

## **REQUEST FOR BOARD ACTION**

### **HENDERSON COUNTY BOARD OF COMMISSIONERS**

**MEETING DATE:** April 21, 2010

**SUBJECT:** Hospital Revenue Bond Financing Request for the  
Benefit of the Henderson County Hospital Corporation

**ATTACHMENTS:** Draft Resolution

#### **SUMMARY OF REQUEST:**

The Board of Commissioners is being requested to consider approving the attached resolution drafted by our Bond Counsel which directs an application to be made to the Local Government Commission (LGC) for approval of the issuance of Series 2010 Hospital Revenue Bonds and certain related matters by Henderson County for the Margaret R. Pardee Memorial Hospital Project. This is another step to issue bonds that started with the January 21, 2009 reimbursement resolution previously approved by the Board of Commissioners.

The amount of the Bonds to be issued is a not to exceed amount of \$3,500,000 to be used to reimburse the County or the Henderson County Hospital Corporation for the costs of certain previous acquisitions of land and buildings, to pay the costs of improvements to such land and buildings, to pay interest on the 2010 Bonds if necessary and to pay the costs of issuing the 2010 Bonds.

#### **BOARD ACTION REQUESTED:**

Request that the Board consider approving the attached resolution drafted by our Bond Counsel for the stated purposes.

#### **Motion Suggested:**

**I move approval of the Resolution of the County of Henderson, North Carolina, directing the application to the Local Government Commission for approval of Hospital Revenue Bonds and requesting Local Government Commission approval of the County's Hospital Revenue Bonds, Series 2010 and certain related matters for the Margaret R. Pardee Memorial Hospital Project.**

A regular meeting of the Board of Commissioners of the County of Henderson, North Carolina, was duly held on April 21, 2010 at 9:00 a.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, 1 Historic Courthouse Square, Hendersonville, North Carolina. Chairman Bill Moyer presiding.

\* \* \*

The following members were present:

The following members were absent:

Also present:

\* \* \*

Commissioner \_\_\_\_\_ moved that the following resolution (the "*Resolution*"), a copy of which was available with the Board and which was read by title:

**RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA,  
DIRECTING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION  
FOR APPROVAL OF HOSPITAL REVENUE BONDS;  
REQUESTING LOCAL GOVERNMENT COMMISSION APPROVAL OF  
THE COUNTY'S HOSPITAL REVENUE BONDS (MARGARET R. PARDEE MEMORIAL HOSPITAL  
PROJECT), SERIES 2010 AND CERTAIN RELATED MATTERS**

**WHEREAS**, the Board of Commissioners (the "*Board*") of the County of Henderson, North Carolina (the "*County*") hereby desires to (a) reimburse itself or the Henderson County Hospital Corporation (the "*Corporation*") for certain previous acquisitions of land and buildings for the Margaret R. Pardee Memorial Hospital (the "*Hospital*") and (b) pay the costs of improvements to such land and buildings (collectively, the "*Project*"); and

**WHEREAS**, the Board approved a reimbursement resolution for the Project on January 21, 2009 and this resolution is the next step in the process for issuing bonds for the Project; and

**WHEREAS**, the Board is considering the issuance of not to exceed \$3,500,000 Hospital Revenue Bonds, (Margaret R. Pardee Memorial Hospital Project), Series 2010 (the "*2010 Bonds*"), either through the issuance of tax-exempt bonds, "Build America Bonds," or any combination thereof that the Authorized Officers (hereinafter defined) may determine to be in the best interest of the County, to (1) pay or reimburse the costs of the Project, (2) to pay interest on the 2010 Bonds, if necessary, and (3) pay the costs of issuing the 2010 Bonds; and

**WHEREAS**, the Board wishes to retain Parker Poe Adams & Bernstein LLP of Raleigh, North Carolina, as bond counsel; retain First Tryon Advisors, as financial advisor for the 2010 Bonds; and retain Prince, Youngblood & Massagee, PLLC, as counsel to the Corporation; and

**WHEREAS**, the Board desires that the Finance Director or the County Manager of the County or the Vice President Finance/Chief Financial Officer of the Corporation (such officers being herein called the “*Authorized Officers*”) file with the Local Government Commission of North Carolina (the “*Commission*”) an application for its approval of the 2010 Bonds, on a form prescribed by the Commission, and (1) request in such application that the Commission approve (A) the negotiation of the sale of the 2010 Bonds to a financial institution (the “*Purchaser*”) to be determined by the Authorized Officers through a private placement and (B) the County’s use of Parker Poe Adams & Bernstein LLP, as bond counsel for the County, First Tryon Advisors, as financial advisor for the 2010 Bonds; and Prince, Youngblood & Massagee, PLLC, as counsel to the Corporation and (2) state in such application such facts and to attach thereto such exhibits in regard to the 2010 Bonds and to the County, the Corporation and their financial condition as may be required by the Commission, and to take all other action necessary to the issuance of the 2010 Bonds; and

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AS FOLLOWS:

***Section 1.*** That the 2010 Bonds are to be issued by the County for the purpose of providing funds to (1) finance, or reimburse funds previously used to finance, the Project, (2) fund interest on the 2010 Bonds, if necessary, and (3) pay the costs of issuing the 2010 Bonds, all as set out fully in the document attached to the County’s application to the Commission.

***Section 2.*** That Parker Poe Adams & Bernstein LLP; First Tryon Securities and Prince, Youngblood & Massagee, PLLC are hereby retained and approved.

***Section 3.*** That the Authorized Officers are hereby authorized, directed and designated to file an application with the Commission for its approval of the issuance of the 2010 Bonds and are hereby authorized to request bids from financial institutions for the purchase of the 2010 Bonds. Any applications and communications previously undertaken with the Commission are hereby ratified, approved and affirmed. Any requests for bids from financial institutions and the acceptance of any such bids are hereby ratified, approved and affirmed.

***Section 4.*** That the Board finds and determines, and asks the Commission to find and determine, from the County’s application and supporting documentation the following:

- (a) that the issuance of the 2010 Bonds is necessary or expedient;
- (b) that the not to exceed stated principal amount of the 2010 Bonds will be sufficient but is not excessive, when added to other moneys available to the County or Corporation, for the proposed Project;
- (c) that the Project is feasible;
- (d) that the County’s and the Corporation’s debt management procedure and policies are excellent; and
- (e) that the 2010 Bonds can be sold at a reasonable interest cost to the County.

***Section 5.*** That the Authorized Officers, Chairman, Vice-Chairman and Secretary of the Board are hereby authorized to do any and all other things necessary to complete the steps necessary for the issuance of the 2010 Bonds.

**Section 6.** That the Board requests that the Commission sell the 2010 Bonds through in a private placement to the Purchaser on such terms as may be agreed on but at a true interest cost (after taking account any federal interest subsidy, if applicable) not to exceed 6.5%.

**Section 7.** That this Resolution is effective on the date of its adoption.

On motion of Commissioner \_\_\_\_\_, the foregoing resolution entitled "RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA, DIRECTING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF HOSPITAL REVENUE BONDS; REQUESTING LOCAL GOVERNMENT COMMISSION APPROVAL OF THE COUNTY'S HOSPITAL REVENUE BONDS (MARGARET R. PARDEE MEMORIAL HOSPITAL PROJECT), SERIES 2010 AND CERTAIN RELATED MATTERS" was duly adopted by the following vote:

AYES:

NAYS:

COUNTY OF HENDERSON

SS:

**WITNESS** my hand and the corporate seal of the County of Henderson, North Carolina, this the \_\_\_\_st day of April, 2010.

Teresa Wilson  
Clerk to the Board  
County of Henderson, North Carolina