

**RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20**

WHEREAS, the Board of Commissioners of Chatham County, North Carolina desires to provide certain repairs including a new roof and other necessary repairs for the Moncure School buildings ("the "Project") to better serve the citizens of Chatham County; and

WHEREAS, The Board of Commissioners of Chatham County desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Chatham, North Carolina, meeting in regular session on the 18th day of February, 2002, make the following findings of fact:

1. The proposed contract is necessary or expedient due to the condition of the roof and other parts of the Moncure School buildings it is necessary to replace the roof and make other repairs.

2. The proposed contract is preferable to a bond issue for the same purpose because due to the condition of the buildings it is necessary to install a new roof earlier than funds could be available through other sources including general obligation or revenue bonds. Funds for this project may not be raised from currently available appropriations, or unappropriated fund balances without reducing said balances below acceptable levels. Funds for said undertaking by issuance of non-voted bonds by the County in the current fiscal year pursuant to Article V, Section 4, of the North Carolina Constitution are deemed by the Board not to be in the best interest of the County based upon budget pressures caused by the state withholding of funds from the County. The principal reasons for selecting this method of financing rather than non-voted general obligation bond issue, a voted general obligation bond issue or a revenue bond issue are because of the greater length of time involved for any of these methods, the uncertainty of whether the voters would approve such a bond, the cost of issuing a bond in this small amount, and the board is informed that it is quite likely that the cost of the chosen method will be less than any other method of financing said project

3. The cost of financing under the proposed contract is estimated not to be greater than the cost of issuing general obligation bonds in this instance.

4. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because the funds being procured are sufficient for badly needed work on the school building roof, and are not excessive for this purpose because the funds are not more than

the estimated cost of the undertaking.

5. The County of Chatham's debt management procedures and policies are good because the amount of outstanding debt of the County is a small fraction of that allowed by law, and the County will continue to follow sound and conservative fiscal and debt management practices.

6. The Board of Commissioners estimates that it will not be necessary to increase taxes to meet the sums to fall due under the proposed contract.

7. The County of Chatham is not in default in any of its debt service obligations.

8. The attorney for the County of Chatham has rendered an opinion that the proposed Project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Finance Officer is hereby authorized to act on behalf of the County of Chatham in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this 18<sup>th</sup> day of February , 2002.

The motion to adopt this resolution was made by Commissioner Pollard,


Seconded by Commissioner Givens and passed by a vote of 5 to -0-.

  
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Chairman, Chatham County Board  
of Commissioners

ATTEST:

  
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Clerk to the Board of Commissioners

This is to certify that this is a true and accurate copy of Resolution No.04A . Adopted by the Chatham County Board of Commissioners on the 18<sup>th</sup> day of February, 2002.

  
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Clerk

Date: \_\_\_\_\_