

# REQUEST FOR BOARD ACTION

**DATE OF MEETING:** March 3, 2025

**TO:** COUNTY COMMISSIONERS

**ITEM NUMBER** \_\_\_\_\_

**FROM:** Mandy McGhee

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**REQUEST:**

1. Pursuant to NCGS 160A-20, hold a public hearing regarding the County's intent to enter into an installment financing contract in the principal amount currently expected no to exceed 12,184,000 which will be used to finance the design, construction, and equipping of roofing projects an HVAC replacement in various schools within Rockingham County School System.
2. Adopt Resolution authorizing the filing of an application for approval of an installment financing contract authorized by NCGS 160A-20 and making certain findings required by NCGS 159-151.

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**FUNDING SOURCE:**

- \_\_\_\_\_ Money is in current budget
- \_\_\_\_\_ New appropriation requested
- Federal
  - State
  - County
  - Other

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**MANAGER'S RECOMMENDATION:**

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**\*\*ALL REQUESTS THAT REQUIRE BUDGET REVISION MUST BE ACCOMPANIED BY "BUDGET CHANGE REQUEST" FORM THAT HAS BEEN APPROVED BY THE FINANCE OFFICER!!!**

BOARD OF COMMISSIONERS  
OF THE  
COUNTY OF ROCKINGHAM, NORTH CAROLINA

Excerpt of Minutes  
of Meeting of  
March 3, 2025

Present: Chairman Kevin Berger, and Commissioners \_\_\_\_\_

Absent: \_\_\_\_\_

\* \* \* \* \*

Commissioner \_\_\_\_\_ introduced the following resolution, the title of which was read:

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION  
FOR APPROVAL OF AN INSTALLMENT FINANCING CONTRACT  
AUTHORIZED BY NORTH CAROLINA GENERAL STATUTES  
§160A-20 AND MAKING CERTAIN FINDINGS REQUIRED BY  
NORTH CAROLINA GENERAL STATUTES § 159-151

WHEREAS, the County of Rockingham, North Carolina (the "County") proposes to finance the design, construction and equipping of roofing projects and HVAC replacements at various schools within the Rockingham County Schools system (the "Projects"); and

WHEREAS, it is anticipated that the cost of financing the Projects, including issuances expenses in connection therewith, will be not more than \$12,500,000; and

WHEREAS, the County expects to finance the Projects through an installment financing contract, which will be secured by a deed of trust granting a lien on one or more of the sites of the Projects, together with any improvements or fixtures located or to be located thereon, subject to permitted encumbrances; and

WHEREAS, the County released a request for proposals to various financial institutions relating to the financing of the Projects through an installment financing contract; and

WHEREAS, Webster Bank (the "Bank") submitted a proposal to the County dated February 12, 2025 (the "Proposal"), pursuant to which the Bank would enter into an installment financing contract with the County to finance the Projects, to be secured by a deed of trust granting a lien on one or more of the sites of the Projects, together with any improvements or fixtures located or to be located thereon, subject to permitted encumbrances; and

WHEREAS, financing the Projects pursuant to N.C.G.S. § 160A-20 must be approved by the North Carolina Local Government Commission (the "LGC") and will only be approved if the findings of N.C.G.S. § 159-151(b) have been made; and

WHEREAS, the Board of Commissioners of the County (the "Board") has on this day held a public hearing with respect to the financing of the Projects pursuant to N.C.G.S. § 160A-20, as evidenced by the Certificate and Summary of Public Hearing attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County, as follows:

1. After consideration, the Board has determined that the most advantageous manner of financing the Projects is by an installment financing contract pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended. In support thereof, the Board hereby makes the following findings of fact:

(a) The proposed financing is necessary or expedient because the Projects will replace or repair aging physical infrastructure within the Rockingham County Schools system.

(b) The proposed financing is preferable to a general obligation bond financing for the same purpose because (i) the cost to issue general obligation bonds would be greater and (ii) the Projects are ready to begin construction.

(c) The cost of the proposed undertaking exceeds the amount of funds that can be prudently raised from currently available appropriations, unappropriated fund balances, and non-voted general obligation bonds that could be issued by the County pursuant to Article V, Section 4, of the North Carolina Constitution. As no portion of the Projects produce revenue, the issuance of revenue bonds to support the Projects is not possible.

(d) The cost of financing under the proposed installment financing contract will not be materially greater than the cost of issuing general obligation bonds.

(e) The sums proposed to be provided under the financing are adequate and not excessive for the stated purpose of financing the Projects.

(f) The County's debt management procedures and policies are good and have been carried out in strict compliance with law and will henceforth be so carried out.

(g) There will be no increase in taxes necessary to meet the sums to fall due under the proposed financing.

(h) The County is not in default in any of its debt service obligations.

2. Pursuant to N.C.G.S. § 160A-20, the County, through its staff, is hereby authorized to finance the Projects by entering into an installment financing contract that will be secured by a deed of trust on one or more of the sites of the Projects, together with any improvements or fixtures located or to be located thereon, subject to permitted encumbrances.

3. The Board hereby accepts the Proposal and authorizes and directs the County Manager, the County Finance Director and other appropriate officers of the County to negotiate and finalize with the Bank an installment financing contract, deed of trust, and such other documents and certificates as may be required in connection with the financing of the Projects.

4. The attorney for the County will render an opinion that the financing of the Projects is authorized by law and constitutes a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

5. Each of the County Manager, the County Finance Director and other appropriate officers of the County is hereby authorized and directed to file an application with the LGC for its approval of the financing described above in an amount currently expected not to exceed \$12,500,000, and the actions of

any of the County Manager, the County Finance Director, and other officers of the County in connection therewith are hereby approved and confirmed.

6. All other acts of the Board and the officers of the County which are in conformity with the purposes and intent of this resolution and in furtherance of the financing of the Projects are hereby ratified, approved and confirmed.

7. This resolution shall take effect immediately.

Commissioner \_\_\_\_\_ moved the passage of the foregoing resolution and Commissioner \_\_\_\_\_ seconded the motion and the resolution was passed by the following vote:

Ayes: Commissioners \_\_\_\_\_  
Nays: Commissioners \_\_\_\_\_  
Not voting: Commissioners \_\_\_\_\_

\* \* \* \* \*

I, Susan O. Washburn, Clerk to the Board of Commissioners for the County of Rockingham, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and complete copy of a resolution adopted by the Board of Commissioners of the County at a regular meeting duly called and held on March 3, 2025, and that the proceedings of such meeting are recorded in the Minutes of the Board. Pursuant to G.S. § 143-318.12, a current copy of a schedule of regular meetings of the Board of Commissioners of the County is on file in my office.

WITNESS my hand and the official seal of the County this \_\_\_ day of March, 2025.

\_\_\_\_\_  
Susan O. Washburn  
Clerk to the Board of Commissioners  
County of Rockingham, North Carolina

[SEAL]

**EXHIBIT A**

**CERTIFICATE AND SUMMARY OF PUBLIC HEARING**

The undersigned Clerk to the Board of Commissioners of the County of Rockingham, North Carolina (the "County") hereby certifies:

1. Attached hereto is an affidavit of publication with respect to a notice of a public hearing (the "Hearing") held on March 3, 2025, with respect to an installment financing contract in a principal amount currently expected not to exceed \$12,500,000, the proceeds of which will be used to finance the design, construction and equipping of roofing projects and HVAC replacements at various schools within the Rockingham County Schools system, to be secured by a deed of trust granting a lien on one or more of the sites of the Projects.

2. The presiding officer of the Hearing was \_\_\_\_\_.

3. The following is a list of the names and addresses of all persons who spoke at the Hearing:

4. The following is a summary of the oral comments made at the Hearing:

WITNESS my hand and the official seal of the County this \_\_\_\_ day of March, 2025.

\_\_\_\_\_  
Susan O. Washburn  
Clerk to the Board of Commissioners  
County of Rockingham, North Carolina

[SEAL]