

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

**MINUTES**

**September 12, 2023**

The meeting was called to order by Chairman Dale R. Folwell at 1:30 p.m., on the above date. The meeting was conducted in person and by use of simultaneous communication by GoToWebinar™. Members present in person: Chair Folwell, William Toole, Designee for Secretary of State Elaine Marshall (Mr. Toole acted as the Secretary's Designee until 3:20 p.m.; Secretary of State Elaine Marshall arrived at 3:20 p.m.), Secretary of Revenue Ronald Penny, and Paul Butler. Members present virtually: John Burns and Mike Philbeck.

Members absent: State Auditor Beth Wood, Vida Harvey, and Nancy Hoffmann.

A quorum was present for the entire meeting.

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

Others attending in person: DST staff Joah Bickley, Sam Watts and Ted Brinn; Jay Rivers and Lee Carter (Capital Management of the Carolinas); David Roy, CFO of the North Carolina Turnpike Authority (who presented an overview and status report of the Complete 540 Phase 2 project).

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. There were no conflicts reported.

Secretary Penny made a motion to approve the minutes of the August 1, 2023 meeting. Mr. Butler seconded the motion, and the minutes were approved by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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 ROBERSONVILLE**

Chair Folwell and Secretary Edmundson welcomed officials from the Town of Robersonville, attending to receive financial control being returned to the Town by the Commission. Representing the Town were: Mayor Tina Brown; Mayor Pro Tem Claudie Wilkins; Councilwoman Debra Armstrong; Chris Roberson, Town Manager; and Angela Bagley, Finance Officer.

Secretary Penny made a motion to approve the following resolution:

See **EXHIBIT 2: RESOLUTION TO RETURN FINANCIAL CONTROL TO THE TOWN OF ROBERSONVILLE**

Mr. Butler seconded the motion, and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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## **TOWN OF BELHAVEN**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF BELHAVEN, NORTH CAROLINA. THIS PROJECT CONSISTS OF THE PURCHASE OF A POLICE VEHICLE AND THREE PUBLIC WORKS VEHICLES (THE “PROJECT”) THROUGH AN INSTALLMENT PURCHASE CONTRACT AGREEMENT PURSUANT TO G.S. 160A-20.**

WHEREAS, the Town of Belhaven, North Carolina (the “Town”) has determined that the Project is necessary and expedient to replace aging vehicles in order to provide adequate public safety and public works services to Town residents; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the Project through an Installment Purchase Contract (the “Contract”) with Southern Bank & Trust (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 \$160,000 with annual level principal payments for a term of five (5) years at an approved interest rate of 4.85%; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, as a local government on the Unit Assistance List, the Town has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing pursuant to S.L. 2022-53, s. 6; and

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

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

- (i) that the proposed Project is necessary and expedient for the Town;
- (ii) that the proposed undertaking cannot be economically financed by a bond issue;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for its proposed purpose;
- (iv) that the Contract will not require an excessive increase in taxes; and

- (v) 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. Burns seconded the motion and the foregoing was approved by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

Lynn Davis, Town Manager attended virtually to speak and answer Commission members’ questions.

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### **CITY OF ROXBORO**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF ROXBORO, NORTH CAROLINA. THIS PROJECT CONSISTS OF A LOAN TO REIMBURSE THE TOWN’S CASH PURCHASE OF A FIRE TRUCK (THE “PROJECT”) THROUGH AN INSTALLMENT PURCHASE CONTRACT AGREEMENT PURSUANT TO G.S. 160A-20.**

WHEREAS, the City of Roxboro, North Carolina (the “City”) has determined that the Project is necessary and expedient to replace a 22-year-old fire truck in order to provide adequate public safety services to City residents and remain in compliance with insurance and certification guidelines; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the City intends to finance the Project through an Installment Purchase Contract (the “Contract”) with Piedmont Electric Membership Corporation (“PEMC”) whereby PEMC shall advance moneys to the City, and the City, 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 \$543,990 with annual level principal payments for a term of ten (10) years at an approved interest rate of zero%, and a 1% administrative fee annually on the remaining balance; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, as a local government on the Unit Assistance List, the City has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing pursuant to S.L. 2022-53, s. 6; and

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

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

- (i) that the proposed Project is necessary and expedient for the City;
- (ii) that the proposed undertaking cannot be economically financed by a bond issue;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for its proposed purpose;
- (iv) that the Contract will not require an excessive increase in taxes; and
- (v) that the City 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. Burns seconded the motion and the foregoing was approved by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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#### **TOWN OF MAIDEN**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF MAIDEN, NORTH CAROLINA. THIS PROJECT CONSISTS OF CONSTRUCTION OF A NEW FIRE STATION AT 719 E. MAIN ST. (THE “PROJECT”) THROUGH AN INSTALLMENT PURCHASE CONTRACT AGREEMENT PURSUANT TO G.S. 160A-20.**

WHEREAS, the Town of Maiden, North Carolina (the “Town”) has determined that the Project, is necessary or expedient because the Town has outgrown the existing fire station, and it cannot house full-time staff or accommodate new fire trucks; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the Project through an Installment Purchase Contract (the “Contract”) with 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 \$7,500,000 with monthly level principal and interest payments for a term of twenty (20) years at an approved interest rate of 4.98%; 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. Burns seconded the motion and the foregoing was approved by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

Jessica White, Finance Officer attended virtually to speak and answer Commission members' questions.

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## **BEGIN CONSENT AGENDA**

### **TOWN OF APEX**

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

### **RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF APEX, NORTH CAROLINA FOR THE ISSUANCE OF \$3,460,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS**

WHEREAS, the Town of Apex, North Carolina (the “Town”) has 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 Town of \$3,460,000 General Obligation Public Improvement Bonds (the “Bonds”), for the purpose of providing funds, together with any other available funds, for acquiring, constructing and equipping a new administrative office building for the Town; and

WHEREAS, pursuant to the provisions of G.S. 159-49, which authorizes the issuance of bonds without a vote of the people for the purposes specified therein in an amount not exceeding two-thirds of the amount by which the outstanding indebtedness of the Town has been reduced in the preceding fiscal year, an election is not required for approval of the Bonds; and

WHEREAS, upon the authorization, in accordance with law, of the Bonds, the Town will be empowered to issue bonds and notes in anticipation of the receipt of the proceeds of the sale of the Bonds; and

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

- (i) that the Bonds are necessary or expedient;
- (ii) that the proposed amount of the Bonds is adequate and not excessive for the proposed purpose thereof;
- (iii) that the debt management procedures and policies of the Town are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;
- (iv) that the increase in taxes, if any, necessary to service the Bonds will not be excessive;
- (v) that the Bonds can be marketed at reasonable rates of interest; and
- (vi) that the assumptions used by the Finance Director of the Town in preparing the estimated interest filed with the Town Clerk pursuant to G.S. 159-55.1(a) are reasonable; and

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion that the application of the Town for approval of the issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the Town for the issuance of the Bonds is hereby approved pursuant to the Local Government Bond Act, as amended.

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

**RESOLUTION APPROVING THE FINANCING TEAM FOR THE  
ISSUANCE OF \$3,460,000 TOWN OF APEX, NORTH CAROLINA  
GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS**

WHEREAS, the Town of Apex, North Carolina (the “Town”) has requested that the North Carolina Local Government Commission (the “Commission”) approve its selection of the following financing team members for the upcoming issuance of its \$3,460,000 General Obligation Public Improvement Bonds (the “Bonds”):

Bond Counsel: Womble Bond Dickinson (US) LLP

Financial Advisor: Davenport & Company LLC

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

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

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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**CITY OF CHARLOTTE – AIRPORT MATTERS**

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

**“RESOLUTION APPROVING THE FINANCING TEAM FOR THE  
CITY OF CHARLOTTE, NORTH CAROLINA AIRPORT REVENUE  
BONDS AND AIRPORT REVENUE BOND ANTICIPATION NOTE**

WHEREAS, the City of Charlotte, North Carolina (the “City”) has requested that the Local Government Commission of North Carolina (the “Commission”) approve its selection of the following financing team members for the City’s upcoming airport revenue bond issues:

Underwriters for the  
below-referenced bonds: BofA Securities, Inc.  
J.P. Morgan Securities LLC  
Ramirez & Co., Inc.  
Raymond James & Associates, Inc.

Purchaser of the  
below-referenced note: Bank of America, N.A.  
Financial Advisor: DEC Associates Inc.  
Airport Financial Consultant: Newton & Associates, Inc.  
Frasca & Associates, L.L.C.  
Bond Counsel: Parker Poe Adams & Bernstein LLP  
Underwriters’ and Purchaser’s Counsel: McGuireWoods LLP  
Trustee/Paying Agent/Bond Registrar: U.S. Bank Trust Company, National  
Association

Trustee's Counsel:

Moore & Van Allen, PLLC

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

NOW, THEREFORE, BE IT RESOLVED by the Local Government Commission of North Carolina that the above-referenced financing team is hereby approved for City's upcoming Airport Revenue Bonds, Series 2023A and Series 2023B and Airport Revenue Bond Anticipation Note, Series 2023."

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

**"RESOLUTION APPROVING THE APPLICATION OF THE CITY OF CHARLOTTE, NORTH CAROLINA FOR THE ISSUANCE OF AIRPORT REVENUE BONDS AND AIRPORT REVENUE BOND ANTICIPATION NOTE**

WHEREAS, the City of Charlotte, North Carolina (the "City") 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 (1) its (a) Airport Revenue Bonds, Series 2023A (Non-AMT) (the "2023A Bonds") and (b) Airport Revenue Bonds, Series 2023B (AMT) (the "2023B Bonds" and together with the 2023A Bonds, the "2023 Bonds"), in an aggregate principal amount not to exceed \$475,000,000 and (2) its Airport Revenue Bond Anticipation Note, Series 2023 in a principal amount not to exceed \$280,000,000 (the "2023 Note," and together with the 2023 Bonds, the "2023 Obligations");

WHEREAS, the 2023 Bonds are being issued to (a) refinance the City of Charlotte, North Carolina Airport Revenue Bond Anticipation Note, Series 2022 (the "2022 BAN"), (b) further finance a portion of the costs of improvements to Charlotte Douglass International Airport (the "Airport") in accordance with the Airport's capital improvement plan (the "Projects"), (c) fund capitalized interest on the 2023 Bonds, (d) fund any necessary debt service reserves for the 2023 Bonds and (e) pay the costs of issuing the 2023 Bonds;

WHEREAS, the 2023 Note is being issued to (a) refinance the 2022 BAN, (b) further finance a portion of the costs of the Projects, (c) pay capitalized interest on the 2023 Note and (d) pay the costs of issuing the 2023 Note;

WHEREAS, the City has furnished to the Commission:

(a) a bond order adopted on April 24, 2017 by the City Council (the "City Council") of the City, as amended and supplemented by Supplemental Bond Order, Number 1 adopted by the City Council on March 22, 2021 (collectively, the "Bond Order") under which the 2023 Bonds and the 2023 Note will be issued;



(b) a series resolution, and the appendices attached thereto, adopted by the City Council on August 28, 2023 related to the 2023 Bonds (the “2023 Bonds Series Resolution”);

(c) a series resolution, and the appendices attached thereto, adopted by the City Council on August 28, 2023 related to the 2023 Note (the “2023 Note Series Resolution”);

(d) the preliminary official statement with respect to the 2023 Bonds deemed final as of its date, except for the omission of no more than the information permitted to be omitted by Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “Preliminary Official Statement”), and on the inclusion thereof (the “Official Statement”);

(e) a draft of the Bond Purchase Agreement among the Commission, the City and BofA Securities, Inc., on its behalf and on behalf of J.P. Morgan Securities LLC, Ramirez & Co., Inc. and Raymond James & Associates, Inc., as underwriters, with respect to the 2023 Bonds; and

(f) a draft of the Note Purchase Agreement among the Commission, the City and Bank of America, N.A., as the initial purchaser, with respect to the 2023 Note.

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

(1) the proposed revenue bond issues are necessary or expedient;

(2) the amounts proposed are adequate and not excessive for the proposed purposes of the issues;

(3) the proposed Projects are feasible;

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

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

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the City for approval of the proposed 2023 Bonds in an aggregate amount not to exceed \$475,000,000 and the proposed 2023 Note in a principal amount not to exceed \$280,000,000, each for the purposes provided above, is hereby approved pursuant to the State and Local Government Revenue Bond Act, as amended.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

**“RESOLUTION CONCERNING THE PRIVATE SALE OF THE CITY OF  
CHARLOTTE, NORTH CAROLINA AIRPORT REVENUE BONDS AND  
AIRPORT REVENUE BOND ANTICIPATION NOTE**

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

WHEREAS, BofA Securities, Inc., on its behalf and on behalf of J.P. Morgan Securities LLC, Ramirez & Co., Inc. and Raymond James & Associates, Inc. (collectively, the “Underwriters”), has offered to purchase the City of Charlotte, North Carolina Airport Revenue Bonds, Series 2023A (Non-AMT) (the “2023A Bonds”) and the City of Charlotte, North Carolina Airport Revenue Bonds, Series 2023B (AMT) (the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”), from the Commission on the terms and conditions provided below and in the form of a Bond Purchase Agreement (the “Bond Purchase Agreement”) among the Commission, the City of Charlotte, North Carolina (the “City”) and the Underwriters; and

WHEREAS, Bank of America, N.A. (the “Purchaser”) has offered to purchase the City of Charlotte, North Carolina Airport Revenue Bond Anticipation Note, Series 2023 (the “2023 Note,” and together with the 2023 Bonds, the “2023 Obligations”) from the Commission on the terms and conditions provided below and in the form of a Note Purchase and Advance Agreement (the “Note Purchase Agreement,” and together with the Bond Purchase Agreement, the “Purchase Agreements”) among the Commission, the City and the Purchaser; and

WHEREAS, the Commission has received the preliminary official statement with respect to the 2023 Bonds deemed final as of its date, except for the omission of no more than the information permitted to be omitted by Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “Preliminary Official Statement”), and on the inclusion thereof (the “Official Statement”); and

WHEREAS, the City has requested the Commission to sell the 2023 Obligations at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

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

WHEREAS, the Commission desires to accept (1) the offer of the Underwriters to purchase the 2023 Bonds substantially in the form of the Bond Purchase Agreement and (2) the offer of the Purchaser to purchase the 2023 Note substantially in the form of the Note Purchase Agreement, in each case on the terms and conditions provided below; and

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the 2023 Bonds to the Underwriters at private sale without advertisement pursuant to the executed Bond Purchase Agreement and a series resolution adopted by the City Council on August 28, 2023 with respect to the 2023 Bonds (the “2023 Bond Resolution”) 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 provided below.

Section 2. The sale of the 2023 Note to the Purchaser at private sale without advertisement pursuant to the executed Note Purchase Agreement and a series resolution adopted by the City Council on August 28, 2023 with respect to the 2023 Note (the “2023 Note Resolution,” and together with the 2023 Bond Resolution, the “Resolutions”) substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the Designated Assistant and satisfaction of the conditions provided below.

Section 3. The aggregate principal amount of the 2023 Bonds will not exceed \$475,000,000. The principal amount of the 2023 Note will not exceed \$280,000,000. The purchase price for the 2023 Obligations will be approved by the Designated Assistant on the date of the sale of the 2023 Obligations as provided in the applicable Purchase Agreement.

Section 4. The 2023A Bonds have an estimated all-in true interest cost of 4.726224% and the 2023B Bonds have an estimated all-in true interest cost of 4.978363%. The 2023 Note will bear interest at a variable rate of 79% multiplied by Daily SOFR + 39 basis points, with a maximum rate of 20%.

Section 5. No maturity of the 2023 Bonds will extend beyond July 1, 2053.

Section 6. The maturity of the 2023 Note will not extend beyond October 3, 2029.

Section 7. The Commission hereby determines that the sale of the 2023 Obligations in the manner and for the prices as provided in this resolution is in the best interest of the City, provided that such sale is approved by the City.

Section 8. The Secretary of the Commission, or any Deputy Secretary, is hereby appointed the “Designated Assistant” 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 Purchase Agreements, including details of the 2023 Obligations, as satisfactory to him or her, to approve the forms of other documents relating to the 2023 Obligations, to execute and deliver the Purchase Agreements and such other documents on behalf of the Commission and to provide for the execution and delivery of the 2023 Obligations in accordance with the Bond Order, the Resolutions and the Purchase Agreements.

Section 9. The Preliminary Official Statement and the Official Statement, substantially in the form furnished to the Commission, with such insertions and changes therein as may be approved by the Designated Assistant, and the use thereof in connection with the public offering and sale of the 2023 Bonds, are hereby ratified, approved and authorized. The Designated Assistant is hereby authorized and directed to deliver on behalf of the Commission the Official Statement relating to the 2023 Bonds in such form.

Section 10. This Resolution is effective immediately on its passage.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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**CITY OF CHARLOTTE – SPECTRUM CENTER MATTER**

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

**“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF CHARLOTTE FOR THE FINANCING OF PROJECTS THROUGH AN INSTALLMENT FINANCING PURSUANT TO G.S. § 160A-20**

WHEREAS, under Section 160A-20 of the General Statutes, the City of Charlotte, North Carolina (the “City”) has determined to enter into an Installment Financing Contract with New Charlotte Corporation (the “Corporation”), in order to finance the costs of improvements and renovations to the City’s Spectrum Center arena and other governmental facilities; and

WHEREAS, the Corporation will enter into an Indenture of Trust (the “Master Indenture”) between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), and a Supplemental Indenture, Number 1 (“Supplement No. 1” and collectively with the Master Indenture, the “Indenture”) between the Corporation and the Trustee, pursuant to which the Corporation will execute and deliver its Certificate of Participation (Governmental Facilities), Series 2023A (the “Certificate”); and

WHEREAS, the Certificate is to be sold to Bank of America, N.A. and the proceeds from the sale of the Certificate will be remitted to the City to fund the advance by the Corporation to the City under the Contract; and

WHEREAS, the principal amount of the Certificate shall not exceed \$110,000,000; and

WHEREAS, the maturity of the installment payments shall not extend beyond September 28, 2029; and

WHEREAS, The Certificate will bear interest at a variable rate of 79% multiplied by Daily SOFR + 35 basis points, with a maximum rate of 20%; and

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

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

- i) the Contract is necessary or expedient for the City;
- ii) the Contract, under the circumstances, is preferable to a bond issue by the City for the same purposes;
- iii) the sums to fall due under the Contract are adequate and not excessive for the Contract's proposed purposes;
- iv) the City's debt management procedures and policies are good;
- v) the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- vi) the City 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, the Certificate and the planned financing is hereby approved under the provisions of Section 160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission."

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

**"RESOLUTION APPROVING THE FINANCING TEAM FOR THE  
CERTIFICATE OF PARTICIPATION (CITY OF CHARLOTTE, NORTH  
CAROLINA), SERIES 2023A**

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

Special Counsel:	- Parker Poe Adams & Bernstein LLP
Financial Advisor:	- DEC Associates, Inc.
Lender:	- Bank of America, N.A.
Lender's Counsel	- McGuireWoods LLP
Trustee:	- U.S. Bank Trust Company, National Association
Trustee's Counsel:	- Moore & Van Allen, PLLC

WHEREAS, based on the information and evidence received by the Local Government Commission, the Local Government Commission is of the opinion that the request by the City and the Corporation should be approved.

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

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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## CITY OF CONOVER

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

**“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF CONOVER, NORTH CAROLINA. THIS PROJECT CONSISTS OF THE REPLACEMENT OF AGING EQUIPMENT AT THE CONOVER NORTHEAST WASTEWATER TREATMENT PLANT (THE “PROJECT”) THROUGH AN INSTALLMENT PURCHASE CONTRACT AGREEMENT PURSUANT TO G.S. 160A-20.**

WHEREAS, the City of Conover, North Carolina (the “City”) has determined that the Project, including replacement of aging 30 plus-year old aeration basin equipment, diffusers, and controls, is necessary and expedient to ensure optimal treatment capacity at the City’s Northeast Wastewater Treatment Plant; and

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

WHEREAS, the principal amount of the Contract shall not exceed \$4,900,000 with semi-annual level principal and interest payments for a term of twenty (20) years at an approved interest rate of 4.88%; and

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

WHEREAS, the Secretary of the Commission has determined that the unit has complied with 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 City;
- (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 City's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;
- (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 City 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. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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#### CITY OF DURHAM

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

**"RESOLUTION APPROVING THE APPLICATION OF THE CITY OF DURHAM FOR THE FINANCING AND REFINANCING OF CERTAIN GOVERNMENTAL FACILITIES THROUGH AN AMENDMENT TO AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. § 160A-20**

WHEREAS, under Section 160A-20 of the General Statutes, the City of Durham, North Carolina (the "*City*") has previously entered into an Installment Financing Contract dated as of December 15, 2017 (the "*2017 Contract*"), as amended by Amendment Number One to the 2017 Contract dated as of May 1, 2018 (the "*First Amendment*"), Amendment Number Two to the 2017 Contract dated as of December 1, 2020 (the "*Second Amendment*"), and to Amendment Number Three to the 2017 Contract dated as of June 1, 2022 (the "*Third Amendment*"), each between the City and the New Durham Corporation (the "*Corporation*"), the proceeds of which were used to finance and refinance the projects described therein;

WHEREAS, the Corporation previously executed and delivered its (1) Limited Obligation Bonds, Series 2013A (the "*2013A Bonds*") and (2) Limited Obligation Bond, Series 2022 (the "*2022 Bond*"); and

WHEREAS, the City has determined that it is in the City's best interest to enter into an amendment to the 2017 Contract (the "*Fourth Amendment*") and together with the 2017 Contract, the First Amendment, the Second Amendment, and the Third Amendment, the "*Contract*") between the City and Corporation, whereby the Corporation will advance money

to the City for the purposes outlined herein, subject to its right of nonappropriation and will repay the advancement with interest in installments; and

WHEREAS, the Corporation will enter into Supplemental Indenture, Number 4 dated as of October 1, 2023 (the “*Fourth Supplement*”), supplementing an Indenture of Trust dated as of December 15, 2017 (the “*2017 Indenture*”), as previously supplemented by Supplemental Indenture, Number 1 dated as of May 1, 2018 (the “*First Supplement*”), Supplemental Indenture, Number 2 dated as of December 1, 2020 (the “*Second Supplement*”), and Supplemental Indenture, Number 3 dated as of June 1, 2022 (the “*Third Supplement*” and together with the 2017 Indenture, the First Supplement, the Second Supplement, and the Fourth Supplement, the “*Indenture*”), each between the Corporation and U.S. Bank Trust Company, National Association, as successor trustee (the “*Trustee*”), pursuant to which the Corporation will execute and deliver its Limited Obligation Bonds, Series 2023 (the “*2023 Bonds*”); and

WHEREAS, the City intends to apply the proceeds of the 2023 Bonds to (1) provide long-term financing for, including refinancing spent proceeds of the 2022 Bond related to, (a) renovations to the City’s Public Works Operation Center, (b) street, sidewalk, bridge, bike lane, greenway and streetscape improvements, (c) renovations and improvements to certain parks and recreation facilities, including, but not limited to, the Duke Belt Line Trail and the Hoover Road Athletic Park, (d) the acquisition, construction, and renovation of several fire rescue and police facilities, including Fire Station #6, Fire Station #18, and Fire Station #19, (e) improvements to certain information technology and communications systems, and (f) other miscellaneous capital improvements, (2) refinance the City’s installment payment obligations related to the 2013A Bonds maturing on and after October 1, 2024, and (3) pay the costs related to the execution and delivery of the 2023 Bonds.

WHEREAS, the 2023 Bonds are to be underwritten by PNC Capital Markets LLC, Robert W. Baird & Co. Inc., and Samuel A. Ramirez & Co., Inc. (collectively, the “*Underwriters*”) and the proceeds from the sale of the 2023 Bonds will be remitted by the Underwriters to the Corporation to fund the advances by the Corporation to the City under the Contract; and

WHEREAS, the aggregate principal amount of the 2023 Bonds shall not exceed \$138,000,000; and

WHEREAS, the maturity of the installment payments under the Contract relating to the 2023 Bonds shall not extend beyond October 1, 2043; and

WHEREAS, the effective interest cost with respect to the 2023 Bonds shall not exceed 5.00%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes, the City and the Corporation have made proper application to the Local Government Commission (the “*Commission*”) for approval of the proposed financing and refinancing; and

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



- (i) the Fourth Amendment is necessary or expedient for the City;
- (ii) the Fourth Amendment, under the circumstances, is preferable to a bond issue by the City for the same purposes;
- (iii) the sums to fall due under the Fourth Amendment are adequate and not excessive for the Fourth Amendment's proposed purposes;
- (iv) the City's debt management procedures and policies are good;
- (v) the increase in taxes, if any, necessary to meet the sums to fall due under the Fourth Amendment will not be excessive; and
- (vi) the City 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 Fourth Amendment, the 2023 Bonds and the planned financing and refinancing is hereby approved and ratified under the provisions of Section 160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission."

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

**“RESOLUTION APPROVING THE FINANCING TEAM FOR THE NEW DURHAM CORPORATION LIMITED OBLIGATION BONDS, SERIES 2023”**

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

Bond Counsel:	- Parker Poe Adams & Bernstein LLP
Corporation Counsel:	- The Banks Law Firm
Financial Advisor:	- First Tryon Advisors
Underwriters:	- PNC Capital Markets LLC
	- Robert W. Baird & Co. Inc.
	- Samuel A. Ramirez & Co., Inc.
Underwriters' Counsel:	- Moore & Van Allen, PLLC
Trustee:	- U.S. Bank Trust Company, National Association

WHEREAS, based on the information and evidence received by the Local Government Commission, the Local Government Commission is of the opinion that the request by the City should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above-referenced financing team is hereby approved for the execution and delivery of the above-referenced bonds.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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## **TOWN OF HOLLY SPRINGS**

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

### **“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF HOLLY SPRINGS FOR THE FINANCING OF CERTAIN GOVERNMENTAL FACILITIES AND THE ACQUISITION OF A VEHICLE THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. § 160A-20**

WHEREAS, Town of Holly Springs, North Carolina (the “Town”) has determined that it is in the best interests of the Town to enter into an installment financing contract with the Holly Springs Public Facilities Corporation, a North Carolina nonprofit corporation (the “Corporation”), in order to (1) finance (a) the construction and equipping of a new fire station (“*Fire Station 3*”), (b) the acquisition of a fire truck, and (c) sitework for a new operations center (collectively, the “*Projects*”) and (2) pay certain costs incurred in connection with the execution and delivery of the Contract (as defined below);

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina (the “General Statutes”), the Town intends to finance the Projects through an Installment Financing Contract dated as of September 1, 2023 (the “*Contract*”) between the Town and the Corporation, whereby the Corporation will advance money to the Town for the purpose of financing the Projects and the Town, subject to its right of non-appropriation, will repay the advancement with interest in installments; and

WHEREAS, the Corporation will enter into an Indenture of Trust dated as of September 1, 2023 between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”), pursuant to which the Corporation will execute and deliver its Limited Obligation Bonds, Series 2023 (the “*2023 Bonds*”); and

WHEREAS, the 2023 Bonds are to be underwritten by PNC Capital Markets LLC (the “*Underwriter*”), and the proceeds from the sale of the 2023 Bonds will be remitted by the Underwriter to the Corporation to fund the advances by the Corporation to the Town under the Contract; and

WHEREAS, the aggregate principal amount of the 2023 Bonds shall not exceed \$17,000,000; and

WHEREAS, the maturity of the installment payments under the Contract for the 2023 Bonds shall not extend beyond June 30, 2043; and

WHEREAS, the effective interest cost with respect to the 2023 Bonds shall not exceed 5.00%; and

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

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

- (i) the Contract is necessary or expedient for the Town;
- (ii) the Contract, under the circumstances, is preferable to a bond issue by the Town for the same purposes;
- (iii) the sums to fall due under the Contract are adequate and not excessive for the Contract’s proposed purposes;
- (iv) the Town’s debt management procedures and policies are good;
- (v) the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- (vi) 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, the 2023 Bonds and the planned financing are hereby approved and ratified under the provisions of Section 160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

**“RESOLUTION APPROVING THE FINANCING TEAM FOR THE LIMITED OBLIGATION BONDS (TOWN OF HOLLY SPRINGS, NORTH CAROLINA), SERIES 2023”**

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

Bond Counsel:	- Parker Poe Adams & Bernstein LLP
Financial Advisor:	- DEC Associates Inc.
Underwriter:	- PNC Capital Markets LLC
Underwriter's Counsel:	- Womble Bond Dickinson (US) LLP
Trustee:	- U.S. Bank Trust Company, National Association

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

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above-referenced financing team is hereby approved for the execution and delivery of the above-referenced bonds.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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#### INLIVIAN – ALDERSGATE APARTMENTS

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

#### **RESOLUTION APPROVING INLIVIAN MULTIFAMILY HOUSING REVENUE BONDS (ALDERSGATE APARTMENTS), SERIES 2023 IN AN AMOUNT UP TO \$24,500,000 (THE “BONDS”) AND THE FINANCING TEAM THEREFOR**

WHEREAS, INLIVIAN (the “Authority”) has decided to issue its Multifamily Housing Revenue Bonds (Aldersgate Apartments), Series 2023A and Multifamily Housing Revenue Bonds (Aldersgate Apartments), Taxable Series 2023B (collectively, the “Bonds”) to finance the acquisition, construction and equipping by Shamrock Drive A, LLC, a North Carolina limited liability company or a related or affiliated entity (the “Borrower”), of a multifamily residential rental facility to be known as Aldersgate Apartments, consisting of 100 units for seniors and 36 units for families, in the City of Charlotte, Mecklenburg County, 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 \$24,500,000, 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 August 15, 2023, 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 such 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:	Shamrock Drive A, LLC
Borrower's Counsel:	Blanco, Tackabery & Matamoros, P.A.
Initial Purchaser:	TD Bank, N.A.
Initial Purchaser's Counsel:	McGuireWoods LLP
Permanent Lender:	Cedar Rapids Bank & Trust
Permanent Lender's Counsel:	Winthrop & Weinstine, P.A.
Tax Credit Investor:	Red Stone Equity Partners, LLC or an affiliate
Investor's Counsel:	Applegate & Thorne-Thomsen, P.C.
Trustee:	U.S. Bank National Association
Trustee's Counsel:	Maynard Nexsen, PC

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) Trust Indenture between the Authority and U.S. Bank National Association, as trustee (the “Trustee”), providing for the issuance of the Bonds, together with the form of the Bonds;

(b) Loan Agreement among the Authority, the Borrower and the Trustee, 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; and

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

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

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

Section 2. It is hereby determined, with the approval of the Authority and the Borrower that the Bonds shall be issued in an aggregate principal amount not to exceed \$24,500,000, shall initially bear interest at a variable rate, such rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2044.

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. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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#### **TOWN OF MIDDLESEX**

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

**“RESOLUTION APPROVING THE FINANCING TEAM FOR TOWN OF MIDDLESEX WATER AND SEWER REVENUE BONDS AND NOTES”**

WHEREAS, the Town of Middlesex (the “Town”) has requested that the North Carolina Local Government Commission (the “Commission”) approve its selection of the following financing team members for its upcoming issue of a water and sewer revenue bond anticipation note and subsequent issue of water and sewer revenue bonds:

Bond Counsel:           Sanford Holshouser LLP

Purchaser of Bonds:   USDA - Rural Utilities Service

Purchaser of Note:       Southern Bank

Purchaser’s Counsel:   Hawkins, Delafield & Wood LLP

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

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

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

**“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF MIDDLESEX FOR THE ISSUANCE OF NOT TO EXCEED \$839,000 WATER AND SEWER REVENUE BONDS AND A LIKE AMOUNT OF WATER AND SEWER REVENUE BOND ANTICIPATION NOTES”**

WHEREAS, the Town of Middlesex (the “Town”) has applied to the North Carolina Local Government Commission (the “Commission”), pursuant to The State and Local Government Bond Act, as amended, and Article 9 of Chapter 159 of the General Statutes of North Carolina, for approval of (a) the issuance of not to exceed \$839,000 water and sewer revenue bonds (the “Bonds”) to provide funds, together with any other available funds, to finance sewer system improvements, especially improvements to reduce infiltration and inflow (the “Project”), and to pay the expenses of issuing the Bonds, and (b) the issuance of a like amount of water and sewer revenue bond anticipation notes (the “Notes”) to provide interim construction financing for the Project; and

WHEREAS, the Town has furnished to the Commission a draft of a Bond Order adopted by the Town’s Board of Commissioners on or about September 11, 2023 (the “Bond

Order”), authorizing and securing the Bonds, along with other documents and information related to the financing and the security for the Bonds and Notes; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Town’s application for approval of the proposed Bonds in an amount not to exceed \$839,000 and the issuance of the Notes in a like amount for the purposes set forth above is hereby approved pursuant to The State and Local Government Bond Act, as amended, and Article 9 of Chapter 159 of the General Statutes of North Carolina.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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

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**“RESOLUTION APPROVING THE PRIVATE SALE OF THE TOWN OF MIDDLESEX WATER AND SEWER BONDS IN THE MAXIMUM AMOUNT OF \$839,000, AND THE PRIVATE SALE OF A LIKE AMOUNT OF BOND ANTICIPATION NOTES**

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the “Commission”) to sell revenue bonds and bond anticipation notes at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest



of the issuing unit, subject to the approval of the governing board of the issuing unit or one or more persons designated by resolution of such governing board to approve such prices; and

WHEREAS, the Commission has approved the issuance by the Town of Middlesex (the “Town”) of \$839,000 water and sewer revenue bonds (the “Bonds”) and a like amount of bond anticipation notes; and

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

WHEREAS, Southern Bank (the “Purchaser”) has offered to purchase from the Commission the Town’s \$839,000 Water and Sewer Revenue Bond Anticipation Note, Series 2023 (the “Note”), upon the terms and conditions set forth below and in a proposal from the Purchaser dated August 24, 2023, relating thereto (the “Proposal”); and

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

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

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

Section 1. The Commission approves the sale of the Bonds at private sale without advertisement to the United States of America, or an agency of the United States, with the sale being subject to the Town’s approval. The aggregate principal amount of the bonds shall not exceed \$839,000, and the final maturity of the Bonds (including any modifications or extensions of the original maturity) shall not extend beyond 40 years from the issue date of the bonds.

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

Section 3. The aggregate principal amount of the Note shall not exceed \$839,000, and the purchase price for the Note shall be equal to the par amount of the Note as set forth in the Proposal.

Section 4. The Note shall bear interest at an annual interest rate not to exceed 5.20%, subject to adjustment upon a default or change in tax status, as may be provided in the final form of the Note;

Section 5. The final maturity of the original Note shall not extend beyond November 14, 2024, but the Secretary is authorized to extend the maturity date, without further action of the Commission, to any date not later than two years from the original issuance date of the Note.

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

Section 7. The Secretary of the Commission or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve the form of the Bonds and the Note and the forms of other documents relating to the Bonds and the Note, to execute and deliver any appropriate documents on behalf of the Commission and to provide for the execution and delivery of the Bonds and the Note in accordance with the Proposal and proceedings adopted by the Town's Board of Commissioners.

Section 8. This resolution takes effect immediately."

Mr. Burns seconded the motion and the foregoing resolution was passed by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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#### **CITY OF NEW BERN – RECREATION CENTER**

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

#### **RESOLUTION APPROVING THE APPLICATION OF THE CITY OF NEW BERN, NORTH CAROLINA FOR THE FINANCING OF THE NEW STANLEY WHITE RECREATION CENTER FOR SAID CITY THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. §160A-20**

WHEREAS, the City of New Bern, North Carolina (the "City") has determined that it is necessary and expedient to pay the costs of acquiring, constructing and equipping the new Stanley White Recreation Center for the City (the "Project"); and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the City intends to finance the Project pursuant to an Installment Financing Agreement (the

“Agreement”) between the City and TD Bank, N.A. (the “Lender”), whereby the Lender shall advance moneys to the City, and the City, subject to its right of nonappropriation, shall repay the advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the Agreement shall not exceed \$10,000,000 made up of Components A and B [Component A (\$6,500,000 principal) with annual principal and semi-annual interest payments, and Component B (\$3,500,000 principal) with interest only payments for the first two years, followed by semi-annual interest and principal payments], with a term of approximately fifteen (15) years (final maturity not to exceed October 1, 2038) at a rate of 4.50% per annum, subject to adjustment as provided in the Agreement.

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

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

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

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

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

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

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#### **CITY OF NEW BERN – REVENUE BONDS**

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

**RESOLUTION APPROVING THE FINANCING TEAM FOR THE CITY OF NEW BERN, NORTH CAROLINA COMBINED ENTERPRISE SYSTEM REVENUE BOND, SERIES 2023**

WHEREAS, the City of New Bern, North Carolina (the “City”) has requested that the North Carolina Local Government Commission (the “Commission”) approve its selection of the following financing team members for the upcoming issuance of its City of New Bern, North Carolina Combined Enterprise System Revenue Bond, Series 2023 (the “Bond”):

Bond Counsel:	Womble Bond Dickinson (US) LLP
Trustee/Bond Registrar:	Truist Bank
Trustee’s Counsel:	Pope Flynn, LLC
Purchaser:	Webster Bank, National Association
Purchaser’s Counsel:	Gilmore & Bell, P.C.
Financial Advisor:	Davenport & Company LLC

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

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

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 - 0 (Absent: Wood, Harvey, Hoffmann).

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

**RESOLUTION APPROVING THE APPLICATION OF THE CITY OF NEW BERN, NORTH CAROLINA FOR THE ISSUANCE OF A NOT TO EXCEED \$6,100,000 COMBINED ENTERPRISE SYSTEM REVENUE BOND, SERIES 2023**

WHEREAS, the City of New Bern, North Carolina (the “City”) has applied to the North Carolina Local Government Commission (the “Commission”), pursuant to The State and Local Government Revenue Bond Act, as amended, for approval of the issuance by the City of a not to exceed \$6,100,000 Combined Enterprise System Revenue Bond, Series 2023 (the “Bond”) for the purpose of providing funds, together with any other available funds, to (a) pay the costs of acquiring, constructing and equipping certain improvements to the City’s water, sanitary sewer and electric systems, including, without limitation, the Northwest Sewer Interceptor Rehabilitation Phase II Project and the Township 7 Sewer Improvements Phase III Project (collectively, the “Project”) and (b) pay certain financing costs associated with the sale and issuance of the Bond; and

WHEREAS, the City has furnished to the Commission forms or executed copies, as applicable, of the following documents:

(a) Trust Agreement, dated as of June 1, 2013, between the City and Branch Banking and Trust Company (succeeded by Truist Bank), as trustee (the “Trustee”);

(b) Fourth Supplemental Trust Agreement, to be dated as of September 1, 2023, between the City and the Trustee; and

(c) Bond Purchase Agreement, to be date as of the date of delivery thereof (the “Bond Purchase Agreement”), among Webster Bank, as the purchaser, the Commission and the City;

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

(i) that such proposed Bond is necessary or expedient;

(ii) that the proposed amount of such proposed Bond is adequate, when added to other monies available to the City, and not excessive for the proposed purposes thereof;

(iii) that the proposed Project is feasible;

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

(v) that the proposed Bond can be marketed at a reasonable interest cost to the City.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the City of New Bern, North Carolina for approval of the proposed Bond in a principal amount not to exceed \$6,100,000 for the purposes set forth herein is hereby approved pursuant to The State and Local Government Revenue Bond Act, as amended.

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 - 0 (Absent: Wood, Harvey, Hoffmann).

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

**RESOLUTION CONCERNING THE PRIVATE SALE OF THE CITY OF  
NEW BERN, NORTH CAROLINA COMBINED ENTERPRISE SYSTEM  
REVENUE BOND, SERIES 2023**

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

WHEREAS, Webster Bank, National Association (the “Purchaser”) has offered to purchase from the City of New Bern, North Carolina (the “City”) its Combined Enterprise System Revenue Bond, Series 2023 (the “Bond”) upon the terms and conditions set forth below and in the form of the Bond Purchase Agreement relating thereto (the “Bond Purchase Agreement”); and

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

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

WHEREAS, the Commission desires to accept the offer of the Purchaser to purchase the Bond pursuant to the terms of the Bond Purchase Agreement and upon the terms and conditions set forth below;

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

Section 1. The sale of the Bond to the Purchaser at private sale without advertisement pursuant to the Bond Purchase Agreement substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the City and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Bond shall not exceed \$6,100,000 and the purchase price for the Bond shall be approved by the Designated Assistant on the date of the sale of the Bond as set forth in the Bond Purchase Agreement.

Section 3. The Bond shall bear interest at an interest rate not to exceed 4.45% per annum, and the Bond shall be sold to the Purchaser at a purchase price equal to the par amount of the Bond.

Section 4. The final maturity of the Bond shall not exceed March 1, 2039.

Section 5. The Commission hereby determines that the sale of the Bond in the manner and for the price as provided in this resolution is in the best interest of the City, provided that such sale shall be approved by the City.

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

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

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 - 0 (Absent: Wood, Harvey, Hoffmann).

\*\*\*\*\*

**CITY OF OXFORD - \$1,500,000 SRF LOAN**

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

**“RESOLUTION APPROVING THE FINANCING REQUEST OF  
THE CITY OF OXFORD, NORTH CAROLINA: THIS PROJECT  
CONSISTS OF REPLACING AGING AND DETERIORATING  
SEWER LINES AND MANHOLES AS A CONTINUATION OF  
THE CITY’S 2018 SEWER SYSTEM IMPROVEMENTS  
PROJECT**

WHEREAS, the City of Oxford, North Carolina (the “City”) has determined that it is necessary or expedient to replace and upgrade aging and deteriorating sewer lines and manholes and to continue its 2018 Sewer System Improvements Project; and

WHEREAS, the City was previously awarded a Wastewater State Revolving Loan for this project in 2015 in the amount of \$4,696,493 and received authorization for a loan increase in 2021 of \$1,445,646; and

WHEREAS, due to increased costs the City has applied for an additional loan increase of \$1,500,000, bringing the total loan amount for this project to \$7,642,139; and

WHEREAS, the City filed an application with the North Carolina Local Government Commission (the Commission) for approval of the Wastewater State Revolving Loan increase in an amount not to exceed \$1,500,000 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% to be repaid in level principal installments; and

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

- (1) That the proposed loan increase 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 increased Wastewater State Revolving Loan to the City and approves the loan terms.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

\* \* \* \* \*

**CITY OF OXFORD - \$4,768,674 SRF LOAN**

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

**“RESOLUTION APPROVING THE FINANCING REQUEST OF  
THE CITY OF OXFORD, NORTH CAROLINA: THIS PROJECT  
CONSISTS OF UPGRADING THE CITY’S WASTEWATER  
TREATMENT PLANT (WWTP)**

WHEREAS, the City of Oxford, North Carolina (the “City”) has determined that it is necessary or expedient to upgrade the outdated plant control system, to upgrade pumping stations, and to replace filters, all to improve the safety, performance, reliability, redundancy, and resiliency of the City’s WWTP ; and

WHEREAS, the City was previously awarded a Wastewater State Revolving Loan for this project in the amount of \$6,062,000; and

WHEREAS, due to lowest, responsive, and responsible bids exceeding the initial loan funding, the City has applied for a loan increase of \$4,768,674, bringing the total loan amount for this project to \$10,830,674; and

WHEREAS, the City filed an application with the North Carolina Local Government Commission (the Commission) for approval of the Wastewater State Revolving Loan increase in an amount not to exceed \$4,768,674 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% to be repaid in level principal installments; and

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

- (1) That the proposed loan increase 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 increased Wastewater State Revolving Loan to the City and approves the loan terms.”

Mr. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

\*\*\*\*\*

### **RALEIGH HOUSING AUTHORITY**

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

**RESOLUTION APPROVING HOUSING AUTHORITY OF  
THE CITY OF RALEIGH, NORTH CAROLINA  
MULTIFAMILY HOUSING REVENUE BONDS  
(TERRACE AT ROCK QUARRY), SERIES 2023 IN AN  
AMOUNT UP TO \$21,000,000 (THE “BONDS”) AND THE  
FINANCING TEAM THEREFOR**

WHEREAS, the Housing Authority of the City of Raleigh, North Carolina (the “Authority”) has decided to issue its Multifamily Housing Revenue Bonds (Terrace at Rock Quarry), Series 2023 (the “Bonds”) to finance the acquisition, construction and equipping by Terrace at Rock Quarry Limited Partnership, a North Carolina limited partnership, or a related or affiliated entity (the “Borrower”), of a 132-unit multifamily residential rental facility to be known as Terrace at Rock Quarry and located in the City of Raleigh, 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 \$21,000,000, 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 August 24, 2023, 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 such 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
Authority's Counsel:	The Francis Law Firm, PLLC
Borrower:	Terrace at Rock Quarry Limited Partnership
Borrower's Counsel:	Coleman Talley, LLP
Bondholder:	Cedar Rapids Bank and Trust Company
Bondholder's Counsel:	Winthrop & Weinstine, P.A.
Tax Credit Investor:	First Horizon Community Equity Group, Inc.
Tax Credit Investor's Counsel:	Arnall Golden Gregory, LLP

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

WHEREAS, it is expected that the Bonds will be privately placed with Cedar Rapids Bank and Trust Company (the "Bondholder"); 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) Bond Financing Agreement, by and among the Authority, the Borrower and the Bondholder, together with the form of the Bonds;
- (c) Promissory Note given by the Borrower to the Authority; and
- (c) Regulatory Agreement and Declaration of Restrictive Covenants, from the Borrower for the benefit of the Authority.

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 \$21,000,000, shall initially bear interest at a variable rate, such rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2044.

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. Burns seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

\*\*\*\*\*

#### **MISCELLANEOUS ACTION ITEM**

#### **TOWN OF KERNERSVILLE**

Mr. Philbeck made a motion to approve the following:

The Town of Kernersville and the Union Cross Fire and Rescue Department are requesting approval of an annexation payment according to G.S. 160A-31.1, whereby the Town will make a lump sum payment of the Town's proportionate share (0.34%) of the entire tax value and the Fire District's outstanding debt which totals \$936.12. The annexation was completed on May 4, 2022.

Mr. Burns seconded the motion and the foregoing was approved by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

#### **END OF CONSENT AGENDA**

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## NEW HANOVER CO DISCUSSION – PROJECT GRACE

New Hanover County officials and staff presented plans for Project Grace, scheduled as a discussion item. County Commissioner Dane Scalise, Manager Chris Coudriet, and Chief Financial Officer Eric Credle spoke and answered questions from Commission Members Burns, Penny, Philbeck, Folwell, and Butler. New Hanover County resident Ms. Diana Hill asked for and received permission to provide public comments. Ms. Hill spoke in opposition to the plans and also answered Members' questions. Chair Folwell stated that the County's application for approval of Project Grace would be on the Commission's October 2023 agenda.

\*\*\*\*\*

Secretary Penny made a motion to adopt the following items:

**See EXHIBITS 3 – 7:** 5 Resolutions for the **Town of Eureka** (Schedule of Sewer Fees and various resolutions related to DEQ funding and applications);

**See EXHIBIT 8:** Resolution Modifying Finance Officer Appointment for **Cliffside Sanitary District**;

**See EXHIBITS 9 - 10:** 2 Resolutions for the **Town of Kingstown** (related to DEQ funding and applications); and

**See EXHIBITS 11 - 12:** 2 Resolutions for the **Town of Spring Lake** (Budget Amendment and Finance Officer Appointment).

Mr. Philbeck seconded the motion and the foregoing were adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

\*\*\*\*\*

### **Establishing Guidelines for Successful Appeal - Units with Late Audits – Sales Tax Withholding**

Commission members asked LGC staff to revise the resolution establishing the guideline(s) to improve the clarity and consistency of the language in the resolution. No action was taken on the Resolution, and members asked staff to submit a modified resolution for consideration at a future meeting.

\*\*\*\*\*

### **Update on Session Law 2021-191 - Directive to LGC Secretary to Issue RFPs for Audit Firms**

Commission members asked LGC staff to establish standards that will reduce the subjective nature of the Commission's discretion on when to require a unit of local government to select an auditor from a list provided by the Commission (pursuant to the Commission's authority under G.S. 159-34(d)). No action was taken on the directive to the LGC Secretary to issue RFPs, and members asked staff to submit a modified directive at a future meeting.

\*\*\*\*\*

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

**See EXHIBIT 13:** Resolution Certifying the Government Portfolio of the North Carolina Capital Management Trust Pursuant to G.S. 159-30(c)(8)

Mr. Butler seconded the motion and the foregoing resolution was adopted by unanimous vote of 6 – 0 (Absent: Wood, Harvey, Hoffmann).

\*\*\*\*\*

Cindy Aiken called the members' attention to **EXHIBIT 14**, the Statement of Economic Interest evaluation letter for McKinley Wooten, Jr., Designee for Secretary Penny.

\*\*\*\*\*

Secretary Marshall made a motion to adjourn. Secretary Penny seconded the motion which passed by unanimous vote (Absent: Wood, Harvey, Hoffmann). The meeting adjourned at 4:13 p.m.

The next regularly scheduled meeting of the North Carolina Local Government Commission will be held on October 3, 2023 at 1:30 p.m., at Appalachian State University in Boone, NC.

\*\*\*\*\*

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 September 12, 2023.

WITNESS my hand at Raleigh, NC, this 12th day of September 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 09/12/23									
		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)
Apex	Wake	32,979,818	1,139,912	31,839,906	4,846,446	0	4,846,446	36,686,352	7,784,840
Belhaven (2)	Beaufort	421,400	0	421,400	235,284	0	235,284	656,684	547,092
Charlotte	Mecklenburg	463,295,000	131,184,000	332,111,000	187,209,000	0	187,209,000	519,320,000	104,952,000
Cleveland County Water	Cleveland	2,838,414	0	2,838,414	N/A	N/A	N/A	2,838,414	439,682
Conover	Catawba	N/A	N/A	N/A	886,769	0	886,769	886,769	1,027,816
City of Durham	Durham	161,244,533	0	161,244,533	37,462,690	0	37,462,690	198,707,223	34,170,206
Holly Springs	Wake	5,846,849	549,159	5,297,690	3,461,719	0	3,461,719	8,759,409	4,677,470
Inlivian Housing Redefined (3)	Mecklenburg	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11,355,067
Kernersville	Forsyth	1,051,659	0	1,051,659	155,442	0	155,442	1,207,101	73,613
Maiden	Catawba	1,244,578	0	1,244,578	739,288	0	739,288	1,983,866	616,506
Middlesex	Nash	N/A	N/A	N/A	78,249	0	78,249	78,249	68,092
Mount Pleasant	Cabarrus	61,008	0	61,008	N/A	N/A	N/A	N/A	101,217
New Bern	Craven	46,544,047	0	46,544,047	3,858,372	0	3,858,372	50,402,419	5,131,412
Oxford	Granville	7,521,290	0	7,521,290	924,581	0	924,581	8,445,871	854,520
Raleigh Housing Authority	Wake	1,312,151	2,956,891	(1,644,740)	N/A	N/A	N/A	(1,644,740)	1,312,151
Roxboro	Person	633,330	0	633,330	1,594,856	0	1,594,856	2,228,186	1,321,653
LGERS - Local Government Employees' Retirement System TSERS - Teachers' and State Employees' Retirement System		OPEB - Other Post Employment Benefits (e.g. retiree healthcare) 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) Financial as of 06/30/2021 (3) Financial as of 12/31/2022									



**NORTH CAROLINA**  
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

*Dale R. Folwell, CPA*

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

### RESOLUTION TO RETURN FINANCIAL CONTROL TO THE TOWN OF ROBERSONVILLE

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

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

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

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

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

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12<sup>th</sup> day of September, 2023.

*Sharon G. Edmundson*

Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission



*Dale R. Folwell, CPA*

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

TOWN OF ROBERSONVILLE: RETURN OF FINANCIAL CONTROL  
PRELIMINARY FINANCIAL AND OPERATIONAL ACTIVITIES

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

LGC Staff

1. Provide copies of all resolutions adopted by the LGC acting in its role as governing board for financial matters for the Town.
2. Provide all materials related to work performed by LGC staff for applications for and receipt of loans and grants.
3. Return any other files, documents, materials, supplies, or other Town property to the Town.
4. Following return of financial control:
  - a. Remove Kendra Boyle and Becky Dzingeski permissions and administrative responsibilities at Southern Bank on behalf of the Town of Robersonville and
  - b. Remove Kendra Boyle and Becky Dzingeski as account signatories from the Town's official depository account.

Town of Robersonville Governing Board and Staff

1. Ensure appropriate faithful performance bond is in place for the Town of Robersonville finance officer (see for [Session Law 2022-53](#) for modified requirements for finance officer faithful performance bonds).
2. Complete written policy on use of credit cards for purchases by Town staff; obtain review and approval of policy by LGC staff.
3. Reassign duties from Kendra Boyle and Becky Dzingeski to Town staff and notify LGC staff of Town staff and back-up staff assigned to each of the following duties:
  - a. Positive pay – Southern Bank
  - b. ACH collections – Southern Bank
  - c. SmartFusion software administration duties
  - d. 401(k) administration
  - e. ORBIT reporting
  - f. Powell Bill administration
  - g. ARPA / US Treasury reporting



- h. Review and sign-off of monthly bank reconciliations performed by Greg Isley, CPA and/or SmartFusion. This task will continue to be performed by LGC staff until the Town can assign staff with appropriate expertise and segregation of duties to perform this task, but no later than January 1, 2024.
- 4. Following return of financial control:
  - a. Appoint deputy finance officer(s) in the place of Becky Dzingeski and Kendra Boyle.
  - b. Remove user accounts and/or change passwords to any accounts or software that may have been used by LGC staff.
  - c. Commit to continued monitoring by LGC staff including but not limited to the items below. After six months of monitoring, LGC staff will reassess monitoring frequency and reporting requirements.
    - i. Email monthly Town Council meeting agenda and council packet materials to Becky Dzingeski including both annual and multi-year budget-to-actual reports, aging accounts receivable reports, aging accounts payable reports, and detailed updates on progress of FY2021 and FY2022 audit reports.
    - ii. Monthly submission of bank reconciliation reports to LGC staff.
    - iii. Updates on progress of current projects including asset inventory and assessment (AIA) and merger and regionalization feasibility (MRF) report.
    - iv. Timely responses to inquiries from LGC staff related to the Town's finances and fiscal management.



LOCAL GOVERNMENT COMMISSION  
 STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
 SHARON EDMUNDSON, DEPUTY TREASURER

RESOLUTION ADOPTING SEWER CHARGES SCHEDULE  
 FOR THE TOWN OF EUREKA EFFECTIVE NOVEMBER 1, 2023

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

WHEREAS, under this action, the Commission acts as the governing board and is vested with all of the powers of the Town's governing board as to the levy of taxes, expenditure of money, adoption of budgets, and all other financial powers conferred upon the Town governing board by law; and

WHEREAS, the Commission staff serves as staff to the Commission in its role as the governing body with the authority described above; and

WHEREAS, the Commission staff recommends the sewer charges for customers of the Town be set as follows:

Monthly Flat Fee:	\$45.00 (unchanged)
Usage Rate Per 1,000 Gallons:	\$13.56 (increase of 5% over 2022 rate)

NOW THEREFORE, be it RESOLVED, the Commission adopts these sewer charges and authorizes the Commission staff to bill customers of the Town using this schedule of charges beginning November 1, 2023, with said rates remaining in effect until such time as the Commission approves a different schedule of charges; or until the Town is no longer under the control of the Commission for its financial affairs and the Town has adopted a different schedule of charges.

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, **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 September 12, 2023.

**WITNESS** my hand at Raleigh, this 12<sup>th</sup> day of September 2023.




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Sharon Edmundson, Secretary of the  
 North Carolina Local Government Commission



NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

*Dale R. Folwell, CPA*

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

RESOLUTION AUTHORIZING THE TOWN OF EUREKA TO APPLY FOR  
FUNDING FROM THE NORTH CAROLINA DEPARTMENT OF  
ENVIRONMENTAL QUALITY

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction and studies of wastewater treatment works, wastewater collection systems, stream restoration, stormwater treatment, other "green" projects, drinking water treatment works, and/or drinking water distribution systems; and

WHEREAS, The Town of Eureka has need for and intends to design and construct comprehensive rehabilitation and replacement of the Town's wastewater system; and

WHEREAS, The Town of Eureka intends to request State grant assistance for the projects;

NOW THEREFORE BE IT RESOLVED, BY THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION, ACTING AS GOVERNING BOARD FOR FINANCIAL MATTERS FOR THE TOWN OF EUREKA PURSUANT TO NORTH CAROLINA GENERAL STATUTES §159-181(C):

That the Town of Eureka, the **Applicant**, will arrange financing for all remaining costs of the projects, if approved for a State grant award.

That the **Applicant** will adopt and place into effect on or before completion of the projects a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the systems and, if applicable, the repayment of all principal and interest on any associated debt.

That the **Applicant** will provide for efficient operation and maintenance of the projects on completion of construction thereof.

That Michael Milam, Finance Officer, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the study of or construction of the projects described above.

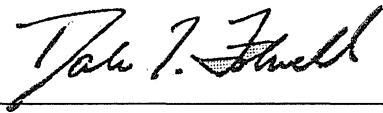
3200 Atlantic Avenue • Raleigh, North Carolina 27604  
Courier #56-20-45 • Telephone: (919) 814-4300 • Fax: (919) 855-5812 • [www.NCTreasurer.com](http://www.NCTreasurer.com)

Resolution Authorizing DEQ Funding Application  
Town of Eureka  
September 12, 2023

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the projects; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the projects and to Federal and State grants pertaining thereto.

Adopted this 12<sup>th</sup> day of September 2023 at Raleigh, North Carolina.



Dale Folwell, Chair  
North Carolina Local Government Commission

#### CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting Secretary of the Local Government Commission does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Local Government Commission duly held on the 12<sup>th</sup> day of September 2023; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 12<sup>th</sup> day of September 2022.



Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission



A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

RESOLUTION REGARDING VIABILITY OF THE TOWN OF EUREKA'S  
WASTEWATER SYSTEM AS RELATED TO APPLICATION TO NCDEQ  
FOR GRANT FUNDING

WHEREAS, North Carolina [Session Law 2019-29](#) suspended the charter of the Town of Eureka ("Eureka") effective July 1, 2019; and

WHEREAS, the Local Government Commission (the "Commission") assumed control of the financial affairs of the Town of Eureka ("Eureka") on July 9, 2019; and

WHEREAS, pursuant to North Carolina General Statute 159-181(c), when the Commission takes such action, the Commission is vested with all of powers of the governing board as to the levy of taxes, expenditure of money, adoption of budgets, and all other financial powers conferred upon the governing board by law; and

WHEREAS, engineering studies have repeatedly identified pervasive inflow and infiltration issues in the Eureka wastewater system; and

WHEREAS, Eureka's wastewater revenue and general fund revenue do not generate adequate funds for rehabilitation and/or replacement of the wastewater collection system, for operation and maintenance of the wastewater collection system, and for payment to Fremont for conveyance of Eureka's wastewater, and is therefore a financially nonviable wastewater system; and

WHEREAS, Eureka does not have sufficient revenue or reserves to repay a loan and instead must rely on grants for funding of needed rehabilitation and/replacement of its wastewater system; and

WHEREAS, Eureka has applied to the North Carolina Department of Environmental Quality ("NCDEQ") for funds to rehabilitate and/or replace its wastewater system but has failed to score sufficient points to be awarded a grant; and

WHEREAS, Eureka intends to submit an application for funding to NCDEQ for its October 2, 2023 application deadline to secure funding for needed rehabilitation and/or

replacement of its wastewater collection system and to consolidate the system with another system; and

WHEREAS, NCDEQ's Priority Rating System Guidance (see <https://www.deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources>) requires that an application requesting funding to consolidate a nonviable wastewater utility must include a resolution by the governing board of the nonviable system stating that the system is nonviable and explaining why;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Commission finds that the Town of Eureka wastewater collection system is nonviable for the specific purpose of applying for grant funding from NCDEQ.
2. This resolution be included with Eureka's application for funding submitted to NCDEQ.

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12<sup>th</sup> day of September 2023.



---

Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission



NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA

DALE R. FOLWELL, CPA

A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

RESOLUTION ACKNOWLEDGING FREMONT APPLICATION  
FOR A MERGER AND REGIONALIZATION FEASIBILITY STUDY

WHEREAS, the Local Government Commission (the “Commission”) assumed control of the financial affairs of the Town of Eureka (“Eureka”) on July 9, 2019; and

WHEREAS, pursuant to North Carolina General Statute 159-181(c), when the Commission takes such action, the Commission is vested with all of powers of the governing board as to the levy of taxes, expenditure of money, adoption of budgets, and all other financial powers conferred upon the governing board by law; and

WHEREAS, the Town of Fremont (“Fremont”) intends to apply for funding from the North Carolina Department of Environmental Quality (“NCDEQ”) for a grant to perform a merger and regionalization feasibility (MRF) study; and

WHEREAS, the MRF study will include a rate study to assist in establishing rates charged to Eureka customers, a review and update of the Utility Agreement entered into between Eureka and Fremont in 1999, and will provide assistance developing a Memorandum of Understanding between Eureka and Fremont for a potential merger of their systems; and

WHEREAS, “the goal of a Merger/Regionalization Feasibility grant is to allow a utility to identify and then work with partnering utilities to investigate the challenges, benefits, and implications for both utilities to merge, in part or in whole, to regionalize, or some combination thereof” (see North Carolina Department of Environmental Quality (NCDEQ): [Priority Rating System Guidance for Division of Water Infrastructure Merger/Regionalization Feasibility Grants](#)); and

WHEREAS, Fremont requests that Eureka be included in the MRF study; and

WHEREAS, pursuant to NCDEQ’s [application submittal requirements](#), Fremont’s application for MRF funding must include an acknowledgement from each partnering utility;

EXHIBIT 6 PG 2 of 2

Resolution of Acknowledgement – Fremont MRF  
Town of Eureka  
September 12, 2023

NOW THEREFORE BE IT RESOLVED,

That the Commission, on behalf of Eureka, acknowledges Fremont's request for Eureka to participate in a merger/regionalization feasibility study; and

That by submittal of this resolution, the Commission commits the willingness of the Commission and Commission staff to cooperate to the extent necessary to perform a merger/regionalization feasibility study for the purposes of ensuring the viability of all systems involved; and

That Eureka's collaboration in this study does not bind the Commission or Eureka to act on the recommendations of the study.

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12<sup>th</sup> day of September 2023.



---

Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission





**NORTH CAROLINA**  
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA

DALE R. FOLWELL, CPA

*Dale R. Folwell, CPA*

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

## RESOLUTION ACKNOWLEDGING GOLDSBORO APPLICATION FOR A MERGER AND REGIONALIZATION FEASIBILITY STUDY

WHEREAS, the Local Government Commission (the “Commission”) assumed control of the financial affairs of the Town of Eureka (“Eureka”) on July 9, 2019; and

WHEREAS, pursuant to North Carolina General Statute 159-181(c), when the Commission takes such action, the Commission is vested with all of powers of the governing board as to the levy of taxes, expenditure of money, adoption of budgets, and all other financial powers conferred upon the governing board by law; and

WHEREAS, the City of Goldsboro (“Goldsboro”) intends to apply for funding from the North Carolina Department of Environmental Quality (“NCDEQ”) for a grant to perform a merger and regionalization feasibility (MRF) study; and

WHEREAS, “the goal of a Merger/Regionalization Feasibility grant is to allow a utility to identify and then work with partnering utilities to investigate the challenges, benefits, and implications for both utilities to merge, in part or in whole, to regionalize, or some combination thereof” (see North Carolina Department of Environmental Quality (NCDEQ): [Priority Rating System Guidance for Division of Water Infrastructure Merger/Regionalization Feasibility Grants](#)); and

WHEREAS, the MRF study will continue the in-depth analysis of options for possible merger and regionalization of the Eureka, Fremont, Goldsboro, Pikeville, Mount Olive, Wayne County water and wastewater systems; will consider options for the governance of a consolidated system; and will assess initial engineering requirements for a consolidated system; and

WHEREAS, Goldsboro requests that Eureka be included in the MRF study; and

WHEREAS, pursuant to NCDEQ’s [application submittal requirements](#), Goldsboro’s application for MRF funding must include an acknowledgement from each partnering utility;

EXHIBIT 7 PG 2 of 2

Resolution of Acknowledgement – Goldsboro MRF  
Town of Eureka  
September 12, 2023

NOW THEREFORE BE IT RESOLVED,

That the Commission, on behalf of Eureka, acknowledges Goldsboro's request for Eureka to participate in a merger/regionalization feasibility study; and

That by submittal of this resolution, the Commission commits the willingness of the Commission and Commission staff to cooperate to the extent necessary to perform a merger/regionalization feasibility study for the purposes of ensuring the viability of all systems involved; and

That Eureka's collaboration in this study does not bind the Commission or Eureka to act on the recommendations of the study.

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12<sup>th</sup> day of September 2023.



---

Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission



*Dale R. Folwell, CPA*

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

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

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

NOW, THEREFORE, the Commission,

- 1) acting pursuant to N.C.G.S. 159-24, appoints Eric Faust as Finance Officer and Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements; and
- 2) terminates the appointment of David Erwin as Finance Officer and as designation as Account Signatory.
- 3) retains Becky Dzingeski as Deputy Finance Officer and an Account Signatory with the authority to execute signature cards for the existing District bank accounts and countersign disbursements pursuant to the Commission's Resolution adopted October 4, 2020; and
- 4) retains Sharon Edmundson as Account Signatory pursuant to the Commission's Resolution adopted September 10, 2019;

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12th day of September, 2023.

*Sharon Edmundson*

Sharon Edmundson, Secretary  
North Carolina Local Government Commission



NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

*Dale R. Folwell, CPA*

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

RESOLUTION AUTHORIZING THE TOWN OF KINGSTOWN TO APPLY FOR  
FUNDING FROM THE NORTH CAROLINA DEPARTMENT OF  
ENVIRONMENTAL QUALITY

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction and studies of wastewater treatment works, wastewater collection systems, stream restoration, stormwater treatment, other "green" projects, drinking water treatment works, and/or drinking water distribution systems, and

WHEREAS, The Town of Kingstown has need for and intends to conduct projects including a pump station and force main upgrades, and Macedonia Church Road gravity sewer replacement, and

WHEREAS, The Town of Kingstown intends to request State grant assistance for the projects,

NOW THEREFORE BE IT RESOLVED, BY THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION, ACTING AS GOVERNING BOARD FOR FINANCIAL MATTERS FOR THE TOWN OF KINGSTOWN PURSUANT TO NORTH CAROLINA GENERAL STATUTES §159-181(C):

That the Town of Kingstown, the **Applicant**, will arrange financing for all remaining costs of the projects, if approved for a State grant award.

That the **Applicant** will adopt and place into effect on or before completion of the projects a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the systems and, if applicable, the repayment of all principal and interest on any associated debt.

That the **Applicant** will provide for efficient operation and maintenance of the projects on completion of construction thereof.

That Ann Cutler, Finance Officer, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant**

3200 Atlantic Avenue • Raleigh, North Carolina 27604  
Courier #56-20-45 • Telephone: (919) 814-4300 • Fax: (919) 855-5812 • www.NCTreasurer.com

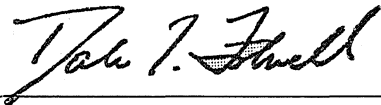
Resolution Authorizing DEQ Funding Application  
Town of Kingstown  
September 12, 2023

with the State of North Carolina for a grant to aid in the study of or construction of the projects described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the projects; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the projects and to Federal and State grants pertaining thereto.

Adopted this 12<sup>th</sup> day of September 2023 at Raleigh, North Carolina.



Dale Folwell, Chair  
North Carolina Local Government Commission

#### CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting Secretary of the Local Government Commission does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Local Government Commission duly held on the 12<sup>th</sup> day of September 2023; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 12<sup>th</sup> day of September 2023.



Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission



**NORTH CAROLINA**  
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA

DALE R. FOLWELL, CPA

A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

RESOLUTION ACKNOWLEDGING  
CLEVELAND COUNTY WATER'S APPLICATION  
FOR A MERGER AND REGIONALIZATION FEASIBILITY STUDY

WHEREAS, the Local Government Commission (the "Commission") assumed control of the financial affairs of the Town of Kingstown ("Kingstown") on December 1, 2020; and

WHEREAS, pursuant to North Carolina General Statute 159-181(c), when the Commission takes such action, the Commission is vested with all of powers of the governing board as to the levy of taxes, expenditure of money, adoption of budgets, and all other financial powers conferred upon the governing board by law; and

WHEREAS, Cleveland County Water ("CCW") intends to apply for funding from the North Carolina Department of Environmental Quality ("NCDEQ") for a grant to perform a merger and regionalization feasibility (MRF) study; and

WHEREAS, "the goal of a Merger/Regionalization Feasibility grant is to allow a utility to identify and then work with partnering utilities to investigate the challenges, benefits, and implications for both utilities to merge, in part or in whole, to regionalize, or some combination thereof" (see North Carolina Department of Environmental Quality (NCDEQ): [Priority Rating System Guidance for Division of Water Infrastructure Merger/Regionalization Feasibility Grants](#)); and

WHEREAS, the CCW requests that Kingstown be included in the MRF study; and

WHEREAS, pursuant to NCDEQ's [application submittal requirements](#), CCW's application for MRF funding must include an acknowledgement from each partnering utility;

NOW THEREFORE BE IT RESOLVED,

That the Commission, on behalf of Kingstown, acknowledges CCW's request for Kingstown to participate in a merger/regionalization feasibility study; and

That by submittal of this resolution, the Commission commits the willingness of the Commission and Commission staff to cooperate to the extent necessary to perform a

EXHIBIT 10 PG 2 of 2

Resolution of Acknowledgement  
Town of Kingstown  
September 12, 2023

merger/regionalization feasibility study for the purposes of ensuring the viability of all systems involved; and

That Kingstown's collaboration in this study does not bind the Commission or Kingstown to act on the recommendations of the study.

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12<sup>th</sup> day of September 2023.

A handwritten signature in black ink that reads "Sharon Edmundson". The signature is written in a cursive, flowing style.

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Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission

**TOWN OF SPRING LAKE NORTH CAROLINA  
BUDGET AMENDMENT 24-05  
FISCAL YEAR ENDING 6/30/2024  
PRESENTED FOR ADOPTION ON SEPT. 12, 2023**

**BE IT ORDAINED BY THE** by the North Carolina Local Government Commission acting in place of the Board of Aldermen of Spring Lake, North Carolina pursuant to General Statute 159-181(c), that the following amendment to the budget ordinance for the fiscal year ending date is hereby adopted as stated:

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

	<b>2023-24 Adopted Budget</b>	<b>Increase (Decrease)</b>	<b>2023-24 Amended Budget</b>
<b>ESTIMATED REVENUES</b>			
Appropriated Fund Balance	-	120,000 (2)	120,000
<b>Total Revenues</b>	8,162,053	120,000	8,282,053
<b>APPROPRIATIONS</b>			
Fund Balance Increase	51,000	(35,100) (1)	15,900
Governing Body	94,048	35,100 (1)	129,148
Public Buildings	388,535	120,000 (2)	508,535
<b>Total Appropriations</b>	8,162,053	120,000	8,282,053

- 1) NCLM Membership dues for 2022, 2023, and 2024 of \$35,100
- 2) The Town Hall roof needs to be replaced - estimated cost is \$120,000.

I, Sharon Edmundson, Secretary of the North Carolina Local Government Commission, **CERTIFY** that the foregoing is a true and correct copy of the budget ordinance amendment adopted at a meeting of the North Carolina Local Government Commission duly called and held on September 12, 2023.

**WITNESS** my hand at Raleigh, this 12th day of September 2023,

*Sharon Edmundson*

Sharon Edmundson, Secretary  
North Carolina Local Government Commission



RESOLUTION REGARDING FINANCE OFFICER APPOINTMENT AND ACCOUNT  
SIGNATORIES FOR THE TOWN OF SPRING LAKE

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

WHEREAS the Commission desires to modify the appointments and/or designations of deputy finance officers and account signatories,

NOW THEREFORE, the Commission

- 1) Discharges David Erwin as Finance Officer and Account Signatory; and
- 2) Appoints Kendra Boyle as Finance Officer and Account Signatory; and
- 3) Retains Tiffany Anderson as Deputy Finance Officer and Account Signatory pursuant to the Commission resolution adopted March 23, 2022; and
- 4) Retains Mayor Kia Anthony as Account Signatory; and
- 5) Retains the designation of Truist Bank as the Town's official depository.

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12<sup>th</sup> day of September, 2023.

Sharon G. Edmundson, Secretary  
North Carolina Local Government Commission



**NORTH CAROLINA**  
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

*Dale R. Folwell, CPA*

STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON  
DEPUTY TREASURER

## **RESOLUTION CERTIFYING THE GOVERNMENT PORTFOLIO OF THE NORTH CAROLINA CAPITAL MANAGEMENT TRUST PURSUANT TO G.S. 159-30(c)(8)**

WHEREAS, North Carolina General Statute §159-30(c)(8) permits local governments and public authorities to invest in “participating shares in a mutual fund for local government investment; provided that the investments of the fund are limited to those qualifying for investment under this subsection (c) and that said fund is certified by the Local Government Commission”; and

WHEREAS, the North Carolina Capital Management Trust (the “Trust”) is a Massachusetts business trust that oversees mutual funds for local government investment that is managed by a Consortium currently consisting of Fidelity Management & Research Company LLC as the Investment Advisor; Capital Management of the Carolinas, LLC as the Marketing and Distribution Agent; and Bank of New York as Custodian (collectively the “Current Consortium” or “Manager”); and

WHEREAS, on June 12, 1985, the Local Government Commission certified a consortium consisting of Sterling Capital Distributors, Fidelity Investments of Boston and First Union National Bank as the original consortium to manage a North Carolina mutual fund for local government investments subject to confirmation by the Purchase and Contract Division of the Department of Administration by October 1, 1985; and

WHEREAS, at the same time the Local Government Commission certified the mutual fund of which the original consortium would be the manager on or before October 1, 1985; and

WHEREAS, at the meetings of August 7, 1990, September 5, 1995, July 6, 2000, July 5, 2005 and June 1, 2010 the Local Government Commission approved the request for the recertification of five (5) years for the Trust which certification also included by implication the certification of the consortium as it existed on each of those dates, as manager of the Trust; and

WHEREAS, at the June 1, 2010 meeting, in order to determine whether to grant an additional five-year certification, the Commission granted a one-year extension to October 1, 2011 that allowed time for a participant survey and possible request for proposals for certification of an additional or replacement mutual fund or retaining the current mutual fund;

WHEREAS, at the meeting of June 7, 2011 the Local Government Commission approved the request for the recertification of five (5) years for the Trust which certification also included by implication the certification of the consortium, as it existed at that time, as manager of the Trust; and

## EXHIBIT 13 PG 2 of 3

Resolution Certifying the Government Portfolio Fund of the NCCMT  
September 12, 2023  
Page 2

WHEREAS, at the meeting of August 2, 2016 the Local Government Commission approved the request for the recertification of five (5) years to October 1, 2021 for the Trust which certification also included by implication the certification of the consortium, as it existed at that time, as manager of the Trust; and

WHEREAS, at the meeting of June 1, 2021 the Local Government Commission granted a five-month extension to March 1, 2022 to allow time to determine whether to recommend an additional five-year certification or to issue a request for proposals for certification of an additional or replacement mutual fund; and

WHEREAS, at the meeting of February 1, 2022, the Local Government Commission granted an additional extension to March 1, 2023 in order to continue the efforts underway to determine whether to recommend an additional five-year certification or to issue a request for proposals for certification of an additional or replacement mutual fund; and

WHEREAS, at the meeting of February 7, 2023, the Local Government Commission granted an additional extension to October 1, 2023; and

WHEREAS, staff of the Local Government Commission determined that a request for proposals, the current process allowable under North Carolina Administrative Code for certification of a mutual fund, is not the appropriate process through which to seek or certify mutual funds under the requirement of N.C.G.S. 159-30(c)(8); and

WHEREAS, North Carolina General Statute §159-30(c)(8) further allows that “The Local Government Commission shall have the authority to issue rules and regulations concerning the establishment and qualifications of any mutual fund for local government investment”; and

WHEREAS, staff of the Local Government Commission pursued changes to Title 20, Chapter 03, Section .0700 of the North Carolina Administrative Code to better align the requirements of the Administrative Code and the process of mutual fund certification with current legal and regulatory requirements; and

WHEREAS, the existing rules for certification of a mutual fund pursuant to G.S. 159-30(c)(8) (20 NCAC 03 .0701 through .0709) were repealed and the proposed rules (20 NCAC 03 .0710 through .0715) were approved by the Rules Review Commission at its August 17, 2023 meeting with an effective date of October 1, 2023 for the repeal of existing rules and the implementation of newly adopted rules; and

WHEREAS, the Local Government Commission staff believes that the Trust has provided high quality service to North Carolina local governments and public authorities and has met the needs of the participants through its mutual fund for local government investment; and

## EXHIBIT 13 PG 3 of 3

Resolution Certifying the Government Portfolio Fund of the NCCMT  
September 12, 2023  
Page 3

WHEREAS, LGC staff recommends the certification of the Government Portfolio fund operated by the Trust for the earlier of nine months from the effective date of the new rules, or upon a certification of the fund pursuant to the newly adopted rules; and

WHEREAS, based upon information and evidence received by the North Carolina Local Government Commission, the Commission is of the opinion that the certification should be approved;

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

1. The Commission certifies the Government Portfolio fund operated by the North Carolina Capital Management Trust as a certified mutual fund pursuant to G.S. 159-30(c)(8); and
2. This certification shall expire nine months from the October 1, 2023 effective date of the new rules, or upon a certification of the Government Portfolio fund operated by the Trust pursuant to the newly adopted rules, whichever is earlier.

I, Sharon Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by the North Carolina Local Government Commission at its meeting held on September 12, 2023.

WITNESS my hand this 12th day of September 2023.



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Sharon Edmundson, Secretary  
North Carolina Local Government  
Commission



## STATE ETHICS COMMISSION

POST OFFICE BOX 27685

RALEIGH, NC 27611

PHONE: 919-814-3600

### Via Email

August 8, 2023

The Honorable Ronald G. Penny  
North Carolina Department of Revenue  
501 North Wilmington Street  
Raleigh, North Carolina 27604

**Re: Evaluation of Statement of Economic Interest by Mr. McKinley Wooten Jr.  
Appointee to the Local Government Commission**

Dear Secretary Penny:

Our office has received **Mr. McKinley Wooten Jr.'s** 2023 Statement of Economic Interest as your appointee to the **Local Government Commission ("the Commission")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

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

**We did not find an actual conflict of interest or the likelihood for a conflict of interest.**

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

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

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

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

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

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

Sincerely,

A handwritten signature in black ink that reads "Mary Roerden". The signature is written in a cursive, flowing style.

Mary Roerden, SEI Unit  
State Ethics Commission

cc: McKinley Wooten Jr.  
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Guide