

# **REQUEST FOR BOARD ACTION**

## **HENDERSON COUNTY BOARD OF COMMISSIONERS**

**MEETING DATE:** October 2, 2006

**SUBJECT:** Etowah Horse-Shoe Fire and Rescue Lease Purchase

**ATTACHMENTS:** Draft Letter

### **SUMMARY OF REQUEST:**

At the May 11, 2006 Fire and Rescue Advisory Committee meeting, Roger Freeman Chief of Etowah Horse-Shoe Fire and Rescue presented a refinancing/purchase proposal for two new apparatus and the main station. The total price of the package is \$1,816,418.00 utilizing United Financial Services at an annual interest rate of 4.75% with a yearly payment of \$232,387.00 for 10 years.

A motion to approve the refinancing package was made by David Johnson and seconded by Joe Swain. Unanimous approval.

Etowah Horse-Shoe Fire and Rescue respectfully request the Chairman sign the attached letter to United Financial Services.

### **COUNTY MANAGER RECOMMENDATION/BOARD ACTION REQUESTED:**

The Board should authorize the Chairman to sign the attached letter to United Financial of North Carolina.

To be reproduced on County Letterhead

October 18, 2006

United Financial of North Carolina, Inc.  
58 Wilkie Way  
Fletcher, NC 28732

Re: Lease Purchase Agreement between United Financial of North Carolina, Inc., and Etowah-Horse Shoe Volunteer Fire Department, Inc.

Dear Sirs:

I am Chairman of the County Commissioners of Henderson County. This letter is to advise you that Etowah-Horse Shoe Volunteer Fire Department, Inc., is a qualified Volunteer Fire Department assigned to protect a specific Fire District within this County.

In addition, a special ad valorem (fire tax) is assessed on the real property owners of this district. Said tax is to be used exclusively to provide equipment, facilities, and training as is necessary to provide fire protection for said district. Said funds may also be used to upgrade equipment as the need arises. This tax is collected by the County and disbursed by the Finance Office to the Fire Department on a regular basis by the County Finance Officer. The Fire Department is operated and managed by the Board of Directors of the Fire Department and the Officers of said Department. The Department is currently meeting the requirements of their fire service contract.

The Fire Department has made us aware of their intention to acquire new capital assets through a Lease Purchase transaction with your firm.

Please be advised that the County has no objection to this transaction.

Sincerely,

Chairman  
Henderson County Commission