

**NORTH CAROLINA DEPARTMENT OF STATE TREASURER
LOCAL GOVERNMENT COMMISSION
MINUTES**

December 6, 2022

The meeting was called to order by Chair Dale R. Folwell at 1:30 p.m. on the above date. The meeting was conducted in person and by use of simultaneous communication by GoToWebinar™. Members present in person: Chair Folwell, State Auditor Beth Wood, Secretary of State Elaine Marshall, Tenisha Jacobs (Secretary of Revenue Designee), and Paul Butler. Members present virtually: Nancy Hoffmann, Vida Harvey, John Burns, and Mike Philbeck.

Members Absent: None.

A quorum was present for the entire meeting.

Other DST participants present in person: Sharon Edmundson, Jennifer Wimmer, Debbie Tomasko, Susan McCullen, Cindy Aiken, Eric Faust, Michael Milam, Tony Blalock, and Ben Garner.

Others attending in person: Bill Toole (Secretary of State Office), DST staff Victoria Bledsoe, Chris Frazier, Ted Brinn, Sam Watts, and Dan Way.

Chair Folwell asked those members present if they had any actual, potential, or the appearance of a conflict of interest regarding the matters on the agenda. No conflicts were reported.

Auditor Wood made a motion that the minutes of the November 1, 2022 meeting be approved. Secretary Marshall seconded the motion, and the minutes were approved by a vote of 9-0.

Chair Folwell called the members' attention to the OPEB & Pension Liabilities report attached to these minutes and labelled "Attachment A".

* * * * *

TOWN OF PIKEVILLE

Chair Folwell introduced and welcomed representatives from the Town of Pikeville: Mayor Garrett Johnston; Commissioners Lyman Galloway, Robert Hooks and Steve West; Kathie Fields (Deputy Billing Clerk and Interim Town Manager); Wendy Holland (Finance Officer and Town Clerk); and Tim Biggerstaff (newly appointed Town Manager). After remarks made by Chair Folwell, LGC members and Town representatives, Secretary Marshall made a motion to adopt the "Resolution Returning Financial Control to the Town of Pikeville", attached to these minutes and labelled "Attachment B" (see Attachment B). Auditor Wood seconded the motion, and the Resolution was adopted by unanimous vote of 9 – 0.

* * * * *

TOWN OF CLAYTON

Auditor Wood made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF CLAYTON, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$100,000,000 WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2022

WHEREAS, the Town has applied to the Commission pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed \$100,000,000 Water and Sewer System Revenue Bonds, Series 2022 of the Town of Clayton, North Carolina (the "2022 Bonds") for the purpose of providing funds to finance a portion of the costs of the design, acquisition, construction and equipping of the Sam's Branch Water Reclamation Facility and other capital improvements to the System (collectively, the "Project"); and

WHEREAS, the Town has furnished to the Commission:

- (a) Amended and Restated Bond Order adopted by the Town Council of the Town (the "Council") on November 7, 2022 (the "Bond Order"); and
- (b) Series Resolution adopted by the Council on November 7, 2022 (the "Series Resolution"), authorizing the issuance of the 2022 Bonds in an amount not to exceed \$100,000,000 to finance costs of the Project and setting forth the terms of the 2022 Bonds;
- (c) the preliminary official statement with respect to the 2022 Bonds deemed final as of its date, except for the omission of no more than the information permitted to be omitted by Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Preliminary Official Statement"); and
- (d) a draft of the Bond Purchase Agreement among the Commission, the Town, and Robert W. Baird & Co., on its behalf and on behalf of PNC Capital Markets LLC, as underwriters, with respect to the 2022 Bonds; and

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

- (a) that the proposed revenue bond issue is necessary and expedient;
- (b) that the proposed amount of the revenue bond issue is adequate and not excessive, when added to other monies available to the Town, for the proposed purpose thereof;
- (c) that the proposed Project is feasible;
- (d) that the Town's debt management procedures and policies are good;

(e) that the net revenues of the System (as defined in the Bond Order) will be sufficient to service the proposed revenue bonds; and

(f) that the proposed revenue bonds can be sold at 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 for approval of the proposed 2022 Bonds in an amount not to exceed \$100,000,000 for the purposes set forth therein is hereby approved pursuant to the State and Local Government Revenue Bond Act, as amended.

Secretary Marshall seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Rich Cappola, Town Manager; Robert McKie, Finance Director; and Ted Cole, Senior Vice President of Davenport & Company attended in person to speak and answer members' questions.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

**“RESOLUTION CONCERNING THE PRIVATE SALE OF THE TOWN
OF CLAYTON, NORTH CAROLINA WATER AND SEWER SYSTEM
REVENUE BONDS, SERIES 2022**

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; and

WHEREAS, Robert W. Baird & Co., on its behalf and on behalf of PNC Capital Markets LLC (collectively, the “Underwriters”) has offered to purchase the not to exceed \$100,000,000 Water and Sewer System Revenue Bonds, Series 2022 (the “2022 Bonds”) of the Town of Clayton, North Carolina (the “Town”), from the Commission on the terms and conditions provided below and in the form of a Bond Purchase Agreement (the “Bond Purchase Agreement”) among the Commission, the Town of Clayton, North Carolina (the “Town”) and the Underwriters; and

WHEREAS, the Commission has received the preliminary official statement with respect to the 2022 Bonds deemed final as of its date, except for the omission of no more than the information permitted to be omitted by Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “Preliminary Official Statement”), and on the inclusion thereof (the “Official Statement”); and

WHEREAS, the Town has requested the Commission to sell the 2022 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 desires to approve the request of the Town that it sell the 2022 Bonds at private sale without advertisement; and

WHEREAS, the Commission desires to accept the offer of the Underwriters to purchase the 2022 Bonds substantially in the form of the Bond Purchase Agreement;

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

Section 2. The sale of the 2022 Bonds to the Underwriters at private sale without advertisement pursuant to the executed Bond Purchase Agreement and a series resolution adopted by the Town Council on November 7, 2022 with respect to the 2022 Bonds (the "Series Resolution") substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the Secretary of the Commission or a designated assistant of the Commission (the "Designated Assistant").

Section 3. The aggregate principal amount of the 2022 Bonds shall not exceed \$100,000,000 and the purchase price for the 2022 Bonds shall be approved by the Designated Assistant on the date of the sale as provided in the Bond Purchase Agreement.

Section 4. The 2022 Bonds shall bear interest at an interest rate not to exceed 5.50%, and will mature no later than August 1, 2047.

Section 5. The Commission hereby determines that the sale of the 2022 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 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, including details of the 2022 Bonds, as shall be satisfactory to him or her, to approve the forms of other documents on behalf of the Commission and to provide for the execution and delivery of the 2022 Bonds in accordance with the Bond Order, the Series Resolution and the Bond Purchase Agreement.

Section 7. The Preliminary Official Statement and the Official Statement, substantially in the form furnished 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 the sale of the 2022 Bonds, are hereby ratified, approved and authorized. The Designated Assistant is hereby authorized and directed to deliver on behalf of the Commission the Official Statement relating to the 2022 Bonds in such form.

Section 8. This Resolution shall be effective immediately upon its passage."

Secretary Marshall seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Rich Cappola, Town Manager; Robert McKie, Finance Director; and Ted Cole, Senior Vice President of Davenport & Company attended in person to speak and answer members’ questions.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

**“RESOLUTION APPROVING THE FINANCING TEAM
FOR THE TOWN OF CLAYTON, NORTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BONDS,
SERIES 2022**

WHEREAS, the Town of Clayton, North Carolina (the “Town”) has requested that the North Carolina Local Government Commission (the “Commission”) approve their selection of the following financing team members for the upcoming issuance of its Water and Sewer System Revenue Bonds issue:

Underwriters:	Robert W. Baird & Co. PNC Capital Markets LLC
Underwriter’s counsel:	Pope Flynn, LLC
Bond Counsel:	McGuireWoods LLP
Trustee:	U.S. Bank Trust Company, N.A.
Trustee’s counsel:	Moore & Van Allen, PLLC
Financial Advisor:	Davenport & Company, LLC

WHEREAS, based upon information and evidence received by the Commission, it has determined to approve the Town’s request;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team for the Town’s upcoming Water and Sewer System Revenue Bonds, Series 2022 is hereby authorized and approved.”

Secretary Marshall seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Rich Cappola, Town Manager; Robert McKie, Finance Director; and Ted Cole, Senior Vice President of Davenport & Company attended in person to speak and answer members’ questions.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING REQUEST OF THE TOWN OF CLAYTON, NORTH CAROLINA: THIS PROJECT CONSISTS OF THE CONSTRUCTION OF AN ADVANCED BIOLOGICAL WASTEWATER TREATMENT FACILITY TO REPLACE THE LITTLE CREEK FACILITY, TO EXPAND TREATMENT CAPACITY AND TO INSTALL LINEAR INFRASTRUCTURE TO REDIRECT WASTEWATER FROM LITTLE CREEK TO THE NEW WASTEWATER RECLAMATION SITE.

WHEREAS, the Town of Clayton, North Carolina (the “Town”) has determined that it is necessary or expedient to construct a new advanced biological wastewater treatment facility, to expand wastewater treatment capacity, and to install linear infrastructure to redirect wastewater from Little Creek to the new wastewater reclamation site; and

WHEREAS, the Town filed an application with the North Carolina Local Government Commission (the Commission) for approval of a Wastewater State Revolving Loan in an amount not to exceed \$110,000,000 with the term of twenty (20) years at the rate, as established under this program for the respective loan, State or Federal, not to exceed 4%; and

WHEREAS, the Commission, upon the information and evidence it received, finds and determines as follows:

- (1) That the proposed loan is necessary or expedient;
- (2) That the amount proposed is adequate and not excessive for the proposed purpose of the loan;
- (3) That the unit's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law; and
- (4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission hereby approves the award of the Wastewater State Revolving Loan to the Town and approves the loan terms.”

Secretary Marshall seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Rich Cappola, Town Manager; Robert McKie, Finance Director; and Ted Cole, Senior Vice President of Davenport & Company attended in person to speak and answer members’ questions.

* * * * *

DAVIE COUNTY

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

“RESOLUTION APPROVING THE FINANCING REQUEST OF THE COUNTY OF DAVIE, NORTH CAROLINA: THIS PROJECT CONSISTS OF THE EXPANSION OF THE COUNTY’S COOLEEMEE WATER TREATMENT PLANT FROM ITS CURRENT RATING OF 2.6 MGD TO 3.5 MGD, THE REPLACEMENT OR UPGRADING OF THE PLANT COMPONENTS THAT ARE AT THE END OF SERVICE LIFE, AND THE INSTALLATION OF TRANSMISSION MAINS TO SUPPLY THE TOWN OF MOCKSVILLE FROM THE EXPANDED WATER TREATMENT PLANT.

WHEREAS, the County of Davie, North Carolina (the “County”) has determined that it is necessary or expedient to expand the County’s Cooleemee Water Treatment Plant (WTP), to replace or upgrade plant components at the end of their service life, and to install water transmission mains to supply water to the Town of Mocksville from the expanded WTP; and

WHEREAS, the County filed an application with the North Carolina Local Government Commission (the Commission) for approval of a Drinking Water State Revolving Loan in an amount not to exceed \$39,051,620 (including \$2,000,000 of the proposed funding as a principal-forgiveness loan), with the term of twenty (20) years at the rate, as established under this program for the respective loan, State or Federal, not to exceed 4%; and

WHEREAS, the Commission, upon the information and evidence it received, finds and determines as follows:

- (1) That the proposed loan is necessary or expedient;
- (2) That the amount proposed is adequate and not excessive for the proposed purpose of the loan;
- (3) That the unit's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law; and
- (4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission hereby approves the award of the Drinking Water Revolving Loan to the County and approves the loan terms.”

Ms. Jacobs seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Robin West, Assistant County Manager/CFO attended virtually to speak and answer members’ questions.

* * * * *

TOWN OF ROLESVILLE

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

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF ROLESVILLE, NORTH CAROLINA. THIS PROJECT CONSISTS OF CONSTRUCTION OF A NEW 11,840 SQUARE FOOT PUBLIC WORKS FACILITY (THE “PROJECT”) THROUGH AN INSTALLMENT PURCHASE CONTRACT AGREEMENT PURSUANT TO G.S. 160A-20.

WHEREAS, the Town of Rolesville, North Carolina (the “Town”) has determined that the Project, including office space, crew room, locker and shower rooms, maintenance areas and five storage bays, is necessary and expedient to accommodate future expansion as the Town’s Public Works needs grow; and

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

WHEREAS, the principal amount of the Contract shall not exceed \$4,600,000 with annual level principal payments for a term of twenty (20) years at an approved interest rate of 4.20%; and

WHEREAS, pursuant to Article 8, 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 proposed 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 its proposed purpose;
- (iv) that the Town 's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;
- (v) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- (vi) that the Town is not in default in any of its debt service obligations.

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.”

Auditor Wood seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Kelly Arnold, Town Manager and Amy Stevens, Finance Director attended virtually; and Ted Cole, Senior Vice President of Davenport & Company attended in person to speak and answer members’ questions.

Mr. Butler stepped out of the meeting at 2:30 p.m. and returned at 2:35 p.m.

* * * * *

TOWN OF WILKESBORO

The Town of Wilkesboro submitted an application seeking approval of financing to purchase several pieces of equipment totaling \$162,824.28. Town Manager Ken Noland and Finance Director Halee Ratcliff attended virtually to speak and answer members’ questions. After discussion, Mr. Butler made the following motion:

“That the Commission table consideration of this matter until such time that the Town’s bank reconciliations have been caught up to current status and the Town presents evidence of the same to the LGC staff.”

Ms. Jacobs seconded the motion which passed by unanimous vote of 9 – 0.

* * * * *

CONSENT AGENDA

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING HOUSING AUTHORITY OF THE CITY OF ASHEVILLE MULTIFAMILY NOTE IN AN AMOUNT UP TO \$20,000,000 (THE "NOTE") FOR BATTERY PARK APARTMENTS AND THE FINANCING TEAM THEREFOR

WHEREAS, the Housing Authority of the City of Asheville (the “Authority”) has decided to issue its Multifamily Note (the “Note”) to finance the acquisition, rehabilitation and equipping by Battery Park (TC2) Senior Housing Limited Partnership, a North Carolina limited partnership or a related or affiliated entity (the “Borrower”), of a low income multifamily residential rental facility for seniors known as Battery Park Apartments, consisting of approximately 122 units, in the City of Asheville, Buncombe County, North Carolina (the “Development”); and

WHEREAS, in order to finance the Development, the Authority proposes to issue the Note in an aggregate principal amount of not to exceed \$20,000,000, pursuant to the Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the “Act”); and

WHEREAS, the Note has to be approved by the North Carolina Local Government Commission (the “Commission”), for which approval the Commission may consider the criteria set forth in North Carolina General Statutes Section 159-153, and the Authority has applied to the Commission for such approval; and

WHEREAS, based upon the information and evidence received in connection with such application, including resolutions adopted by the Board of Commissioners of the Authority on November 16, 2022, it is hereby determined and found by the Commission:

- (a) that such proposed note issue is necessary or expedient;
- (b) that the proposed amount of such note issue is adequate and not excessive for the proposed purposes thereof;
- (c) that the Borrower has demonstrated that it is financially responsible and capable of fulfilling its obligations with respect to the Note and the Development;
- (d) that the Authority’s debt management procedures and policies are good and that it is not in material default with respect to any of its debt service obligations; and
- (e) the proposed date and manner of sale of the Note will not have an adverse effect upon any scheduled or anticipated sale of any obligations by the State of North Carolina or any political subdivision thereof or any agency of either of them; and

WHEREAS, the Authority has requested that the Commission approve its selection of the following financing team members for the upcoming issuance of the Note:

Bond Counsel:	McGuireWoods LLP
Authority's Counsel:	Roberts & Stevens, P.A.
Borrower:	Battery Park (TC2) Senior Housing Limited Partnership
Borrower's Counsel:	Arnall Golden & Gregory, LLP
Permanent Lender:	Federal Home Loan Mortgage Corporation
Freddie Mac Seller/Servicer:	Bellwether Enterprise Real Estate Capital, LLC
Freddie Mac/Servicer's Counsel:	Katten Muchin Rosenman, LLP
Tax Credit Investor:	Wincopin Circle LLLC
Tax Credit Investor's Counsel:	Gallagher Evelius & Jones LLP
Fiscal Agent:	The Huntington National Bank

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

WHEREAS, it is expected that the Note will initially be acquired by Bellwether Enterprise Real Estate Capital, LLC (the "Initial Funding Lender"), and then assigned to the Federal Home Loan Mortgage Corporation ("Freddie Mac"); and

WHEREAS, there have been presented to the Commission forms of the following documents (the "Documents") to be used in connection with the issuance of the Note:

(a) Funding Loan Agreement, among the Authority, the Initial Funding Lender, and The Huntington National Bank, as fiscal agent (the "Fiscal Agent"), providing for the issuance of the Note, together with the form of the Note;

(b) Project Loan Agreement, among the Authority, the Borrower and the Fiscal Agent, providing for the financing of the Development by the Authority, together with the form of the promissory note of the Borrower; and

(c) Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants, from the Borrower for the benefit of the Authority and the Fiscal Agent;

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

Section 1. The sale of the Note pursuant to the Documents in substantially the forms furnished to the Commission is hereby approved, such sale being subject to the satisfaction of the conditions set forth in the Documents and herein.

Section 2. It is hereby determined, with the approval of the Authority and the Borrower that the Note shall be issued in an aggregate principal amount not to exceed \$20,000,000, shall initially bear interest at a fixed rate, such rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2039.

Section 3. The Secretary of the Commission, or any Deputy Secretary, is hereby appointed the designated representative of the Commission for the purposes of this resolution and such designated representative is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Documents, including details of the Note, as shall be satisfactory to him or her, and to approve the forms of other documents relating to the Note.

Section 4. The financing team set forth above is hereby approved.

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

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

**“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF
BOILING SPRING LAKES, NORTH CAROLINA FOR THE ISSUANCE
OF NOT TO EXCEED \$20,000,000 GENERAL OBLIGATION BONDS**

WHEREAS, the City of Boiling Spring Lakes, North Carolina (the “City”) has applied to the North Carolina Local Government Commission (the “Commission”) and requested the Commission’s approval of the issuance of not exceeding \$20,000,000 Dam Restoration General Obligation Bonds of the City; and

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

- (i) that said bonds are necessary and expedient;
- (ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;
- (iii) that the debt management procedures and policies of the City are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;
- (iv) that the increase in taxes, if any, necessary to service said bonds will not be excessive; and
- (v) that said bonds can be marketed at reasonable rates of interest;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the City of Boiling Spring Lakes, North Carolina for approval of the issuance of not to exceed

\$20,000,000 for the City of Boiling Spring Lakes General Obligation Bonds is hereby approved.”

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Susanne Tungate, Finance Director, and Mitch Brigulio Senior VP of Davenport & Company attended virtually and Ted Cole, Senior VP of Davenport & Company attended in person to speak and answer members’ questions.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED \$20,000,000 CITY OF BOILING SPRING LAKES, NORTH CAROLINA GENERAL OBLIGATION BONDS

WHEREAS, the City of Boiling Spring Lakes (the “City”) has proposed to engage the services of Sanford Holshouser LLP as Bond Counsel and Davenport & Company LLC as financial advisor in connection with the issuance and sale of its General Obligation Bonds and has requested that the North Carolina Local Government Commission (the “Commission”) approves its proposed financing team; and

WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the City should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the City is hereby approved.”

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0. Susanne Tungate, Finance Director, and Mitch Brigulio Senior VP of Davenport & Company attended virtually and Ted Cole, Senior VP of Davenport & Company attended in person to speak and answer members’ questions.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING CITY OF CONCORD, NORTH CAROLINA MULTIFAMILY HOUSING REVENUE BONDS (COLEMAN MILL LOFTS), SERIES 2022 IN AN AMOUNT UP TO \$34,130,000 (THE “BONDS”) AND THE FINANCING TEAM THEREFOR

WHEREAS, the City of Concord, North Carolina (the “Issuer”) has decided to issue its Multifamily Housing Revenue Bonds (Coleman Mill Lofts), Series 2022A (the “2022A Bonds”), its Multifamily Housing Revenue Bonds (Coleman Mill Lofts), Series 2022B (the “2022B Bonds”) and its Multifamily Housing Revenue Bonds (Coleman Mill Lofts), Taxable Series 2022C (the “2022C Bonds” and, together with the 2022A Bonds and the 2022B Bonds, the “Bonds”) to finance the acquisition of the historic Coleman Mill and the constructing, renovating and equipping therein of a 152-unit multifamily residential rental facility to be known as Coleman Mill Lofts (the “Project”) by STC Coleman Mill, LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Borrower”), in the City of Concord, Cabarrus County, North Carolina (the “Development”); and

WHEREAS, in order to finance the Development, the Issuer proposes to issue the Bonds in an aggregate principal amount of not to exceed \$34,130,000, pursuant to the Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the “Act”) and Section 160D-1311(b) of the North Carolina General Statutes; and

WHEREAS, the Bonds have to be approved by the North Carolina Local Government Commission (the “Commission”), for which approval the Commission may consider the criteria set forth in North Carolina General Statutes Section 159-153, and the Issuer has applied to the Commission for such approval; and

WHEREAS, based upon the information and evidence received in connection with such application, including resolutions adopted by the City Council of the Issuer on November 10, 2022, it is hereby determined and found by the Commission:

- (a) that such proposed bond issue is necessary or expedient;
- (b) that the proposed amount of the bond issue is adequate and not excessive for the proposed purposes thereof;
- (c) that the Borrower has demonstrated that it is financially responsible and capable of fulfilling its obligations with respect to the Bonds and the Development;
- (d) that the Issuer’s debt management procedures and policies are good and that it is not in material default with respect to any of its debt service obligations; and
- (e) the proposed date and manner of sale of the Bonds will not have an adverse effect upon any scheduled or anticipated sale of any obligations by the State of North Carolina or any political subdivision thereof or any agency of either of them; and

WHEREAS, the Issuer has requested that the Commission approve its selection of the following financing team members for the upcoming issuance of the Bonds:

Bond Counsel:	McGuireWoods LLP
Borrower:	STC Coleman Mill, LLC
Borrower’s Counsel:	Blanco Tackabery & Matamoros, P.A.
Trustee:	UMB Bank, N.A.
Underwriter:	Piper Sandler & Co.

Underwriter's Counsel:	Coats Rose, P.C.
Tax Credit Investor:	WNC & Associates, Inc. or an affiliate
Tax Credit Investor's Counsel:	Buchalter

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

WHEREAS, it is expected that the Bonds will be sold in a limited offering by Piper Sandler & Co., as underwriter; and

WHEREAS, there have been presented to the Commission forms of the following documents (the "Documents") to be used in connection with the issuance of the Bonds:

(a) Indenture of Trust between the Issuer and UMB Bank, N.A., as trustee (the "Trustee"), providing for the issuance of the Bonds, together with the form of the Bonds;

(b) Loan Agreement between the Issuer and the Borrower, pursuant to which the Issuer will lend the proceeds of the Bonds to the Borrower (the "Loan");

(c) Promissory Note given by the Borrower to the Issuer to evidence the Loan, which the Issuer will assign to the Trustee as security for the Bonds; and

(d) Regulatory Agreement and Declaration of Restrictive Covenants, from the Borrower for the benefit of the Issuer and the Trustee;

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

Section 1. The sale of the Bonds pursuant to the Documents in substantially the forms furnished to the Commission is hereby approved, such sale being subject to the satisfaction of the conditions set forth in the Documents and herein.

Section 2. It is hereby determined, with the approval of the Issuer and the Borrower that the Bonds shall be issued in an aggregate principal amount not to exceed \$34,130,000, shall initially bear interest at fixed rates, such rates not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2043.

Section 3. The Secretary of the Commission, or any Deputy Secretary, is hereby appointed the designated representative of the Commission for the purposes of this resolution and such designated representative is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Documents, including details of the Bonds, as shall be satisfactory to him or her, and to approve the forms of other documents relating to the Bonds.

Section 4. The financing team set forth above is hereby approved.

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

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR COUNTY OF MOORE, NORTH CAROLINA WATER AND SEWER REVENUE BONDS AND NOTES”

WHEREAS, the County of Moore, North Carolina (the “County”) 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 a water and sewer revenue bond anticipation note and subsequent issue of water and sewer revenue bonds:

Bond Counsel:	Sanford Holshouser LLP
Purchaser of Bonds:	USDA - Rural Utilities Service
Purchaser of Note:	Truist Bank
Purchaser’s Counsel:	Pope Flynn Group, LLC

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

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is approved for the County’s proposed issue of water and sewer revenue bonds and notes.

Ms. Hoffman seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 - 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF MOORE, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$4,657,000 WATER AND SEWER REVENUE BONDS AND A LIKE AMOUNT OF WATER AND SEWER REVENUE BOND ANTICIPATION NOTES

WHEREAS, the County of Moore, North Carolina (the “County”) has applied to the North Carolina Local Government Commission (the “Commission”), pursuant to The State and Local Government Bond Act, as amended, and Article 9 of Chapter 159 of the General Statutes of North Carolina, for approval of (a) the issuance of not to exceed \$4,657,000 water and sewer revenue bonds (the “Bonds”) to provide funds, together with any other available funds, to finance improvements to the County’s water and sewer system, particularly sewer line extensions to underserved areas of the Town of Vass (the “Project”), and to pay the expenses of issuing the Bonds, and (b) the issuance of a like amount of water and sewer revenue bond anticipation notes (the “Notes”) to provide interim construction financing for the Project; and

WHEREAS, the County has furnished to the Commission a draft of a Bond Order proposed to be adopted by the County’s Board of Commissioners on November 15, 2022 (the “Bond Order”), authorizing and securing the Bonds, along with other documents and information related to the financing and the security for the Bonds and Notes; and

WHEREAS, based upon the information and evidence received in connection with the application, the Commission finds and determines:

- (i) that the proposed revenue bond issue is necessary and expedient;
- (ii) that the proposed amount of the revenue bond issue is adequate and not excessive, when added to other monies available to the County, for the proposed purposes;
- (iii) that the proposed Project is feasible;
- (iv) that the County’s debt management procedures and policies are good;
- (v) that the proposed Bonds and Notes can be marketed at a reasonable interest cost to the County.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the County’s application for approval of the proposed Bonds in an amount not to exceed \$4,657,000 and the issuance of the Notes in a like amount for the purposes set forth above is hereby approved pursuant to The State and Local Government Revenue Bond Act, as amended, and Article 9 of Chapter 159 of the General Statutes of North Carolina.”

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 - 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE PRIVATE SALE OF THE COUNTY OF MOORE, NORTH CAROLINA WATER AND SEWER BONDS IN THE MAXIMUM AMOUNT OF \$4,657,000, AND THE PRIVATE SALE OF A LIKE AMOUNT OF BOND ANTICIPATION NOTES

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 bond anticipation notes 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 Commission has approved the issuance by the County of Moore, North Carolina (the “County”) of \$4,657,000 water and sewer revenue bonds (the “Bonds”) and a like amount of bond anticipation notes; and

WHEREAS, the United States of America, acting through the Department of Agriculture – Rural Utilities Service (the “Government”), has offered to purchase the Bonds; and

WHEREAS, Truist Bank (the “Purchaser”) has offered to purchase from the Commission the County’s \$4,657,000 Water and Sewer Revenue Bond Anticipation Note, Series 2022 (the “Note”), upon the terms and conditions set forth below and in a proposal from the Purchaser dated November 15, 2022, relating thereto (the “Proposal”); and

WHEREAS, the Commission has received a copy of the Proposal and the Government’s commitment to purchase the Bonds;

WHEREAS, the County has requested that the Commission sell the Bonds and the Note at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, in accordance with the Proposal and the Government’s offer, and the Commission desires to approve the County’s request; and

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

Section 1. The Commission approves the sale of the Bonds at private sale without advertisement to the United States of America, or an agency of the United States, with the

sale being subject to the County's approval. The aggregate principal amount of the bonds shall not exceed \$4,657,000, and the final maturity of the Bonds (including any modifications or extensions of the original maturity) shall not extend beyond 40 years from the issue date of the bonds.

Section 2. The Commission approves the sale of the Note to the Purchaser at private sale without advertisement pursuant to the Proposal, with the sale being subject to the County's approval and satisfaction of the conditions set forth below.

Section 3. The aggregate principal amount of the Note shall not exceed \$4,657,000, and the purchase price for the Note shall be equal to the par amount of the Note as set forth in the Proposal.

Section 4. The Note shall bear interest at an annual interest rate not to exceed 4.68%, subject to adjustment upon a default or change in tax status, as may be provided in the final form of the Note.

Section 5. The final maturity of the original Note shall not extend beyond June 11, 2024, but the Secretary is authorized to extend the maturity date, without further action of the Commission, to any date not later than three years from the original issuance date of the Note.

Section 6. The Commission hereby determines that the sale of the Bonds and the Notes in the manner and as provided in this resolution is in the County's best interest, provided that the sale is approved by the County (which may include approval by one or more persons designated by resolution of the County's Board of Commissioners for that purpose).

Section 7. 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 the form of the Bonds and the Note and the forms of other documents relating to the Bonds and the Note, to execute and deliver any appropriate documents on behalf of the Commission and to provide for the execution and delivery of the Bonds and the Note in accordance with the Proposal and proceedings adopted by the County's Board of Commissioners.

Section 8. This resolution takes effect immediately."

Ms. Hoffmann seconded the motion, and the foregoing resolution was passed by unanimous vote of 9 - 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE CITY OF MOUNT HOLLY (THE "CITY") FOR THE FINANCING OF CERTAIN CAPITAL IMPROVEMENTS THROUGH AN INSTALLMENT FINANCING AND SECURITY AGREEMENT EXECUTED AND DELIVERED PURSUANT TO G.S. §160A-20.

WHEREAS, pursuant to §160A-20 of the General Statutes of North Carolina, the City intends to finance all or a portion of the costs of (a) the repair and repaving of various streets, (b) various sidewalk improvements and (c) various stormwater drainage improvements (collectively, the "Projects") through an Installment Financing and Security Agreement, dated on or about December 13, 2022 (the "Agreement"), between the City and Pinnacle Bank (the "Purchaser"), whereby the Purchaser will advance money to the City for the purpose of financing the Projects and the foregoing related costs and improvements, and the City, subject to its right of nonappropriation, will repay the advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the advancement under the Agreement shall not exceed \$8,310,000; and

WHEREAS, the maturity of the installment payments under the Agreement shall not extend beyond December 31, 2032; and

WHEREAS, the tax-exempt interest rate under the Agreement shall not exceed 3.60% per annum; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and the planned financing are hereby approved under the provisions of G.S §160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission."

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR THE CITY OF MOUNT HOLLY, NORTH CAROLINA, INSTALLMENT FINANCING AND SECURITY AGREEMENT EXECUTED AND DELIVERED PURSUANT TO G.S. §160A-20

WHEREAS, the City of Mount Holly, North Carolina has requested that the North Carolina Local Government Commission (the "Commission") approve its selection of the following financing team members for the proposed financing:

Purchaser:	Pinnacle Bank
Purchaser's Counsel	Nexsen Pruet, PLLC
City Attorney	Marie Anders, Esq.

WHEREAS, based upon the information and evidence received by the Commission, the Commission is of the opinion that the City's request 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 proposed financing."

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE ISSUANCE AND SALE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (TWIN LAKES COMMUNITY), SERIES 2022A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000

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, proposes to

authorize the issuance of its Retirement Facilities First Mortgage Revenue Bonds (Twin Lakes Community), Series 2022A (the “Bonds”), to be issued pursuant to a trust agreement, to be dated as of December 1, 2022 or any date thereafter (the “Trust Agreement”), by and between the Medical Care Commission and The Bank of New York Mellon Trust Company, N.A., as bond trustee, in an aggregate principal amount not to exceed \$60,000,000 for the purpose of providing funds to Lutheran Retirement Ministries of Alamance County, North Carolina d/b/a Twin Lakes (the “Corporation”) to be used to (1) pay all or a portion of the cost of acquiring, constructing and equipping an expansion of and renovation to the Corporation’s existing continuing care retirement community located at 3815 Wade Coble Drive, Burlington, North Carolina 27215, known as Twin Lakes, including but not limited to (a) constructing and equipping approximately 48 new independent living apartments, a community building, a meditation/memorial building, a connector structure and other related improvements, and (b) pay directly related working capital related thereto (collectively, the “Project”); (2) pay a portion of the interest accruing on the Bonds; and (3) pay certain expenses incurred in connection with the authorization and issuance of the Bonds by the Medical Care Commission; and

WHEREAS, the Bonds will be issued in two subseries with the first subseries to be long-term bonds to be held by Truist Commercial Equity, Inc. (the “Purchaser”) for an initial holding period of approximately 15 years (the “2022A-1 Bonds”) and the second subseries to be held by the Purchaser until maturity and to be redeemed upon the receipt of entrance fees from the initial residents of the Project (the “2022A-2 Bonds”); and

WHEREAS, there has been submitted at this meeting a form of Contract of Purchase, to be dated on or about December __, 2022 (the “Purchase Agreement”), between the Local Government Commission of North Carolina (the “Commission”) and the Purchaser and approved by the Medical Care Commission and the Corporation, pursuant to which the Purchaser will purchase the Bonds; and

WHEREAS, in addition to the Purchase Agreement and the Trust Agreement, there has been furnished to the Commission copies of the following documents:

- (a) a Loan Agreement, dated as of December 1, 2022 (the “Loan Agreement”), between the Medical Care Commission and the Corporation;

- (b) a Supplemental Indenture for Obligation No. 12, dated as of December 1, 2022 (“Supplement No. 12”), between the Corporation and The Bank of New York Mellon Trust Company, N.A., as master trustee (in such capacity, the “Master Trustee”) under the Amended and Restated Master Trust Indenture, dated as of October 1, 2019 (as amended and supplemented, the “Master Indenture”), between the Corporation and the Master Trustee;

- (c) Obligation No. 12, to be dated the date of delivery of the Bonds (“Obligation No. 12”), from the Corporation to the Medical Care Commission;

(d) a Supplemental Indenture for Obligation No. 13, dated as of December 1, 2022 (“Supplement No. 6” and together with Supplement No. 12, the “Supplemental Indentures”), between the Corporation and the Master Trustee;

(e) Obligation No. 13, to be dated the date of delivery of the Bonds (“Obligation No. 13” and together with Obligation No. 12, the “Obligations”), from the Corporation to the Purchaser;

(f) a First Amendment to Amended and Restated Deed of Trust, dated as of December 1, 2022, between the Corporation and the Master Trustee, which amends the Amended and Stated Deed of Trust, dated as of October 1, 2019, from the Corporation to the deed of trust trustee named therein for the benefit of the Master Trustee; and

(g) a Continuing Covenants Agreement, dated as of December 1, 2022 (the “Covenant Agreement”), between the Corporation and the Purchaser,

all as part of the application from the Medical Care Commission to the Commission requesting approval of the proposed issuance; 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 Chapter 131A of the General Statutes of North Carolina as amended;

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

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 Purchaser pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Purchase Agreement, 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 100% of the principal amount thereof and a principal amount not to exceed \$60,000,000 are in the best interests of the Medical Care Commission and the Corporation. The Bonds shall bear interest at an initial interest rate not to exceed 6.0% per annum and thereafter at rates determined in accordance with the Trust Agreement. The 2022A-1 Bonds shall have a final maturity not later than January 15, 2053, and the 2022A-2 Bonds shall have a final maturity not later than January 15, 2028.

Section 3. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Purchase Agreement. Subject to the limitations in Section 2 of this resolution, the Purchase Agreement is hereby approved, and the Secretary or any Deputy Secretary of the Commission 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 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, and to execute and deliver the Purchase Agreement and such other documents on behalf of the Commission.

Section 4. This resolution shall take effect immediately upon its passage.”

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0.

* * * * *

Auditor Wood 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 (TWIN LAKES
COMMUNITY), SERIES 2022A**

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”) has requested that the North Carolina Local Government Commission (the “Commission”) approve their selection of the following financing team members for the upcoming Lutheran Retirement Ministries of Alamance County, North Carolina d/b/a Twin Lakes bond issue:

Bond Counsel:	Hawkins Delafield & Wood LLP
Purchaser:	Truist Commercial Equity, Inc.
Purchaser Counsel:	Moore & Van Allen, PLLC
Borrower’s Counsel:	Fox Rothschild LLP
Bond Trustee/Master Trustee:	The Bank of New York Mellon Trust Company, N.A.
Placement Agent:	B.C. Ziegler & Company
Swap Advisor:	B.C. Ziegler & Company (Structured Products)

WHEREAS, based upon the information and evidence received by the Commission, it is 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:

Section 1. The above financing team is hereby approved for the North Carolina Medical Care Commission's proposed Retirement Facilities First Mortgage Revenue Bonds (Twin Lakes Community), Series 2022A."

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0.

* * * * *

Miscellaneous Action Items

Auditor Wood made a motion to approve the following for the NC Medical Care Commission:

On September 10, 2019 the LGC approved the issuance by the NC Medical Care Commission First Mortgage Revenue Bonds, (Lutheran Retirement Ministries of Alamance County (Twin Lakes Community)), Series 2019 in an amount not to exceed \$78,000,000. The agenda provided that the Bonds would bear interest at a variable rate based on (79% of 1-Month LIBOR) + 0.91%. The Borrower and the Bond Purchaser are going to convert the LIBOR rates on the Series 2019 Bonds to SOFR rates due to the LIBOR index ceasing to be published in June 2023. The NC Medical Care Commission is requesting approval of the conversion from LIBOR to SOFR.

Ms. Hoffmann seconded the motion, and the foregoing was approved by unanimous vote of 9 – 0.

* * * * *

Auditor Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING HOUSING AUTHORITY OF THE COUNTY OF WAKE MULTIFAMILY HOUSING REVENUE BONDS (BROADSTONE WALK APARTMENTS), SERIES 2022 IN AN AMOUNT UP TO \$35,500,000 (THE “BONDS”)

WHEREAS, the Housing Authority of the County of Wake (the “Authority”) has decided to issue its Multifamily Housing Revenue Bonds (Broadstone Walk Apartments), Series 2022A (the “2022A Bonds”) and Taxable Multifamily Housing Revenue Bonds, Series 2022B (the “2022B Bonds” and, together with the 2022A Bonds, the “Bonds”) to finance the acquisition, construction and equipping by Broadstone Walk, LLC, a North Carolina limited liability company, or a related or affiliated entity (the “Borrower”), of a multifamily

residential rental facility to be known as Broadstone Walk, consisting of 164 units, in the Town of Apex, Wake County, North Carolina (the “Development”); and

WHEREAS, the Bonds will be issued pursuant to the Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended; and

WHEREAS, the Bonds have to be approved by the North Carolina Local Government Commission (the “Commission”), for which approval the Commission may consider the criteria set forth in North Carolina General Statutes Section 159-153, and the Authority has applied to the Commission for such approval; and

WHEREAS, on September 22, 2022, the Commission approved the issuance of the Bonds in an aggregate principal amount not to exceed \$32,500,000, with an initial interest rate not to exceed 12.0% per annum and a final maturity not later than December 31, 2067, with respect to the 2022A Bonds, and not later than September 1, 2027, with respect to the 2022B Bonds (the “Prior Approval”); and

WHEREAS, due to increased costs the Borrower has determined that the amount of taxable debt to be provided to finance the cost of the Development is more than originally anticipated; and

WHEREAS, the Authority and the Borrower have requested that the Commission amend the Prior Approval to increase the authorized amount of the Bonds to an aggregate principal amount of not to exceed \$35,500,000 and to change the not-to-exceed maturity date for the 2022B Bonds to December 31, 2067; and

WHEREAS, based upon the information and evidence received in connection with such request, including resolutions adopted by the Board of Commissioners of the Authority on August 10, 2022, it is hereby determined and found by the Commission:

- (a) that such proposed bond issue is necessary or expedient;
- (b) that the proposed amount of the bond issue is adequate and not excessive for the proposed purposes thereof;
- (c) that the Borrower has demonstrated that it is financially responsible and capable of fulfilling its obligations with respect to the Bonds and the Development;
- (d) that the Authority’s debt management procedures and policies are good and that it is not in material default with respect to any of its debt service obligations; and
- (e) the proposed date and manner of sale of the Bonds will not have an adverse effect upon any scheduled or anticipated sale of any obligations by the State of North Carolina or any political subdivision thereof or any agency of either of them; and

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

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

Section 1. It is hereby determined, with the approval of the Authority and the Borrower that the Bonds shall be issued in an aggregate principal amount not to exceed \$35,500,000, shall initially bear interest at a variable rate, such rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2067.

Section 2. The Secretary of the Commission, or any Deputy Secretary, is hereby appointed the designated representative of the Commission for the purposes of this resolution and such designated representative is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Documents, including details of the Bonds, as shall be satisfactory to him or her, and to approve the forms of other documents relating to the Bonds.

Section 3. All other terms of the Prior Approval remain in full force and effect.

Section 4. This resolution shall be effective immediately upon its passage.”

Ms. Hoffmann seconded the motion, and the foregoing resolution was adopted by unanimous vote of 9 – 0.

END OF CONSENT AGENDA

* * * * *

After LGC staff presented Updates on Units Under LGC Financial Control, Chair Folwell noted that the LGC staff had received a proposed employment agreement for the town manager position for Spring Lake. He further noted that staff’s recommendation would be to not approve the proposed employment agreement. Chair Folwell stated that he was willing to put this matter to a separate vote by the Commission, despite the LGC’s prior delegation of contract execution authority to the LGC Secretary and Town of Spring Lake Finance Officer by Resolution dated June 22, 2022. Following a brief discussion, no action was taken, and the Commission completed the remainder of the agenda items.

Chair Folwell stepped out of the meeting at 3:00 p.m. and returned at 3:02 p.m.

Secretary Marshall made a motion to adjourn in memory and honor of Warren County Sheriff’s Deputy Jose DeLeon, who was tragically killed in a traffic accident while responding to a call in the line of duty. Auditor Wood seconded the motion which passed by unanimous vote. The meeting adjourned at 3:05 p.m.

The next regularly scheduled meeting of the North Carolina Local Government Commission will be held on January 10, 2023 at 1:30 p.m.

* * * * *

I, Sharon Edmundson, Secretary of the North Carolina Local Government Commission,
CERTIFY that the foregoing is a true and correct account of actions taken at a meeting of
the North Carolina Local Government Commission duly called and held on December 6,
2022.

WITNESS my hand at Raleigh, NC, this 6th day of December 2022.

A handwritten signature in black ink, reading "Sharon Edmundson", is written over a horizontal line. The signature is cursive and fluid.

Sharon Edmundson, Secretary of the
Local Government Commission of North Carolina

Local Governments Requesting Debt Approval by LGC

Agenda Date

12/06/22

				As Reported in 2022 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
Asheville Housing Authority*	Buncombe	2021	2025	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Boiling Spring Lakes	Brunswick	2019	2023	1,238,336	-	1,238,336	327,576	310,486	-	310,486
Clayton	Johnston	2019	2025	1,378,008	-	1,378,008	2,792,525	3,126,220	-	3,126,220
Concord	Cabarrus	2020	2024	47,196,295	15,159,753	32,036,542	13,190,152	11,546,707	-	11,546,707
Davie County	Davie	2021	2025	8,274,373	-	8,274,373	3,435,715	2,049,513	-	2,049,513
Moore County	Moore	2019	2023	51,006,001	-	51,006,001	7,281,514	4,314,923	-	4,314,923
Mount Holly	Gaston	2019	2023	5,402,263	-	5,402,263	1,520,560	1,633,775	-	1,633,775
Rolesville***	Wake	2020	2024	1,932,550	-	1,932,550	1,373,982	795,332	-	795,332
Wake County Housing Authority***	Wake	2020	2024	N/A	N/A	N/A	397,008	N/A	N/A	N/A
Wilkesboro**	Wilkes	2019	2023	7,634,859	-	7,634,859	1,670,232	574,573	-	574,573

LGERS - Local Government Employees Retirement System

TSERS - Teachers and State Employees Retirement System

*Financials as of 12/31/2021

****Financials as of 06/30/2020**

***Financials as of 06/30/2021

OPEB - Other Post Employment Benefits (retiree healthcare)

NA - Not applicable



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

A handwritten signature in black ink, reading "Dale R. Folwell, CPA".

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON
DEPUTY TREASURER

RESOLUTION TO RETURN FINANCIAL CONTROL
TO THE TOWN OF PIKEVILLE

WHEREAS, the Local Government Commission (the "Commission") assumed control of the financial affairs of the Town of Pikeville (the "Town") pursuant to its authority under N.C.G.S. 159-181(c); and

WHEREAS, the Town's staff and elected officials have worked diligently and collaboratively with Commission staff to address and correct the deficiencies which led to the Commission's assumption of financial control and to put the Town on a path of fiscal health and sound, effective fiscal management; and

WHEREAS, Town officials, Town staff, and Commission staff have completed or will complete the activities listed in the attached document to facilitate return of financial control to the Town; and

WHEREAS, Commission staff will continue to monitor the Town's compliance with the Local Government Budget and Fiscal Control Act (North Carolina General Statutes Chapter 159, Article 3) and the Town's financial health and fiscal management practices;

NOW THEREFORE, BE IT RESOLVED, that the Commission returns full control of all financial affairs of the Town of Pikeville to its elected board and its properly designated fiscal officers.

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on December 6, 2022.

WITNESS my hand this 6th day of December, 2022.

A handwritten signature in black ink, reading "Sharon G. Edmundson".

Sharon G. Edmundson, Secretary
North Carolina Local Government Commission



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

A handwritten signature in cursive script, reading "Dale R. Folwell, CPA".

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON
DEPUTY TREASURER

**TOWN OF PIKEVILLE: RETURN OF FINANCIAL CONTROL
PRELIMINARY FINANCIAL AND OPERATIONAL ACTIVITIES**

As Local Government Commission staff works with the Town of Pikeville's staff and governing board toward return of financial control, the following actions will or should be taken to assist in this transition.

LGC Staff

1. Return check stock to the Town.
2. Return any building keys or other keys to the Town.
3. Provide copies of all resolutions adopted by the LGC acting in its role as governing board for financial matters for the Town.
4. Provide all materials related to work performed by LGC staff for applications for and receipt of loans and grants.
5. Return any other files, documents, materials, supplies, or other Town property to the Town.
6. Following return of financial control:
 - a. Remove Eric Faust, Michael Milam, and Susan McCullen as account signatories from the town's official depository account.

Town of Pikeville Governing Board

1. Secure appropriate faithful performance bond for the finance officer and terminate bond for Eric Faust (see for [Session Law 2022-53](#) for modified requirements for finance officer faithful performance bonds).
2. Following return of financial control:
 - a. Appoint deputy finance officers in the place of Eric Faust and Michael Milam.
 - b. Change passwords to any accounts or software that may have been used by LGC staff.
 - c. Commit to continued monitoring by LGC staff as documented in a Fiscal Accountability Agreement (FAA).