

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

**MINUTES**

**December 3, 2024**

The meeting was called to order by Chairman Dale R. Folwell at 1:31 p.m., on the above date. The meeting was conducted in person and by use of simultaneous communication by GoToWebinar™. Members present in person: State Treasurer Folwell, Bill Toole, Designee for Secretary of State Elaine Marshall, and John Burns. Members present virtually: State Auditor Jessica Holmes, Secretary of Revenue Ronald Penny, Nancy Hoffmann, and Mike Philbeck.

Members absent: Paul Butler and Vida Harvey.

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: MJ Vieweg, Linde Skinner, Tony Blalock, Melissa Dearman, Carolyn Heden, Biff McGilvray, Frank Lester, and Sam Watts. Also attending: Synthia Folwell, State Treasurer-Elect Brad Briner, State Auditor-Elect Dave Boliek, and Eric Naisbitt, incoming DST Chief of Staff.

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 Holmes made a motion to approve the minutes of the November 12, 2024 meeting. Mr. Burns seconded the motion, and the minutes were approved by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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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**BEGIN CONSENT AGENDA**

**BRUNSWICK COUNTY**

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

**"RESOLUTION APPROVING THE FINANCING TEAM FOR THE  
COUNTY OF BRUNSWICK, NORTH CAROLINA ENTERPRISE  
SYSTEMS REVENUE REFUNDING BONDS**

**WHEREAS**, the County of Brunswick, North Carolina (the "*County*") has requested that the Local Government Commission of North Carolina (the "*Commission*") approve its

selection of the following financing team members for the upcoming Enterprise Systems Revenue Refunding Bonds issue:

Underwriter:	Robert W. Baird & Co. Incorporated
Bond Counsel:	Parker Poe Adams & Bernstein LLP
Underwriter's Counsel:	Pope Flynn, LLC
Financial Advisor:	Davenport & Company, LLC
Trustee:	U.S. Bank Trust Company, National Association
Trustee's Counsel:	Moore & Van Allen, PLLC
Feasibility Consultant:	Raftelis Financial Consultants, Inc.

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

**NOW, THEREFORE, BE IT RESOLVED** by Commission that the above-referenced financing team is hereby approved for the County's upcoming Enterprise Systems Revenue Refunding Bonds issue.

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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

**“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF BRUNSWICK, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$33,000,000 ENTERPRISE SYSTEMS REVENUE REFUNDING BONDS**

**WHEREAS**, the County of Brunswick, North Carolina (the “*County*”) 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 its Enterprise Systems Revenue Refunding Bonds, Series 2025 (the “*2025 Bonds*”) in an aggregate principal amount not to exceed \$33,000,000, for the following purposes:

(1) to refund the County's Enterprise Systems Revenue and Revenue Refunding Bonds, Series 2015 maturing on and after April 1, 2026, the proceeds of which were used to (a) finance various improvements to the County's water and wastewater systems, including, but not limited to, phase II of the Northwest Water Plant Expansion, the Danford Road Water Project and Ocean Isle Beach Wastewater Treatment Plant improvements, (b) refund the County's outstanding Enterprise Systems Revenue Bonds, Series 2008A, maturing on and after April 1, 2019, and (c) refund the County's outstanding Taxable Enterprise Systems Revenue Bonds (Recovery Zone Economic Development Bonds), Series 2010, maturing on and after April 1, 2016; and

(2) to pay the costs of issuing the 2025 Bonds.

**WHEREAS**, the County has furnished to the Commission the forms of the following:

(1) a bond order adopted by the Board of Commissioners of the County (the “*Board of Commissioners*”) on November 18, 2024 authorizing the issuance of the 2025 Bonds in an amount not to exceed \$33,000,000 to provide funds for the purposes described above;

(2) a Series Indenture, Number 13 dated as of January 1, 2025 (the “*Series Indenture*”) between the County and U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”);

(3) a Preliminary Official Statement with respect to the 2025 Bonds; and

(4) a Bond Purchase Agreement (the “*Purchase Agreement*”) among the Commission, the County and Robert W. Baird & Co. Incorporated (the “*Underwriter*”), pursuant to which the County and the Commission will sell the 2025 Bonds to the Underwriter 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 as follows:

(1) the proposed revenue bond issue is necessary or expedient;

(2) the proposed amount of such revenue bond issue is adequate and not excessive for the proposed purpose thereof;

(3) the proposed refunding of the 2015 Bonds is feasible;

(4) the County’s debt management procedures and policies are good; and

(5) the proposed revenue bonds can be marketed at a reasonable interest cost to the County.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission that the application of the County for approval of the proposed 2025 Bonds in an amount not to exceed \$33,000,000 for the purposes set forth is hereby approved pursuant to the State and Local Government Revenue Bond Act, as amended.”

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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

**“RESOLUTION CONCERNING THE PRIVATE SALE OF THE  
COUNTY OF BRUNSWICK, NORTH CAROLINA ENTERPRISE  
SYSTEMS REVENUE REFUNDING BONDS**

**WHEREAS**, Article 7 of Chapter 159 of the General Statutes of North Carolina, as amended, 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 County of Brunswick, North Carolina (the “*County*”) has applied to the Commission, pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of its Enterprise Systems Revenue Refunding Bonds, Series 2025 (the “*2025 Bonds*”) in an aggregate principal amount not to exceed \$33,000,000, for the following purposes:

(1) to refund the County’s Enterprise Systems Revenue and Revenue Refunding Bonds, Series 2015 maturing on and after April 1, 2026, the proceeds of which were used to (a) finance various improvements to the County’s water and wastewater systems, including, but not limited to, phase II of the Northwest Water Plant Expansion, the Danford Road Water Project and Ocean Isle Beach Wastewater Treatment Plant improvements, (b) refund the County’s outstanding Enterprise Systems Revenue Bonds, Series 2008A, maturing on and after April 1, 2019, and (c) refund the County’s outstanding Taxable Enterprise Systems Revenue Bonds (Recovery Zone Economic Development Bonds), Series 2010, maturing on and after April 1, 2016; and

(2) to pay the costs of issuing the 2025 Bonds.

**WHEREAS**, Robert W. Baird & Co. Incorporated (the “*Underwriter*”), has offered to purchase the 2025 Bonds from the Commission on the terms and conditions set forth below and in the form of the Bond Purchase Agreement to be dated as the date of delivery thereof (the “*Purchase Agreement*”) among the Commission, the County and the Underwriter;

**WHEREAS**, the Commission has received a copy of a Preliminary Official Statement to be dated on or about December 3, 2024 with respect to the 2025 Bonds (the “*Official Statement*”);

**WHEREAS**, the County has requested the Commission to sell the 2025 Bonds at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina;

**WHEREAS**, the Commission desires to approve the request of the County that it sell the 2025 Bonds at private sale without advertisement; and

**WHEREAS**, the Commission desires to accept the offer of the Underwriter to purchase the 2025 Bonds substantially in the form of the Purchase Agreement and upon the terms and conditions set forth below;

**NOW, THEREFORE, BE IT RESOLVED** by the Commission:

Section 1. The sale of the 2025 Bonds to the Underwriter at private sale without advertisement pursuant to the executed Purchase Agreement and the Series Indenture,

Number 13 (the “*Series Indenture*”) between the County 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 Designated Assistant (as defined below) and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the 2025 Bonds will not exceed an aggregate principal amount of \$33,000,000. The purchase price for the 2025 Bonds will be approved by the Designated Assistant on the date of the sale of the 2025 Bonds and set forth in the Purchase Agreement.

Section 3. The 2025 Bonds will bear interest at an effective interest cost not to exceed 5.00%, as determined by the Commission.

Section 4. The final maturity of the 2025 Bonds will not exceed April 1, 2040.

Section 5. The Commission hereby determines that the sale of the 2025 Bonds in the manner and for the price as provided in this resolution is in the best interest of the County, provided that such sale is approved by the County.

Section 6. The Secretary of the Commission, or any Deputy Secretary is hereby appointed the “Designated Assistant” for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Purchase Agreement, including details of the 2025 Bonds, as shall be satisfactory to him or her, to approve the forms of other documents relating to the 2025 Bonds, to execute and deliver the Purchase Agreement and such other documents on behalf of the Commission and to provide for the execution and delivery of the 2025 Bonds in accordance with the Bond Order, the Series Indenture and the Purchase Agreement.

Section 7. The Official Statement relating to the 2025 Bonds, 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 2025 Bonds, are hereby approved and authorized. The Designated Assistant is hereby authorized and directed to deliver on behalf of the Commission the final Official Statement in such form.

Section 8. This Resolution is effective immediately on its passage.”

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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## **TOWN OF CAROLINA BEACH**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF  
CAROLINA BEACH, NORTH CAROLINA. THIS PROJECT CONSISTS**

**OF CONSTRUCTION OF PUBLIC FACILITIES (THE “PROJECT”)  
THROUGH AN INSTALLMENT FINANCING CONTRACT  
AGREEMENT PURSUANT TO G.S. 160A-20.**

WHEREAS, the Town of Carolina Beach, North Carolina (the “Town”) has determined that the Project, construction of a new public restroom facility at the Town’s boardwalk is necessary or expedient to improve health and public safety by replacing the old public restroom with a new facility that increases capacity and meets ADA standards; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the Project through an Installment Financing Contract (the “Contract”) between the Town and 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 \$1,998,147 with annual level principal payments for a term of fifteen (15) years at an approved interest rate of 3.97%; 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 or 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, as amended, Article 8 of Chapter 159 of the General Statutes, as amended, and relevant resolutions of the Commission.”

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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## **TOWN OF DUCK**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF DUCK, NORTH CAROLINA. THIS PROJECT CONSISTS OF THE PURCHASE OF REAL PROPERTY (THE “PROJECT”) THROUGH AN INSTALLMENT FINANCING CONTRACT AGREEMENT PURSUANT TO G.S. 160A-20.**

WHEREAS, the Town of Duck, North Carolina (the “Town”) has determined that the Project, the purchase of three parcels of land totaling 1.53 acres is necessary or expedient to provide public facilities in the future, including but not limited to parking, park expansion, and/or other public facilities; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the Project through an Installment Financing Contract (the “Contract”) between the Town and PNC Bank, NA (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 \$2,000,000 with annual level principal payments for a term of ten (10) years at an approved interest rate of 4.08%; 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 or 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
- (vii) 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, as amended, Article 8 of Chapter 159 of the General Statutes, as amended, and relevant resolutions of the Commission."

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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## INLIVIAN – SYCAMORE STATION II

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

### **RESOLUTION APPROVING INLIVIAN MULTIFAMILY HOUSING REVENUE BONDS (SYCAMORE STATION II APARTMENTS), SERIES 2024 IN AN AMOUNT UP TO \$26,000,000 (THE "BONDS") AND THE FINANCING TEAM THEREFOR**

WHEREAS, INLIVIAN (the "Authority") has decided to issue its Multifamily Housing Revenue Bonds (Sycamore Station II Apartments), Series 2024 (the "Bonds") to finance the acquisition, construction and equipping by Sycamore Station II, LLC, a North Carolina limited liability company (the "Borrower"), of a low income multifamily residential rental facility, consisting of 168 units in the City of Charlotte, North Carolina (the "Development"); and

WHEREAS, in order to finance the Development, the Authority proposes to issue the Bonds in an aggregate principal amount not to exceed \$26,000,000, pursuant to the Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the "Act"); and

WHEREAS, the 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, 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 19, 2024, 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, the Authority 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
Issuer's Counsel:	The Banks Law Firm, P.A.
Borrower:	Sycamore Station II, LLC
Borrower's Counsel:	Dinsmore & Shohl LLP
Underwriter:	Stifel, Nicolaus & Company, Incorporated
Underwriter's Counsel:	Tiber Hudson LLC
Construction Lender:	Citibank, N.A.
Construction Lender's Counsel:	Holland & Knight LLP
Permanent Lender:	Citibank, N.A.
Permanent Lender's Counsel:	Holland & Knight LLP
Tax Credit Investor:	WNC & Associates, Inc.
Tax Credit Investor's Counsel:	Nixon Peabody LLP
Trustee:	Regions 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, 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 Authority and Regions Bank, as trustee (the "Trustee"), providing for the issuance of the Bonds, together with the form of the Bonds;
- (b) Loan Agreement between the Authority and the Borrower, pursuant to which the Authority will lend the proceeds of the Bonds to the Borrower (the "Loan");
- (c) Promissory Note given by the Borrower to the Authority to evidence the Loan, which the Authority will assign to the Trustee as security for the Bonds;

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

(e) Preliminary Official Statement relating to the offering and sale of the Bonds;

(f) Bond Purchase Agreement among the Authority, the Borrower and the Underwriter;

(g) the form of the Funding Loan Agreement between the Authority and Citibank, N.A., as Funding Lender, relating to the permanent financing for the Development; and

(h) the form of the Borrower Loan Agreement between the Authority and the Borrower, relating to the permanent financing for the Development;

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 Authority and the Borrower that the Bonds shall be issued in an aggregate principal amount not to exceed \$26,000,000, shall initially bear interest at a fixed rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2058.

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.

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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#### **TOWN OF PINEVILLE**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF PINEVILLE FOR THE FINANCING OF A NEW FIRE STATION THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. §160A-20**

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, the Town of Pineville, North Carolina (the “*Town*”) has determined that it is in the best interests of the Town to enter into an installment financing contract (the “*Contract*”) with Webster Bank, National Association (the “*Bank*”) in order to pay (1) the costs of constructing, equipping and furnishing a new fire station to be located on North Polk Street in the Town (the “*Project*”) and (2) the costs related to the execution and delivery of the Contract;

WHEREAS, the principal amount to be advanced by the Bank to the Town under the Contract will not exceed \$16,500,000;

WHEREAS, the Town will repay the advance of the Contract in annual installments of principal and semi-annual installments of interest at an interest rate not to exceed 3.79% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond October 1, 2044;

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

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

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

- (1) the Contract is necessary or expedient for the Town;
- (2) the Contract, under the circumstances, is preferable to a bond issue by the Town for the same purposes;
- (3) the sums to fall due under the Contract are adequate and not excessive for its proposed purposes;
- (4) the Town’s debt management procedures and policies are good;
- (5) the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- (6) the Town is not in default in any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application for approval of the Contract and planned financing of the Project is hereby approved under the provisions of Section 160A-20 of the General Statutes, as amended, Article 8 of Chapter 159 of the General Statutes, as amended, and relevant resolutions of the Commission.”

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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

**“RESOLUTION APPROVING THE FINANCING TEAM FOR THE  
TOWN OF PINEVILLE, NORTH CAROLINA INSTALLMENT  
FINANCING CONTRACT PURSUANT TO G.S. §160A-20**

WHEREAS, the Town of Pineville, North Carolina (the “*Town*”) has requested that the Local Government Commission of North Carolina (the “*Commission*”) approve its selection of the following financing team members for the above-referenced installment financing contract:

Special Counsel:	- Parker Poe Adams & Bernstein LLP
Bank:	- Webster Bank, National Association
Bank’s Counsel:	- Gilmore & Bell, P.C.
Financial Advisor:	- Davenport & Company LLC

WHEREAS, based on the information and evidence received by the Commission, the Commission is of the opinion that the Town’s request should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above-referenced financing team is hereby approved for the above-referenced installment financing contract.”

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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**MISCELLANEOUS ACTION ITEMS**

**CITY OF BESSEMER CITY**

Mr. Burns made a motion to approve the following annexation payments for the City of Bessemer City:

The City of Bessemer City and the Agriculture Center Volunteer Fire Department are requesting approval of an annexation lump sum payment according to G.S. 160A-58.2A(d), whereby the City will make a lump sum payment for the City's proportionate share of the entire tax value of two Fire Districts’ parcels and the Fire Districts’ outstanding debt. Both annexations were finalized on 7/11/2022.

Parcel Number 307413 lump sum payment is \$9,318.16  
Parcel Number 202266 lump sum payment is \$807.30  
Total lump sum payment \$10,125.46.

Mr. Philbeck seconded the motion and the annexation payments were approved by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

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## **STATE REVOLVING FUND LOANS**

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

### **“RESOLUTION APPROVING THE FINANCING REQUEST OF THE CITY OF WILSON FOR LEAD LINE INVENTORY PROJECTS.**

WHEREAS, the City of Wilson (the “Government Unit”) has determined that its Project is necessary or expedient to inspect its water service lines and build a water line inventory to comply with Lead and Copper Rule Revision requirements; and

WHEREAS, the Government Unit filed an application with the Commission for approval of a Drinking Water State Revolving Loan in the not to exceed amount shown below with the term of twenty (20) years at a zero (0%) interest rate:

Wilson, City of	Repayable Loan: \$400,000	Project No. SRF-D-LSL-
0087		

WHEREAS, the Commission, upon the information and evidence it received, finds and determines for the Government Unit, as required by G.S. 159G-40(a) and G.S. 159-52 for local government units, 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 Government 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;
- (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 State Drinking Water Revolving Loan to the Government Unit and approves the loan amount and approves the loan terms.”

Mr. Philbeck seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Butler, Harvey).

## **END OF CONSENT AGENDA**

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

**See EXHIBIT 2:** Resolution Enforcing N.C. Gen. Stat. 159-25(e) Requiring the Town of Speed to Contract with Outside Entities to Ensure Fulfillment of the Duties of the Finance Officer.

Mr. Burns seconded the motion and the foregoing resolution was adopted by a vote of 7 – 0 (Absent: Butler, Harvey).

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### INFORMATION ONLY ITEMS

Representatives from the Association of County Commissioners gave an overview of the services provided to counties in the Association’s Strategic Member Services program. Attending the meeting: Kevin Leonard, Executive Director; Jason Kind, Director of Strategic Member Services; and Erick Mendez, Strategic Project Coordinator Cohort.

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At the close of the agenda items, members expressed appreciation to departing members Treasurer Folwell, Secretary of Revenue Penny, and Auditor Holmes for their public service. The departing members also expressed gratitude to Commission staff for their support.

Chair Folwell asked that the meeting be adjourned in honor of the Local Government Commission staff and the retiring Commission members. Auditor Holmes made the motion to adjourn. Mr. Burns seconded the motion which passed by unanimous vote. The meeting adjourned at 3:17 p.m.

The next regularly scheduled meeting of the North Carolina Local Government Commission will be held on January 7, 2025, at 1:30 p.m.

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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 December 3, 2024.

WITNESS my hand at Raleigh, NC, this 3rd day of December 2024.

*Jennifer Wimmer*

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

LGC Minutes December 2024

# EXHIBIT 1

Local Governments Requesting Debt Approval by LGC									
Meeting Date		12/03/24							
		As Reported in 2024 Fiscal Year End Audits							
Name of Unit	County	Total OPEB Liability Ending	Plan Fiduciary Net Position	Net OPEB Liability	Total LEOSSA Pension Liability Ending	Plan Fiduciary Net Position	Net LEOSSA Pension Liability	Total Net Liability for OPEB and LEOSSA	LGERS/TSERS Net Pension Liability (1)
Bessemer City (2)	Gaston	317,437	0	317,437	529,699	0	529,699	847,136	1,956,447
Brunswick County	Brunswick	150,452,496	0	150,452,496	8,998,240	0	8,998,240	159,450,736	60,218,494
Carolina Beach	New Hanover	8,157,269	0	8,157,269	799,969	0	799,969	8,957,238	6,719,320
Duck	Dare	N/A	N/A	N/A	771,718	0	771,718	771,718	2,594,925
Inlivian Housing Redefined (3)	Mecklenburg	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12,934,758
Pineville	Mecklenburg	2,810,744	0	2,810,744	2,007,177	0	2,007,177	4,817,921	4,966,123
City of Wilson	Wilson	52,478,542	0	52,478,542	7,623,598	0	7,623,598	60,102,140	37,789,016
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 06/30/2023									
(3) Financial as of 12/31/2023									



*Dale R. Folwell, CPA*

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

RESOLUTION ENFORCING N.C. Gen. Stat. § 159-25(e) REQUIRING THE  
TOWN OF SPEED TO CONTRACT WITH OUTSIDE ENTITIES TO  
ENSURE FULFILLMENT OF THE DUTIES OF THE FINANCE OFFICER

WHEREAS, the staff of the Local Government Commission (the "Commission") has advised officers and the Board of Commissioners of the Town of Speed (the "Town") of their responsibilities for compliance with budget and fiscal control practices, standards, and laws; and

WHEREAS, the Town failed to comply or continues to fail to comply with the provisions of the Local Government Budget and Fiscal Control Act (North Carolina General Statutes Chapter 159, Article 3) as follows:

N.C. Gen. Stat. § 159-13(a), requiring the adoption of a balanced budget ordinance by July 1, 2024, as a budget ordinance was not adopted until October 14, 2024;

N.C. Gen. Stat. § 159-8(a) by permitting the expenditure of moneys not included in an adopted General Fund budget ordinance between July 1, 2024 and October 14, 2024;

N.C. Gen. Stat. § 159-26(a) by failing to establish and maintain an accounting system designed to show in detail its assets, liabilities, equities, revenues, and expenditures;

N.C. Gen. Stat. § 159-29 by failing to provide documentation verifying compliance with the requirement that the Town's finance officer have a faithful performance bond with sufficient sureties, as fixed by the governing board;

N.C. Gen. Stat. § 159-33 by failing to timely submit semiannual reports of cash and investments; these reports are due every January 25<sup>th</sup> and July 25<sup>th</sup>. For the period June 30, 2023 (due July 25, 2023); the period December 31, 2023 (due January 25, 2024); and the period June 30, 2024 (due July 25, 2024) the reports were not submitted until November 8, 2024;

N.C. Gen. Stat. § 159-34(a) by failing to submit an annual audit report for fiscal years 2022, 2023, and 2024. The due date for these respective audits was October 31, 2022, October 31, 2023, and October 31, 2024; and

WHEREAS, a Notice of Noncompliance was issued April 15, 2024 pursuant to N.C. Gen. Stat. § 159-34(e) due to the Town's failure to file its fiscal year 2023 audit report and a portion of the Town's sales tax distribution will be withheld starting with the November 2024 distribution pursuant to the formula established in N.C. Gen. Stat. § 159-34(g); and



Town of Speed

Resolution Enforcing N.C. Gen. Stat. § 159-25(e)

December 3, 2024

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WHEREAS, the staff of the Commission notified the Town, its officers, and its Board of Commissioners in a presentation at the Town on September 3, 2024 and in a letter dated September 4, 2024 of its failure to comply with the provisions of the Local Government Budget and Fiscal Control Act, North Carolina General Statutes, Chapter 159, Article 3; and

WHEREAS, the Town is not providing responses or information to Commission staff in a timely manner; and

WHEREAS, the Town's auditor has ceased providing services to the Town as of October 3, 2024 citing "increasing difficulty in receiving information..." and "loss of confidence in management to provide adequate internal control, safeguard assets, and provide oversight";

NOW, THEREFORE, BE IT RESOLVED, THAT the Commission:

1. Directs the Town's finance officer to use the authority provided under N.C. Gen. Stat. § 159-25(a)(9) to contract with outside entities, including certified public accountants in good standing with the North Carolina State Board of Certified Public Accountant Examiners, bookkeeping firms, councils of government, or other units of government, to ensure fulfillment of all the duties of the finance officer pursuant to the limitations of N.C. Gen. Stat. § 159-25(a)(9);
2. Directs the Secretary:
  - a. To provide to the Town, its officers, and the Board of Commissioners a copy of this Resolution outlining the areas of non-compliance with the Local Government Budget and Fiscal Control Act, as enumerated above, and requiring the Town to contract with outside entities as described above;
  - b. To notify the Town, its officers, and its Board of Commissioners that the Commission expects a response not later than 30 days from the date of this Resolution that confirms that the Town has hired adequate assistance to address all the matters outlined above and includes the name(s) of the entity(ies) retained, and the timeline for rectifying each item above;
  - c. To report to the Commission any failure of the Town to comply with this or with the requirements of Chapter 159, Article 3 of the General Statutes of North Carolina.


The Town will open its offices and accounting records to the Commission's staff and cooperate with staff as they work to verify that actions required by this Resolution have in fact been taken; including timely responding to staff's requests for information.

Failure to comply with this Resolution may result in the Commission assuming control of the Town's financial affairs pursuant to North Carolina Gen. Stat. § 159-181(c) after which the Commission would initiate the dissolution of the Town's charter pursuant to Chapter 160A Article 32.

Town of Speed  
Resolution Enforcing N.C. Gen. Stat. § 159-25(e)  
December 3, 2024  
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I, Debbie Tomasko, 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 3,  
2024.

WITNESS my hand this 3<sup>rd</sup> day of December, 2024.

A handwritten signature in cursive script, reading "Debbie Tomasko", written in black ink on a white background.

Debbie Tomasko, Secretary  
North Carolina Local Government Commission