

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

MINUTES

February 6, 2024

The meeting was called to order by Chairman 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, Bill Toole, Designee for Secretary of State Elaine Marshall, Secretary of Revenue Ronald Penny, and Paul Butler. Members present virtually: State Auditor Jessica Holmes, John Burns, Vida Harvey (Ms. Harvey arrived at 1:37 p.m.), Nancy Hoffmann, and Mike Philbeck.

Members absent: None.

A quorum was present for the entire meeting.

Other DST participants present in person: Debbie Tomasko, Jennifer Wimmer, Kendra Boyle, and Cindy Aiken.

Others attending in person: DST staff Joah Bickley, MJ Vieweg, Tony Blalock, Melissa Dearman, and Floyd Borden; Department of Environmental Quality staff: Vic D'Amato, Viable Utilities Unit Supervisor and Jennifer Haynie, Program Development Coordinator and SWIA Liaison.

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. Ms. Harvey reported a conflict of interest and recused herself from the NC Medical Care Commission matter. Her statement of recusal is incorporated into these meeting minutes pursuant to the requirements of the State Government Ethics Act.

Mr. Butler made a motion to approve the minutes of the January 9, 2024 meeting. Mr. Toole seconded the motion, and the minutes were approved by unanimous vote of 9 – 0.

Chair Folwell called the members' attention to the OPEB & Pension Liabilities report attached to these minutes and is labelled **"EXHIBIT 1"**.

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CASWELL COUNTY

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

"RESOLUTION APPROVING THE APPLICATION OF CASWELL COUNTY, NORTH CAROLINA. THIS PROJECT CONSISTS OF LEASING FIVE POLICE VEHICLES (THE "PROJECT") THROUGH A LEASE AGREEMENT PURSUANT TO G.S. 160A-19 AND G.S. 159-148.

WHEREAS, the Caswell County, North Carolina (the "County") has determined that

the Project is necessary and expedient to replace high-mileage, aging vehicles used by the Sheriff's Department in order to provide adequate public safety services to County residents; and

WHEREAS, pursuant to Section 160A-19 of the General Statutes of North Carolina, the County intends to lease the vehicles through a Lease Agreement (the "Agreement") with Enterprise Fleet Management ("Enterprise"); and

WHEREAS, the principal amount of the Agreement shall not exceed \$214,115 with monthly payments for a term of four (4) years at an interest rate to be set upon delivery of the vehicles; and

WHEREAS, the most recent quoted rate was 7.98% for January 2024; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, as a local government on the Unit Assistance List, the County has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing pursuant to S.L. 2022-53, s. 6; 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(b), upon information and evidence received, finds, and determines as follows:

- (i) that the proposed Project is necessary and expedient for the County;
- (ii) that the proposed undertaking cannot be economically financed by a bond issue;
- (iii) that the sums to fall due under the Agreement are adequate and not excessive for its proposed purpose;
- (iv) that the Agreement will not require an excessive increase in taxes; and
- (v) that the County 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 Agreement and the planned financing are hereby approved under the provisions of G.S. 160A-19, as amended, Article 8 of Chapter 159 of the General Statutes, as amended, and relevant resolutions of the Commission."

Secretary Penny seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0.

County Finance Director Jennifer Hammock attended virtually to speak and answer Commission members' questions.

NORTH CAROLINA MEDICAL CARE COMMISSION

UNITED METHODIST RETIREMENT HOMES – CYPRESS GLEN

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

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE NORTH CAROLINA MEDICAL CARE COMMISSION’S RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (THE UNITED METHODIST RETIREMENT HOMES PROJECT) SERIES 2024A, TAX-EXEMPT MANDATORY PAYDOWN SECURITIES (TEMPS-85SM) SERIES 2024B-1 AND TAX-EXEMPT MANDATORY PAYDOWN SECURITIES (TEMPS-50SM) SERIES 2024B-2

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 The United Methodist Retirement Homes, Incorporated bond issue:

Underwriter:	B.C. Ziegler and Company d/b/a Ziegler Capital Markets
Bond Counsel:	Robinson, Bradshaw & Hinson, P.A.
Underwriter’s Counsel:	Hawkins Delafield & Wood LLP
Borrower’s Counsel:	Womble Bond Dickinson (US) LLP
Bond Trustee/Master Trustee:	U.S. Bank Trust Company, National Association (DTC)
Trustee’s Counsel:	Holland & Knight LLP
Auditor/Feasibility:	FORVIS LLP

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 that the above financing team is hereby approved for the North Carolina Medical Care Commission’s proposed Retirement Facilities First Mortgage Revenue Bonds (The United Methodist Retirement Homes Project) Series 2024A, Tax-Exempt Mandatory Paydown Securities (Temps-85SM) Series 2024B-1 and Tax-Exempt Mandatory Paydown Securities (Temps-50SM) Series 2024B-2.

Ms. Hoffmann seconded the motion and the foregoing resolution was adopted by a vote of 7 – 1 (No: Butler, Recused: Harvey).

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

“RESOLUTION APPROVING THE ISSUANCE AND SALE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION’S RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (THE UNITED METHODIST RETIREMENT HOMES PROJECT) SERIES 2024A, TAX-EXEMPT MANDATORY PAYDOWN SECURITIES (TEMPS-85SM) SERIES 2024B-1 AND TAX-EXEMPT MANDATORY PAYDOWN SECURITIES (TEMPS-50SM) SERIES 2024B-2, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$90,000,000

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 Retirement Facilities First Mortgage Revenue Bonds (The United Methodist Retirement Homes Project) Series 2024, consisting of the 2024A Bonds, the Tax-Exempt Mandatory Paydown Securities (Temps-85SM) Series 2024B-1 and Tax-Exempt Mandatory Paydown Securities (Temps-50SM) Series 2024B-2 (collectively, the “Bonds”) in an aggregate principal amount not to exceed \$90,000,000, to be issued pursuant to a Trust Agreement, to be dated as of March 1, 2024 or any date thereafter (the “Trust Agreement”), between the Medical Care Commission and U.S. Bank Trust Company, National Association, as bond trustee (the “Bond Trustee”), for the purpose of providing funds to The United Methodist Retirement Homes, Incorporated (the “Corporation”) to be used to (1) pay, or reimburse the Corporation for paying, all or a portion of the cost of acquiring, improving, constructing and equipping health care facilities at the Corporation’s continuing care retirement community known as Cypress Glen, including (a) constructing and equipping approximately 57 new independent living apartments with underground parking and related dining and common areas, (b) renovating various kitchen and dining facilities and resident activity spaces, (c) improving administrative areas and community amenities and (d) flood control and other improvements to outdoor areas (collectively, the “Project”); (2) pay interest accruing on the Bonds for approximately 25 months; (3) fund one or more debt service reserve funds if determined necessary to sell the Bonds; and (4) pay certain expenses incurred in connection with the authorization and issuance of the Bonds by the Medical Care Commission; and

WHEREAS, there has been submitted at this meeting a form of the Contract of Purchase (the “Purchase Contract”) to be dated on or about February 15, 2024 between the Local Government Commission of North Carolina (the “Commission”) and B.C. Ziegler & Company (the “Underwriter”), approved by the Corporation and the Medical Care Commission, pursuant to which the Underwriter will offer to purchase the Bonds on the terms and conditions set forth therein; and

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

a. a Loan Agreement dated as of March 1, 2024 (the “Loan Agreement”), between the Medical Care Commission and the Corporation;

b. a Supplemental Indenture for 2024 Obligations, dated as of March 1, 2024 (the “Supplemental Indenture”), by and between the Corporation, the Foundation and U.S. Bank Trust Company, National Association, as successor master trustee (the “Master Trustee”) under the Second Amended and Restated Master Trust Indenture, dated as of December 1, 2017 (the “Master Indenture”), between the Corporation, The United Methodist Retirement Homes Foundation, Inc. (the “Foundation”) and U.S. Bank National Association, as master trustee;

c. Obligation Nos. 32A, 32B-1 and 32B-2, each to be dated the date of delivery of the Bonds (collectively, the “2024 Obligations”), to be issued by the Corporation to the Medical Care Commission;

d. a Preliminary Official Statement of the Commission to be dated on or about February 7, 2024 (the “Preliminary Official Statement”);

e. three Second Amendments, each dated as of March 1, 2024, to each of the three Second Amended and Restated Deeds of Trust, Assignment of Rents, Security Agreement and Fixture Filing, each dated as of December 1, 2017 and each from the Corporation to the trustee named therein for the benefit of the Master Trustee; and

f. an Assignment of Contracts, dated as of March 1, 2024, between the Corporation and the Master Trustee;

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 Underwriter pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Purchase Contract, 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 not to exceed 6.00%, with a final maturity not later than October 1, 2054 and in a principal amount not to exceed \$90,000,000, 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 the distribution of the final Official Statement, upon approval by the Medical Care Commission, is hereby approved.

Section 4. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Purchase Contract. Subject to the limitations in Section 2 of this resolution, the Purchase Contract 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 Contract, 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 Contract and such other documents on behalf of the Commission.

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

Ms. Hoffmann seconded the motion and the foregoing resolution was adopted by a vote of 7 – 1 (No: Butler, Recused: Harvey).

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BEGIN CONSENT AGENDA

CABARRUS COUNTY

Secretary Penny made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF CABARRUS COUNTY, NORTH CAROLINA. THIS PROJECT CONSISTS OF A LEASE AGREEMENT FOR EMS EQUIPMENT (THE “PROJECT”) THROUGH AN INSTALLMENT LEASE AGREEMENT PURSUANT TO G.S. 159-148.

WHEREAS, Cabarrus County, North Carolina (the “County”) has determined that the Project, a lease of stretchers for Emergency Medical Staff, is necessary and expedient to provide critical and essential equipment and to provide for a new lease after the current lease expires on June 30, 2024; and

WHEREAS, pursuant to Section 159-148 of the General Statutes of North Carolina, the County intends to finance the Project through a Lease (the “Lease”) between the County and Flex Financial, a Division of Stryker Sales, LLC (“Flex”); and

WHEREAS, the total amount of the Lease payments shall not exceed \$4,355,966 with annual level payments for a term of ten (10) years at an approved interest rate of zero percent (0%); 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 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 Lease is necessary or expedient for the County;
- (ii) that the Lease, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Lease are adequate and not excessive for its proposed purpose;
- (iv) that the County'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 Lease will not be excessive; and
- (vi) that the County 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 Lease and the planned financing are hereby approved under the provisions of Article 8 of Chapter 159 of the General Statutes, as amended, and relevant resolutions of the Commission."

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

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WATER AND SEWER AUTHORITY OF CABARRUS COUNTY

Secretary Penny made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR THE WATER AND SEWER AUTHORITY OF CABARRUS COUNTY ENTERPRISE SYSTEMS REVENUE BONDS, SERIES 2024

WHEREAS, the Water and Sewer Authority of Cabarrus County (the "*Authority*") has requested that the Local Government Commission of North Carolina (the "*Commission*") approve their selection of the following financing team members for the issuance of the Authority's Enterprise Systems Revenue Bonds, Series 2024 in an aggregate principal amount not to exceed \$100,000,000 (the "*Bonds*");

Underwriters:	Robert W. Baird & Co. Incorporated PNC Capital Markets LLC
Bond Counsel:	Parker Poe Adams & Bernstein LLP
Underwriters' Counsel:	Pope Flynn, LLC
Trustee/Paying Agent/Bond Registrar: (DTC)	U.S. Bank Trust Company, National Association
Trustee's Counsel	Moore & Van Allen, PLLC
Financial Advisor:	Davenport & Company LLC
Feasibility Consultant:	Stantec

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

NOW, THEREFORE, BE IT RESOLVED by the Local Government Commission of North Carolina the above financing team is hereby approved for Authority's upcoming issuance of the Bonds.

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0.

Secretary Penny made a motion to approve the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE WATER AND SEWER AUTHORITY OF CABARRUS COUNTY FOR THE ISSUANCE OF ENTERPRISE SYSTEMS REVENUE BONDS, SERIES 2024

WHEREAS, the Water and Sewer Authority of Cabarrus County (the "*Authority*") has applied to the Local Government Commission of North Carolina (the "*Commission*"), pursuant to The State and Local Government Revenue Bond Act, as amended, for approval of the issuance of Enterprise Systems Revenue Bonds, Series 2024 (the "*Bonds*"), in the aggregate principal amount of not to exceed \$100,000,000 to (1) finance the costs of extensions, additions and capital improvements to, or the acquisition, renewal and replacement of capital assets of, or purchasing and installing new equipment for the Enterprise Systems, including the need to expand and improve its facilities to provide additional capacity to its member jurisdictions and to certain residents and businesses located within its member jurisdictions and surrounding areas and to surrounding jurisdictions and specifically including the expansion of the Rocky River Regional Waste Water Treatment Plant from 30 MGD to 34 MGD (the "*Project*"), and (2) pay the costs of issuing the Bonds.

WHEREAS, the Authority has furnished to the Commission the forms of the following:

- (a) a Bond Order adopted by the Board of Directors of the Authority (the "*Board*") on January 18, 2024 authorizing the issuance of the Bonds and the form and the terms of each of the documents set forth below;
- (b) a General Trust Indenture dated as of May 1, 2022 (the "*General Indenture*") between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "*Trustee*");
- (c) a Series Indenture, Number 2, to be dated as of February 1, 2024, between the Authority and the Trustee;
- (d) a Preliminary Official Statement dated the date of delivery thereof with respect to the Bonds;

- (e) a Bond Purchase Agreement dated the date of delivery thereof among the Commission, the Authority and Robert W. Baird & Co. Incorporated, on its own behalf and on behalf of PNC Capital Markets LLC, as the underwriters of the Bonds, pursuant to which the Authority and the Commission will sell the Bonds to the underwriters in accordance with the terms and conditions set forth therein.

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

- (i) that such proposed Bonds are necessary or expedient;
- (ii) that the proposed amount of the Bonds is adequate and not excessive, when added to other money available to the Authority, for the proposed purpose thereof;
- (iii) that the Project is feasible;
- (iv) that the Authority's debt management procedures and policies are good; and
- (v) that the proposed Bonds can be marketed at a reasonable interest cost to the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the Authority for approval of the proposed Bonds in an aggregate principal amount not to exceed \$100,000,000 is hereby approved pursuant to The State and Local Government Revenue Bond Act, as amended."

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0.

Secretary Penny made a motion to approve the following resolution:

"RESOLUTION CONCERNING THE PRIVATE SALE OF THE WATER AND SEWER AUTHORITY OF CABARRUS COUNTY ENTERPRISE SYSTEMS REVENUE BONDS, SERIES 2024

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the Local Government Commission of North Carolina (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, the Water and Sewer Authority of Cabarrus County (the "*Authority*") has applied to the Local Government Commission of North Carolina (the "*Commission*"), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of Enterprise Systems Revenue Bonds, Series 2024 (the "*Bonds*"), in the aggregate principal amount of not to exceed \$100,000,000 to (1) finance the costs of extensions, additions and capital improvements to, or the acquisition, renewal and

replacement of capital assets of, or purchasing and installing new equipment for the Enterprise Systems, including the need to expand and improve its facilities to provide additional capacity to its member jurisdictions and to certain residents and businesses located within its member jurisdictions and surrounding areas and to surrounding jurisdictions and specifically including the expansion of the Rocky River Regional Waste Water Treatment Plant from 30 MGD to 34 MGD, and (2) pay the costs of issuing the Bonds, Undefined capitalized terms used herein have the meaning given them in the Series Indenture (as defined herein);

WHEREAS, Robert W. Baird & Co. Incorporated and PNC Capital Markets LLC (the “Underwriters”) have 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 dated the date of delivery thereof (the “Bond Purchase Agreement”) among the Commission, the Authority, and the Underwriters; and

WHEREAS, the Commission has received a copy of a Preliminary Official Statement to be dated the date of delivery thereof (the “Preliminary Official Statement”);

WHEREAS, the Authority 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 desires to approve the request of the Authority that it sell the Bonds at private sale without advertisement; and

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

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the Bonds to the Underwriters at private sale without advertisement pursuant to the executed Bond Purchase Agreement and Series Indenture, Number 2 (the “Series Indenture”) between the Authority and U.S. Bank Trust Company, National Association, as trustee, 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”) and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Bonds shall not exceed an aggregate principal amount of \$100,000,000. The purchase price for the Bonds shall be approved by the Designated Assistant on the date of the sale of the Bonds and set forth in the Bond Purchase Agreement.

Section 3. The Bonds shall bear interest at a true interest cost not to exceed 4.95%, all measures being defined as determined by the Commission.

Section 4. The final maturity of the Bonds shall not exceed June 1, 2049.

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 Authority, provided that such sale shall be approved by the Authority.

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 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 Bond Order, the Series Indenture and the Bond Purchase Agreement and such other documents to be delivered in connection therewith.

Section 7. The Preliminary 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 sale of the Bonds is hereby approved and authorized.

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

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0.

MECKLENBURG COUNTY

Secretary Penny made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF MECKLENBURG, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$2,500,000,000 GENERAL OBLIGATION SCHOOL BONDS”

WHEREAS, the County of Mecklenburg, North Carolina (the “County”) has applied to the North Carolina Local Government Commission (the “Commission”) and requested the Commission’s approval of the issuance of not exceeding \$2,500,000,000 General Obligation School Bonds of the County (the “Bonds”); and

WHEREAS, the Bonds were approved by the affirmative vote of a majority of those in the County who voted thereon at a referendum on November 7, 2023;

WHEREAS, the County will use the proceeds of the Bonds consistent with the voter approved referendum to pay the costs of constructing, improving, and renovating school facilities, specifically including, among other things, the construction and renovation of classroom facilities, the construction and equipping of athletic facilities, the acquisition and installation of furnishings and equipment, the acquisition of land, rights-of-way and easements in land required therefor, and related public infrastructure development;

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

- (i) that said Bonds are necessary or 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 County 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;
- (v) that said Bonds can be marketed at reasonable rates of interest; and
- (vi) the assumptions used by the finance officer of the County in preparing the Statement of Disclosure filed with the County Clerk pursuant to Section 159-55.1(a) of the General Statutes of North Carolina are reasonable.

WHEREAS, the County may issue the Bonds in one or more series as determined by the County;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the County for approval of the issuance of not to exceed \$2,500,000,000 aggregate principal amount of the County of Mecklenburg General Obligation School Bonds is hereby approved. This constitutes the entering of the Commission's order approving the application for the Bonds under Section 159-53 of the General Statutes of North Carolina, as amended.

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0.

Thereupon, Secretary Penny made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED \$2,500,000,000 COUNTY OF MECKLENBURG, NORTH CAROLINA GENERAL OBLIGATION SCHOOL BONDS”

WHEREAS, the County of Mecklenburg, North Carolina (the “County”) has engaged the services of Parker Poe Adams & Bernstein LLP as Bond Counsel to the County and First Tryon Advisors as financial advisor to the County in connection with the issuance and sale of its General Obligation School Bonds, approved by the affirmative vote of a majority of those in the County who voted thereon at a referendum on November 7, 2023, and has requested that the North Carolina Local Government Commission (the “Commission”) approve its 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 County should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team engaged by the County is hereby approved.

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0.

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CITY OF REIDSVILLE

Secretary Penny made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING REQUEST OF THE CITY OF REIDSVILLE, NORTH CAROLINA: THIS PROJECT IS TO MODIFY AND MAKE IMPROVEMENTS TO THE CITY’S WASTEWATER TREATMENT SYSTEM.

WHEREAS, the City of Reidsville, North Carolina (the “City”) has determined that the Project is necessary or expedient to replace and modernize mechanical, electrical, and other infrastructure components of the aging wastewater treatment system; and

WHEREAS, the North Carolina Local Government Commission (the Commission) previously approved a Wastewater State Revolving Loan on May 7, 2019 for the City in the amount of \$3,963,089 based on engineering estimates; and

WHEREAS, the City received bids that exceeded the previously estimated costs of the Project by \$4,897,311; and

WHEREAS, the Department of Environmental Quality (“DEQ”) approved the additional funding for the City; and

WHEREAS, the City filed an application with the Commission for approval of a Wastewater State Revolving Loan in the increased total amount not to exceed \$8,860,400, with the term of twenty (20) years at the rate, as established under this program for the respective loan, State or Federal, of zero percent (0.0%); 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 City’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;
- (4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive; and
- (5) That the interest rate for the proposed loan will be a reasonable rate.

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

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 – 0.

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CITY OF WILSON

Secretary Penny made a motion to adopt the following resolution:

RESOLUTION APPROVING THE FINANCING TEAM FOR THE CITY OF WILSON, NORTH CAROLINA SPECIAL OBLIGATION BONDS, SERIES 2024

WHEREAS, the City of Wilson, North Carolina (the “City”) has requested that the North Carolina Local Government Commission (the “Commission”) approve its selection of the following financing team members for the upcoming issuance of the above-referenced special obligation bonds (the “Bonds”):

Bond Counsel:	McGuireWoods LLP
Underwriters:	Robert W. Baird & Co. Incorporated (Managing)
Underwriters’ Counsel:	Truist Securities (Co-Manager) Pope Flynn, LLC
Financial Advisor:	Davenport & Company LLC
Trustee:	Truist Bank
Trustee’s Counsel:	Moore & Van Allen, PLLC

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

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team for the execution, delivery and sale of the Bonds is hereby approved.

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0.

Secretary Penny made a motion to adopt the following resolution:

**RESOLUTION APPROVING THE APPLICATION OF THE
CITY OF WILSON, NORTH CAROLINA FOR THE
ISSUANCE OF NOT TO EXCEED \$73,000,000 SPECIAL
OBLIGATION BONDS, SERIES 2024**

WHEREAS, the City of Wilson, North Carolina (the “City”) has applied to the North Carolina Local Government Commission (the “Commission”), pursuant to Article 7A of Chapter 159 of the General Statutes of North Carolina, as amended (the “Act”), for approval of the issuance of not-to-exceed \$73,000,000 Special Obligation Bonds, Series 2024 of the City (the “Bonds”), for the purpose of providing funds for the acquisition, construction and equipping of a public stadium and multipurpose sport and entertainment complex located in downtown Wilson, together with related infrastructure, including the acquisition of land therefor (the “Project”); and

WHEREAS, the City has furnished to the Commission drafts of the following documents relating to its application and the proposed issuance of the Bonds:

- (a) Bond Order and Authorizing Resolution adopted by the City Council of the City on January 18, 2024 (the “Bond Order”);
- (b) General Trust Indenture dated as of March 1, 2024 (the “General Indenture”), between the City and Truist Bank, as trustee (the “Trustee”);
- (c) Series Indenture, Number 1 dated as of March 1, 2024 (the “Series Indenture” and, together with the General Indenture, the “Indenture”), between the City and the Trustee;
- (d) Bond Purchase Agreement, to be dated the date of delivery thereof (the “Bond Purchase Agreement”), among the City, the Commission and Robert W. Baird & Co. Incorporated (the “Managing Underwriter”), on its own behalf and on behalf of Truist Securities, Inc. (the “Co-Manager” and, together with the Managing Underwriter, the “Underwriters”); and
- (e) Preliminary Official Statement, to be dated the date of delivery thereof (the “Preliminary Official Statement”), relating to the offering and sale of the Bonds;

WHEREAS, pursuant to the Act, the City intends to finance a portion of the costs of the Project by entering into the Indenture, whereby the City will issue the Bonds; and

WHEREAS, the City proposes to sell the Bonds to the Underwriters pursuant to the Bond Purchase Agreement, and the Underwriters shall make a public offering of the Bonds pursuant to the Preliminary Official Statement and a final Official Statement; and

WHEREAS, the aggregate principal amount of the Bonds shall not exceed \$73,000,000, the final maturity thereof shall be not later than October 1, 2048, and the true interest cost of the Bonds shall not exceed 4.50% (and the interest rate applicable to any of the Bonds shall not exceed 5.00%); and

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

- (a) the proposed Bonds are necessary or expedient;
- (b) the proposed amount of the Bonds is adequate and not excessive, when added to other monies available to the City, for the proposed purpose thereof;
- (c) the proposed Project is feasible;
- (d) the City's debt management procedures and policies are good;
- (e) that an anticipated tax increase of \$0.02 per \$100 of assessed valuation beginning in the City's fiscal year 2024-25 to provide funds to support the Project and the Bonds is not excessive; and
- (f) the proposed Bonds can be marketed at a reasonable interest cost to the City;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the City for approval of the issuance and sale of the Bonds pursuant to the Bond Order and the Indenture is hereby approved pursuant to the Act. The Bonds may be sold to the Underwriters pursuant to the Bond Purchase Agreement. The Commission hereby approves the use of the Preliminary Official Statement and a final Official Statement in the offering of the Bonds.

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 - 0. Grant Goings, City Manager; Amy Staton, Chief Financial Officer; and Jim Cauley, City Attorney spoke and answered members' questions.

YADKIN VALLEY SEWER AUTHORITY

FLOODPLAIN RESILIENCY IMPROVEMENTS

Secretary Penny made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING REQUEST OF YADKIN VALLEY SEWER AUTHORITY: THIS PROJECT IS DESIGNATED AS THE FLOODPLAIN RESILIENCY COLLECTION SYSTEM IMPROVEMENTS PROJECT.

WHEREAS, the Yadkin Valley Sewer Authority (the “Authority”) has determined that the Project is necessary or expedient to address damages to the system caused by hurricanes, and to replace defective infrastructure components of the aging collection system; and

WHEREAS, the North Carolina Local Government Commission (the Commission) previously approved a Wastewater State Revolving Loan on October 5, 2021 for the Authority in the amount of \$167,500 based on engineering estimates; and

WHEREAS, the Authority received bids that exceeded the previously estimated costs of the Project by \$206,681; and

WHEREAS, the Department of Environmental Quality (“DEQ”) approved the additional funding for the Authority; and

WHEREAS, the Authority filed an application with the Commission for approval of a Wastewater State Revolving Loan in the increased total amount not to exceed \$374,181, 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 4.0%; 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 Authority’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;
- (4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive; and
- (5) That the interest rate for the proposed loan will be a reasonable rate.

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

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 – 0.

YADKIN VALLEY SEWER AUTHORITY

HIGH PRIORITY COLLECTION SYSTEM REHABILITATION

Secretary Penny made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING REQUEST OF YADKIN VALLEY SEWER AUTHORITY: THIS PROJECT IS DESIGNATED AS THE HIGH PRIORITY COLLECTION SYSTEM REHABILITATION PROJECT.

WHEREAS, the Yadkin Valley Sewer Authority (the “Authority”) has determined that the Project is necessary or expedient to address environmental pollution issues caused by excessive inflow and infiltration, and to repair or replace components of the collection system; and

WHEREAS, the Authority filed an application with the Commission for approval of a Wastewater State Revolving Loan in the total amount not to exceed \$1,020,467, 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 4.0%; 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 Authority’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;
- (4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive; and
- (5) That the interest rate for the proposed loan will be a reasonable rate.

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

Mr. Toole seconded the motion and the foregoing resolution was adopted by unanimous vote of 9 – 0.

MISCELLANEOUS ACTION ITEMS

TOWN OF APEX

Secretary Penny made a motion to approve the following annexation payment:

The Town of Apex and the North Chatham Volunteer Fire Department are requesting approval of an annexation payment according to G.S. 160A-31.1, whereby the Town will make a lump sum payment of \$6,349.45 for the debt related to facilities and equipment. The annexation was completed on March 26, 2023.

Mr. Toole seconded the motion and the foregoing annexation payment was approved by unanimous vote of 9 – 0.

* * * * *

TOWN OF DAVIDSON

Secretary Penny made a motion to approve the following order:

**“ORDER APPROVING THE EXTENSION OF GENERAL OBLIGATION
BOND ORDERS FOR THE TOWN OF DAVIDSON, NORTH CAROLINA**

WHEREAS, the Town of Davidson (the “Town”) has requested a three-year extension per G.S. 159-64 of \$6,000,000 Mobility Bonds, \$5,000,000 Greenway Bonds and \$4,000,000 Parks and Recreation Bonds, authorizations of November 7, 2017, of which \$4,220,000 Mobility Bonds, \$2,680,000 Greenway Bonds and \$40,000 Parks and Recreation Bonds remain unissued, to fund various public improvements within the Town (collectively, the “Bond Orders”); and

WHEREAS, the extension is necessary as the Town has faced ongoing delays and procurement issues for projects along with changing market conditions in the projects to be financed with the bonds;

WHEREAS, a portion of the bond proceeds will be used as match funds for North Carolina Department of Transportation grant funded projects;

WHEREAS, all projects associated with the 2017 bond referendum should be able to be constructed within the revised timetable and staff recommends approval of extending the authorization to November 7, 2027; and

NOW, THEREFORE, BE IT ORDERED by the Local Government Commission of North Carolina hereby approves the proposed extension of the maximum time period for issuing bonds under the Bond Orders from seven to 10 years.”

Mr. Toole seconded the motion and the foregoing order was adopted by unanimous vote of 9 - 0.

* * * * *

INLIVIAN – FAIRHAVEN GLEN

Secretary Penny made a motion to approve the following increase in the principal amount of bonds:

The INLIVIAN financing for Fairhaven Glen was approved by the LGC on November 14, 2023, with a not to exceed bond amount of \$21 million, a not to exceed interest rate of 12% and a not to exceed maturity date of December 31, 2071. Since the date of the LGC approval it has been determined that additional tax-exempt bonds are needed to finance the project and satisfy the requirements for the low-income housing tax credits that are providing a portion of the financing for the project. The borrower has requested that the not to exceed principal amount of bonds for the project be increased to \$23 million. The not to exceed interest rate and maturity date remain the same.

Mr. Toole seconded the motion, and the foregoing requested increase in the principal amount of bonds was approved by unanimous vote of 9 – 0.

* * * * *

INLIVIAN – ALLEGHANY CROSSING

Secretary Penny made a motion to approve the following extension of a maturity date:

The INLIVIAN financing for Alleghany Crossing was approved by the LGC on November 14, 2023, with a not to exceed principal amount of \$40 million, a not to exceed interest rate of 12%, and a not to exceed maturity date of December 31, 2041. The financing includes a 3-year construction phase (with possible extension for an additional 6 months), followed by a 15-year permanent phase. Given the change in the closing date for the financing from 2023 to 2024, the borrower has requested that the not to exceed maturity date be extended to December 31, 2042 to allow for the full 18 year term for the loan. The not to exceed principal amount and interest rate remain the same.

Mr. Toole seconded the motion, and the foregoing extension of the maturity date was approved by unanimous vote of 9 – 0.

* * * * *

END OF CONSENT AGENDA

Mr. Butler made a motion to adopt the following items:

See EXHIBIT 2: Resolution Accepting the Sewer System AIA Final Report for the **Town of Eureka;**

See EXHIBIT 3: Resolution to Modify Deputy Finance Officer Appointments for the **Town of Kingstown;**

See EXHIBIT 4: Budget Ordinance Amendment # 24-08 for the **Town of Spring Lake;** and

See EXHIBIT 5: Budget Ordinance Amendment # 24-09 for the **Town of Spring Lake.**

Mr. Burns seconded the motion and the foregoing were adopted by unanimous vote of 9 – 0.

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

See EXHIBIT 6: Resolution Adopting Criteria for Reviewing Applications and Awarding Grants from the Viable Utility Reserve.

Auditor Holmes seconded the motion and the foregoing was adopted by unanimous vote of 9 – 0.

* * * * *

The attached Statement of Economic Interest evaluation issued by the State Ethics Commission for State Auditor Jessica Holmes was presented to the Commission members for review and is incorporated into these meeting minutes pursuant to the requirements of the State Government Ethics Act. (See **EXHIBIT 7**)

* * * * *

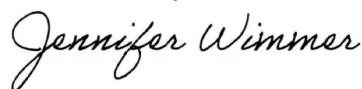
Auditor Holmes made a motion to adjourn in recognition of Black History Month, in honor of African American leaders who have made contributions to our nation and state, and specifically, in honor of the late Ralph Campbell, Jr. who became the first Black member of the Council of State as the first elected Black State Auditor. Secretary Penny seconded the motion which passed by unanimous vote. The meeting adjourned at 2:53 p.m.

The next regularly scheduled meeting of the North Carolina Local Government Commission will be held on March 5, 2024, at 1:30 p.m.

* * * * *

I, Jennifer Wimmer, Deputy 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 February 6, 2024.

WITNESS my hand at Raleigh, NC, this 6th day of February 2024.



Jennifer Wimmer, Deputy Secretary of the
Local Government Commission of North Carolina

EXHIBIT 1

Local Governments Requesting Debt Approval by LGC									
Meeting Date 02/06/24									
As Reported in 2023 Fiscal Year End Audits									
Name of Unit	County	Total OPEB Liability	Actuarial Value of OPEB Assets	Net OPEB Liability	Total LEOSSA Pension Liability	Actuarial Value of LEOSSA Assets	Net LEOSSA Pension Liability	Total Net Liability for OPEB and LEOSSA	LGERS/TSERS Net Pension Liability (1)
Apex (2)	Wake	32,979,818	1,139,912	31,839,906	4,846,446	0	4,846,446	36,686,352	7,784,840
Cabarrus County	Cabarrus	39,967,487	4,074,775	35,892,712	12,244,359	0	12,244,359	48,137,071	49,020,060
Cabarrus County Water and Sewer Authority	Cabarrus	2,781,778	0	2,781,778	N/A	N/A	N/A	2,781,778	3,001,804
Caswell County (3)	Caswell	4,001,823	0	4,001,823	1,231,952	0	1,231,952	5,233,775	3,792,158
Inlivian Housing Redefined (4)	Mecklenburg	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11,355,067
Mecklenburg County	Mecklenburg	684,832,976	227,007,288	457,825,688	23,851,550	0	23,851,550	481,677,238	250,521,714
Reidsville	Rockingham	6,496,562	0	6,496,562	2,063,439	0	2,063,439	8,560,001	6,460,563
City of Wilson	Wilson	55,180,039	0	55,180,039	7,177,812	0	7,177,812	62,357,851	33,447,462
Yadkin Valley Sewer Authority	Surry	N/A	N/A	N/A	N/A	N/A	N/A	N/A	360,487
LGERS - Local Government Employees' Retirement System		OPEB - Other Post Employment Benefits (e.g. retiree healthcare)							
TSERS - Teachers' and State Employees' Retirement System		NA - Not applicable							
(1) LGERS/TSERS liabilities are satisfied by monthly employer contributions to the plans. The contribution rates are reviewed annually and adjusted as needed. See detailed explanation on cover page.									
(2) Financials as of 06/30/2022									
(3) Financials as of 06/30/2020									
(4) Financials as of 12/31/2022									



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

Dale R. Folwell, CPA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

RESOLUTION ACCEPTING THE SEWER SYSTEM ASSET INVENTORY AND
ASSESSMENT FINAL REPORT 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, the Town has need for and intends to improve the wastewater collection system (the "sewer system"); and

WHEREAS, the Town recognizes the need for and advantage of maintaining adequate short-term and long-term planning for asset management and capital improvements to the sewer system; and

WHEREAS, the Town applied for and received a grant from the North Carolina Division of Water Infrastructure to prepare a sewer system Asset Inventory and Assessment study; and

WHEREAS, the Town has completed a sewer system Asset Inventory and Assessment study in accordance with the North Carolina Division of Water Infrastructure recommended guidelines and grant conditions; and

WHEREAS, the sewer system Asset Inventory and Assessment final report must be accepted by the Town's governing board;

NOW THEREFORE BE IT RESOLVED, by the Local Government Commission, acting on behalf of the governing board of the Town of Eureka, that the Town accepts the Asset Inventory and Assessment Final Study.

I, Debbie Tomasko, Interim 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 February 6, 2024.

WITNESS my hand this 6th day of February 2024.

Debbie Tomasko

Debbie Tomasko, Interim Secretary
North Carolina Local Government Commission



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA
Dale R. Folwell, CPA

**STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION**

**RESOLUTION TO MODIFY DEPUTY FINANCE OFFICER APPOINTMENTS
AND ACCOUNT SIGNATORY DESIGNATIONS
FOR THE TOWN OF KINGSTOWN**

WHEREAS, the Local Government Commission (the Commission) impounded the books and assumed full control of all financial affairs of the Town of Kingstown (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 a Deputy Finance Officer and modify the designation of Account Signatories for the Town;

NOW THEREFORE, the Commission,

- 1) retains Ann Moore as Finance Officer and Account Signatory pursuant to the Commission's Resolution adopted December 1, 2020; and
- 2) retains Janet Gerald as a Deputy Finance Officer solely for the purposes of signing checks only for those disbursements that have been preapproved and pre-audited by the Finance Officer, and as an Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements pursuant to the Commission's Resolution adopted October 5, 2021; and
- 3) retains Becky Dzingeski as a Deputy Finance Officer and Account Signatory pursuant to the Commission's Resolution adopted October 3, 2023; and
- 4) discharges Sharon Martin from her duties as Deputy Finance Officer and terminates her appointment as an Account Signatory; and
- 5) acting pursuant to N.C.G.S. 159-24, appoints Robert Ramseur as a Deputy Finance Officer solely for the purposes of signing checks only for those disbursements that have been preapproved and pre-audited by the Finance Officer, and as an Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements; and
- 6) appoints Harold Mintz as an Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements.

Town of Kingstown
Resolution to Modify Deputy Finance Officers
February 6, 2024
Page 2

I, Debbie Tomasko, Interim 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 February 6, 2024.

WITNESS my hand this 6th day of February 2024.

A handwritten signature in cursive script, reading "Debbie Tomasko", written in black ink.

Debbie Tomasko, Interim Secretary
North Carolina Local Government Commission

ORDINANCE NO. 24-08
TOWN OF SPRING LAKE, NORTH CAROLINA
Ordinance Amending the 2023-24 General Fund Budget

THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION ON BEHALF OF THE TOWN OF SPRING LAKE, NORTH CAROLINA DOES ORDAIN:

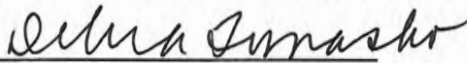
Section I: Estimated Revenues and Appropriations. General Fund is hereby amended by increasing estimated revenues and appropriations in the amount indicated:

	2023-24 Adopted Budget	Increase (Decrease)		2023-24 Amended Budget
ESTIMATED REVENUES				
Military Banner Program	-	1,800	(1)	1,800
Total Revenues	8,576,089	1,800		8,577,889
APPROPRIATIONS				
Streets - Non Powell Bill	628,068	1,800	(1)	629,868
Total Appropriations	8,576,089	1,800		8,577,889

- 1) MilitaryTribute Banner Program - Estimated that 10 banners will be requested at a cost of \$1,800. The cost of the banner, installation and equipment will be covered by the fee charged for the banner.

I, Debra Tomasko, Secretary of the North Carolina Local Government Commission, **CERTIFY** that the foregoing is a true and correct copy of the budget ordinance amendment adopted at a meeting of the North Carolina Local Government Commission duly called and held on February 6, 2024.

WITNESS my hand at Raleigh, this 6th day of February 2024,


 Debra Tomasko, Secretary
 North Carolina Local Government Commission

ORDINANCE NO. 24-09
TOWN OF SPRING LAKE, NORTH CAROLINA

Ordinance Amending the 2023-24 Water and Sewer Fund Budget


THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION ON BEHALF OF THE TOWN OF SPRING LAKE, NORTH CAROLINA DOES ORDAIN:

Section I: Estimated Revenues and Appropriations. Water and Sewer Fund is hereby amended by increasing estimated revenues and appropriations in the amounts indicated:

	2023-24 Amended Budget	Current Request Increase (Decrease)	2023-24 Amended Budget
ESTIMATED REVENUES			
Investment Earnings	100,000	84,700 (1)(2)	184,700
Rental Income - Water Tank	24,300	(24,300) (1)	-
Total Revenues	4,918,006	60,400	4,978,406
APPROPRIATIONS			
Revenue Collection	513,712	60,400 (2)	574,112
Total Appropriations	4,918,006	60,400	4,978,406

- 1) T-Mobile removed their cellular transmitters from the Town's Water Tank - thereby the anticipated \$24,300 of Rental Income will not be realized. Interest Earnings through December is \$93,639 and January - June additional earnings of \$84,700 will absorb this reduction in rental income and also cover the \$60,400 of additional bank charges related to accepting credit card payments in-house and on-line.
- 2) The bank fees associated with accepting credit card payments in-house and on-line have exceeded the original budget of \$35,000 and an additional \$60,400 is needed through June 2024.

I, Debra Tomasko, Secretary of the North Carolina Local Government Commission, **CERTIFY** that the foregoing is a true and correct copy of the budget ordinance amendment adopted at a meeting of the North Carolina Local Government Commission duly called and held on February 6, 2024.
WITNESS my hand at Raleigh, this 6th day of February 2024,


 Debra Tomasko, Secretary
 North Carolina Local Government Commission



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

Dale R. Folwell, CPA

**STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION**

**RESOLUTION ADOPTING CRITERIA FOR REVIEWING APPLICATIONS AND
AWARDING GRANTS FROM THE VIABLE UTILITY RESERVE**

WHEREAS, the North Carolina General Assembly enacted Session Law 2020-79, entitled in part “AN ACT TO IMPROVE THE VIABILITY OF THE WATER AND WASTEWATER SYSTEMS OF CERTAIN UNITS OF LOCAL GOVERNMENT . . . ; TO CREATE AND PROVIDE FUNDING FOR THE VIABLE UTILITY RESERVE TO PROVIDE GRANT MONEY FOR LOCAL GOVERNMENT UNITS, . . .” (the “Act”); and

WHEREAS, Section 1.(g) of the Act amended Chapter 159G of the General Statutes by adding a new Subsection 159G-35(c) requiring that the State Water Infrastructure Authority (the “Authority”) and the Local Government Commission (the “Commission”) jointly develop evaluation criteria for grants from the Viable Utility Reserve (“VUR”); and

WHEREAS, Session Law 2023-134 further modified 159G-35(c) to require that “criteria shall also be developed concerning distressed units for which the Local Government Commission has exercised its authority under Article 11 of Chapter 159 of the General Statutes to assume control, in whole or in part, of the financial affairs of an applicant”; and

WHEREAS, the Authority will consider applications for grants from the VUR for units designated as distressed by the Commission and the Authority pursuant to 159G-45(b) when:

- 1) The unit has participated in the required training and education program required under 159G-45(b)(2) or has documented its plans and timeline for participation.
- 2) The unit’s application is consistent with the project priority list in the action plan developed as required under 159G-45(b)(3). If an action plan has not yet been developed, the application must address the unit’s progress in developing the plan.
- 3) The unit’s application includes a supplemental narrative supporting the proposed project’s eligibility under the specific purposes outlined G.S. 159G-32(d), and explains how the project will move the unit toward viability or address the issues contributing to its distressed designation; and

WHEREAS, the Commission adopted evaluation criteria for grants from the Viable Utility Reserve in November 2020 and evaluation criteria for study grants from the Viable Utility Reserve in July 2021; and

WHEREAS, the staffs of the Commission and the Authority recommend that the evaluation criteria for grants from the VUR be modified as follows to address the requirements of Session Law 2023-134 and

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EXHIBIT 6 Page 2 of 2

Resolution Adopting Criteria for VUR Grants
February 6, 2024
Page 2

develop criteria concerning distressed units for which the Local Government Commission has assumed financial control:

Units under the financial control of the Commission (D1 units) may be eligible for priority points under the Department of Environmental Quality (the "Department") Priority Rating System as follows, which will result in higher point totals and therefore higher priorities for these applications. Specifically,

- 1) Applications for construction projects which address the infrastructure, organizational, and financial issues that would improve the viability of the utility will be eligible for certain priority points. Specifically, such applications would be eligible for priority points for drinking water projects under line item 2.B.1 (currently 20 points) and/or priority points for wastewater projects under line item 2.C.1 (currently 15 points). Applicants would be required to participate in a pre-application meeting with Department and Commission staff.
- 2) Applicants may claim the maximum number of Category 4 (Affordability) priority points (currently 25 points) if the unit received an Emergency Operating Grant (EOG) under G.S. 159G-34.5 in the current or prior fiscal year.

These changes require modifications to the Department's Priority Rating System; such changes are subject to public comment; and the Authority approved these changes for public review at its September 19, 2023 meeting;

NOW THEREFORE, BE IT RESOLVED by the Commission, pursuant to its authority recited herein, that:

The Commission adopts the recommended Viable Utility Reserve grant evaluation criteria defined above. If any criteria are modified following public review or by the Authority, the Commission must reconsider the modified criteria for adoption; otherwise, no further action is required of the Commission. Upon Authority approval, the evaluation criteria will be effective beginning with fall 2024 funding applications.

I, Debbie Tomasko, Interim 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 February 6, 2024.

WITNESS my hand this 6th day of February 2024.



Debbie Tomasko, Interim Secretary
North Carolina Local Government Commission



STATE ETHICS COMMISSION

POST OFFICE BOX 27685

RALEIGH, NC 27611

PHONE: 919-814-3600

Via Email

January 23, 2024

The Honorable Jessica Holmes
North Carolina Office of the State Auditor
20601 Mail Service Center
Raleigh, North Carolina 27699-0601

**Re: Evaluation of Statement of Economic Interest
Local Government Commission**

Dear Auditor Holmes:

Our office has received your 2024 Statement of Economic Interest as an ex officio member of the **Local Government Commission ("the Commission")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

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

We did not find an actual conflict of interest but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

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

The Act establishes ethical standards for certain public servants and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings. N.C.G.S. § 138A-36(c).

As the Auditor for the State of North Carolina, you hold an ex officio role on the Commission. You disclosed that you are a board member of the North Carolina Foundation for Public School Children. In addition, you listed that you are the proprietor of the New North State Consulting LLC. As such, you have the potential for a conflict of interest and should exercise appropriate caution in the performance of your public duties should entities with which you are associated come before the Commission for official action.

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

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

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

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

Sincerely,

A handwritten signature in cursive script that reads "Mary Roerden".

Mary Roerden, SEI Unit
State Ethics Commission

cc: Elizabeth Hawley, Ethics Liaison
Attachment: Ethics Education Guide