

COUNTY FINANCING OPTIONS - CORRECTION CENTER

1. **General Obligation Bonds**
NDCC §21-03-06(1)(a)
Levy No. 1231
 - requires 60% public vote
 - unlimited excess mill levy
 - 20 year maturity
 - bond amount limited only by 5% of assessed valuation debt limit
 - \$808,338,308 assessed valuation x 5% = \$40,416,915 debt limit (2018 figures)

2. **Limited General Obligation Bonds**
NDCC §21-03-07(6), §57-15-06.6
Levy No. 1208
 - 10 mill capital projects levy (20 mills with vote)
 - no vote, but subject to protest by owners of taxable property (5% of assessed valuation threshold to block the bond issue)
 - bond amount limited to amount that 10 mills can support
 - 20 year maturity

3. **Limited Tax Bonds**
NDCC Chapter 57-47
Levy No. 1201
 - borrow against general fund mills for primary governmental functions
 - term is limited to 5 years
 - County used this method for \$500,000 Bridge Bonds (Nov. 1, 2018)

4. ~~**Sales Tax Bonds**
NDCC Chapter 11-09.1
 - need home rule charter / voter approval
 - bond amount limited to level of sales tax collections
 - no maturity limit~~

5. **Lease Purchase**
NDCC §11-11-14(20)
 - acquire real & personal property by lease-purchase agreement
 - ground lease and lease purchase agreement with Trustee (bank)
 - bank sells certificates of participation in the lease purchase agreement
 - annual rental payments budgeted by County Commission
 - sources for payment – 10 mill capital projects levy & 60 mill general fund
 - does not count against debt limit; bond amount limited by available mills
 - 30 year maturity is an option (no set limit on maturity)

generally speaking,
can't prepare until
around the 7-year
mark.

THERE IS THE
SECURITY
FOR LOAN
REPAYMENT.
THE GENERAL
FUND