

May 14, 2020

**Jackson County bond referendum – process related to June 9 meeting**

Don --

In this memo I want to go over the tasks for the bond referendum that need to be accomplished prior to and at the June 9 Board meeting, and the few steps that need to occur promptly after the June 9 meeting. This is the biggest package of material you'll get in this process; we have the most to accomplish between now and the end of June.

Here are the next steps:

**Prior to the June 9 meeting**

***Publish Notice of Intent*** -- I understand that the Notice of Intent to apply to the LGC is scheduled to run in the paper before Memorial Day, so that's taken care of.

***File LGC Application*** - We need to have the LGC receive and "accept" the County's application (1) at least 10 days' after the Notice is in the paper, and (2) before the June 9 meeting. When you send in the application, please just indicate in the covering email that we need the LGC to designate the acceptance date in this window. All we need now is the LGC's "acceptance" of the application; July or August is the likely timeframe for LGC *approval*, but that doesn't hold us up.

Your application will need an affidavit of publication of the Notice of Intent – if you can't get one by the time you are ready to file the application, just send in a page torn out of the newspaper with a note that you will send the affidavit as soon as it is available. Please also send a copy of that affidavit of publication to me when it is available (I don't need an original).

**At the June 9 County Board meeting**

We have two steps in our process to complete at the County Board's June 9 meeting.

***Introduce Bond Order*** -- At the June 9 meeting, we need to have the proposed Bond Order "introduced." The Bond Order is the basic action by the County Board that provides underlying authority and approval for the bond issuance. Our statutes require that the Bond Order come before the County Board on two separate occasions: once for "introduction," and then for final action.

I have enclosed my proposed form of the Bond Order, marked "Proposed Bond Order for Introduction." Much of the form of a bond order is prescribed by statute, and the basic form you see here is one I have used many times before. This Bond Order is ready to go as far as I am concerned, but of course please let me know if you or anyone else has any questions or comments or otherwise thinks that any changes might be in order. Because we are following a format set out in the statute, please call me before making any changes yourself to the Bond Order.

To "introduce" the Bond Order on June 9, we just need someone (you, the Chairman or Clerk or anyone, really) to read aloud the title of each Bond Order, state that the Bond Order is being introduced, and indicate that the Bond Order will be back for final action at a subsequent Board meeting. The Board need not take a vote on the introduction. Alternatively, a Board motion "to introduce the Bond Order as presented in the Board's agenda" would also be fine – whatever would be more in keeping with the Board's usual procedures. *The introduction of the Bond Order should not be an item on the consent agenda.*

***Adopt Resolution To Set Hearing*** -- Also at the June 9 meeting, the Board needs formally to set the public hearing and to authorize your filing of the sworn statement of debt. I have included my proposed form of a resolution by which the Board can accomplish those tasks. Once again, the resolution is ready to go as far as I am concerned, but please let me know if you or anyone else has any questions or comments or otherwise thinks that any changes might be in order. This resolution could be a consent agenda item, if it comes after the introduction of the Bond Order.

**After the June 9 County Board meeting**

There are three steps that need to occur promptly after the June 9 meeting to keep us on schedule.

***File Sworn Statement of Debt*** -- First, you need to complete and file a sworn statement of debt for the County. I have enclosed the basic format; you will need to go through and fill-in the numbers. We can certainly talk about this as you go through it. Please note that this statement is similar to, but not quite identical to, the debt statement in the LGC application. Please note that the bonds we are now considering for referendum approval will be listed in Part A, Item 2, and will not be subject to any of the Part B deductions.

You need to prepare and have Darlene sign at least two copies of this (one for the LGC and one for filing with the Clerk), have them notarized, and then have them also signed by the Jackson County Tax Assessor. Finally, we need Ms. Winchester to date and sign on the last page; it is this final signature by the Clerk that constitutes the "filing" of the debt statement. Please send me a copy of the Sworn Statement when it is ready; a scanned copy is sufficient for me.

***File Statement of Estimated Interest*** -- For purposes of the hearing notice, we need a Statement of Estimated Interest. This is a relatively new requirement. I have attached a proposed form of an Interest Statement, but you'll need to come up with the appropriate number – let me know if I can be of any help. This Statement needs Darlene's signature, and then a signature from Ms. Winchester (but nothing here needs to be notarized). Please send me a copy of the Interest Statement when it is ready; a scanned copy is sufficient for me.

***Publish Notice of Public Hearing*** – I have attached my proposed form of the Notice of the required hearing. You will see that, as required by law, the Notice takes the form of the proposed Bond Order with some additional information. You will need to insert information from the Sworn Statement and the Interest Statement that's required for the Notice, and please double-check what I have for the date, time and place for the hearing. Please send me a copy of the publisher's affidavit for each Notice when those are available (a scanned copy once again will be sufficient), and please let me know if you want to talk about anything in the Notice.

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**Timing for these steps** – The Sworn Statement and the Interest Statement need to be signed by the Clerk **after** the June 9 meeting, but **before** the notice of public hearing appears in the paper. The notice of public hearing needs to appear in the paper only one time, at least six days prior to the hearing date - so for a hearing on July 7, the notice should run on or before July 1.

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I hope you will find all of this to be in good order. I will check in with you as we get closer to June 9, but please call me at any time if you have any questions or comments about this material or if I can be of any other assistance.

After we get through the June 9 meeting, I will send you a package of documents for the July 7 meeting. At the July 7 meeting, the Board will hold the public hearing, consider final adoption of the Bond Order, and then consider a resolution formally setting the referendum date and ballot question.

I look forward to speaking with you again soon.

-- Bob Jessup

Proposed Bond Order for Introduction

**BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR INDOOR POOL FACILITIES IN THE MAXIMUM AMOUNT OF \$20,000,000, SUBJECT TO VOTER APPROVAL**

**WHEREAS --**

The Board of Commissioners of Jackson County, North Carolina, has stated its proposal to issue general obligation bonds to pay capital costs of providing indoor pool facilities.

The County has applied to the North Carolina Local Government Commission for its approval of such bonds, and the Commission has accepted the County's application.

**BE IT ORDERED by the Board of Commissioners of Jackson County, North Carolina, as follows:**

1. There are hereby ordered to be issued general obligation bonds of the County to pay capital costs of providing indoor pool facilities, together with related financing and other necessary or incidental costs.
2. The maximum aggregate principal amount of the bonds issued for such purpose will be \$20,000,000.
3. Taxes will be levied in an amount sufficient to pay the principal of and interest on the bonds so issued.
4. A sworn statement of debt prepared by the County's Finance Officer has been filed with the Clerk to this Board and is open to public inspection.
5. This Bond Order will take effect when approved by the County's voters in the manner provided by law.

Resolution setting public hearing and  
authorizing filing of debt statement

**WHEREAS**, there has been introduced at this meeting a Bond Order entitled as follows:

**BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR INDOOR POOL FACILITIES IN THE MAXIMUM AMOUNT OF \$20,000,000, SUBJECT TO VOTER APPROVAL**

**AND WHEREAS**, Section 159-57 of the General Statutes requires that a public hearing be held on the bond order prior to its adoption, Section 159-56 of the General Statutes requires publication of a notice of the hearing, and Section 159-55 of the General Statutes requires the filing of a statement of the County's debt with the Clerk to the Board prior to the public hearing;

**BE IT THEREFORE RESOLVED** by the Board of Commissioners of Jackson County, North Carolina, (1) that a public hearing on the bond order will be held at 6:00 p.m. (or as soon thereafter as the matter may be heard) on July 7, 2020, in the Board's regular meeting room, 2d Floor, Jackson County Justice Center, 401 Grindstaff Cove Road, Sylva, North Carolina and (2) that the Clerk to this Board is directed to publish a notice of the public hearing, in the form provided for in Section 159-56 of the General Statutes, one time, not less than six days prior to the hearing date, in a newspaper having general circulation in the County;

**AND BE IT FURTHER RESOLVED** that the County's Finance Officer is directed to prepare and file, prior to the publication of the notice of public hearing, a sworn statement of the County's net debt in the form prescribed by statute.

**SWORN STATEMENT OF DEBT**

**For Jackson County, North Carolina**

I, Darlene Fox, being first duly sworn, do hereby state that I am the Finance Officer for Jackson County, North Carolina, that I have been designated by the Board of Commissioners of Jackson County, North Carolina, to make and file with the Clerk of the Board of Commissioners a sworn statement of debt, and that the following is the statement of debt for Jackson County, North Carolina, as shown by the books in my office, prepared in accordance with, and made pursuant to the requirements of, Section 159-55 of the North Carolina General Statutes.

**A. Gross Debt**

**1. Outstanding debt evidenced by bonds:**

<u>Purpose</u>	<u>Amount (\$)</u>
<i>Total</i>	\$_____

**2. Bonds authorized by orders introduced but not yet adopted:**

<u>Purpose</u>	<u>Amount (\$)</u>
Indoor pool facilities	20,000,000
<i>Total</i>	\$_____

**3. Unissued bonds authorized by adopted orders:**

*Total* 0

**4. Outstanding debt not evidenced by bonds:**

Purpose Amount (\$)

*Total* \$\_\_\_\_\_

**Total Gross Debt (sum of 1 through 4)** \$\_\_\_\_\_

**B. Deductions from Gross Debt**

1. Funding and refunding bonds authorized by orders introduced but not yet adopted ( <i>"funding bonds" are bonds issued to provide money to pay a pre-existing obligation, such as a judgment against you in a lawsuit</i> )	\$_____
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2. Funding and refunding bonds authorized but not yet issued.	\$ 0
3. Amounts 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 General Statutes), or two or more of these purposes.	\$ 0
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 such purposes.	\$
5. Bonded debt included in gross debt and incurred, or to be incurred, for sanitary sewer purposes (to the extent deductible under Section 159-55(b) of the General Statutes).	\$ 0
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 will be applied, when collected, to the payment of any part of the gross debt.	\$ 0

Total deductions (Sum of 1 through 7)

\$ \_\_\_\_\_

<p><b>C. Net Debt, being the difference between Total Gross Debt (A) and Total Deductions (B).</b></p>	<p>\$</p>
<p><b>D. Appraised Value of property subject to taxation, being the value from which the assessed value last fixed for taxation was computed, as revealed by the County tax records and certified by the County Tax Assessor.</b></p>	<p>\$ _____</p>
<p><b>E. Percentage that Net Debt bears to the appraised value of property subject to taxation.</b></p>	<p>_____ %</p>

WITNESS my signature this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Darlene Fox  
Finance Officer  
Jackson County, North Carolina

*STATE OF NORTH CAROLINA*  
*JACKSON COUNTY*

Subscribed and sworn before me this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Notary Public

[Seal]

My commission expires \_\_\_\_\_.

The undersigned Jackson County Tax Assessor certifies that the assessed value last fixed for taxation in Jackson County, North Carolina, as revealed by County tax records (before the application of any assessment ratio), is \$\_\_\_\_\_.

WITNESS my signature this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Printed name: \_\_\_\_\_  
Tax Assessor  
Jackson County, North Carolina

The undersigned Clerk of the Board of Commissioners of Jackson County, North Carolina, certifies that the foregoing is a true copy of a statement that was filed with me on \_\_\_\_\_, 2020, after the introduction of, and before the public hearing on, an order authorizing bonds for indoor pool facilities of Jackson County, North Carolina, and that the statement is open to public inspection in my office.

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Angie Winchester  
Clerk, Board of Commissioners  
Jackson County, North Carolina

## Statement of Estimated Interest

The undersigned Finance Officer for Jackson County, North Carolina, states as follows:

1. In my role as Finance Officer I am filing this Statement of Estimated Interest with respect to County General Obligation Bonds to be authorized by a Bond Order to be considered by the County's Board of Commissioners on July 7, 2020. I am making this Statement in accordance with the requirements of Section 159-55(b) of the North Carolina General Statutes.

2. For the proposed \$20,000,000 bond issue, I have assumed that the bonds will be issued with a 20-year term, level-principal amortization, and an annual interest rate of \_\_\_\_\_%.

3. Based on the assumptions stated in Section 2, I estimate that the total amount of interest that will be paid on the bonds, over the expected term of the bonds if issued, is \$\_\_\_\_\_. This estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds.

**WITNESS** my signature this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Darlene Fox  
Finance Officer  
Jackson County, North Carolina

The undersigned Clerk of the Board of Commissioners of Jackson County, North Carolina, certifies that the foregoing is a true copy of a statement that was filed with me on \_\_\_\_\_, 2020, and that this statement is open to public inspection in my office.

**WITNESS** my signature this \_\_\_\_ day of \_\_\_\_\_, 2020.

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Angie Winchester  
Clerk, Board of Commissioners  
Jackson County, North Carolina

**[Hearing notice – please note it has multiple pages and blanks to fill in]**

**Jackson County -- Notice of Public Hearing  
General Obligation Bonds for Indoor Pool Facilities**

The Jackson County Board of Commissioners has called for a public hearing at 6:00 p.m. on July 7, 2020, related to the following bond order. Further information regarding the hearing appears at the end of this notice.

\* \* \* \* \*

**BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION  
BONDS FOR INDOOR POOL FACILITIES IN THE MAXIMUM AMOUNT OF  
\$20,000,000, SUBJECT TO VOTER APPROVAL**

**WHEREAS --**

The Board of Commissioners of Jackson County, North Carolina, has stated its proposal to issue general obligation bonds to pay capital costs of providing indoor pool facilities.

The County has applied to the North Carolina Local Government Commission for its approval of such bonds, and the Commission has accepted the County's application.

**BE IT ORDERED by the Board of Commissioners of Jackson County,  
North Carolina, as follows:**

1. There are hereby ordered to be issued general obligation bonds of the County to pay capital costs of providing indoor pool facilities, together with related financing and other necessary or incidental costs.
2. The maximum aggregate principal amount of the bonds issued for such purpose will be \$20,000,000.
3. Taxes will be levied in an amount sufficient to pay the principal of

and interest on the bonds so issued.

4. A sworn statement of debt prepared by the County's Finance Officer has been filed with the Clerk to this Board and is open to public inspection.

5. This Bond Order will take effect when approved by the County's voters in the manner provided by law.

\* \* \* \* \*

The foregoing order has been introduced and a sworn statement of debt has been filed under the Local Government Bond Act showing the appraised value of property in Jackson County, North Carolina, to be at least \$\_\_\_\_\_ and the net debt of the County, including the proposed bonds, to be not more than \$\_\_\_\_\_. The Jackson County finance officer 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 \$\_\_\_\_\_. 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 of 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 at 6:00 p.m. (or as soon thereafter as the matter may be heard) on July 7, 2020, in the Board's regular meeting room, 2d Floor, Jackson County Justice Center, 401 Grindstaff Cove Road, Sylva, North Carolina.

Persons wishing to make written comments in advance of the hearing or wishing more information concerning the subject of the hearing may contact Darlene Fox, Finance Officer, Jackson County, 401 Grindstaff Cove Road, Suite A-241, Sylva, NC 20779 telephone 828/6312249, email darlenefox@jacksonnc.org.

By order of the Board of Commissioners.

Angie Winchester  
Clerk, Board of Commissioners  
Jackson County, North Carolina

[To add virtual meeting and hearing info if appropriate]