

**NORTH CAROLINA DEPARTMENT OF STATE TREASURER
LOCAL GOVERNMENT COMMISSION
MINUTES
AUGUST 4, 2020**

The meeting was called to order at 2:30 p.m. by Chair Dale R. Folwell on the above date. The meeting was conducted by use of simultaneous communication by telephone due to the COVID 19 pandemic. Members present by phone were: Chair Folwell, Secretary of State Elaine Marshall, State Auditor Beth Wood, Chief Financial Officer Jacqueline McKoy on behalf of Secretary of Revenue Ronald Penny, Edward Munn, Viola Harris, Joshua Bass, Mike Philbeck and Scott Padgett. (Mr. Padgett participated in the vote to approve the July 7, 2020 meeting minutes, the votes to adopt the Resolutions for the Town of Eureka and Cliffside Sanitary District and then left the meeting at 3:44 p.m.)

Members Absent: None

A quorum was present for the entire meeting.

Other participants by phone: Greg Gaskins, Sharon Edmundson, Tim Romocki, Jennifer Wimmer, Alisia Smith, Cindy Aiken, Debbie Tomasko, Dora Fazzini, Jim Fatland, Tom Whitlock, Tracy Chestnutt, George Futrelle, Davis Brinson, Anne Marie Knighton, Virginia Smith, Corey Gooden, Patty Dressen, Andrew Carter, Chad McLamb, Martha Lasater, Katherine Bigelow, Jordan McMillen, Jonathan Care, Mitch Brigulio, Allison Speight, Borden Parker and Andrew Neal.

Chair Folwell asked those present if they had any actual, potential, or the appearance of a conflict of interest regarding the matters on the agenda. There were no conflicts to report.

Mr. Munn made a motion that the minutes of the July 7, 2020 meeting be approved. Mr. Padgett seconded the motion and the minutes were approved by unanimous vote.

Ms. Marshall made the motion to adopt the following resolution:

**RESOLUTION TO MODIFY APPOINTMENT OF FINANCE OFFICER AND
DEPUTY FINANCE OFFICER AND TO MODIFY DESIGNATION OF
ACCOUNT SIGNATORIES FOR THE TOWN OF EUREKA**

WHEREAS, the Local Government Commission (the Commission) impounded the books and assumed full control of all financial affairs of the Town of Eureka (the "Town") pursuant to Section 159-181(c) of the North Carolina General Statutes (N.C.G.S.) and,

WHEREAS, acting pursuant to N.C.G.S. 159-24, the Commission desires to modify the appointment of Finance Officer and Deputy Finance Officer, and modify the designation of Account Signatories for the Town;

NOW, THEREFORE, the Commission,

- 1) acting pursuant to N.C.G.S. 159-24, appoints Manasa Cooper as Finance Officer for receiving and depositing funds, approving purchase orders and contracts, maintaining accounting records, pre-auditing obligations and disbursing funds; retains Donny Nobles as Deputy Finance Officer pursuant to the Commission's Resolution adopted October 1, 2019; and

- 2) designates Donny Nobles as Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements, and retains Sharon Edmundson and Manasa Cooper as Account Signatories;
- 3) terminates the appointment of Sharon Edmundson as Finance Officer pursuant to the Commission’s Resolution adopted July 9, 2019.

Mr. Bass seconded the motion which passed by unanimous vote of 9-0.

Ms. Marshall made the motion to adopt the following resolution:

RESOLUTION TO MODIFY APPOINTMENT OF FINANCE OFFICER AND DEPUTY FINANCE OFFICER AND TO MODIFY DESIGNATION OF ACCOUNT SIGNATORIES FOR THE CLIFFSIDE SANITARY DISTRICT

WHEREAS, the Local Government Commission (the Commission) impounded the books and assumed full control of all financial affairs of the Cliffside Sanitary District (the “District”) pursuant to Section 159-181(c) of the North Carolina General Statutes (N.C.G.S.) and,

WHEREAS, acting pursuant to N.C.G.S. 159-24, the Commission desires to modify the appointment of Finance Officer and Deputy Finance Officer, and modify the designation of Account Signatories for the District;

NOW, THEREFORE, the Commission,

- 1) acting pursuant to N.C.G.S. 159-24, appoints David Erwin as Finance Officer and appoints Becky Dzingeleski as Deputy Finance Officer for receiving and depositing funds, approving purchase orders and contracts, maintaining accounting records, pre-auditing obligations and disbursing funds;
- 2) designates Becky Dzingeleski as an Account Signatory with the authority to execute signature cards for the existing District bank accounts and countersign disbursements, and retains Sharon Edmundson and David Erwin as Account Signatories pursuant to the Commission’s Resolution adopted September 10, 2019;
- 3) terminates the appointment of Sharon Edmundson as Finance Officer pursuant to the Commission’s Resolution adopted September 10, 2019.

Mr. Bass seconded the motion which passed by unanimous vote of 9-0.

Ms. Wood made the motion to a adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF BREVARD, NORTH CAROLINA FOR THE PURCHASE OF APPROXIMATELY 3 ACRES OF LAND WITH 3 EXISTING BUILDINGS IN DOWNTOWN BREVARD. THE SITE WILL BE USED FOR A FUTURE PARKING GARAGE TO SUPPORT DOWNTOWN AND THE COUNTY COURTHOUSE THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the Town of Brevard, North Carolina (the “County”) has determined that it is necessary and expedient to continue to provide for future parking capacity; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”)

between the Town and United Community Bank (the "Lender") whereby the Lender shall advance moneys to the Town and the Town, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$1,300,000 with annual payments with a term of fifteen (15) years at a rate of 1.86%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the Town has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- i. that the Contract is necessary and expedient for the Town;
- ii. that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- iii. that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- iv. that the Town's debt management procedures and policies are good;
- v. that the Town is not in default in any of its debt service obligations; and
- vi. that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission."

Mr. Bass seconded the motion which passed by unanimous vote of 8-0.

Ms. Wood made the motion to a adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF DUPLIN, NORTH CAROLINA FOR CONSTRUCTION OF A T-HANGAR AT THE DUPLIN COUNTY AIRPORT THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the County of Duplin, North Carolina (the "County") has determined that it is necessary and expedient because the County's Airport requires additional hangar space for aircrafts; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to finance the cost of the Project through an Installment Financing Contract (the "Contract") between the County and Tri-County Electric Membership Corporation (the "Lender")

whereby the Lender shall advance moneys to the County and the County, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$500,000 with annual payments with a term of ten (10) years at a rate of 0.00%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- i. that the Contract is necessary and expedient for the County;
- ii. that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- iii. that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- iv. that the County's debt management procedures and policies are good;
- v. that the County is not in default in any of its debt service obligations; and
- vi. that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission."

Mr. Bass seconded the motion which passed by unanimous vote of 8-0. County Manager Davis Brinson, attended the meeting by telephone, spoke and answered members' questions.

Ms. Wood made the motion to a adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF EDENTON, NORTH CAROLINA FOR THE FUNDING OF PHASE II OF MAJOR STREET REPAIRS AND RESURFACING INITIATIVE. TWELVE MUNICIPALLY OWNED STREETS WILL BE REPAIRED AND RESURFACED THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the Town of Edenton, North Carolina (the "County") has determined that it is necessary and expedient because certain streets need repair and resurfacing due to poor soils used when some of the streets were constructed in the 1950s, and due to numerous pavement patches for utility work over the years; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the cost of the Project through an Installment Financing Contract (the "Contract") between the Town and BB&T, now Truist, (the "Lender") whereby the Lender shall advance moneys to the Town and the Town, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$907,900 with annual payments with a term of twelve (12) years at a rate of 2.61%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the Town has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- i. that the Contract is necessary and expedient for the Town;
- ii. that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- iii. that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- iv. that the Town's debt management procedures and policies are good;
- v. that the Town is not in default in any of its debt service obligations; and
- vi. that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission."

Mr. Bass seconded the motion which passed by unanimous vote of 8-0.

Ms. Wood made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR TOWN OF HOLLY SPRINGS REVENUE REFUNDING BONDS

WHEREAS, the Town of Holly Springs (the "Town") has requested that the North Carolina Local Government Commission (the "Commission") approve its selection of the following financing team members for its upcoming issue of revenue refunding bonds:

Bond Counsel:	Sanford Holshouser LLP
Purchaser of Bond:	PNC Bank, N.A.
Purchaser's Counsel:	Parker Poe Adams and Bernstein, LLP
Financial Adviser:	DEC Associates LLC

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion that the Town's request should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is approved for the Town's proposed issue of revenue bonds."

Mr. Bass seconded the motion which passed by unanimous vote of 8-0. Interim Finance Director Patty Dressen attended the meeting by telephone, spoke and answered members' questions.

Then, Ms. Wood made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF HOLLY SPRINGS FOR THE ISSUANCE OF REVENUE REFUNDING BONDS IN AN AMOUNT NOT TO EXCEED \$5,600,000

WHEREAS, the Town of Holly Springs (the "Town") has applied to the North Carolina Local Government Commission (the "Commission"), pursuant to The State and Local Government Revenue Bond Act (Article 5, Chapter 159 of the General Statutes, as amended), for approval of the issuance of revenue refunding bonds to refinance an existing Town revenue bond;

WHEREAS, the Town has furnished to the Commission documents and other information related to the financing and the security for the bonds;

WHEREAS, the principal amount of the bonds will not exceed \$5,600,000;

WHEREAS, the maturity of the bonds will not extend beyond December 31, 2028, and the annual interest rate on the bonds (in the absence of default or change in tax status) will not exceed 1.58%; and

WHEREAS, the Commission, pursuant to G.S. 159-86, upon information and evidence received, finds and determines as follows:

- (i) that the refinancing is necessary and expedient for the Town;
- (ii) that the amount proposed is adequate and not excessive for the proposed purpose of the issue;
- (ii) that the refinancing is feasible;
- (iii) that the Town's debt management procedures and policies are good; and
- (iv) that the proposed bonds can be marketed at reasonable interest cost to the Town.

NOW, THEREFORE, BE IT RESOLVED by the Commission (1) that the application for approval of the bonds is approved under the provisions of the Revenue Bond Act and relevant resolutions of the Commission, and (2) that the Secretary of the Commission, or any Designated Assistant, is authorized to execute and deliver appropriate documents to evidence the Commission's approval and otherwise to carry out the financing contemplated by this approval."

Mr. Bass seconded the motion which passed by unanimous vote of 8-0. Interim Finance Director Patty Dressen attended the meeting by telephone, spoke and answered members' questions.

Then, Ms. Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE PRIVATE SALE OF TOWN OF HOLLY SPRINGS REVENUE REFUNDING BONDS IN THE MAXIMUM AMOUNT OF \$5,600,000

WHEREAS, the North Carolina Local Government Commission (the “Commission”) has previously approved the issuance by the Town of Holly Springs (the “Town”) of revenue refunding bonds in the maximum amount of \$5,600,000 pursuant to The State and Local Government Revenue Bond Act (Article 5, Chapter 159 of the General Statutes, as amended);

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes authorizes the Commission to sell revenue bonds at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit or one or more persons designated by resolution of such governing board to approve such prices; and

WHEREAS, the Town has requested the Commission to undertake such a private sale of the bonds;

WHEREAS, PNC Bank, N.A. (the “Purchaser”), has offered to purchase the Town’s bonds from the Commission upon the terms and conditions in a proposal as set forth below, from Truist, the current holder of the bonds, dated June 26, 2020 (the “Proposal”), and in the form of a Supplemental Bond Order relating thereto (the “Bond Order”);

WHEREAS, the Commission has received a draft of the Proposal and the Bond Order;

WHEREAS, the Commission desires to approve the request of the Town that it sell the bonds at private sale without advertisement;

WHEREAS, the Commission desires to accept the Purchaser’s offer to purchase the bonds substantially as set forth in the Proposal, the draft Bond Order and upon the terms and conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED by the Commission, as follows:

Section 1. The sale of the bonds to the Purchaser at private sale without advertisement pursuant to the Proposal and a final adopted Bond Order substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the Town and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the bonds shall not exceed \$5,600,000, and the purchase price for the Bond shall be equal to the par amount of the Bond.

Section 3. The bonds shall bear interest at an annual interest rate not to exceed 1.58% (in the absence of default or change in tax status as described in the Bond Order).

Section 4. The final maturity of the bonds shall not extend beyond December 31, 2038.

Section 5. The Commission hereby determines that the sale of the bonds in the manner and for the price as provided in this resolution is in the best interest of the Town, provided that the sale is approved by the Town (which may include approval by one or more persons designated by resolution of the Town Council for such purpose).

Section 6. The Secretary of the Commission or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Bond Order and the bonds, including details of the bonds, as shall be satisfactory to him or her, to approve the forms of other documents relating to the bonds, to execute and deliver any documents on behalf of the Commission and to provide for the execution and delivery of the bonds in accordance with the resolution adopted by the Town Council and the Bond Order.

Section 7. This resolution takes effect immediately.”

Mr. Bass seconded the motion which passed by unanimous vote of 8-0. Interim Finance Director Patty Dressen attended the meeting by telephone, spoke and answered members’ questions.

Ms. Wood made the motion to a adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF JOHNSTON COUNTY, NORTH CAROLINA FOR THE INCREASE OF ADDITIONAL FUNDS ON A STATE REVOLVING LOAN.

WHEREAS, Johnston County, North Carolina (the “County”) requests an increase of \$2,713,000 for a total loan of \$8,346,000. The original loan was approved by the Local Government Commission on September 11, 2018 for \$5,633,000; and

WHEREAS, the loan is for upgrading existing pumps, approximately 19,720 linear feet of 8-inch PVC (Polyvinyl Chloride) force main, approximately 5,660 linear feet of 16” force main, approximately 8,900 linear feet of 27” gravity sewer and new 100 GPM (Gallons Per Minute) upgradable to 1,700 gpm regional wastewater pump station; and

WHEREAS, the increase is necessary due to bids coming in higher than the estimate; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the request by the County mentioned above is hereby approved.”

Mr. Bass seconded the motion which passed by unanimous vote of 8-0. Deputy County Manager Chad McLamb attended the meeting by telephone, spoke and answered members’ questions.

Ms. Wood made the motion to a adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF VANCE, NORTH CAROLINA FOR REFUNDING OF A 2009, 2015 AND 2017 INSTALLMENT FINANCING CONTRACT (IFC). THE LOAN TERMS

INDICATE AGGREGATE PRESENT VALUE (NPV) SAVINGS OF APPROXIMATELY \$424,827 (OR 5.751%) OF THE REFUNDED BALANCE THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the County of Vance, North Carolina (the "County") has determined that it is necessary and expedient to avail the County of lowered financing costs; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to finance the cost of the Project through an Installment Financing Contract (the "Contract") between the County and JP Morgan Chase Bank, N.A. (the "Lender") whereby the Lender shall advance moneys to the County and the County, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$7,485,000 with annual principal and semi-annual interest payments with a term of twelve (12) years at a rate of 1.370%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the terms of the refunded contracts has not been extended; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- i. that the Contract is necessary and expedient for the County;
- ii. that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- iii. that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- iv. that the County's debt management procedures and policies are good;
- v. that the County is not in default in any of its debt service obligations; and
- vi. that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission."

Mr. Bass seconded the motion which passed by unanimous vote of 8-0.

Ms. Wood made the motion to a adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF WAYNE, NORTH CAROLINA FOR THE FINANCING OF VARIOUS CAPITAL PROJECTS FOR SAID COUNTY THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. 160A-20

WHEREAS, the County of Wayne, North Carolina (the “County”) has determined that it is necessary and expedient to finance the costs of (a) acquiring and installing new voting equipment, (b) acquiring and installing financial software, (c) acquiring, constructing and equipping a new “911” emergency call center, and (d) acquiring, constructing and equipping new emergency communications facilities, including the installation of three new communications towers and the acquisition of new communications equipment (collectively, the “Project”); and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to finance the Project pursuant to an Installment Financing Agreement (the “Agreement”) between the County and Truist Bank (the “Lender”), whereby the Lender shall advance moneys to the County, and the County, subject to its right of nonappropriation, shall repay the advancement with interest in installments; and

WHEREAS, the principal amount of the Agreement shall not exceed \$10,000,000; and

WHEREAS, the interest rate payable under the Agreement relating to the short-term assets composing the Project (the financial software, the voting equipment and emergency communications equipment) shall not exceed 1.50% per annum and the final maturity shall not exceed December 31, 2027; and

WHEREAS, the interest rate payable under the Agreement related to the long-term assets composing the remainder of the Project shall not exceed 2.18% per annum and the final maturity shall not exceed December 31, 2035; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the Agreement and the proposed financing pursuant thereto; and

WHEREAS, the County has filed with the application to the Commission drafts of the following documents relating to the proposed financing:

(a) the Agreement; and

(b) the Deed of Trust, to be dated the date of delivery thereof, from the County to the deed of trust trustee named therein for the benefit of the Lender, granting a first lien of record on all or a portion of the real estate improved as part of the Project, together with all improvements and fixtures located or to be located thereon; and

WHEREAS, the Secretary of the Commission has determined that the County has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

(i) that the Agreement is necessary and expedient for the County;

(ii) that the Agreement, under the circumstances, is preferable to a bond issue for the same purpose;

(iii) that the sums to fall due under the Agreement are adequate and not excessive for its proposed purpose;

(iv) that the County's debt management procedures and policies are good;

(v) that the County is not in default in any of its debt service obligations; and

(vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Agreement will not be excessive.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and the financing contemplated thereby are hereby approved under the provisions of G.S. 160A-20 pursuant to the terms of this resolution.

Mr. Bass seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE CITY OF BURLINGTON, NORTH CAROLINA FOR THE FINANCING OF VARIOUS CAPITAL PROJECTS FOR SAID CITY THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. § 160A-20

WHEREAS, the City of Burlington, North Carolina (the "City") has determined that it is necessary and expedient to pay the costs of (a) renovating a historic carousel and constructing a carousel building to house the carousel, (b) acquiring a fire engine and various other vehicles and equipment for use by the City, (c) constructing, renovating and equipping various improvements to existing facilities of the City, including, but not limited to, City Hall and various fire stations and (d) providing various streetscape and ballfield improvements (collectively, the "Project"); and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the City intends to finance the Project pursuant to an Installment Financing Agreement (the "Agreement") between the City and Truist Bank (the "Lender"), whereby the Lender shall advance moneys to the City, and the City, subject to its right of nonappropriation, shall repay the advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the Agreement shall not exceed \$9,500,000 with annual principal and interest payments with a term of approximately fifteen (15) years (final maturity not to exceed September 1, 2035) at a rate of 1.85% per annum (subject to adjustment as provided in the Agreement).

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the City has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with Section 159-149 of the General Statutes of North Carolina; and

WHEREAS, the Commission, pursuant to Section 159-151 of the General Statutes of North Carolina, upon information and evidence received, finds and determines as follows:

(i) that the Agreement is necessary and expedient for the City;

(ii) that the Agreement, under the circumstances, is preferable to a bond issue for the same purpose;

(iii) that the sums to fall due under the Agreement are adequate and not excessive for its proposed purpose;

(iv) that the City's debt management procedures and policies are good;

(v) that the City is not in default in any of its debt service obligations;

(vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Agreement will not be excessive.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and the financing contemplated thereby is hereby approved under the provisions of Section 160A-20 of the General Statutes of North Carolina and relevant resolutions of the Commission.

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE CARTERET COUNTY-BEAUFORT AIRPORT AUTHORITY FOR THE CONSTRUCTION OF INFRASTRUCTURE FOR THE FUEL FARM WHICH INCLUDES INSTALLING TWO (2) LARGE TANKS (12,000 AND 15,000 GALLONS). THE AUTHORITY HAS REQUESTED A LOAN FROM CARTERET COUNTY TO BE PAID BACK INTEREST FREE OVER A FOUR (4) YEAR TERM THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the Carteret County-Beaufort Airport Authority (the “Authority”) has determined that it is necessary and expedient to allow the Authority to own and control its own fuel and infrastructure; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Authority intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”) between the Authority and the County of Carteret (the “Lender”) whereby the Lender shall advance moneys to the Authority and the Authority, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$600,000 with annual principal payments for a term of four (4) years at a rate of at a rate of 0.00%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the Authority has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- i. that the Contract is necessary and expedient for the Authority;
- ii. that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- iii. that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- iv. that the Authority's debt management procedures and policies are good;
- v. that the Authority is not in default in any of its debt service obligations; and
- vi. that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission."

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE CITY OF CONOVER, NORTH CAROLINA FOR THE REFUNDING OF USDA INSTALLMENT PURCHASE CONTRACTS. THE LOAN TERMS INDICATE AN AGGREGATE NET PRESENT VALUE SAVINGS (NPV) OF APPROXIMATELY \$761,963 THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. § 160A-20

WHEREAS, the City of Conover, North Carolina (the "City") has determined that it is necessary and expedient to avail the City of lowered financing costs; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the City intends to finance the Project pursuant to an Installment Financing Agreement (the "Agreement") between the City and Truist Bank (the "Lender"), whereby the Lender shall advance moneys to the City, and the City, subject to its right of nonappropriation, shall repay the advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the Agreement shall not exceed \$2,897,132 with annual principal and interest payments for a term of fifteen (15) years at a rate of 2.240%. The terms of the refunded issues have not been extended and are reduced by 14, 13 and 10 years respectively; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the City has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with Section 159-149 of the General Statutes of North Carolina; and

WHEREAS, the Commission, pursuant to Section 159-151 of the General Statutes of North Carolina, upon information and evidence received, finds and determines as follows:

- (i) that the Agreement is necessary and expedient for the City;
- (ii) that the Agreement, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Agreement are adequate and not excessive for its proposed purpose;
- (iv) that the City's debt management procedures and policies are good;
- (v) that the City is not in default in any of its debt service obligations;
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Agreement will not be excessive.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and the financing contemplated thereby is hereby approved under the provisions of Section 160A-20 of the General Statutes of North Carolina and relevant resolutions of the Commission.

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to approve the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF COLUMBUS, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$2,138,000 WATER AND SEWER SYSTEM REVENUE BONDS AND TO ISSUE ONE OR MORE WATER AND SEWER SYSTEM REVENUE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS

WHEREAS, the Town of Columbus, North Carolina (the "Town") has applied to the North Carolina Local Government Commission (the "Commission"), pursuant to The State and Local Government Revenue Bond Act, as amended, for approval of the issuance by the Town of not to exceed \$2,138,000 Water and Sewer System Revenue Bonds (the "Initial Bonds") for the purpose of providing funds, together with any other available funds, (a) to finance various improvements to the Town's water and sanitary sewer systems, including, without limitation, a new water storage tank and water and sewer line improvements (collectively, the "Project") and (b) to pay certain other costs associated with the issuance of the Initial Bonds and the hereinafter mentioned Initial Note; and

WHEREAS, under the plan of finance for the issuance of the Initial Bonds, the United States Department of Agriculture, Rural Development ("USDA") has issued a commitment to purchase the Initial Bonds in an amount not to exceed \$2,138,000, subject to certain terms and conditions, upon completion of the Project, but in order to provide construction funding for the Project, it is necessary for the Town to issue its Water and Sewer System Revenue Bond Anticipation Note (the "Initial Note"), in a principal amount not to exceed \$2,138,000 in anticipation of the issuance of the Initial Bonds; and

WHEREAS, in connection with the long-term plan of finance, the Town may need to issue additional bond anticipation notes (the "Additional Notes") in anticipation of the issuance of the Initial Bonds, in order to complete the construction of the Project before USDA will purchase the Initial Bonds; and

WHEREAS, the Town has furnished to the Commission forms of the following documents:

- (a) Bond Order, to be adopted by the Town, authorizing the issuance of Initial Bonds of the Town, including the issuance of the Initial Note and any Additional Notes in anticipation of the issuance of the Initial Bonds, by the Town, subject to the terms thereof; and
- (b) Series Resolution, to be adopted by the Town, authorizing the issuance of the Initial Note by the Town, subject to the terms thereof (the “Resolution”); and

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:

- (i) that the proposed issuance of the Initial Bonds, the Initial Note and any Additional Notes, in anticipation of the issuance of the Initial Bonds, by the Town is necessary and expedient;
- (ii) that the proposed amount of the proposed Initial Bonds, the Initial Note and any Additional Notes is adequate, when added to other monies available to the Town, and not excessive for the proposed purposes thereof;
- (iii) that the Project is feasible;
- (iv) the Town’s debt management policies and procedures are good; and
- (v) that the Initial Bonds, the Initial Note and any Additional Notes can be marketed as a reasonable interest cost to the Town.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the Town of Columbus, North Carolina for approval of the proposed Initial Bonds in an amount not to exceed \$2,138,000 for the purposes set forth is hereby approved pursuant to The State and Local Government Revenue Bond Act, as amended. In addition, the issuance of the Initial Note and the Additional Notes in anticipation of the issuance of the Initial Bonds is hereby approved, provided, however, that such Additional Notes shall not be issued and delivered to the purchasers thereof until the USDA has issued additional commitments, if necessary, in an amount sufficient to pay the maturing principal of the Initial Note and the Additional Notes at the time of completion of the Project.

The Initial Note shall be sold at private sale to a purchaser determined by the Department of State Treasurer through an RFP process under the terms set forth in the Resolution. Renewal notes may be issued as necessary to refinance the maturing Initial Note or Additional Notes (or renewals thereof) if upon such maturity the requirements to issue the Initial Bonds have not been met.

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Thereupon, Mr. Munn made a motion to adopt the following resolution:

RESOLUTION CONCERNING THE PRIVATE SALE OF A TOWN OF COLUMBUS, NORTH CAROLINA WATER AND SEWER SYSTEM REVENUE BOND ANTICIPATION NOTE

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the “Commission”) to sell revenue bonds and revenue bond anticipation notes at public sale or at private sale without advertisement to

any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit; and

WHEREAS, the Town of Columbus, North Carolina (the "Town") has requested the Commission to sell its Water and Sewer System Revenue Bond Anticipation Note approved concurrently herewith (the "Note") in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

WHEREAS, the Note is being issued in anticipation of the issuance of Water and Sewer System Revenue Bonds by the Town (the "Initial Bonds") to be purchased by the United States Department of Agriculture (the "USDA") pursuant to a commitment to purchase the Initial Bonds, subject to certain terms and conditions, upon completion of the project for which the Note is being issued (the "Project"); and

WHEREAS, the Town may need to issue additional notes (the "Additional Notes") in anticipation of the issuance of the Initial Bonds, in connection with completion of the construction of the Project before USDA will purchase the Initial Bonds; and

WHEREAS, the Town has requested that the Commission also approve the future sale of any Additional Notes in connection with the construction of the Project; provided that USDA has issued a commitment to purchase the bonds to be issued at the maturity of any Additional Notes; and

WHEREAS, the Commission desires to approve the request of the Town that it sell the Note and any Additional Notes at private sale without advertisement;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Note at private sale without advertisement to one or more purchasers determined by the Secretary of the Commission as proposing the best interest rate or rates practicably available to the Town is hereby approved, such sale being subject to the approval of the Town and satisfaction of the conditions set forth below.

Section 2. The sale of any Additional Notes at private sale without advertisement to one or more purchasers determined by the Secretary of the Commission as proposing the best interest rate or rates practicably available to the Town is hereby approved, provided that USDA has given a commitment to purchase the bonds to be issued at the maturity of any such Additional Notes, such sale being subject to the approval of the Town and satisfaction of the conditions set forth below.

Section 3. The aggregate principal amount of the Note shall not exceed \$2,138,000 and the purchase price for the Note shall be approved by the Secretary of the Commission at the time of the sale of the Note. The aggregate principal amount of the Additional Notes shall not exceed, together with the Note, the aggregate principal amount of all commitments issued by USDA to purchase the Initial Bonds.

Section 4. The interest rate on the initial Note shall not exceed 5.00%.

Section 5. Renewal notes may be sold to private purchasers to refinance any maturing Initial Note or Additional Notes, or renewals thereof.

Section 6. The Commission hereby determines that the sale of the Note in the manner and for the price as provided in this resolution is in the best interest of the Town, provided that such sale shall be approved by the Town.

Section 7. This resolution shall be effective immediately upon its passage.

Section 8. The Commission hereby approves the engagement of Womble Bond Dickinson (US) LLP as bond counsel to the Town in connection with the issuance of the Initial Bonds, the Note and any Additional Notes.

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Thereupon, Mr. Munn made a motion to adopt the following resolution:

RESOLUTION CONCERNING THE PRIVATE SALE OF THE TOWN OF COLUMBUS, NORTH CAROLINA WATER AND SEWER SYSTEM REVENUE BONDS TO THE UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the "Commission") to sell revenue bonds and revenue bond anticipation notes at public sale or at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit; and

WHEREAS, the Town of Columbus, North Carolina (the "Town") has requested the Commission to sell its Water and Sewer System Revenue Bonds approved concurrently herewith (the "Initial Bonds") to the United States Department of Agriculture, Rural Development ("USDA") upon the completion of construction of the project to be permanently financed thereby pursuant to a commitment previously issued by USDA, all in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

WHEREAS, the Commission desires to approve the request of the Town that it sell the Initial Bonds to USDA at private sale without advertisement;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Initial Bonds to USDA at private sale without advertisement in accordance with commitments previously made by USDA is hereby approved, such sale being subject to the approval of the Town and satisfaction of the conditions set forth below.

Section 2. The aggregate purchase price for the Initial Bonds shall be the principal amount thereof.

Section 3. No maturity of the Initial Bonds shall be later than the later of (a) December 31, 2060 or (b) 40 years after issuance date of the Initial Bonds and the interest rate on the Initial Bonds shall not exceed 1.875%.

Section 4. The Commission hereby determines that the sale of the Initial Bonds in the manner and for the price as provided in this resolution is in the best interest of the Town, provided that such sale shall be approved by the Town.

Section 5. This resolution shall be effective immediately upon its passage.

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to approve the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED \$39,000,000 COUNTY OF LINCOLN, NORTH CAROLINA ENTERPRISE SYSTEM REVENUE BONDS, SERIES 2020

WHEREAS, the County of Lincoln, North Carolina (the “County”) has proposed to engage the services of:

Bond Counsel:	Robinson, Bradshaw & Hinson, P.A.
Underwriter:	Wells Fargo Bank, National Association
Underwriter’s Counsel:	Womble Bond Dickinson (US) LLP
Trustee and Bond Registrar:	U.S. Bank National Association (DTC)
Financial Advisor:	Davenport & Company LLC
Feasibility Consultant:	Raftelis Financial Consultants, Inc.

in connection with the issuance and sale of its Enterprise System Revenue Bonds, Series 2020 in a principal amount not to exceed \$39,000,000 and has requested that the North Carolina Local Government Commission (the “Commission”) approve its proposed financing team; and

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion that the request by the County should be approved;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the financing team proposed by the County is hereby approved.”

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to approve the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF LINCOLN, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$39,000,000 COUNTY OF LINCOLN, NORTH CAROLINA ENTERPRISE SYSTEM REVENUE BONDS, SERIES 2020

WHEREAS, the County of Lincoln, North Carolina (the “County”) has applied to the North Carolina Local Government Commission (the “Commission”), pursuant to The State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed \$39,000,000 County of Lincoln, North Carolina Enterprise System Revenue Bonds, Series 2020 (the “Bonds”), for the purpose of providing funds, with any other available funds, to (i) pay the cost of certain improvements to the County’s existing wastewater treatment facilities (the “Project”), (ii) prepay all or a portion of the County’s payment obligations with respect to its Enterprise System Revenue Bond, Series 2019, its Installment Financing Contract dated July 21, 2016 with Carolina Bank and its Promissory Note to the State of North Carolina dated December 29, 2010 and (iii) pay costs incurred in connection with the issuance of the Bonds; and

WHEREAS, the County has provided to the Commission copies of (i) resolutions passed by the Board of Commissioners for the County on June 15, 2020 and July 20, 2020 making certain findings and determinations in connection with the issuance of the Bonds and requesting the Commission to sell the Bonds at private sale and (ii) a draft of a Third Supplemental Trust Agreement authorizing and securing the Bonds; and

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:

- (i) that the Bonds are necessary and expedient,
- (ii) that the proposed amount of the Bonds is adequate and not excessive for the proposed purposes thereof,
- (iii) that the proposed Project is feasible,
- (iv) that the debt management procedures and policies of the County are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law; and
- (v) that the Bonds can be marketed at a reasonable interest cost to the County;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the County for approval of the issuance of not to exceed \$39,000,000 County of Lincoln, North Carolina Enterprise System Revenue Bonds, Series 2020 for the purposes set forth above is hereby approved pursuant to The State and Local Government Revenue Bond Act, as amended.”

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to approve the following resolution:

“RESOLUTION CONCERNING THE PRIVATE SALE OF NOT TO EXCEED \$39,000,000 COUNTY OF LINCOLN, NORTH CAROLINA ENTERPRISE SYSTEM REVENUE BONDS, SERIES 2020

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the “Commission”) to sell revenue bonds at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit or one or more persons designated by resolution of such governing board to approve such prices; and

WHEREAS, the County of Lincoln, North Carolina (the “County”) has furnished to the Commission a draft of the Third Supplemental Trust Agreement that has been approved by the Board of Commissioners for the County authorizing and securing Enterprise System Revenue Bonds of the County (the “Third Supplemental Trust Agreement”) pursuant to which the County proposes to issue Enterprise System Revenue Bonds, Series 2020 of the County in a principal amount not to exceed \$39,000,000 (the “Bonds”) in accordance with a bond order adopted by said Board of Commissioners, and

WHEREAS, Wells Fargo Bank, National Association (the “Underwriter”), has offered to purchase the Bonds from the Commission upon the terms and conditions set forth below and in the form of the Bond Purchase Agreement relating thereto, a draft of which has been provided to the Commission (the “Bond Purchase Agreement”); and

WHEREAS, the County has provided to the Commission a draft of a Preliminary Official Statement relating to the offering of the Bonds (the “Preliminary Official Statement”); and

WHEREAS, the County has requested the Commission to sell the Bonds at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

WHEREAS, the Commission wants to approve such request of the County that it sell the Bonds at private sale without advertisement; and

WHEREAS, the Commission wants to accept the offer of the Underwriter to purchase the Bonds substantially in the form of the Bond Purchase Agreement and upon the terms and conditions set forth below;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Bonds to the Underwriter at private sale without advertisement pursuant to the Third Supplemental Trust Agreement and the Bond Purchase Agreement substantially in the forms provided to the Commission and upon the terms and conditions set forth below is hereby approved, such sale being subject to the approval of the County including one or more persons designated by resolution of the Board of Commissioners for the County for such purpose.

Section 2. The aggregate principal amount of the Bonds shall not exceed \$39,000,000 and the purchase price of the Bonds shall be approved by the Designated Assistant of the Commission on the date of sale of the Bonds and set forth in the Bond Purchase Agreement.

Section 3. The final maturity of the Bonds shall not be beyond December 31, 2042.

Section 4. The effective interest cost of the Bonds, as determined by the Commission, shall not exceed 3.0% per annum.

Section 5. The Commission hereby determines that the sale of the Bonds in the manner and at the price as provided in this resolution is in the best interests of the County, provided that such sale shall be approved by the County including one or more persons designated by resolution of the Board of Commissioners for the County for such purpose.

Section 6. The Secretary of the Commission or his designee is hereby appointed the Designated Assistant of the Commission (the "Designated Assistant") for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Bond Purchase Agreement, including details of the Bonds, as shall be satisfactory to him or her, to approve the forms of other documents relating to the Bonds, to execute and deliver the Bond Purchase Agreement and such other documents on behalf of the Commission and to provide for the execution and delivery of the Bonds in accordance with the Trust Agreement, the Third Supplemental Trust Agreement and the Bond Purchase Agreement.

Section 7. The Preliminary Official Statement substantially in the form of the Preliminary Official Statement provided to the Commission, with such insertions and changes therein as may be approved by the Designated Assistant, and the use thereof in connection with the public offering and sale of the Bonds are hereby approved and authorized. The Designated Assistant is hereby authorized and directed to approve and deliver on behalf of the Commission the final Official Statement in such form.

Section 8. This resolution shall be effective immediately upon its adoption."

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to adopt the following resolution:

RESOLUTION APPROVING THE FINANCING TEAM FOR THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (PENNYBYRN AT MARYFIELD PROJECT), SERIES 2020A, RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (TEMPS-85SM) (PENNYBYRN AT MARYFIELD PROJECT), SERIES 2020B-1, AND RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (TEMPS-50SM) (PENNYBYRN AT MARYFIELD PROJECT), SERIES 2020B-2

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”) has requested that the North Carolina Local Government Commission (the “Commission”) approve the following financing team members for issuance by the Medical Care Commission of its upcoming Retirement Facilities First Mortgage Revenue Bonds (Pennybyrn at Maryfield Project), Series 2020A, Retirement Facilities First Mortgage Revenue Bonds (TEMPS-85SM) (Pennybyrn at Maryfield Project), Series 2020B-1, and Retirement Facilities First Mortgage Revenue Bonds (TEMPS-50SM) (Pennybyrn at Maryfield Project), Series 2020B-2 (collectively, the “Bonds”):

Bond Counsel:	Womble Bond Dickinson (US) LLP
Underwriters:	B.C. Ziegler and Company Davenport & Company LLC
Underwriters’ Counsel:	Parker Poe Adams & Bernstein, LLP
Borrower’s Counsel:	Keziah Gates LLP
Bond Trustee/Master Trustee:	The Bank of New York Mellon Trust Company, N.A.
Auditor/Feasibility Consultant:	Dixon Hughes Goodman LLP

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion of the Commission that the request by the Medical Care Commission should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above financing team is hereby approved for the Bonds.

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made a motion to approve the following resolution:

RESOLUTION APPROVING ISSUANCE OF, AND AWARDED TO THE UNDERWRITERS OF, THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (PENNYBYRN AT MARYFIELD PROJECT), SERIES 2020A, RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (TEMPS-85SM) (PENNYBYRN AT MARYFIELD PROJECT), SERIES 2020B-1, AND

SM Service Mark of B.C. Ziegler and Company.

RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (TEMPS-50SM) (PENNYBYRN AT MARYFIELD PROJECT), SERIES 2020B-2 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$55,000,000

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”), pursuant to the provisions of the Health Care Facilities Finance Act, the same being Chapter 131A of the General Statutes of North Carolina, as amended (the “Act”), proposes to authorize the issuance of its North Carolina Medical Care Commission Retirement Facilities First Mortgage Revenue Bonds (Pennybyrn at Maryfield Project), Series 2020A, Retirement Facilities First Mortgage Revenue Bonds (TEMPS-85SM) (Pennybyrn at Maryfield Project), Series 2020B-1, and Retirement Facilities First Mortgage Revenue Bonds (TEMPS-50SM) (Pennybyrn at Maryfield Project), Series 2020B-2 (collectively, the “Bonds”) to be issued pursuant to a Trust Agreement, to be dated as of September 1, 2020 or such other mutually agreeable date (the “Trust Agreement”), between the Medical Care Commission and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Bond Trustee”), in an aggregate principal amount not to exceed \$55,000,000 for the purpose of providing funds, together with other available funds, to (a) pay a portion of the cost of acquiring, constructing and equipping various improvements to the Pennybyrn at Maryfield continuing care retirement facilities, including, but not limited to, (i) a new 42-unit independent living apartment building, (ii) a new transitional rehabilitation facility and (iii) other improvements and renovations to the existing facilities on the campus (collectively, the “2020 Project”), (ii) pay interest accruing on the Bonds during construction of the 2020 Project, (iii) fund debt service reserve funds for the Bonds, (iv) refinance certain interim indebtedness incurred by the Corporation to pay costs of the 2020 Project (the “Prior Debt”) and (v) pay certain expenses incurred in connection with the sale and issuance of the Bonds; and

WHEREAS, the Bonds are proposed to be issued as fixed rate bonds; and

WHEREAS, there has been submitted at this meeting a proposed draft of the Contract of Purchase, to be dated as of the date of delivery thereof (the “Contract of Purchase”), whereby B.C. Ziegler and Company, on behalf of itself and on behalf of Davenport & Company LLC (collectively, the “Underwriters”), will offer to purchase the Bonds on the terms and conditions set forth therein and in the Trust Agreement, and the Local Government Commission of North Carolina (the “Commission”) desires to approve the issuance of the Bonds and then accept such offer when made and approve the Contract of Purchase; and

WHEREAS, there have been furnished to the Commission executed versions or proposed drafts of the following documents:

- (a) Trust Agreement;
- (b) Contract of Purchase;
- (c) Master Trust Indenture, dated as of April 1, 2015, between Maryfield, Incorporated (the “Corporation”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Master Trustee”);
- (d) Supplemental Indenture for Obligation No. 3, to be dated as of September 1, 2020 or such other mutually agreeable date, between the Corporation and the Master Trustee;
- (e) Obligation No. 3A, Obligation No. 3B-1, and Obligation No. 3B-2, each to be dated as of the date of delivery thereof, to be issued by the Corporation to the Medical Care Commission;

(f) Loan Agreement, to be dated as of September 1, 2020 or such other mutually agreeable date, between the Medical Care Commission and the Corporation;

(g) Second Amendment to Deed of Trust, to be dated as of September 1, 2020 or such other mutually agreeable date (the "Second Amendment"), amending the Deed of Trust, dated as of April 1, 2015 (as previously amended, the "Existing Deed of Trust" and, together with the Second Amendment, the "Deed of Trust") to add additional real property to the security interest granted by the Existing Deed of Trust;

(h) Preliminary Official Statement of the Commission, to be dated as of the date of delivery thereof (the "Preliminary Official Statement"), relating to the Bonds; and

(i) the Assignment of Contracts, to be dated as of September 1, 2020 or such other mutually agreeable date (the "Assignment"), from the Corporation to the Master Trustee; and

all as part of the application from the Medical Care Commission to the Commission requesting approval of the proposed issuance of the Bonds; and

WHEREAS, the Commission has found and determined based upon the information and evidence it has received that the proposed financing will effectuate the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission as follows:

Section 1. The issuance of the Bonds by the Medical Care Commission as provided in the Trust Agreement is hereby approved.

Section 2. The Bonds are hereby awarded to the Underwriters pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Contract of Purchase, subject to the approval of the Medical Care Commission and the Corporation. The Commission hereby determines that such award and sale of the Bonds at rates that will provide a true interest cost not to exceed 6.0% (such measure being defined as determined by the Commission), a final maturity not beyond October 1, 2050 and a principal amount not to exceed \$55,000,000 are in the best interests of the Medical Care Commission and the Corporation.

Section 3. The distribution of the Preliminary Official Statement, in substantially the form submitted at this meeting, is hereby authorized and approved, and the distribution of the final Official Statement, upon approval by the Medical Care Commission, is hereby authorized and approved.

Section 4. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Contract of Purchase. Subject to the limitations in Section 2 of this resolution, the Contract of Purchase is hereby approved, and the Secretary of the Commission or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Contract of Purchase, including details of the Bonds, as shall be satisfactory to the Designated Assistant, to approve the forms of other documents relating to the Bonds, and to execute and deliver the Contract of Purchase and such other documents that are required to be executed and delivered by the Commission on behalf of the Commission.

Section 5. This resolution shall take effect immediately upon its passage.

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF CITY OF HENDERSONVILLE, NORTH CAROLINA FOR A PROJECT THAT CONSISTS OF THE DESIGN, PERMIT, AND CONSTRUCTION OF A NEW WATER INTAKE AND PUMP STATION ALONG THE FRENCH BROAD RIVER. THE CITY INTENDS TO DEMOLISH THE EXISTING INTAKE STRUCTURE AND CONSTRUCT A NEW INTAKE STRUCTURE AND ASSOCIATED PIPING ALONG THE MILLS RIVER

WHEREAS, the City of Hendersonville, (the “City”) has determined that it is necessary and expedient in order to increase the redundancy, resiliency, and reliability of source water for the water treatment plant (“WTP”) during drought conditions and other water supply needs, and eliminate water scarcity concerns currently experienced during drought conditions; and

WHEREAS, the City of Hendersonville filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed \$14,124,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a water revolving loan for the City is hereby approved.”

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF CITY OF HICKORY, NORTH CAROLINA FOR CONSTRUCTION OF A 100-GPM SEWER PUMP STATION WITH APPROXIMATELY 8,000 LF OF 4-INCH SEWER FORCE MAIN AND A 750-GPM SEWER PUMP STATION WITH APPROXIMATELY 18,000 LF OF 10-INCH SEWER FORCE MAIN

WHEREAS, the City of Hickory, (the “City”) has determined that it is necessary and expedient to address sanitary sewer overflows (SSO’s). The improved gravity sewer will allow the flow to arrive without overflow and the large pump station will intercept the sewer before surcharging from the City of Conover collection; and

WHEREAS, the City of Hickory filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed \$5,182,700 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a sewer revolving loan for the City is hereby approved.”

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF COUNTY OF LINCOLN, NORTH CAROLINA FOR THE KILLIAN CREEK WASTEWATER

TREATMENT PLANT EXPANSION PROJECT THAT CONSISTS OF IMPROVEMENTS TO THE COUNTY'S EXISTING WASTEWATER SYSTEM, INCLUDING THE UPGRADING OF THE COUNTY'S WASTEWATER TREATMENT PLANT. THE UPGRADE WILL INCREASE (DOUBLE) CURRENT CAPACITY OF 3.3 MGD TO A CAPACITY OF 6.6

(Note: Concurrently publicly sold revenue bonds were approved to complete the funding requirements of the project).

WHEREAS, the County of Lincoln, (the "County") has determined that it is necessary and expedient due to growth in the eastern part of the County. The plant is nearing its current capacity at times and the County is unable to approve any new construction in that area of the County until the plant is under construction; and

WHEREAS, the County of Lincoln filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed \$14,000,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a sewer revolving loan for the City is hereby approved."

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

MISCELLANEOUS – ACTION ITEMS:

Mr. Munn made the motion to adopt the following resolution:

The City of Monroe and the following fire departments have requested approval of an annexation payment schedule developed in accordance with G.S. 160A-31.1

Whereby the city will make a lump sum payment for the city's proportionate share of outstanding debt as follows:

Volunteer Fire Department	Effective Annexation Date	Payment Period	Reimbursement
Mineral Springs VFD	8/20/2019	2020	\$ 92.52
Unionville VFD	12/4/2018	2020	\$1,033.36
Unionville VFD	5/7/2019 & 8/20/2019	2020	\$1,183.22
Bakers VFD	10/1/2019	2020	\$1,158.34

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

Mr. Munn made the motion to a adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF TOWN OF VALDESE, NORTH CAROLINA FOR THE INCREASE OF ADDITIONAL FUNDS ON A STATE REVOLVING LOAN.

WHEREAS, Town of Valdese, North Carolina (the “Town”) requests an increase of \$224,673 for a total loan of \$718,398. The original loan was approved by the Local Government Commission on June 4, 2019 for \$493,725; and

WHEREAS, the loan will eliminate the chlorinator, chlorine dock, chlorine cylinders and existing dated chlorination technology and replace them with bulk storage chlorine bleach tanks, day storage tanks, transfer pumps and chemical feed pumps for dosing chlorine solution to achieve disinfection of the Town’s treated drinking water; and

WHEREAS, the increase is due to actual construction bids received being higher than expected due to an increasing cost environment; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the request by the Town mentioned above is hereby approved.”

Ms. Wood seconded the motion which passed by unanimous vote of 8-0.

MISCELLANEOUS - NON-ACTION ITEM:

Town of Huntersville – The Town has negotiated a rate modification with First Community Bank to its existing, privately held tax exempt, installment purchase for its police station. The original issuance was on 12/15/2011 for \$5,800,000.

Outstanding balance as of 8/1/2020	Initial Rate	Modified Rate as of 8/1/2019	Approximate Interest Savings	Maturity Date
\$3,770,000	2.95%	2.75%	\$46,191	12/31/2031

Ms. Harris made the motion to adjourn the meeting. Ms. Marshall seconded the motion which passed by unanimous vote of 8-0. The meeting adjourned at 3:56 p.m.

* * * * *

I, Greg C. Gaskins, Secretary of the North Carolina Local Government Commission, CERTIFY that the foregoing is a true and correct extract from minutes of a meeting of the North Carolina Local Government Commission duly called and held on August 4, 2020 and sets forth so much of said minutes as in any way relates to the introduction, consideration and passage of the resolutions herein set forth.

WITNESS my hand at Raleigh, this ___ day of August 2020.

Greg C. Gaskins, Secretary of the
Local Government Commission of North Carolina

Local Governments Requesting Debt Approval by LGC
 Agenda Date 08/04/20

As Reported in 2019 Fiscal Year End Audits											
Name of Unit	County	Last Year of Reval	Next Year of Reval	Total OPEB Liability	Actuarial Value of OPEB Assets	Net OPEB Liability	LGERS/TSERS Net Pension Liability	Total LEOSSA Pension Liability	Actuarial Value of LEOSSA Assets	Net LEOSSA Pension Liability	
Beaufort Morehead City Airport Authority	Carteret	2015	2020	NA	NA	NA	NA	NA	NA	NA	
Brevard	Transylvania	2016	2021	576,311	236,469	339,842	1,502,167	506,819	0	506,819	
Burlington	Alamance	2017	2025	27,816,998	0	27,816,998	12,020,182	6,296,757	0	6,296,757	
Columbus	Polk	2017	2021	NA	NA	NA	299,864	172,433	0	172,433	
Conover	Catawba	2019	2023	NA	NA	NA	1,732,759	469,368	0	469,368	
Duplin County	Duplin	1017	2022	22,383,088	0	22,383,088	7,680,694	1,655,257	0	1,655,257	
Edenton	Chowan	2014	2022	1,297,951	0	1,297,951	1,238,600	420,679	0	420,679	
Hendersonville	Henderson	2019	2023	2,833,222	0	2,833,222	4,637,691	1,069,048	0	1,069,048	
Hickory	Catawba	2019	2023	21,027,154	0	21,027,154	10,536,521	3,544,975	0	3,544,975	
Holly Springs	Wake	2016	2020	3,503,743	0	3,503,743	6,407,933	1,555,524	0	1,555,524	
Johnston, County of	Johnston	2019	2025	173,606,994	0	173,606,994	19,972,479	3,566,568	0	3,566,568	
Lincoln County	Lincoln	2019	2023	50,470,936	0	50,470,936	11,600,990	2,265,319	0	2,265,319	
Valdese	Burke	2019	2023	980,556	0	980,556	1,073,722	188,730	0	188,730	
Vance County	Vance	2016	2024	18,875,330	0	18,875,330	5,215,831	865,373	0	865,373	
Wayne County	Wayne	2019	2027	35,231,937	0	35,231,937	14,142,954	2,581,290	0	2,581,290	

LEOSSA - Law Enforcement Officers' Special Separation Allowance OPEB - Other Post Employment Benefits (retiree healthcare) NA - not applicable
 LGERS - Local Government Employees Retirement System TSERS - Teachers and State Employees Retirement System