

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

**MINUTES**

**August 1, 2023**

The meeting was called to order at 1:36 p.m. by Chair Dale R. Folwell on the above date. The meeting was conducted in person and by use of simultaneous communication by GoToWebinar™.

Members present in person: Chair Folwell, State Auditor Beth Wood, and Secretary of Revenue Ronald Penny. Members present virtually: John Burns, Paul Butler, Vida Harvey, and Mike Philbeck (joined at 1:49 p.m.).

Members absent: Secretary of State Elaine Marshall and Nancy Hoffmann.

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

Others attending in person: DST staff Joah Bickley, Tony Blalock, and Ted Brinn; DEQ Division of Water Infrastructure staff Shadi Eskaf, Director, and Vic D'Amato, Supervisor, Viable Utilities Unit.

A quorum was present for the entire meeting.

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 potential appearance of a conflict of interest with regard to the Pender County matter and recused herself from participating in that matter.

Approval of July 11, 2023 minutes: Ms. Harvey requested an amendment on Page 3 of the minutes to clarify her reason for abstention from voting on the Pender County matter. Auditor Wood made a motion to approve the minutes of the July 11, 2023 regular meeting, as amended by Ms. Harvey. Secretary Penny seconded the motion, and the minutes were approved by unanimous vote of 6 – 0 (Absent: Marshall, Hoffmann, Philbeck).

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

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**TOWN OF EDENTON**

Secretary Penny made a motion to approve the following:

**“RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF  
WATER AND SEWER SYSTEM REVENUE BONDS AND BOND  
ANTICIPATION NOTES OF THE TOWN OF EDENTON, NORTH  
CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT OF  
\$5,955,000”**

WHEREAS, the Town of Edenton, North Carolina (the “Town”) acting by and through its Town Council (the “Town Council”), is authorized by Article 16 of Chapter 160A and Article 5 of Chapter 159 of the North Carolina General Statutes (collectively, the “Act”) to issue revenue bonds and bond anticipation notes to finance capital improvements to a public enterprise, including its water and sewer system; and

WHEREAS, the Town Council adopted a Bond Order on January 8, 2019 entitled

**“BOND ORDER OF TOWN OF EDENTON AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BONDS TO PROVIDE FUNDS FOR THE CONSTRUCTION, INSTALLATION AND EQUIPPING OF CAPITAL IMPROVEMENTS TO THE TOWN’S WATER AND WASTEWATER SYSTEMS; PROVIDING FOR THE ISSUANCE OF ADDITIONAL REVENUE BONDS FOR VARIOUS PURPOSES; PROVIDING FOR THE ISSUANCE OF REVENUE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF REVENUE BONDS; PROVIDING FOR THE CREATION OF CERTAIN SPECIAL FUNDS; PLEDGING TO THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON THE REVENUE BONDS AND NOTES CERTAIN REVENUES OF THE WATER AND SEWER SYSTEM; SETTING FORTH THE RIGHTS AND REMEDIES OF HOLDERS; AND SETTING FORTH THE DETAILS OF CERTAIN RELATED MATTERS”;** and

WHEREAS, pursuant to the Act and the Bond Order, the Town Council desires to provide for the issuance of Water and Sewer System Revenue Bond Anticipation Notes (the “Notes”) in an aggregate principal amount not to exceed \$5,955,000 to provide funds to make capital improvements to the water and wastewater system within the Town (the “Project”);

WHEREAS, the United States of America, acting by and through the United States Department of Agriculture (the “USDA”), has agreed to purchase the Town’s Water and Sewer System Revenue Bonds in an aggregate principal amount not to exceed \$5,955,000 (the “Bonds”), to evidence a loan to the Town, all of the proceeds of which will be applied to the repayment of the principal amount of the Notes.

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

- (a) Bond Order adopted on January 8, 2019, authorizing the issuance of Water and Sewer System Revenue Bonds of the Town, including the Notes and the Bonds, by the Town, subject to the terms thereof; and
- (b) Series Resolution of the Town, to be adopted August 8, 2023, authorizing the issuance of the Notes by the Town, subject to the terms thereof (the “Series Resolution”).

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

- (i) that the proposed issuance of the Bonds and the issuance of the Notes in anticipation of the issuance of the Bonds is necessary or expedient;

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

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the Town of Edenton, North Carolina for approval of the proposed Bonds and the Notes, each in an amount not to exceed \$5,955,000 for the purposes set forth herein is hereby approved pursuant to The State and Local Government Revenue Bond Act, as amended.

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann). Town Manager Corey Gooden and Public Works Director David Myers attended the meeting in person to speak and answer members' questions.

Secretary Penny made a motion to approve the following:

**“RESOLUTION CONCERNING THE PRIVATE SALE OF TOWN  
OF EDENTON, NORTH CAROLINA WATER AND SEWER  
SYSTEM REVENUE BOND ANTICIPATION NOTES”**

WHEREAS, the Town of Edenton, North Carolina (the “Town”) has requested the Commission to sell its \$5,955,000 Water and Sewer System Revenue Bond Anticipation Notes (the “Notes”) approved concurrently herewith at a private sale in accordance with Article 9, as amended, of Chapter 159 of the General Statutes of North Carolina; and

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

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

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

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

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

Section 1. The sale of the Notes without advertisement to Truist Commercial Equity, Inc., at an initial rate not to exceed 4.30% is hereby approved. Furthermore, the sale of any Additional Notes at private sale without advertisement to one or more purchasers determined by the Secretary of the Commission as proposing the best interest rate practicably available to the Town is hereby approved, such sale being subject to the approval of the Town and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Notes and any Additional Notes shall not exceed \$5,955,000 and the purchase price for the Notes and any Additional Notes shall be approved by the Secretary of the Commission at the time of the sale of the Notes and any Additional Notes.

Section 3. The maturity of the initial offering of the Notes shall be not later than November, 2024.

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

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

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann). Town Manager Corey Gooden and Public Works Director David Myers attended the meeting in person to speak and answer members' questions.

Secretary Penny made a motion to approve the following:

**“RESOLUTION CONCERNING THE PRIVATE SALE OF THE  
TOWN OF EDENTON WATER AND SEWER SYSTEM REVENUE  
BONDS TO USDA”**

WHEREAS, the Town of Edenton, North Carolina (the “Town”) has requested the Commission to sell its Water and Sewer System Revenue Bonds in the aggregate amount not to exceed \$5,955,000 approved concurrently herewith (the “Bonds”) to the United States Department of Agriculture (“USDA”) upon the substantial completion of construction of the project to be permanently financed thereby pursuant to commitments previously issued by USDA, all in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

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

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

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

Section 2. The aggregate purchase price for the Bonds shall not exceed \$5,955,000 and the Bonds may be issued in one or more series.

Section 3. No maturity of the Bonds shall be later than forty (40) years after the date of issuance of the Bonds at the maturity of the Town's \$5,955,000 Water and Sewer System Revenue Bond Anticipation Notes approved concurrently herewith.

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

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

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann). Town Manager Corey Gooden and Public Works Director David Myers attended the meeting in person to speak and answer members' questions.

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## **PENDER COUNTY**

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

**“RESOLUTION APPROVING THE FINANCING REQUEST OF THE COUNTY OF PENDER, NORTH CAROLINA: THIS PROJECT CONSISTS OF INSTALLING AN ELEVATED WATER TANK, ADDITIONAL WATER LINES AND THREE NEW GROUNDWATER PRODUCTION WELLS FOR THE SCOTT'S HILL WATER & SEWER DISTRICT.**

WHEREAS, the County of Pender, North Carolina (the “County”) has determined that it is necessary or expedient to install a 300,000-gallon elevated water storage tank, 13,800 linear feet of 8-inch waterlines and three groundwater production wells to increase water supply capacity and water system resiliency to benefit the Scott's Hill Water & Sewer District; and

WHEREAS, the County filed an application with the North Carolina Local Government Commission (the Commission) for approval of a Drinking Water State Revolving Loan in an amount not to exceed \$11,202,000, with the term of twenty (20) years at the rate, as established under this program for the respective loan, State or Federal, not to exceed 4.0%; 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 unit's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law; and

(4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive.

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

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Recusal: Harvey; Absent: Marshall, Hoffmann). Finance Director Meg Blue and Utilities Director Kenny Keel attended virtually to speak and answer members’ questions.

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## **BEGIN CONSENT AGENDA**

### **DURHAM COUNTY**

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

#### **“RESOLUTION APPROVING THE FINANCING TEAM FOR THE COUNTY OF DURHAM, NORTH CAROLINA GENERAL OBLIGATION REFUNDING BONDS**

*WHEREAS*, the County of Durham, North Carolina (the “*County*”) has requested that the Local Government Commission of North Carolina (the “*Commission*”) approve their selection of the following financing team members for its upcoming general obligation bond issues:

Underwriter:	BofA Securities, Inc.
Bond Counsel:	Parker Poe Adams & Bernstein LLP
Underwriter’s Counsel:	Moore & Van Allen PLLC
Financial Advisor:	DEC Associates, 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 the Commission that the above financing team is hereby approved for the County’s upcoming General Obligation Refunding Bonds.

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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

**“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF DURHAM, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$50,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING BONDS**

*WHEREAS*, the County of Durham, North Carolina (the “*County*”) has applied to the Local Government Commission of North Carolina (the “*Commission*”), pursuant to the Local Government Bond Act, as amended, for approval of the issuance in an aggregate principal amount not to exceed \$50,000,000 of its General Obligation Refunding Bonds (the “*Bonds*”) for the purpose of refunding in advance of its maturity the County’s General Obligation Bond, Series 2021;

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

(a) a Bond Resolution adopted by the Board of Commissioners of the County on June 26, 2023 authorizing the County to issue the Bonds and authorizing the form and the terms of the documents described below;

(b) a Preliminary Official Statement dated July 26, 2023 (the “*Preliminary Official Statement*”) with respect to the Bonds;

(c) a Bond Purchase Agreement to be dated on or about August 3, 2023 (the “*Purchase Agreement*”) among the County, the Commission and BofA Securities, Inc., as underwriter (the “*Underwriter*”); and

(d) a Statement of Disclosure dated June 14, 2023 (the “*Statement of Disclosure*”), pursuant to Section 159-55.1 of the General Statutes of North Carolina, stating that interest on the Bonds was calculated at an estimated interest rate of 5.74%, which represents the Bond Buyer 20 Index as of May 26, 2023 plus 2.00%, and that the estimated interest that will be paid on the Bonds over the expected term of the Bonds is \$35,434,933.33.

*WHEREAS*, based upon the information and evidence received in connection with such application for approval of the issuance of the Bonds, the Commission hereby finds and determines as follows:

- (i) such proposed general obligation bond issues are necessary or expedient;
- (ii) the proposed amount of such general obligation bond issues is adequate and not excessive for the proposed purposes thereof;
- (iii) the County’s debt management procedures and policies are good;
- (iv) the increase in taxes, if any, necessary to service the general obligation bonds will not be excessive;
- (v) the proposed general obligation bonds can be marketed at reasonable rates of interest; and

(vi) the assumptions used by the Interim Chief Financial Officer of the County in preparing the Statement of Disclosure filed with the Clerk to the Board of Commissioners of the County pursuant to Section 159-55.1(a) of the General Statutes of North Carolina are reasonable.

*NOW, THEREFORE, BE IT RESOLVED* by the Commission that the application of the County for approval of the proposed Bonds in an aggregate principal amount not to exceed \$50,000,000 with a final maturity not to exceed June 1, 2043, for the purposes set forth is hereby approved pursuant to the Local Government Bond Act, as amended.”

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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

**“RESOLUTION CONCERNING THE PRIVATE SALE OF THE COUNTY OF DURHAM, NORTH CAROLINA GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023**

*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 general obligation 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*, under the terms and conditions set forth below and in the form of the Bond Purchase Agreement to be dated on or about August 3, 2023 (the “*Purchase Agreement*”) among the Commission, the County and BofA Securities, Inc., as underwriter (the “*Underwriter*”), the Underwriter has offered to purchase the County’s General Obligation Refunding Bonds, Series 2023 (the “*Bonds*”); and

*WHEREAS*, the Commission has received a copy of a Preliminary Official Statement dated July 26, 2023 (the “*Preliminary Official Statement*”) relating to the offering of the Bonds; and

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

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

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

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

*Section 1.* The sale of the Bonds to the Underwriter at private sale without advertisement pursuant to the Bond Resolution adopted by the Board of Commissioners of the County on June



26, 2023 (the “*Bond Resolution*”) and an executed Purchase Agreement 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 will not exceed \$50,000,000, and the purchase price for the Bonds will be approved by the Designated Assistant on the date of the sale of the Bonds as set forth in the Purchase Agreement.

*Section 3.* The Bonds will bear interest at a true interest cost not to exceed 5.74%.

*Section 4.* 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 County, provided that such sale is approved by the County.

*Section 5.* 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 Purchase Agreement, including details of the Bonds, as is satisfactory to him or her, to approve the forms of other documents relating to the 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 Bonds in accordance with the Bond Resolution and the Purchase Agreement.

*Section 6.* The Official Statement relating to the Bonds, substantially in the form of the Preliminary Official Statement 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, are hereby approved and authorized. The Designated Assistant is hereby authorized and directed to deliver on behalf of the Commission the Official Statement in such form.

*Section 7.* This Resolution is effective immediately upon its passage.”

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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## JOHNSTON COUNTY

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

**“RESOLUTION APPROVING THE FINANCING REQUEST OF THE COUNTY OF JOHNSTON, NORTH CAROLINA: THIS PROJECT CONSISTS OF CONSTRUCTION OF A NEW WASTEWATER TREATMENT FACILITY ADJACENT TO THE COUNTY’S LANDFILL SITE.**

WHEREAS, the County of Johnston, North Carolina (the “County”) has determined that the Project is necessary or expedient to increase the County’s overall wastewater treatment

capacity and replace aging treatment facilities precariously located within a dike in the floodway and flood plain of the Neuse River; and

WHEREAS, the North Carolina Local Government Commission (the Commission) previously approved a Wastewater State Revolving Loan on May 4, 2021 for the County in the amount of \$79,011,514 based on engineering estimates; and

WHEREAS, the County received bids that exceeded the previously estimated costs of the Project by \$4,340,027; and

WHEREAS, the County encountered cost overruns in the amount of \$8,335,154; and

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

WHEREAS, the County filed an application with the Commission for approval of a revised Wastewater State Revolving Loan in the increased total amount not to exceed \$91,686,695, 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 unit's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law; and
- (4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive.

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

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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TOWN OF MINT HILL

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF  
MINT HILL FOR THE FINANCING OF CERTAIN CAPITAL  
IMPROVEMENTS 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 Mint Hill, 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 JPMorgan Chase Bank, N.A. (the “*Bank*”) in order to (1) finance (a) the construction of a public services facility and (b) various sidewalk improvements in the Town (collectively, the “*Projects*”) and (2) pay certain 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 \$19,300,000;

WHEREAS, the Town will repay the advance of the Contract in quarterly payments of interest and principal at an interest rate not to exceed 4.11% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond June 1, 2043;

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 Projects 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.”

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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

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

WHEREAS, the Town of Mint Hill, 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:	- JPMorgan Chase Bank, N.A.
Bank’s Counsel:	- Womble Bond Dickinson (US) LLP
Financial Advisor:	- First Tryon Advisors

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.”

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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**CITY OF REIDSVILLE**

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

**“RESOLUTION APPROVING THE FINANCING REQUEST OF THE CITY OF REIDSVILLE, NORTH CAROLINA: THIS PROJECT CONSISTS OF REPLACING THE HEADWORKS FACILITY AT THE CITY’S WASTEWATER TREATMENT PLANT.**

WHEREAS, the City of Reidsville, North Carolina (the “*City*”) has determined that it is necessary or expedient to replace the over 20-year-old headworks system, at the City’s Wastewater Treatment Plant (WWTP), to replace and upgrade system components including headworks structures, equipment and electrical components; and

WHEREAS, the City filed an application with the North Carolina Local Government Commission (the Commission) for approval of a Wastewater State Revolving Loan in an amount not to exceed \$5,180,682, with the term of twenty (20) years at the rate, as established under this program for the respective loan, State or Federal, of 0.18%; and

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

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

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

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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**RUTHERFORD COUNTY**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF  
RUTHERFORD FOR THE FINANCING OF CERTAIN CAPITAL  
IMPROVEMENTS 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 County of Rutherford, North Carolina (the “*County*”) has determined that it is in the best interests of the County to enter into an installment financing contract (the “*Contract*”) with JPMorgan Chase Bank, N.A. (the “*Bank*”) in order to (1) pay the capital costs of acquiring, constructing and equipping a new Transportation and Maintenance Facility for the County school system (the “*Project*”) and (2) pay certain costs related to the execution and delivery of the Contract;

WHEREAS, the principal amount to be advanced by the Bank to the County under the Contract will not exceed \$15,000,000;

WHEREAS, the County will repay the advance of the Contract in semi-annual payments of interest and annual payments of principal at an interest rate not to exceed 3.61% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond March 1, 2033;

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County 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 County;
- (2) the Contract, under the circumstances, is preferable to a bond issue by the County for the same purposes;
- (3) the sums to fall due under the Contract are adequate and not excessive for its proposed purposes;
- (4) the County’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 County 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.”

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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

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

WHEREAS, the County of Rutherford, 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 above-referenced installment financing contract:

Special Counsel: - Parker Poe Adams & Bernstein LLP  
Bank: - JPMorgan Chase Bank, N.A.  
Bank's Counsel: - McGuireWoods LLP  
Financial Advisor: - DEC Associates, Inc.

WHEREAS, based on the information and evidence received by the Commission, the Commission is of the opinion that the County'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."

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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**TOWN OF SELMA**

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

**"RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF  
SELMA FOR THE FINANCING OF THE PURCHASE OF REAL  
PROPERTY 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 Selma, 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 KS Bank (the "*Bank*") in order to finance the purchase of a one-story building to be used for Town offices (the "*Project*");

WHEREAS, the principal amount to be advanced by the Bank to the Town under the Contract will not exceed \$525,000;

WHEREAS, the Town will repay the advance of the Contract in annual payments of interest and level principal at an interest rate not to exceed 5.70% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond July 1, 2043;

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."

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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**TOWN OF WARRENTON**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF  
WARRENTON FOR THE FINANCING TO PAVE A PARCEL OF LAND  
FOR A MUNICIPAL PARKING LOT 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 Warrenton, 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 Truist Bank (the “*Bank*”) in order to finance the paving of a parcel of land to be used for a municipal parking lot to support future parking needs for a downtown renovation project (the “*Project*”);

WHEREAS, the principal amount to be advanced by the Bank to the Town under the Contract will not exceed \$125,000;

WHEREAS, the Town will repay the advance of the Contract in semi-annual payments of interest and level principal at an interest rate not to exceed 5.27% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond August 15, 2033;



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.”

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

\* \* \* \* \*

#### **MISCELLANEOUS - ACTION ITEMS:**

#### **DURHAM COUNTY**

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

#### **“RESOLUTION APPROVING THE FINANCING TEAM FOR THE COUNTY OF DURHAM, NORTH CAROLINA FOR THE ISSUANCE OF A GENERAL OBLIGATION BOND**

WHEREAS, the County of Durham, North Carolina (the “County”) 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 County of Durham, North Carolina General Obligation Bond, Series 2023A (the “2023A Bond”):

Purchaser:	Bank of America, N.A.
Bond Counsel:	Parker Poe Adams & Bernstein LLP
Purchaser's Counsel:	McGuireWoods, LLP
Financial Advisor:	DEC Associates, Inc.

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

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the County's 2023A Bond.

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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

**“RESOLUTION CONCERNING THE PRIVATE SALE OF A GENERAL OBLIGATION  
BOND OF THE COUNTY OF DURHAM, NORTH CAROLINA**

WHEREAS, the application of the County of Durham, North Carolina (the “County”) requesting the approval by the Local Government Commission of North Carolina of the issuance of bonds under the following orders adopted by the Board of Commissioners of the County on July 11, 2022, and made effective on the affirmative vote of a majority of the qualified voters of the County at a referendum held on November 8, 2022, was formally approved by the Commission on October 4, 2022: (1) the bond order authorizing not exceeding \$423,505,000 General Obligation School Bonds of the County of Durham, North Carolina, (2) the bond order authorizing not exceeding \$112,740,000 General Obligation Community College Bonds of the County of Durham, North Carolina, and (3) the bond order authorizing not exceeding \$13,995,000 General Obligation Museum Bonds of the County of Durham, North Carolina (collectively, the “*Bond Orders*”);

WHEREAS, the County wishes to issue the not to exceed \$185,000,000 County of Durham, North Carolina General Obligation Bond, Series 2023A (the “2023A Bond”) under the Bond Orders to pay (1) the costs of the projects described in Bond Orders and (2) the costs of issuing the 2023A Bond;

WHEREAS, Bank of America, N.A. (the “Purchaser”), has offered to purchase the 2023A Bond from the Commission on the terms and conditions provided below and in the form of the Bond Purchase and Advance Agreement dated on or about August 23, 2023 (the “Bond Purchase and Advance Agreement”) among the Commission, the County and the Purchaser;

WHEREAS, the County has requested the Commission to sell the 2023A Bond at private sale without advertisement in accordance with Article 4 of Chapter 159 of the General Statutes of North Carolina, as amended;

WHEREAS, the Commission desires to approve the request of the County that it sell the 2023A Bond at private sale without advertisement; and

WHEREAS, the Commission desires to accept the offer of the Purchaser to purchase the 2023A Bond substantially in the form of the Bond Purchase and Advance Agreement and on the terms and conditions provided below; and

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the 2023A Bond to the Purchaser at private sale without advertisement pursuant to the Bond Purchase and Advance Agreement and the bond resolution adopted by the Board on August 14, 2023 (the “Bond Resolution”) substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the Secretary of the Commission or a designated assistant of the Commission (the “Designated Assistant”) and satisfaction of the conditions provided below.

Section 2. The par amount of the 2023A Bond will not exceed \$185,000,000. The initial purchase price for the 2023A Bond will be approved by the Designated Assistant on the date of the sale of the 2023A Bond.

Section 3. The 2023A Bond will initially bear interest at a variable rate equal to the sum of: (a) 79% multiplied by Daily SOFR plus (b) 0.37% per annum (37 bps), rounded up to the fifth place past the decimal. The rate of interest on the 2023A Bond will not exceed 20.00%. In no event will the rate of interest on the 2023A Bond exceed the maximum rate of interest permitted by applicable law.

Section 4. The 2023A Bond will have a final maturity of August 23, 2029, taking into account the term out provision as provided in the Bond Resolution.

Section 5. The Commission hereby determines that the sale of the 2023A Bond 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 of the Commission for the purpose of this resolution. The Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Bond Purchase and Advance Agreement, including details of the 2023A Bond, as satisfactory to him or her, to approve the forms of other documents relating to the 2023A Bond, to execute and deliver the Bond Purchase and Advance Agreement and such other documents on behalf of the Commission and to provide for the execution and delivery of the 2023A Bond in accordance with the Bond Order and the Bond Resolution.

Section 7. This Resolution is effective immediately on its passage.”

Ms. Harvey seconded the motion and the foregoing resolution was adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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**WAKE COUNTY**

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

**RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF WAKE FOR THE ISSUANCE OF A GENERAL OBLIGATION SCHOOL BOND ANTICIPATION NOTE, SERIES 2023A IN A PRINCIPAL AMOUNT NOT TO EXCEED \$530,700,000 AND A GENERAL OBLIGATION COMMUNITY COLLEGE BOND ANTICIPATION NOTE, SERIES 2023B IN A PRINCIPAL AMOUNT NOT TO EXCEED \$180,225,000; AND AUTHORIZING THE PRIVATE SALE THEREOF**

WHEREAS, the County of Wake, North Carolina (the “County”) has heretofore applied to the North Carolina Local Government Commission (the “Commission”) pursuant to the Local Government Bond Act, as amended, for approval of the issuance by the County of \$530,700,000 School Bonds (the “School Bonds”) pursuant to a bond order adopted by the Board of Commissioners for the County on July 11, 2022, which order was approved by the vote of a majority of the qualified voters of the County who voted thereon at a referendum duly called and held on November 8, 2022, and the Commission has approved the issuance of the School Bonds;

WHEREAS, the County has also heretofore applied to the Commission pursuant to the Local Government Bond Act, as amended, for approval of the issuance by the County of \$353,200,000 Community College Bonds (the “Community College Bonds”) pursuant to a bond order also adopted by the Board of Commissioners for the County on July 11, 2022, which order was approved by the vote of a majority of the qualified voters of the County who voted thereon at a referendum duly called and held on November 8, 2022, and the Commission has approved the issuance of the Community College Bonds;

WHEREAS, none of the School Bonds or Community College Bonds have heretofore been issued by the County and no bond anticipation notes in anticipation thereof have been issued;

WHEREAS, the County has applied to the Commission for the issuance of a General Obligation School Bond Anticipation Note, Series 2023A in an amount not to exceed \$530,700,000, to be sold at private sale to Truist Commercial Equity, Inc. (the “Purchaser”), pursuant to a Note Purchase and Advance Agreement, to be dated as of August 1, 2023 (the “2023A Note Purchase Agreement”), among the County, the Commission and the Purchaser, and has further applied to the Commission for the issuance of a General Obligation Community College Bond Anticipation Note, Series 2023B in an amount not to exceed \$180,225,000, to be sold at private sale to the Purchaser, pursuant to a second Note Purchase and Advance Agreement, to be dated as of August 1, 2023 (the “2023B Note Purchase Agreement”), among the County, the Commission and the Purchaser;

WHEREAS, under the arrangement proposed to the Commission, (i) the Purchaser will purchase one note designated “General Obligation School Bond Anticipation Note, Series 2023A” (the “Series 2023A Note”) that will increase in principal amount from time to time, up to \$530,700,000, such increases to be in the amount of advancements made by the Purchaser to the County under the 2023A Note Purchase Agreement to finance costs of projects for which the School Bonds are authorized (and the principal amount to decrease to the extent that the

principal amount advanced by the Purchaser under the 2023A Note Purchase Agreement is repaid by the County), and (ii) the Purchaser will purchase one note designated “General Obligation Community College Bond Anticipation Note, Series 2023B” (the “Series 2023B Note”) that will increase in principal amount from time to time, up to \$180,225,000, such increases to be in the amount of advancements made by the Purchaser to the County under the 2023B Note Purchase Agreement to finance costs of projects for which the Community College Bonds are authorized (and the principal amount to decrease to the extent that the principal amount advanced by the Purchaser under the 2023B Note Purchase Agreement is repaid by the County);

WHEREAS, the 2023A Note Purchase Agreement and the 2023B Note Purchase Agreement and the resolutions adopted by the Board of Commissioners authorizing the issuance of the Series 2023A Note and Series 2023B Note provide that the County shall maintain records for each advance showing that the amounts advanced on the Series 2023A Note are expended on school projects for which the School Bonds are authorized and do not exceed the aggregate principal amount of the School Bonds in anticipation of which the Series 2023A Note is being issued, and that the amounts advanced on the Series 2023B Note are expended on community college projects and do not exceed the aggregate principal amount of the Community College Bonds in anticipation of which the Series 2023B Note is being issued, and provide for the amounts so advanced to be reported to the Commission; and

WHEREAS, there has been prepared the form of the 2023A Note Purchase Agreement and 2023B Note Purchase Agreement, and such forms have been reviewed by the staff of the Commission;

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

Section 1. The application of the County for the issuance of the Series 2023A Note in an amount not to exceed \$530,700,000 for the purposes set forth above, and the issuance of the Series 2023B Note in an amount not to exceed \$180,225,000 for the purposes set forth above, is hereby approved pursuant to Article 9 of the Local Government Finance Act, as amended.

The Series 2023A Note shall bear interest at a variable interest rate (not exceeding 22%) computed as provided in the 2023A Note Purchase Agreement and the resolution of the Board of Commissioners for the County authorizing the issuance of the Series 2023A Note. The Series 2023A Note shall have a maturity date of April 1, 2028, such date subject to extension as provided in the 2023A Note Purchase Agreement and the resolution of the Board of Commissioners authorizing the issuance of the Series 2023A Note. The Series 2023B Note shall bear interest at a variable interest rate (not exceeding 22%) computed as provided in the 2023B Note Purchase Agreement and the resolution of the Board of Commissioners for the County authorizing the issuance of the Series 2023B Note. The Series 2023B Note shall have a maturity date of April 1, 2028, such date subject to extension as provided in the 2023B Note Purchase Agreement and the resolution of the Board of Commissioners authorizing the issuance of the Series 2023B Note.

Section 2. The Commission hereby approves the 2023A Note Purchase Agreement and the 2023B Note Purchase Agreement in substantially the forms presented to the Commission. The Series 2023A Note shall be sold to the Purchaser pursuant to the 2023A Note Purchase Agreement. The Series 2023A Note shall increase in principal amount as the advances are made to the County pursuant to the 2023A Note Purchase Agreement. The Series 2023B Note shall be

sold to the Purchaser pursuant to the 2023B Note Purchase Agreement. The Series 2023B Note shall increase in principal amount as the advances are made to the County pursuant to the 2023B Note Purchase Agreement.

Section 3. The Commission hereby approves the following members of the finance team in connection with the issuance of the Series 2023A Note and 2023B Note:

Bond Counsel:	Womble Bond Dickinson (US) LLP
Purchaser:	Truist Commercial Equity, Inc.
Purchaser's Counsel:	Moore & Van Allen, PLLC
Financial Advisor:	First Tryon Advisors

Section 4. 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 2023A Note Purchase Agreement or the 2023B Note Purchase Agreement, as shall be satisfactory to him or her, to approve the forms of other documents relating to the Series 2023A Note and Series 2023B Note, to execute and deliver the 2023A Note Purchase Agreement and the 2023B Note Purchase Agreement and such other documents on behalf of the Commission and to provide for the execution and delivery of the Series 2023A Note in accordance with the resolution adopted by the Board of Commissioners and the 2023A Note Purchase Agreement and of the Series 2023B Note in accordance with the resolution adopted by the Board of Commissioners and the 2023B Note Purchase Agreement.

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

Ms. Harvey seconded the motion and the foregoing resolution was passed by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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**NORTH CAROLINA MEDICAL CARE COMMISSION  
(ARBOR ACRES)**

Mr. Philbeck made a motion to approve the following:

“The North Carolina Medical Care Commission (the “NCMCC”) has previously issued its Retirement Facilities First Mortgage Revenue Bonds (Arbor Acres United Methodist Retirement Community Project) Series 2010, Retirement Facilities First Mortgage Refunding Revenue Bonds (Arbor Acres United Methodist Retirement Community) Series 2016 and Retirement Facilities First Mortgage Revenue Bonds (Arbor Acres United Methodist Retirement Community Project) Series 2021A and loaned the proceeds thereof to Arbor Acres United Methodist Retirement Community, Inc. (the “Corporation”). The Corporation operates a continuing care retirement facility in Winston-Salem, North Carolina. The above-referenced bonds are currently held by Truist Bank or affiliates thereof (“Truist”). The Corporation is a party to that certain Master Trust Indenture, dated as of March 1, 2002 (the “Master Indenture”), with the master

trustee named therein. The Corporation desires to amend the Master Indenture to increase the amount of cash and investments allowed to be transferred pursuant to Section 3.08(b) of the Master Indenture. Truist, as the holder of all obligations outstanding under the Master Indenture, has agreed to such amendment. Pursuant to Section 6.02 of the Master Indenture, such amendment also requires the consent of the NCMCC and the Local Government Commission (the “LGC”). The LGC is requested to approve the amendment to the Master Indenture in the form of the Supplemental Indenture for Amendment to Master Indenture.”

Ms. Harvey seconded the motion and the foregoing amendment to the Master Indenture was approved by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

## END OF CONSENT AGENDA

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Ms. Harvey made a motion to adopt the following resolutions:

**See EXHIBITS 2 – 5:** Four (4) Budget Ordinance Amendments for the Town of Spring Lake (Ordinance Nos. 24–01 through 24–04).

Mr. Burns seconded the motion and the foregoing resolutions were adopted by unanimous vote of 7 – 0 (Absent: Marshall, Hoffmann).

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Secretary Penny made a motion to adopt the following item:

**See EXHIBIT 6:** Resolution Identifying Distressed Units Pursuant to North Carolina General Statute 159G-45.

Mr. Burns seconded the motion and the foregoing was adopted by a vote of 5 – 2 (No: Butler, Folwell; Absent: Marshall, Hoffmann).

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## TOWN OF EUREKA UPDATE

Sharon Edmundson presented an overview of the status of the Eureka sewer system including details on the increased rates recently adopted by Fremont for transmitting Eureka’s wastewater, and the financial impact of the increased rates on Eureka and its customers. The Members and LGC staff discussed the staff’s recommendations for both short-term and long-term solutions to address the financial and operational issues of Eureka’s wastewater transmission. The Members directed LGC staff to work with Fremont to adjust Eureka’s billing rate to something more affordable and to work with Fremont on developing a new utility agreement between the two towns.

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Chair Folwell asked that the meeting be adjourned in honor and in memory of the late Tommy Bunn, a distinguished leader in national and state level agricultural policy and marketing, and the husband of Secretary of State Elaine Marshall. Mr. Bunn passed away on July 24, 2023. Auditor Wood made the motion to adjourn. Secretary Penny seconded the motion which passed by unanimous vote (Absent: Marshall, Hoffmann). The meeting adjourned at 4:01 p.m.

The next regularly scheduled meeting of the North Carolina Local Government Commission will be held on September 12, 2023 at 1:30 p.m.

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I, Sharon Edmundson, Secretary of the North Carolina Local Government Commission, CERTIFY that the foregoing is a true and correct account of actions taken at a meeting of the North Carolina Local Government Commission duly called and held on August 1, 2023.

WITNESS my hand at Raleigh, NC, this 1st day of August 2023.



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



EXHIBIT 1

Local Governments Requesting Debt Approval by LGC									
Meeting Date 08/01/23									
		As Reported in 2022 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)
Durham County	Durham	205,440,549	0	205,440,549	10,123,540	0	10,123,540	215,564,089	23,697,279
Edenton	Chowan	2,125,794	0	2,125,794	642,197	0	642,197	2,767,991	823,314
Johnston County	Johnston	235,318,865	0	235,318,865	6,409,934	0	6,409,934	241,728,799	13,328,498
Mint Hill	Mecklenburg	5,524,057	0	5,524,057	1,417,570	0	1,417,570	6,941,627	1,220,282
Reidsville	Rockingham	8,755,845	0	8,755,845	2,310,842	0	2,310,842	11,066,687	1,726,522
Rutherford County	Rutherford	33,632,629	119,288	33,513,341	3,344,901	0	3,344,901	36,858,242	4,169,386
Selma	Johnston	7,660,214	0	7,660,214	961,632	0	961,632	8,621,846	788,269
Wake County	Wake	582,455,375	0	582,455,375	30,449,158	0	30,449,158	612,904,533	56,939,046
Warrenton	Warren	N/A	N/A	N/A	64,380	0	64,380	64,380	156,887
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.									

# EXHIBIT 2

## ORDINANCE NO. 24-01 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
<b>ESTIMATED REVENUES</b>				
Sale of Capital Assets	96,000	75,000	(1)	171,000
<b>Total Revenues</b>	<b>8,087,053</b>	<b>75,000</b>		<b>8,162,053</b>
<b>APPROPRIATIONS</b>				
Fund Balance Increase	-	51,000	(1)	51,000
Fire	1,386,884	18,000	(1)	1,404,884
Manchester	628,628	6,000	(1)	634,628
<b>Total Appropriations</b>	<b>8,087,053</b>	<b>75,000</b>		<b>8,162,053</b>

1) This amendment will budget the estimated proceeds from the sale of the old ladder truck of \$75,000 and record the expenditure for insurance on specific fire equipment not previously included in the FY '24 budget. (\$18,000 for general fire equipment and \$6,000 for Manchester) The remaining sale proceeds of \$51,000 (\$75,000-\$18,000-\$6,000) will increase fund balance.

WITNESS my hand at Raleigh, this 1st day of August 2023



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

# EXHIBIT 3

**ORDINANCE NO.24-02**  
**TOWN OF SPRING LAKE, NORTH CAROLINA**  
**Ordinance Adopting the NCDEQ Wastewater AIA American Rescue Plan Direct**  
**Grant Project No: VUR-AIA-ARP-0036 Grant Project Ordinance (Fund 50)**

**THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION ON BEHALF OF THE TOWN OF SPRING LAKE, NORTH CAROLINA DOES ORDAIN** that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

**Section I:** This Ordinance is to establish a budget for a project to be funded by a grant from NCDEQ Wastewater AIA Project No: VUR-AIA-ARP-0036. American Rescue Plan (ARP) State Fiscal Recovery Funds from the Viable Utility Reserve (VUR). Projects funded from the ARP State Fiscal Recovery Fund out of the Viable Utility Reserve must meet applicable federal law and guidance for the ARP funds, and state statutory requirements for the Viable Utility Reserve including project eligibility listed in NC GS 159G-32(d)(1)-(5). The project grant will be one hundred percent of eligible project costs up to a maximum of \$250,000; for the purpose of an Assets and Inventory Assessment.

**Section II:** The following amounts are appropriated for the project and authorized for revenue and expenditure as of August 8, 2022.

	<b>Project Budget</b>
<b>ESTIMATED REVENUES</b>	
NCDEQ Grant - AIA ARP-Direct Grant	250,000
<b>Total Revenues</b>	<u>250,000</u>
<b>APPROPRIATIONS</b>	
Asset Inventory and Assessment Study	250,000
<b>Total Appropriations</b>	<u>250,000</u>

**Section III:** The Finance Officer is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

**Section IV:** The Town Manager is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

**Section V:** Copies of the grant project ordinance shall be furnished to the Town Manager, the Finance Officer and to the Clerk to the Town Council.

**Section VI:** This grant project ordinance expires when all NCDEQ funds have been obligated and expended by the Town or December 31, 2026 whichever comes first.

**WITNESS my hand at Raleigh, this 1st day of August 2023**



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

## EXHIBIT 4

**ORDINANCE NO.24-03**  
**TOWN OF SPRING LAKE, NORTH CAROLINA**  
**Ordinance Adopting the NCDEQ Wastewater Merger Regionalization Feasibility**  
**Study - American Rescue Plan Direct Grant Project No: VUR-MRF-ARP-0037**  
**Grant Project Ordinance (Fund 51)**

THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION ON BEHALF OF THE TOWN OF SPRING LAKE, NORTH CAROLINA DOES ORDAIN that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

**Section I:** This Ordinance is to establish a budget for a project to be funded by a grant from NCDEQ Wastewater MRF Project No: VUR-MRF-ARP-0037. American Rescue Plan (ARP) State Fiscal Recovery Funds from the Viable Utility Reserve (VUR). Projects funded from the ARP State Fiscal Recovery Fund out of the Viable Utility Reserve must meet applicable federal law and guidance for the ARP funds, and state statutory requirements for the Viable Utility Reserve including project eligibility listed in NC GS 159G-32(d)(1)-(5). The project grant will be one hundred percent of eligible project costs up to a maximum of \$150,000; for the purpose of a Merger Regionalization Feasibility Study.

**Section II:** The following amounts are appropriated for the project and authorized for revenue and expenditure as of August 8, 2022.

	<b>Project Budget</b>
<b>ESTIMATED REVENUES</b>	
NCDEQ Grant - MRF - ARP Direct Grant	150,000
<b>Total Revenues</b>	<u>150,000</u>
<b>APPROPRIATIONS</b>	
Merger Regionalization Feasibility	150,000
<b>Total Appropriations</b>	<u>150,000</u>

**Section III:** The Finance Officer is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

**Section IV:** The Town Manager is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

**Section V:** Copies of the grant project ordinance shall be furnished to the Town Manager, the Finance Officer and to the Clerk to the Town Council.

**Section VI:** This grant project ordinance expires when all NCDEQ funds have been obligated and expended by the Town or December 31, 2026 whichever comes first.

WITNESS my hand at Raleigh, this 1st day of August 2023



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

# EXHIBIT 5

## ORDINANCE NO. 24-04 TOWN OF SPRING LAKE, NORTH CAROLINA Ordinance Amending the 2023-24 Sanitation 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.** Sanitation Fund is hereby amended by increasing estimated revenues and appropriations in the amount indicated:

	2023-24 Adopted Budget	Increase (Decrease)	2023-24 Amended Budget
<b>ESTIMATED REVENUES</b>			
Refuse Collection Fees billed County	608,064	-	608,064
Refuse Collection Fees - billed Town	115,000	-	115,000
Solid Waste Disposal Tax	9,307	-	9,307
Investment Earnings	9,000	-	9,000
Appropriated Fund Balance	-	26,132 (1)	26,132
<b>Total Revenues</b>	<b>741,371</b>	<b>26,132</b>	<b>767,503</b>
<b>APPROPRIATIONS</b>			
Non-Departmental	384,552	-	384,552
Increase in Fund Balance	135,988	(135,988) (1)	-
Sanitation	220,831	-	382,951
Grapple Truck		160,120 (1)	
Insurance		2,000 (1)	
<b>Total Appropriations</b>	<b>741,371</b>	<b>26,132</b>	<b>767,503</b>

- 1) The Town's grapple truck (Truck 13) needs major repairs including a front end replacement. The Town has chosen to replace the grapple truck instead of repairing it. . Total costs to purchase an identified used truck is estimated at \$160,120 including highway use tax, title, and registration/DMV fees. The estimated insurance cost is \$2,000 for a total ownership cost of \$162,120. This will be funded by appropriating the fund balance of \$26,132 and reducing the previous addition to the fund balance of \$135,988.

WITNESS my hand at Raleigh, this 1st day of August 2023



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



**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

SHARON EDMUNDSON  
DEPUTY TREASURER

## RESOLUTION IDENTIFYING DISTRESSED UNITS PURSUANT TO NORTH CAROLINA GENERAL STATUTE 159G-45

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.(k) of the Act amended Article 2 of Chapter 159G of the General Statutes (“G.S.”) by adding a new Section 159G-45 requiring that the State Water Infrastructure Authority (the “Authority”) and the Local Government Commission (the “Commission”):

- (a) develop criteria to assess and review local government units and
- (b) utilize the assessment and review process to identify distressed units; and

WHEREAS, the Authority and the Commission have adopted criteria for assessing units (the “Assessment Criteria”) (see Attachment A);

WHEREAS, the Authority and the Commission have adopted criteria and for and identifying distressed units (the “Identification Criteria”) as follows:

1. A unit whose fiscal affairs are under the control of the Commission pursuant to its authority granted by G.S. 159-181 (“under Commission fiscal control”), or
2. A unit that has not submitted its annual audits for the last two (2) fiscal years to the Commission as required by G.S. 159-34, or
3. A unit with a total Assessment Criteria score that:
  - a) Equals or exceeds 9 for units providing both drinking water and wastewater services, or
  - b) Equals or exceeds 8 for units providing only one service, either drinking water or wastewater, or
4. A unit for which other information is available to or known by the Authority or Commission that reflects and is consistent with, but does not expressly appear in, the Assessment Criteria to account for situations in which the Assessment Criteria score does not wholly or accurately reflect a system’s level of risk due to the limitations of available data.

## EXHIBIT 6

### RESOLUTION IDENTIFYING DISTRESSED UNITS

August 1, 2023

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WHEREAS, the process and frequency for the cycle of assessment of units (the “Process”) was adopted by the Authority and Commission pursuant to G.S. 159G-45(d); and

WHEREAS, the staff of the Authority completed an assessment of local government units (“LGUs”) in April 2023 pursuant to the terms of the Process; and

WHEREAS the Process stipulated that local government units which meet or exceed the Assessment Criteria score for two consecutive years may be designated as distressed by the Authority and the Commission under Identification Criterion 3; and

WHEREAS, the following 14 local government units have met or exceeded the Assessment Criteria score threshold for two consecutive years or have met or exceeded the Assessment Criteria score threshold in 2023 and have requested distressed designation; and

WHEREAS, the staffs of the Authority and Commission propose that the following units be identified as distressed pursuant to Identification Criterion 3; and

WHEREAS, the Authority voted to designate these 14 government units as distressed at its July 18-19, 2023 meeting:

Unit	Utility Type	2021 Score	2022 Score	2023 Score	Basis for distressed designation
Benson	BOTH	8	8	10	By request
Denton	BOTH	8	10	10	Exceeded score for 2 <sup>nd</sup> year
Elizabethtown	BOTH	5	6	9	By request
Grover	BOTH	8	11	13	Exceeded score for 2 <sup>nd</sup> year
Harmony	WW	3	8	8	Exceeded score for 2 <sup>nd</sup> year
Hobgood	BOTH	7	12	12	Exceeded score for 2 <sup>nd</sup> year
Magnolia	BOTH	12	8	14	By request
McDowell County	DW	7	8	8	Exceeded score for 2 <sup>nd</sup> year
Northampton County	BOTH	6	5	10	By request
Parkton	BOTH	5	9	9	Exceeded score for 2 <sup>nd</sup> year
Polkton	BOTH	8	9	9	Exceeded score for 2 <sup>nd</sup> year
Princeton	BOTH	4	10	10	Exceeded score for 2 <sup>nd</sup> year
Stantonsburg	BOTH	2	7	10	By request
Stoneville	BOTH	6	4	12	By request

*DW = drinking water, WW = wastewater, BOTH = drinking water and wastewater*

## EXHIBIT 6

RESOLUTION IDENTIFYING DISTRESSED UNITS

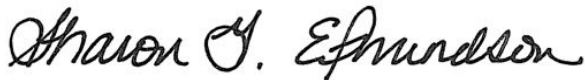
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NOW THEREFORE, BE IT RESOLVED by the Commission, pursuant to its authority recited herein, that:

The Commission identifies and designates the following 14 local government units as Distressed Units under Identification Criterion 3: Benson, Denton, Elizabethtown, Grover, Harmony, Hobgood, Magnolia, McDowell County, Northampton County, Parkton, Polkton, Princeton, Stantonsburg, and Stoneville; and given the Authority's vote to designate these units as distressed at its July 18-19, 2023 meeting, upon adoption of this resolution by the Commission, these units are hereby designated as distressed under G.S. 159-45(b).

WITNESS my hand this 1<sup>st</sup> day of August 2023.

A handwritten signature in black ink, reading "Sharon G. Edmundson". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission