

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: March 5, 2012

SUBJECT: Valley Hill Fire & Rescue Tax Exempt Loan Agreement

PRESENTER: Rocky Hyder

ATTACHMENTS: Yes

1. Draft Letter to United Financial

SUMMARY OF REQUEST:

At the January 17, 2012 Fire and Rescue Advisory Committee meeting, Valley Hill Fire and Rescue presented a proposal to purchase a new Engine. The total principal financed will be \$250,000 at a fixed interest rate of 4.1% with annual payments of \$56,314.63 for 5 years. Valley Hill Fire & Rescue held a public hearing to discuss the loan agreement on February 3, 2012 at 7:00 p.m. No tax rate increase will be necessary for this purchase.

The Fire & Rescue Advisory Committee unanimously approved the proposal.

Valley Hill Fire and Rescue respectfully request the Chairman sign the attached letter to United Financial of North Carolina.

BOARD ACTION REQUESTED:

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

Suggested Motion:

I move the Board authorize the Chairman to sign the letter to United Financial of North Carolina on behalf of Valley Hill Fire & Rescue.

HENDERSON COUNTY BOARD OF COMMISSIONERS

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March 5, 2012

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

Re: Lease Purchase Agreement between United Financial of North Carolina, Inc., and Valley Hill Volunteer Fire & Rescue Department

Dear Sirs:

I am Chairman of the County Commissioners of Henderson County. This letter is to advise you that Valley Hill Volunteer Fire & Rescue Department 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,

Thomas Thompson, Chairman
Henderson County Board of Commissioners

Attest:

Teresa L. Wilson, Clerk to the Board