

Interlocal Agreement Between the Alamance County Board of Commissioners and the Alamance-Burlington School System Board of Education for the Use of Lottery Funds to Pay Debt Service on Bonds for Construction of a New High School

This Interlocal Agreement is entered into this _____ day of _____, 2019, by and between Alamance County, a North Carolina body politic and corporate, and the Alamance-Burlington School System Board of Education.

WITNESSETH

WHEREAS, Alamance County has \$22,466,337 in existing bond debt that was incurred for the purpose of providing funds for school buildings, including the Career and Technical Education Center, with remaining annual debt service of no more than \$4,845,513.00; and

WHEREAS, the Alamance County Board of Commissioners ("County Commissioners") and the Alamance-Burlington School System Board of Education ("Board of Education") have been approved for \$150,000,000.00 of General Obligation Bonds plus interest ("the Bonds") for the purpose of providing funds, with any other available funds, for erecting additional school buildings and other school plant facilities, enlarging, reconstructing, renovating and replacing existing school buildings and other school plant facilities and acquiring any necessary land, furnishings, equipment and appurtenant facilities therefor, in order to provide additional school facilities in Alamance County; and

WHEREAS, at the time the Bonds are issued the annual debt service on the \$150,000,000.00 bonds is anticipated to exceed \$1,459,068.00 annually for twenty years; and

WHEREAS, the Board of Education has previously agreed to annually commit approximately \$416,000.00 in lottery funds as the first source for debt service for the Career and Technical High School; and

WHEREAS, the Board of Education hereby agrees to annually commit \$1,459,068.00 in lottery funds as the first source for debt service for the Career and Technical Education Center, existing bonds, and the \$150,000,000.00 in bonds, as long as the debt service exceeds \$1,459,068.00 per year and as long as lottery funds are available in excess of \$1,459,068.00 for the annual debt service over the next twenty years towards the retirement of the bonds.

NOW, THEREFORE the Alamance County Board of Commissioners and the Alamance-Burlington School System Board of Education agree as follows:

1. Both the County Commissioners and the Board of Education support the sale of bonds in the amount of \$150,000,000.00 plus interest for the purpose of providing funds, with any other available funds, for erecting additional school buildings and other school plant facilities, enlarging, reconstructing, renovating and replacing existing school buildings and other school plant facilities and acquiring any necessary land, furnishings, equipment and appurtenant facilities thereof, in order to provide additional school facilities in Alamance County.
2. The Board of Education shall commit, assign and otherwise allocate to the County over the next twenty (20) years annual payments to Alamance County in the amount of \$1,459,068.00 per year in lottery proceeds for the repayment of the debt service for the aforementioned bonds, said annual debt service payments to Alamance County shall begin no earlier than fiscal year 2019-2020, through the term of such bonds.

This the _____ day of _____, 2019

ALAMANCE COUNTY

ALAMANCE-BURLINGTON BOARD OF EDUDATION

By: _____

By: _____

