

SanfordHolshouser

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August 9, 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 Granville County

To the Committee:

As counsel to Granville County, 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 and amounts to be financed – As follows:

- Up to approximately \$29,000,000 to pay for the acquisition and construction of a new law enforcement facility and animal shelter,
- An amount sufficient to refinance up to approximately \$15,000,000 of existing County obligations to save money on debt service costs, and
- Amounts appropriate to pay financing costs.

LGC meeting for consideration – October 2, 2018

Type of financing – installment financing under Section 160A-20, including the use of limited obligation bonds

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Description of other sources of financing – The County expects that the amounts borrowed will pay substantially all the project costs.

Estimated financing term – The County expects a financing term of the debt related to the new facilities of approximately 20 years, which is less than the expected useful life of the property being financed. The refinancings will not extend the existing loan terms.

Estimated interest rate – Under current market conditions, the County expects a true interest cost of the financing of approximately 3.25%.

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 dark 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 Joe Futima
Steve McNally, Granville County finance officer
James C. Wrenn, Jr., Granville County attorney
Davenport & Company LLC
Daniel Sater, legislative staff [Daniel.sater@ncleg.net]
(each by electronic mail)