

**STATEMENT OF DISCLOSURES ON
GENERAL OBLIGATION BONDS**

The City Council of the City of Belmont, North Carolina (the “City”) introduced the following bond order of the City at its July 1, 2024 meeting:

**BOND ORDER AUTHORIZING THE ISSUANCE OF \$25,000,000 GENERAL OBLIGATION
TRANSPORTATION BONDS OF THE CITY OF BELMONT, NORTH CAROLINA**

Section 159-55.1 of the General Statutes of North Carolina requires the City’s finance officer to file with the City Clerk after the bond order is introduced and before the public hearing on the bond order, a statement of disclosures stating the following: (1) an estimate of the total amount of interest that will be paid on the 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 ORDER AUTHORIZING THE ISSUANCE OF \$25,000,000 GENERAL OBLIGATION TRANSPORTATION BONDS OF THE CITY OF BELMONT, NORTH CAROLINA** 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 \$14,028,000. The assumptions upon which the estimate is based are:

(i) that the bonds will be issued in one series in the aggregate principal amount of \$12,500,000 in Fiscal Year 2025, and in one series in the aggregate principal amount of \$12,500,000 in Fiscal Year 2027;

(ii) that each series of bonds will amortize in 20 equal annual principal installments beginning in the year after the assumed date of issuance of such series of the bonds;

(iii) that interest on each series of the bonds will be paid in semiannual installments over the expected 20 year term of the bonds and will bear interest at an interest rate of 5.344%.

The interest rate assumption above represents the highest interest rate charged for similar debt over the last 20 years as determined by the staff of the North Carolina Local Government Commission. The assumption conforms with a “safe harbor” rate that the North Carolina Local Government Commission has determined for purposes of its approval process and the finance officer of the City believes this to be a reasonable assumption of the interest rate based on the requirement in Section 159-61(d) of the General Statutes of North Carolina to use the highest interest rate charged for similar debt over the maximum bond issuance term to estimate the cumulative cost over the life of the bonds that will appear on the ballot question for approval of the bonds.

(2) The City estimates an increase in the property tax rate necessary to service the proposed bonds of \$0.0425 per \$100 of assessed valuation in Fiscal Year 2026 and of \$0.03 per \$100 of assessed valuation in Fiscal Year 2028 (for a combined total of \$.0725 per \$100 of assessed valuation). A property tax increase of \$0.0425 per \$100 assessed valuation is equivalent to \$42.50 of property tax for each one hundred thousand dollars (\$100,000) of property tax annually and a property tax increase of \$0.03 per \$100 assessed valuation is equivalent to \$30.00 of property tax for each one hundred thousand dollars

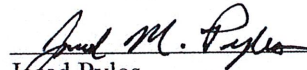
(\$100,000) of property tax annually (for a combined total of \$72.50 of property tax for each one hundred thousand dollars (\$100,000) of property tax annually).

(3) The amount of two-thirds bonds capacity the City has available for the current fiscal year (Fiscal Year ending June 30, 2025) is \$0.00.

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 City'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, posted online on the City's website and maintained by the City Clerk of the City.

July 19, 2024

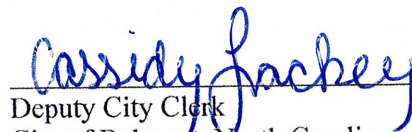


Jared Pyles
Finance Director
City of Belmont, North Carolina

STATE OF NORTH CAROLINA)
)
CITY OF BELMONT) ss:

I, *Cassidy Lackey*, Deputy City Clerk of the City of Belmont, North Carolina, hereby certifies that the foregoing statement was filed with the Local Government Commission of North Carolina, filed in the office of the City Clerk and posted online on the City of Belmont website on the 19th day of July, 2024.





Deputy City Clerk
City of Belmont, North Carolina