

**TOWN OF SELMA
SPECIAL COUNCIL MEETING
MAY 28, 2015**

PRESENT:

Mayor Cheryl Oliver, Mayor Pro-Tem Jackie Lacy, Councilmembers Tommy Holmes, and William Overby, Town Manager Jon Barlow, and Town Clerk Cynthia Richardson.

Councilmember Eric Sellers entered the meeting at 6:03 p.m.

**OTHER STAFF
PRESENT:**

Planning Director Julie Maybee, Finance Director Kim Batten, Deputy Clerk Brenda Thorne

**REQUEST FOR
APPROVAL OF MAY 12,
2015 REGULAR
COUNCIL MEETING
MINUTES:**

Town Manager Jon Barlow stated that the first reason for tonight's meeting was for the adoption of the Regular Council Meeting minutes for May 12, 2015. He said that these minutes needed to be adopted so that the Town's package could be returned to ElectriCities so that they could include it as one of the thirty-two municipalities to close the sale of assets to Duke Energy. Mr. Barlow stated that their goal was to get all the packages in by mid-June. He said that it looked like things were going smoothly, and Selma was one of the first five to approve the resolution. Mr. Barlow stated that Town Clerk Cynthia Richardson would certify the minutes, and those minutes would go to Attorney Hewett's office to be forwarded to ElectriCities with other required documentation.

Councilmember Eric Sellers entered the meeting at 6:03 p.m.

A motion was made by Councilmember William Overby and seconded by Mayor Pro-Tem Jackie Lacy to approve the May 12, 2015 Regular Council Meeting minutes as presented. Motion carried unanimously.

**REQUEST FOR
APPROVAL OF
RESOLUTION
AUTHORIZING THE
FILING OF AN
APPLICATION FOR A
FINANCING
AGREEMENT
AUTHORIZED BY NCGS
160A-20:**

Town Manager Jon Barlow stated the next item was for approval of a Resolution that would authorize the filing of a application for a financing agreement for the new Town Hall authorized by North Carolina General Statute 160A-20.

Mr. Barlow stated that the Town Hall Renovation Project is moving along into a phase where the Town needs to acquire financing for the construction part of the project. He said that the design is complete and is out for bids. Mr. Barlow stated that there was a pre-bid meeting with the architect, and had eight contractors to attend that meeting.

Mr. Barlow stated that the resolution tonight was to start the application process. He said that any improvements made to real property that municipalities do in North Carolina that requires financing requires authorization by the Local Government Commission (LGC) before entering into any debt service agreement. Mr. Barlow stated that the resolution being presented tonight was to authorize the Town to file an application for approval for financing of the property. He said that on

June 9, 2015, a public hearing would be held to receive citizens' comments regarding the initial debt for the project. Mr. Barlow stated that he hoped to have a recommendation for the project since bids are due June 4, 2015. He said that the LGC only meets once a month. Mr. Barlow stated that the package would be taken to the LGC in Raleigh on June 10, 2015.

A motion was made by Councilmember William Overby and seconded by Councilmember Eric Sellers to approve the Resolution authorizing the filing of an application for a financing agreement for Selma's new Town Hall as authorized by North Carolina General Statute 160A-20. Motion carried unanimously.

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

WHEREAS, the Town of Selma, North Carolina desires to renovate a purchased building for use as a Town Hall (the "Project") to better serve the citizens of Selma; and

WHEREAS, the Town of Selma, North Carolina 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 Selma, North Carolina, meeting in special session on the 28th day of May, 2015, make the following findings of fact:

1. The proposed contract is necessary or expedient because the Town has outgrown its current Town Hall and the costs to renovate the current Town Hall would be excessive.
2. The proposed contract is preferable to a bond issue for the same purpose because the loan amount (\$400,000) makes it relatively impractical to issue general obligation bonds; however, the loan is necessary because the project cannot be paid from current available appropriations and an available unappropriated fund balance.
3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because the costs associated with the renovation of the existing Town Hall would far exceed the cost

of renovating the proposed building to meet the current and future needs of the Town of Selma.

4. The Town of Selma's debt management procedures and policies are good because its debt management policies have been carried out in strict compliance with state law, and the Town remains far below the statutory debt ceiling.
5. The increase in taxes necessary to meet the sums to fall due under the proposed contract will be 0 cents per \$100 valuation and is not deemed to be excessive.
6. The Town of Selma of Selma, North Carolina is not in default in any of its debt service obligations.
7. The attorney for the Town of Selma, North Carolina 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 Selma of Selma, North Carolina in filing an application with the North Carolina Local Government Commission (LGC) 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 28th day of May, 2015.

The motion to adopt this resolution was made by Councilmember William Overby, seconded by Councilmember Eric Sellers and passed by a vote of 5 to 0.

ADJOURNMENT:

With no further business, a motion was made by Councilmember William Overby and seconded by Mayor Pro-Tem Jackie Lacy to adjourn. Motion carried unanimously.

The meeting adjourned at 6:06 p.m.

BRENDA W. THORNE, Deputy Clerk