

“All that is necessary for the triumph of evil is that good men do nothing. “ Edmund Burke

PETITION FOR

No new debt without voter approval

We need 5,000 signatures to force a referendum

Although the North Carolina Constitution Article 5 Section 4 clearly states, with only a few exceptions, local governments must obtain voter approval to increase debt, both the City of Raleigh and Wake County have twisted the allowed exceptions to increase debt without voter approval.

Raleigh, NC currently has approximately \$1.2 billion of debt. Of this amount, \$420 million is non-voter approved debt and Wake County has an additional \$314 million of non-voter approved debt. The Raleigh City Council has also considered borrowing another \$458 million to fund the Lightner Public Safety Center and several other projects, *without obtaining voter approval.*

29% of the current Raleigh general fund budget is allocated for debt service just to cover the existing debt. This percentage of the budget is more than \$200 million. Increasing the debt by another \$458 million will add substantially to the debt service cost.

Increasing public debt without voter approval effectively gives elected officials a blank check to pursue any project regardless of merits.

We propose an amendment to the Raleigh City Charter and a new Wake County ordinance clarifying the intent of the North Carolina Constitution to require voter approval for all public debt with only one explicitly defined exception. The only exception would be *to fund or refund a valid existing debt originally approved by the voters.*

Wake County Taxpayers Association

"Human beings will generally exercise power when they can get it, and they will exercise it most undoubtedly in popular governments under pretense of public safety." --Daniel Webster

"Facts are stubborn things; and whatever may be our wishes, our inclination, or the dictates of our passions, they cannot alter the state of facts and evidence." --John Adams

The proposed amendment is as follows;

All borrowings of the City of Raleigh shall be approved by the voters except for the following purposes.

(a) To fund or refund a valid existing debt originally approved by the voters.

Signatories to the Raleigh amendment must be registered voters and eligible to vote in Raleigh municipal elections.

A second amendment is proposed for Wake County as follows.

All borrowings of the City of Raleigh shall be approved by the voters except for the following purposes.

(a) To fund or refund a valid existing debt originally approved by the voters.

Signatories to the Wake County amendment must be registered voters and eligible to vote in Wake County elections. (Of course this includes Raleigh)

DEBT ISSUED WITHOUT VOTER APPROVAL

City of Raleigh	
Outstanding at 02/28/10:	
Limited Obligation Bonds:	
Series 2009 Gov't Facilities	\$47,630,000
Certificates of Participation:	
Cabarrus Street Parking	\$1,090,000
Series 2004A Convention Center	\$55,000,000
Series 2004B Downtown Improvements	\$19,300,000
Series 2005A Parking Deck	\$26,745,000
Series 2005B Convention Center	\$188,425,000
Series 2005C Capital Improvements	\$12,425,000
Series 2007 Downtown Improvements	\$26,975,000
Series 2008 Parking	\$12,950,000
Series 2009 Parking	\$24,875,000
Walnut Creek Amphitheater	\$4,457,909
Total Certificates of Participation	\$372,242,909
Total COPs & LOB	\$419,872,909

Considered -Lightner +Remotes	\$458,000,000
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Wake County	
Limited Obligation Bonds:	
July 2009 Hammond Road Detention Center	\$154,620,000
Dec 2009 Wake County Justice Center	\$160,000,000
Total Limited Obligation Bonds:	\$314,620,000

Grand Total Raleigh & Wake County **\$782,122,909**

State of North Carolina		
Special Indebtedness Outstanding	Bond Amount	6/30/2009 Balance
Issue Date Description		
4/1/2003 COPS, SERIES 2003A	\$17,500,000	\$14,050,000
CORRECTIONAL FACILITIES PROJ., SERIES 7/15/2003 2003	218,405,000	179,405,000
CORRECTIONAL FACILITIES PROJ., SERIES 2/12/2004 2004	158,955,000	119,210,000
5/6/2004 COPS, SERIES 2004	125,000,000	95,000,000
FACILITIES PROJECTS, 11/1/2004 SERIES 2004	53,640,000	45,640,000
COPS, SERIES 2005A- 6/9/2005 CAPITAL IMPROVEMENTS	188,385,000	160,510,000
COPS, SER. 2006A- REPAIR/RENOVATION 8/16/2006 PROJ	100,000,000	85,000,000
COPS, SER. 2006A- 10/18/2006 CAPITAL IMPROVEMENTS	200,000,000	180,000,000
COPS, SERIES 2007A- 10/3/2007 CAPITAL IMPROVEMENTS	200,000,000	194,565,000
COPS SER. 2007B REPAIR/RENOVATION 10/24/2007 PROJ	75,000,000	71,250,000
CAPITAL IMPROVEMENT, 8/27/2008 SERIES 2008A	200,000,000	200,000,000
CAPITAL IMPROVEMENT, 4/29/2009 SERIES 2009A	400,000,000	400,000,000
Total	\$1,936,885,000	\$1,744,630,000

North Carolina State Constitution

ARTICLE V

FINANCE

Sec. 3. Limitations upon the increase of State debt.

(1) Authorized purposes; two-thirds limitation. The General Assembly shall have no power to contract debts secured by a pledge of the faith and credit of the State, unless approved by a majority of the qualified voters of the State who vote thereon, except for the following purposes:

- (a) to fund or refund a valid existing debt;
- (b) to supply an unforeseen deficiency in the revenue;
- (c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;
- (d) to suppress riots or insurrections, or to repel invasions;
- (e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;
- (f) for any other lawful purpose, to the extent of two-thirds of the amount by which the State's outstanding indebtedness shall have been reduced during the next preceding biennium.

Sec. 4. Limitations upon the increase of local government debt.

(1) Regulation of borrowing and debt. The General Assembly shall enact general laws relating to the borrowing of money secured by a pledge of the faith and credit and the contracting of other debts by counties, cities and towns, special districts, and other units, authorities, and agencies of local government.

(2) Authorized purposes; two-thirds limitation. The General Assembly shall have no power to authorize any county, city or town, special district, or other unit of local government to contract debts secured by a pledge of its faith and credit unless approved by a majority of the qualified voters of the unit who vote thereon, except for the following purposes:

- (a) to fund or refund a valid existing debt;
- (b) to supply an unforeseen deficiency in the revenue;
- (c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;
- (d) to suppress riots or insurrections;
- (e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;
- (f) for purposes authorized by general laws uniformly applicable throughout the State, to the extent of two-thirds of the amount by which the unit's outstanding indebtedness shall have been reduced during the next preceding fiscal year.

(6) Outstanding debt. Except as provided in subsection (4), nothing in this Section shall be construed to invalidate or impair the obligation of any bond, note, or other evidence of indebtedness outstanding or authorized for issue as of July 1, 1973.

AFFIDAVIT

In the State of North Carolina, County of Wake, _____,
being duly sworn, deposes and says that he or she personally circulated the attached petition
paper and that it bears the stated number of signatures. All signatures appended thereto were
made in his/her presence, and he/she believes them to be the genuine signatures of the persons
whose names they purport to be.

Number of signatures on the attached petition papers _____

In witness whereof he has hereto set his hand and seal.

Signature _____

Printed Name _____

Address _____

City, State, Zip _____

Telephone _____

I, _____, a Notary Public of the County and State aforesaid, hereby
certify that _____ personally known to me to be the affiant in the
foregoing affidavit, personally appeared before me this day and having been by me duly sworn
deposes and says that the facts set forth in the above affidavit are true and correct.

Witness my hand and official seal this the _____ day of _____, _____.

(SEAL)

Notary Public

My Commission expires:

____ / ____ / _____.

Raleigh

Petition to Amend the Raleigh City Charter

Petition summary and background	City Council has approved increases to Raleigh's debt without voter approval. This petition seeks to amend the city charter to require the voter approval to increase debt, with only one exception.
Action petitioned for	We, the undersigned, are concerned citizens who require our leaders to act now to amend the city charter in accordance with N.C. GS § 160A-104 to add the following: All borrowings of the City of Raleigh shall be approved by the voters except for the following purpose. (a) To fund or refund a valid existing debt originally approved by the voters.

Printed Name	Signature	Address	City/Zip	Date

Raleigh

Printed Name	Signature	Address	City/Zip	Date

Wake County Petition to Add a New County Ordinance

Petition summary and background	Wake County Commission has approved increases to public debt without voter approval. This petition seeks to require the county commission implement an ordinance to require the voter approval to increase debt, with only one exception.
Action petitioned for	<p>We, the undersigned, are concerned citizens who require our leaders to act now to add a new county ordinance in accordance with N.C. GS § 160A-104 to add the following:</p> <p>All borrowings of Wake County shall be approved by the voters except for the following purpose.</p> <p>(a) To fund or refund a valid existing debt originally approved by the voters.</p>

Printed Name	Signature	Address	City/Zip	Date

Wake County

Printed Name	Signature	Address	City/Zip	Date