

NOTICE OF PUBLIC HEARING
BOND ORDER AUTHORIZING THE ISSUANCE OF \$15,000,000 GENERAL OBLIGATION
WATER SYSTEM BONDS OF THE TOWN OF BEECH MOUNTAIN, NORTH CAROLINA

WHEREAS, the Town Council of the Town of Beech Mountain, North Carolina has ascertained and hereby determines that it is necessary to pay capital costs of improving the Town of Beech Mountain's water system, including, without limitation, the acquisition, construction and installation of a reservoir and related pumping station, pipes and improvements, and other facilities and equipment for the supply, storage, treatment and distribution of water; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Local Government Commission approval of the General Obligation Water System Bonds hereinafter described as required by the Local Government Bond Act, and the Town Clerk has notified the Town Council that the application has been accepted for submission to the Local Government Commission.

NOW, THEREFORE, BE IT ORDERED by the Town Council of the Town of Beech Mountain, North Carolina, as follows:

Section 1. In order to raise the money required for the purposes described above, in addition to any funds which may be made available for such purpose from any other source, General Obligation Water System Bonds of the Town are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such General Obligation Water System Bonds authorized by this order shall be \$15,000,000.

Section 2. Taxes will be levied in an amount sufficient to pay the principal and interest on the General Obligation Water System Bonds.

Section 3. A sworn statement of the Town's debt has been filed with the Town Clerk and is open to public inspection.

Section 4. This bond order will take effect when approved by the voters of the Town at a referendum scheduled for November 7, 2023.

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 the Town of Beech Mountain, North Carolina to be \$995,616,849 and the net debt thereof, including the proposed bonds, to be \$20,710,615. The finance officer of the Beech Mountain, North Carolina 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 \$9,510,157. A tax is authorized to be levied to pay the principal and interest on the bonds if they are issued. The finance officer has filed a statement estimating that a property tax increase of \$0.11 per \$100 valuation will be required to provide sufficient funds to pay the principal and interest on the proposed bonds. The tax rate increase would take effect in FY2026 when it is expected that the first year of principal and interest payments would become due. The Town also estimates an increase in the Water and Sewer Base Rates necessary to service the proposed bonds (serviced by the Town's Water & Sewer Fund) of 3.00% in each of FY2025 – FY2029. These estimates are preliminary, are for general informational purposes only, and may differ from the actual interest paid on the bonds or the actual property tax increases required to provide sufficient funds to pay the principal and interest on the bonds. There is no assurance that the circumstances included in the assumptions will occur, the occurrence of certain of the assumptions is beyond the control of the Town, and differences between the actual circumstances at the time the bonds are issued from the assumptions included in the estimates could result in significant

differences between the estimated interest and the actual interest on the bonds or the actual property tax increases and water and sewer rate increases required to provide sufficient funds to pay the principal and interest on the bonds. 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 the Town Council Chambers, 403 Beech Mountain Pkwy, Beech Mountain, NC 28604, at 4:00 p.m., or as soon thereafter as practicable, on the 11th day of July, 2023.

/s/ Emily Haynes
Interim Town Clerk
Town of Beech Mountain, North Carolina