



RESOLUTION R-2023-05

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

WHEREAS, the Town Council of the Town of Oak Ridge desires to construct a new town park ("Heritage Farm Park") to better serve the citizens of Oak Ridge; and

WHEREAS, the Town of Oak Ridge 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 Town Council of the Town of Oak Ridge, North Carolina, meeting in regular session on the 2nd day of February 2023, make the following findings of fact:

1. The proposed contract is necessary or expedient because the Town's adopted Parks and Recreation Master Plan has identified additional recreational facilities as required to better meet the needs of its citizens, including both active and passive recreational space, and the Town has done a thorough analysis of its anticipated capital project costs, balanced with its policy to maintain a fund balance equal to one year of operating expenses, and determined that installment financing of this project is both prudent and necessary; and
2. The proposed contract is preferable to a bond issue for the same purpose because the process to issue bonds, including a voter referendum, would be too costly and time-consuming for the amount proposed to be borrowed, and because revenue bonds would be inappropriate, as the park facility will not generate significant revenues.
3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because the amount borrowed is in line with the project engineer's opinion of probable cost, and because the financing will be negotiated with a qualified financial institution.
4. The Town of Oak Ridge's debt management procedures and policies are exemplary because the Town in the past has always appropriated funds in each fiscal year in an amount sufficient to retire all scheduled debt service, and because the Town's yearly audit reports demonstrate that the Town's debt management and contract obligation payment policies have been carried out in strict compliance with the law.

5. No increase in taxes is necessary to meet the sums to fall due under the proposed contract.
6. The Town of Oak Ridge is not in default in any of its debt service obligations.
7. The Oak Ridge Town Attorney 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 Town Manager is hereby authorized to act on behalf of the Town of Oak Ridge 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 _____ day of _____, 20____. The motion to adopt this resolution was made by Councilmember _____, seconded by Councilmember _____ and passed by a vote of _____ to _____.

Ann K. Schneider
Mayor

Attest:

Sandra B. Smith, CMC, NCCMC
Asst. Town Manager/Town Clerk

This is to certify that this is a true and accurate copy of Resolution No. _____ adopted by the Town of Oak Ridge Town Council on the _____ day of _____, 20____.

Sandra B. Smith, CMC, NCCMC
Asst. Town Manager/Town Clerk

Date