



## REQUEST FOR BOARD ACTION

ITEM NO. 9.

**DATE OF MEETING:** August 20, 2012

**REQUESTED BY:** Michael G. Mack, Director, PCU

**SHORT TITLE:** Resolution by the Board of Directors of the Maple Hill Water & Sewer District to Adopt a Bond Order Authorizing the Issuance of General Obligation Refunding Bonds for the Maple Hill Water & Sewer District in the Maximum Amount of \$400,000 to Refund Existing District Bonds.

**BACKGROUND:** The Pender County Board of Commissioners, as the governing body of the Maple Hill Water & Sewer District, has determined that refinancing all or a portion of the District's outstanding general obligation bonds could provide savings to the District. The District has applied to the North Carolina Local Government Commission for its approval of the issuance of District bonds to carry out such a refinancing, and the LGC has accepted the District's application.

The legal process for the districts to issue bonds requires that the County Commissioners, as the governing body for each district, adopt a "bond order" for the refunding bonds. The Bond Order is the basic authorizing document for refunding bonds that North Carolina Statutes require.

The maximum amount of \$400,000 is estimated to be sufficient to cover both the costs of paying off the old bonds and paying the financing costs.

**SPECIFIC ACTION REQUESTED:** To adopt the Bond Order authorizing the issuance of General Obligation Refunding Bonds for the Maple Hill Water & Sewer District in the maximum amount of \$400,000 to fund existing District bonds.



# **Bond Order Authorizing the Issuance of General Obligation Refunding Bonds for Maple Hill Water & Sewer District in the Maximum Amount of \$400,000 To Refund Existing District Bonds**

## **WHEREAS –**

The Pender County Board of Commissioners, as the governing body of Maple Hill Water & Sewer District, has determined that refinancing all or a portion of the District's outstanding general obligation bonds could provide savings to the District. The District has applied to the North Carolina Local Government Commission for its approval of the issuance of District bonds to carry out such a refinancing, and the LGC has accepted the District's application.

**BE IT ORDERED** by the Board of Commissioners of Pender County, North Carolina, as the governing body of Maple Hill Water & Sewer District, as follows:

1. There are hereby ordered to be issued general obligation refunding bonds of the District to provide funds for the refinancing of all or a portion of the District's outstanding general obligation bonds, including for the payment of related financing costs. In particular, the bonds to be refunded may include all or any portion of the District's General Obligation Water Bond, Series 1992 (original principal amount of \$330,000), which is currently held by the United States of America.
2. The maximum aggregate principal amount of the bonds issued for such purpose will be \$400,000.
3. Taxes will be levied in an amount sufficient to pay the principal of and interest on the bonds so issued to the extent other funds (such as utility charges) are not otherwise available and appropriated for such purpose.
4. A sworn statement of the District's debt prepared by the County's Finance Officer has been filed with the Clerk to this Board and is available for public inspection.
5. This Bond Order takes effect immediately.