



VILLAGE OF BALD HEAD ISLAND
Council Meeting
Agenda Item

Agenda Item:	New Business
Date:	7/16/2021

Issue: Request to Adopt Resolution to Introduce Bond Order

Department: Administration

Presented by: Zachary Hewett, Finance Director

Presentation: No

Background: The Village's Bond Counsel has provided the Village with proceedings that should be considered by the Council at this meeting as part of the 2021 Voted Bond Authorization. The attached resolution is the second of three that are recommended for consideration and possible adoption.

A councilor should move that the Village Council adopt a resolution to introduce the bond order and read the bond order aloud. A second councilor will need to second the motion.

Attachments:

- Resolution to Introduce Bond Order (draft)
- Bond Order Authorizing the Issuance of \$54,000,000 Public Transportation Bonds of the Village of Bald Head Island
- Debt Statement Certification & Debt Statement

Recommendation: Adopt resolution as recommended by Bond Counsel

Action Needed: Yes

Suggested Motion: "I _____, hereby move that the Bald Head Island Village Council adopt a resolution to introduce the following bond order <<READ BOND ORDER ALOUD>>"

THIS MOTION NEEDS A SECOND

Funds: N/A

Follow Up: If adopted, the Village Clerk will have the Mayor sign the resolution and will prepare the certified extracts from the minutes of this meeting and other documents required by Bond Counsel and provide to the Finance Director to send to Bond Counsel and LGC when appropriate.

RESOLUTION 2021 – 07 _____

RESOLUTION TO INTRODUCE BOND ORDER

_____ moved adoption of a resolution to introduce the following bond order, that motion was seconded by _____, and the resolution was read by the above title.

BOND ORDER AUTHORIZING THE ISSUANCE OF \$54,000,000 PUBLIC TRANSPORTATION BONDS OF THE VILLAGE OF BALD HEAD ISLAND

WHEREAS, the Village Council of the Village of Bald Head Island deems it advisable to make the improvements hereinafter described; and

WHEREAS, the Village Council has caused to be filed with the Secretary of the Local Government Commission of North Carolina an application for Commission approval of the bonds hereinafter described as required by The Local Government Finance Act, and the Secretary of the Commission has notified the Village Council that the application has been filed and accepted for submission to the Commission;

NOW, THEREFORE, BE IT ORDERED by the Village Council as follows:

The Village Council determines that it is necessary to provide public transportation facilities, including ferry, barge and ground transportation assets, vessels and vehicles and related facilities and property, and including the acquisition and construction of such public transportation facilities, the improvement and expansion of existing such public transportation facilities and the acquisition and installation of furnishings and equipment and the acquisition of interests in real property required therefor, and to pay capital costs of such improvements.

To raise the money required to pay capital costs of providing the improvements described above, in addition to any funds which may be made available for that purpose from any other sources, bonds of the Village are hereby authorized and shall be issued pursuant to The Local Government Finance Act. The maximum aggregate principal amount of bonds authorized by this bond order shall be \$54,000,000.

Taxes sufficient to pay the principal of and interest on those bonds when due shall be annually levied and collected.

A sworn statement of the Village's debt has been filed with the Deputy Village Clerk and is open to public inspection.

This bond order shall take effect when approved by the voters of the Village at a referendum.

This the 16th day of July 2021.

J. Andrew Sayre
Mayor

ATTEST:

Carin Z. Faulkner
Deputy Village Clerk

**STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER**

*State and Local Government Finance Division
and the Local Government Commission
3200 Atlantic Avenue, Longleaf Building, Raleigh, North Carolina 27604*

STATEMENT OF DEBT

For Village of Bald Head Island, North Carolina

To be filed with the application. The debt described below should not include debt incurred or to be incurred in anticipation of the collection of taxes or other revenues or in anticipation of the sale of bonds other than funding or refunding bonds. The debt described below should not include revenue bonds or special obligation bonds.

A. Gross Debt

1. Outstanding debt evidenced by bonds:

<u>Purpose</u>	<u>Amount</u>	
Water		
Sanitary Sewer		
Electric		
Gas		
Other	\$10,161,857	<u>\$10,161,857</u>

2. The proposed financing, and bonds authorized by orders introduced but not yet adopted:

<u>Date Introduced</u>	<u>Purpose</u>	<u>Amount</u>
7-16-2021	Ferry and Ground Trans. Assets and Services	\$54,000,000
		<u>\$54,000,000</u>

3. Unissued bonds authorized by adopted orders:

<u>Date Introduced</u>	<u>Purpose</u>	<u>Amount</u>
5-8-2018	Beach Renourishment	\$2,300,000
		<u>\$2,300,000</u>

4. Outstanding debt not evidenced by bonds (lease-purchase agreements):

<u>Date Incurred</u>	<u>Purpose</u>	<u>Amount</u>
12-12-2016	Public Safety Building	\$2,750,000
1-12-2017	Public Safety Building	\$1,650,000
11-21-2017	Keelson Row Property	\$134,375
7-15-2021	Contractor Srvcs. Project	\$1,680,000 *Pending*
		<u>\$6,214,375</u>

Total Gross Debt (Sum of 1, 2, 3 and 4) \$72,676,232

B. Deductions

- 1. Funding and refunding bonds authorized by orders introduced but not yet adopted. \$ _____
 - 2. Funding and refunding bonds authorized but not issued. \$ _____
 - 3. Amount held in sinking funds or otherwise for the payment of gross debt other than debt incurred for water, gas, electric light or power purposes or sanitary sewer purposes (to the extent deductible under Section 159-55[b] of the Local Government Bond Act), or two or more of these purposes. \$ _____
 - 4. Bonded debt included in gross debt and incurred or to be incurred for water, gas or electric light or power purposes, or any two or more of these purposes. \$ _____
 - 5. Bonded debt included in gross debt and incurred or to be incurred for sanitary sewer system purposes (to the extent deductible under Section 159-55[b] of The Local Government Bond Act). \$ _____
 - 6. Uncollected special assessments levied for local improvements for which gross debt (that is not otherwise deducted) was or is to be incurred, to the extent it will be applied, when collected, to the payment of such gross debt. \$ _____
 - 7. Estimate of special assessments to be levied for local improvements for which any part of gross debt (that is not otherwise deducted) was or is to be incurred, to the extent that the special assessments when collected, will be applied to the payment of any part of gross debt. \$ _____
- Total Deductions (Sum of 1 through 7) \$ _____
- C. **Net Debt** being the difference between Total Gross Debt (A) and Total Deductions (B). \$72,676,232
- D. **Assessed Value** of property subject to taxation being the value from which the assessed value was last fixed for taxation as revealed by the County tax records and certified by the County Tax Supervisor. \$1,162,277,721
- E. **Percentage that Net Debt** bears to the assessed value of property subject to taxation (C ÷ D) _____ 6.25%
- F. **Estimated Total Amount of Interest** that will be paid on the bonds over the expected term of the bonds. \$28,650,000

I certify the above is correct to the best of my knowledge.	Finance Officer's Signature 	Date 7/14/2021
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STATE OF NORTH CAROLINA)
COUNTY OF Brunswick)

ss.:

Zachary Hewitt, being duly sworn, says that he is
the Finance Director of the Village of Bald Head Island

in the State of North Carolina; and that the foregoing statement is true and was made and
subscribed by him.

Zachary Hewitt
Finance Officer

Sworn to and subscribed before me on
the day of the date of said statement

Regina M. Hinson
(Notary Public)

My commission expires the 22 day of October, 2022.



STATE OF NORTH CAROLINA)
COUNTY OF Brunswick)

ss.:

I, the undersigned Interim Village Clerk of the Village
of Bald Head Island in the State of North Carolina, DO HEREBY CERTIFY that the
foregoing statement and accompanying affidavit were filed in my office on the 14th day of
July, 2021.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, this
14th day of July 20 21



Carly Furr
Clerk