

**RESOLUTION PROVIDING FOR THE REDUCTION OF
THE INTEREST RATE OF CERTAIN OUTSTANDING
GENERAL OBLIGATION BONDS AND OTHER ACTIONS
RELATED THERETO**

WHEREAS, the City of Harrisonburg, Virginia (the "City") is a political subdivision of the Commonwealth of Virginia, and pursuant to the Public Finance Act of 1991, Chapter 26, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), the Council of the City (the "Council") is authorized to contract debts on behalf of the City and to issue, as evidence thereof, bonds, notes or other obligations payable from pledges of the full faith and credit of the City;

WHEREAS, the City has previously issued its General Obligation Bond, Series 2012 in the original principal amount of \$8,050,000, issued on December 7, 2012, and presently outstanding in the principal amount of \$4,088,000 (the "2012 Bond"), and its General Obligation Bond, Series 2017B in the original principal amount of \$7,000,000, issued on December 15, 2017, and presently outstanding in the principal amount of \$6,216,000 (the "2017B Bond" and together with the 2012 Bond, the "Original Bonds"), to Atlantic Union Bank (formerly Union First Market and Union Bank & Trust) ("AUB");

WHEREAS, AUB has requested that the Original Bonds be transferred to its wholly-owned subsidiary, Atlantic Union Public Finance, Inc. ("AUPF"), and has agreed to certain amendments to the Original Bonds, including a reduction in the interest rate on the 2012 Bond from 2.200% to 1.079% per annum and a reduction in the interest rate on the 2017B Bond from 2.940% to 1.620% per annum;

WHEREAS, Council has determined to amend the Original Bonds in order to effectuate the transfer to AUPF and take advantage of the lower interest rates being offered; and

WHEREAS, the amendments to the Original Bonds will be evidenced by an Allonge to the 2012 Bond and an Allonge to the 2017B Bond (together, the "Allonges"), forms of which have been presented to this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HARRISONBURG, VIRGINIA:

1. **Agreement to Amend; Authorization of Allonges.** In consideration for the benefits of an interest rate reduction and debt service savings, the City's participation in the amendments to the Original Bonds is hereby approved. The forms of the Allonges are also hereby approved. The Mayor or Vice Mayor of the City, either of whom may act, are hereby authorized to execute and deliver the Allonges in substantially such form, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by any officer executing the Allonges. The approval of the Allonges shall be evidenced conclusively by the execution and delivery thereof. The Clerk or Deputy Clerk of the City, either of whom may act, is hereby authorized to affix the City's seal on any such documents and attest the same.

2. **Other Actions.** All other actions of the Council members and officers, staff, and agents of the City in conformity with the purposes and intent of this Resolution and in furtherance of the execution and delivery of the Allonges are hereby ratified, approved and confirmed. The Mayor, Vice Mayor, City Manager and other officers and staff of the City, any of whom may act, are each authorized and directed to execute and deliver all certificates and instruments and to take all such further action as they may consider necessary and desirable in connection with the amendments to the Original Bonds, including the execution and delivery of such documents and the making of such elections as may be reasonably requested by AUPF.

3. **Financial Reporting.** For so long as AUPF is the holder of the Original Bonds, as amended by the Allonges, the City agrees to provide (i) its annual audited financial statements within 270 days of its fiscal year end and (ii) its final annual budget no later than sixty (60) days after its adoption by the City Council of the City.

4. **Effective Date.** This Resolution shall take effect immediately.

**CERTIFICATE OF THE CLERK OF THE
CITY OF HARRISONBURG, VIRGINIA**

The undersigned Clerk of the City of Harrisonburg, Virginia, certifies that:

1. A regular meeting of the City Council of the City of Harrisonburg, Virginia, was held on October 13, 2020, at the time and place established by the City Council for such meetings, at which the following members were present and absent:

PRESENT/ABSENT:

Deanna R. Reed
Sal Romero
Richard Baugh
Christopher B. Jones
George Hirschmann

present
present
present
present
present

A resolution entitled "**RESOLUTION PROVIDING FOR THE REDUCTION OF THE INTEREST RATE OF CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS AND OTHER ACTIONS RELATED THERETO**" was adopted by a majority of all members of the City Council present by a roll call vote, the ayes and nays being recorded in the minutes of the meeting as shown below:

VOTE:

Deanna R. Reed
Sal Romero
Richard Baugh
Christopher B. Jones
George Hirschmann

aye
aye
aye
aye
aye

2. Attached hereto is a true and correct copy of the foregoing resolution as adopted on October 13, 2020. This resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

WITNESS my signature and the seal of the City Council of the City of Harrisonburg, Virginia, this 13th day of October, 2020.

(SEAL)



Clerk,
City of Harrisonburg, Virginia