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CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7021-2720-0002-9124-9846

July 22, 2022

Attention: Committee Chairs and Committee Assistant

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, North Carolina 27601

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

RE: Financing of purchases and projects by the Town of Kernersville of Kernersville, North Carolina

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the Town of Kernersville, North Carolina (the "Town") hereby notifies you of its intent to file one application with the Local Government Commission (LGC) and seek approval of installment financing contracts (loans) to fund Town general improvement projects.

The LGC application will contain a financing contract to fund improvements at three existing fire stations and paving improvements on various Town-owned streets. The loan for these four projects will be for a period of ten (10) years at a rate of approximately 4.00% and shall not exceed a total of \$4,685,000 as detailed herein. The first general improvement project will consist of fire alerting system improvements at Fire Station 43. The new alerting system will be connected with the 911 center's computer aided dispatch (CAD) to provide incident information and mapping on station CAD monitors. The fire alerting system will be financed for \$40,000.

The second general improvement project consists of installation of building access systems and cameras for Fire Station 41 and Station 43. The goal is to have all Fire Department buildings fitted with security systems, provide increased employee safety, security of Town property, simplify administration, and reduce the cost of maintenance. The security systems will be financed for \$45,000.

The Town, the County, and Beeson's Fire Station have agreed upon and executed an agreement that details renovations of the existing Fire Station 26. The third general improvement project consists of Beeson's Fire Station Renovation located at 1105 Old Salem Road. The renovation and expansion will bring together the existing operations of Fire Station 26 with the

operations of the Town's Fire Station 44 in order to provide greater incident coverage to citizens in that area. The renovation will be financed for \$3,100,000.

The final general improvement project consists of paving improvements. Roads need to have their top layers milled and resurfaced every 10 to 15 years. The division will resurface town-maintained asphalt road per the PCS report of FY 2021. Poorly maintained roadways cause accidents in a variety of ways, mostly due to the fact that they create an enormous hazard to drivers. The paving improvements will be financed for \$1,500,000.

The Town of Kernersville – Board of Aldermen approved the Fiscal Year 2022-23 annual operating budget on June 7, 2022. Within this budget, a schedule of fees, charges and other available funds will provide adequate funding for Town operations, include the repayment of the described loan. There will be no tax increase for the purpose of funding annual loan payments. The Town anticipates the North Carolina Local Government Commission will consider approval of the issuance of these proposed debts at its meeting on October 4, 2022.

Please do not hesitate to contact me at 336-992-0504 or fader@toknc.com if you require further information.

TOWN OF KERNERSVILLE, NORTH CAROLINA

By: _____

Franz Ader, PE, MPA

Finance Director