Physician, Dentist	Fluoride	\$10.00
Nitrate/Nitrite only	Nitrate, Nitrite	\$36.00
Arsenic speciation	Arsenic ⁺³ and Arsenic ⁺⁵ – Total arsenic must have been previously determined to found to be ≥ 10 ppb.	\$34.00

Organic Chemistry		
Category	Description	Price
Pesticides	Chlorinated Pesticides; Nitrogen-Phosphorus Pesticides; EDB, DBCP & TCP	\$79.00
Herbicides	Glyphosate, Chlorinated Acid Herbicides	\$79.00
Petroleum Products	Petroleum Analysis and VOC scan	\$79.00
Synthetic Organic Compounds	Synthetic Organic Compounds	\$79.00
Carbamates	Carbamates	\$79.00
Volatile Organic Chemicals (VOC)	Volatile Organic Compounds	\$129.00

Microbiology		
Category	Description	Price
Total Coliform/ <i>E. coli</i> , P/A	Presence/Absence testing using an enzymatic procedure.	\$20.00
Total Coliform/ <i>E. coli</i> , MPN	Enzymatic procedure using the Quantitray system.	\$30.00
Fecal Coliform, MPN (Quantitray)	Enzymatic procedure using the Quantitray system. This method does not determine the number of Total Coliform present in the sample.	\$37.00
Fecal Coliform/Fecal Streptococcus – MTF	Cultural methods using serial dilutions.	\$50.00
Enterococcus, MPN (Quantitray) – Enzymatic	Enzymatic procedure using the Quantitray system.	\$34.00
Iron Bacteria	Centrifugation followed by a microscopic examination.	\$39.00
Sulfur/Sulfate – Reducing Bacteria	Presence/Absence testing for sulfur bacteria and for sulfur-reducing bacteria. This method requires a 30-day incubation period.	\$50.00
Pseudomonas – MTF or MPN (Quantitray) Enzymatic	Quantitative determination of the number of Pseudomonas present in a sample using either the Quantitray MPN or cultural MTF.	\$38.00
Heterotrophic Plate Count	Direct plating of multiple sample dilutions.	\$33.00

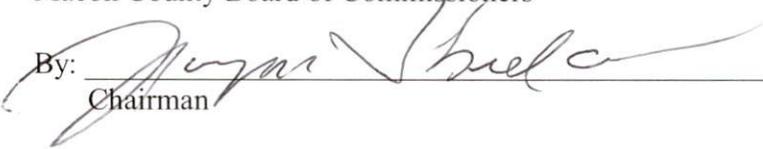
**PERMIT TO EXHIBIT, USE AND/OR DISCHARGE PYROTECHNICS FOR
CONCERT OR PUBLIC EXHIBITION**

The Macon County Board of Commissioners do hereby issue this permit for Display Operator/Applicant William D. Brown, who holds a display operator license under N.C. Gen. Stat. § 58-82A-3, to exhibit, use, and/or discharge pyrotechnics on August 2, 2024, at a concert or public exhibition, at Old Edwards Inn and Spa, 445 Main Street Highlands, NC, Macon County, North Carolina, in accordance with North Carolina law and for no other purpose, **BUT SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:**

1. Display Operator/Applicant has at the time of issuance of this permit and shall have as of and during the time of the permitted exhibition, use and/or discharge of pyrotechnics hereunder been duly issued and holds a valid display operator license under N.C. Gen. Stat. § 58-82A-3.
2. The proposed exhibition shall only be in connection with concerts or public exhibitions, such as fairs, carnivals, shows of all descriptions and/or public celebrations.
3. The proposed exhibition shall not be used for any other purpose.
4. The permitted Display Operator/Applicant shall have in effect insurance in the amount of at least five hundred thousand dollars (\$500,000) or the minimum amount required by the North Carolina Building Code pursuant to N.C. Gen. Stat. § 143-138(e), **whichever is greater**, at the time of this issuance of this permit as well as at the time of the permitted exhibition, use and/or discharge and all times during the same.
5. That only the following Individual(s) shall be allowed to exhibit, use or discharge pyrotechnics in connection with the concert or public exhibit: William D. Brown, Matthew Getz and each of such individuals must have completed all training and licensing required under Article 82A of Chapter 58 of the North Carolina General Statutes.
6. The permitted display operator or proximate audience display operator, as required under Article 82A of Chapter 58 of the North Carolina General Statutes, shall be present at the concert or public exhibition.
7. The display operator or proximate audience display operator, as required under Article 82A of Chapter 58 of the North Carolina General Statutes, shall personally direct all aspects of exhibiting, using, handling, or discharging the pyrotechnics.
8. The Display Operator/Applicant shall have all necessary permissions from the property owner of the lands where the display will take place

This the 19th day of July, 2024.

Macon County Board of Commissioners

By: 
Chairman

**APPLICATION FOR PERMIT TO EXHIBIT, USE AND/OR DISCHARGE
PYROTECHNICS FOR CONCERT OR PUBLIC EXHIBITION**

1. Display Operator/Applicant's full name and address: William Brown
2. Has the Display Operator/Applicant been issued a display operator license under N.C. Gen. Stat. § 58-82A-3 and does the same remain in effect? _____ YES_. Attach copy.
3. Place of proposed public exhibition: 445 Main St Highlands, NC 28741.
4. Will the exhibition be indoor? no_____. If so, additional rules apply.
5. Will the proposed exhibition be in connection with concerts or public exhibitions, such as fairs, carnivals, shows of all descriptions and/or public celebrations? no____. If so, which:
_____.
6. Will the proposed exhibition be used for any other purpose? yes. If so, what? Wedding Reception_____.
7. Does the Display Operator/Applicant have insurance in the amount of at least five hundred thousand dollars (\$500,000) or the minimum amount required by the North Carolina Building Code pursuant to N.C. Gen. Stat. § 143-138(e), whichever is greater?
Yes_____ Attach full copy of the same.
8. The names of all Individual(s) who are to exhibit, use, handle or discharge pyrotechnics in connection with the concert or public exhibit:Bill Brown Matt Getz
9. Have all persons identified in #8 above completed training and licensing required under Article 82A of Chapter 58 of the North Carolina General Statutes? Yes_____.
10. Will the display operator or proximate audience display operator, as required under Article 82A of Chapter 58 of the North Carolina General Statutes, be present at the concert or public exhibition? _____ Yes.
11. Will the display operator or proximate audience display operator, as required under Article 82A of Chapter 58 of the North Carolina General Statutes, personally direct all aspects of exhibiting, using, handling, or discharging the pyrotechnics? Yes_____.
12. Does Display Operator/Applicant have all necessary permissions from the property owner of the lands where the display will take place? Yes_____.

I certify under penalty of perjury that the responses to the above are truthful all respects.

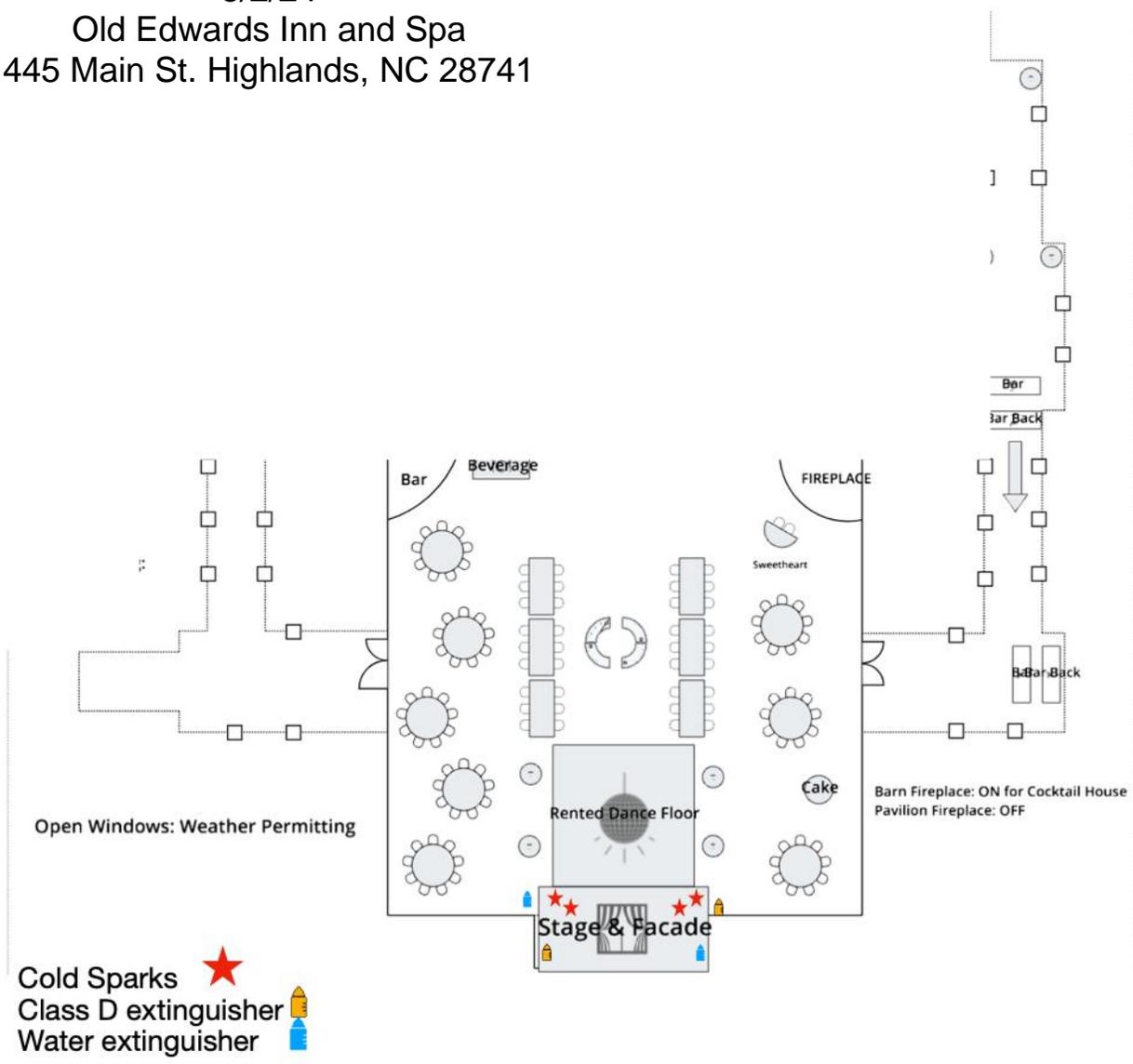
This the 17 day of July_____, 2024_____.

William Brown

Display Operator/Applicant



Wedding Reception
8/2/24
Old Edwards Inn and Spa
445 Main St. Highlands, NC 28741



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED

Underwriter's at Lloyd's, London: Referred to in this endorsement as either the "Insurer" or the "Underwriters"

This endorsement modifies insurance provided under the following:

SECTION III. PERSONS INSURED

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the following entity(ies) is an additional insured pursuant to Section III. e), but only as respects the specific Display or Special Effects listed on the attached Certificate of Insurance:

Name of Person or Organization (Additional Insured):

Trash Fence Inc.
3517 Driftwood Dr
Charlotte NC 28205

Any coverage afforded to any above person or entity as an Additional Insured shall apply only with respect to **Bodily Injury** or **Property Damage** directly resulting from (1) the **Named Insured's** ongoing operations performed for such specific person and entity; or (2) acts or omissions of the Additional Insured in connection with their general supervisions of the **Named Insured's** ongoing operations. Coverage for such person or entity as an Additional Insured does not apply to:

- (i) **Personal Injury and Advertising Injury** Liability;
- (ii) Fire Legal Liability;
- (iii) Employee Benefits Liability;
- (iv) **Bodily Injury** or **Property Damage** which the person or entity is obligated to pay as damages by reason of the assumption of liability under a contract or agreement but this shall not apply to liability for damages the person or entity would have in the absence of the contract or agreement;
- (v) **Property Damage** to: (1) property owned, used or occupied by or rented to such person or entity; (2) property in the care custody, or control of such person or entity or over which such person or entity is for any purpose exercising physical control; or (3) any work, including materials, parts or equipment furnished in connection with such work, which is performed for the person or entity by or on behalf of the **Named Insured**.
- (vi) **Products-Completed Operations Hazards**;
- (vii) Any obligation assumed by the Additional Insured in any contract related to the Display or Special Effects listed in the attached Certificate of Insurance.
- (viii) Such other **Claims, Accidents**, offenses, damages and/or liabilities which may be excluded pursuant to Section V. Exclusions of the Policy.

All other terms, exclusions and conditions of this Policy remain unchanged.

**Proximate Audience
Pyrotechnic**

**OPERATORS
LICENSE**

2 0 2 4



**Matthew Getz
License # 3903**

A U G

Macon County Tax Office
5 West Main Street
Franklin, NC 28734



Phone: (828) 349-2149
draby@maconnc.org

TO: MACON COUNTY COMMISSIONERS

FROM: Macon County Tax Collector's Office
Delena Raby, Tax Collections Supervisor

DATE: August 6, 2024

RE: Releases for July 2024

Attached please find the report of property tax releases for real estate and personal property that require your approval in order to continue with the process of releasing these amounts from the tax accounts. Please feel free to contact me if you should have any questions. The report of releases in alphabetical order is attached.

AMOUNT OF RELEASES FOR JULY, 2024: \$ 4515.20

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
156278 BRADLEY, NICOLE S	2024-82353	DY:ORP:6596786249	ZAD	12/31/9999 12:35:15 PM		
		CLERICAL ERROR		G01 ADVL TAX	61,560.00	166.21
		CLERICAL ERROR		F01 ADVL TAX	61,560.00	43.09
				TOTAL RELEASES:		209.30 ✓
50210 BRIDGE BUILDERS USA INC	2024-55207	DY: PERSONAL PROPERTY	LAS	12/31/9999 8:19:24 AM		
		CLERICAL ERROR		G01 ADVL TAX	6,415.00	17.32
		CLERICAL ERROR		F01 ADVL TAX	6,415.00	4.49
		BUSINESS SOLD 9/30/2023		TOTAL RELEASES:		21.81 ✓
148809 BUTLER, TERESA DIANE WOODALL	2024-95839	DY:ORP:7522588110	ZAD	12/31/9999 2:15:23 PM		
		CLERICAL ERROR		G01 ADVL TAX	7,100.00	19.17
		CLERICAL ERROR		F04 ADVL TAX	7,100.00	3.41
		CHANGED CONDITION OF HOME		TOTAL RELEASES:		22.58 ✓
395 CABE, ARTHUR	2024-90043	DY:ORP:7505294692	LAS	12/31/9999 10:41:39 AM		
		CLERICAL ERROR		G01 ADVL TAX	17,850.00	48.20
		CLERICAL ERROR		F01 ADVL TAX	17,850.00	12.50
		ACREAGE CHANGE WAS NOT APPLIED TO THE PARCEL FROM NEW SURVEY		TOTAL RELEASES:		60.70 ✓
139507 CROCKFORD, BLAINE REE	2023-53091	DY: PERSONAL PROPERTY	LAS	12/31/9999 3:42:27 PM		
		CLERICAL ERROR		G01 ADVL TAX	3,481.00	9.40
		CLERICAL ERROR		L01 FFEFEE	3,481.00	108.00
		CLERICAL ERROR		F04 ADVL TAX	3,481.00	1.67
		MOBILE HOME REMOVED FROM PROPERTY IN 2022		TOTAL RELEASES:		119.07 ✓
152103 FARRIS, BELLA	2022-300605	DY: PERSONAL PROPERTY	LAS	12/31/9999 3:44:35 PM		
		CLERICAL ERROR		G01 ADVL TAX	10,000.00	40.00
		CLERICAL ERROR		F05 ADVL TAX	10,000.00	7.24
		TRAVEL TRAILER NOT LOCATED IN MACON COUNTY		TOTAL RELEASES:		47.24 ✓
152103 FARRIS, BELLA	2023-300605	DY: PERSONAL PROPERTY	LAS	12/31/9999 3:43:23 PM		
		CLERICAL ERROR		G01 ADVL TAX	10,000.00	27.00
		CLERICAL ERROR		F05 ADVL TAX	10,000.00	4.87
		TRAVEL TRAILER NOT LOCATED IN MACON COUNTY		TOTAL RELEASES:		31.87 ✓
37041 FRANKLIN KILN & LUMBER CO INC	2024-54621	DY: PERSONAL PROPERTY	LAS	12/31/9999 3:39:04 PM		
		CLERICAL ERROR		G01 ADVL TAX	83,996.00	226.79
		CLERICAL ERROR		G01 PEN FEE	83,996.00	22.68
		CLERICAL ERROR		F05 ADVL TAX	83,996.00	40.91
		CLERICAL ERROR		F05 PEN FEE	83,996.00	4.09
		BUSINESS CLOSED 12/31/2023		TOTAL RELEASES:		294.47 ✓

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
52399 HARTSELL, REBECCA LYNN	2023-55322	DY: PERSONAL PROPERTY LAS	12/31/9999 3:46:21 PM			
		CLERICAL ERROR		G01 ADVL TAX	6,281.00	16.96
		CLERICAL ERROR		F01 ADVL TAX	6,281.00	3.29
		CLERICAL ERROR		L01 FFEFEE	6,281.00	108.00
		MOBILE HOME HAS BEEN ON REAL PROPERTY. RELEASING AS TO NOT DOUBLE TAX		TOTAL RELEASES:		128.25 ✓
52399 HARTSELL, REBECCA LYNN	2020-55322	DY: PERSONAL PROPERTY LAS	12/31/9999 3:47:01 PM			
		CLERICAL ERROR		L01 FFEFEE	1,466.00	108.00
		CLERICAL ERROR		F01 ADVL TAX	1,466.00	0.80
		CLERICAL ERROR		G01 ADVL TAX	1,466.00	5.49
		MOBILE HOME HAS BEEN ON REAL PROPERTY. RELEASING AS TO NOT DOUBLE TAX		TOTAL RELEASES:		114.29 ✓
52399 HARTSELL, REBECCA LYNN	2021-55322	DY: PERSONAL PROPERTY LAS	12/31/9999 3:47:32 PM			
		CLERICAL ERROR		G01 ADVL TAX	1,266.00	5.06
		CLERICAL ERROR		F01 ADVL TAX	1,266.00	0.69
		CLERICAL ERROR		L01 FFEFEE	1,266.00	108.00
		MOBILE HOME HAS BEEN ON REAL PROPERTY. RELEASING AS TO NOT DOUBLE TAX		TOTAL RELEASES:		113.75 ✓
52399 HARTSELL, REBECCA LYNN	2022-55322	DY: PERSONAL PROPERTY LAS	12/31/9999 3:45:44 PM			
		CLERICAL ERROR		G01 ADVL TAX	1,266.00	5.06
		CLERICAL ERROR		F01 ADVL TAX	1,266.00	0.89
		CLERICAL ERROR		L01 FFEFEE	1,266.00	108.00
		MOBILE HOME HAS BEEN ON REAL PROPERTY. RELEASING AS TO NOT DOUBLE TAX		TOTAL RELEASES:		113.95 ✓
48363 HIGHLANDS CASHIERS LAND TRUST	2024-100795	DY:0RP:7541103463 LAS	12/31/9999 10:42:22 AM			
		CLERICAL ERROR		G01 ADVL TAX	9,610.00	25.95
		CLERICAL ERROR		F10 ADVL TAX	9,610.00	1.84
		PARCEL SHOULD BE EXEMPT		TOTAL RELEASES:		27.79 ✓
142570 KING, ERNIE	2021-53240	DY: PERSONAL PROPERTY LAS	12/31/9999 2:18:56 PM			
		CLERICAL ERROR		G01 ADVL TAX	1,750.00	7.00
		CLERICAL ERROR		F05 ADVL TAX	1,750.00	1.27
		ROLLED ACCOUNT OVER IN ERROR, CAN NOT LOCATE TRAVEL TRAILER		TOTAL RELEASES:		8.27 ✓
142570 KING, ERNIE	2023-53240	DY: PERSONAL PROPERTY LAS	12/31/9999 2:17:55 PM			
		CLERICAL ERROR		G01 ADVL TAX	11,030.00	29.78
		CLERICAL ERROR		F05 ADVL TAX	11,030.00	5.37
		ROLLED ACCOUNT OVER IN ERROR, CAN NOT LOCATE TRAVEL TRAILER		TOTAL RELEASES:		35.15 ✓

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
142570 KING, ERNIE	2020-53240	DY: PERSONAL PROPERTY LAS	12/31/9999 2:19:28 PM			
		CLERICAL ERROR		F05 ADVL TAX	1,750.00	1.27
		CLERICAL ERROR		G01 ADVL TAX	1,750.00	6.56
		ROLLED ACCOUNT OVER IN ERROR, CAN NOT LOCATE TRAVEL TRAILER		TOTAL RELEASES:		7.83 ✓
142570 KING, ERNIE	2022-53240	DY: PERSONAL PROPERTY LAS	12/31/9999 2:18:27 PM			
		CLERICAL ERROR		G01 ADVL TAX	12,260.00	49.04
		CLERICAL ERROR		F05 ADVL TAX	12,260.00	8.88
		ROLLED ACCOUNT OVER IN ERROR, CAN NOT LOCATE TRAVEL TRAILER		TOTAL RELEASES:		57.92 ✓
139769 LEONHARDT, HENRY DERR II	2023-77869	DY:0RP:6592312238 DLR	12/31/9999 11:07:02 AM			
		CLERICAL ERROR		G01 ADVL TAX	0.00	17.21
		CLERICAL ERROR		L01 FFEFEE	0.00	0.81
		CLERICAL ERROR		F02 ADVL TAX	0.00	3.43
		CLERICAL ERROR		A0 FFEFEE	0.00	0.04
		PATMENT RECVD 6/28/24 RELEASE 07/24 INTEREST		TOTAL RELEASES:		21.49 ✓
13704 LEOPARD, HARRISON W	2024-80816	DY:0RP:6595355389 LAS	12/31/9999 3:38:10 PM			
		CLERICAL ERROR		L01 FFEFEE	0.00	120.00
		DWELLING UNSOUND		TOTAL RELEASES:		120.00 ✓
152100 LONG, NATASHA	2022-300601	DY: PERSONAL PROPERTY LAS	12/31/9999 8:57:05 AM			
		CLERICAL ERROR		G01 ADVL TAX	4,520.00	18.08
		CLERICAL ERROR		F05 ADVL TAX	4,520.00	3.27
		NC TAG, LISTED IN ERROR		TOTAL RELEASES:		21.35 ✓
152100 LONG, NATASHA	2023-300601	DY: PERSONAL PROPERTY LAS	12/31/9999 8:56:28 AM			
		CLERICAL ERROR		G01 ADVL TAX	4,070.00	10.99
		CLERICAL ERROR		F05 ADVL TAX	4,070.00	1.98
		NC TAG, LISTED IN ERROR		TOTAL RELEASES:		12.97 ✓
20853 MOORE, FRANKLIN R	2021-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:34:24 PM			
		CLERICAL ERROR		G01 ADVL TAX	1,517.00	6.07
		CLERICAL ERROR		F01 ADVL TAX	1,517.00	0.83
		CLERICAL ERROR		L01 FFEFEE	1,517.00	108.00
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		114.90 ✓
20853 MOORE, FRANKLIN R	2019-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:37:20 PM			
		CLERICAL ERROR		L01 FFEFEE	1,617.00	95.00
		CLERICAL ERROR		F01 ADVL TAX	1,617.00	0.88
		CLERICAL ERROR		G01 ADVL TAX	1,617.00	6.06
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		101.94 ✓

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
20853 MOORE, FRANKLIN R	2023-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:33:06 PM			
		CLERICAL ERROR		G01 ADVL TAX	3,888.00	10.50
		CLERICAL ERROR		F01 ADVL TAX	3,888.00	2.04
		CLERICAL ERROR		L01 FFEFEE	3,888.00	108.00
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		120.54 ✓
20853 MOORE, FRANKLIN R	2020-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:36:48 PM			
		CLERICAL ERROR		L01 FFEFEE	1,617.00	108.00
		CLERICAL ERROR		G01 ADVL TAX	1,617.00	6.06
		CLERICAL ERROR		F01 ADVL TAX	1,617.00	0.88
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		114.94 ✓
20853 MOORE, FRANKLIN R	2022-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:33:40 PM			
		CLERICAL ERROR		G01 ADVL TAX	1,517.00	6.07
		CLERICAL ERROR		F01 ADVL TAX	1,517.00	1.06
		CLERICAL ERROR		L01 FFEFEE	1,517.00	108.00
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		115.13 ✓
20853 MOORE, FRANKLIN R	2013-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:59:21 PM			
		CLERICAL ERROR		L01 FFEFEE	1,460.00	72.00
		CLERICAL ERROR		G01 ADVL TAX	1,460.00	4.07
		CLERICAL ERROR		F01 ADVL TAX	1,460.00	0.44
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		76.51 ✓
20853 MOORE, FRANKLIN R	2014-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:50:23 PM			
		CLERICAL ERROR		L01 FFEFEE	1,617.00	72.00
		CLERICAL ERROR		G01 ADVL TAX	1,617.00	4.51
		CLERICAL ERROR		F01 ADVL TAX	1,617.00	0.49
		6576202425		TOTAL RELEASES:		77.00 ✓
20853 MOORE, FRANKLIN R	2015-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:39:21 PM			
		CLERICAL ERROR		L01 FFEFEE	1,617.00	72.00
		CLERICAL ERROR		F01 ADVL TAX	1,617.00	0.72
		CLERICAL ERROR		G01 ADVL TAX	1,617.00	5.64
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		78.36 ✓
20853 MOORE, FRANKLIN R	2016-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:38:50 PM			
		CLERICAL ERROR		G01 ADVL TAX	1,617.00	5.64
		CLERICAL ERROR		L01 FFEFEE	1,617.00	95.00
		CLERICAL ERROR		F01 ADVL TAX	1,617.00	0.72
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		101.36 ✓

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
20853 MOORE, FRANKLIN R	2017-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:38:21 PM			
		CLERICAL ERROR		L01 FFEFEE	1,460.00	95.00
		CLERICAL ERROR		G01 ADVL TAX	1,460.00	5.10
		CLERICAL ERROR		F01 ADVL TAX	1,460.00	0.80
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		100.90 ✓
20853 MOORE, FRANKLIN R	2018-203956	DY: PERSONAL PROPERTY LAS	12/31/9999 3:37:51 PM			
		CLERICAL ERROR		F01 ADVL TAX	1,617.00	0.88
		CLERICAL ERROR		L01 FFEFEE	1,617.00	95.00
		CLERICAL ERROR		G01 ADVL TAX	1,617.00	5.64
		LISTED IN ERROR, CAN NOT LOCATE MOBILE HOME		TOTAL RELEASES:		101.52 ✓
98373 SMITH, CURTIS M	2023-57923	DY: ORP:6505848906 DLR	12/31/9999 12:00:00 AM			
		CLERICAL ERROR		G01 ADVL TAX	315,160.00	851.20
		CLERICAL ERROR		F09 ADVL TAX	315,160.00	153.53
		HOUSE BURNED. CLERICAL ERROR.		TOTAL RELEASES:		1,004.73 ✓
116406 SMITH, STEVE H	2022-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:52:18 PM			
		CLERICAL ERROR		G01 ADVL TAX	8,225.00	32.90
		CLERICAL ERROR		F10 ADVL TAX	8,225.00	2.47
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		35.37 ✓
116406 SMITH, STEVE H	2020-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:49:09 PM			
		CLERICAL ERROR		F10 ADVL TAX	8,225.00	2.47
		CLERICAL ERROR		G01 ADVL TAX	8,225.00	30.82
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		33.29 ✓
116406 SMITH, STEVE H	2023-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:52:59 PM			
		CLERICAL ERROR		G01 ADVL TAX	26,830.00	72.44
		CLERICAL ERROR		F10 ADVL TAX	26,830.00	5.12
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		77.56 ✓
116406 SMITH, STEVE H	2013-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:39:50 PM			
		CLERICAL ERROR		F10 ADVL TAX	15,780.00	1.43
		CLERICAL ERROR		G01 ADVL TAX	15,780.00	44.03
		Watercraft not registered on NC wildlife vessel report not located in Macon		TOTAL RELEASES:		45.46 ✓
116406 SMITH, STEVE H	2021-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:50:05 PM			
		CLERICAL ERROR		G01 ADVL TAX	8,225.00	32.90
		CLERICAL ERROR		F10 ADVL TAX	8,225.00	2.47
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		35.37 ✓

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
116406 SMITH, STEVE H	2019-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:46:45 PM			
		CLERICAL ERROR		F10 ADVL TAX	8,845.00	2.65
		CLERICAL ERROR		G01 ADVL TAX	8,845.00	33.14
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		35.79 ✓
116406 SMITH, STEVE H	2018-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:45:35 PM			
		CLERICAL ERROR		F10 ADVL TAX	9,831.00	1.06
		CLERICAL ERROR		G01 ADVL TAX	9,831.00	34.31
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		35.37 ✓
116406 SMITH, STEVE H	2017-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:44:44 PM			
		CLERICAL ERROR		F10 ADVL TAX	10,805.00	1.17
		CLERICAL ERROR		G01 ADVL TAX	10,805.00	37.71
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		38.88 ✓
116406 SMITH, STEVE H	2017-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:44:43 PM			
		CLERICAL ERROR		F10 ADVL TAX	10,805.00	1.17
		CLERICAL ERROR		G01 ADVL TAX	10,805.00	37.71
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		38.88 ✓
116406 SMITH, STEVE H	2016-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:44:00 PM			
		CLERICAL ERROR		G01 ADVL TAX	11,875.00	41.45
		CLERICAL ERROR		F10 ADVL TAX	11,875.00	1.29
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		42.74 ✓
116406 SMITH, STEVE H	2015-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:42:54 PM			
		CLERICAL ERROR		G01 ADVL TAX	13,055.00	45.56
		CLERICAL ERROR		F10 ADVL TAX	13,055.00	1.41
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		46.97 ✓
116406 SMITH, STEVE H	2014-51585	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:41:26 PM			
		CLERICAL ERROR		F10 ADVL TAX	14,045.00	1.26
		CLERICAL ERROR		G01 ADVL TAX	14,045.00	39.18
		Watercraft in registered on N Wildlife vessel report. Not located in Macon County		TOTAL RELEASES:		40.44 ✓
133274 STEIN, ARDIS	2023-52885	DY: PERSONAL PROPERTY ZAD	12/31/9999 12:37:37 PM			
		CLERICAL ERROR		G01 ADVL TAX	1,960.00	5.29
		CLERICAL ERROR		F02 ADVL TAX	1,960.00	1.05
		Listed in Error has not owned since 2022		TOTAL RELEASES:		6.34 ✓

RUN DATE: 8/2/2024 4:50 PM

RELEASES REPORT
Macon County

NAME	BILL NUMBER	OPER	DATE/TIME	DISTRICT	VALUE	AMOUNT
48549 TOWN OF FRANKLIN	2024-80697	DY:0RP:6595303520	LAS	12/31/9999 10:40:32 AM		
		CLERICAL ERROR		L02 FFEEFEE	0.00	120.00
		LANDFILL FEE SHOULD BE EXEMPT FROM THE BILL		TOTAL RELEASES:		120.00 ✓
41793 WALKER, FRANK	2024-54778	DY: PERSONAL PROPERTY	ZAD	12/31/9999 2:18:12 PM		
		CLERICAL ERROR		G01 ADVL TAX	9,538.00	25.75
		CLERICAL ERROR		F01 ADVL TAX	9,538.00	6.68
		CLERICAL ERROR		L01 FFEEFEE	9,538.00	120.00
		MH IS ON REAL PROPERTY 750614249		TOTAL RELEASES:		152.43 ✓
41793 WALKER, FRANK	2024-54778	DY: PERSONAL PROPERTY	ZAD	12/31/9999 12:37:06 PM		
		CLERICAL ERROR		G01 ADVL TAX	9,538.00	25.75
		CLERICAL ERROR		F01 ADVL TAX	9,538.00	6.68
		MH IS ON REAL PROPERTY 750614249		TOTAL RELEASES:		32.43 ✓
NET RELEASES PRINTED:	4,515.20					
TOTAL TAXES RELEASED						4,515.20

COLLECTIONS MONTHLY TOTALS REPORT
 Macon County - Year To Date July 2024 Tax Year 2024

**Macon County
 Advalorem Tax Collections Report
 Year To Date July 2024 Tax Year 2024**

TAX YEAR 2024 Month To Date July 2024 Tax Year 2024								
Month to Date	Beginning Balance	Levy Added	Less Releases	Less Administrative Refunds	Less Write Offs	Equals Adjusted Levy	Less Payments	Outstanding Balance
General Tax	0.00	33,508,309.12	25.75	0.00	-990.76	33,507,344.11	-916,494.62	32,590,849.49
Fire Districts	0.00	5,192,262.88	6.68	0.00	-184.16	5,192,085.40	-150,613.10	5,041,472.30
Landfill User Fee	0.00	3,347,520.00	0.00	0.00	0.00	3,347,520.00	-98,979.60	3,248,540.40
TOTAL:	0.00	42,048,092.00	32.43	0.00	-1174.92	42,046,949.51	-1,166,087.32	40,880,862.19

TAX YEAR 2024 Year To Date July 2024 Tax Year 2024									This Year	Last Year
Year to Date	Beginning Balance	Levy Added	Less Releases	Less Administrative Refunds	Less Write Offs	Equals Adjusted Levy	Less Payments	Outstanding Balance	Collection Percentage Tax Year 2024 As of 7/31/2024	Collection Percentage Tax Year 2023 As of 7/31/2023
General Tax	0.00	33,508,309.12	25.75	0.00	-990.76	33,507,344.11	-916,494.62	32,590,849.49	2.74%	4.78
Fire Districts	0.00	5,192,262.88	6.68	0.00	-184.16	5,192,085.40	-150,613.10	5,041,472.30	2.90%	4.70
Landfill User Fee	0.00	3,347,520.00	0.00	0.00	0.00	3,347,520.00	-98,979.60	3,248,540.40	2.96%	4.87
TOTAL:	0.00	42,048,092.00	32.43	0.00	-1174.92	42,046,949.51	-1,166,087.32	40,880,862.19	2.77%	4.78