

LOCAL GOVERNMENT COMMISSION  
SEPTEMBER 10, 2019

## 1. PLEDGE OF ALLEGIANCE

## 2. TOAST TO THE FLAG

### 3. CONFLICT OF INTEREST STATEMENT

#### 4. MINUTES FOR APPROVAL

August 6, 2019

**(FINAL)**

## RELATED INFORMATION

### Approximate Per Capita Debt

08/30/19

State: \$ 527

Federal: \$68,146

<u>Unit</u>	<u>Type</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>	<u>Page Number</u>	<u>Last request to Borrow</u>	<u>Voted/ Non-Voted</u>
Cliffside Sanitary District (1)	Resolution to Assume Control	Action Item					
Cliffside Sanitary District (2)	Resolution to appoint Finance Officer, Deputy Finance Officer						
Cliffside Sanitary District (3)	Resolution Calling on Rutherford Commissioners to fill vacant Board Seats for Cliffside Sanitary Dist.	Action Item					
Town of Eureka	Resolution to Adopt Section7 of Town Eureka Budget Ordinance 2019-20	Action Item					
Town of Eureka Update							
Chowan, County of	Financing Agreement	Renovations to Building	\$ 1,650,000	Unit Letter	3	12-2012 FA \$3.6M	
Creswell, Town of	Revolving Loan	Water	\$ 188,792	Unit Letter	3	6-1988 GO \$207.1K	
Lumberton, City of	Revolving Loan	Sewer	\$ 1,000,000	Unit Letter	3	10-2017 RL \$1M	
Richmond, County of	General Obligation	Refunding	\$ 7,700,000	Unit Letter	4	9-2018 RB \$2.2M	Non-Voted
Richmond, County of	Revenue - Bond Anticipation Note	Miscellaneous Action - extension of term	NA	Unit Letter	4	9-2018 RB \$2.2M	
Troutman, Town of	Financing Agreement	Streets	\$ 1,025,060	Unit Letter	5	6-2019 RL 1.0M	
Tuckasegee Water & Sewer Authority	Revolving Loan	Sewer	\$ 2,576,600	Unit Letter	5	8-2019 RL \$1.1M	
Tuckasegee Water & Sewer Authority	Revolving Loan	Water	\$ 323,040	Unit Letter	5	8-2019 RL \$1.1M	
Cleveland, County of	Financing Agreement	County Building, Land Acquisition	\$ 1,700,000		6	2-2017 FA \$33.3M	
Craven, County of	Financing Agreement	Convention Center	\$ 10,000,000		6	3-2019 GO \$8.5M	
Currituck, County of	Financing Agreement	County Buildings	\$ 21,400,000		7	10-2017 FA \$7.5M	
Davie, County of	Financing Agreement	County Building Lease	\$ 7,166,250		7	1-2019 RL \$18.2M	
Gastonia, City of	Financing Agreement (LOBs)	Stadium	\$ 24,000,000		8	4-2016 RL \$3M	
Harnett, County of	Financing Agreement	County Building	25000000		9	4-2017 GO \$25.2M	
Harrisburg, Town of	Financing Agreement	Recreation, Water	\$ 13,265,000		10	4-2018 FA \$5.5M	
Watauga, County fo	Financing Agreement	Refunding - Schools	\$ 24,000,000		11	10-2018 LOBs \$20M	
Yadkin, County of	Financing Agreement	Municipal Building	\$ 462,200		11	2-2016 RL 4.1M	
Cary, Town of	General Obligation	Transportation, Parks and Recreation	\$ 225,000,000		12	12-2018 FA \$8.6M	Voted
Clayton, Town of	General Obligation	Parks & Recreation	\$ 18,000,000		13	7-2019 FA \$5M	Voted
Apex, Town of	Revenue	Enterprise Systems	\$ 10,000,000		14	3-2018 GO \$1.5M	
Charlotte Housing Authority	Revenue	Multi-family Mortgage - Brookshire Blvd.	\$ 11,500,000		15	9-2018 RB \$18M	
Mooreville, Town of	Revenue	Water & Sewer System Refunding	\$ 16,200,000		16	6-2016 FA \$4M	

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SEPTEMBER 10, 2019

<u>Unit</u>	<u>Type</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>	<u>Number</u>	<u>to Borrow</u>	<u>Non-Voted</u>
Galloway Ridge, Inc.	NC Medical Care Commission	Retirement Fac. First Mortgage Rev. Refunding	\$ 52,000,000		17	8-2014 RB \$16M	
Lutheran Retirement Ministries of Alamance County, Inc. (d/b/a Twin Lakes Community)	NC Medical Care Commission	First Mortgage Revenue Bonds (Twin Lakes)	\$ 78,000,000		18	7-2009 \$39.8M	
Franklin, County of	Revolving Loan	Sewer	\$ 1,365,000		19	9-2017 GO \$9.5M	
Franklin, County of	Revolving Loan	Sewer	\$ 8,316,000		19	9-2017 GO \$9.5M	
Neuse Regional Water & Sewer Authority	Revolving Loan	Water	\$ 1,220,000		19	2-2006 RL \$16.4M	
The NCCU Real Estate Foundation, Inc.	NC Capital Facilities Finance Agency	Student Housing Facilities	\$ 14,955,000		20	10-2003 \$22M	
International Paper Company (Columbus County)	Industrial Revenue	Environmental Improvement Revenue Refunding	\$ 27,100,000		21	6-2017 \$13.5M	
Craven, County of	General Obligation	Miscellaneous - Action - Rate Modification	\$ 8,500,000		22	3-2019 GO \$8.5M	
Huntersville, Town of	General Obligation	Miscellaneous - Action - 3 year extension	NA		22	8-2016 GO \$3.8M	
Yadkin Valley Sewer Authority	Revolving Loan	Miscellaneous - Action - loan increase	\$ 1,295,414		22	6-2019 FA 361K	
SEI Evaluations - Designees					23-34		
Chris Farr, Greg Gaskins, Tim Hoegemeyer, Jacqueline McKoy, Roderick Anthony and Mike Arnold							

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			
CHOWAN COUNTY Renovations to Building \$1,650,000 G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the renovations to exterior and first floor of former DF Walker School building. The County desires to rent the first floor of the building to the Boys and Girls Club.	Necessary and expedient because the building is not usable in its current condition. County desires to rent the first floor of the building to the Boys and Girls Club.	Bids in hand	The County received a unit letter due to the financial statement disclosing an expenditure in the Capital Reserve Fund. This is not allowed under G.S. 159-22. There should have been a transfer from the Capital Reserve Fund followed by an expenditure in the fund receiving the transfer. The fiscal staff determined a written response was not required.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank:	BB&T	Installment purchase contract is more timely than issue of G.O. Bonds			
	Approval Rate:					2.93%					
	Term:					15 Years					
	Market Rate:					3.00%					
	Payment:					Semi-Annually					
	S&P:					BBB+					
	Moody's:					A3					
<u>Expected Sources and Uses of Funds:</u>											
<u>Sources:</u>											
Bank Loan	\$ 1,650,000										
Cash:	\$ 95,890										
Total Sources:	\$ 1,745,890										
<u>Uses:</u>											
Construction Cost:	\$ 1,542,148										
Engineer or Arch. Fees	\$ 126,635										
Contingency:	\$ 77,107										
Total Cost:	\$ 1,745,890										
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
County Building	14,541	\$ 1,650,000	8/5/2019	\$ -	\$1,437,743,418	9,491,619	\$0.745	0.66%	0.77%	\$ 653	\$ 766
TOWN OF CRESWELL Water \$188,792 G.S. 159G-22 Revolving Loan	Removal of existing 1974-era filter and its related controls, equipment, piping and valves will be removed. Chemical feed pumps will also be replaced. A new filter will be fabricated, then delivered to the WTP where it will be installed along with new controls, equipment, piping and valves. In order to install and house the new filter system, the existing WTP building will have to be enlarged. Also, the WTP currently does not have a backup power supply. The project will install a new, permanent emergency generator at the WTP, providing resiliency for critical treatment system functions.	Necessary and expedient to address water quality issues by enabling the Town to meet manganese & iron maximum concentration levels (MCL) requirements. The WTP was constructed in 1974 and the Town has had difficulties in operating the 1974-era filter as replacement parts are no longer available or difficult to obtain.	Cost estimates provided by Engineering Services PA.	The Town received a unit letter due to financial and operational problems pertaining to the Water & Sewer fund. The Water & Sewer fund reported a deficit fund balance, overexpenditures not available for appropriation, and various signs of financial weakness including a negative cash flow. The Town responded satisfactorily; the dispute with Tyrrell County has been resolved. A unit visit was made on 3-19-19.	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: \$67.10 Sewer: \$50.65	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				
CITY OF LUMBERTON Sewer \$1,000,000 G.S. 159G-22 Revolving Loan	Rehabilitation of approximately 9900 LF of 8" and 6400 LF of 10" gravity main. Rehabilitation will include trenchless rehabilitation and conventional dig up and replacement. The condition of each component confirmed at the onset of construction will be used to verify the feasibility and acceptable application of each proposed method. All proposed improvements will be accomplished with size for size replacement and lining. No additional capacity is being incorporated by this project.	Necessary and expedient because the majority of the gravity mains to be replaced are greater than 40 years old. The City also received a letter from the EPA stating that it was in violation of the Clean Water Act. No enforcement action has been taken by EPA but the City is actively working toward the recommendations outlined by the EPA.	Cost estimates provided by The Wooten Company.	The City received a unit letter because the the percentage of fund balance in General Fund available in for appropriation relative to expenditures continues to be substantially less than that of comparable units; in 2018 the Electric Fund transferred \$1.4 million to the General Fund and the Water & Sewer fund transferred over \$600,000 to the General Fund. Also, actual revenues in the Water & Sewer fund were materially less than estimated revenues. The City responded satisfactorily. A unit visit was conducted on 7-26-2019.	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: \$24.30 Sewer: \$40.36	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				

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>RICHMOND COUNTY</b> \$7,700,00 G.S. 159-72 General Obligation Refunding Bond (Private Placement)	All or portion of bonds to be Refunded: \$7,150,000 General Obligation School Bonds, Series 2009, sold October 27, 2009 at a true interest cost of 3.6802%. Outstanding maturities carry an interest rate of 3.4% to 4.1%.	Necessary and expedient to provide savings on the outstanding issue.	Amount is adequate to redeem debt.	The County received a Unit Letter for declining fund balance in the General Fund and for transfers from the Solid Waste Enterprise Fund to the General Fund. Also, cash flow from operations in the Water & Sewer Fund is insufficient to support required debt service payments. The County increased the tax rate by 4.0¢ (83¢) for FY 2018-19.  For FY 2020, the tax rate remains at 83¢ and the transfer into the General Fund was initially set at \$1,600,000. The County has adopted a plan to eliminate this transfer over time, including direct cost allocations from the Solid Waste Fund and Water Fund (\$600,000), and elimination of fund balance appropriations in the General Fund for FY 2020. The County plans to conduct a referendum on implementation of a 1/4 cent sales tax (Article 46), along with departmental cost saving measures. Finally, the County may change the sales tax allocation method to cover costs of certain services already taken over in the ETJ's of Rockingham and Hamlet.	Debt service will be significantly reduced.	<u>Structure:</u> Current refunding: Net present value savings of \$645,251, or 9.0245% of the refunded bonds.  The refunding bond will be structured with no extension of maturities, with the final maturity in 2030. Level annual savings are calculated at \$58,659 annually.  Sale: Bank Placement Sale Date: On or about October 15, 2019  <u>Approvals:</u> Amount: Not to exceed \$7,700,000 Bank Rate: 1.90%  <u>Financing Team:</u> Bond Counsel: Sanford Holshouser LLP Financial Advisor: Davenport & Company LLC Bank: PNC Bank, N.A. Bank Counsel: Parker Poe Adams & Bernstein LLP	Moody's: S&P: <b>(The Refunding Bond will not be rated)</b>

										Debt Ratios-Excluding Enterprise Funds			
										To Property Values	Per Capita	Per Capita	
Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Before	After	Before	After	Before	After
Refunding	44,887	\$ 7,700,000	N/A	-	\$ 3,339,105,962	\$ 28,735,943	0.830	0.86%	0.88%	\$ 640	\$ 652		

<b>MISCELLANEOUS:</b>	<b>(ACTION ITEMS):</b>
<b>RICHMOND COUNTY</b>	<p>The County is requesting an extension on the financing term of a Revenue BAN maturing September 18, 2019. The BAN was originally issued September 20, 2018 in the amount of \$2,184,000 in anticipation of USDA purchasing the Bonds. The agreement with Regions Equipment Finance Corp. will be extended to December 18, 2019 at an interest rate of 2.73%. This BAN was for installation of 4.8 miles of new 8" and 2.1 miles of new 6" water lines. The project is expected to be completed by December 18, 2019 at such time the USDA will issue a Revenue Bond.</p> <p>The County received a unit letter due to, in the General Fund, the percentage of fund balance available for appropriation relative to expenditures is substantially less than comparable units; and, in the Water &amp; Sewer fund, a negative cash flow from operations indicates that the rate structure or cash collection procedures are inadequate. The County responded satisfactorily.</p>

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 TROUTMAN</b> Streets \$1,025,060 G.S.160A-20 Installment Contract Private Placement	Repavement / rehabilitation of approximately 10 streets including some curb and gutter and sidewalk installation.	Necessary and expedient because streets are badly deteriorated and a sidewalk is needed for a safe walk to school.	Bids in hand.	The Town received a unit letter because, in the General Fund, it did not sufficiently budget for its debt service payments. The Town also exceeded its budget in the ESC Park Fund. A unit visit was conducted on 5/29/19 in lieu of getting a response from the Town to the unit letter.	The Town projects a tax increase not to exceed 2 cents per \$100 valuation which is deemed to be reasonable and not excessive to cover the new debt service.	Bank: First National Bank Approval Rate: 2.59% Term: 10 Years Market Rate: 2.75% Payment: Quarterly  S&P: N/A Moody's: N/A  Installment purchase contract is more timely than issue of G.O. Bonds	

										Debt Ratios-Excluding Enterprise Funds			
										To Property Values	Per Capita		
Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate			Before	After	Before	After
Streets	2,752	\$1,025,060	7/11/2019	\$ -	\$ 431,909,414	\$ 1,850,391	\$0.52	0.43%	0.67%	\$ 672	\$ 1,045	\$ 1,431	
										Iredell County			

<b>TUCKASEIGEE WATER &amp; SEWER AUTHORITY</b> Sewer \$2,576,600 G.S. 159G-22 Revolving Loan	Replacement of influent screening basket and grit removal facility with a new headworks facility upstream of the influent pump stations; Replacement of 4 influent pumps with 2 transfer pumps being upgraded to over 400 gpm pumping capacity to maximize the transfer flow capacity to WWTP No. 1; Replacement of existing aeration blowers and electrical panels, replace existing rusted electrical conduits, and secure loose electrical conduit supports and anchors; Upgrade pump station pumps to overcome additional pressure condition in common force main; & perform miscellaneous upgrades to electrical system.	Necessary and expedient due to age of the plant (built in 1965 with minimal upgrades) and most of the facility's components are nearing the end of their useful life.	Cost estimates provided by McGill Associates, PA.	The Authority received a unit letter due to having a line of credit that was not authorized by NC General Statute 159 which does not permit public authorities to obtain lines of credit. The credit was not renewed and the Authority has satisfied the requirements for NCDOT with alternative arrangements.	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: \$28.15 Sewer: \$28.15	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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<b>TUCKASEIGEE WATER &amp; SEWER AUTHORITY</b> Water \$323,040 G.S. 159G-22 Revolving Loan	Replacement of existing, on-site waterlines with 2875 LF of 4-inch and 2-inch waterlines. Installation of 22 new metered service connections and removal of existing master meter. This project is proposed to take an existing privately owned bulk purchase water system known as Cowan Valley Estates (CVE) and perform a number of system upgrades to bring it in conformance with current construction standards of NCDEQ and Tuckaseigee Water and Sewer Authority.	Necessary and expedient because the materials used in portions of the current CVE system are not appropriate under current standards. The project will replace sections of pipe that have been problematic regarding leaks.	Cost estimates provided by Lofquist & Associates, Inc.	The Authority received a unit letter due to having a line of credit that was not authorized by NC General Statute 159 which does not permit public authorities to obtain lines of credit. The credit was not renewed and the Authority has satisfied the requirements for NCDOT with alternative arrangements.	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: \$28.15 Sewer: \$28.15	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	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>CLEVELAND COUNTY</b> \$1,700,000 Land & Building (TAXABLE) G.S. 160A-20 Financing Agreement Private Placement	(1) Purchase of land and building (Shelby Star Building). (2) Upfit of emergency services building.  <u>Expected Sources and Uses of Funds:</u> Sources: Bank Loan \$ 1,700,000 Cash Contribution \$ 100,000 Total Sources \$ 1,800,000  Uses: Land & Building \$ 1,500,000 Emergency Services \$ 175,000 Cost of Issuance \$ 125,000 Total Uses \$ 1,800,000	Necessary and expedient to address future County space needs.	Tax value of property is approximately \$1,700,000 which greater than the purchase price.	No deficiencies or defaults noted.	No tax increase is required. Debt service will be paid from revenues to the General Fund.	Bank: Zions Bancorporation , N.A. Amount \$ 1,700,000 Approval Rate (TAXABLE): 3.290% Term (years): 15 Market Rate: 3.25% Payment: Annual principal and interest Structure: Level Principal  Bank placement will not be rated. Current G.O. ratings: S&P: AA- Moody's: Aa2  <b><u>FINANCING TEAM</u></b> Bond Counsel: Robinson Bradshaw Financial Advisor: Davenport & Company  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
County Building	97,228	\$ 1,407,591	8/6/2019	\$ -	\$ 7,606,631,299	\$ 53,137,854	\$0.7200	0.70%	0.72%	\$ 547	\$ 564
Land Acquisition		\$ 292,409									
		\$ 1,700,000									

<b>CRAVEN COUNTY</b> \$10,000,000 Convention Center Improvements G.S. 160A-20 Financing Agreement Private Placement	Improvements to the County owned New Bern Riverfront Convention Center including replacement of two chillers and one generator, the restoration and renovation of exterior and interior features and enclosing certain areas for the creation of additional pre-function space.  <u>Expected Sources and Uses of Funds:</u> Sources: Bank Loan \$ 10,000,000 Total Sources \$ 10,000,000  Uses: Project Fund \$ 9,967,500 Cost of Issuance \$ 32,500 Total Uses \$ 10,000,000	Necessary and expedient to continue to offer a viable convention center option for the various functions that are hosted there.	Bids are in hand.	No deficiencies or defaults noted.	No tax increase is required. Debt service will be paid from Occupancy Tax revenues.	Bank: ZMFU II, Inc. d/b/a Zions Bancorporation Amount \$ 10,000,000 Approval Rate: 2.200% Term (years): 14.5 Market Rate: 2.75% Payment: Annual principal and semi-interest  Bank placement will not be rated. Current G.O. ratings: S&P: N/A Moody's: N/A  <b><u>FINANCING TEAM</u></b> Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: First Tryon Advisors  Installment purchase contract is more timely than issue of G.O. Bonds.
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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
Convention Center	103,800	\$ 10,000,000	8/19/2019	\$ -	\$ 9,360,000,000	\$ 48,031,230	\$0.5494	0.51%	0.62%	\$ 463	\$ 559

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	
<b>CURRITUCK COUNTY</b> \$21,400,000 Public Safety Building G.S. 160A-20 Financing Agreement Private Placement	Construction of a Public Safety Facility located in Maple NC. The facility will be a cooperative effort between Currituck County and the College of the Albemarle. There will be classes for the community college, offices for the County public safety departments, some state offices and the Currituck County Emergency Operations Center.  <u>Expected Sources and Uses of Funds:</u> Sources: Bank Loan \$ 21,400,000 Grants \$ 1,000,000 Cash Contribution \$ 3,237,055 Total Sources \$ 25,637,055  Uses: Project Costs \$ 25,637,055 Total Uses \$ 25,637,055	Necessary and expedient to provide training for EMS, Fire and Law Enforcement through the community college to both Currituck County employees and citizens as well as those and the surrounding areas. and provide adequate office space for County emergency operations.	Guaranteed Maximum Price (GMP) is in hand.	No deficiencies or defaults noted.	No tax increase is required. Debt service will be paid from revenues to the Capital Reserve Fund and Transfer Tax Capital Fund.	Bank: Branch Banking and Trust Amount \$21,400,000 Approval Rate (Tax Exempt): 2.520% Term (years): 10 Market Rate: 2.50% Payment Semi-annual principal and interest  Bank placement will not be rated. Current G.O. ratings: S&P: AA- Moody's: Aa3  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
County Buildings	26,666	\$ 21,400,000	7/15/2019	\$ -	\$ 5,858,958,160	\$ 10,510,825	\$0.4800	0.18%	0.54%	\$ 394	\$ 1,197

<b>DAVIE COUNTY</b> 240 Month Lease (Two Optional 60 month Extensions) Total payments of \$7,166,250 G.S. 159-148 Operating Lease Private Placement	Enter into a lease agreement for a 68,000 square foot building to house the County's Sheriff's Department and Health and Human Services.	Necessary and expedient to meet the needs outlined in a 2017 County's Facilities Study and to consolidate these Departments as they are currently spread across many small ageing facilities. The County determined it would be financially beneficial to lease instead of new construction.	The County has analyzed market rent prices in comparable markets and determined that the asking price on the lease was favorable.	No major deficiencies. No defaults noted.	No tax increase is required. Lease payments will be paid from revenues to the General Fund.	<b>APPROVALS</b> Total Lease Amount (Original Term): \$ 4,606,875 Total Lease Amount (With both extensions): \$ 7,166,250 Term (Months): (Beginning 04/01/2020) 240 - 360 Payment: Base rate with annual escalations. Range (\$3.00-per square foot with \$0.25 increase at years 6, 11, & 16 )  Current G.O. Ratings: S&P: AA Moody's: Aa2  Financial Advisor: Davenport & Company  Installment purchase necessary financial instrument for lease.	
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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
County Building	42,686	\$ 7,166,250	8/5/2019	\$ -	\$ 4,664,923,686	\$ 63,688,600	\$0.7380	1.37%	1.52%	\$ 1,492	\$ 1,660

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE					
CITY OF GASTONIA \$24,000,000 Taxable Limited Obligation Bonds, Downtown Multi-Purpose Stadium Project, Series 2019 G.S.160A-20 Limited Obligation Bonds Publicly Offered	Construction of a multi-purpose stadium between Downtown Gastonia and Loray Mill District. The complex will be centered around a baseball field with spaces designated for commercial development around the perimeter.	Necessary and expedient to meet the demand for economic growth and revitalization in the Franklin Urban Corridor.	GMP is in hand.	No major deficiencies. No defaults noted.	No tax increase is required. Debt service will be paid from revenues to the General Fund and the Occupancy Tax.	Structure: Annual principal and semi-annual interest payments. Debt service follows straight line amortization.  Expected Ratings: Fitch: AA-; S&P: A+ Expected Rate: Effective Interest Cost (TAXABLE): 3.359% Expected Underwriters Fee/\$1,000: \$ 5.59					
						APPROVALS					
						Amount Not To Exceed: \$ 24,000,000					
						Approval rate not to exceed (TAXABLE): 4.100%					
						Final Maturity not beyond: 2039					
						FINANCING TEAM					
						Bond Counsel: Womble Bond Dickinson (US) LLP					
						Underwriter: Robert W. Baird & Co., Inc.					
						Underwriter's Counsel: Pope Flynn, LLC					
						Financial Advisor: First Tryon Advisors					
					Trustee: US Bank N.A.						
					Installment purchase contract is more timely than issue of G.O. Bonds.						
					Debt Ratios-Excluding Enterprise Funds						
					To Property Values Per Capita						
Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Before	After	Before	After
Stadium	75,919	\$ 24,000,000	4/2/2019	\$ -	\$ 5,821,582,583	\$ 40,290,269	\$0.5300	0.69%	1.10%	\$ 531	\$ 847
										Gaston County	\$ 1,952



UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE					
<b>HARNETT COUNTY</b> \$25,000,000 Government Building G.S.160A-20 Limited Obligation Bonds Publicly Offered	Construction of a governmental building that will house the main County Library and Veteran's Services and County administrative services offices on the second floor.	Necessary and expedient to meet the demand for space and the ability to move other County offices out of rented space and into the previously occupied buildings.	GMP is in hand.	No major deficiencies. No defaults noted.	No tax increase is required. Debt service will be paid from Revenues to the General Fund.	Structure: Annual principal and semi-annual interest payments. Debt service follows straight line amortization.  Expected Ratings: S&P: A+; Moody's: Aa3 Expected Rate: Effective Interest Cost: 2.405% Expected Underwriters Fee/\$1,000: \$ 4.96					
	<u>Expected Sources and Uses of Funds:</u>										
	Sources:					APPROVALS					
	Par Amount \$ 20,815,000					Amount Not To Exceed: \$ 25,000,000					
	Premium \$ 4,579,822					Approval rate not to exceed: 3.250%					
	Total Sources \$ 25,394,822					Final Maturity not beyond: 2039					
	Uses:					FINANCING TEAM					
	Project Costs \$ 25,000,000					Bond Counsel: Parker Poe Adams & Bernstein LLP					
	Costs of Issuance \$ 293,662					Underwriter: PNC Capital Markets (Senior); R.W. Baird (Co-manager)					
	Underwriter's Discount \$ 101,160					Underwriter's Counsel: McGuire Woods LLP					
Total Uses \$ 25,394,822					Financial Advisor: Davenport & Company						
					Trustee: US Bank N.A.						
					Installment financing agreement is the necessary vehicle for this financing.						
					Debt Ratios-Excluding Enterprise Funds						
					To Property Values Per Capita						
					Before After Before After						
Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	3.22%	3.52%	\$ 2,088	\$ 2,277
County Building	131,645	\$ 25,000,000	8/19/2019	\$ 70,500,000	\$ 8,525,466,617	\$ 204,315,960	\$0.7500				

[illegible]

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>WATAUGA COUNTY</b> \$24,000,000 Taxable Limited Obligation Refunding Bonds, Series 2019 160A-20 Installment Contract Public Offering	Refunding of Series 2012A Limited Obligation Bonds which re-financed a 2008 loan. Current capital market conditions indicate an aggregate net present value savings (NPV) of approximately \$734,659 or 3.518% of the refunded balance.  <u>Expected Sources and Uses of Funds:</u>  Limited Obligation Bonds at Par: \$ 23,105,000 Total Sources \$ 23,105,000  Uses: Refunding Escrow Deposits \$ 22,867,929 Issuance Costs \$ 118,126 Underwriters Discount \$ 118,945 Total Uses \$ 23,105,000	Necessary and expedient to avail the County of lower financing costs.	Verification of the adequacy of the escrowed refunding balances of the Series 2012A LOBs will be performed by Bingham.	No major deficiencies. No defaults noted.	No tax increase is required. The current debt service has been budgeted. If an NPV savings of 3.518% is generated, it will result in an aggregate average annual savings of approximately \$81,200.	Structure: Annual principal and semi-annual interest payments. Approximate level realization of savings over the life of the original LOBs. The original terms of the financings have not been extended.  Expected Ratings: S&P: AA, Expected Rate: Effective Interest Cost (TAXABLE): 2.469% Expected Underwriters Fee/\$1,000: \$ 5.15  APPROVALS Amount Not To Exceed: \$ 24,000,000 Approval rate not to exceed (TAXABLE): 2.950% Final Maturity not beyond: 2028  FINANCING TEAM Bond Counsel: Parker Poe Adams & Bernstein LLP Underwriter: RW Baird; Underwriter's Counsel: Womble Bond Dickinson (US) LLP Verification Agent: Bingham Arbitrage Rebate Services.  Limited Obligation Bond structure is more timely and feasible than G.O. Bonds

				Debt Ratios-Excluding Enterprise Funds			
				To Property Values	Per Capita		
Purpose	Estimated Census	Amount	Public Hearing	Before	After	Before	After
Refunding - Schools	55,121	\$ 24,000,000	9/3/2019	\$ 0.54%	0.54%	\$ 900	\$ 900

<b>YADKIN COUNTY</b> \$4,622,000 Sheriff's Administration Building G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the construction of the Yadkin County Sheriff's Administration Building.	Necessary and expedient to provide additional space and a more effective and efficient training facility.	Bids in hand.	No Major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: BB&T Approval Rate: 2.94% Term: 20 Years Market Rate: 3.00% Payment: Semi-Annually S&P: A Moody's: A	Installment purchase contract is more timely than issue of G.O. Bonds
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				Debt Ratios-Excluding Enterprise Funds			
				To Property Values	Per Capita		
Purpose	Estimated Census	Amount	Public Hearing	Before	After	Before	After
County Building	37,543	\$ 4,622,000	8/5/2019	\$ 1.02%	1.19%	\$ 706	\$ 829

UNIT	PROJECTS	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS AND OTHER INFORMATION	MARKETABILITY	
<b>TOWN OF CARY</b>	To provide funds to pay capital costs of various capital improvement projects as follows:	Projects were selected based on input from the community and within the "Community Plan" that was adopted in 2017. All of the projects are necessitated by continuing growth and robust development throughout the Town and in adjacent areas.	The Town's professional staff and various outside engineers have prepared the necessary cost estimates. Costs are deemed not excessive for the range of projects included.	No major deficiencies. No defaults noted.	A tax increase of 7.0¢ is anticipated.	Bond Counsel: Womble Bond Dickinson (US) LLP	Moody's: Aaa	
\$225,000,000					An additional tax rate increase of up to 1.5¢ is expected for operational costs.		S&P: AAA	
General Obligation Bonds					The Town plans to contribute about \$10,350,000 of accumulated cash to supplement the bond proceeds (\$6.35 M for Transportation projects and \$4.0 M for Park & Rec. projects)		Fitch: AAA	
\$113,000,000	<b>Transportation:</b> \$23,000,000 reimbursements to NC DOT for various betterments including upgrades to an I-40 Interchange; road widening projects; construction of sidewalks, trails, greenways and other improvements to separate auto traffic from pedestrian and bicycle traffic; signal, median and landscaping upgrades; and construction of tunnels under future NC 540 for pedestrians and bicycles; \$22,300,000 million for reimbursements to developers of a major mixed-use development near I-40 and Cary Town Blvd. (Fenton); for intersection improvements, for traffic signal upgrades & improvements to the interchange; for street construction and extension (Trinity Road); for frontage improvements along Cary Towne Blvd., and for offsite R-O-W and easement costs (Quinard Drive); \$14,000,000 for street resurfacing and maintenance; \$13,000,000 for sidewalk improvements; \$28,700,000 for road widening projects; \$5,000,000 for Intersection improvements; \$1,000,000 for grade separation projects, and \$5,000,000 for downtown parking projects.	General Obligation Bonds are the most cost effective means to finance the projects.			Town Council does not consider this tax rate increase excessive.			
\$112,000,000	<b>Parks and Recreation</b> \$75,000,000 for construction of new parks, including a major park downtown with water features, a pavilion for concerts with food/beverage facilities, and 3 neighborhood parks; \$20,000,000 for land banking for future projects; \$14,100,000 for upgrades to existing parks; and \$2,900,000 for construction of greenways.							

Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate
Transportation	163,930	\$ 113,000,000	10/8/2019	\$ -	\$ 27,024,529,414	\$ 136,631,927	\$ 0.35
Parks and Recreation		112,000,000					
		\$ 225,000,000					

Debt Ratios-Excluding Enterprise Funds

To Property Values Before	Per Capita After	Before	After
0.51%	1.34%	\$ 833	\$ 2,206
			Wake County \$ 2,068

UNIT	PROJECTS	EXPEDIENT	EXCESSIVE	MANAGEMENT	TAX INCREASE	OTHER INFORMATION	MARKETABILITY	
<b>CLAYTON, TOWN OF</b> \$18,000,000 General Obligation Bonds	To provide funds to pay the costs of Parks and Recreation capital improvement projects including: Major upgrades to Municipal Park in the downtown area; Construction of Phases 2 and 3 improvements to the Clayton Community Center; Upgrades to Community Park on the west side of Town; Major upgrades to the East Clayton Community Park; and Development of additional park facilities on Town-owned land and provisions for additional recreation facilities as detailed in the Town's Capital Improvement Plan. Total projects are estimated at \$23.35 million, including a contingency of \$2,125,000.	The Town Council has determined that these projects are necessary to meet the current needs of the rapidly growing Town and for the surrounding community.	Cost estimates provided by the consulting architect, Sage Design.	No major deficiencies. No defaults noted.	The Town Council increased the tax rate by 3.0¢ for fiscal year 2019. The Town is designating the equivalent of 6.0¢ of the current tax rate for debt service and a cash component (\$3.47 million) to provide for these projects. The Town has commitments from local groups to provide about \$900,000 in grant funds and Clayton plans to apply for a PARTF grant of (approx.) \$275,000.	<u>Bond Counsel:</u> McGuireWoods LLP  <u>Financial Advisor:</u> Davenport & Company LLC	Moody's: Aa2 S&P: AA	

				Debt Ratios-Excluding Enterprise Funds				
Purpose		Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate
Parks and Recreation Facilities		20,112	\$ 18,000,000	11/5/2019	\$ -	\$ 1,951,740,682	\$ 13,374,000	\$ 0.580
		Before	After	Before	After	Before	After	
		0.69%	1.61%	\$ 665	\$ 1,560			
		Johnston County			\$ 1,197			

PROJECT		PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<b>TOWN OF APEX</b>		Necessary and	Bids are in hand.	The Town and its Financial	No major	The lending is a	Term: 20 years
G.S. 159; Article 5		expedient to provide		Advisor provided electric	deficiencies. No	direct bank	Interest Rate: Fixed
Enterprise Systems Revenue Bonds,		the Electric		fund operating projections	defaults noted.	placement. A	Structure: Approximately effective interest amortization
Series 2019		Department with		through fiscal year 2024.		proposal from the	resulting in level total debt service payments across the
Direct Bank Placement		necessary space for		The projections		bank has been	term of the bonds.
Amount not to exceed:	\$ 10,000,000	personnel, equipment,		demonstrate debt service		received and	
		supplies, vehicles and		coverage ratios of at least		accepted contingent	APPROVALS
Project:		a single secure		3.47X through FY 2024		on Local	Final maturity: Not beyond 2039
Construction of a 20,000 square foot administration		location for Electric		based on rate covenant		Government	Interest Rate not to exceed:
and operations facility for the Town's Electric		Department operational		requirements. No		Commission	Interest Rate: 2.00%
Department.		inventory. The current		imminent rate increases		approval of the	
		space used by the		are being contemplated.		transaction.	Amount not to exceed: \$10,000,000
		Electric Department					
		will be used by the					
		Public Works					FINANCING TEAM:
		Department and will be					Bond Counsel: Womble Bond Dickinson (US) LLP
		adequate for Public					Lending Bank: Pinnacle Financial Partners
		Works needs for the					Bank's Counsel: McGuireWoods LLP
		next 10-15 years.					Financial Advisor: Davenport & Company LLC
<u>Expected Sources and Uses of Funds:</u>							Registrar/Trustee: U.S. Bank, N.A. (DTC)
Sources:							
Revenue Bonds at par:	\$ 10,000,000						
Town Contribution	\$ 1,635,000						
Total Sources	<u>\$ 11,635,000</u>						
Uses:							
Project Fund Deposits	\$ 11,525,000						
Issuance Costs	\$ 110,000						
Total Uses	<u>\$ 11,635,000</u>						

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<b>CITY OF CHARLOTTE HOUSING AUTHORITY</b> <b>MULTI-FAMILY MORTGAGE REVENUE BONDS</b> (Brookshire Boulevard), Series 2019	Charlotte Housing Authority has found that the project is necessary to continue to provide an adequate supply of affordable housing for residents of the City.	The developer has provided a Phase I Environmental Site Analysis, and a Market Study, along with a construction contract for the project which supports the valuations thereof.	The developer has provided 20-year cash flow projections that show debt service coverage for the bonds will range from 1.15X to 1.39X.	No defaults noted. No major deficiencies.	Direct Purchase.  Purchaser will restrict any bond transfers to a "Qualified Transferee" defined as Accredited Investors as currently defined in SEC Reg. D or a qualified institutional buyer as defined in Rule 144A of the Securities Act of 1933, but excluding individual investors, including high net worth individuals.	Term: Approximately 18 years after 30 months construction  40 year amortization Direct Purchase Structure  Interest Rate: Construction Phase: 1 month LIBOR +2.75%; current indicative rate 4.92% Permanent Phase: LIBOR + 2.50%, to be fixed by a swap current indicative rate 4.82% Structure: Construction phase-interest only approximately level debt service thereafter
G.S. 159-148; 159-153; 157-17.1						
Not to exceed \$11,500,000 The proceeds of the bonds will be used to provide a loan to Brookshire Boulevard I, LLC a North Carolina limited liability company, or an affiliate, for the acquisition, construction and equipping of approx. 96 apartment units located in the City of Charlotte on 11.6 acres. The apartments are targeted for family tenants. The apartments will be built in accordance with the specifications provided in the application for low-income housing tax credits (LIHTC) as approved by the NC Housing Finance Agency (NCHFA).	The development will be a mixed income development with 100% of the units dedicated to households with incomes at or below 60% of the area median income for the Charlotte area. 20% of the units will be set aside for the State's Key program, serving households with disabilities.	The issuer has found that the debt to be incurred in connection with the project is adequate but not excessive and the fees are reasonable. In addition, the Rental Investment section of the NCHFA has reviewed this information and has found it to be reasonable.	The lender has performed its own credit review.  The developer commissioned a market analysis which concluded sufficient support for the introduction and absorption of affordable rental units within the market area at the proposed affordable rental rates.			
Sources of Funds						APPROVALS
Ist Mortgage Note	\$ 8,450,000	This will exceed tax				Amount: Not to exceed \$11,500,000.
City HTF Loan	\$ 4,224,000	code requirements				Final Maturity: Not to exceed December 31, 2062
Federal LIHTC Equity	\$ 4,858,183	restricting 40% of the				Interest Rate: Tax-exempt not to exceed 8.0%
Deferred Developer Fee & Interim Sources	\$ 145,809	96 units to residents				
Total Sources	\$ 17,677,992	with incomes restricted to 60% of area median income.				
Uses of Funds						FINANCING TEAM
Construction and Land Acquisition	\$ 14,460,303				Each transferee will execute a letter stating its full intent to retain the note for its own portfolio and stipulating that any transfer of the note must be restricted to a Qualified Transferee.	Bond Counsel: McGuireWoods LLP
Fees and soft costs	\$ 1,295,600					Borrower: Brookshire Boulevard I, LLC
Costs of Issuance	\$ 1,382,592					Borrower's Counsel: Blanco, Tackabery & Matamoros, P.A.
Interest, Reserves and Other	\$ 529,497					Developer: Laurel Street Residential, LLC
Total Uses	\$ 17,667,992				Sale of the note will not conflict with the sale of any other revenue bonds.	Initial Purchaser: SunTrust Bank
						Initial Purchaser Counsel: Holland & Knight LLP
						Permanent Lender: Cedar Rapids Bank & Trust
						Permanent Lender Counsel: Wintrop & Weinstine, P.A.
						LIHTC Equity Investor: STCC Brookshire Boulevard Phase 1 LLC
						LIHTC Equity Investor Legal Counsel: Holland & Knight LLP

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<b>TOWN OF MOORESVILLE</b>						
G.S. 159; Article 5						
Enterprise Systems Refunding Revenue Bonds, Series 2019	\$ 16,200,000					
Public Offering						
Refunding and defeasance of the Town's Enterprise Systems Revenue Bonds, Series 2010B (Taxable), currently with an interest subsidy provided by the Federal Government, that will be callable on May 1, 2020.	Necessary and expedient to avail the Town of lower financing costs. Current capital market conditions indicate a net present value savings (NPV) of approximately \$1,393,000 or 7.54% of the refunded bonds.	It is an "advance" refunding and Town will give up the subsidy on refunded bonds on call date. Verification of the adequacy of the escrowed refunding balances will be performed by Bingham Arbitrage Rebate Services, Inc.	The refundings,if expectations are realized, will produce net average annual cashflow savings of approximately \$250,800 in fiscal years 2020 through 2035.	No major deficiencies. No defaults noted.	Competitive Sale is scheduled on October 1 so as to not conflict with any other revenue bonds and will be based on the most favorable True Interest Cost ("TIC") bid by the successful underwriter. Bonds will have expected ratings of Moody's: Aa2, S&P: AA+	Term: Approximately 15.5 years  Structure: Amortization of the refunding principal will provide approximately level realization of savings as allowable by the structure of the refunded bonds over the term of the refunded series.  Interest Rate: Fixed  Expected Rate: True Interest Cost: 2.25%  Expected Underwriters Takedown (Fee) average: \$5.00/\$1,000* *Note: This is a competitive sale and the takedown charged is beyond the control of the issuer and its financing team. However, the takedown is a part of the calculation of the TIC and therefor is evaluated in determining the reasonableness of an underwriter's bid to purchase the issue.
Pertaining to the Series 2010B refunded bonds:						
Originally issued	\$20,825,000					
Outstanding currently	\$18,480,000					
Balance to be refunded	\$18,480,000					
<b>APPROVALS</b>						
Amount not to exceed: \$16,200,000						
Interest Rate not to exceed:						
True Interest Cost: 2.75%						
Final maturity: Not beyond 2035						
<b>FINANCING TEAM</b>						
Bond Counsel: Parker Poe Adams & Bernstein LLP						
Financial Advisor: First Tryon Advisors						
Registrar/Trustee: U.S.Bank , N.A. (DTC)						
Verification Agent: Bingham Arbitrage Rebate Services, Inc.						
<u>Expected Sources and Uses of Funds:</u>						
Sources:						
Revenue Bonds at par:	\$ 13,590,000					
Net Original Issue Discount/Premium	\$ 2,590,119					
Release of Debt Serv. Reserve Fund	\$ 2,044,196					
Accrued and Budgeted Debt Service	\$ 909,750					
Total Sources	<u>\$ 19,134,065</u>					
Uses:						
Refunding Escrow Deposits	\$ 18,861,856					
Issuance Costs	<u>\$ 204,259</u>					
Underwriter's Discount	\$ 67,950					
Total Uses	<u>\$ 19,134,065</u>					



PROJECT	NECESSARY AND EXPEDIENT ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY	DATE & MANNER OF SALE/ADVERSE EFFECTS	TERMS/OTHER INFORMATION
<b>GALLOWAY RIDGE, INC.</b> Retirement Facilities First Mortgage Revenue Refunding Bonds Series 2019A Amount (par) not to exceed: \$ 52,000,000 Location: Pittsboro (Chatham County) Licensed beds: Independent living units 300 Adult care home beds 51 Skilled nursing beds 40  Bond proceeds will be used for the following purposes: Refinance 2010A Bonds. The proceeds of the Series 2010A Bonds were used to construct and equip 66 independent living apartments, one independent living villa, 29 assisted living units and 24 skilled nursing beds and supporting common areas.	NCMCC has previously approved the project.  The principal reason for the refunding is to generate NPV savings. The refunding is estimated to produce net present savings of \$10,046,766 or 20.89%.	No major deficiencies. No defaults noted.	Borrower has provided projections showing estimated debt service coverage of at least 1.38 times through 2023.	Public Sale in \$5,000 denominations. Pricing is currently scheduled for October 10, 2019 and will not conflict with any other revenue bond issue.  Bonds are unrated.	Terms: approx. 20 years  Interest Rate: Fixed True Interest Cost: 3.61% Expected Underwriting Fee: not to exceed \$12.50/1000  Structure: approximate level debt savings No extension in maturity  APPROVALS: Amount not to exceed \$ 52,000,000 Final maturity not to exceed January 31, 2039 Approval rate not to exceed: True Interest Cost 6.00 %  FINANCING TEAM: Bond Counsel: Robinson, Bradshaw & Hinson, P.A. Underwriters: BB&T Capital Markets Co-Underwriter: HJ Sims Underwriters' Counsel: McGuireWoods LLP Borrower Counsel: Womble Bond Dickinson (US) LLP Escrow Agent/Trustee: The Bank of New York Mellon Trust Company, N.A. Company, N.A. Escrow Agent/Trustee Counsel: Nexsen Pruet Financial Advisor: First Tryon Advisors Verification Agent: Bingham Arbitrage Rebate Services
<b><u>Sources and Uses of Funds</u></b> <b><u>Sources:</u></b> Par Amount \$ 48,085,000 Premium \$ 3,557,817 Trustee Held Funds \$ 1,971,981 Equity \$ 422,423 Total Sources of Funds \$ 54,037,221					
<b><u>Uses:</u></b> SLGS Purchases \$ 53,161,114 Cost of Issuance \$ 276,164 Underwriter's Discount \$ 599,943 Total Uses of Funds \$ 54,037,221					

PROJECT	NECESSARY AND EXPEDIENT ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY	DATE & MANNER OF SALE/ADVERSE EFFECTS	TERMS/OTHER INFORMATION
<b>LUTHERAN RETIREMENT MINISTRIES OF ALAMANCE COUNTY, INC (d/b/a TWIN LAKES)</b> North Carolina Medical Care Commission Retirement Facilities First Mortgage Revenue Bonds (Twin Lakes Community) Project Series 2019A and 2019B	NCMCC has previously approved the project. All necessary permits and approvals have been received. The project is under a Guaranteed Maximum Price.	No major deficiencies. No defaults noted.	A feasibility study completed by Dixon Hughes Goodman LLP shows estimated debt service coverage of at least 1.6 times through 2023.	2019A: Public Sale in \$5,000 denominations. Pricing is currently scheduled for September 25, 2019 and will not conflict with any other revenue bond issue.  2019B: Direct Purchase Loan with BB&T Community Holdings Co. currently is anticipated to close on the week of October 7, 2019.  Transfer is restricted to certain entities, including Qualified Institutional Buyers (QIBs)  Anticipated Fitch rating: Fitch: BBB or BBB+	Term: Approximately 30 years No extension in maturity  Interest Rate: Series A - Fixed True Interest Cost: 4.45% Expected Underwriting Fee: not to exceed \$9.50/1000 Series B - Variable (79% of 1 Month LIBOR) + .91%; currently 2.62%  Structure: Overall level debt service payments.  2019B: Should Bank call the loan, the Borrower has the option to find another non-bank qualified loan provider, or the Bank will pay off the NCMCC Bond and enter into a taxable loan on terms agreed to by the Bank and Borrower.  After closing the 2019B Bond has the option to enter into an interest rate swap for the purpose of hedging.  APPROVALS: Amount not to exceed \$78,000,000 Final maturity not to exceed July 1, 2049 Interest Rates not to exceed: 2019A: True Interest Cost 6% 2019B: Initial rate not to exceed 6%
Amount (par) not to exceed:	\$ 78,000,000	The purpose for refinancing the 2019B Bond is to lock in new and longer terms as it is nearing the put date.			
Location: Elon/Burlington (Alamance)					
Licensed beds: Independent living units 406					
Assisted living units 52					
Skilled nursing beds 120					
The proceeds from the sale of the 2019A Bonds will be used to:					
a) Construct a replacement to a nursing facility (the "Project").					
The Project will be a one-story building with 104 nursing beds and will replace the existing beds currently housed in Coble Creek. The Project will contain all private rooms of approximately 341 sq. ft. with private baths.					
b) Fund a debt service reserve fund, if necessary					
c) Cost of issuance.					
The proceeds from the sale of the 2019B Bonds will be used to:					
a) Refund the 2009 Bonds, currently \$16,700,000 is outstanding.					
b) To pay costs of the Project					
c) Cost of issuance					
<b><u>Sources and Uses of Funds</u></b>					
<b><u>Sources:</u></b>					
Par Amount - Series A	\$ 48,000,000				
Premium	\$ 4,220,337				
Bank Placement - Series B	\$ 24,660,000				
Total Sources of Funds	<u>\$ 76,880,337</u>				
<b><u>Uses:</u></b>					
Project Fund Deposits Series A	\$ 46,593,317				
Project Fund Deposits Series B	\$ 7,849,165				
Refund 2009 Bonds	\$ 16,700,000				
Debt Service Reserve Fund	\$ 4,462,076				
Cost of Issuance	\$ 1,275,779				
Total Uses of Funds	<u>\$ 76,880,337</u>				
				FINANCING TEAM	
				Bond Counsel: Parker, Poe, Adams & Bernstein LLP	
				Borrower's Counsel: Fox Rothschild LLP	
				Bank Purchaser: BB&T Community Holdings Co.	
				Bank Purchaser Counsel: Moore & Van Allen PLLC	
				Underwriter: Ziegler Capital Markets Group	
				Co-Underwriter: Davenport & Company LLC	
				Underwriters' Counsel: Robinson, Bradshaw & Hinson, P.A.	
				Feasibility Consultant: Dixon Hughes Goodman LLP	
				Auditor: Gilliam Coble & Moser LLP	
				Trustee: The Bank of New York Mellon Trust Company, N.A.	
				Trustee Counsel: Nexsen Pruet, LLC	

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>FRANKLIN COUNTY</b> Sewer \$1,365,000 G.S. 159G-22 Revolving Loan	Replacement of old analog dialers with SCADA; replacement of aging pump controls; replacement of level float switches with newer level technology such as bubblers and level transducers; installation of debris baskets; replacement of old pumps with new energy efficient pumps; replacement of existing station piping; installation of new valve vaults; installation of emergency bypass pump-around connections and installation of new access hatches and safety equipment.	Necessary and expedient because three pump stations are over 20 years old and have exceeded their useful service lives.	Cost estimates provided by Municipal Engineering Services Co., PA.	No major deficiencies. No defaults noted.	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: \$43.85 Sewer: \$49.61	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
<b>FRANKLIN COUNTY</b> Sewer \$8,316,000 G.S. 159G-22 Revolving Loan	Replacement of an aged AAA (Anaerobic/Aerobic/Anoxic) Basin and aging steel digester. The plant uses two AAA Basins, the oldest of which is a steel structure. A new concrete AAA Basin will be constructed beside the existing AAA Basin. Flow from the existing grit unit will be diverted to the new AAA Basin. A new splitter box will be constructed to split flow between the two existing clarifiers. Other items addressed in the project are the installation of new blowers for the entire plant, including construction of a new blower building. Significant electrical upgrades and new instrumentation installed at critical process points will also be a part of the project.	Necessary and expedient due to an aging steel tank which shows signs of corrosion and rust, limited internal functions of the digester because of piping failure, and buckling / deformity on one side of the steel tank.	Cost estimates provided by LKC Engineering, PLLC.	No major deficiencies. No defaults noted.	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: \$43.85 Sewer: \$49.61	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
<b>NEUSE REGIONAL WATER &amp; SEWER AUTHORITY</b> Water \$1,220,000 G.S. 159G-22 Revolving Loan	This project includes the installation of two proposed 7.5 - million gallon (MG) intake screens, including supports, piping, valving, et al; remove and install two existing piping; modify air-burst system and compressed air storage tank; install connection for proposed 36-inch intake piping to existing western intake pipe.	Necessary and expedient to provide a more permanent solution to address both the sediment buildup and freezing around the raw water intake screens in order to improve the water supply reliability to the Neuse Regional Water & Sewer Authority's 40,000 customers and to reduce the need for future, frequent and costly dredging.	Cost estimated provided by CDM Smith Inc.	No major deficiencies No defaults noted.	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: \$20.00	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

PROJECT	FINANCIAL CAPABILITY AND SECURITY	PUBLIC FACILITIES MADE AVAILABLE	MANNER OF SALE ADVERSE EFFECTS	PROJECTS OPERATED FOR PUBLIC BENEFIT	TERMS/OTHER INFORMATION
<b>THE NCCU REAL ESTATE FOUNDATION, INC.</b> North Carolina Capital Facilities Finance Agency Student Housing Facilities Revenue Bonds (NCCU Real Estate Foundation, Inc. Project Series 2003A) Amount: Not to exceed \$14,955,000 Location: Durham, N.C.	The Foundation will use rental revenue to repay the debt. Foundation has provided projections from 2020 through 2024 which show a debt service coverage for the bonds of 1.73 to 2.4 times.	Water and sewer services will be provided by the City of Durham, gas by Public Services of North Carolina and electricity by Duke Power.	Private Direct Placement with STI Institutional & Government, Inc. The conversion is currently anticipated to close on October 17, 2019.	Resolution and covenant received from the Foundations Board of Directors that the project will be operated for the public good as a part of the borrower's mission and it will be operated to benefit the community without regard to race, creed, color or national origin.	Term: Approximately 14 years  Interest Rate: Fixed 2.70%  Structure: The 2003A debt structure will remain the same; approximately level debt service payments. The final maturity will be reduced by one year and part of the 2033 maturity.
Conversion of Series 2003A. This was a loan to the NCCU Real Estate Foundation, Inc. (the "Borrower") used (i) to finance the acquisition development and construction of an approximately 109 unit, 408 bed student housing project; (ii) to fund an amount equal to Debt Service Reserve Fund Requirement; (iii) to fund capitalized interest and certain financing costs; and (iv) to pay the costs of issuance of the Bonds).	The purpose of this financing is to convert existing bonds to a fixed rate and terminate their existing LOC with Wells Fargo. In addition the Foundation plans to decrease their weighted average maturity by using their DSRF to pay off the existing 2034 maturity and use the remainder to pay down the 2033 maturity.				APPROVALS  Amount: Not to Exceed \$14,955,000 Final Maturity: Not to extend beyond 2034 at closing; then 2033 once the DSRF is applied Initial Interest Rate not to exceed 6%
<b>Estimated Sources and Uses of Funds</b> Sources: Par Amount of Bonds Equity Release of 2003A Debt Service Reserve Funds Total Sources of Funds	\$ 14,955,000 \$ 915,000 \$ 1,476,800 <u><u>\$ 17,346,800</u></u>				FINANCING TEAM  Bond Counsel: Parker, Poe, Adams & Bernstein L.L.P. Foundation Counsel: The Banks Law Firm, P.A. Bank: STI Institutional & Government, Inc (subsidiary of SunTrust Bank) Bank Counsel: Moore & Van Allen PLLC Trustee: U.S. Bank, N.A. Financial Advisor: First Tryon Advisors
Uses: Convert Series 2003A SWAP termination fee Cost of Issuance Paydown 2003A Bonds Total uses of funds	\$ 14,955,000 \$ 725,000 \$ 190,000 \$ 1,476,800 <u><u>\$ 17,346,800</u></u>				The Borrower is a non-profit corporation (whose Board is appointed by the Chancellor of NCCU) created to acquire property and to construct residential facilities for students (assist in developing and increasing the facilities of the University. The primary revenue source of the Foundation's budget are student rents from housing. Occupancy rates for foundation units have been between 95% and 98% for the past four fall semesters. The current total enrollment of the University is 8,207 of which 6,434 are undergraduates As of June 30, 2019, the Foundation had cash balances of approximately \$6.4 Million, unrestricted net assets of approximately \$740,000 and total net assets of \$(371,568).

PROJECT	FINANCIAL CAPABILITY AND SECURITY	PROVISION OF PUBLIC FACILITIES / COPE WITH PROJECT	MANNER OF SALE: ADVERSE EFFECTS	TERMS/ OTHER INFORMATION
<b>INTERNATIONAL PAPER COMPANY</b> <b>Columbus County Industrial Facility and Pollution</b> <b>Control Financing Authority</b> Environmental Improvement Revenue Refunding Bonds Amount not to exceed: Pollution Control: Series 2019A   \$           6,600,000 Special Purpose: Series 2019B   \$           7,000,000 Pollution Control: Series 2019C   \$        13,500,000 \$        27,100,000  Location:                           Riegelwood Project: Current refunding of 2009 Series A Environmental Improvement Revenue Bonds (International Paper still owns and operates the project). Refunding for savings. Company expects to save approximately \$115,000 annually as a result of the refinancing. The final maturity (year 2033) is not being extended.  Current refunding of 2009 Series B Recovery Zone Facility Bonds (International Paper still owns and operates the project). Refunding for savings. Company expects to save approximately \$192,000 annually as a result of the refinancing. The final maturity (year 2033) is not being extended.  Current refunding of 2017 Series A Environmental Improvement Revenue Refunding Bonds (International Paper still owns and operates the project). Refunding for savings (Will be Series 2019C). Company expects to save approximately \$170,000 annually as a result of the refinancing. The final maturity (year 2027) is not being extended.	Company is currently rated by Moody's Baa2 and S&P BBB (2018 annual report).  Three year review of financial statements demonstrates financial strength of one of the largest paper companies. Company is and will continue to unconditionally guarantee the bonds.	No additional services required as a result of the refunding.	Public offering in \$5,000 denominations. Will be rated by Moody's and S&P Baa2; BBB  Will be part of composite sale for several issues involving several states. Underwriter chosen by competitive bid process.	Bond Counsel: McGuireWoods LLP Interest Rate: Initially, Fixed Rate Period Expected Interest Rates Effective Interest Cost: Series 2019A - 3.5% Series 2019B - 3.5% Series 2019C - 3.5%  <u>APPROVALS</u> The bonds will be authorized to be issued in a variety of interest rate periods at fixed or variable rates. Interest Rate: Not to exceed 12%  Maturities: Maturity not beyond: November 1, 2033 (bullet) for Series 2019A Maturity not beyond: November 1, 2033 (bullet) for Series 2019B Maturity not beyond: March 1, 2027 (bullet) for Series 2019C  <u>FINANCING TEAM</u> Borrower: International Paper Company Bond Counsel: McGuireWoods LLP Underwriters: US Bancorp Investments, Inc. PNC Capital Markets LLC Underwriter Counsel: Katten Muchin Rosenman LLP Trustee/Registrar: Regions Bank.Cede & Co.

**MISCELLANEOUS:  
CRAVEN COUNTY**

**(ACTION ITEMS):**  
The County of Craven requests the Commission to approve a change in the interest rate for the \$8,500,000 General Obligation Refunding Bond, Series 2019 that was approved by the Commission on March 5, 2019 at 2.56%. The proposed new rate is 2.60%. The Refunding Bond was designated at the time of sale as "Bank Qualified" as the County expected to incur no additional debt during calendar year 2019. The County now needs to incur installment debt for improvements and upgrades to its convention center, as a result of damage caused by Hurricane Florence and the age of the facility (20 years), in order to improve the business prospects of the convention center. The modified rate will result in a cost to the County of an additional \$8,271 over the life of the bond. However, modifying the rate and rescinding the Bank Qualified designation will allow the County to incur the installment financing agreement (not to exceed \$10,000,000) at a tax-exempt rate and save the County approximately \$603,808 over the term of the installment contract. Bond Counsel will prepare and file the necessary documents to effect the changes with the IRS. The Financial Advisor has calculated the interest costs. The Bank has agreed to the amended interest rate.

Bond Counsel:                   Womble Bond Dickinson (US) LLP  
Bank:                           PNC Bank, N.A.  
Financial Advisor:           First Tryon Advisors

**TOWN OF HUNTERSVILLE**

The Town of Huntersville requests a three-year extension per G.S. 159-64 of \$17,850,000 Street Bonds and \$7,150,000 Public Improvement Bonds authorized on November 6, 2012, of which \$11,985,000 of the Street Bonds and \$3,575,000 of the Public Improvement Bonds remain unissued, to fund various public improvements within the Town.  
The extension is necessary as the Town had procurement delays, and changeover in senior staff and elected officials during recent years. Huntersville expects to be able to issue the bonds to construct the necessary projects within the revised timetable.

Staff recommends approval of extending the authorization to November 6, 2022.

**YADKIN VALLEY SEWER  
AUTHORITY**

The Authority is requesting approval for an increase of additional funds on a State Revolving Loan. The Loan is for the rehabilitation of concrete structures and to improve access to digester mixers; rehabilitation of sludge drying beds; effluent line stream erosion (stabilize approximately 100 ft. of eroded embankment); and replacement of waste- activated sludge (WAS) pumps. The original loan amount was approved by the LGC on August 7, 2018 for \$966,000 and March 5, 2019 for an increase of additional funds by \$198,014 for a total loan of \$1,164,014 with \$483,000 in principal forgiveness. The Authority is requesting an additional increase of \$131,400 for a new total amount of \$1,295,414. The amount of principal forgiveness shall not increase. The increase is due to actual construction bids received being higher than expected due to an increasing cost environment.

**CLIFFSIDE SANITARY  
DISTRICT**

- (1) Resolution to Assume Control and Impound Books - see attachment
- (2) Resolution to Appoint Finance Officer and Deputy Finance Officer - see attachment
- (3) Resolution Calling On Rutherford County Commissioners to fill vacant Board Seats to Cliffside Sanitary District - see attachment

**TOWN OF EUREKA**

Resolution to Approve Section 7 of Eureka Budget Ordinance 2019-20.

**TOWN OF EUREKA**

Update

**SEI EVALUATIONS**

Attached

**STATE ETHICS COMMISSION**

POST OFFICE BOX 27685  
RALEIGH, NC 27611  
PHONE: 919-814-3600

**Via Email**

June 19, 2019

The Honorable Dale R. Folwell  
North Carolina Department of State Treasurer  
3200 Atlantic Avenue  
Raleigh, North Carolina 27604

**Re: Evaluation of Statement of Economic Interest by Ms. Chris Marie Farr, Chief of Staff and Chief Deputy Treasurer to Serve on the Local Government Commission**

Dear Treasurer Folwell:

Our office has received **Ms. Chris Marie Farr's** 2018 Statement of Economic Interest and 2019 No-Change Form to serve as your designee on the **Local Government Commission ("the Commission")**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

**We did not find an actual conflict of interest or the likelihood for a conflict of interest.**

The Local Government Commission ("LGC") is authorized to issue rules and regulations governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by local governments and other public authorities, including public hospitals, including rules establishing the standards for financial auditing and reporting and mutual fund investments. LGC also reviews the internal control procedures utilized by local governments and implements modifications to prevent mishandling of public monies, approves local government bonds and project development financing debt instruments, sells bonds issued by local governments, and approves financing agreements between local governments and other entities. LGC is authorized to impound the books and records of any public authority or unit of local government and assume full control of its financial affairs under specific circumstances.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business,

The Honorable Dale R. Folwell  
June 19, 2019  
Page 2 of 2

N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings. N.C.G.S. § 138A-36(c).

Ms. Farr will serve as your designee on the Commission.

In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Mary Roerden, SEI Unit  
State Ethics Commission

cc: Chris Marie Farr  
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Guide



**STATE ETHICS COMMISSION**

POST OFFICE BOX 27685  
RALEIGH, NC 27611  
PHONE: 919-814-3600

**Via Email**

August 15, 2019

The Honorable Dale R. Folwell  
North Carolina Department of State Treasurer  
3200 Atlantic Avenue  
Raleigh, North Carolina 27604

**Re: Evaluation of Statement of Economic Interest by Mr. Greg C. Gaskins  
to Serve as Your Designee on the Local Government Commission**

Dear Treasurer Folwell:

Our office has received **Mr. Greg C. Gaskins'** 2019 Statement of Economic Interest serve as your designee on the **Local Government Commission ("the Commission")**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

**We did not find an actual conflict of interest or the likelihood for a conflict of interest.**

The Local Government Commission ("LGC") is authorized to issue rules and regulations governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by local governments and other public authorities, including public hospitals, including rules establishing the standards for financial auditing and reporting and mutual fund investments. LGC also reviews the internal control procedures utilized by local governments and implements modifications to prevent mishandling of public monies, approves local government bonds and project development financing debt instruments, sells bonds issued by local governments, and approves financing agreements between local governments and other entities. LGC is authorized to impound the books and records of any public authority or unit of local government and assume full control of its financial affairs under specific circumstances.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also

The Honorable Dale R. Folwell  
August 15, 2019  
Page 2 of 2

requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings. N.C.G.S. § 138A-36(c).

Mr. Gaskins will serve as your designee on the Commission.

In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Mary Roerden, SEI Unit  
State Ethics Commission

**STATE ETHICS COMMISSION**

POST OFFICE BOX 27685  
RALEIGH, NC 27611  
PHONE: 919-814-3600

**Via Email**

July 11, 2019

The Honorable Beth A. Wood  
North Carolina Office of the State Auditor  
20601 Mail Service Center  
Raleigh, North Carolina 27699

**Re: Evaluation of Statement of Economic Interest by Mr. Timothy J. Hoegemeyer,  
to Serve as Your Designee on the Local Government Commission**

Dear Ms. Wood:

Our office has received **Mr. Timothy J. Hoegemeyer's** 2019 Statement of Economic Interest serve as your designee on the **Local Government Commission ("the Commission")**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

**We did not find an actual conflict of interest or the likelihood for a conflict of interest.**

The Local Government Commission ("LGC") is authorized to issue rules and regulations governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by local governments and other public authorities, including public hospitals, including rules establishing the standards for financial auditing and reporting and mutual fund investments. LGC also reviews the internal control procedures utilized by local governments and implements modifications to prevent mishandling of public monies, approves local government bonds and project development financing debt instruments, sells bonds issued by local governments, and approves financing agreements between local governments and other entities. LGC is authorized to impound the books and records of any public authority or unit of local government and assume full control of its financial affairs under specific circumstances.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also

The Honorable Beth A. Wood

July 11, 2019

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requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings. N.C.G.S. § 138A-36(c).

Mr. Hoegemeyer will serve as your designee on the Agency.

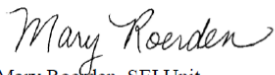
In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Mary Roerden, SEI Unit  
State Ethics Commission

**STATE ETHICS COMMISSION**

POST OFFICE BOX 27685  
RALEIGH, NC 27611  
PHONE: 919-814-3600

**Via Email**

June 20, 2019

The Honorable Ronald Penny  
North Carolina Department of Revenue  
Post Office Box 25000  
Raleigh, North Carolina 27640

**Re: Evaluation of Statement of Economic Interest by Ms. Jacqueline McKoy,  
Chief Financial Officer to Serve on the Local Government Commission**

Dear Secretary Penny:

Our office has received **Ms. Jacqueline McKoy's** 2019 Statement of Economic Interest to serve as your designee on the **Local Government Commission ("the Commission")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

**We did not find an actual conflict of interest or the likelihood for a conflict of interest.**

The Local Government Commission ("LGC") is authorized to issue rules and regulations governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by local governments and other public authorities, including public hospitals, including rules establishing the standards for financial auditing and reporting and mutual fund investments. LGC also reviews the internal control procedures utilized by local governments and implements modifications to prevent mishandling of public monies, approves local government bonds and project development financing debt instruments, sells bonds issued by local governments, and approves financing agreements between local governments and other entities. LGC is authorized to impound the books and records of any public authority or unit of local government and assume full control of its financial affairs under specific circumstances.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business,

The Honorable Ronald Penny  
June 20, 2019  
Page 2 of 2

N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings, N.C.G.S. § 138A-36(c).

Ms. McKoy will serve as your designee on the Commission.


In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Mary Roerden, SEI Unit  
State Ethics Commission

**STATE ETHICS COMMISSION**

POST OFFICE BOX 27685  
RALEIGH, NC 27611  
PHONE: 919-814-3600

**Via Email**

June 21, 2019

The Honorable Ronald Penny  
North Carolina Department of Revenue  
Post Office Box 25000  
Raleigh, North Carolina 27640

**Re: Evaluation of Statement of Economic Interest by Mr. Roderick A. Edwards  
Deputy Commissioner II to Serve on the Local Government Commission**

Dear Secretary Penny:

Our office has received **Mr. Roderick A. Edwards'** 2018 Statement of Economic Interest and 2019 No-Change form to serve as your designee on the **Local Government Commission ("the Commission")**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

**We did not find an actual conflict of interest or the likelihood for a conflict of interest.**

The Local Government Commission ("LGC") is authorized to issue rules and regulations governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by local governments and other public authorities, including public hospitals, including rules establishing the standards for financial auditing and reporting and mutual fund investments. LGC also reviews the internal control procedures utilized by local governments and implements modifications to prevent mishandling of public monies, approves local government bonds and project development financing debt instruments, sells bonds issued by local governments, and approves financing agreements between local governments and other entities. LGC is authorized to impound the books and records of any public authority or unit of local government and assume full control of its financial affairs under specific circumstances.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business,

The Honorable Ronald Penny  
June 21, 2019  
Page 2 of 2

N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings, N.C.G.S. § 138A-36(c).

Mr. Edwards will serve as your designee on the Commission.


In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities, N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation, N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Mary Roerden, SEI Unit  
State Ethics Commission



**STATE ETHICS COMMISSION**

POST OFFICE BOX 27685  
RALEIGH, NC 27611  
PHONE: 919-814-3600

**Via Email**

May 10, 2019

The Honorable Elaine F. Marshall  
North Carolina Secretary of State  
2 South Salisbury Street  
Raleigh, North Carolina 27601

**Re: Evaluation of Statement of Economic Interest  
Mr. Michael Arnold – Local Government Commission**

Dear Secretary Marshall:

Our office has received **Mr. Michael Arnold's** 2018 Statement of Economic Interest and 2019 No-Change Form as your designee to serve on the **Local Government Commission**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

**We did not find an actual conflict of interest or the likelihood for a conflict of interest.**

The Local Government Commission ("LGC") is authorized to issue rules and regulations governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by local governments and other public authorities, including public hospitals, including rules establishing the standards for financial auditing and reporting and mutual fund investments. LGC also reviews the internal control procedures utilized by local governments and implements modifications to prevent mishandling of public monies, approves local government bonds and project development financing debt instruments, sells bonds issued by local governments, and approves financing agreements between local governments and other entities. LGC is authorized to impound the books and records of any public authority or unit of local government and assume full control of its financial affairs under specific circumstances.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated

The Honorable Elaine F. Marshall  
May 10, 2019  
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persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings, N.C.G.S. § 138A-36(c).

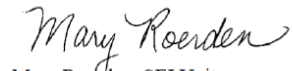
In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

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Sincerely,



Mary Roerden, SEI Unit  
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