



## Sheet

## Agenda Item Summary

**Date:** 7/08/2025

**Item #:** 6

**Item Title:** Public Hearing North Carolina Local Government Commission application

**Item Summary:** Now that the Town operates the fire department as a municipal department and will be holding the debt for the fire station, an application to the North Carolina Local Government Commission (LGC) will need to be approved. The North Carolina General Statutes require that the LGC review and monitor local government debt to be issued over one million dollars (\$1,000,000).

The previous contract with the Southern Shores Volunteer Fire Department for fire protection services required the Town to include the debt payment for the fire station built in 2019. The current 25- year loan has an interest rate of 3.15% and there are 6 years remaining on the loan before the 10-year T-bill rate review. The outstanding balance is \$ 4,828649.40

One of the requirements of the application is that a public hearing be held on a resolution approving the application by the Town Council. Town staff are confident that the application will be approved as approval will not change the annual appropriation already being paid for fire station debt since its construction and opening in 2019. Approval will also allow the Town to maintain the present bank loan with a low interest rate.

**Staff Recommendation and Requested Action:** Conduct a public hearing and approve resolution.

**Attachments:** Resolution  
Loan Modification and Assumption Agreement  
Payment Schedule