

LOCAL GOVERNMENT COMMISSION AGENDA
FEBRUARY 1, 2022

1. PLEDGE OF ALLEGIANCE

2. CONFLICT OF INTEREST STATEMENT

3. MINUTES FOR APPROVAL

January 11 2022

(PRELIMINARY)

RELATED INFORMATION

Approximate Per Capita Debt

State: \$ 571.97

Federal: \$89,640.44

Unit	Type	Purpose	Amount	Comments	Page Number	Last request to Borrow
Hendersonville	Revenue Bond	Water and Sewer System , Series 2022	\$ 7,100,000	FPIC	3	FA 11-2021 \$14MM
Hendersonville	Revolving Loan	Misc. Loan Increase	\$ 23,514,035	FPIC	3	FA 11-2021 \$14MM
North Topsail Beach	Special Obligation Bonds	Beach Renourishment	\$ 9,500,000	FPIC	3	
BEGIN Consent Agenda						
Wake County	G.O Refunding Bonds	Current Refunding	\$ 46,000,000		4	8-3-2021:\$584 MM IFA
Murfreesboro	Revolving Loan	Sewer	\$ 37,003		5	RL \$4.3MM 8-2008
Oxford	Revolving Loan	Water (Drinking Water)	\$ 4,757,854		5	FA \$1.2MM 5-2021
River Bend	Revolving Loan	Water	\$ 130,310		5	GO - \$2.960 MM - 3/12/2013
Southport	Revolving Loan	Sewer	\$ 29,783,014		5	RL - \$702 K - 6/3/2011
Charlotte Housing Authority aka INLIVIAN	Revenue Bond	Multifamily Housing - Sugar Creek, Series 2022	\$ 23,000,000		6	R \$27.5M; \$15.4M 12-2021
Thomasville	Revenue Bond	Refinancing	\$ 4,731,000.00		7	IP - \$6.1 MM - 8/3/2021
Carolina Beach	Financing Agreement	HVAC Equipment	\$ 687,953		8	FA \$1.2MM 12-2019
Cleveland County	Financing Agreement	Shell Building	\$ 8,500,000		8	FA \$6M 04-2020
Dare County	Financing Agreement	Beach Renourishment	\$ 28,500,000		9	FA \$32.5MM 01-2021
Duplin County	Financing Agreement	Refunding Water District Debt	\$ 11,200,000		9	FA \$500K 08-2020
Franklin County	Financing Agreement	Water & Sewer Meters	\$ 4,437,000		10	FA \$725K 08-2020
Franklin County	Financing Agreement	Radio Equipment	\$ 15,100,000		10	FA \$725K 08-2020
MISCELLANEOUS ITEMS						
ACTION ITEMS						
Burlington HA	Revenue Bond	Update to Bond Documents				
Duplin County Water Districts	G.O. Refunding Bonds	Current Refunding	\$ 11,500,000		11	7/2012
Mocksville	Revolving Loan	Sewer	\$ 3,944,493	Loan Increase	11	RL - \$3.630 MM - 8/1/2020
Oxford	Revolving Loan	Misc. Loan Increase	\$ 2,253,696		11	RL 10-2021 \$3MM
Oxford	Revolving Loan	Misc. Loan Increase	\$ 6,342,139		11	RL 10-2021 \$3MM
Spencer	Financing Agreement	Term Extension	\$ 2,826,202		11	FA 12-2020 \$2.8MM
END Consent Agenda						
NON-ACTION						
Beaufort County	G.O. Refunding Bonds	Rate Modification	\$ 7,000,000	Non-Action Item	11	5-4-2021; \$21.7 MM IFA

(continued on next page)

LOCAL GOVERNMENT COMMISSION AGENDA
FEBRUARY 1, 2022

UNIT UPDATES

East Laurinburg
Eureka
Cliffside Sanitary District
Robersonville

Update Only
Update Only
Update Only
Update
Action Item
Update Only
Update Only
Update Only

Approve Budget Amendments (2)

Pikeville
Kingstown
Spring Lake

Units Engaged in Fiscal Accountability Agreement

Scotland Neck

OTHER ITEMS

DST Staff Presentation: *Technology Initiatives*
East Laurinburg Dissolution Update
Resolution Extending Certification of NCCMT
Resolution Modifying Criteria (Financial Rehab. Cities)
Resolution Approving VUR Grants
Resolution Establishing VUR Assessment Frequency
Legislative Report on LGC Operations

Update Only
Vote Needed
Vote Needed
Vote Needed
Vote Needed
Update Only (No Materials Included)

NOTE: LGC Staff recommends approval of all financing requests on the February 2022 agenda.

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
CITY OF HENDERSONVILLE Combined Enterprise System Revenue Bonds, 2022 Amount not to exceed: \$7,100,000 G.S. 159; Article 5 Private Placement	Project: consists of the replacement/rehabilitation of aging water and sewer lines mains; replacing 3,250 linear feet of 18-inch diameter sewer main along Clear Creek with a 30 inch sewer main; replacing over 800 non-AMI (Advanced Metering Infrastructure) water in the newly acquired Laurel Park water system with AMI-compatible water meters; rehabbing the City's 5MGD (million Gallons Per Day) water tank at the Ewart Reservoir; and lastly, payments to NCDOT relating to the City's share of utility improvements made in connection with NCDOT projects.	Necessary and expedient to address current capacity issues and allow for future growth.	Bids are in hand. for the projects and all major permits have been received.	The City received a FPIC (Financial Performance Indicator of Concern) due to City's audit report being submitted late on December 15, 2021. Also, the City's fund balance decreased in fiscal year 2021, and lastly, during the close of assets for the fiscal year 2021 audit, the City discovered two assets which had stopped depreciating. The City provided a response to the FPIC which was satisfactory to our Fiscal Staff.	An Agreed Upon Procedures study performed by Raffetis Financial Consultants, Inc. Demonstrates required coverages of debt service by income available for debt service as defined in the Bond Covenants of at least 1.35X on Total System Debt and at least 2.36X on Parity Bonds only through FY 2026.	Term: Not to Exceed 19.5 years Interest Rate: Fixed Structure: The debt service payments related to the new project will be approximate effective interest amortization resulting in level payments. Expected Rate: Effective Interest Cost: 2.15%	The lending is a direct bank placement. A proposal from Pinnacle Public Finance has been received and accepted contingent on Local Government approval of the transaction.
	<u>Expected Sources and Uses of Funds:</u> <u>Sources:</u> Par Amount: Total Sources \$ 6,915,000 \$ 6,915,000						
	<u>Uses:</u> Project Fund \$ 6,822,016 Cost of Issuance \$ 92,984 Total Uses \$ 6,915,000						
						APPROVALS Final Maturity: June 1, 2041 Interest Rate not to exceed: 2.15% Amount not to exceed: \$7,100,000	
						FINANCING TEAM Bond Counsel: Parker Poe Adams & Bernstein LLP Financial Advisor: First Tryon Advisors Trustee: The Bank of New York Mellon Trust Company, N.A. Feasibility Consultant: Raffetis Financial Consultants, Inc. Lender: Pinnacle Public Finance, Inc., a Bank United Company Lender's Counsel: Chapman and Cutler LLP	
CITY OF HENDERSONVILLE							
	The City is requesting approval for an increase of additional funds on a State Revolving Loan. The Loan is for the design, permit, and construction of a new water intake and pump station along the French Broad River. The City also intends to demolish the existing intake structure and construct a new intake structure and associated piping along the Mills River. The original loan was approved on August 4, 2020 for \$14,124,000. The City is requesting an increase of \$9,390,035 for a total loan amount of \$23,514,035. The Increase is due to an escalated construction cost, which was revealed to the City after they held formal bid opening for the project in October 2021.						
	The City Received a FPIC (Financial Performance Indicator of Concern due to the City's audit report being submitted late on December 15, 2021. Also, the City's fund balance decreased in fiscal year 2021, and lastly, during the close of assets for the fiscal eat 2021 audit, the City discovered two assets which stopped depreciating. The City provided a response to the FPIC which was satisfactory to our Fiscal staff.						
TOWN OF NORTH TOPSAIL BEACH Special Obligation Bonds, Series 2022 Amount not to exceed: \$ 9,500,000 G.S. 159-146 Private Placement		Necessary and expedient to renourish and maintain the Town's beachline. North Topsail has had two major storms, Florence and Dorian, inflicting damage to the beach. FEMA is funding a substantial amount of the restoration of the beach with the Town funding the remaining costs. FEMA advances 75% of its grant funding during renourishment of the beach and retains 25% until completion of the project. This project financing provides a vehicle for the Town to use SOB's to pay for the FEMA portion cost of the renourishment and to fund the 25% retainage, approximately \$2.5 million, until reimbursed by FEMA. The final reimbursement process can take well over 12 months to complete.	Bid is in hand.	The Town received an FPIC letter due to a non-compliance with budget finding where the Town expended more than was for in the annual budget ordinance. The Town responded that is has implemented a Corrective Action Plan that clarifies and the correct policies and procedures. The particular finding was referencng a period of time where there was a lag between a project bid received and award which was compounded by the then Finance Officer becoming ill and having to resign. The Town's response was considered satisfactory.	The Special Obligation Bonds and the payment obligations owed to the bank are secured by a pledge of all Project related reimbursement receipts from FEMA via the North Carolina Emergency Management Fund and from the State of North Carolina, as well as the right to set off on balances in the FEMA Beach Nourishment 2022A Loan Fund and Sinking Fund.	Structure and Term: 12 month credit facility with fixed interest rate and principal due upon maturity. The borrower has 2 options to renew for 1 year respectively. If renewed, the interest rate will be reset based on market conditions with a 12% maximum rate.	
	North Topsail Beach suffered significant loss of sand during Hurricanes Florence and Dorian. FEMA has approved mitigation projects for Category G projects to bring North Topsail's beach back to pre-storm levels. This project will be an upland truck haul and sand mine borrow sites will be used for sand sourcing as has been successful in the past. The overall project will bring a total of 625,793 cubic yards of sand that will be broken up into two environmental windows to complete the work in. The first tranche is to begin early February 2022.					APPROVALS: Issue Amount Not to Exceed: \$9,500,000 Initial Term: 12 months Final Maturity Not Beyond: 2025 Effective Interest Cost Not to Exceed: 1.96 %	
	Purposes financed: Flood & Erosion Control \$ 9,500,000 \$ 9,500,000					FINANCING TEAM: Bond Purchaser: PNC Bank, N.A. Bond Counsel: Parker Poe Adams & Bernstein LLP Lender's Counsel: McGuire Woods Financial Advisor: DEC Associates, Inc.	
	<u>Expected Sources and Uses of Funds:</u> Special Obligation Bonds: FEMA \$ 7,125,000 State Share FEMA \$ 2,375,000 Total Sources \$ 9,500,000						
	<u>Uses:</u> Project Fund \$ 9,500,000 Total Uses \$ 9,500,000						

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
WAKE COUNTY \$46,000,000 General Obligation Refunding Bonds G.S. 159-72	All or portion of bonds to be refunded: \$45,900,000 G.O. School Bonds, Series 2012A sold on February 8, 2012 at a TIC of 2.3986% and with present interest rates of 3.0% to 5.0%.	Necessary and expedient to provide savings on the outstanding bond issue.	Amount is adequate, with other available funds of the County, to redeem debt and pay accrued interest.	No major deficiencies. No defaults noted.	A tax increase is not anticipated.	<u>Structure:</u> Current Refunding. Net present value savings of \$5,527,300 as of 1-7-2022, or 12.04% of the Refunded Bonds. The refunding bonds will be structured with no extensions of maturities (Final Maturity 2-1-2031). <u>Approvals:</u> Amount not to exceed: \$46,000,000. Final Maturity: 2-1-2031 Competitive Sale on February 15, 2022. <u>Financing Team Members:</u> Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: First Tryon Advisors	Moody's: Aaa S&P: AAA Fitch: AAA (Expected Ratings)

Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds		Per Capita Before	Per Capita After
								To Property Values Before	After		
Refunding	1,129,410	\$ 46,000,000	N/A	\$ 849,830,000	\$ 193,758,922,105	\$ 2,482,573,637	\$ 0.600	1.72%	1.72%	\$ 2,951	\$ 2,951

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
MURFREESBORO Sewer \$37,003 G.S. 159G-22 Revolving Loan	This project consists of the replacement and relocating of the existing 250 GPM Carver Park Lift Station with a new 250 GPM lift station. The proposed project will not increase the existing capacity of the lift station. All pumps will be replaced like-for-like with pumps of the same rated pumping capacity as the existing station.	Necessary and expedient to replace and relocate the lift station due to the existing 36 year old lift station being currently located within the 100 and 500 year flood zones and suffers from numerous safety, operational and maintenance issues & exceeding its useful service life of 20 years. The new lift station will be relocated to higher ground outside the flood zones.	Cost estimated provided by Municipal Engineering Services Company, 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: \$37.00 Sewer: \$53.13	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
OXFORD Water (Drinking Water) \$4,757,854 G.S. 159G-22 Revolving Loan	This project consists of the replacement of 20,400 linear feet of 2-inch, 6-inch, and 8-inch diameter water mains with new DIP (Ductile Iron Pipe) and PVC (Poly Vinyl Chloride Pipe) mains of the same diameter, except in select locations where 2-inch mains are to be upsized to 6-inch mains.	Necessary and expedient to replace aging infrastructures (ranging from 50 to over 100 years old). The city completed an Asset Management Plan (AMP) that included a inventory and condition assessment. The assessment process identified 31 miles of existing water mains that will need to be replaced due to their condition, being undersized, and/or age. These improvements will improve the reliability of the City's water distribution system network, reducing unexpected service calls related to main breaks, reduce water loss and reduce the number of costly emergency outages.	Cost estimated provided by McGill Associates, P.A.	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: \$35.07 Sewer: \$47.34	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
RIVER BEND Water \$130,310.00 G.S. 159G-22 Revolving Loan	The proposed project will replace the Town's existing inventory of approximately 1,450 manual-read water meters with AMR-type water meters. It will also relocate the billing server from its present location at the Town's administrative offices located with in the 100-year flood plain to the an alternative location outside the 100-year flood plain. The project received a 75% forgivable loan in the amount of \$602,500	This project is necessary and expedient in that it will increase billing efficiency and meter reading accuracy. It will also facilitate continuity of meter reading operations during severe weather events.	Bids are in hand.	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. The current monthly cost for an average residential customer water/sewer is \$76.72 for 3,000 gallons.	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
SOUTHPORT Sewer \$29,783,014.00 G.S. 159G-22 Revolving Loan	The proposed project will consist of construction of a new 0.75 MGD biological nutrient removal (BNR) wastewater treatment plant (WWTP) with high-rate infiltration disposal system located at the Brunswick County-owned Shallotte WWTP site, to serve the City of Southport.	This project is necessary and expedient in that it will restore wastewater treatment capacity lost to the City of Southport.	DEQ's Wastewater Projects Unit reviewed recent engineering estimates related the project and concurred with the cost estimate.	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. The City has raised rates as of February 1, 2022 in anticipation of the increased debt. The new monthly cost for an average residential customer for both water and sewer is \$127.90 for 2,643 gallons.	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	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
<p>CITY OF CHARLOTTE HOUSING AUTHORITY AKA INLIVIAN Multifamily Housing Note (Sugar Creek), Series 2022 230 W. Sugar Creek Road, Charlotte, NC G.S. 159-148; 159-153</p> <p>Not to exceed \$23,000,000. The proceeds of the bond will be loaned to Sugar Creek Apartments, LLC, a North Carolina limited liability company, or an affiliated or related entity (the "Borrower"), and used to finance a portion of the cost of the acquisition, construction and equipping of a multifamily rental housing development consisting of a 188 unit multifamily rental housing development. The project will target family (general occupancy) households earning up to 30%, 60%, and 80% of the Area Median Household Income under the LIHTC program. The 188 units will consist of 24 one-bedroom, 68 two-bedroom, 72 three-bedroom and 24 four-bedroom units.</p> <p>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).</p>	<p>INLIVIAN finds that the project is necessary and expedient to further the Authority's purpose of promoting low and moderate income housing in the City of Charlotte.</p> <p>The development will include one, two, three and four bedroom units. None of the units within the development will receive project based rental assistance.</p>	<p>The developer provided a Market Study and pro forma which supports the valuations in acquiring and construction of the Development.</p> <p>The issuer found that the debt to be incurred in connection with the project is adequate but not excessive.</p> <p>In addition, the Rental Investment section of the NCHFA reviewed this information and found it to be reasonable.</p>	<p>The developer provided a pro forma and Market Study which supports the valuations.</p> <p>The lenders performed their own credit review.</p>	<p>No defaults noted. No major deficiencies.</p>	<p>Private Placement</p>	<p>Term: Approx. 15 years after 36 month interest-only construction period; 40 year amortization</p> <p>Interest Rate: Construction Phase - Daily Simple SOFR plus margin of 2.25% Permanent Phase -10 year UST (with a floor of 1.46%) + 2.41%</p> <p>Structure: Approximately level debt service</p> <p>APPROVALS Amount: Not to exceed \$23,000,000 Final Maturity: Not to exceed December 31, 2041 Interest Rate: Tax-exempt not to exceed 12.0%</p> <p>FINANCING TEAM Bond Counsel: McGuireWoods LLP Authority's Counsel: The Banks Law Firm, P.A. Fiscal Agent: Truist Bank Borrower: Sugar Creek Apartments, LLC Borrower's Counsel: Nelson Mullins Riley & Scarborough LLP Initial Funding Lender: Truist Bank Initial Funding Lender's Counsel: Holland & Knight LLP Permanent Lender: Federal Home Loan Mortgage Corporation Freddie Mac Servicer: Grandbridge Real Estate Capital, LLC Freddie Mac's/Servicer's Counsel: Ballard Spahr LLP Tax Credit Investor: TCC Sugar Creek Apartments, LLC Tax Credit Investor's Counsel: Holland & Knight LLP</p>
Sources of Funds						
First Mortgage	\$	21,650,000				
Federal LIHTC Equity	\$	19,205,483				
Charlotte Housing Trust Fund ("HTF")	\$	3,000,000				
Truist Bank	\$	3,760,000				
GP/Class B Equity	\$	100				
Deferred Fees	\$	548,387				
Total Sources	\$	<u>48,163,970</u>				
Uses of Funds:						
Acquisition and Construction Costs	\$	34,918,377				
Total Design and Engineering Costs	\$	1,369,500				
Development Fee and Permit & Fees	\$	4,103,000				
Financing Costs	\$	3,037,906				
Reserves	\$	1,571,794				
Other	\$	3,163,393				
Total Uses	\$	<u>48,163,970</u>				

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
THOMASVILLE Combined Enterprise System Revenue Bonds G.S. 159; Article 5 Combined Enterprise System Revenue Bond, Series 2022	The issuance of the Series 2022 Bonds is an advance refunding necessary and expedient to avail the City of lower financing costs. The terms of the accepted financing proposal will produce a Net Present Value savings of approximately \$299,176 or 6.51% of the bonds refunded.	The Series 2022 refundings will be a current refunding. Verification of the adequacy of the refundings escrow will be performed by Bingham Arbitrage Rebate Services, Inc.	The refunding for the Series 2022 Bonds will produce nominal cash savings averaging approximately \$37,125 per year over the next 7 fiscal years. Current projections demonstrate adequate coverages of debt service based on the reduction in debt.	No major deficiencies. No defaults noted.	The lending is direct bank placements. A proposal from Pinnacle Bank has been received and accepted contingent on Local Government Commission approval of the transaction.	Term: Series 2022 Interest Rate: Fixed Structure: Amortization of the refunding principal will provide approximately level realization of savings as allowable by the structure of the refunded bonds and their related repayment resources over the term of the refunded series. Approvals Series 2022 Final maturity: Not beyond 2028 Tax-Exempt Interest Rate not to exceed: 1.14% Principal amount not to exceed: \$4,825,000
Direct Bank Placement Series 2022 Amount not to exceed:	\$ 4,825,000.00					
Series 2022 (Refunding) Refunding of the City's outstanding callable maturities, Combined Enterprise System Revenue Bond, Series 2012 with an outstanding balance of \$5,335,000.						
Pertaining to the 2012 Series Revenue Bond						
Originally Issued:	\$ 10,745,000.00					
Outstanding Currently and Balance to be refunded:	\$ 5,335,000.00					
Sources						
Par Amount:	\$ 4,731,000.00					
local funds	\$ 47,509.79					
Total Sources:	\$ 4,778,509.79					
Uses						
Project/Cash Deposit/SLGS Purchases	\$ 4,683,162.50					
Issuance Costs:	\$ 95,347.29					
Total Uses	\$ 4,778,509.79					

FINANCING TEAM

Bank: Pinnacle Bank
Bond Counsel: Womble Bond Dickinson (US) LLP
Financial Advisor: First Tryon Advisors
Trustee/Registrar: U.S. Bank NA
Lenders Counsel: Nexsen Pruet PLLC
Verification Agent: Bingham Arbitrage Rebate Services, Inc

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
CAROLINA BEACH \$687,953 160A-20 Installment Contract Private Placement	Purchase and install a new heating and cooling system (HVAC) at the Municipal Complex (Town Hall and Police Department). <u>Expected Sources and Uses of Funds:</u> Uses: Loan Proceeds \$ 687,953 Total Sources \$ 687,953 Uses: Project Cost \$ 687,953 Total Uses \$ 687,953	Necessary and expedient to replace equipment at the end of its useful life and meet the requirement of the State Building Code.	Bid is in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. The debt service will be paid from the General Fund.	Bank: Truist Bank Amount \$ 687,953 Approval Rate: 2.140% Term (years): 10 Market Rate: Structure: Semi -annual principal and interest payments. Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: N/A FINANCING TEAM Lender's Counsel: Installment purchase structure is more timely and feasible than G.O.

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	To Property Values		Per Capita	
								Before	After	Before	After
Equipment	6,152	\$ 687,953	1/19/2022	\$ -	\$ 2,952,300,000	\$ 6,449,271	\$0.215	0.22%	0.24%	\$ 1,048	\$ 1,160
										New Hanover Co.	\$ 1,650

CLEVELAND COUNTY \$8,500,000 Land & Building (TAXABLE) G.S. 160A-20 Financing Agreement Private Placement	Construction of job ready Shell Building to be sold for the purpose of expanding economic development in the County. <u>Expected Sources and Uses of Funds:</u> Sources: Bank Loan \$ 8,500,000 Total Sources \$ 8,500,000 Uses: Project Costs \$ 8,425,000 Cost of Issuance \$ 75,000 Total Uses \$ 8,500,000	Necessary and expedient to continue economic growth and industry in the County.	Tax value of property is 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: Truist Bank Amount \$ 8,500,000 Approval Rate (TAXABLE): 2.390% Term (years): 10 Market Rate: Payment: Annual principal and interest Bank placement will not be rated. Current G.O. ratings: S&P: AA- Moody's: Aa2 FINANCING TEAM Bond Counsel: Robinson Bradshaw Financial Advisor: Davenport & Company Bank Counsel: Pope Flynn 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	To Property Values		Per Capita	
								Before	After	Before	After
Economic Development	97,947	\$ 8,500,000	1/18/2022	\$ -	\$ 8,500,846,471	\$ 51,311,111	\$0.6875	0.60%	0.60%	\$ 524	\$ 524

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
DARE COUNTY \$28,500,000 Beach Renourishment Series A - County Portion Series B - FEMA(75%)/State(25%) 160A-20 Installment Contract Private Placement	Beach renourishment for an initial project in then unincorporated area of Avon (1.0 million cubic yards of sand) and 5 year maintenance for the unincorporated area of Buxton (1.2 million cubic yards of sand).	Necessary and expedient for hurricane and storm damage mitigation to protect infrastructure and property tax values.	Purchase contract for both properties are in hand.	No deficiencies or defaults noted.	No tax increase is necessary. Debt service will be paid from the 2% of the Occupancy Tax restricted for beach renourishment.	Bank: Truist Amount (Series A): \$ 22,071,661 Amount (Series B): \$ 6,428,339 Approval Rate (Series A): 1.390% Approval Rate (Series B): 1.390% Term (years)(Series B): 5 Term (years)(Series A): 5 Market Rate (Series A): Market Rate (Series B): Structure: Semi -annual principal and interest payments. Bank placement will not be rated. Current G.O. ratings: S&P AA+ Moody's: Aa1 FINANCING TEAM Bond Counsel: Parker Poe Adams & Bernstein LLP Financial Advisor: DEC Associates Inc. Lender's Counsel: Pope Flynn Installment purchase structure is more timely and feasible than G.O.
	<u>Expected Sources and Uses of Funds:</u>					
		SERIES A	SERIES B			
	Uses:					
	County	\$ 22,138,293	\$ 6,356,736			
	FEMA/State					
	NC DEQ Grant	\$ 1,557,607				
	Total Sources	<u>\$ 23,695,900</u>	<u>\$ 6,356,736</u>			
	Uses:					
	Project Costs	\$ 23,480,900	\$ 6,356,736			
	Costs of Issuance	\$ 215,000				
	Total Uses	<u>\$ 23,695,900</u>	<u>\$ 6,356,736</u>			

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Debt Ratios-Excluding Enterprise Funds				
							To Property Values		Per Capita		
							Before	After	Before	After	
Beach Renourishment	37,900	\$ 28,500,000	1/18/2022	\$ -	\$ 16,877,629,833	\$ 106,506,128	\$0.4005	0.63%	0.80%	\$ 2,810	\$ 3,562

DUPLIN COUNTY \$11,200,000 Limited Obligation Refunding Bonds Series 2022 160A-20 Installment Contract Public Offering	Refunding of Series 2012 Limited Obligation Bonds for County Water Districts: B, D, E, F, and G which had refunded the Districts' respective G.O. Bonds. Current market conditions indicate aggregate net present value (NPV) savings of approximately \$1,523,388 or 13.24% of the refunded balance.	Necessary and expedient to avail the County of lowered financing costs.	The refunded obligations are current in nature and payoff amounts are known.	No deficiencies or defaults noted.	No tax increase is required. The current debt service has been budgeted. If an NPV savings of 13.24% is generated, it will result in an aggregate average annual savings of approximately \$118,000	Structure: Annual principal and semi-annual interest payments. The annual payment is expected to yield approximately level annual savings over the life of each existing loan refunded. The terms of the financings have not been extended. Expected Ratings: S&P: A+; Moody's: A2 Expected Rate: Effective Interest Cost: 2.440% Expected Underwriters Fee/\$1,000: \$ 7.25 APPROVALS Amount Not To Exceed: \$ 11,200,000 Approval rate not to exceed: 3.250% Final Maturity not beyond: 2037 FINANCING TEAM Bond Counsel: Womble Bond Dickinson (US) LLP Underwriters: Wells Fargo Securities Underwriter's Counsel: Bode, PLLC Financial Advisor: First Tryon Advisors Trustee: Truist Bank Limited Obligation Bond structure is more timely and feasible than G.O. Bonds
Refunding Candidates:	<u>Expected Sources and Uses of Funds:</u>					
Limited Obligation Bonds 2012 (District B) PAR Refunded: \$1,200,000	Sources:					
Limited Obligation Bonds 2012 (District D) PAR Refunded: \$2,675,000	Par Amount of Bonds:	\$ 9,265,000				
	Premium	\$ 1,890,143				
	Cash Contribution	\$ 857,144				
Limited Obligation Bonds 2012 (District E) PAR Refunded: \$2,600,000	Total Sources	<u>\$ 12,012,287</u>				
Limited Obligation Bonds 2012 (District F) PAR Refunded: \$3,020,000	Uses:					
	Escrow Deposit	\$ 11,742,144				
	Underwriter's Discount	\$ 69,487				
	Issuance Costs	\$ 200,656				
Limited Obligation Bonds 2012 (District G) PAR Refunded: \$2,010,000	Total Uses	<u>\$ 12,012,287</u>				

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Debt Ratios-Excluding Enterprise Funds				
							To Property Values		Per Capita		
							Before	After	Before	After	
Water	58,967	\$ 11,200,000	1/3/2022	\$ -	\$ 3,987,214,678	\$ 67,510,646	\$0.7350	1.69%	1.69%	\$ 1,145	\$ 1,145

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
FRANKLIN COUNTY \$15,100,000 Radio System 160A-20 Installment Contract Private Placement	Build out of County's Public Radio System Project - 25 700/800 MHz simulcast trunked radio network. <u>Expected Sources and Uses of Funds:</u> Uses: Loan Proceeds \$ 15,100,000 Total Sources \$ 15,100,000 Uses: Project Cost \$ 14,983,000 Costs of Issuance \$ 117,000 Total Uses \$ 15,100,000	Necessary and expedient to improve coverage, reliability, and penetration of the Public Safety Radio System.	Bids are in hand.	No deficiencies or defaults noted.	No tax increase is anticipated. The debt service will be paid from the General Fund.	Lender: Pinnacle Public Finance Amount \$ 15,100,000 Approval Rate: 1.75% Term (years): 15 Market Rate: Structure: Semi-annual principal and interest payments. Bank placement will not be rated. Current G.O. ratings: S&P AA Moody's: Aa2 Fitch: AA+ FINANCING TEAM Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: Davenport & Company LLC Lender's Counsel: Chapman & Cutler LLP Installment purchase structure is more timely and feasible than G.O.
						<u>Debt Ratios-Excluding Enterprise Funds</u>
						To Property Values Per Capita
						Before After Before After
Equipment	Estimated Census 73,805 Amount \$ 15,100,000	Public Hearing 1/18/2022	Bonds Authorized & Unissued \$ -	Assessed Valuation \$ 6,581,062,898	Existing Debt Excluding Enterprise Funds \$ 48,797,721	Tax Rate \$0.795 0.74% 0.97% \$ 661 \$ 866
FRANKLIN COUNTY \$4,437,000 Water/Sewer Metering 160A-20 Installment Contract Private Placement	Advanced Metering Infrastructure (AMI) and Automated Meter Reading (AMR) equipment and infrastructure, which includes the change out of water meters, software conversion to billing system, training, and all processes. The project will replace approximately 8,750 manual read meters. <u>Expected Sources and Uses of Funds:</u> Uses: Loan Proceeds \$ 4,437,000 Total Sources \$ 4,437,000 Uses: Project Fund \$ 4,386,575 Financing Costs \$ 50,425 Total Uses \$ 4,437,000	Necessary and expedient to improve efficiency in reading meters in both the densely populated and outlying areas.	Bid is in hand.	No deficiencies or defaults noted.	No tax increase is anticipated. The debt service will be paid from the Water Sewer Fund	Lender: Bank Of America Public Capital Corp Amount \$4,437,000 Approval Rate: 1.8668% Term (years): 15 Market Rate: Structure: Annual principal and semi-annual interest payments. Bank placement will not be rated. Current G.O. ratings: S&P AA Moody's: Aa2 Fitch: AA+ FINANCING TEAM Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: First Tryon Advisors Lender's Counsel: McGuireWoods LLP Installment purchase structure is more timely and feasible than G.O.
						<u>Debt Ratios-Excluding Enterprise Funds</u>
						To Property Values Per Capita
						Before After Before After
Water Sewer	Estimated Census 73,805 Amount \$ 2,218,500 \$ 2,218,500 \$ 4,437,000	Public Hearing 12/6/2021	Bonds Authorized & Unissued \$ -	Assessed Valuation \$ 6,581,062,898	Existing Debt Excluding Enterprise Funds \$ 48,797,721	Tax Rate \$0.795 0.74% 0.74% \$ 661 \$ 661

MISCELLANEOUS:
BURLINGTON HOUSING AUTHORITY
Oneida Mill Lofts

(ACTION ITEMS):

The financing was approved by the LGC on October 6, 2015. This deal was structured as a private placement with Citibank. Citibank is requesting to amend the Funding Loan Agreement in order to facilitate a future securitization of this loan.

Citi is requesting that we amend the FLA to allow for transfers to (i) a governmental entity or (ii) a trust or custodial arrangement established by a governmental entity, as long as any beneficial interests that are issued and secured by the loans are either (a) rated BBB- or higher (investment grade) or (b) purchased by a QIB.

DUPLIN COUNTY DISTRICTS

Duplin County requests the Commission to sell at a private sale, G.O. Refunding Bonds for the following Districts:

District:	Amount, Not To Exceed	Rate, Not To Exceed
Duplin County Water District B	\$ 1,200,000	3.00%
Duplin County Water District D	2,700,000	3.25%
Duplin County Water District E	2,600,000	3.25%
Duplin County Water District F	3,000,000	3.25%
Duplin County Water District G	2,000,000	3.25%

Proceeds of these refunding bonds will be used to refund outstanding G.O. Bonds of each District (Series 2012) presently held by Duplin County. This financing is in connection with the issuance of Limited Obligation Refunding Bonds by Duplin County, separately under consideration by the Commission.

The Districts also requests approval of the following Financing Team Members:

Purchaser: County of Duplin
Bond Counsel: Womble Bond Dickinson (US) LLP
Purchaser Counsel: County Attorney
Financial Advisor: First Tryon Advisors

MOCKSVILLE

The Town of Mocksville is requesting approval of an increase in funding related to a State Revolving Loan for the Dutchman's Creek WWTP project. The original loan in the amount of \$3,630,000 was approved by the LGC on February 6, 2018. On December 13, 2021, the LGC received a request for approval of additional funding in the amount of \$314,493 for the project. The new total loan for the project is \$3,944,493. The increase in funding required for the project is the result of an extended time frame to complete the project and unforeseen construction issues during the project. The project was completed in November 2021 and the request for increased funding is sufficient to cover project cost.

OXFORD

The City is requesting approval for an increase of additional funds on a State Revolving Loan. The Loan is for the installation of approximately 8,020 linear feet of proposed water mains, to include approximately 6,750 linear feet of 6-inch water main, approximately 320 linear feet of 8-inch water main, and approximately 950 linear feet of 12-inch water main. The original loan was approved on February 4, 2020 for \$1,855,562. The City is requesting an increase of \$398,134 for a total loan amount of \$2,253,696. The increase is due to construction cost increasing significantly since the inception of the project.

OXFORD

The City is requesting approval for an increase of additional funds on a State Revolving Loan. The Loan is for the replacement of existing sewer lines with new sewer mains of modern materials including Polyvinyl chloride (PVC), Ductile iron pipe, and High-density polyethylene pipes as well as all new precast concrete manholes. The original loan was approved on June 4, 2019 for \$4,696,493. The City is requesting an increase of \$1,445,646 for a total loan amount of \$6,142,139. The increase is due to construction cost increasing significantly since the inception of the project.

SPENCER

The Town of Spencer is requesting approval of an extension in term of 60 days to a bridge loan taken for a USDA approved project subject to reimbursement upon project completion. The original loan in the amount of \$2,826,202 was approved by the LGC on 12/01/2020 for a term of 14 months with a maturity date of 02/03/2022. The Town is asking the LGC to approve an extension to 04/03/2022 with no change to principal or rate. The Town moved into the building on December 16th 2021 with the construction close to being completed and with approximately \$30,000 remaining from the contractor to be billed. The close out items required by the USDA for reimbursement; final pay request from the contractor, appraisal completion and review, and construction close out documents are being finalized and the USDA has asked the Town to request the extension to give enough time for completion and review of the documents.

BEAUFORT COUNTY

(NON-ACTION)

The County has effected a rate modification with Key Government Finance as noted in the private sale of its Taxable General Obligation Refunding Bond, Series 2021 (approved by the Commission on May 4, 2021):
Modification Date: 1/6/2022

Current Rate:	1.17%	Tax-Exempt, Series 2022	Dated:	6-Jan-22
Prior Rate:	1.48%	Taxable, Series 2021	Dated:	June 1, 2021