

## **EXTRACTS FROM MINUTES OF BOARD OF COMMISSIONERS**

A regular meeting of the Board of Commissioners for the County of Gaston, North Carolina, was held in the Harley B. Gaston, Jr. Public Forum on the second floor of the Gaston County Courthouse located at 325 Dr. Martin Luther King, Jr. Way, in Gastonia, North Carolina, the regular place of meeting, at 6:00 P.M., on August 25, 2020.

Present: Chairman Tracy L. Philbeck, Vice-Chairman Jack B. Brown, Chad Brown,  
Allen R. Fraley, Bob Hovis, Tom Keigher and Ronnie Worley

Absent: None.

Also present: Dr. Kim S. Eagle, County Manager, Jonathan L. Sink, County Attorney  
and Donna S. Buff, Clerk to the Board.

\* \* \*

## **RESOLUTION RELATING TO REFUNDING BONDS**

Commissioner Chad Brown moved adoption the following resolution, that motion was seconded by Commissioner Fraley, and the resolution was read by the above title.

WHEREAS, the Board of Commissioners for the County of Gaston, North Carolina (the "County"), is considering authorizing the issuance of refunding bonds of the County in an aggregate principal amount not exceeding \$65,000,000 for the purpose of providing funds, with other available funds, for refunding all or a portion of certain outstanding general obligation bonds, including paying expenses related thereto, and it is necessary to take certain related action at this time;

NOW, THEREFORE, BE IT DETERMINED AND RESOLVED by the Board of Commissioners for the County, as follows:

Section 1. Said Board hereby finds and determines in connection with authorizing the issuance of such bonds that (i) the issuance of such bonds is necessary or expedient in order to realize debt service savings for the County, (ii) the principal amount of such bonds is adequate and not excessive for the proposed purpose of such bonds because it is based upon the best estimate of the County of the funds needed for such purpose and takes into account other funds of the County available for such purpose, (iii) the County's debt management procedures and

policies are good and are managed in strict compliance with law, (iv) the increase in taxes, if any, necessary to service such bonds will not be excessive because it is expected that debt service savings will be realized in connection with the issuance of such bonds and (v) such bonds can be marketed at reasonable rates of interest.

Section 2. The County Manager, the Assistant County Managers, the Finance Director and the County Attorney of the County are each hereby authorized to take such actions as may be advisable in connection with authorizing the issuance of such bonds; and all actions heretofore taken by any of such officers or any other officer of the County relating to such matter on behalf of the County are hereby approved, ratified and confirmed. The Finance Director is authorized to engage necessary professionals in connection with the issuance of such bonds.

Section 3. This resolution shall take effect immediately upon its passage.

The motion to adopt the resolution was adopted by the following vote:

Ayes: Commissioners Philbeck, Jack Brown, Chad Brown, Fraley, Hovis, Keigher  
and Worley.  
Nays: None.

\* \* \*

**RESOLUTION INTRODUCING AND ADOPTING BOND ORDER AND TAKING  
RELATED ACTION**

Commissioner Hovis moved adoption of the following resolution, that motion was seconded by Commissioner Chad Brown and the resolution was read by the above title.

**BOND ORDER AUTHORIZING THE ISSUANCE OF \$65,000,000 REFUNDING  
BONDS OF THE COUNTY OF GASTON**

WHEREAS, the Board of Commissioners (the "Board") for the County of Gaston (the "County") deems it advisable to refund all or a portion of the County's outstanding General Obligation School Bond, Series 2017 and the County's outstanding General Obligation Refunding Bond, Series 2017 (collectively, the "Bonds to be Refunded") pursuant to and in accordance with The Local Government Finance Act;

NOW, THEREFORE, BE IT ORDERED by the Board as follows:

Section 1. The Board has ascertained and hereby determines that it is advisable to refund the Bonds to be Refunded.

Section 2. To raise all or a portion of the money required to refund the Bonds to be Refunded as set forth above and to pay expenses in connection therewith, bonds of the County 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 \$65,000,000.

Section 3. Taxes sufficient to pay the principal of and interest on those bonds when due shall be annually levied and collected.

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

Section 5. The bond order shall take effect upon its adoption.

The Clerk is hereby directed to publish as prescribed by The Local Government Bond Act the foregoing bond order.

The Finance Director is hereby directed to file with the Clerk to the Board at this meeting a statement setting forth the debt incurred or to be incurred, the appraised value of property subject to taxation by the County and the net debt of the County. That debt statement shows that the County's net debt does not exceed 8% of the assessed value of property subject to taxation by the County.

The Finance Director is hereby further directed to file with the Clerk to the Board at this meeting an estimate of the total amount of interest that will be paid on the proposed bonds over the expected term of the bonds, if issued.

The motion to introduce and adopt the above bond order and take related action was adopted by the following vote:

Ayes: Commissioners Philbeck, Jack Brown, Chad Brown, Fraley, Hovis, Keigher  
and Worley.

Nays: None.

\* \* \*

STATE OF NORTH CAROLINA       )  
  ) ss.:  
COUNTY OF GASTON               )

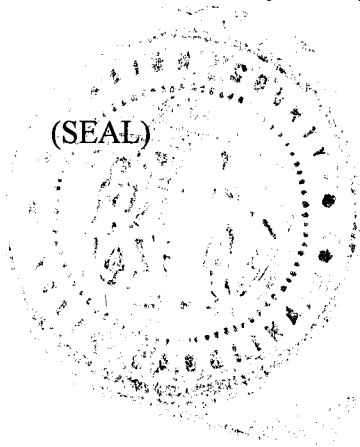
I, Donna S. Buff, Clerk to the Board of Commissioners of the County of Gaston, DO  
HEREBY CERTIFY as follows:

1. A meeting of the Board of Commissioners of the County of Gaston, located in the State of North Carolina, was duly held August 25, 2020, such meeting having been noticed, held and conducted in accordance with all requirements of law (including open meetings requirements), and minutes of that meeting have been or will be duly recorded in the Minute Book kept by me in accordance with law for the purpose of recording the minutes of the Board.

2. The attached extract accurately reflects the actions taken by the Board of Commissioners with respect to the matters therein.

3. That extract correctly states the time when the meeting was convened and the place where the meeting was held and the members of the Board who attended the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and have hereunto affixed the seal of the County as of August 25, 2020.



  
Clerk to the Board of Commissioners

## Finance Officer Estimate of Interest on Proposed General Obligation Bonds

(This document is to be filed with the Local Government Commission and the Clerk to the Board of Commissioners when the bond order is introduced, and thereafter maintained by the Clerk to the Board of Commissioners.)

Pursuant to GS 159-55(d), I, Tiffany Murray, Finance Director of the County of Gaston, North Carolina (the "County"), estimate that the total amount of interest that will be paid on the proposed up to \$65,000,000 general obligation bonds over the expected term of the bonds, if issued, is \$12,057,804.

This estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds. It is based on the following assumptions: par amount \$65,000,000, true interest cost 0.66%, matched principal amortization, level annual savings.

These assumptions were developed with the assistance of Davenport & Company LLC.

This estimate is preliminary and is for general informational purposes only. There is no assurance that the assumptions upon which the estimate is based will occur. The occurrence of certain of the assumptions is beyond the control of the County. Differences between the actual circumstances at the time the bonds are issued from the assumptions included in the estimate could result in significant differences between the estimated interest and the actual interest on the bonds.


Date: August 25, 2020

A handwritten signature in black ink, appearing to read 'Tiffany Murray', is written over a horizontal line.

Tiffany Murray  
Finance Director  
Gaston County, North Carolina

STATEMENT OF DEBT OF THE COUNTY OF GASTON, NORTH CAROLINA, MADE AND FILED PURSUANT TO SECTION 159-55 OF THE LOCAL GOVERNMENT FINANCE ACT, AFTER THE INTRODUCTION OF THE BOND ORDER INTRODUCED AT A MEETING OF THE GOVERNING BOARD OF THE COUNTY, HELD ON AUGUST 25, 2020.

Assessed value of property subject to taxation (as revealed by the tax records and certified by the assessor).	\$ <u>19,303,589,927</u>
Gross debt as listed in the attached "Schedule of Gross Debt".	\$ <u>484,717,449</u>
Deductions to be made from Gross Debt as listed in the attached "Schedule of Deductions".	\$ <u>255,000,000</u>
Net debt (being the difference between the Gross Debt and Deductions).	\$ <u>229,717,449</u>
Percentage that net debt bears to the assessed value of property subject to taxation.	<u>1.19%</u>

  
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Finance Director of the  
County of Gaston, North Carolina

Dated: August 25, 2020

## SCHEDULE OF GROSS DEBT

(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 and refunding bonds. The debt described below should not include revenue bonds.)

Bonds authorized by orders introduced but not yet adopted:

<u>Purpose</u>	<u>Amount</u>
Unissued bonds authorized by adopted orders:	190,000,000

<u>Purpose</u>	<u>Amount</u>
Refunding bonds	Total \$65,000,000

Outstanding debt not evidenced by bonds:

<u>Source of Debt</u>	<u>Purpose</u>	<u>Amount</u>
Installment Purchases	Vehicles	3,183,186
Installment Purchases Enterprise	Vehicles	39,961
State Revolving Loan Fund		4,393,302
	Total	<u>\$7,616,449</u>

Outstanding debt evidenced by bonds:


<u>Date of Bonds</u>	<u>Purpose</u>	<u>Amount</u>
GO Bonds	School	196,811,000
I.O Bonds	Gen Gov/Pub Safety/ED	25,295,000
	Total	<u>\$ 222,101,000</u>
	Total	<u>\$484,717,449</u>

## SCHEDULE OF DEDUCTIONS

1.	Funding and refunding bonds authorized by orders introduced but not yet adopted.	<u>\$190,000,000</u>
2.	Funding and refunding bonds authorized but not issued.	\$65,000,000
3.	Amount held in sinking funds or otherwise for the payment of any part of the principal 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 Finance Act).	\$ _____
4.	Bonded debt included in gross debt and incurred or to be incurred for water, gas or electric light or power purposes.	\$ _____
5.	Bonded debt included in gross debt and incurred or to be incurred for sanitary sewer system purposes (to the extent deductible by subsection (b) of Section 159-55 of The Local Government Finance Act).	\$ _____
6.	Uncollected special assessments heretofore levied for local improvements for which gross debt (that is not otherwise deducted) was or is to be incurred, to the extent that such assessments will be applied, when collected, to the payment of any part of 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.	\$ _____
<b>TOTAL</b>		<b><u>\$255,000,000</u></b>

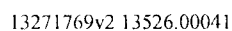
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Finance Director of the  
County of Gaston, North Carolina

Notary Public Angela Stacks

My Commission expires the 8<sup>th</sup> day of August, 2024.



SS.:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said  
County, 25 day of August, 2020.

(SEAL)

  
Clerk to the Board of Commissioners



# Gaston County

Gaston County  
Board of Commissioners  
www.gastongov.com

## Board of Commissioners

### Board Action

File #: 20-391

Commissioner Chad Brown - Finance - To Adopt a Preliminary Resolution and Bond Order Authorizing \$65,000,000 of General Obligation (G.O.) Refunding Bonds

#### STAFF CONTACT

Tiffany Murray - Finance Director

#### BUDGET IMPACT

N/A

#### BUDGET ORDINANCE IMPACT

N/A

#### BACKGROUND

The County is pursuing an opportunity to refund its 2017 School and G.O. Refunding Bonds. Due to the recent decline in tax-exempt borrowing rates, there is a potential \$4.3M in savings with a public sale of these select loans.

#### POLICY IMPACT

N/A

#### ATTACHMENTS

Resolution, Debt Statement and Estimate of Interest on Proposed G.O. Bonds

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	JBrown	AFraley	BHovis	TKelgher	TPhillbeck	RWarley	Vote
2020-235	08/25/2020	CB	AF	A	A	A	A	A	A	A	U

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