



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

FINANCE DEPARTMENT
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August 30, 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 – To replace the aeration system at the City's wastewater treatment facility.

LGC meeting for consideration – October 2, 2018

Estimated amount to be financed – \$2,500,000

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 20 years, which is essentially the expected useful life of the project being financed.

Estimated interest rate – Under current market conditions, the City expects a true interest cost of the financing of approximately 0.00%.

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

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