



August 14, 2018

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
300 North Salisbury Street, Suite 619,
Raleigh, North Carolina 27603-5925

Re: Installment Financing by the Town of Morrisville, North Carolina for Capital Improvements

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the Town of Morrisville, North Carolina (the "Town") hereby notifies you of its intent to enter into an installment financing agreement (the "Agreement") pursuant to Section 160A-20 of the General Statute of North Carolina, as amended, in the principal amount of approximately \$3,500,000 to finance the costs of (a) certain street improvements including widening and other related improvements for Morrisville-Carpenter Road and (b) acquiring, constructing and equipping a new aquatics and fitness center (collectively, the "Project"). The obligations of the Town under the Agreement will be secured by a deed of trust on all or a portion of the site of the aquatics and fitness center portion of the Project, together with any improvements or fixtures located or to be located thereon. The payment of the installment payments under the Agreement will be subject to annual appropriation, and the Town's obligations under the Agreement will not be secured by the faith and credit or taxing power of the Town.

It is expected that the Agreement will have a term of approximately twenty (20) years. The financial institution to provide the financing pursuant to the Agreement will be selected pursuant to a request for proposals, at which time the interest rate shall be determined for the Agreement. The Town expects to accept the proposal of the winning bidder on September 11, 2018, obtain the approval of the North Carolina Local Government Commission on October 2, 2018 and close the financing by October 19, 2018.

If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,

Nancy H. B. Emslie, Finance Director
Town of Morrisville

cc: Biff McGilvray, Local Government Commission