

## SAMPLE

### RESOLUTION

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

WHEREAS, the [City/Town/County/Authority] of Anywhere, North Carolina desires to [*Describe the undertaking and terms of the proposed contract*] (the “Project”) to better serve the citizens of Anywhere; and

WHEREAS, The [City/Town/County/Authority] of Anywhere 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 Board of [Commissioners/Aldermen/Directors] of Anywhere, North Carolina, meeting in [regular/special] session on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, make the following findings of fact:

1. The proposed contract is necessary or expedient because [*State facts supporting a conclusion that the undertaking is necessary and/or expedient for the contracting unit.*]
2. The proposed contract is preferable to a bond issue for the same purpose because [*State facts supporting a conclusion that the proposed contract or agreement, under the circumstances, is preferable to a general obligation or revenue bond issue for the same purpose. Specifically, (i) show that the cost of the proposed undertaking exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances, and non-voted bonds that could be issued by the contracting unit in the current fiscal year pursuant to Article V, Section 4, of the North Carolina Constitution (the “two-thirds limitation”); (ii) cite reasons and justifications for choosing the contract method of financing rather than a non-voted general obligation bond issue, a voted general obligation bond issue, or a revenue bond issue.*]
3. (*For all issues marketed publicly.*) The cost of financing under the proposed contract is greater than the cost of issuing general obligation bonds. [*Include justification for using this method of financing.*]
4. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because [*State facts supporting a conclusion that the sums to fall due under the contract are not excessive for its stated purpose.*]
5. The [City/Town/County/Authority] of Anywhere’s debt management procedures and policies are good because [*State facts supporting a conclusion that the debt management policies of the contracting unit have been carried out in strict compliance with law, or provide assurances that debt management will hence forth be so carried out.*]
6. The increase in taxes necessary to meet the sums to fall due under the proposed contract will be \_\_\_\_\_ cents per \$100 valuation and is not deemed to be excessive.

7. The [City/Town/County/Authority] of Anywhere is not in default in any of its debt service obligations.
8. The attorney for the [City/Town/County/Authority] of Anywhere 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.
9. *(If project is for utility of public service enterprise you must include this finding.)* The probable net revenues of the project to be financed will be sufficient to meet the sums to fall due under the proposed contract.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the [Mayor/Manager/Finance Officer] is hereby authorized to act on behalf of the [City/Town/County/Authority] of Anywhere 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 [Commission/Alderman/Director]  
\_\_\_\_\_, seconded by [Commissioner/Alderman/Director]  
\_\_\_\_\_ and passed by a vote of \_\_\_\_\_ to \_\_\_\_\_.

\_\_\_\_\_  
[Mayor/Chairman]

ATTEST:

\_\_\_\_\_  
[Clerk/Secretary]

This is to certify that this is a true and accurate copy of Resolution No. \_\_\_\_\_ Adopted by the  
Anywhere Board of [Commissioners/Aldermen/Directors] on the \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
[Clerk/Secretary]

\_\_\_\_\_  
Date