

STATEMENT OF DISCLOSURE ON GENERAL OBLIGATION BONDS

The Board of Commissioners of the County of Forsyth, North Carolina (the “*County*”) introduced the following bond orders of the County at its March 30, 2023 meeting:

“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$22,920,000 GENERAL OBLIGATION SCHOOL BONDS OF THE COUNTY OF FORSYTH, NORTH CAROLINA;”

“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,300,000 GENERAL OBLIGATION COMMUNITY COLLEGE BONDS OF THE COUNTY OF FORSYTH, NORTH CAROLINA;”

“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,000,000 GENERAL OBLIGATION PARKS AND RECREATION BONDS OF THE COUNTY OF FORSYTH, NORTH CAROLINA;” and

“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,000,000 GENERAL OBLIGATION PUBLIC FACILITIES BONDS OF THE COUNTY OF FORSYTH, NORTH CAROLINA.”

Section 159-55.1 of the General Statutes of North Carolina requires the County’s finance officer to file with the Clerk to the Board of Commissioners of the County (the “*Clerk*”) after the bond orders are introduced and before the public hearing, a statement of disclosure stating the following: (1) an estimate of the total amount of interest that will be paid on the general obligation bonds over the expected term of the bonds, if issued, and a summary of the assumptions on which the estimate is based, (2) an estimate of the increase in property tax rate, if any, necessary to service the proposed debt, and (3) the amount of two-thirds bonds capacity the unit has available for the current fiscal year, if any.

To satisfy the requirements of Section 159-55.1 of the General Statutes of North Carolina with respect to the proposed bonds to be issued under the bond orders referenced above, the following statements of disclosure are made:

(1) 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, is \$14,815,627. The assumptions upon which the estimate is based are:

(i) that the bonds will be issued in the aggregate principal amount of \$29,220,000 in June of 2023;

(ii) that the bonds will amortize in 4 principal installments of \$1,465,000 on June 1 of each year from June 1, 2024 to June 1, 2027 and 16 principal installments of \$1,460,000 each year from June 1, 2028 to June 1, 2043;

(iii) that the bonds will bear interest at an interest rate of 3.91%, which represents estimated current market interest rates as of March 3, 2023 plus 0.50% (50 basis points).

(2) The proposed bonds will be used to pay the capital costs of (i) constructing, renovating, improving, acquiring and equipping certain school facilities located in the County, including the acquisition of land or rights-of-way in land required therefor, (ii) constructing, renovating, improving, and acquiring

certain community college facilities located in the County, including the acquisition of any necessary furnishing and equipment, land, rights-of-way and easements in land required therefor, (iii) constructing, renovating, improving, and acquiring certain parks and recreation facilities located in the County, including the acquisition of any necessary furnishing and equipment, land, rights-of-way and easements in land required therefor, and (iv) constructing, renovating, improving, and acquiring certain public facilities located in the County, including the acquisition of any necessary furnishing and equipment, land, rights-of-way and easements in land required therefor. No increase in the property tax rate is estimated to be needed for the proposed bonds because the existing projected revenues are expected to be sufficient to pay the principal and interest on the proposed bonds.

(3) The amount of two-thirds bonds capacity the County has available for the current fiscal year is \$29,220,000.

The information contained herein is preliminary and is for general informational purposes only. There is no assurance that the assumptions on which this disclosure is based will occur, and the actual occurrence of certain of the assumptions is beyond the County's control. Differences between the actual circumstances at the time the bonds are issued from the assumptions included in this disclosure could result in significant differences between the disclosures made herein and the actual occurrences. The validity of the bonds authorized by the bond order is not subject to challenge on the grounds that the actual occurrences when issued proved to be different than the disclosures set forth in this statement. This statement will be filed with the North Carolina Local Government Commission and the Clerk, posted online on the County's website and maintained by the Clerk.

March 30, 2023.



Terri Goodman
Chief Financial Officer
County of Forsyth, North Carolina

