

## **JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT**

**Monday, October 10, 2011 at 1:00 PM**

**Room 544, Legislative Office Building**

### **MINUTES**

The Joint Legislative Committee on Local Government met at 1:00 PM on October 10, 2011, in Room 544 of the Legislative Office Building. Twelve members of the Committee were present. Senator Jim Davis, presided.

Senator Davis introduced Committee members, thanked support staff, and welcomed presenters and guests.

Kara Millonzi, Assistant Professor of Public Law and Government, School of Government, UNC-Chapel Hill presented on local government financing of capital projects. She reviewed security, statutory cites, authorized projects, voter approval, Local Government Committee approval, statutory process and special limitations as they relate to: general obligation bonds, revenue bonds, installment financings, special obligation bonds, and project development financings. (See handout.) Ms. Millonzi responded to questions from Sen. Hunt, Rep. Justice, Rep. Folwell, and Sen. Davis.

Vance Holloman, Deputy Treasurer, Director, State and Local Government Finance Division of the Office of the State Treasurer, presented the 2011 Local Government Debt Overview. His presentation included an overview of the establishment of the Local Government Committee (LGC), history of the LGC, its current status, commission and meeting schedule. He reviewed the five categories of financings: general obligation, revenue, special obligation, installment purchases, and other financings. He presented staff recommendations based on statutorily defined findings and other statutorily defined considerations. He reviewed the five steps of debt issuance, the new reporting requirement for debt issuance, policy guidelines for debt issuance, and finance structuring. He closed with FY2009-2011 financings and outstanding balances for the NC local governments. (See handout.) Mr. Holloman responded to questions from Rep. Justice, Sen. Davis, Sen. Meredith, Rep. Torbett, Rep. Folwell, and Sen. Jones.

Tom Lee, Public Finance Counsel of the State and Local Government Finance Division of the Department of State Treasurer (Public Finance Group, Womble-Carlyle) spoke briefly on the local government bond process and responded to questions from Sen. Hunt and Rep. Justice. (No handout was provided.)

Gerry Cohen, Director, NCGA Bill Drafting Division, presented the Joint Legislative Committee on Local Government authorization, purpose, oversight, and local, committee, and staff responsibilities. He also reviewed the General Statute associated with the Committee. (See handouts.) Mr. Cohen and Tom Lee responded to questions from Rep. Torbett, Rep. Brown, and Rep. Folwell.

Mark Bondo, NCGA Fiscal Research, presented the Local Government Capital Project Reports. He reviewed debt submissions to date to the Committee. (See handout.) Mr. Bondo responded to questions from Sen. Jones and Sen. Davis.

JLC on LG 10/10/11 – KDC for Sen. Jim Davis

Senator Davis presented the idea of conducting remote meetings (teleconferenced) as a way to address the challenges of members traveling from far distances for a single committee meeting. Rep. Justice agreed that the idea should be explored. Staff agreed to look into the logistics of conducting remote meetings.

With no further business, the meeting adjourned.

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Senator Jim Davis, Presiding

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Kaye Culberson, Committee Clerk