

1. PLEDGE OF ALLEGIANCE

2. TOAST TO THE FLAG

3. CONFLICT OF INTEREST STATEMENT

4. MINUTES FOR APPROVAL

October 5, 2021

Unit	Type	Purpose	Amount	Comments	Page Number	Last request to Borrow
Goodwill Industries of Eastern NC	N.C. Capital Facilities Finance Agency	Bank Placement Loan - Replace temporary promissory note with permanent financing	\$60.0 million		2 & 3	12/2004; \$7.5 million
Johnson & Wales University	N.C. Capital Facilities Finance Agency	Refunding of the 2013 Educational Facilities Refunding Bonds - NCCFFA	\$25.5 million		4	3/2014; \$26.5 million
Fayetteville State University Housing Foundation	N.C. Capital Facilities Finance Agency	Miscellaneous Action - Bank term amendments	\$7.45 million		5	2/2017; \$10.2 million
Wilbur T. Brinn (Designee of State Treasurer Dale Folwell)	N.C. Capital Facilities Finance Agency	Miscellaneous Non- Action - SEI Evaluation pursuant to Ethics Act 138A-15(c)	N/A		6 - 8	N/A

Goodwill Industries of Eastern NC, Inc. (the "Borrower")	<u>PURPOSE AND FINANCIAL CAPABILITY</u>	<u>FINANCIAL CAPABILITY (CONTINUED)</u>	<u>MANNER OF SALE</u>	<u>FACILITIES OPERATED</u>	Goodwill Industries of Eastern North Carolina, Inc. (GIENC®), is a Durham based tax-exempt organization focusing on employment, education and life-enrichment opportunities in 51 counties across eastern North Carolina. GIENC is affiliated with Goodwill Industries International, Inc. (GII), a network of 155 community based Goodwill's throughout the United States and Canada.	Term: Series A - 5/1/2029
Revenue Bonds, Series 2022A (Goodwill Industries of Eastern North Carolina, Inc.) (the "Series 2022 Bonds") Locations: Various Locations throughout North Carolina Amount not to exceed \$ 60 million G.S. 159D Proceeds of the Series 2022 Bonds will be used for: the following expenditures:	Land and Buildings	Unrestricted Net- Assets: \$21.4 million (3/31/2022)	Private Direct Placement with Truist Bank	Resolution received from the Borrower and covenant in the bond documents that the facilities are being operated for the public good and will benefit the community, without regard to race, creed, color or national origin.	Established in 1964, GIENC's vision is "Transforming lives through opportunity," and mission is, "To create and provide education, employment and life enrichment opportunities for people who desire to improve the quality of their lives."	Interest Rates - Variable Series A - 79% SOFR Daily Simple + 100 bp
To fully refinance an existing temporary promissory note (3.5%) between Goodwill Foundation and Goodwill Industries of Eastern North Carolina, Inc. The proceeds will be used to complete permanent financing for Goodwill Industries of Eastern North Carolina's (Buyer) purchase of 42 retail properties.	In October 2020 the joint board agreed that Goodwill Community Foundation and the Borrower should separate with the board splitting as well. In the Summer of 2021 the two organizations agreed to a sale and purchase of all real estate encompassing the Donation Centers and Retail Stores. A price of \$60 million was agreed to with Goodwill Community Foundation financing the purchase by the Borrower with a temporary promissory note (3.5%) on September 17, 2021. Goodwill of Eastern NC is seeking permanent financing with a direct placement with Truist Bank.	Total Assets: \$85.4 Million (3/31/2022)	The borrower shall provide the lender with first lien deed of trust on the properties.	<u>PUBLIC FACILITIES</u>	GIENC offers a wide range of programming initiatives to address need with the communities it serves. As one of the largest grant providers in eastern North Carolina, GIENC's community partners include: The Family Resource Center South Atlantic, The Caring Place, Ship Community Outreach, The Gifted Arts, A Place at the Table, The Performance Learning Center, Outerbanks Dare Challenge, Esteemed Coffee, Living with Autism, Baptist on Mission, Boys & Girls Club of North Central North Carolina, The Women's Center, Bertie County School System, Bladen County School System, Wake Infinity Program, Wings of Hope, My Kids Club and Families Moving Forward.	The Borrower is expected to enter into a variable to fixed swap at closing. All-in TIC current rate including the swap is estimated at: Series A - 3.19% (Synthetic Fixed Rate)
A list of all properties in contained in Appendix A below.	Projections have been provided indicating that facility revenues will be adequate to cover debt service costs on the financing, with debt service coverage ratio of approximately 2.13X.	Total Cash on-hand: \$12.5 Million (3/31/2022)	Water and Electric utility providers are noted in Appendix A below.		With close to 400 employees, GIENC's mission of employment opportunities are recognized throughout employment within our 42 Employment Program Centers found throughout eastern North Carolina. Pay and benefits within these centers exceeds \$21/hour for entry level work. Additionally, GIENC has its own work force development program in partnership with several community partners where participants can learn valuable job skills while earning a living wage. Participants have the opportunity to transition to full time work with benefits within the organization. GIENC's work force development initiative also focuses on providing training to individuals interested in learning digital and technical skills like software development, website design, cyber security and graphic design. Life enrichment opportunities are provided to the community through GIENC's volunteer center that focuses on the building of school kits and hygiene kits. GIENC addresses education needs through its online learning initiatives. Finally, GIENC is actively involved in addressing food insecurity and homelessness within local communities.	Structure: Principal monthly based 120 month straight line structure amortization schedule. At the end of year 7, the Borrower will have the option to pay off the remaining balance or restructure for the remaining 3 years.
Series 2022 Sources Par Amount	The Series 2022 Bonds are estimated to produce net present value savings of \$980,114 or 1.73% compared to the temporary promissory note currently in place.	<u>Pension Details:</u>	Defined Contribution Plans Managed by Mutual America			Swap Advisor has advised the Board of the Borrower of the risks involved with variable rate / swapped to fixed rate financing.
Total Sources:		403b GIENC contributes 3% of Employee Pay	America			Close scheduled for May 12, 2022.
Uses Pay off promissory note Available funds for Costs of Issuance/Principal reduction		457 deferred Compensation Plan GIENC matches up to 50% of deferral	Both 403b and 457 are fully funded			APPROVALS Amount: not to exceed \$60 million Final Maturity: not to exceed 2029 True Interest Cost not to exceed 6%
Total Uses:						FINANCING TEAM Bond Counsel: McGuireWoods LLP Borrower's Counsel: Ellis & Winters LLP Bank Counsel: Moore & Van Allen PLLC Bank Provider: Truist Bank Swap Provider: Truist Bank Financial/Swap Advisor: KPM Financial, LLC

Goodwill Industries of Eastern NC, Inc.

Appendix A

Location Address	Location City	Description	Cost	Land	Tax Value	Electric	Water
1150 West Williams St.	Apex	Building	840,169	2,512	2,849,178	Town of Apex	Town of Apex
220 Kilmayne Drive	Cary	Building	481,689	1,360	2,631,073	Duke Energy Progress	Town of Cary
508 Regency Park Drive	Clayton	Building	822,172	1,500	1,328,490	Duke Energy Progress	Town of Clayton
3801 Raeford Road	Fayetteville	Building	379,551	0,946	613,741	Fayetteville Public Works	Cape Fear Public
4318 Garrett Road	Durham	Building	348,858	1,000	1,394,338	Duke Energy	City of Durham
1213 Parkway Drive	Goldensboro	Building	646,694	1,707	695,920	Duke Energy Progress	City of Goldensboro
4801 Grove Barton Road	Raleigh	Building	933,998	1,810	2,340,336	Duke Energy Progress	City of Raleigh
9005 Baileywick Road	Raleigh	Building	504,352	0,827	2,131,250	Duke Energy Progress	City of Raleigh
1113 Western Blvd. Ext.	Jacksonville	Building	505,017	1,160	1,513,060	City of Jacksonville	City of Wilson
1011 Langston Pond Dr.	Cary	Building	1,449,132	1,570	2,997,462	Duke Energy Progress	Town of Cary
560 McCarthy Blvd	New Bern	Building	595,419	1,310	1,098,710	Duke Energy Progress	City of New Bern
4401 New Hope Road	Raleigh	Building	938,658	2,810	484,917	Duke Energy Progress	City of Raleigh
4402 New Hope Road (St James)	Raleigh	Land			1,559,343		City of Raleigh
1677 North Market Drive	Raleigh	Building	335,000	1,262	1,163,680	Duke Energy Progress	City of Raleigh
2824 Zebulon Road	Rocky Mount	Building	793,217	1,780	701,790	City of Rocky Mount	City of Rocky Mount
5267 North Roxboro Road	Durham	Building	551,234	2,698	1,286,677	Duke Energy	City of Durham
115 Commerce Ave.	Southern Pines	Building	581,594	1,010	1,366,660	Duke Energy Progress	Town of Southern Pines
5381 N Virginia Dare Trail	Southern Shores	Building	1,095,155	1,003	1,346,400	Dominion Energy North Carolina	Dare County Water
12269 Capital Blvd.	Wake Forest	Building	750,718	0,914	1,372,452	Town of Wake Forest	City of Raleigh
11031 Wakefield Commons	Raleigh	Building	944,553	1,270	1,915,027	Duke Energy Progress	City of Raleigh
709 South Kerr Ave.	Wilmington	Building	557,519	1,190	2,060,300	Duke Energy Progress	Cape Fear Public
5662 Carolina Beach Rd.	Wilmington	Building	716,645	1,010	2,675,500	Duke Energy Progress	Cape Fear Public
2301 Forest Hills Rd.	Wilson	Building	595,355	1,102	961,678	City of Wilson	City of Wilson
520 Hampton Point Blvd	Hillsborough	Building	1,313,591	2,000	2,301,300	Duke Energy	Orange Water and Sewer
7941 Skyland Ridge Pkwy	Raleigh	Building	1,249,404	1,290	3,452,765	Duke Energy Progress	City of Raleigh
4190 West Vernon Ave	Kinston	Building	1,351,563	2,140	1,320,296	City of Kinston	City of Kinston
7025 Knightdale Blvd	Knightdale	Building	1,327,688	1,590	2,286,797	Duke Energy Progress	City of Raleigh
630 West 15th Street	Washington	Building	1,018,340	0,740	972,754	City of Washington	City of Washington
2050 Olde Regent Way	Leland	Building	1,276,471	2,150	1,821,220	Brunswick Electric Membership	Brunswick Regional Water
11021 Lake Grove Blvd	Morrisville	Building	1,296,440	1,189	2,350,978	Duke Energy Progress	Town of Cary
502 West Eringhaus Street	Elizabeth City	Building	1,410,074	1,010	975,800	City of Elizabeth City	City of Elizabeth City
9550 Cliffdale Road	Fayetteville	Building	1,444,168	1,690	1,496,896	Lumbee River Electric EMC	Fayetteville Public Works
5151 NC Hwy 42	Garner	Building	1,633,680	1,440	1,534,830	Duke Energy Progress	Johnston County Public Utilities
101 Matthews Drive	Holly Springs	Building	1,346,995	1,174	2,083,271	Duke Energy Progress	Town of Holly Springs
925 Avent Ferry Road	Holly Springs	Building	1,659,710	1,910	2,485,796	Duke Energy Progress	Town of Holly Springs
136 South Bickett Blvd	Louisburg	Building	990,267	0,440	624,010	Duke Energy Progress	Town of Louisburg
1745 Sir Tyler Dr	Wilmington	Building	1,914,726	1,570	2,786,900	Duke Energy Progress	Cape Fear Public
1115 Weaver Dairy Rd	Chapel Hill	Building	2,749,603	1,013	2,733,200	Duke Energy	Orange Water and Sewer
600 Whitley Drive	Winterville	Building	1,862,253	2,290	1,832,595	Greenville Utilities	Greenville Utilities
720 Red Banks Road	Greenville	Building	780,784	1,200	1,512,151	Greenville Utilities	Greenville Utilities
70 Emerson Bay Rd	Calabash	Building	2,513,658	1,460	865,440	Brunswick Electric Membership	Brunswick Regional Water
5200 Wake Forest HWY	Durham	Building	3,392,115	2,214	1,398,578	Duke Energy	City of Durham
* Joins 4401 New Hope Road Facility		-	45,898,229	60	71,323,559		

PROJECT	FINANCIAL CAPABILITY AND SECURITY	PUBLIC FACILITIES MADE AVAILABLE	MANNER OF SALE	PROJECTS OPERATED FOR PUBLIC BENEFIT, NO DISCRIMINATION	TERMS/OTHER INFORMATION
<p>JOHNSON & WALES UNIVERSITY Revenue Refunding Bonds, Series 2022A Amount: Not to exceed \$25,500,000.00 Proceeds of the bonds will be used for the current refunding a portion of the outstanding balance of the Series 2013A Educational Facilities Revenue Refunding Bonds.</p> <p>The structure is a Cinderella (5/27/2022 close) loan with Truist Commercial Equity, Inc. where the University pays 3.42% taxable rate until the current refunding conversation date of 1/1/2023. At that time, so long as certain conditions are satisfied in the forward optional purchase agreement, the rates convert to a tax-exempt rate.</p> <p>Par Amount \$ 25,040,000</p> <p>Uses: SLGS Purchases \$ 25,035,680 Closing Costs / Additional Proceeds \$ 4,320 Total Uses \$ 25,040,000</p>	<p>As of February 28,2022, the University endowment had a Market value of \$361 Million. Outstanding University debt for all locations totals approximately \$60 Million (Dec 31, 2021). The University has provided forecasted debt service coverage ratios for the five years, 2023 through 2027, that equal or exceed 6.3 times, based on the operating results and expected debt service for those years. Cash was Approx. \$53 million at December 31, 2021. Unrestricted net assets approx. \$715 million (12/31/2021).</p> <p>The net present value savings of the refunded bonds is estimated to be \$2.237 million or 9.2%</p> <p>The University was founded in 1914 and currently serves approximately 8,720 graduate and undergraduate students at its two campuses in Providence, R.I., and Charlotte, N.C., offering degrees programs in arts and sciences culinary arts, education, nutrition, hospitality and technology. The Charlotte campus serves approximately 1,262 students, with the primary focus on the culinary arts and hospitality curricula. At fiscal year end 2021, the University had unrestricted net assets of approximately \$686 million and total net assets of approximately \$735 million. Liabilities were approximately \$117 million (debt \$62 million). Enrollment has declined to 8,720 in 2022 from pre-pandemic levels in 2019 of 12,215. The University closed their satellite campuses in Denver CO & Miami FL in 2021.</p>	<p>City of Charlotte has the capacity and will continue to serve the water and sewer needs of the University. Electric service is provided by Duke Power and natural gas is provided by Piedmont Natural Gas.</p>	<p>The refunding loan is a direct placement with Truist Commercial Equity Inc. Cinderella structure allows University to lock-in a tax-exempt rate prior to the current refunding window which begins on or about January 1, 2023.</p>	<p>Resolution and covenant received from Board of Trustees that the project will be operated for the public good as a part of the University's educational mission as a private institution and it will benefit the University community without regard to race, creed, color or national origin.</p>	<p>Term: Approximately 11 years Interest Rate: Fixed Rate Bank Placement 3.42% taxable through 12/31/2022. Fixed rate tax-exempt conversion transaction (2.7%) anticipated to execute on January 3, 2023. Tax-exempt conversion deadline is April 1, 2023.</p> <p>Structure: Approximately level debt service, with no extension of maturities.</p> <p>Expected rates: All-In True interest cost: 2.77%% Debt Service: approx \$2.9 million per year NPV Savings: Approximately \$2.237 million (9.2%) Coverage: Projected Min of 6.3X through 2027.</p>
			<u>OPERATIONS</u>		APPROVALS
			<p>The university has seen declines in enrollments on these campuses as well, and new undergraduate enrollments have not normalized to pre-pandemic levels. The culinary and hospitality industries were disproportionately impacted by the pandemic. The overall trend reflects industry-wide competition for fewer students demographically, as well as weakening demand for the University's traditional culinary and hospitality programs, which was exacerbated as a result of COVID. The university expect new undergraduate, day school enrollments to stabilize between 1600 and 1660 students over the next five years. As a result, they also expect the returning enrollments to contract as well, as they are a product of smaller new student cohorts. The University's Purpose 2024 strategic plan and our 10-year strategic vision seek to address the matriculation rate by improving our academic profile in a number of ways. The university is currently exploring college specific accreditations as well as developing new programs in high-demand industries. By improving our reputation and academic rigor, the University's long-term goal is to enroll students that are better academically prepared and therefore likely to retain at higher rates. The university's relationship with the Guild organization and other corporate partners, which have proven to be very fruitful during the current academic year, will help to fuel future growth of the College of Professional Studies (previously the College of Online Education) through 2026.</p>		<p>Amount: Not to Exceed: \$25,500,00.00 Final maturity: Not to exceed April 30, 2033. True Interest Cost not to exceed 6%</p>
					FINANCING TEAM
					<p>Bond Counsel: Robinson Bradshaw & Hinson, P.A. University's Counsel: Mintz, Levin, Cohn, Ferris, Glovsky, and Popeo, P.C. Lender: Truist Commercial Equity, Inc. Lender's Counsel: Moore & Van Allen PLLC Financial Advisor: Masterson Advisors, LLC</p>

**MISCELLANEOUS:
FSU Housing Foundation, LLC**

Action Item

The Local Government Commission and the North Carolina Capital Facilities Finance Agency approved the Revenue Refunding Bonds (Fayetteville State University Housing Foundation, LLC), Series 2017. The 2017 Bond refunded the original 2001 bonds which were issued to finance the construction of student housing facilities with a total of 346 beds which represents approximately 21% total available dormitory space at FSU.

The 2017 Refunding Bond is currently held by PNC Bank, National Association for the initial 5 year term which ends on Nov 1, 2022 (2.82%).

Under the initial terms of the purchase agreement, the bond terms may be extended by the loan provider or the borrower (FSU) may opt to find another loan provider. FSU Housing Foundation has elected to finance the balance of the loan (\$7,454,000) with DNT Asset Trust a wholly owned subsidiary of JP Morgan Chase Bank N.A. Forward rate lock at close is projected at approximately 3.01%. The new agreement with DNT Asset Trust offers, in addition, a full-term commitment through final maturity of November 1, 2033.

No change to principal structure or extension of final maturity. Scheduled to close on November 1, 2022.

FSU Housing Foundation Board has confirmed as stated in the original Resolution and covenant that the project is currently and will be operated for the public good as a part of the University's educational mission and it will benefit the University community without regard to race, creed, color or national origin.

NC CAPITAL FACILITIES FINANCE AGENCY
May 3, 2022 Meeting

MISCELLANEOUS NON-ACTION AGENDA ITEM

Statement of Economic Interest evaluations of members pursuant to the Ethics Act § 138A-15(c)

The following packet contains a Statement of Economic Interest (SEI) evaluation letter issued by the State Ethics Commission. This is being provided for Agency members' review and for recording in the meeting minutes pursuant to the requirements of the State Government Ethics Act. Members are encouraged to review the evaluation to inform and remind them of the identified actual or potential conflicts of interest.

The SEI Evaluations being provided are:

- Wilbur T. "Ted" Brinn (Designee of State Treasurer Dale Folwell)



STATE ETHICS COMMISSION

POST OFFICE BOX 27685
RALEIGH, NC 27611
PHONE: 919-814-3600

Via Email

October 1, 2021

The Honorable Dale R. Folwell
North Carolina Department of State Treasurer
3200 Atlantic Avenue
Raleigh, North Carolina 27604

**Re: Evaluation of Statement of Economic Interest by Mr. Wilbur T. Brinn Jr.
Appointee to the North Carolina Capital Facilities Finance Agency**

Dear Treasurer Folwell:

Our office has received **Mr. Wilbur T. Brinn Jr.**'s 2021 Statement of Economic Interest serve as an appointee to the **North Carolina Capital Facilities Finance Agency** ("the Agency"). We have reviewed them 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 North Carolina Capital Facilities Finance Agency was established to provide the benefits of tax-exempt financing to non-profit institutions providing elementary and secondary education, private institutions of higher education and various other entities for special purpose projects serving a public interest. The Agency has the authority to issue bonds and notes, award contracts for the construction of any project on behalf of a participating institution, fix and collect fees, loan repayments, rents and charges for the use of any project.

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).

Mr. Brinn will serve as your designee on the Agency.

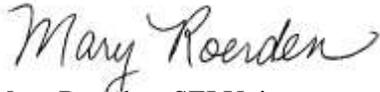
In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests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

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

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

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

Sincerely,

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

Mary Roerden, SEI Unit
State Ethics Commission

cc: Wilbur T. Brinn Jr.
Laura Rowe, Ethics Liaison

Attachment: Ethics Education Guide