



Legislation Text

File #: 20-0335, Version: 1

Item:

Resolution to Approve a Tax-Exempt Loan to Refinance Bahama VFD Fire Station 1 Loan

Date of BOCC Meeting: July 13, 2020

Request for Board Action:

The Board is requested to approve the attached resolution approving a tax-exempt loan to Bahama Volunteer Fire Rescue EMS Company, Inc., to refinance their current fire station loan to obtain a lower rate, saving the fire district approximately \$200,000 over the life of the loan.

The resolution will authorize Roxboro Savings Bank to extend a Tax-Exempt loan to Bahama VFD in accordance with the public approval requirements for tax-exempt financing applicable to volunteer fire departments in of Section 150(e)(3) and Section 147(f) of the Internal Revenue Code of 1986, as amended. The requested approval does not obligate the County to the repayment of the refinanced loan. Tax-exempt loans to fire departments that provide service to Durham County lowers the interest expense and reduces the cost of operations to the fire district.

Alignment with Strategic Plan: This request aligns with County's Strategic Goal 3: Safe Community and Goal 5: Accountable, Efficient and Visionary Government.

Resource Persons: Mark W. Schell, Chief Fire Marshal, Jim Groves Emergency Services Director

County Manager's Recommendation: The County Manager recommends that the Board approve the attached resolution supporting refinancing to a tax-exempt loan for the Bahama Volunteer Fire Rescue EMS Company, Inc.

County Manager: _____