

# CITY OF HIGH POINT

## AGENDA ITEM



**Title: Bond Order Authorizing \$5,300,000 General Obligation Parks and Recreation Bonds**

**From:** Bobby D. Fitzjohn, Financial Services Director

**Meeting Date:** March 7, 2022

**Public Hearing:** Yes

**Advertising Date :** February 24, 2022

**Advertised By:** City Clerk

**Attachments:** Bond Order

### **PURPOSE:**

The Financial Services Department recommends that the City Council take the first steps to authorize the issuance of up to \$5,300,000 Series 2022A General Obligation Parks and Recreation Bonds.

### **BACKGROUND:**

In June 2021, City Council approved the GMP for the City Lake Park renovation. The financing plan proposed at the time includes issuance of GO bonds from the 2019 referendum as well as two-thirds bonds and an interfund loan. The proposed bond order, prepared by the City's bond attorneys, provide staff the authorization to issue up to \$5,300,000 two-thirds General Obligation bonds.

The LGC will consider the refunding authorization for approval at their April 5, 2022 meeting.

These are necessary legal proceedings for the issuance of two-thirds General Obligation bonds.

### **BUDGET IMPACT:**

Repayment of the proposed bonds will be included in the General Debt Service Fund budget beginning in FY2022-2023.

### **RECOMMENDATION / ACTIONS REQUESTED:**

1. City Council is requested to hold a public hearing on March 7, 2022 at 5:30pm as required by state law on the issuance of the referenced 2/3 bonds.
2. City Council is requested to adopt the previously introduced "Bond Order Authorizing the Issuance of Not to Exceed \$5,300,000 General Obligation Parks and Recreation Bonds of the City of High Point, North Carolina"

**Notice of Public Hearing  
Bond Order Authorizing the  
Issuance of Not to Exceed  
\$5,300,000  
General Obligation Parks and  
Recreation Bonds  
of the City of High Point,  
North Carolina**

WHEREAS, the City Council of the City of High Point, North Carolina (the "City") deems it advisable to provide parks and recreation facilities located in the City, including, without limitation, the City Lake Park project; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the bonds hereinafter described as required by the Local Government Bond Act, and the Secretary of the Local Government Commission has notified the City Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the City Council of the City of High Point, North Carolina, as follows:

Section 1. The City Council of the City has ascertained and hereby determines that it is necessary to provide for parks and recreation facilities located in the City, including, without limitation, the City Lake Park project.

Section 2. To raise the money required for the purposes described above, in addition to funds which may be available for such purpose from any other source, bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such bonds authorized by this bond order shall be and not exceed \$5,300,000.

Section 3. Taxes will be levied in an amount sufficient to pay the principal and interest of the bonds authorized by this bond order.

Section 4. A sworn statement of the City's debt has been filed with the City Clerk and is open to public inspection.

Section 5. No debt shall be contracted during any fiscal year by the issuance of bonds pursuant to this bond order if the amount of such debt and if all other debt contracted during such fiscal year shall exceed two-thirds (2/3rds) of the amount by which the outstanding indebtedness of the City shall have been reduced during the next preceding fiscal year, unless the incurring of such debt shall be submitted to a vote of the people of the City and shall be approved by a majority of those who vote thereon.

Section 6. This bond order will take effect thirty (30) days after its publication following adoption, unless it is petitioned to a vote of the people within thirty (30) days after its publication as introduced, as provided in N.C.G.S. Section 159-60, and in that event the order will take effect when approved by the voters of the City.

The foregoing bond order has been introduced and a sworn statement of debt has been filed under the Local Government Bond Act showing the appraised value of the City of High Point, North Carolina to be \$10,281,161,755 and the net debt thereof, including the proposed bonds, to be \$170,586,237. The finance officer of the City has filed a statement estimating that the total amount of interest that will be paid on the bonds over the expected term of the bonds, if issued, is \$1,980,301. The estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds. A tax will be levied to pay the principal and interest on the bonds if they are issued. Anyone who wishes to be heard on the questions of the validity of the bond order and the advisability of issuing the bonds may appear at a public hearing or an adjournment thereof to be held in the Council Chambers of the Municipal Building located at 211 South Hamilton Street in High Point, North Carolina, at 5:30 p.m., or as soon thereafter as practicable, on the 7th day of March, 2022.

/s/ Lisa B. Vierling  
City Clerk  
City of High Point,  
North Carolina

**Feb. 24, 2022**