

**HENDERSON COUNTY  
BOARD OF COMMISSIONERS**

**MEETING DATE:** July 20, 2016

**SUBJECT:** Mountain Home Fire and Rescue, Inc. Tax Exempt Loan Agreement

**PRESENTER:** Fire Marshal, Wally Hollis

**ATTACHMENTS:** Draft Letter to United Financial of North Carolina

**SUMMARY OF REQUEST:**

At the May 12, 2016 meeting of the Fire and Rescue Advisory Committee, Mountain Home Fire & Rescue presented a proposal to partially finance a replacement Engine. The total amount to finance will be \$80,000 at a fixed interest rate of 2.43% with payments of \$20,611.17 twice a year for 3 years.

The Fire & Rescue Advisory Committee has unanimously recommended approval of the proposal.

Mountain Home Fire & 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 First Citizen.

**Suggested Motion:**

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

*(To Be Reproduced on County Letterhead)*

**DATE** (please date after the department has held their public meeting on \_\_\_\_\_)

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

**Re: Lease Purchase Agreement between United Financial of North Carolina, Inc. and Mountain Home Fire & Rescue Department, Inc.**

**Dear Sirs,**

**I am Chairman of the County Commissioners of Henderson County. This letter is to advise you that: Mountain Home Fire & Rescue Department, Inc. 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,**

---

**Chairman  
Henderson County Commission**