

**RESOLUTION NO. 19-10-08B**

**A RESOLUTION OF THE TOWN COUNCIL OF TOWN OF LAKE LURE, NORTH CAROLINA, AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF FINANCING AGREEMENT AUTHORIZED BY NCGS 160A-20.**

**WHEREAS**, the Town of Lake Lure desires to finance marina expansion and boardwalk replacement; and

**WHEREAS**, the Town of Lake Lure desires to finance these improvements 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 Finding of Fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

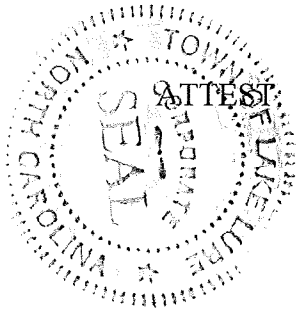
**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Lake Lure, North Carolina, meeting in regular session on October 8, 2019, that the said Council makes the following FINDINGS OF FACT:

1. The proposed contract is for the purpose of financing \$1.1 million for marina expansion and boardwalk replacement by the Town of Lake Lure.
2. The proposed contract is preferable to a bond issue because: 1) the total costs of the financing are not sufficient to warrant the expenses involved in a General Obligation Bond issue; 2) The proposed project is too expensive to be funded through current revenues and/or fund balance, thus the installment contract method of financing proves to be the best alternative for the Town of Lake Lure; and 3) the desired term of the financing is ten years, thereby making bonds a less desirable alternative.
3. The sum to fall due under contract will be adequate and not excessive for the proposed purpose and the rate of interest will be approximately the same or lower than that of a general obligation bond issue, when considering total costs involved in a referendum, legal expenses, insurance etc.
4. The Town of Lake Lure's debt management procedures and policies are acceptable. The Town adheres to its Budget Ordinance, has a history of timely debt obligation payments, and maintains an acceptable level of unappropriated fund balance. The Town Manager and Finance Officer constantly monitor the Town's fiscal structure and periodically report the financial condition to the Town Council.

5. The Town of Lake Lure is not in default in meeting its debt service obligations.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the Town Manager is hereby authorized to act on behalf of the Town of Lake Lure in filing an application with the North Carolina Local Government Commission for approval of the Financing and other actions not inconsistent with resolution.

This Resolution is effective upon its adoption this 8<sup>th</sup> day of October, 2019.



*Michelle Jolley*  
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Michelle Jolley  
Town Clerk

*Carol C. Pritchett*  
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Carol C. Pritchett  
Mayor