

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** October 20, 2009

**Action Agenda**

**Item No.** 4-m

**SUBJECT:** Adoption of Bond Order Authorizing General Obligation Refunding Bonds in the Maximum Amount of \$27,000,000 to Refund Public Improvement Bonds Issued in 2001 and 2003 and Approval of Resolution Regarding Publication of Bond Order

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**DEPARTMENT:** Financial Services Department      **PUBLIC HEARING: (Y/N)**

No

**ATTACHMENT(S):**

Bond Order  
Resolution Regarding Publication of  
Bond Order

**INFORMATION CONTACT:**

Gary Humphreys	919-245-2453
Bob Jessup	919-933-9891

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**PURPOSE:** To adopt a bond order authorizing the issuance of General Obligation Refunding Bonds in the maximum amount of \$27,000,000 to refund Public Improvement Bonds issued in 2001 and 2003 and to approve a Resolution Regarding Publication of Bond Order.

**BACKGROUND:** At the October 6, 2009 meeting the Board of County Commissioners authorized application to the Local Government Commission for approval to issue General Obligation Refunding Bonds in an amount not to exceed \$27 million and authorized staff to proceed with those actions necessary to proceed with the refunding.

In order to proceed with the refunding, the Board of County Commissioners must adopt a bond order (attached) to issue the bonds.

Additionally the Board of County Commissioners must adopt a resolution (attached) authorizing publication of a notice regarding the adoption of the bond order.

**FINANCIAL IMPACT:** The resulting financial impact of this action is a savings in future debt service costs which will be determined when the bonds are sold.

**RECOMMENDATION(S):** The Manager recommends that the Board:

- 1) Adopt the Bond Order for the issuance of General Obligation Refunding Bonds in the maximum amount of \$27,000,000 to refund Public Improvement Bonds issued in 2001 and 2003; and
- 2) Adopt the Resolution Regarding Publication of Bond Order.

**Bond Order for Refunding Bonds**

**BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS IN THE MAXIMUM AMOUNT OF \$27,000,000 TO REFUND PUBLIC IMPROVEMENT BONDS ISSUED IN 2001 AND 2003**

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**WHEREAS –**

Orange County, North Carolina (the "County"), has previously issued (a) its General Obligation Public Improvement Bonds, Series 2001, in the original principal amount of \$17,470,000, and (b) its General Obligation Public Improvement Bonds, Series 2003, in the original principal amount of \$19,175,000. Based on the current state of the municipal bond market, the County has determined that refinancing all or a portion of the outstanding balance of the Series 2001 and the Series 2003 Bonds (together, the "Prior Bonds") could provide savings to the County.

The County has applied to the North Carolina Local Government Commission for its approval of the issuance of County refunding bonds to carry out the refinancing of the Prior Bonds. The LGC has accepted the County's application.

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

1. There are hereby ordered to be issued general obligation refunding bonds of the County to provide for the refinancing of all or a portion of the outstanding balance of the Prior Bonds, including paying related financing costs and other necessary or incidental costs.
2. The maximum aggregate principal amount of the bonds issued for such purpose will be \$27,000,000.
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 available for public inspection.
5. This Bond Order takes effect immediately.

Resolution Regarding Publication of Bond Order

WHEREAS, there has been adopted at this meeting a bond order entitled as follows:

**BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS IN THE MAXIMUM AMOUNT OF \$27,000,000 TO REFUND PUBLIC IMPROVEMENT BONDS ISSUED IN 2001 AND 2003**

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AND WHEREAS, the General Statutes require the publication of a notice to complete the process of authorizing the bonds;

BE IT THEREFORE RESOLVED by the Board of Commissioners of Orange County, North Carolina, that the Clerk to this Board is authorized and directed to publish a notice of the adoption of such Bond Order, in the form provided for in Section 159-58 of the General Statutes, one time in a newspaper having general circulation in the County.

\* \* \* \* \*

I certify that the foregoing resolution was duly adopted at a meeting of the Board of Commissioners of Orange County, North Carolina, duly called and held on October 20, 2009, and that a quorum was present and acting throughout such meeting. Such resolution remains in full effect as of today.

Dated this \_\_\_\_ day of October, 2009.

[SEAL]

\_\_\_\_\_  
Donna S. Baker,  
County Clerk  
Orange County, North Carolina

**Orange County Refunding Bonds -- Notice of Adoption of Bond Order**

The Board of Commissioners of Orange County, North Carolina, has adopted the following bond order, providing for the issuance of general obligation refunding bonds. Further information regarding the bonds and the bond order appears at the end of this notice.

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