

CITY OF HIGH POINT

AGENDA ITEM



Title: Authorize the Issuance of Series 2022A, 2022B, and 2022C General Obligation Bonds

From: Bobby D. Fitzjohn, Financial Services Director

Meeting Date: March 21, 2021

Public Hearing: No

Advertising Date : N/A

Advertised By: -

Attachments: Bond Resolution – High Point 2022 GO

PURPOSE:

The Financial Services Department recommends that the City Council take the final step to authorize the issuance of up to \$5,300,000 Series 2022A General Obligation Parks and Recreation Bonds, up to \$26,000,000 Series 2022B Public Improvement Bonds, and up to \$20,000,000 General Obligation Refunding Bonds.

BACKGROUND:

The proposed resolution, prepared by the City's bond attorneys, provide staff the authorization to issue up to \$31.3 million in new money Parks and Recreation, Transportation, and Affordable housing bonds, comprised of bonds authorized in the 2019 bond referendum and two-thirds bonds approved by City Council.

The resolution also approves the issuance of up to \$20,000,000 in refunding bonds to potentially refund Series 2012 Public Improvement Bonds, 2012 Refunding Bonds, and 2020 Refunding bond. Staff will generally not pursue refunding bonds for any bonds that do not provide for at least 3% net present value savings. Final maturity dates will remain the same.

The LGC must also approve the issuance.

BUDGET IMPACT:

Repayment of the proposed bonds will be included in the General Debt Service Fund budget beginning in FY2022-2023. The interest rate refunding savings will be built into the debt service budgets for the General Debt Service Fund, Water and Sewer Fund, and the Stormwater Fund in the 2022-2023 Annual Budget and successive years.

RECOMMENDATION / ACTIONS REQUESTED:

City Council is requested to approve the attached "Resolution of the City Council of the City of High Point, North Carolina, Providing for the Issuance of Not to Exceed \$5,300,000 General Obligation Parks and Recreation Bonds, Series 2022A, Not to Exceed 26,000,000 General Obligation Public Improvement Bonds, Series 2022B and Not to Exceed \$20,000,000 General Obligation refunding Bonds, Series 2022C of the City of High Point, North Carolina."

EXTRACTS FROM MINUTES OF CITY COUNCIL

* * *

A regular meeting of the City Council of the City of High Point, North Carolina (the “*City Council*”) was duly held in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina, the regular place of meeting, at 5:30 p.m. on March 21, 2022:

Members Present:

Members Absent:

* * * * *
* * *

Councilmember _____ introduced the following resolution, a summary of which had been provided to each Councilmember, a copy of which was available with the City Clerk, and which was read by title:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGH POINT, NORTH CAROLINA, PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$5,300,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS, SERIES 2022A, NOT TO EXCEED \$26,000,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2022B AND NOT TO EXCEED \$20,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2022C OF THE CITY OF HIGH POINT, NORTH CAROLINA

WHEREAS, the Bond Orders (as defined below) have been adopted, and it is desirable to make provision for the issuance of the above-referenced bonds (the “*Bonds*”) authorized by the Bond Orders;

WHEREAS, the City of High Point, North Carolina (the “*City*”) desires to issue the Bonds and to request that the Local Government Commission of North Carolina (the “*Commission*”) sell the Bonds through a competitive sale;

WHEREAS, the form of the Preliminary Official Statement related to the Bonds to be dated on or about April 8, 2022 (together with the related Final Official Statement to be dated on or about April 19, 2022, the “*Official Statement*”) has been filed with the City and has been made available to the City Council of the City (the “*City Council*”);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City, as follows:

Section 1. For purposes of this Resolution, the following words will have the meanings ascribed to them below:

“*Authorized Officers*” means, individually and collectively, the Mayor, the City Manager, the Financial Services Director and the City Clerk and their respective designees.

“*Bond Orders*” means, collectively, (1) as to the 2022A Bonds, the Bond Order adopted by the City Council on March 7, 2022 and effective 30 days after its publication and during which no petition to a vote of the people was filed with the City Clerk under Section 159-60 of the General Statutes of North Carolina; (2) as to the 2022B Bonds, (a) the Bond Order authorizing Streets and Sidewalk Bonds, (b) the Bond Order authorizing Parks and Recreation Bonds, and (c) the Bond Order authorizing Housing Bonds, each adopted by the City Council on August 19, 2019 and approved by the voters on November 5, 2019 at a referendum duly called and held; and (3) as to the 2022C Bonds, the Bond Order authorizing Refunding Bonds adopted on March 7, 2022 and effective as of the date of adoption.

“*Bonds*” means, collectively, the 2022A Bonds, the 2022B Bonds and the 2022C Bonds.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein will be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto.

“*Federal Securities*” means, to the extent permitted by laws of the State of North Carolina for the defeasance of local government bonds, (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations, the timely payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (i) not callable prior to maturity or (ii) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody’s, if the Bonds are rated by Moody’s, S&P, if the Bonds are rated by S&P and Fitch Ratings, if the Bonds are rated by Fitch Ratings, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated; or (e) any other obligations permitted under State of North Carolina law for the defeasance of local government bonds.

“*Fitch Ratings*” means Fitch Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation for any reason no longer performs the functions of a securities rating agency, “Fitch Ratings” will refer to any other nationally recognized securities rating agency other than Moody’s and S&P designated by the City.

“*Moody’s*” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, “*Moody’s*” will be deemed

to refer to any other nationally recognized rating agency other than S&P and Fitch Ratings designated by the City.

“Pricing Certificate” means the certificate of the Financial Services Director of the City delivered in connection with the issuance of the Bonds which (1) establishes, with respect to the Bonds, the final maturity amounts, deposits of the Bond proceeds and the provisions for redemption, (2) identifies the Refunded Bonds, if different from those provided for herein and (3) establishes or modifies other terms of the Bonds necessary to make them consistent with the pricing of the Bonds.

“S&P” means S&P Global Ratings, Inc., a Standard & Poor’s Financial Services LLC business, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, *“S&P”* will be deemed to refer to any other nationally recognized rating agency other than Moody’s and Fitch Ratings designated by the City.

“Refunded Bonds” means, collectively, the Refunded 2012 Refunding Bonds, the Refunded 2012 Bonds and the Refunded 2020 Bond.

“Refunded 2012 Bonds” means the 2012 Bonds maturing on and after March 1, 2023.

“Refunded 2012 Refunding Bonds” means the 2012 Refunding Bonds maturing on and after March 1, 2023.

“Refunded 2020 Bond” means the 2020 Bond.

“Tax Certificate” means the Tax Certificate executed by the City related to the Bonds.

“2012 Bonds” means the City’s General Obligation Public Improvement Bonds, Series 2012, originally issued in the aggregate principal amount of \$5,785,000.

“2012 Refunding Bonds” means the City’s General Obligation Refunding Bonds, Series 2012, originally issued in the aggregate principal amount of \$15,440,000.

“2020 Bond” means the City’s General Obligation Refunding Bond, Series 2020, originally issued in the aggregate principal amount of \$13,158,000.

“2022A Bonds” means the City’s General Obligation Parks and Recreation Bonds, Series 2022A, consisting of the bonds authorized under the Bond Order described in clause (1) of the definition of Bond Orders.

“2022B Bonds” means the City’s General Obligation Public Improvement Bonds, Series 2022B, consisting of the bonds authorized under the Bond Orders described in clause (2) of the definition of Bond Orders.

“2022C Bonds” means the City’s General Obligation Refunding Bonds, Series 2022C, consisting of the bonds authorized under the Bond Order described in clause (3) of the definition of Bond Orders.

Section 2. The City shall issue not to exceed \$5,300,000 in total aggregate principal amount of its 2022A Bonds, not to exceed \$26,000,000 in total aggregate principal amount of its 2022B Bonds, and not to exceed \$20,000,000 in total aggregate principal amount of its 2022C Bonds. The final principal amounts allocable to each Bond Order will be set forth in the Pricing Certificate.

Section 3. The Bonds shall be dated as of their date of issuance and pay interest semiannually on March 1 and September 1, beginning September 1, 2022. The 2022A Bonds are being issued to provide funds to pay the capital costs of constructing, renovating, improving, acquiring and equipping certain parks and recreation facilities located in the City, including, without limitation, the City Lake Park project, pursuant to and in accordance with the Bond Order described in clause (1) of the definition of Bond Orders (the “2022A Project”).

The 2022B Bonds are being issued to provide funds to (1) pay the capital costs of providing (a) street and sidewalk projects, (b) parks and recreation facilities, and (c) housing projects pursuant to and in accordance with the Bond Orders described in clause (2) of the definition of Bond Orders (collectively, the “2022B Projects”).

The 2022C Bonds are being issued to provide funds to pay the costs of refunding the Refunded Bonds pursuant to and in accordance with the Bond Order described in clause (3) of the definition of Bond Orders. The City may refund all or a portion of the Refunded Bonds in order to achieve debt service savings. If the City determines to refund less than all of the Refunded Bonds, the Pricing Certificate will set forth the portion of the Refunded Bonds to be refunded with the proceeds of the 2022C Bonds.

Section 4. The City Council has ascertained and hereby determines that the average period of usefulness of the capital projects being financed by the proceeds of the Bonds is not less than 20 years computed from the date of issuance of the Bonds and the average period of usefulness of the capital projects being refinanced by the proceeds of the Bonds is not less than 10 years computed from the date of issuance of the Bonds.

Section 5. The final maturity of the 2022A Bonds and the 2022B Bonds shall not be later than March 1, 2042 and the final maturity of the 2022C Bonds shall not be later than March 1, 2032. The maturities of the Bonds will be as set forth in the Pricing Certificate. The Bonds may be sold as term bonds and, if so, will be subject to mandatory sinking fund redemption as set forth in the Pricing Certificate.

Section 6. The 2022A Bonds are to be numbered from “RA-1” consecutively and upward. The 2022B Bonds are to be numbered from “RB-1” consecutively and upward. The 2022C Bonds are to be numbered from “RC-1” consecutively and upward. All Bonds shall bear interest from their date at a rate or rates which will be hereafter determined on the sale thereof computed on the basis of a 360-day year of twelve 30-day months.

Section 7. The Bonds are to be registered as to principal and interest, and the Financial Services Director of the City is directed to maintain the registration records with respect thereto. The Bonds shall bear the original or facsimile signatures of the Mayor or City Manager of the City and the City Clerk, or their respective designees.

Section 8. The Bonds will initially be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity of each series will be issued to The Depository Trust Company, Jersey City, New Jersey (“DTC”), and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC. Interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds in immediately available funds. The principal of and interest on the Bonds will be payable to owners of Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The City will not be responsible or liable 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 Financial Services Director for the City determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the City will discontinue the book-entry system with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City will authenticate and deliver replacement bonds in accordance with DTC's rules and procedures.

Section 9. The 2022A Bonds and the 2022C Bonds will not be subject to redemption prior to maturity. The 2022B Bonds maturing on or before March 1, 2032 will not be subject to redemption prior to maturity. The 2022B Bonds maturing on and after March 1, 2033 will be subject to redemption prior to maturity, at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after March 1, 2032, at the redemption price of the principal amount of the 2022B Bonds to be so redeemed, plus accrued interest to the redemption date. Different redemption provisions may be established by the Pricing Certificate.

If the Bonds are subject to optional redemption and if less than all the Bonds are called for redemption, the City shall select the maturity or maturities of the Bonds of the respective series to be redeemed in such manner as the City in its discretion may determine, and DTC and its participants shall determine which Bonds within a maturity are to be redeemed in accordance with its rules and procedures; *provided, however*, that the portion of any Bond to be redeemed must be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. When the City elects to redeem any Bonds, notice of such redemption of such Bonds, stating the redemption date, redemption price, any conditions to the redemption and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there are due and payable on each Bond or portion thereof so to be redeemed, the principal thereof and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of such Bonds, by prepaid certified or registered United States mail (or by such other means as may be permitted by DTC's rules and procedures), at the address provided to the City by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC, or its nominee, is not the registered owner of such Bonds, the City will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of such Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the City. The City will also mail or transmit by facsimile or electronic submission a copy of the notice of redemption within the time set forth above (1) to the Commission and (2) to the Municipal Securities Rulemaking Board (the "MSRB") through the Electronic Municipal Market Access ("EMMA") system or other electronic format as prescribed by the MSRB, but any failure or defect in respect thereto will not affect the validity of the redemption.

If at the time of mailing of the notice of redemption there is not on deposit money sufficient to redeem the Bonds called for redemption, such notice may state that it is conditional on the deposit of money for the redemption on the date of redemption as set forth in the notice. Any notice, once given, may be withdrawn by notice delivered in the same manner as the notice of redemption was given.

Section 10. The Bonds and the provisions for the registration of the Bonds and for the approval of the Bonds by the Secretary of the Commission are to be in substantially the forms set forth in the Appendices hereto.

Section 11. The City covenants that it will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income of the recipient thereof for federal income tax purposes of the interest on the Bonds, and, if it should take or permit, or omit to take or cause to be taken, any such action, the City will take or cause to be taken all lawful actions within its power

necessary to rescind or correct such actions or omissions promptly upon having knowledge thereof. The City acknowledges that the continued exclusion of interest on the Bonds from the owner's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. The City covenants that it will comply with all the requirements of Section 148 of the Code, including the rebate requirements, and that it will not permit at any time any of the proceeds of the Bonds or other funds under its control be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bonds to be "arbitrage bonds" for purposes of Section 148 of the Code. The Financial Services Director is hereby authorized to execute a Tax Certificate.

Section 12. The Financial Services Director is hereby directed to create and establish a special fund to be designated "*City of High Point, North Carolina General Obligation Bonds, Series 2022 Project Fund*" (the "*Project Fund*") and within the Project Fund, one account for the proceeds of the 2022A Bonds (the "*2022A Bonds Account*"), one account for the proceeds of the 2022B Bonds (the "*2022B Bonds Account*") and one account for the proceeds of the 2022C Bonds (the "*2022C Bonds Account*"). The Financial Services Director may establish separate subaccounts within the Project Fund to track the expenditures related to each of the projects financed and refinanced with the proceeds of the Bonds.

The Financial Services Director shall (1) deposit the proceeds from the sale of the 2022A Bonds in the 2022A Bonds Account to pay costs related to the 2022A Project, (2) deposit the proceeds from the sale of the 2022B Bonds in the 2022B Bonds Account to pay costs related to the 2022B Projects, (3) and (4) transfer a portion of the proceeds from the sale of the 2022C Bonds to redeem the Refunded Bonds and deposit the remaining proceeds from the sale of the 2022C Bonds to the 2022C Bonds Account to pay costs related to the refunding of the Refunded Bonds.

The Financial Services Director shall invest and reinvest money held in the Project Fund as permitted by the laws of the State of North Carolina and the income, to the extent permitted by the Code, shall be retained in the respective account of the Project Fund and applied with the proceeds of the Bonds to pay the costs of the 2022A Project and the 2022B Projects, as applicable, including the costs of issuing the Bonds, as directed by the Financial Services Director. The Financial Services Director shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom so as to satisfy the requirements of the laws of the State of North Carolina and to assure that the City maintains its covenants with respect to the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation.

Section 13. Actions taken by officials of the City to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

Section 14. The Commission is hereby requested to sell the 2022A Bonds, the 2022B Bonds and the 2022C Bonds through a competitive sale to the bidder whose bid on that series of Bonds results in the lowest interest cost to the City, determined on the true interest cost basis.

Section 15. The Authorized Officers, and their respective designees, individually and collectively, are hereby authorized and directed to cause the Bonds to be prepared and, when they have been duly sold by the Commission, to execute the Bonds and to turn the Bonds over to the registrar and transfer agent of the City, if any, for delivery through the facilities of DTC to the purchaser or purchasers to whom they may be sold by the Commission.

Section 16. The form and content of the Notices of Sale and the Official Statements are in all respects authorized, approved and confirmed, and the Authorized Officers, individually and collectively, are authorized, empowered and directed to execute and deliver the Final Official Statement in substantially the form and content presented to the City Council, but with such changes, modifications, additions or

deletions therein as shall to the Mayor, City Manager or the Financial Services Director of the City deem necessary, desirable or appropriate, their execution and delivery to constitute conclusive evidence of the approval of the City Council of any and all changes, modifications, additions or deletions therein from the form and content of the Preliminary Official Statement presented to the City Council.

Section 17. The Authorized Officers, and their respective designees, individually and collectively, are authorized and directed to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated hereinabove or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 18. The City agrees, in accordance with Rule 15c2-12 (the “*Rule*”) promulgated by the Securities and Exchange Commission (the “*SEC*”) and for the benefit of the Registered Owners and beneficial owners of the Bonds, as follows:

(a) by not later than seven months after the end of each fiscal year of the City, beginning with the fiscal year ending June 30, 2022, to the Municipal Securities Rulemaking Board (the “*MSRB*”) in an electronic format as prescribed by the MSRB, the audited financial statements of the City for the preceding 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 City for such fiscal year to be replaced subsequently by audited financial statements of the City to be delivered within 15 days after such audited financial statements become available for distribution;

(b) by not later than seven months after the end of each fiscal year, beginning with the Fiscal Year ending June 30, 2022, to the MSRB, 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 CITY--Debt Information**” and “**--Tax Information**” (excluding information on overlapping units) in the Official Statement, to the extent such items are not included in the audited financial statements referred to in clause (a) above;

(c) in a timely manner not in excess of 10 business days after the occurrence of the event, to the MSRB, notice of any of the following events with respect to the Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults if material;
- (3) unscheduled draws on the debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on any credit enhancements reflecting financial difficulties;
- (5) substitution of any 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 Bonds or other material events affecting the tax status of the Bonds;

- (7) modification of the rights of the beneficial owners of the Bonds if material;
 - (8) call of any of the Bonds, if material, and tender offers;
 - (9) defeasance of any of the Bonds;
 - (10) release, substitution or sale of any property securing repayment of the Bonds, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar event of the City;
 - (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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 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 of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect securities holders, if material; and
 - (16) a default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties; and
- (d) in a timely manner to the MSRB, notice of the failure by the City to provide the required annual financial information described in (a) and (b) above on or before the date specified.

For purposes of this undertaking, “*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 either clause (a) or (b) above. The term “*financial obligation*” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The City agrees that its undertaking under this Section is intended to be for the benefit of the registered owners and the beneficial owners of the Bonds and is enforceable by any of the registered owners and the beneficial owners of the Bonds, including an action for specific performance of the City’s obligations under this Section, but a failure to comply will not be an event of default and will not result in acceleration of the payment of the Bonds. An action must be instituted, had and maintained in the manner provided in this Section for the benefit of all of the registered owners and beneficial owners of the Bonds.

All documents provided to the MSRB as described in this Section shall be provided in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB. The City may discharge its undertaking described above by providing such information in a manner the SEC subsequently authorizes in lieu of the manner described above.

The City may modify from time to time, consistent with the Rule, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City, but:

(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 City;

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

(c) any such modification does not materially impair the interest of the registered owners or the beneficial owners, as determined either by parties unaffiliated with the City (such as bond counsel) or by the approving vote of the registered owners of a majority in principal amount of the 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 provisions of this Section terminate on payment, or provision having been made for payment in a manner consistent with the Rule, in full of the principal of and interest on the Bonds.

Section 19. Those portions of this Resolution other than Section 18 may be amended or supplemented, from time to time, without the consent of the owners of the Bonds if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the owners of the Bonds and would not cause the interest on the Bonds to be included in the gross income of a recipient thereof for federal income tax purposes. This Resolution may be amended or supplemented with the consent of the owners of a majority in aggregate principal amount of the outstanding Bonds, exclusive of Bonds, if any, owned by the City, but a modification or amendment (1) may not, without the express consent of any owner of Bonds, reduce the principal amount of any Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification and (2) as to an amendment to Section 18, must be limited as described therein.

Any act done pursuant to a modification or amendment consented to by the owners of the Bonds is binding on all owners of the Bonds and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent has been given, no owner of a Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the City from taking any action pursuant to a modification or amendment.

If the City proposes an amendment or supplemental resolution to this Resolution requiring the consent of the owners of the Bonds, the City shall cause notice of the proposed amendment to be sent to each owner of the Bonds then outstanding by first-class mail, postage prepaid, to the address of such owner as it appears on the registration books; but the failure to receive such notice by mailing by any owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal office of the City for inspection by all owners of the Bonds. If, within 60 days or such longer period as shall be prescribed by the City following the giving of such notice, the owners of a majority in aggregate principal amount of Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

OBLIGATION REFUNDING BONDS, SERIES 2022C OF THE CITY OF HIGH POINT, NORTH CAROLINA” duly adopted by the City Council of the City of High Point, North Carolina, at a meeting held on the 21st day of March, 2022 and that such proceedings are to be recorded in the minute books of said City Council.

WITNESS my hand and the seal of the City of High Point, North Carolina, this the ____ day of March, 2022.

City Clerk
City of High Point, North Carolina

(SEAL)

APPENDIX A

FORM OF 2022A BOND

No. RA-

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UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
CITY OF HIGH POINT

| INTEREST RATE | MATURITY DATE | DATED DATE | CUSIP |
|---------------|---------------|--------------|-------|
| % | March 1, ____ | May 10, 2022 | |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

GENERAL OBLIGATION PARKS AND RECREATION BONDS, SERIES 2022A

THE CITY OF HIGH POINT, NORTH CAROLINA (the “City”) acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, upon surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this 2022A Bond until it shall mature at the Interest Rate per annum specified above, computed on the basis of a 360-day year of twelve 30-day months, payable on September 1, 2022 and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on this 2022A Bond are payable in immediately available funds to The Depository Trust Company (“DTC”) or its nominee as registered owner of the 2022A Bonds and is payable to the owner of the 2022A Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The City is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

This 2022A Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, the Bond Resolution adopted by the City Council of the City on March 21, 2022 (the “Bond Resolution”), and a bond order adopted by the City Council on March 7, 2022 and effective 30 days after their publication and during which no petition to a vote of the people was filed with the City Clerk under Section 159-60 of the General Statutes of North Carolina. The 2022A Bonds are issued to provide funds to pay the capital costs of constructing, renovating, improving, acquiring and equipping certain parks and recreation facilities located in the City, including, without limitation, the City Lake Park project, as further described in the Bond Resolution, and to pay the costs of issuing the 2022A Bonds. The 2022A Bonds will initially be issued by means of a book-entry system as described in the Bond Resolution.

The 2022A Bonds are not subject to optional redemption prior to their maturity.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this 2022A Bond, exist, have been performed and have happened, and that the amount of this 2022A Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said

Constitution or statutes. The faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on this 2022A Bond in accordance with its terms.

This 2022A Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

IN WITNESS WHEREOF, the City has caused this 2022A Bond to bear the original or facsimile of the signatures of the Mayor and the City Clerk and an original or facsimile of the seal of the City to be imprinted hereon and this 2022A Bond to be dated as of May 10, 2022.

(SEAL)

City Clerk

Mayor

Date of Execution: May 10, 2022

The issue hereof has been approved under the provisions of The Local Government Bond Act.

Secretary of the Local Government Commission

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within 2022A Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within 2022A Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program (“*STAMP*”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within 2022A Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

APPENDIX B

FORM OF 2022B BOND

No. RB-

\$

**UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
CITY OF HIGH POINT**

| INTEREST RATE | MATURITY DATE | DATED DATE | CUSIP |
|----------------------|----------------------|-------------------|--------------|
| % | March 1, ____ | May 11, 2022 | |

REGISTERED OWNER: **CEDE & CO.**

PRINCIPAL SUM: **DOLLARS**

GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, SERIES 2022B

THE CITY OF HIGH POINT, NORTH CAROLINA (the “*City*”) acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, upon surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this 2022B Bond until it shall mature at the Interest Rate per annum specified above, computed on the basis of a 360-day year of twelve 30-day months, payable on September 1, 2022 and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on this 2022B Bond are payable in immediately available funds to The Depository Trust Company (“*DTC*”) or its nominee as registered owner of the 2022B Bonds and is payable to the owner of the 2022B Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The City is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

This 2022B Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, the Bond Resolution adopted by the City Council of the City on March 21, 2022 (the “*Bond Resolution*”), and bond orders adopted by the City Council on August 19, 2019 and approved by the voters on November 5, 2019 at a referendum duly called and held. The 2022B Bonds are issued to provide funds to (1) pay the capital costs of providing (a) street and sidewalk projects, (b) parks and recreation facilities and (c) housing projects, as further described in the Bond Resolution, and to pay the costs of issuing the 2022B Bonds. The 2022B Bonds will initially be issued by means of a book-entry system as described in the Bond Resolution.

The 2022B Bonds maturing on or before March 1, 2032 will not be subject to redemption prior to maturity. The 2022B Bonds maturing on and after March 1, 2033 will be subject to redemption prior to maturity, at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after March 1, 2032, at the redemption price of the principal amount of 2022B Bonds to be so redeemed, plus accrued interest to the redemption date.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this 2022B Bond, exist, have been performed and have happened, and that the amount of this 2022B Bond,

together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on this 2022B Bond in accordance with its terms.

This 2022B Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

IN WITNESS WHEREOF, the City has caused this 2022B Bond to bear the original or facsimile of the signatures of the Mayor and the City Clerk and an original or facsimile of the seal of the City to be imprinted hereon and this 2022B Bond to be dated as of May 11, 2022.

(SEAL)

City Clerk

Mayor

Date of Execution: May 11, 2022

The issue hereof has been approved under the provisions of The Local Government Bond Act.

Secretary of the Local Government Commission

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within 2022B Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within 2022B Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program (“*STAMP*”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within 2022B Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

APPENDIX C

FORM OF 2022C BOND

No. RC-

\$

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
CITY OF HIGH POINT

| INTEREST RATE | MATURITY DATE | DATED DATE | CUSIP |
|---------------|---------------|--------------|-------|
| % | March 1, ____ | May 11, 2022 | |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2022C

THE CITY OF HIGH POINT, NORTH CAROLINA (the “City”) acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, upon surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this 2022C Bond until it shall mature at the Interest Rate per annum specified above, computed on the basis of a 360-day year of twelve 30-day months, payable on September 1, 2022 and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on this 2022C Bond are payable in immediately available funds to The Depository Trust Company (“DTC”) or its nominee as registered owner of the 2022C Bonds and is payable to the owner of the 2022C Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The City is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

This 2022C Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, the Bond Resolution adopted by the City Council of the City on March 21, 2022 (the “Bond Resolution”), and a bond order authorizing Refunding Bonds adopted on March 7, 2022 and effective as of the date of adoption. The 2022C Bonds are issued to provide funds to pay the costs of refunding in advance of their maturities the City’s [(1) General Obligation Public Improvement Bonds, Series 2012 maturing on and after March 1, 2023, (2) General Obligation Refunding Bonds, Series 2012 maturing on and after March 1, 2023, and (3) General Obligation Refunding Bond, Series 2020 maturing on June 1, 2030], as further described in the Bond Resolution, and to pay the costs of issuing the 2022C Bonds. The 2022C Bonds will initially be issued by means of a book-entry system as described in the Bond Resolution.

The 2022C Bonds are not subject to optional redemption prior to their maturity.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this 2022C Bond, exist, have been performed and have happened, and that the amount of this 2022C Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said

Constitution or statutes. The faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on this 2022C Bond in accordance with its terms.

This 2022C Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

IN WITNESS WHEREOF, the City has caused this 2022C Bond to bear the original or facsimile of the signatures of the Mayor of the City and the City Clerk and an original or facsimile of the seal of the City to be imprinted hereon and this 2022C Bond to be dated as of May 11, 2022.

(SEAL)

City Clerk

Mayor

Date of Execution: May 11, 2022

The issue hereof has been approved under the provisions of The Local Government Bond Act.

Secretary of the Local Government Commission

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within 2022C Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within 2022C Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program (“*STAMP*”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within 2022C Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED