



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R14-12

AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING AGREEMENT NOT TO EXCEED \$425,000.00 AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20

**WHEREAS**, the Town of Kure Beach, North Carolina desires to finance a capital project not to exceed \$425,000.00 for the purchase of real property legally described as 334 South Fourth Avenue, Kure Beach, NC (Parcel id R09217-016-015-000), 402 H Avenue, Kure Beach, NC (Parcel id R09217-016-014-000) and 406 H Avenue, Kure Beach, NC (Parcel id R09217-016-013-000) for the purpose of future expansion of Town facilities/operations to better serve the needs of the Town's population; and

**WHEREAS**, The Town of Kure Beach desires to finance the capital 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 the Kure Beach Town Council 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 Kure Beach Town Council for the Town of Kure Beach, North Carolina, meeting in regular session on the 16th day of December, 2014, makes the following findings of fact:

1. The project is necessary to provide for future expansion of Town facilities/operations in an area that is in close proximity of existing facilities of the Town.
2. The proposed contract is preferable to a bond issue for the same purpose because the cost of the proposed undertaking exceeds the amount that can be prudently raised from currently available appropriations, thereby providing a cost savings to the citizens, while not depleting existing reserve funds allocated for emergency use. Additionally, the timetable works better with financing rather than bond issuance.
3. The cost of financing under the capital projects is less than the cost of issuing general obligation bonds.
4. The sums to fall due under the contract are adequate and not excessive for the proposed purpose. The Town determined estimated costs by soliciting costs from various vendors/contractors and all fell within a close range of each other.
5. The Town of Kure Beach's debt management procedures and policies are good because the Town has a minimum fund balance policy which instructs management to conduct business of the Town in such a manner that an unrestricted fund balance of no less than 32% of total projected expenditures be maintained.



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6. The probable net revenues of taxes will be sufficient to meet the sums to fall due under the proposed contract.
7. The Town of Kure Beach is not in default in any of its debt service obligations.
8. The attorney for the Town of Kure Beach 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.

**ALSO, BE IT FURTHER RESOLVED THAT** the Mayor of the Town of Kure Beach is hereby authorized to act on behalf of the Town of Kure Beach 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.

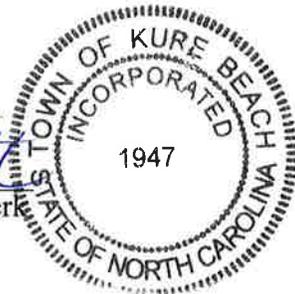
This resolution is effective upon its adoption this 16th day of December, 2014.

The motion to adopt this resolution was made by *Commissioner Steve Pagley*, seconded by *Mayor Pro Tem Craig Bloszinsky* and passed by a vote of *3 to 1*.

  
\_\_\_\_\_  
Dean Lambeth, Mayor

ATTEST:

  
\_\_\_\_\_  
Nancy Hewitt, Deputy Town Clerk



This is to certify that this is a true and accurate copy of Resolution R14-12, adopted by the Kure Beach Town Council of the Town of Kure Beach, North Carolina on the 16<sup>th</sup> day of December, 2014.

  
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Nancy Avery, Town Clerk

