



Buncombe County

FY2022 Limited Obligation Bonds

Presented by
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FY22 Limited Obligation Bonds (LOBs)

- ✓ When considering the debt financing for FY22, the County secured a public sale issuance date from the Local Government Commission of July 20th, if the County were to pursue the public sale option and the County also issued a bank RFP to National, Regional, and Local lending institutions
- ✓ Staff looked at twenty (20) year and fifteen (15) year options for debt financing for approximately \$70 million in new money, as well as refunding of several outstanding debt issues



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- ✓ The County was able to secure nine responses to the RFP
 1. Bank of America
 2. Capital One Public Funding, LLC
 3. JP Morgan
 4. Pinnacle Financial Partners
 5. PNC Public Finance
 6. TD Bank
 7. Truist Bank
 8. Webster Bank
 9. Wells Fargo Government Banking



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- ✓ Based on responses received, as well as current public market estimates, we focused on two potential financing components
 1. \$70 million new money for approved County projects and Public School projects
 - County Projects - \$26 million
 - Fleet and General Services Complex
 - Solid Waste Cell 7 and Cell 7 C&D
 - Solar Panel Installation Phase 2
 - Public Schools Projects - \$44 million
 - 5 Asheville City School projects
 - 24 Buncombe County School projects
 2. Refinancing of the \$81.1 million of outstanding 2014A LOBs



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- ✓ The analysis determined that bank financing for 15 years was the best option with Trusit Bank providing the most favorable terms
 - New Money
 - Locked in rate at 2.93%
 - 10-Year par call provision
 - Estimated debt service savings of \$4.5 million for a 15-year term, over a 20-year term
 - 2014A Refunding
 - Taxable rate of 3.71% for two years, converting to a tax-exempt rate of 2.93% at the eligible call date until maturity in 2037
 - 10-Year par call provision
 - Estimated debt service savings of \$6.6 million



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Next Steps

<u>Date</u>	<u>Task</u>
May 3 rd	BoCC Meeting - Consider Findings Resolution and Hold Public Hearing
May 19 th	Briefing - Introduce Issuance Resolution
June 7 th	BoCC Meeting - Consider Issuance Resolution approving 2022 LOBs and Financing Documents
June 15 th	Close on 2022 LOB and funds available to County



Questions?

