



FINANCE DEPARTMENT  
POST OFFICE BOX 1065 • DUNN, NORTH CAROLINA 28335  
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[www.dunn-nc.org](http://www.dunn-nc.org)

**Mayor**  
Oscar N. Harris

**Mayor Pro Tem**  
Frank McLean

**Council Members**  
Buddy Maness  
Dr. Gwen McNeill  
Billy Tart  
Chuck Turnage  
Billy Barfield

**City Manager**  
Steven Neuschafer

August 9, 2018

Joint Legislative Committee on Local Government  
Attention: Committee Chairs, Committee Assts.  
North Carolina General Assembly  
16 West Jones St.  
Raleigh, NC 27601

Fiscal Research Division  
Attention: Director  
North Carolina General Assembly  
300 North Salisbury St., Suite 610  
Raleigh, NC 27603

**Notice to the Joint Legislative Committee on Local Government  
Concerning Proposed Financing by City of Dunn**

To the Committee:

I am providing this notice in accordance with N.C. Gen. Stat. Section 120-157.2 of a proposed local government capital project that requires approval of the North Carolina Local Government Commission and requires debt to be issued in an amount exceeding \$1,000,000.

The following is additional information concerning the proposed financing.

**Project description** -- The City of Dunn is installing new water meters that can be read electronically. This will improve accuracy and efficiency in the water billing process.

**LGC meeting for consideration** – September 11, 2018

**Estimated amount to be financed** – \$1,898,000

**Type of financing** – Installment financing under Section 160A-20.

**Description of other sources of financing** – The City expects that the amount borrowed will pay substantially all the costs of the project.

**Estimated financing term** – The City expects a financing term of approximately 15 years, which is essentially the expected useful life of the property being financed.

**Estimated interest rate** – Under current market conditions, the City expects a true interest cost of the financing of approximately 3.63%.

**Expected source of repayment** – The debt payment will be funded thru increases in water/sewer revenues and decrease in cost of manual reading meters.

Please let me know if you have additional questions or comments for me about this proposed financing.

Sincerely,



Mark H. Stephens, CPA  
Finance Director  
City of Dunn

cc: Sharon Edmunson  
Secretary of the Local Government Commission



*where community matters*