

RESOLUTION APPROVING IN PRINCIPLE THE ISSUANCE OF NOT TO EXCEED \$480,000,000 OF HOSPITAL REVENUE BONDS FOR THE BENEFIT OF WAKEMED

WHEREAS, the Board of Commissioners (the “Board of Commissioners”) of Wake County, North Carolina (the “County”) met in Raleigh, North Carolina, at 2:00 p.m. on the 18th day of March, 2019; and

WHEREAS, WakeMed, a North Carolina nonprofit corporation (the “Corporation”), has requested the Public Financing Authority of Wisconsin (the “Authority”) to issue taxable and/or tax-exempt bonds in one or more series in an aggregate principal amount not to exceed \$480,000,000 (the “Bonds”). The proceeds of the Bonds will be loaned to the Corporation to (1) fund an expansion at WakeMed Cary; (2) fund capital improvements and equipment purchases throughout the Corporation’s health system (the “Health System”); (3) refund certain outstanding indebtedness of the Corporation related to earlier improvements to the Health System; and (4) pay certain costs of issuance of the Bonds. All Health System improvements have or will be made in Wake County and multiple municipalities therein; and

WHEREAS, the Corporation will agree to repay the principal, premium, if any, and interest on the Bonds and the County will have no liability whatsoever for the payment of principal of, premium, if any, or interest on the Bonds, and the Bonds will not affect the County’s debt ratios or legal debt limit and the County will not incur any liability for repayment of the Bonds by approving the Bonds for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, Section 147(f) of the Code requires that any bonds issued by the Authority for the improvements to be financed and refinanced thereby may only be issued after approval of the plan of financing by the Board of Commissioners of the County following a public hearing with respect to such plan; and

WHEREAS, the Board of Commissioners has today held a public hearing with respect to the issuance of the Bonds to finance, in part, the improvements set forth above and in the notice of public hearing attached hereto as Exhibit A, as evidenced by the Certificate and Summary of Public Hearing attached hereto as Exhibit B; and

WHEREAS, the Bonds shall not be deemed to constitute a debt of the County or a pledge of the faith and credit of the County, but shall be limited obligations of the Authority payable solely from the loan repayments to be made by the Corporation to the Authority, and shall contain on the face thereof a statement to the effect that neither the faith and credit nor the taxing power of the County is pledged to the payment of the principal of or interest on the Bonds; and

WHEREAS, because no taxes or other revenues of the County are pledged to pay the Bonds, the staff of the County has made no financial analysis of the Bonds, the Corporation or the improvements; and

WHEREAS, the Board of Commissioners has determined that approval of the issuance of the Bonds is solely to satisfy the requirements of Section 147(f) of the Code and shall in no event constitute an endorsement of the Bonds, the Corporation or the Improvements or the creditworthiness of the Corporation, nor shall such approval in any event be construed to obligate the County for the payment of the principal of or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Authority, or to constitute the Bonds or any of the agreements or obligations of the Authority an indebtedness of the County, within the meaning of any constitutional or statutory provision whatsoever;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR WAKE COUNTY:

1. The (a) improvements to be financed and refinanced by the Bonds and (b) the issuance of the Authority's hospital bonds in one or more series in an amount not to exceed \$480,000,000 are hereby approved for purposes of Section 147(f) of the Code.

2. This resolution shall take effect immediately.

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I, DENISE HOGAN, Clerk to the Board of Commissioners for the County of Wake, North Carolina DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Board of Commissioners for the County at a regular meeting duly called and held March 18, 2019, as it relates in any way to the resolution hereinabove set forth, and that said proceedings are recorded in Minute Book of the minutes of the Board. Pursuant to N.C.G.S. § 143-318.12, a current copy of a schedule of regular meetings of the Board is on file in my office.

WITNESS my hand and the common seal of said County, this 18th day of March, 2019.

Denise Hogan, Clerk to the Board
Wake County Board of Commissioners

(SEAL)