

SanfordHolshouser

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June 18, 2018

Joint Legislative Committee on Local Government
Attention: Committee Chairs, Committee Ass't
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 the Town of Fuquay-Varina

To the Committee:

As counsel to the Town of Fuquay-Varina, North Carolina, and as required under N.C. Gen. Stat. Section 120-157.2, I am providing this notice 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. Here is information about the proposed financing –

Project description -- acquisition and improvement of property for use as Town Hall, and park upgrades and improvements

LGC meeting for consideration – August or September, 2018

Amount to be financed – estimated as up to approximately \$10,500,000

Type of financing – installment financing under Section 160A-20

Description of other sources of financing – The Town expects that the amount borrowed will pay substantially all the costs of the Town Hall project. The Town has received several grants that will pay additional costs of the parks improvements.

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Estimated financing term – The Town expects a financing term of between 15 and 20 years, which will be less than the expected useful life of the property being financed.

Estimated interest rate – Under current market conditions, the Town expects a true interest cost of the financing of less than 5.00%.

Expected source of repayment – general fund revenues

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

Very truly yours,

A handwritten signature in black ink that reads "Bob Jessup". The signature is written in a cursive, slightly slanted style.

Robert M. Jessup Jr.

cc: Greg C. Gaskins, Secretary of the Local Government Commission
c/o Biff McGilvray
Carla H. Morgan, Town of Fuquay-Varina finance officer
Daniel Sater, legislative staff [Daniel.sater@ncleg.net]
(each by electronic mail)