

LOCAL GOVERNMENT COMMISSION AGENDA  
MARCH 1, 2022

1. PLEDGE OF ALLEGIANCE

2. CONFLICT OF INTEREST STATEMENT

3. MINUTES FOR APPROVAL  
February 1 2022

**FINAL**  
RELATED INFORMATION  
Approximate Per Capita Debt

State: \$ 567  
Federal: \$90,360

Unit	Type	Purpose	Amount	Comments	Page Number	Last request to Borrow
Burgaw	Financing Agreement	Renovations of Building	\$ 1,500,000	FPIC	3	RL 1-2017 \$1.3MM
Lake Lure	Revolving Loan	Water	\$ 12,000,000	FPIC	3	FA \$1.1MM 1-2020
North Topsail Beach	Special Obligation Bond	Refunding - Beach Renourishment	\$ 9,400,000	FPIC	4	SOB 02/22, \$9.5M
Oakboro	Financing Agreement	Sewer Infrastructure	\$ 3,000,000	FPIC	4	R 11/10 \$1M
Union County	G.O. Bonds (Two-Thirds)	School, C. College, Library, Law Enforcement,	\$ 20,590,000	FPIC	5	3-2-21; \$331MM Rev. Bonds
<b>BEGIN Consent Agenda</b>						
Bessemer City	Financing Agreement	Stinger Park Lighting	\$ 1,300,000		6	FA 3-2021 \$8MM
Holden Beach	Financing Agreement	Property Acquisition	\$ 3,300,000		6	FA 10/21 \$5.5M
Newton	Financing Agreement	Water, Sewer Electric Infrastructure	\$ 2,070,746		6	FA 02/21, \$2.5M
Wallace	Financing Agreement	Building Renovation	\$ 250,000		7	SL 8-2021 \$966K
Guilford County	G.O. Bonds	County, Law Enf, Health Bldgs, Park & Rec,	\$ 41,000,000	Two-Thirds Authzn.	8	10-6-20; \$300 MM GO Bonds
N. C. Housing Finance Agency	Revenue Bond	Home Ownership, Series 48	\$ 850,000,000		9	R 7-2021 \$8MM
North Carolina Turnpike Authority	Revenue Bond	Revenue Refunding	\$ 185,000,000		10	12-2020, \$74M

**MISCELLANEOUS ITEMS**

**ACTION ITEMS**

Columbus County	Financing Agreement	Loan Modification	\$ 14,609,000		11	FA 4-2021 \$11.1MM
High Point	Annexation	Misc. - Action	\$ 602		11	FA 4-2020 \$18MM
Lillington	Annexation	Misc. - Action	\$ 212		11	FA 6-2019 \$1.5MM
Orange Water and Sewer Authority	Revolving Loan	Water	\$ 4,212,500	Loan Increase	11	

**END Consent Agenda**

**NOTE:** LGC Staff recommends approval of all financing requests on the March 2022 Agenda.

**UNIT UPDATES**

East Laurinburg	Update only					
Eureka	Update only					
Cliffside Sanitary District	Update					
	Action Item	Resolution for Rate Revision				Vote Needed
Robersonville	Update					
	Action Item	Approve Budget Amendment				Vote Needed
Pikeville	Update					
	Action Item	Approve Budget Amendment				Vote Needed
Kingstown	Update					
	Action items	Approve Grant Award & Budget Amendment				Vote Needed
Spring Lake	Update					
	Action Item	Approve Budget Amendments				Vote Needed

**Units Engaged In Fiscal Accountability Agreements**

Scotland Neck	Update only
UAL Report	Update only

(Continued on next page)

LOCAL GOVERNMENT COMMISSION AGENDA  
MARCH 1, 2022

**OTHER ITEMS**

- DST/DEQ Staff Presentation: Viable Utility Reserve
- Resolution Approving VUR MRF & AIA Grants
- Resolution Approving VUR Training Grants
- Report on Status of Services in East Laurinburg (pursuant to N.C.G.S 160A-833(b) )

Vote Needed  
Vote Needed

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY																	
<b>TOWN OF BURGAW</b> \$1,500,000 Building Renovation G.S. 160A-20 Installment Purchase Contract Private Placement	The Project consists of the construction and remodeling of an existing town building at 108 East Wilmington Street. The renovations will establish office spaces for the Parks, Recreation, and Tourism Department	Necessary and expedient to create a new Town Multi-Purpose Facility to better serve the citizens of Burgaw.	Bids in hand.	The Town reported two FPICs (Financial Performance Indicators of Concern). It reported an operating net loss in the Water and Sewer Fund. Also, the Town's tax revenues were 9% less than the budgeted amounts in 2021. The town provided two responses, one dated 2/8/22 and one dated 2/15/22. Taken together, these are satisfactory responses.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: Truist Bank Approval Rate: 2.68% Term: 20 Years Payment: Annually S&P: N/A Moody's: N/A	Installment purchase contract is more timely than issue of G.O. Bonds																	
	<p><u>Sources:</u></p> <table border="0"> <tr> <td>Bank Loan:</td> <td>\$</td> <td>1,500,000</td> </tr> <tr> <td>Total Sources:</td> <td>\$</td> <td><u>1,500,000</u></td> </tr> </table> <p><u>Uses:</u></p> <table border="0"> <tr> <td>Construction Cost:</td> <td>\$</td> <td>1,278,022</td> </tr> <tr> <td>Administrative Cost:</td> <td>\$</td> <td>7,150</td> </tr> <tr> <td>Contingency</td> <td>\$</td> <td>214,828</td> </tr> <tr> <td>Total Uses:</td> <td>\$</td> <td>1,500,000</td> </tr> </table>	Bank Loan:	\$	1,500,000	Total Sources:	\$	<u>1,500,000</u>	Construction Cost:	\$	1,278,022	Administrative Cost:	\$	7,150	Contingency	\$	214,828	Total Uses:	\$	1,500,000					
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Total Uses:	\$	1,500,000																						

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Administrative Building	4,231	\$ 1,500,000	1/25/2022	\$ -	\$274,083,076	2,245,964	\$0.44	0.82%	1.37%	\$ 531	\$ 885	Pender County	\$ 1,497

<b>LAKE LURE</b> Water (Wastewater) \$12,000,000 G.S. 159G-22 Revolving Loan	The proposed project will consist of the construction of 15,500 linear feet of SASS (Subaqueous Sanitary Collection System), along the north and south shorelines of the Lake westward from the dam, emptying into a new dam-penetrating gravity sewer which will connect to an existing gravity sewer behind the dam.	Necessary and expedient to become compliant with the NCDEQ. Currently the SASS is considered "noncompliant" due to the excessive inflow and infiltration and the risk of catastrophic failure. This length of new SASS is Phase 1 of an ultimately all-new system that will include 100,000 linear feet of SASS. Replacing the existing largely inaccessible 95 year old system. Phase 1 is the lowest portion of the replacement system, and therefore is designed to carry the entirety of flows from the Town and its customers, including Chimney Rock Village and Rumbling Bald Resort.	Cost estimated provided by LaBella Associates.	The Town reported three FPIC items. A decline in the hydro-electric fund, lack of segregations of duties, and significant audit adjustments for grant receivable and revenue incorrectly being recorded. The Town's response is satisfactory.	The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. Water: \$40.80 Sewer: \$90.00	Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.	N/A
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UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY		
<b>TOWN OF NORTH TOPSAIL BEACH</b> Special Obligation Bonds, Series 2022B Amount not to exceed: \$9,400,000 159-146 Private Placement		Necessary and expedient to avail the Town of lower financing costs and allow the reserve that was required by the USDA.	Payoff amount has been provided by the USDA.	The Town reported one FPIC item because of a non-compliance with budget finding where the Town expended more than was for in the annual budget ordinance. The Town responded that it has implemented a Corrective Action Plan that clarifies and the correct policies and procedures. The Town's response is satisfactory.	The Special Obligation Bonds and the payment obligations owed to the bank are secured by a pledge of the Town's annual receipt of its portion of the three Sales and Use Tax and Utility collected by Onslow County and the Utility Franchise Taxes collected by the State.	Structure and Term: Straight line amortization of principal.  APPROVALS: Issue Amount Not to Exceed: \$9,400,000 Final Maturity Not Beyond: 12/15/2026 Effective Interest Cost Not to Exceed: 2.68%  FINANCING TEAM: Bond Purchaser: PNC Bank, N.A. Bond Counsel: Parker Poe Adams & Bernstein LLP Legal Counsel: McGuire Woods Financial Advisor: DEC Associates, Inc.			
<p>Refunding of a Special Obligation Bond (SOB) which was approved by the Local Government Commission and issued in November of 2015. The original loan was issued by the USDA for a 30 year term. As a prerequisite of approval staff to the LGC requested that an prepayment agreement with an 11 year term to be more in line with LGC guidelines. The refunding is structured to be consistent with the original agreement. The loan terms indicate an estimated \$1.4m in gross cumulative savings.</p> <p>Purposes financed: Recreation</p> <table border="0"> <tr> <td>\$</td> <td>9,182,000</td> </tr> </table> <p><u>Expected Sources and Uses of Funds:</u> Special Obligation Bonds: \$ 9,182,000 Reserve Fund \$ 5,022,000 Budgeted Funds \$ 517,000 Total Sources \$ 14,721,000</p> <p>Uses: Refunding of 2015 SOB \$ 14,521,000 Cost of Issuance \$ 200,000 Total Uses \$ 14,721,000</p>		\$	9,182,000						
\$	9,182,000								

<b>TOWN OF OAKBORO</b> \$3,000,000 160A-20 Installment Contract Private Placement	Sewer infrastructure consisting of one sanitary sewer pump station, 9420 linear feet of 8" force main from the pump station to proposed gravity sewers, 2875 linear feet of 12" gravity sewer lines connecting to existing 15" gravity sewer lines.	Necessary and expedient to meet the sewer infrastructure needs of the Town.	Bids are in hand.	The Town reported an FPIC item because their Fund Balance Appropriated was less than 50% of their peer group and had declined over the past three years. Their response is satisfactory.	No rate increase is anticipated. Debt service will be paid from the Water Sewer Fund. Average monthly bill within City Limits: Water: \$33.14 Sewer: \$45.41	Bank: Uwharrie Bank Amount \$ 3,000,000 Approval Rate: 1.66% Term (years): 10 Market Rate: Structure: Semi -annual principal and interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: N/A  FINANCING TEAM Bank Counsel: Parker Poe Adams & Bernstein LLP  Installment purchase structure is more timely and feasible than G.O.	
<p><u>Expected Sources and Uses of Funds:</u></p> <p>Uses: Loan Proceeds \$ 3,000,000 Golden Leaf \$ 2,500,000 UDF \$ 2,500,000 Cash Contribution \$ 135,048 Total Sources \$ 8,135,048</p> <p>Uses: Project Costs \$ 8,060,048 Costs of Issuance \$ 75,000 Total Uses \$ 8,135,048</p>							

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Sanitary Sewer	2,128	\$ 3,000,000	11/22/2021	\$ -	\$ 178,643,171	\$ 844,440	\$0.410	0.47%	0.47%	\$ 397	\$ 397	Stanly	\$ 236



UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>CITY OF BESSEMER CITY</b> \$1,300,000 Stinger Park Lighting G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the construction and installation of lighting at Stinger Park.	Necessary and expedient because the infrastructure is needed to maintain adequate service.	Bids in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: Truist Bank Approval Rate: 2.27% Term: 10 Years Payment: Semi-Annual S&P: N/A Moody's: N/A

Installment purchase contract is more timely than issue of G.O. Bonds

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Equipment	5,685	\$ 1,300,000	1/24/2022	\$ -	\$ 453,329,261	\$ 13,173,644	\$0.45	2.91%	3.19%	\$ 2,317	\$ 2,546	Gaston County	\$ 1,867

<b>HOLDEN BEACH</b> \$3,300,000 Land/Pier Purchase Taxable 160A-20 Installment Contract Private Placement	Purchase of Holden Beach Pier Property and adjacent 50 foot lot.	Necessary and expedient for the Town to provide regional public beach access, public parking, recreation and access for beach nourishment and emergency operations.	Appraisal is in hand.	No deficiencies or defaults noted.	No tax increase is necessary.	Bank: Truist Bank Amount \$ 3,300,000 Approval Rate (Taxable): 3.180% Term (years): 15 Market Rate(Taxable): Structure: Annual principal and interest payments.
<u>Expected Sources and Uses of Funds:</u>						Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: N/A
Uses:						
	Loan Proceeds	\$ 3,300,000				
	Cash Contribution	\$ 50,650				
	Total Sources	\$ 3,350,650				
Uses:						
	Project Costs	\$ 3,296,000				
	Costs of Issuance	\$ 54,650				
	Total Uses	\$ 3,350,650				

FINANCING TEAM  
Bond Counsel: Parker Poe Adams & Bernstein LLP  
Financial Advisor: DEC Associates Inc.  
Lender's Counsel:

Installment purchase structure is more timely and feasible than G.O.

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Land Acquisition	1,137	\$ 3,300,000	1/18/2022	\$ -	\$ 1,354,932,722	\$ 2,815,220	\$0.200	0.21%	0.45%	\$ 2,476	\$ 5,378	Brunswick Co.	\$ 1,299

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>CITY OF NEWTON</b> \$2,070,746 160A-20 Installment Contract Private Placement	(A) Purchase of a garbage truck, backhoe, bucket truck and underground puller. (B) Infrastructure improvements including Young Dr. culvert replacement, Westbrook Dr. culvert replacement, waste water treatment plant lime piping feed replacement and rubber tire loader.	Necessary and expedient to upgrade equipment and to improve stormwater, water and electric infrastructure.	Bids are in hand.	No major deficiencies or defaults noted.	No tax or rate increase is anticipated. Debt service will be paid from the General Fund, Water/Sewer Fund and Electric Fund. The average monthly bills for customers within City limits: Water: \$32.04 Sewer: \$40.18 Electric: \$130.62	Bank: Truist Bank Amount (Contract A): \$ 752,677 Amount (Contract B): \$ 1,318,069 Approval Rate (Contract A): 2.21% Approval Rate (Contract B): 2.39 Term (years) (Contract A): 10 Term (years) (Contract B): 15 Market Rate (Contract A): Market Rate (Contract B): Structure: Semi-annual principal and interest payments.  Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: N/A  Installment purchase structure is more timely and feasible than G.O.
<u>Expected Sources and Uses of Funds:</u>						
<u>Uses:</u>						
	Loan Proceeds	\$ 2,070,746				
	Total Sources	\$ 2,070,746				
<u>Uses:</u>						
	Project Costs	\$ 2,070,746				
	Total Uses	\$ 2,070,746				

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Public Vehicles	13,173	\$ 741,916	2/1/2022	\$ -	\$ 1,093,020,420	\$ 8,094,202	\$0.540	0.74%	0.74%	\$ 614	\$ 614
Stormwater		\$ 754,330								Catawba	\$ 414
Equipment		\$ 574,500									
		\$ 2,070,746									

<b>TOWN OF WALLACE</b> \$250,000 Building Renovation G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the renovations to the Town's public service operations center.	Necessary and expedient because the old armory was donated to the Town and needs upgrade to office areas to be suitable for use.	Bids in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: United Community Bank Approval Rate: 2.23% Term: 10 Years Payment: Annually S&P: N/A Moody's: N/A
<u>Sources:</u>						
	Bank Loan:	\$ 250,000				
	Grant(American Rescue Plan)	\$ 112,500				
	Water and Sewer Fund	\$ 112,500				
	Total Sources:	\$ 475,000				
<u>Uses:</u>						
	Construction Cost:	\$ 448,080.00				
	Other Legal/Fiscal Cost	\$ 2,920.00				
	Contingency	\$ 24,000				
	Total Uses:	\$ 475,000				

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Administrative Building	3,863	\$ 250,000	1/17/2022	\$ -	\$261,549,839	6,130,437	\$0.62	2.34%	2.44%	\$ 1,587	\$ 1,652
										Duplin County	\$ 758

**Financing Team:**  
Bond Counsel: Parker Poe Adams & Bernstein LLP

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>GUILFORD COUNTY</b> \$41,000,000 General Obligation Bonds <i>(Two-thirds net debt reduction)</i>	To provide funds to pay the costs of various capital projects for Guilford County, including:	Necessary and expedient to meet County needs for essential County buildings, parking facilities, jails and parks.	Cost estimates provided by professional consultants: WGI, Inc.; Walter-Robbs; Craig Pritchard Engineers, SKA Engineers; Alfred Benesch & Company, and Schnabel Engineering.	No major deficiencies. No defaults noted.	No tax increase is expected. Growth in the tax base and re-valuation for FY 2022-23 should provide the necessary revenue.	<u>Approvals:</u> Amount not to exceed: \$41,000,000  Sale: Competitive sale Sale Date: March 15, 2022  <u>Financing Team:</u> Bond Counsel: Robinson, Bradshaw & Hinson, P.A. Financial Advisor: First Tryon Advisors	Fitch: AAA Moody's: Aaa S&P: AAA <b>(Expected Ratings)</b>
Public Buildings:	Replace and modernize HVAC systems and elevators, waterproof buildings, replace roofing and upgrade interior finishes.	HVAC systems and elevators are at the end of their useful lives. Roofs and building envelopes are leaking. Necessary sewer improvements at Hagan-Stone Park and sewer improvements and development of Bryan Park North are included.					
Law Enforcement Facility:	Seal building envelopes, waterproof buildings, and replace HVAC systems at both jail facilities.						
Parking Facility:	Repairs and waterproofing are necessary to extend the life of the parking structure.						
Public Health Facility:	Public Health Building needs envelope repairs, HVAC renovation and parking lot refurbishment.						
Park & Recreation	Cosntruct sewer facilities to connect campground and RV park to public sewer system. Dam improvements, sewer improvements and development of Bryan Park North.						

Purpose	Amount	Estimated Census	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Public Buildings	\$ 31,200,000	541,299	N/A <sup>1</sup>	\$ 300,000,000	\$ 55,267,457,155	\$ 525,145,000	\$ 0.7305	1.49%	1.57%	\$ 1,524	\$ 1,600
Law Enforcement Facility	4,300,000										
Parking Facility	2,000,000										
Public Health Facility	1,500,000										
Park & Recreation	2,000,000										
<b>TOTAL</b>	<b>\$ 41,000,000</b>										

<sup>(1)</sup> Election not required pursuant to G.S. 159-49.



PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<p><b>NORTH CAROLINA HOUSING FINANCE AGENCY (NCHFA) - \$850,000,000 G.S. - 122A</b></p> <p>Home Ownership Revenue Bonds, Series 48, initially, with additional series as demand warranted by housing mortgage demand.</p> <p>The Agency will use the proceeds of the Home Ownership Revenue Bonds issued from time to time in an amount not to exceed \$850,000,000 (a) to provide funds for the purchase of mortgage loans and other obligations, including mortgage backed securities, made for the purpose of assisting in providing home ownership for low and moderate income households; (b) refund all or a portion of the Bonds previously issued by the Agency for the purpose described in (a) (or to refund Bonds of the Agency issued for that purpose), (c) make required deposits to the credit of any debt service reserve fund or other reserve fund required by the terms of the instrument pursuant to which the Bonds are issued, (d) finance all or a portion of the cost of termination of interest rate swap agreements in connection with the refunding of Bonds hedged by the terminated interest rate swap agreement and (e) pay all or a portion of the costs of issuance of the Bonds.</p> <p>The Bonds are to be issued under the Trust Agreement dated May 1, 1998 entered into by the Agency with the Bank of NY Mellon Trust Co., N.A. as Trustee. Mortgage-backed securities to be purchased will be GNMA, FNMA or FHLMC certificates. Loans that may be purchased with proceeds of the Bonds must be FHA-insured, USDA or VA guaranteed, or insured by a private mortgage insurer acceptable to the rating agencies with ratings in effect on the Agency's bonds. Loans are not required to be insured or credit enhanced if the loan-to-value ratio of the loan to the property securing the loan is 80% or less. Bond proceeds may also be used to fund zero interest forgivable down payment assistance mortgage loans that are not subject to these requirements. Bonds will be sold pursuant to a purchase contract between the Agency, the LGC and the underwriters, such contract to be customary form.</p>	<p>The financing is necessary to increase the State's supply of affordable housing. The Agency plans to issue bonds to continue the home ownership program for the next twelve to twenty-four months, dependent on mortgage demand.</p>	<p>The Agency's loan servicer purchases loans from Mortgage Lenders for sale to the Agency in the form of mortgage-backed securities. The pooled mortgage loans were made to persons and families of low and moderate income.</p> <p>The Agency currently has Volume Cap available at 12/02/2021 in the amount of \$1,512,619,001</p>	<p>The Housing Finance Agency makes a determination of feasibility, proposed mortgage rates, and size of issue. The financial advisor has evaluated economic soundness.</p>	<p>No deficiencies and no defaults noted.</p>	<p>Public sales from time to time scheduled so as not to conflict with other revenue bond sales, with the first sale scheduled for March 2022. If directly placed, limited to financial institutions under contracts approved by the Secretary.</p> <p>Part/All of Series 48 could be marketed as Social Bonds.</p> <p>Expected ratings AA+ from S&amp;P and Aa1 from Moody's.</p>	<p>Term: Final maturity not to exceed 40 years Interest Rate: Fixed Rate</p> <p>Structure: Debt service to match expected revenue</p> <p>Initial issuance is expected to consist of one series of \$150-200 million, with additional series in 2022 depending on demand. The Series 48 will be fixed-rate and sold publicly. Underwriting discount is expected not to exceed \$12.50 per bond. Expected All-in TIC is estimated at 2.72%.</p> <p style="text-align: center;">APPROVALS</p> <p>Amount: Not to exceed \$850,000,000 Final Maturity: Not to extend beyond 40 years True Interest Cost: Not to exceed 6.0% (Fixed)</p> <p>FINANCING TEAM Bond Counsel: Womble Bond Dickinson (US) LLP Underwriters: RBC Capital Markets LLC; Bank of America Securities, Inc.; Raymond James &amp; Associates Inc.; Morgan Stanley Wells Fargo Bank, National Association; Citigroup Global Markets, Inc.; Underwriters' Counsel: Bode, PLLC Trustee/Registrar: The Bank of New York Mellon - Trust Company, N.A. Trustee's Counsel: Moore &amp; Van Allen PLLC Financial Advisor: Caine Mitter &amp; Associates Inc. Accountant: BDO USA, LLP</p>

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION																										
<p><b>NORTH CAROLINA TURNPIKE AUTHORITY</b> Monroe Expressway System Toll Revenue Refunding Bonds</p> <p>Not to exceed principal amount: (preliminary) \$ 185,000,000</p> <p><b>Background:</b> The Monroe Expressway is an all-electronic toll road extending 18 miles from U.S. 74 near I-485 in Mecklenburg County to U.S. 74 between the towns of Wingate and Marshville in Union County. U.S. 74 serves an important commercial corridor for residents and businesses in Union and Mecklenburg counties as it gives retail, commercial and employment centers direct access to and from the route. The Monroe Expressway opened to traffic on November 27, 2018. NCTA closed on the TIFIA loan on January 31, 2017 (3.08%) and completed the final draw in September 2019 (the "TIFIA Series 2016 Bond").</p> <p><b>Estimated Sources:</b></p> <table border="0"> <tr><td>Par Amount</td><td>\$ 154,665,000</td></tr> <tr><td>Premium</td><td>\$ 14,306,310</td></tr> <tr><td>Debt Service Fund</td><td>\$ 538,415</td></tr> <tr><td>TIFIA DSRF Release</td><td>\$ 11,825,909</td></tr> <tr><td>2016 DSRF Contribution</td><td>\$ 11,833,180</td></tr> <tr><td><b>Total Sources:</b></td><td><b>\$ 193,168,815</b></td></tr> </table> <p><b>Use of funds:</b></p> <table border="0"> <tr><td>Refunding Deposit</td><td>\$ 178,998,218</td></tr> <tr><td>Cost of Issuance*</td><td>\$ 1,876,299</td></tr> <tr><td>Underwriter's Discount</td><td>\$ 463,995</td></tr> <tr><td>General Reserve Deposit</td><td>\$ 5,856,647</td></tr> <tr><td>2016A DSF Deposit</td><td>\$ 5,969,263</td></tr> <tr><td>Additional proceeds</td><td>\$ 4,394</td></tr> <tr><td><b>Total Uses:</b></td><td><b>\$ 193,168,815</b></td></tr> </table> <p>*Includes insurance and surety premium estimates</p>	Par Amount	\$ 154,665,000	Premium	\$ 14,306,310	Debt Service Fund	\$ 538,415	TIFIA DSRF Release	\$ 11,825,909	2016 DSRF Contribution	\$ 11,833,180	<b>Total Sources:</b>	<b>\$ 193,168,815</b>	Refunding Deposit	\$ 178,998,218	Cost of Issuance*	\$ 1,876,299	Underwriter's Discount	\$ 463,995	General Reserve Deposit	\$ 5,856,647	2016A DSF Deposit	\$ 5,969,263	Additional proceeds	\$ 4,394	<b>Total Uses:</b>	<b>\$ 193,168,815</b>	<p>The NCTA is refunding the TIFIA Series 2016 Bond to create debt service savings, and to capture additional benefits: (a) release Senior Lien Toll Revenue Bonds Debt Service Fund which could be used to reduce debt service, (b) release of the TIFIA Loan Debt Service Reserve fund which becomes unrestricted cash, (c) eliminate onerous covenants and TIFIA reporting requirements, (d) elimination of TIFIA prepayment provisions.</p>	<p>The refunding will result in prepaying the outstanding principle amount of the TIFIA Series 2016 Bond. Proceeds of the Series 2022A Bonds will be used as follows: (a) refund in advance of maturity the TIFIA Series 2016 Bond (b) pay certain costs incurred in connection with the issuance of the Series 2022A bonds (c) pay bond insurance premium on the Series 2022A Bonds (d) pay insurance premium a debt service insurance policy with respect to the Series 2022A Bonds.</p>	<p>The NCTA is unable to restructure the current TIFIA Series 2016 Bond with the Federal Highway Administration. NPV Savings are projected at \$8.7 Million (4.90%)</p> <p>Revenues from the Monroe Expressway declined during the first 3 quarters of FY 21 by -12.4%, -17.5% &amp; -1.2% (year over year) respectively. Revenues rebounded strongly in Q4 FY21 +33.7% and Q1 FY 22 +36.8%.</p> <p>CDM Smith has prepared a Monroe Expressway Traffic &amp; Revenue (T&amp;R) Forecast Update.</p> <p>Forecasts were re-benchmarked to actual traffic and revenue data, travel demand model updated, Socioeconomic forecasts reviewed and updated, Input models updated, revisions made for short term and long term COVID impacts. Over the 14 month period (Nov 2020 - Dec 2021) Transactions were (0.2%) below monthly forecasts and revenues were were 1.6% above forecasts. Transaction data suggest a -10% impact from increasing COVID cases.</p>	<p>No major deficiencies. No defaults noted.</p>	<p>Series 2022A Bonds will be a negotiated bond sale scheduled for March 10, 2022 and expected close on March 24, 2022.</p> <p>The NCTA has received ratings from the following:</p> <p>S&amp;P - BBB Stable Moody's-Baa3 Positive Fitch: N/A</p>	<p>Preliminary Structure (and subject to change): 2022A Refunding Bonds No extension of final maturity 10 year par call</p> <p>Preliminary Structure: Serial Coupons 2025 - 2042 Term Bonds: 2043 - 2047 &amp; 2048 - 2053</p> <p>Terms: Estimated TIC= 2.90% Projected Coverage: Min 2.42x</p> <p><b>APPROVALS</b></p> <p>Not to exceed: \$185,000,000 Final Maturity not to exceed: July 2053 Minimum NPV savings - 3.0%</p> <p><b>FINANCING TEAM</b></p> <p>Bond Counsel: McGuireWoods LLP Underwriter Sr. Manager: Citigroup Underwriter's Counsel: Hunton Andrews Kurth LLP Financial Advisor: PFM Financial Advisors, LLC Authority Counsel: Alan McInnes, Esq. of Attorney General's Office</p>
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**MISCELLANEOUS:  
Columbus County**

**(ACTION ITEMS):**

The County is requesting modification to its outstanding \$14,609,000 Installment Purchase Agreement approved by the LGC on November 5, 2019, amended October 1, 2021 and held by First bank at a rate of 1.48%. Due to delayed construction completion the County is seeking approval to extend the final maturity date from April 1, 2022 to July 2022. This will allow additional time to complete construction on the Whiteville City school project and facilitate the takeout of the Installment Financing Contract by USDA. All other terms and conditions remain unchanged.

The County received a FPIC (Financial Indicator of Concern) due to overspending the budget in water district funds, failure to timely reconcile balance sheet accounts, late submission of NCPRO Covid reports, and lack of proper documentation by case workers in DSS. The County responded satisfactorily.

**High Point**

The City of High Point and the following fire departments have requested approval of annexation payment schedules developed in accordance with G.S. 160A-31.1, whereby the City will make lump sum payments for the City's proportionate share of outstanding debt as follows:

<u>Volunteer Fire Depart.</u>	<u>Effective Annexation Date</u>	<u>Payment Period</u>	<u>Reimbursement</u>
Colfax Fire Department	9/13/2021	2021	\$ 602.35

**Lillington**

The City of Lillington and the following fire departments have requested approval of annexation payment schedules developed in accordance with G.S. 160A-31.1, whereby the City will make lump sum payments for the City's proportionate share of outstanding debt as follows:

<u>Volunteer Fire Depart.</u>	<u>Effective Annexation Date</u>	<u>Payment Period</u>	<u>Reimbursement</u>
Summerville Bunnlevel Fire District	3/8/2022	2021	\$ 158.73
Summerville Bunnlevel Fire District	3/8/2022	2021	\$ 53.13

**Orange Water & Sewer Authority  
Loan Increase**

The Orange Water and Sewer Authority is requesting approval of an increase in funding related to a State Revolving Loan for the *University Lake Permanganate-Feed Facility* project. The original loan in the amount of \$2,170,800 was approved by the LGC on March 3, 2020. On February 1, 2022, the LGC received a request for approval of additional funding in the amount of \$2,041,700 for the project. The new total loan for the project is \$4,212,500. The increase in funding is not requested as part of any change in scope, which remains essentially unchanged. In general, the requested loan increase is necessary to offset additional construction costs. A project bid-opening was held in late January 2022, and although more than three (3) bids were received by the Owner, the lowest-bidder's total bid amount for the construction contract far exceeded the total available DWSRF funding that was allocated to cover the cost of the entire project.