Attachment A:

Consent Agenda and Miscellaneous Action and Non-Action Items

LGC Staff Analysis For:	**CATAWBA COUNTY-CATAWBA VALLEY MEDICAL CENTER**

PAR Amount Not To Exceed	$ 18,110,135	
Financing Type	Lease Financing Agreement	
Purpose and Type	General Government	Lease
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Catawba Valley Medical Center (CVMC) requests approval for three (3) leases to consolidate and expand their outpatient medical services in leased medical offices. Lease #1) 5,513 SF of medical office space at 1940 Briarwood Dr. Hickory, NC 28602 Lease #2) 12,000 SF of medical office space at 2415 CP Suite A Hickory, NC 28602 Lease #3) 29,417 SF of medical office space at 2415 CP Suite C Hickory, NC 28602 *CVMC is a subcomponent unit of Catawba County, but is solely responsible for the lease payments from medical revenues.*	
Statutory Reference	G.S. 153A-165	**Last Request to Borrow** 6/2025; LFA: $9,434,336
FPICs	☐ No ☑ Yes - Not Material	☐ Yes – See Attachment ☐ N/A
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	Proposed contract is necessary or expedient for consolidation and expansion of outpatient medical services in leased medical offices.	**Proposed Amount is Adequate and Not Excessive**	Leases are each effective October 8, 2025 Costs are known and defined.
Feasibility	Lease obligation will be paid with revenues from Catawba Valley Medical Center and not from Catawba County.		
Tax Increase Anticipated	☐ No ☐ Yes ☑ N/A	Additional Information (as applicable):	
Rate Increase Anticipated	☐ No ☐ Yes ☑ N/A		
Public Hearing	☑ N/A OR Date	**TEFRA Hearing**	☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).		

LGC Staff Analysis For:	CATAWBA COUNTY-CATAWBA VALLEY MEDICAL CENTER

Terms	**Lender/Purchaser/Bank**		**Marketability**
	Interest Rate	See other	**Moody's** N/A
	Term	See other	
	Payment	Monthly principal & Interest	**S&P** N/A
	Structure and Term	level principal	
	Final Maturity	See other	**Fitch** N/A
Other:	Lease #1: MBMMP-Hickory, LLC; TERM: 7 years November 1, 2025 - November 30, 2032, with option to extend 2 times for 36 months each. PAYMENT: $7,235.81 monthly, with 2.5% increase annually. Lease #2; Century Place Investments LLC; TERM 10 years March 1, 2026- March 1, 2036, with option to renew for 10 years. PAYMENT: $62,756.27 monthly, with 3% increase annually. Lease #3: Century Place Investments LLC; TERM 10 years May 1, 2026- May 31, 2036, with option to renew for 10 years. PAYMENT: $15,000 monthly with 3% increase annually.		

Financing Team			
Municipal Advisor			
Underwriter/Senior			
Lender/Purchaser/Bank			
Underwriter's Counsel			
Bond Counsel			
Purchaser's Counsel			
Trustee			
Trustee's Counsel			

Amount Not to Exceed: $ 18,110,135	
Sources:	**Amount:**
1 Catawba Valley Medical Center Revenue	$ 10,182,665
2 Estimated Lease Increases	$ 7,927,470
3	
4	
Total	$ 18,110,135
Uses:	**Amount:**
1 Lease #1 Payments	$ 1,324,085
2 Lease #2 Payments	$ 4,863,759
3 Lease #3 Payments	$ 11,922,291
4	
Total	$ 18,110,135

General Fund Debt and Debt Ratios			
Amount	$ 18,110,135	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued		**Before**	
Existing Debt Excluding Enterprise Funds		**After**	
Estimated Census		**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate		**Before**	
Assessed Valuation		**After**	

LGC Staff Analysis For:	FAYETTEVILLE PUBLIC WORKS COMMISSION

PAR Amount Not To Exceed	$ 163,000,000	
Financing Type	Revenue Bonds	
Purpose and Type	Water/Sewer	Sewer
Purpose and Type	Water/Sewer	Water
Purpose and Type	Electric	Electric Department
Purpose and Type		
Purpose and Type		
Project Description	The purpose of the projects is to acquire, construct and equip various improvements to its electric, water, and sanitary sewer systems, including, without limitation, (i) any extension of water and sanitary sewer mains and lines to various annexed areas of the City, (ii) extension, rehabilitation, and replacement of water and sanitary sewer mains and lines, (iii) improvements and upgrades to sanitary sewer collection and treatment facilities, (iv) improvements and upgrades to the water distribution and treatment facilities, and (v) construction, extension, and replacement of and improvements and upgrades to the electric system facilities.	
Statutory Reference	G.S. 159 Article 5	**Last Request to Borrow** 9/2024; LSL $400,000
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	Projects will improve the service and operations of the Commission's water, sewer, and electric systems by performing necessary periodic capital improvements that, individually, do not make financing cost effective but that collectively over time, as the projects are to be executed and represent a significant requirement of financing resources.	**Proposed Amount is Adequate and Not Excessive**	There are 16 individual projects related to this funding transaction. Bids received on 70% or more of the projects. Costs are known and defined.
Feasibility	From 2026 through 2030, electric, water and wastewater rates are projected to reflect steady annual adjustments, which include anywhere between 2% in 2026 to 5% (electric), 5.1% 2026 to 5.5% (water), 5.8% 2026 to 5.5% (wastewater). These adjustments provide for continued system investment and reliable service across all three utilities.		
Tax Increase Anticipated	☑ No ☐ Yes ☐ N/A	Additional Information (as applicable): Debt Service Coverage Ratio using senior debt service requirements maintains an average of 3.31 during the Forecast Period. The Total Indebtedness Debt Service Ratio has an average of 2.97 in the projected period.	
Rate Increase Anticipated	☐ No ☑ Yes ☐ N/A		
Public Hearing	☑ N/A OR Date	**TEFRA Hearing**	☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).		

LGC Staff Analysis For:	FAYETTEVILLE PUBLIC WORKS COMMISSION

Terms	**Lender/Purchaser/Bank**		**Marketability**	New rates expected October 3. Listed rates as of January 2024 and expected to remain unchanged.
	Interest Rate	See Other		
	Term	30 years	**Moody's**	Aa2
	Payment	2 years interest only; remaining principal & Interest		
	Structure and Term	level debt service	**S&P**	AA
	Final Maturity	March 1, 2055	**Fitch**	AA
Other:	Pricing is scheduled for October 21, 2025 through a competitive sale with closing on November 12, 2025.			

Financing Team			
Municipal Advisor	First Tryon Advisors, LLC	Utility Consultant	NewGen Strategies & Solutions, LLC
Underwriter/Senior			
Lender/Purchaser/Bank			
Underwriter's Counsel			
Bond Counsel	The Charleston Group		
Purchaser's Counsel			
Trustee	The Bank of New York Mellon Trust Company		
Trustee's Counsel			

Amount Not to Exceed: $ 163,000,000

Sources:	Amount:
1 Revenue Bond	$ 163,000,000
2	
3	
4	
Total	$ 163,000,000

Uses:	Amount:
1 Electric Projects	$ 55,599,780
2 Water Projects	$ 51,531,000
3 Wastewater Projects	$ 51,539,300
4 Miscellaneous Costs	$ 4,329,920
Total	$ 163,000,000

General Fund Debt and Debt Ratios			
Amount	$ 163,000,000	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued		**Before**	
Existing Debt Excluding Enterprise Funds		**After**	
Estimated Census		**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate		**Before**	
Assessed Valuation		**After**	

LGC Staff Analysis For:	LEE COUNTY

PAR Amount Not To Exceed	$ 7,800,000	
Financing Type	Limited Obligation Bonds	
Purpose and Type	General Government	Land
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Proceeds are to purchase property for a Public Safety Warehouse for equipment/materials for the Sheriff, Fire Marshall, Emergency Management, and County of Lee Transportation System (COLTS) teams. Property is located at 1605 & 1611 Hawkins Avenue, Sanford, NC and includes 4.59 acres of industrial land with two industrial buildings of 32,096 SF and 8,612 SF and 4 acres of excess land.	
Statutory Reference	G.S. 160A-20	**Last Request to Borrow** 7/2025; LOB $3,820,000
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	Proposed contract is necessary or expedient as the County is in need of more space to fulfill their Public Safety and COLTS needs.	**Proposed Amount is Adequate and Not Excessive**	Appraisal report dated May 28, 2025. Property appraisal is $4,720,000. Land/building purchase price is $5,300,000. Par amount of borrowing includes construction costs. Costs are known and defined.
Feasibility	Debt service will be paid from the general fund.		
Tax Increase Anticipated	☑ No ☐ Yes ☐ N/A	Additional Information (as applicable):	
Rate Increase Anticipated	☐ No ☐ Yes ☑ N/A		
Public Hearing	☐ N/A OR Date 9/15/2025	**TEFRA Hearing**	☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).		

LGC Staff Analysis For:	LEE COUNTY

Terms			Marketability
	Lender/Purchaser/Bank	JPMorgan Chase Bank, N.A.	
	Interest Rate	3.97%	**Moody's** N/A
	Term	15 Years	
	Payment	Annual Principal & semi-annual interest	**S&P** N/A
	Structure and Term	level principal	
	Final Maturity	November 1, 2040	**Fitch** N/A
Other:	The proposed limited obligation bond is preferable to a general obligation bond issue for the same purpose. This is a privately placed LOB, no public sale.		

Financing Team			
Municipal Advisor	Davenport & Company LLC		
Underwriter/Senior			
Lender/Purchaser/Bank	JPMorgan Chase Bank, N.A.		
Underwriter's Counsel			
Bond Counsel	Womble Bond Dickinson (US) LLP		
Purchaser's Counsel	McGuire Woods, LLP		
Trustee	U.S. Bank Trust Company, N.A		
Trustee's Counsel	Holland & Knight LLP		

Amount Not to Exceed: $ 7,800,000

Sources:	Amount:
1 Loan Proceeds	$ 7,680,000
2	
3	
4	
Total	$ 7,680,000
Uses:	**Amount:**
1 Property Purchase	$ 5,300,000
2 General Construction	$ 1,930,000
3 Architect/Engineering Fee/Insurance Costs	$ 280,000
4 Contingency Costs	$ 170,000
Total	$ 7,680,000

General Fund Debt and Debt Ratios			
Amount	$ 7,800,000	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued	$ 0	**Before**	$ 1,656
Existing Debt Excluding Enterprise Funds	$ 111,021,000	**After**	$ 1,772
Estimated Census	67,059	**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate	0.65	**Before**	1.11%
Assessed Valuation	$ 9,991,281,000	**After**	1.19%

LGC Staff Analysis For:	**MOORE COUNTY**

PAR Amount Not To Exceed	$ 561,133	
Financing Type	Lease Financing Agreement	
Purpose and Type	General Government	Equipment
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	The lease financing agreement will finance the purchase of 120 Axon Taser Energy Weapons for the Sheriff's Department. The current tasers are outdated and no longer supported by the vendor.	
Statutory Reference	G.S. 153A-165	**Last Request to Borrow** 07/2025; IP $795,282
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	
Proposed Contract or Bond Issue is necessary or expedient.	Proposed contract is necessary or expedient for protection services provided by Moore County Sheriff's Department personnel.	**Proposed Amount is Adequate and Not Excessive**: Costs are known and defined.
Feasibility	Debt service will be paid from the general fund.	
Tax Increase Anticipated	☑ No ☐ Yes ☐ N/A	Additional Information (as applicable):
Rate Increase Anticipated	☐ No ☐ Yes ☑ N/A	
Public Hearing	☑ N/A OR Date	**TEFRA Hearing** ☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).	

LGC Staff Analysis For:	MOORE COUNTY

Terms			Marketability	
	Lender/Purchaser/Bank			
	Interest Rate	0%		
	Term	5 years	**Moody's**	N/A
	Payment	Annual Principal	**S&P**	N/A
	Structure and Term	Level Principal		
	Final Maturity	July 2029	**Fitch**	N/A
Other:	Lease finance agreement is with Axon Enterprise, Inc.			

Financing Team			
Municipal Advisor			
Underwriter/Senior			
Lender/Purchaser/Bank			
Underwriter's Counsel			
Bond Counsel			
Purchaser's Counsel			
Trustee			
Trustee's Counsel			

Amount Not to Exceed: $ 561,133

Sources:	Amount:
1 Lease financing agreement	$ 561,133
2	
3	
4	
Total	$ 561,133
Uses:	**Amount:**
1 Equipment Cost	$ 561,133
2	
3	
4	
Total	$ 561,133

General Fund Debt and Debt Ratios			
Amount	$ 561,133	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued	$ 0	**Before**	$ 1,493
Existing Debt Excluding Enterprise Funds	$ 159,650,790	**After**	$ 1,499
Estimated Census	106,898	**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate	0.31	**Before**	0.75%
Assessed Valuation	$ 21,188,511,591	**After**	0.76%

LGC Staff Analysis For:	**PITTSBORO, TOWN OF**

PAR Amount Not To Exceed	$ 1,050,000	
Financing Type	Installment Financing Contract	
Purpose and Type	Land	Building
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Loan proceeds will be used to purchase land and building to be used by the Parks Department.	
Statutory Reference	G.S. 160A-20	**Last Request to Borrow** 3/2017; RL $494,500
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	The Town determined this is necessary or expedient as it will expand and improve the Town's park and provide new office space for the park department.	**Proposed Amount is Adequate and Not Excessive**	Appraisal received 8/7/2025 for $1,400,000. Purchase price of property with land and building is below the appraisal amount; amount is adequate and not excessive.
Feasibility	Debt service to be paid from the general fund.		
Tax Increase Anticipated	☑ No ☐ Yes ☐ N/A	Additional Information (as applicable):	
Rate Increase Anticipated	☐ No ☐ Yes ☑ N/A		
Public Hearing	☐ N/A OR Date 9/8/2025	**TEFRA Hearing**	☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).		

LGC Staff Analysis For:	PITTSBOROUGH, TOWN OF

Terms			Marketability
	Lender/Purchaser/Bank	Truist	
	Interest Rate	4.72% fixed	Moody's N/A
	Term	10 years	
	Payment	annual	S&P N/A
	Structure and Term	level principal	
	Final Maturity	10/1/2035	Fitch N/A
Other:			

Financing Team			
Financial Advisor			
Underwriter/Senior			
Lender/Purchaser/Bank	Truist Bank		
Underwriter's Counsel			
Bond Counsel			
Purchaser's Counsel			
Trustee			
Trustee's Counsel			

Amount Not to Exceed: $ 1,050,000

Sources:	Amount:
1 Bank Loan	$ 1,050,000
2	
3	
4	
Total	$ 1,050,000
Uses:	**Amount:**
1 Property and Building Purchase	$ 1,050,000
2	
3	
4	
Total	$ 1,050,000

General Fund Debt and Debt Ratios			
Amount	$ 1,050,000	Debt Ratio: Debt Per Capita	
Bonds Authorized and Unissued	$ 0	Before	$ 0
Existing Debt Excluding Enterprise Funds	$ 0	After	$ 196
Estimated Census	5,364	Debt Ratio: Debt to Assessed Valuation	
Tax Rate	.44	Before	.00%
Assessed Valuation	$ 1,066,057,045	After	.10%

LGC Staff Analysis For:	**RALEIGH HOUSING AUTHORITY - BARTON OAKS**		
Amount Not To Exceed	$ 23,000,000	**Housing Financing Type**	Conduit Revenue Bonds
Project Description	The proceeds of the Multifamily Housing Revenue Note will be loaned to KTJ 427, LP, a Minnesota limited partnership, or an affiliated or related entity and used to finance a portion of the cost of the acquisition, construction and equipping of a 152-unit multifamily rental housing development located at 13120 Strickland Road, Raleigh, NC. The Project will be developed using low-income housing tax credits (LIHTC) and will include 38 one-bedroom units, 76 two-bedroom units and 38 three-bedroom units targeting lower-income households earning 20%, 30%, 60% and 70% of Area Median Income (AMI).		
Statutory Reference	G.S. 159-153	**Last Request to Borrow**	9/2025; ConRev $63,000.000 and $32,500,000
Debt Management	✓ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward.		
Proposed Bond Issue or Contract is Necessary or Expedient	Raleigh Housing Authority finds that the project is necessary and expedient to further the Authority's purpose of promoting low and moderate income housing in the City of Raleigh.		
Proposed Amount is Adequate and Not Excessive	The developer provided a Market Study and Pro-forma which support the valuations. The issuer found that the debt to be incurred in connection with the project is adequate but not excessive. In addition, the Rental Investment section of the NCHFA reviewed this information and found it to be reasonable.		
Feasibility	The developer provided a 20 year cash flow projection that shows debt service coverage for the bonds will be 1.31X - 1.91X		
TEFRA Hearing	**Date** 9/25/2025		

Terms	**Lender/Purchaser/Bank**	Citibank, N.A.
	Interest Rate	Construction: 1 month Term SOFR (floor of 0.50%) plus a spread of 2.00%; currently 6.33% Permanent: Fixed rate of 18 year SOFR Swap Index (floor of 0.75%) plus a spread of 2.15%; currently 6.13% NTE 12%
	Term	Construction Phase: 36 months plus two, 6-month extensions Permanent Phase: 18 years from closing with 40 year amortization
	Payment	monthly principal and interest after construction phase of interest only
	Structure and Term	level debt service
	Final Maturity	NTE 12/31/2060
Other:		

LGC Staff Analysis For:	RALEIGH HOUSING AUTHORITY - BARTON OAKS

Financing Team			
Authority's Counsel	The Francis Law Firm, PLLC	Tax Credit Investor	CAHEC
Borrower	KTJ 427, LP	Tax Credit Investor's Counsel	Kutak Rock, LLP
Borrower's Counsel	Winthrop & Weinstine, P.A.		
Bond Counsel	McGuire Woods, LLP		
Lender/Purchaser/Bank	Citibank, N.A		
Trustee			
Trustee's Counsel			
Funding Lender's Counsel	Holland & Knight LLP		

Amount Not to Exceed: $ 23,000,000	
Sources:	**Amount:**
1 Tax Exempt Permanent Loan	$ 22,753,535
2 Tax Credit Equity	$ 12,932,420
3 City of Raleigh - Gap Loan	$ 4,000,000
4 Wake County - Gap Loan	$ 3,000,000
5 Sponsor Contributions	$ 5,000
6 Deferred Developer Fee	$ 1,343,219
7	
8	
9	
10	
Total	$ 44,034,174
Uses:	**Amount:**
1 Land and Site Work	$ 8,139,600
2 Building Cost	$ 22,672,500
3 Financing Costs	$ 1,530,594
4 Tax Credit, Leasing, Start up, Closing and Oppidan Fees/Costs	$ 4,402,840
5 Reserves	$ 3,730,789
6 Due Diligence & Technical Assistance	$ 1,462,010
7 Dedications	$ 637,886
8 Contingency	$ 1,457,955
9	
10	
Total	$ 44,034,174

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

DENISE CANADA
DIVISION DIRECTOR

LGC Staff Analysis For:	**SANFORD, CITY OF**

PAR Amount Not To Exceed	$ 35,000,000	
Financing Type	Revenue Bonds	
Purpose and Type	Water/Sewer	Water
Purpose and Type	Water/Sewer	Sewer
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Series 2025B - This project is designed to provide funds for (i) the construction of a new Utility Administration Building on City Hall campus, (ii) the acquisition of land, (iii) the acquisition of a water tank, and (iv) the acquisition of a reservoir and AMI system in connection with the City's pending merger with Siler City.	
Statutory Reference	G.S. 159 Article 5	**Last Request to Borrow** 03/2025; Rev Bond/SRF; $29,050,000
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	The proceeds of the Bonds are to finance the costs of extensions, additions, and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment for, the City's enterprise systems related to the project described above and to pay expenses incurred with the sale and issuance of the Bonds.	**Proposed Amount is Adequate and Not Excessive**	Utility Administration Complex has a GMP dated August 18, 2025 in the amount of $24,854,757.00 representing 74% of the expected revenue bond. The land purchase under negotiation. The water tank will be purchased at market value. The remainder of funds will pay off Siler City loans for reservoir and AMI assets.
Feasibility	The City has projections prepared by Raftelis Financial Consultants for the period 2026-2030. Current projections demonstrate total debt service coverages of 1.89X in FY2026 and of at least 1.81X through 2030. Sanford implemented rate increases of 4.75% for FY 2026 and is projecting a 6% rate increase in FY 2027, an 8% rate (see additional information below)		

Tax Increase Anticipated	☐ No ☐ Yes ☑ N/A	Additional Information (as applicable):
Rate Increase Anticipated	☐ No ☑ Yes ☐ N/A	increase in FY 2028, and 12% per year in both FY2029 and FY 2030 for both water and sewer. (see "Other" section on page 2 for remaining information)
Public Hearing	☑ N/A OR Date	**TEFRA Hearing** ☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).	

LGC Staff Analysis For:	SANFORD, CITY OF

Terms	**Lender/Purchaser/Bank**		**Marketability**		public offering
	Interest Rate	NTE TIC of 5.50%			
	Term	30 years	**Moody's**	Aa3	Ratings to be updated September 26, 2026 and expected to remain as indicated.
	Payment	Annual principal and semi-annual interest	**S&P**	N/A	
	Structure and Term	Level debt service payments			
	Final Maturity	June 1, 2055	**Fitch**	AA-	
Other:	(continued from above) Rates and charges for Pittsboro customers are forecast to increase by 7% per year during the Forecast period. Rates and charges for Chatham County customers are forecast to increase 7% per year during the Forecast period, starting July 1, 2026. Rates and charges for Siler City customers are forecast to increase by 5% per year during the Forecast period to support the operations and capital investments that will be made in the future.				

Financing Team			
Municipal Advisor	First Tryon Advisors, LLC	Feasibility Consultant	Raftelis Financial Consultants
Underwriter/Senior	Wells Fargo Securities		
Lender/Purchaser/Bank			
Underwriter's Counsel	Womble Bond Dickinson (US) LLP		
Bond Counsel	Parker Poe Adams & Bernstein, LLP		
Purchaser's Counsel			
Trustee	Regions Bank		
Trustee's Counsel			

Amount Not to Exceed: $ 35,000,000

Sources:	Amount:
1 Par Amount	$ 32,960,000
2 Net Premium	$ 740,116
3	
4	
Total	$ 33,700,116
Uses:	**Amount:**
1 Utility Administration Complex	$ 25,244,443
2 Land Purchase/Water Tank/Siler City Loan Payoffs	$ 7,944,240
3 Cost of Issuance and Underwriter's DIscount	$ 508,824
4 Additional Proceeds	$ 2,609
Total	$ 33,700,116

General Fund Debt and Debt Ratios			
Amount	$ 35,000,000	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued		**Before**	
Existing Debt Excluding Enterprise Funds		**After**	
Estimated Census		**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate		**Before**	
Assessed Valuation		**After**	

LGC Staff Analysis For:	SANFORD, CITY OF

PAR Amount Not To Exceed	$ 3,600,000	
Financing Type	Installment Financing Contract	
Purpose and Type	Parks & Recreation	Parks & Recreation
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Loan proceeds will finance various upgrades and improvements to the City Hall campus, including a greenway path, restroom facilities, splash pad, paving and fencing, and storm water culverts.	
Statutory Reference	G.S. 160A-20	**Last Request to Borrow** 3/2025; Rev $19,000,000
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	Necessary to provide citizens with parks and recreational amenities and to improve City storm water drainage.	**Proposed Amount is Adequate and Not Excessive**	Construction bids received August 2025. Costs are defined and known.
Feasibility	Debt service will be paid from the general fund.		
Tax Increase Anticipated	☑ No ☐ Yes ☐ N/A	Additional Information (as applicable):	
Rate Increase Anticipated	☐ No ☐ Yes ☑ N/A		
Public Hearing	☐ N/A OR Date 9/2/2025	**TEFRA Hearing**	☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).		

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

DENISE CANADA
DIVISION DIRECTOR

LGC Staff Analysis For:	SANFORD, CITY OF

Terms			Marketability	
	Lender/Purchaser/Bank	JPMorgan Chase Bank, N.A.		
	Interest Rate	3.58%	Moody's	N/A
	Term	15 years		
	Payment	Annual principal & semi-annual Interest	S&P	N/A
	Structure and Term	level principal		
	Final Maturity	10/1/2040	Fitch	N/A
Other:	The proposed installment financing is preferable to a bond issue for the same purposes.			

Financing Team			
Municipal Advisor	First Tryon Advisors, LLC		
Underwriter/Senior			
Lender/Purchaser/Bank	JPMorgan Chase Bank, N.A.		
Underwriter's Counsel			
Bond Counsel	Parker Poe Adams & Bernstein, LLP		
Purchaser's Counsel	McGuire Woods, LLP		
Trustee	Regions Bank		
Trustee's Counsel			

Amount Not to Exceed: $ 3,600,000

Sources:	Amount:
1 Loan Proceeds	$ 3,600,000
2 Grant-North Carolina Emergency Management	$ 2,653,816
3	
4	
Total	$ 6,253,816
Uses:	**Amount:**
1 Construction Costs	$ 4,949,102
2 Engineer/Architect Fees	$ 600,537
3 Special Counsel Fees/Legal Costs/Right of Way Costs	$ 121,660
4 Contingency Costs	$ 582,517
Total	$ 6,253,816

General Fund Debt and Debt Ratios			
Amount	$ 3,600,000	Debt Ratio: Debt Per Capita	
Bonds Authorized and Unissued	$ 0	Before	$ 610
Existing Debt Excluding Enterprise Funds	$ 19,545,994	After	$ 722
Estimated Census	32,064	Debt Ratio: Debt to Assessed Valuation	
Tax Rate	0.535	Before	0.43%
Assessed Valuation	$ 4,573,704,221	After	0.51%

LGC Staff Analysis For:	SOUTH GRANVILLE WATER and SEWER AUTHORITY

PAR Amount Not To Exceed	$ 35,000,000	
Financing Type	USDA Revenue Bonds-Interim Financing	
Purpose and Type	Water/Sewer	Sewer
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	I-85 Sanitary Sewer Collection Upgrades This project includes capital improvements to the Authority's sewer collection system, including the design, engineering, construction, and equipping of three new wastewater lift stations and construction of approximately 52,000 linear feet sewer force main and gravity sewer pipe and related infrastructure.	
Statutory Reference	G.S. 159 Article 5	**Last Request to Borrow** 8/23/2015; Rev Loan $26,907,303
FPICs	☑ No ☐ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	SGWASA is continuing to receive significant developer interest in the areas surrounding both Butner and Creedmoor. Currently, the existing wastewater collection system is at its maximum capacity to reliably convey flow to the SGWASA Wastewater Treatment Plant (WWTP).	**Proposed Amount is Adequate and Not Excessive**	An initial bid opening was held where an insufficient number of submittals were received to open bids per North Carolina G.S. 143-132. The project was re-bid June 12, 2025. One (1) bid was received. The contract was awarded to the lowest, responsive, responsible bidder.
Feasibility	The projection of net revenues prepared by the unit indicates that future revenues will be adequate to cover the cost of operations and debt service. The average monthly water and sewer bill is currently $137.17 for 4,000 gallons. (See "Other" section for additional information.)		
Tax Increase Anticipated	☐ No ☐ Yes ☑ N/A	Additional Information (as applicable): An increase of 12% in the sewer rate is anticipated by the end of this project in FY2029. No increase in water rates is anticipated.	
Rate Increase Anticipated	☐ No ☑ Yes ☐ N/A		
Public Hearing	☑ N/A OR Date	**TEFRA Hearing**	☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).		

LGC Staff Analysis For:	SOUTH GRANVILLE WATER and SEWER AUTHORITY

Terms	**Lender/Purchaser/Bank**	Truist	**Marketability**	Short term direct bank loan through an RFP process
	Interest Rate	3.36%		
	Term	30 months	**Moody's**	N/A
	Payment	Interest payable annually on November 1	**S&P**	N/A
	Structure and Term			
	Final Maturity	May 1, 2028 (principal payable at maturity)	**Fitch**	N/A
Other:	The Authority has several debts sunsetting in fiscal years 2027 and 2028. Existing rates are anticipated to be adequate to accommodate most, if not all debt service related to this USDA bond.			

Financing Team			
Municipal Advisor			
Underwriter/Senior			
Lender/Purchaser/Bank	Truist Bank		
Underwriter's Counsel			
Bond Counsel	McGuire Woods, LLP		
Purchaser's Counsel	Hawkins Delafield & Wood LLP		
Trustee			
Trustee's Counsel			

Amount Not to Exceed: $ 35,000,000

Sources:	Amount:
1 Revenue BAN	$ 35,000,000
2 ARPA Grant	$ 29,272,500
3 Local Cash	$ 13,851,976
4	
Total	$ 78,124,476
Uses:	**Amount:**
1 Construction	$ 65,070,282
2 Engineering	$ 5,696,000
3 Miscellaneous, Administrative, Contingency	$ 4,436,527
4 Capitalized interest	$ 2,921,667
Total	$ 78,124,476

General Fund Debt and Debt Ratios			
Amount	$ 35,000,000	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued		**Before**	
Existing Debt Excluding Enterprise Funds		**After**	
Estimated Census		**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate		**Before**	
Assessed Valuation		**After**	

LGC Staff Analysis For:	SOUTHERN PINES, TOWN OF

PAR Amount Not To Exceed	$ 7,000,000	
Financing Type	Installment Financing Contract	
Purpose and Type	General Government	Building
Purpose and Type	General Government	Land
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Loan proceeds are to be used to finance the purchase of an existing building along with 1.83 acres located at 300 SW Broad Street, Pinehurst NC. The structure will help meet both current space needs and anticipated growth of Town staffing based on projected population increases and commercial construction.	
Statutory Reference	G.S. 160A-20	**Last Request to Borrow** 6/2024; IP $6,960,000
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	The proposed contract is necessary or expedient to better serve the citizens of the Town. Property will provide permanent council chambers and relocation of several departments to gain efficiencies of the processes between departments.	**Proposed Amount is Adequate and Not Excessive**	Appraisal completed July 21, 2025. Property appraised for $7,952,000. Costs are known and defined.
Feasibility	Debt service will be paid from the general fund.		
Tax Increase Anticipated	☑ No ☐ Yes ☐ N/A	Additional Information (as applicable):	
Rate Increase Anticipated	☐ No ☐ Yes ☑ N/A		
Public Hearing	☐ N/A OR Date 9/23/2025	**TEFRA Hearing**	☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).		

LGC Staff Analysis For:	SOUTHERN PINES, TOWN OF

Terms	**Lender/Purchaser/Bank**	Truist	**Marketability**
	Interest Rate	4.35%	
	Term	20 Years	**Moody's** N/A
	Payment	Semi-annual Principal and Interest	**S&P** N/A
	Structure and Term	Level Principal	
	Final Maturity	10/2045	**Fitch** N/A
Other:	The proposed installment financing is preferable to a bond issue for the same purposes.		

Financing Team			
Municipal Advisor			
Underwriter/Senior			
Lender/Purchaser/Bank			
Underwriter's Counsel			
Bond Counsel			
Purchaser's Counsel			
Trustee			
Trustee's Counsel			

Amount Not to Exceed: $ 7,000,000

Sources:	Amount:
1 Loan Proceeds	$ 7,000,000
2	
3	
4	
Total	$ 7,000,000
Uses:	**Amount:**
1 Property Purchase	$ 7,000,000
2	
3	
4	
Total	$ 7,000,000

General Fund Debt and Debt Ratios			
Amount	$ 7,000,000	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued	$ 0	**Before**	$ 219
Existing Debt Excluding Enterprise Funds	$ 3,705,013	**After**	$ 634
Estimated Census	16,896	**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate	0.89	**Before**	0.08%
Assessed Valuation	$ 4,394,993,582	**After**	0.24%

LGC Staff Analysis For:	**NCMCC - AFFORDABLE SENIOR HOUSING FOUNDATION, INC. ***		
Amount Not To Exceed	$ 35,000,000	**Financing Type**	Conduit Revenue Bonds
Purpose and Type	Housing		
Project Description	Location: Burlington,NC (Alamance County); Kernersville, NC (Forsyth County); Waynesville, NC (Haywood County) Licensed Beds: 290 The proceeds of the Bonds will be used to pay all or a portion of the cost for the acquisition, rehabilitation and equipping of nine senior living facilities located throughout North Carolina (ii) funding a debt service reserve fund with respect to the Bonds; (iii) financing interest on the Bonds; and (iv) paying costs associated with the issuance of the Bonds. Each of the facilities will be owned and operated by the Borrower or one or more limited liability companies the sole member of which is the Borrower.		
Statutory Reference	G.S. 131A	**Last Request to Borrow**	N/A
Debt Management	✓ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward.		
Proposed Bond Issue or Contract is Necessary or Expedient	NCMCC has previously approved the project.		
Proposed Amount is Adequate and Not Excessive	The proposed projects include a variety of routine capital expenditures, cost are defined.		
Feasibility	Projected debt service coverage of at least 1.65 times through 2029. The Unit has an estimated average of 105 days of cash on hand through 2029.		
TEFRA Hearing Date	9/15/2025		

Terms		
	Lender/Purchaser/Bank	
	Interest Rate	Interest: NTE 8.70% Estimated All-In TIC: 7.660%
	Term	30 years
	Payment	Annual
	Structure and Term	Overall level debt service
	Final Maturity	11/01/2055
Other:	* NC Medical Care Commission will issue the bonds, and loan the proceeds to [name] (Borrower). Borrower is solely responsible for repayment of the bonds, and not the NCMCC, nor the state of NC.	

LGC Staff Analysis For:	NCMCC - AFFORDABLE SENIOR HOUSING FOUNDATION, INC. *

Marketability		
	Moody's	N/A
	S&P	N/A
	Fitch	N/A

A public sale is scheduled for 10/21/25, not to conflict with other bond sales.

Financing Team			
Municipal Advisor			
Underwriter/Senior	B.C. Ziegler & Company		
Underwriter's Counsel	Butler Snow LLP		
Bond Counsel	Parker Poe Adams & Bernstein, LLP		
Lender/Purchaser/Bank			
Trustee	U.S. Bank Trust Company, N.A		
Trustee's Counsel			
Corporate Counsel	Waldrep Wall Babcock & Bailey PLLC		
Feasibility Consultant	CliftonLarsonAllen LLP		

Amount Not to Exceed: $ 35,000,000

Sources:	**Amount:**
1 Bond Par Amount	$ 33,920,000
2 Original Issue Discount	-$ 385,930
3	
4	
5	
6	
7	
8	
9	
10	
Total	$ 33,534,070

Uses:	**Amount:**
1 Titus Acquisition Cost	$ 15,000,000
2 Haywood Acquisition Cost	$ 9,950,000
3 Helping Hands Acquisition Cost	$ 2,245,000
4 Helping Hands Indemn. Hold Back	$ 50,000
5 Operating Reserve Fund	$ 1,410,000
6 Debt Service Reserve Fund	$ 2,872,100
7 Cost of Issuance	$ 1,524,973
8 Underwriter's Discount	$ 475,125
9 Additional Proceeds	$ 6,872
10	
Total	$ 33,534,070

LGC Staff Analysis For:	**NCMCC - THE CHAPEL HILL RESIDENTIAL RETIREMENT CENTER, INC. dba CAROL WOODS ***		
Amount Not To Exceed	$ 34,160,000	**Financing Type**	Conduit Revenue Bonds
Purpose and Type	Healthcare		
Project Description	Location: Chapel Hill, NC (Orange County) Licensed Beds: 315 Independent Living Units; 89 Assisted Living Units (includes 54 assisted nursing beds); 30 Skilled Nursing beds; Bond proceeds will be used to (a) finance the costs of renovating, expanding and improving Carol Woods retirement community located at 750 Weaver Dairy Road, Chapel Hill, North Carolina 27514, including, but not limited to, (i) constructing, upgrading and renovating plumbing, storm-water and sewer infrastructure improvements, (ii) renovating, expanding and modernizing the existing dining and kitchen facilities, (iii) installing new elevators for existing buildings, (iv) upgrading and renovating HVAC infrastructure, (v) upgrading and renovating outdoor landscaping, and (vi) making other routine capital improvements (collectively, the "Project"); (b) refinance certain existing indebtedness incurred to finance a portion of the costs of the Project; (c) fund a debt service reserve fund, if necessary; and (d) finance certain expenses incurred in connection with the issuance of the Bonds.		
Statutory Reference	G.S. 131A	**Last Request to Borrow**	6/2018; REV $40,000,000
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward.		
Proposed Bond Issue or Contract is Necessary or Expedient	NCMCC previously approved the project.		
Proposed Amount is Adequate and Not Excessive	Amount is adequate to refinance the 2024 bank loan and to finance the proposed Projects. The proposed projects include a variety of capital projects to renovate and update the existing infrastructure as well as certain routine capital expenditures, costs are defined.		
Feasibility	Projected debt service coverage of 3.76 times for 2025 and at least 2.63 times through 2029. The Unit has 673 days cash on hand.		
TEFRA Hearing Date	9/29/2025		

Terms	**Lender/Purchaser/Bank**	
	Interest Rate	Interest: NTE 6.25% Estimated TIC: 5.230% Estimated All-In TIC: 5.339%
	Term	30 years
	Payment	Annual
	Structure and Term	Overall level debt Service
	Final Maturity	12/01/2055
Other:	* NC Medical Care Commission will issue the bonds, and loan the proceeds to The Chapel Hill Residential Retirement Center, Inc. (Borrower). Borrower is solely responsible for repayment of the bonds, and not the NCMCC, nor the state of NC.	

LGC Staff Analysis For:	**NCMCC - THE CHAPEL HILL RESIDENTIAL RETIREMENT CENTER, INC. dba CAROL WOODS ***

Marketability		
Moody's	N/A	A public sale is scheduled for 10/16/25, not to conflict with other bond sales.
S&P	BBB+	
Fitch	N/A	

Financing Team

Municipal Advisor		Borrower's Counsel	Womble Bond Dickinson (US) LLP
Underwriter/Senior	B.C. Ziegler and Company		
Underwriter's Counsel	Robinson, Bradshaw & Hinson, P.A.		
Bond Counsel	McGuire Woods, LLP		
Lender/Purchaser/Bank			
Trustee	The Bank of New York Mellon Trust Compa		
Trustee's Counsel	Maynard Nexsen, PC		
Auditor	CliftonLarsonAllen LLP		

Amount Not to Exceed: $ 34,160,000

Sources:	**Amount:**
1 Bond Par Amount	$ 31,520,000
2 Bond Net Premium	$ 10,644
3 Equity (COI >2%)	$ 57,307
4	
5	
6	
7	
8	
9	
10	
Total	$ 31,587,951

Uses:	**Amount:**
1 2024 Taxable Loan Pay-off	$ 1,900,000
2 Capital Project Reimbursement	$ 7,500,000
3 Future Capital Projects	$ 21,500,000
4 Cost of Issuance	$ 420,000
5 Underwriter's Discount	$ 267,920
6 Additional Proceeds	$ 31
7	
8	
9	
10	
Total	$ 31,587,951

LGC Staff Analysis For:	WASHINGTON COUNTY

PAR Amount Not To Exceed	$ 3,233,187	
Financing Type	Revolving Loan	
Purpose and Type	Water/Sewer	Water
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Pea Ridge Water Transmission Main (SRP-W-0229) The proposed project consists of the planning, design and construction of approximately 37,350 LF of 12" water transmission main and a 550- gpm Booster Pump Station along Highway 32 between the Water Treatment Plant in Roper, NC, and the Pea Ridge community. In addition, installation of two short sections of 6" water distribution main are proposed to close water main loops in the Pea Ridge area: (1) 5,200 LF of 6" water main on Breezy Banks Road between NC Hwy 32 and Pea Ridge Road and (2) 9,400 LF of 6" water main on Jones White Road/ Davenport Forks Road to connect to the existing 6" main on Pea Ridge Road.	
Statutory Reference	G.S. 159G-40 AND 159-52	**Last Request to Borrow** 5/2023; IP; $20,500,000
FPICs	☐ No ☑ Yes - Not Material ☐ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	

Proposed Contract or Bond Issue is necessary or expedient.	A 2015 Hydraulic Analysis of the County's water system concluded that it is unable to consistently meet demand in the northeast while maintaining pressures that comply with NCDEQ Rules governing Public Water Supplies. The deficiency is most pronounced in Pea Ridge community located near the southern shore of the Albemarle Sound.	**Proposed Amount is Adequate and Not Excessive**	Project initially advertised for bids on April 8, 2025. Project was re-advertised and bids were opened and received April 22, 2025. The contract was awarded to the responsive, responsible bidder. Costs are known and defined.
Feasibility	The projection of net revenues prepared by the unit indicates future revenues will be adequate to cover the cost of operations and debt service.		

Tax Increase Anticipated	☐ No ☐ Yes ☑ N/A	Additional Information (as applicable): No rate increase is anticipated before the end of this project in FY2027
Rate Increase Anticipated	☑ No ☐ Yes ☐ N/A	
Public Hearing	☑ N/A OR Date	**TEFRA Hearing** ☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).	

LGC Staff Analysis For:	WASHINGTON COUNTY

Terms			Marketability	
	Lender/Purchaser/Bank	State of North Carolina		
	Interest Rate	NTE 4% (0% stated interest rate)	Moody's	N/A
	Term	20 years		
	Payment	annual principal	S&P	N/A
	Structure and Term	level principal		
	Final Maturity	NTE 12/31/2045	Fitch	N/A
Other:				

Financing Team			
Municipal Advisor			
Underwriter/Senior			
Lender/Purchaser/Bank			
Underwriter's Counsel			
Bond Counsel			
Purchaser's Counsel			
Trustee			
Trustee's Counsel			

Amount Not to Exceed: $ 3,233,187

Sources:	Amount:
1 DEQ Repayable Loan SRP-D-0229 (requested)	$ 3,233,187
2 ARPA Grant VUR-D-ARP-0104	$ 5,472,000
3 ARPA Grant Funds (requested and resolution)	$ 1,353,560
4	
Total	$ 10,058,747

Uses:	Amount:
1 Engineering Services	$ 554,000
2 Administrative, Permitting, and other fees	$ 114,664
3 Construction Contract Bid Price	$ 8,942,936
4 Contingency	$ 447,147
Total	$ 10,058,747

General Fund Debt and Debt Ratios			
Amount	$ 3,233,187	Debt Ratio: Debt Per Capita	
Bonds Authorized and Unissued		Before	
Existing Debt Excluding Enterprise Funds		After	
Estimated Census		Debt Ratio: Debt to Assessed Valuation	
Tax Rate		Before	
Assessed Valuation		After	

Unit	Miscellaneous Action Item
CHARLOTTE, CITY OF	The City of Charlotte requests approval to issue a short-term bond under general obligation bond authorizations previously approved by the Commission in October 2020 and September 2022. Under the new draw program, the City will draw funds as advances under each bond authorization in the amounts and at times as needed to pay the costs of projects being financed. Charlotte has used this type of G.O. short-term bond program previously for prior voter-approved bond authorizations. The last such program was approved by the Commission in October 2023 for $200,000,000 (Transportation and Neighborhood Improvement Projects). The current proposal is as follows: $200,000,000 G.O. Bonds for Streets and Neighborhood Improvement projects to be issued under authorizations approved by voters on November 3, 2020 and November 8, 2022. Authorized and unissued bonds are $291,339,856 for the 2018, 2020, and 2022 authorizations. The short-term bond shall bear interest at a variable rate, calculated at 79% of daily SOFR, plus 27 basis points (0.27%), with a maximum rate of 18% and a floor of 0.0% on the actual/360 day basis. Interest will be payable on the first business day of each month, beginning December 1, 2025. The initial Maturity Date of the bond is November 13, 2028, with an Extended Maturity Date of November 13, 2031. Draws shall be limited to one per 30-day period. The City may prepay this Bond, either in whole or in part, on any Business Day at a prepayment price equal to 100% of the principal amount thereof, without premium, plus the accrued interest thereon to the Prepayment Date. The City agrees to provide the LGC staff with notification of each new advance from the bond authorizations and to submit to staff written confirmation within four business days of an advance request. Financing Team Members: Bond Counsel: Parker Poe Adams & Bernstein, LLP Municipal Advisor: DEC Associates, Inc. Purchaser: PNC Bank, National Association Purchaser's Counsel: McGuireWoods LLP

Unit	Miscellaneous Action Item
GREENSBORO, CITY OF	The City of Greensboro and the Alamance Community Fire Department are requesting approval of an annexation payment according to G.S. 160A-31.1, whereby the City will make a lump sum payment of $1,156.41 for the debt related to facilities and equipment. The annexation was completed July 15, 2025.

Unit	Miscellaneous Action Item
GREENSBORO, CITY OF	The City of Greensboro and the McLeansville Fire Department are requesting approval of an annexation payment according to G.S. 160A-31.1, whereby the City will make a lump sum payment of $219.57 for the debt related to facilities and equipment. The annexation was completed August 19, 2025.

Miscellaneous Action Item

The following Unit needs approval of the loan awarded by the NC Department of Environmental Quality (DEQ).This project is necessary to determine the construction material of service lines identified as unknown within specified service areas to further comply with the inventory requirements of the Federal Lead and Copper Rule Revision and the anticipated requirements of the proposed Lead and Copper Rule Improvements.

The Unit must first inspect and inventory water lines. Loan amount is set by DEQ with 0% interest on the repayable portion of the loan. Approval is specified by G.S. 159G-40 with the following findings:

LGC Findings for DEQ Loans to Local Governments (G.S. 159-52):
(1) That the proposed loan is necessary or expedient.
(2) That the amount proposed is adequate and not excessive for the proposed purpose of the loan.
(3) That the unit's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law.
(4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive.
(5) That the interest rate for the proposed loan will be a reasonable rate.

Harnett County	Repayable Loan: $400,000	Project No. SRF-D-LSL-0088

Unit	Miscellaneous Action Item
Shelby, City of	The City of Shelby requests the Commission sell a $4,000,000 General Obligation Street and Sidewalk Improvement Bond, Series 2025 (the "Bond") by private negotiated sale to JP Morgan Chase Bank, N.A. at a fixed rate not to exceed 3.45%. The Bond will be payable in semi-annual interest payments with annual principal installments and will have a final maturity of November 1, 2040. The Commission previously approved the issuance of $10,000,000 G.O. Street and Sidewalk Improvement Bonds by the City on September 14, 2021, these bonds were approved by voters on November 2, 2021. $6,000,000 of such authorized bonds were previously issued and privately placed.. Due to a smaller size, a private sale offers a more efficient and competitive all-in cost over a publicly sold transaction at this time. The City has no publicly held debt at present, and the Bond will not be rated. Staff recommends approval. Financing Team Members: Bond Counsel: Womble Bond Dickinson (US) LLP Municipal Advisor: First Tryon Advisors, LLC Purchaser: JP Morgan Chase Bank, N.A. Purchaser's Counsel: McGuireWoods LLP FPIC: A prior period adjustment was needed for proceeds of an installment purchase contract which were not properly recorded during transition by the previous finance director. The City implemented enhanced procedures to verify trustee/escrow transactions to ensure they are properly and timely recorded. A second finding was noted for transfers from the Electric Fund to the General Fund for purposes of economic development.

Unit	Miscellaneous Non-Action Item
CHATHAM COUNTY	The County executed a current refunding of the currently callable Series 2014 and Series 2015 Bonds. The proceeds of the Series 2014 Bonds were used to (A) finance the capital costs of constructing and equipping an agricultural center and a service facility for County-owned vehicles and vehicles owned by the County School Board, (B) refinance a portion of the capital costs of (i) acquiring, constructing and equipping Virginia Cross Elementary School; (ii) acquiring, constructing and equipping a cafeteria and classroom facilities at Jordan Matthews High School; (iii) acquiring, constructing and equipping an addition to, and renovating, an existing building for the Department of Social Services; (iv) acquiring, constructing and equipping water, sewer and roadway improvements at the Central Carolina Business Campus; (v) acquiring, constructing and equipping a new high school in the northeastern part of the County; and (vi) acquiring and installing softball field lighting and/or tennis field lighting at Northwood High School, Chatham Central High School and Jordan Matthews High School, (collectively, the "2006 Pojects), and (C) refinance the capital costs of constructing and equipping Margaret B. Pollard Middle School. The Series 2015 Bonds were used to refinance the remaining portion of the 2006 Projects. The Corporation will issue its Limited Obligation Refunding Bonds, Series 2025 Bonds in an aggregate principal amount not to exceed $30,000,000. The bond sale occurred on September 25, 2025 with a par amount of $25,335,000.00 calculating to a net present value savings of $1,531,856.47 and 5.5% of refunded par.

Attachment B:

Debt Approval Requests and Related Actions:

FPIC Unit: Northampton County

REQUESTS FOR LGC APPROVAL OF DEBT BY UNITS WITH MATERIAL FINANCIAL PERFORMANCE INDICATORS OF CONCERN (FPICs)

BACKGROUND

In 2020, Commission staff introduced changes to North Carolina Administrative Code to define Financial Performance Indicators as a way of identifying financial or fiscal management concerns in units of local government subject to LGC oversight. As defined in 20 NCAC 03 .0502:

"Financial Performance Indicators" are values derived from information included in the audited financial statements that assist the Secretary in improving the comparability of reporting a unit's financial condition and financial performance. These criteria include adequacy of a government unit's fund balance; liquidity or the ability to meet short-term obligations; solvency or the ability to meet long-term obligations; debt service coverage; leverage; and such other indicators of financial condition and financial performance as the Secretary may establish.

"Financial Performance Indicators of Concern" are Financial Performance Indicators with values which may indicate inadequate financial conditions or fiscal management concerns within the government unit.

Further, 20 NCAC 03 .0508 requires that if Financial Performance Indicators of Concern are identified, the unit's governing body must develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters" signed by a majority of the members of the governing body and submitted to the Secretary within 60 days of the presentation of the audit. The response must provide a plan to address each Financial Performance Indicator of Concern.

LGC CONSIDERATION

LGC staff provides enhanced reviews of FPIC responses submitted by units requesting LGC approval of debt. Units with FPICs that staff deems "**material**" are presented to the LGC as a group separate from other approval requests so that any concerns of staff may be presented and any questions of LGC members may be addressed prior to members' consideration and vote. In addition, representatives of units with material FPICs that are requesting approval of debt are requested to be available at the meeting their application is being considered to answer questions of LGC members.

FINANCIAL PERFORMANCE INDICATORS

Information on Financial Performance Indicators, references to applicable statutes and administrative code, guidance for units required to submit FPIC responses, and other related resources are available on the Department of State Treasurer's website.

Financial Performance Indicator	Description	Threshold
General Fund Indicators		
Fund Balance Available as a Percentage of Expenditures	Fund balance available for appropriation is an important reserve for local governments to provide cash flow during periods of declining revenues and to be used for emergencies and unforeseen expenditures.	See below

Municipalities

General Fund Expenditures below:	Median FBA as % of Expenditures without Powell Bill	Minimum Thresholds FBA as % of Expenditures	# of Months FBA using Annualized Expenditures
$100,000	260%	100%	12.00
$100,000 to $999,999	132%	71%	8.52
$1,000,000 to $9,999,999	63%	34%	4.08
Above $10,000,000	46%	25%	3.00

Counties

General Fund Expenditures below:	Median FBA as % of Expenditures without Powell Bill	Minimum Thresholds FBA as % of Expenditures	# of Months FBA using Annualized Expenditures
Below $100,000,000	39%	20%	2.40
$100,000,000 and above	32%	16%	1.92

Financial Performance Indicator	Description	Threshold
Appropriated fund balance in the General Fund	If the General Fund has more expenditures than revenues because of operational issues and fund balance was appropriated to cover the loss, the continuation of this practice could result in deterioration of a unit's fund balance available.	Positive change in fund balance
General Fund total fund balance	A deficit means that the unit's revenues and other receipts are inadequate to support its operations.	Positive fund balance

Water / Sewer Fund Indicators		
Quick Ratio	The “quick ratio” is calculated as current assets divided by current liabilities and provides a measure of financial liquidity in the water / sewer fund. A quick ratio of less than 1 indicates that current liabilities are greater than unrestricted cash and investments plus accounts receivable. A quick ratio of less than 1 could indicate that the fund may have difficulty meeting expenses. If this pattern continues, the fund may not be financially sustainable.	Equal or greater than 1
Operating Net Income (loss) excluding depreciation, including debt service principal and interest	A negative amount indicates that rates are not covering operating expenses and debt service payments.	Greater than zero
Unrestricted cash to total expenses ratio	This indicator calculates how many months of expenses (including debt principal and interest but not depreciation) a unit can cover based on the amount of unrestricted cash at year-end. The typical billing cycle is one month (8.33% of a year); unrestricted cash equaling two months of expenses (16.66%) typically provides sufficient cash to handle unusual monthly expenses. The 16% threshold would be the minimum necessary to keep the fund from experiencing cash flow issues.	Greater than 16%
Transfers-in for the support of operations	The rate structure of the Water / Sewer Fund should support the operating expenses of the fund without operating subsidies or transfers from other funds.	Transfers-in less than 3%
Capital assets condition ratio	The capital assets condition ratio formula calculates the remaining useful life; a value less than 0.50 may signal the need to replace the assets in the near future.	Remaining useful life of assets greater than or equal to 0.50
Other Performance Indicators		
Date audit report was submitted to the LGC	As stewards of the public’s resources, the governing body is responsible for ensuring that the audited financial statements are available to the public in a timely manner.	January 1 for units with June 30 fiscal year ends
Amount of budgeted ad valorem tax (including motor vehicles) uncollected	Uncollected ad valorem taxes totaling more than 3% of the budgeted amount could be an indicator of negative economic events, inaccurate budgeting, and/or issues with the collection process.	Less than 3% of budgeted ad valorem taxes

Expected result of property value in next revaluation	A decrease in property value could result in lost tax revenue.	Any estimated decrease
Budget violations at the adopted ordinance level	Expenditures that exceed the legal budget ordinance may indicate that the unit's purchase order system, contract approval process and/or payment process is not in compliance with North Carolina General Statute 159.	No over-expenditures
Material weaknesses, significant deficiencies, statutory violations, and/or items identified to be addressed in the FPIC response	20 NCAC 03 .0508 requires that a response is required from the unit addressing each significant deficiency, material weakness and other audit finding presented to the governing body as well as a plan to address each Financial Performance Indicator of Concern.	No material weaknesses, significant deficiencies, statutory violations, or other items requiring a response
A finance officer or interim finance officer was appointed for the entire fiscal year	G.S. 159-24 requires that each local government and public authority shall, at all times, have a finance officer.	Yes
The finance officer or interim finance officer was bonded in an amount required by statute	G.S. 159-29 requires that a finance officer give a true accounting and faithful performance bond in an amount not less than the greater of (1) $50,000 or (2) an amount equal to 10% of the unit's annually budgeted funds, up to $1,000,000.	Yes
The unit had late debt service payments and/or did not comply with bond covenants	Debt issued by a unit has established payment schedules and varying covenants or restrictions; failure to make timely payments or to comply with bond covenants could have negative financial implications or be an indicator of financial or internal control issues.	No
Any other issues that affect the fiscal health or internal controls of the unit that were communicated to the unit during the audit presentation	There may be issues that did not require disclosure in the notes on the face of the financial statements, or internal control issues that did not rise to the level of significant deficiencies or material weaknesses but that the auditor presented to the governing board. These issues should be explained by the governing body in their FPIC response.	No other issues

LGC Staff Analysis For:	NORTHAMPTON COUNTY

PAR Amount Not To Exceed	$ 6,418,000	
Financing Type	USDA Revenue Bonds-Interim Financing	
Purpose and Type	Water/Sewer	
Purpose and Type		
Purpose and Type		
Purpose and Type		
Purpose and Type		
Project Description	Phase VI Water System Improvements This project includes certain improvements to the County's water system including the extension of transmission mains in the northeastern corner of Northampton County. These improvements include the installation of 141,270 LF of 6" and 11,500 LF of 8" diameter water mains in the vicinity of Severn, Pendleton, Lake Gaston, Pleasant Hill, and Conway areas.	
Statutory Reference	G.S. 159 Article 5	**Last Request to Borrow** 10/2024; Rev Loan; $150,000
FPICs	☐ No ☐ Yes - Not Material ☑ Yes – See Attachment ☐ N/A	
UAL Contract	☐ Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)	
Debt Management	☑ Good – no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward	
Proposed Contract or Bond Issue is necessary or expedient.	Northampton County is proposing transmission line improvements to improve water transmission capability to areas in the northeastern corner of the County providing northeast Northampton County with an acceptable water supply and system pressures.	**Proposed Amount is Adequate and Not Excessive** An initial bid opening was held where an insufficient number of submittals were received to open bids per North Carolina G.S. 143-132. The project was re-bid May 21, 2025. One (1) bid was received. The contract was awarded to the lowest, responsive, responsible bidder.
Feasibility	The County has provided projections for the period 2025-2031. Current projections demonstrate all-in debt service coverages of 2.87X in FY2025 and of at least 1.14X through FY2031.	
Tax Increase Anticipated	☐ No ☐ Yes ☑ N/A	Additional Information (as applicable): Feasibility assumes no increase in water and sewer rates through FY2031.
Rate Increase Anticipated	☑ No ☐ Yes ☐ N/A	
Public Hearing	☑ N/A OR Date	**TEFRA Hearing** ☑ N/A OR Date
Interest Rate Assumptions (*GO Bonds Only*)	☐ The assumptions used by the finance officer in preparing the statement of estimated interest are reasonable (applicable only to General Obligation bonds pursuant to modifications to G.S. 159-52(b) (SL 2022-53)).	

LGC Staff Analysis For:	NORTHAMPTON COUNTY

Terms			Marketability	Short term direct bank loan through an RFP process
	Lender/Purchaser/Bank	United Community Bank		
	Interest Rate	4.07%		
	Term	17 months	**Moody's**	N/A
	Payment	Interest payments each 3/1 and 9/1	**S&P**	N/A
	Structure and Term	principal due on the Maturity Date		
	Final Maturity	March 1, 2027	**Fitch**	N/A
Other:	Prepayable at any time without penalty. The USDA takeout loan is scheduled for repayment over a 40 year period, with the principal and interest payments payable annually on June 1 following the date of delivery.			

Financing Team			
Municipal Advisor	Davenport & Company LLC		
Underwriter/Senior			
Lender/Purchaser/Bank			
Underwriter's Counsel			
Bond Counsel	Parker Poe Adams & Bernstein, LLP		
Purchaser's Counsel			
Trustee			
Trustee's Counsel			

Amount Not to Exceed: $ 6,418,000

Sources:	Amount:
1 Rev BAN	$ 6,418,000
2 County Cash	$ 511,000
3	
4	
Total	$ 6,929,000
Uses:	**Amount:**
1 Construction Contract	$ 5,669,898
2 Engineering Cost	$ 585,000
3 Land, Legal Fees, Capitalized Interest	$ 394,962
4 Contingency	$ 279,140
Total	$ 6,929,000

General Fund Debt and Debt Ratios			
Amount	$ 6,418,000	**Debt Ratio: Debt Per Capita**	
Bonds Authorized and Unissued		**Before**	
Existing Debt Excluding Enterprise Funds		**After**	
Estimated Census		**Debt Ratio: Debt to Assessed Valuation**	
Tax Rate		**Before**	
Assessed Valuation		**After**	

Northampton County: Financial Performance Indicators of Concern (FPIC)

Indicator	Explanation of Indicator	Threshold	Unit Data
Budgeted ad valorem tax for the General Fund.	Ad valorem tax collected divided by ad valorem tax budgeted.	Less than 3% uncollected.	3.99% uncollected.
LGC Summary: Management will work to train finance staff and improve budgeting and accounting process for ad valorem taxes.			
Compliance with the adopted budget ordinance.	Financial statements disclosed budget violations at the adopted ordinance level.	No budget violations reported.	Budget violations noted.
LGC Summary: Budgets for projects and for transfers will be properly adopted and recorded and appropriate budget amendments adopted as required.			
Material weaknesses identified.	Certain internal controls designed to prevent significant financial statement irregularities and improve operation efficiency are ineffective.	None reported.	Material weaknesses reported concerning: • Reconciliation and adjusting of records.
LGC Summary: The County plans on hiring a budget manager to assist with monthly balance sheet reconciliations. Additionally, department heads have been trained on the process to review their monthly financial reports.			
Finance officer fidelity bond.	Fidelity bond not less than the greater of $50,000 or 10% of the unit's annually budgeted funds, up to $1,000,000.	Fidelity bond in compliance with G.S. 159-29.	Non-compliance with G.S. 159-29.
LGC Summary: The finance officer’s bond has been adjusted to meet the requirements of G.S. 159-29.			

LGC staff reviewed the response of the County and found it to be acceptable.

Northampton County Finance Department

March 17, 2025

Secretary
Local Government Commission
3200 Atlantic Avenue
Raleigh, NC 27604
Courier #56-20-45

RE: Response to Financial Performance Indicators of Concern (FPICs) for Northampton County, North Carolina.

Dear Secretary,

This letter is in reference to the Financial Performance Indicators of Concern (FPICs) as addressed during the presentation of Northampton County's audit at the regularly scheduled Board of County Commissioners meeting on January 22, 2025. Please see the findings and responses below from the previous Finance Director, Kenyia Walker:

Reconciliation of Records and Reporting
Finding: 2024-001

Name of Contact: Kenyia Walker, Finance Officer, Jaheim Williams, Payroll, and Melundy Vandiford, Assistant Account Specialist, Bank Reconciliation

Corrective Action: During the last year the county has completed 3 years audits to bring us up to date, at 12/31/2024. This will allow the Finance Officer to focus on ensuring monthly reconciliations are kept up to date. The county plans on hiring a budget manager to assist with monthly balance sheet reconciliations and department heads have been trained to review their monthly financial reports.

Proposed Completion Date: Immediately

Budget Violation
Finding: 2024-002

Name of Contact: Kenyia Walker, Finance Officer Julian Phillips, County Manager

Corrective Action: County Management will ensure for all future projects there is an approved resolution, capital project ordinance or it is included in the annual budget ordinance prior to funds being expended.

Proposed Completion Date: Immediately

Budget Violation
Finding: 2024-003

Name of Contact: Kenyia Walker, Finance Officer

Corrective Action: The Finance Officer will ensure the projects are properly adopted and recorded via approved budget amendments for revenue and expenditures.

Proposed Completion Date: Immediately

Deficit Fund Balance
Finding: 2024-004

Name of Contact: Kenyia Walker, Finance Officer

Corrective Action: The Finance Department implemented and mandated a monthly budget reconciliation process with all department heads in the county. The Account Specialist will provide a budget report to department heads by the 9th of each month, and they are required to work with the Finance Department to clear up any deficit balances. The Finance Officer is responsible for monitoring the monthly budget line clean up and ensuring that no deficit balances exist monthly and at year end.

Proposed Completion Date: Immediately

Fidelity Bond Violation
Finding: 2024-005

Name of Contact: Kenyia Walker, Finance Officer

Corrective Action: Effective June 5, 2023, the Finance Officer's bonds were adjusted to the one million dollars requirement. The Finance Officer will review the general statue pronouncements in addition to School of Government and LGC blogs to ensure implementation of any new requirements.

Proposed Completion Date: Immediately
Insufficiently Budgeted Transfers
Finding: 2024-006

Name of Contact: Kenyia Walker, Finance Officer

Corrective Action: The Finance Officer will routinely monitor transfers and ensure budget amendments are requested and approved by county commissioners for closed funds.

Proposed Completion Date: Immediately

Grant Funds Management
Finding: 2024-007

Name of Contact: Kenyia Walker, Finance Officer

Corrective Action: Although the funds were accrued to the general fund the appropriate funds have been set up and the entry will be made to reclassify to the appropriate funds.

Proposed Completion Date: Immediately

Sub Recipient Monitoring
Finding: 2024-012

Name of Contact: Kenyia Walker, Finance Officer

Corrective Action: The Finance Officer will sign all documents to show review and approval of the project funds and disbursements.

Proposed Completion Date: Immediately

Additionally, the budgeted ad valorem tax (including motor vehicles) for the general fund had more than 3% uncollected for the fiscal year audited. Decreases are shown by a negative percentage. Management will work to budget tax collections closer to the collection percentage in future years.

During the past several years, Northampton County has experienced turnover in the finance department, specifically with the Finance Director. The County has experienced difficulty in hiring a qualified individual with the appropriate experience. The finance department staff have not been adequately trained and are not appropriately qualified in their duties in the finance office. The current Finance Director will oversee training of staff in the finance department and county wide in keying revenue, bank reconciliations, accounts payable, and balancing of balance sheet accounts. Finance office staff will also be cross trained, and the finance director's role will have adequate succession planning for future turnover and the future success of the finance department.

Sincerely,

Leslie H. Edwards

Leslie H. Edwards
Finance Director

Signature: ______________________________
Mr. Julian Phillips, County Manager

Signature: William Ed Martin

Mr. William Ed Martin, Chairman

Signature:

Dr. Kelvin M. Edwards, Vice-Chairman

Signature:

Ms. Melvetta Broadnax Taylor, Commissioner

Signature: Keith H. Edwards

Mr. Keith Edwards, Commissioner

Signature:

Dr. Keedra Whitaker, Commissioner

Attachment C:

SEI Evaluations

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

OFFICE OF THE STATE TREASURER

Local Government Commission

October 7, 2025 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 issued by the State Ethics Commission. This is being provided for Commission 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 updated evaluations to inform and remind them of the identified actual or potential conflicts of interest.

The SEI Evaluation for the following is being provided for review:

- Tracey Johnson
- Scott Hughes

3200 Atlantic Avenue • Raleigh, North Carolina 27604
Courier #56-20-45
Telephone: (919) 814-3800 • Fax: (919) 855-5805
www.NCTreasurer.gov

STATE ETHICS COMMISSION

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

Via Email

September 2, 2025

The Honorable Joshua H. Stein
Governor of North Carolina
20301 Mail Service Center
Raleigh, North Carolina 27699-0301

Re: Evaluation of Statement of Economic Interest Filed by Commissioner Tracey A. Johnson Prospective Appointee to the Local Government Commission

Dear Governor Stein:

Our office has received **Commissioner Tracey A. Johnson's** 2025 Statement of Economic Interest as a prospective 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 but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

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

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

Commissioner Johnson would fill the role of a current or former County Commissioner on the commission. She is a County Commissioner for Washington County. Therefore, Commissioner Johnson has the potential for a conflict of interest and should exercise appropriate caution in the performance of her public duties should issues involving Washington County come before the Commission for official action.

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

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

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

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

Sincerely,

Jane Steffens, SEI Unit
State Ethics Commission

cc: Commissioner Tracey A. Johnson
Attachment: Ethics Education Guide

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

Via Email

September 8, 2025

The Honorable Joshua H. Stein
Governor of North Carolina
20301 Mail Service Center
Raleigh, North Carolina 27699-0301

Re: Evaluation of Statement of Economic Interest Filed by Mr. Joseph Scott Hughes Prospective Appointee to the Local Government Commission

Dear Governor Stein:

Our office has received **Mr. Joseph Scott Hughes'** 2025 Statement of Economic Interest as a prospective 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 of a conflict of interest.

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

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

Mr. Hughes would fill the role of a public member on the commission.

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,

Jane Steffens, SEI Unit
State Ethics Commission

cc: Joseph Scott Hughes
Attachment: Ethics Education Guide

Attachment D:
Resolutions of Appreciation

RESOLUTION

WHEREAS, John D. Burns served as a member of the Local Government Commission from November 2021 until June 2025; and

WHEREAS, Mr. Burns was dedicated to furthering the work of the Commission in overseeing debt issuance and ensuring financial oversight of over 1,100 units of local government; and

WHEREAS, Mr. Burns made invaluable contributions to the work of the Commission through his service; and

WHEREAS, Mr. Burns rendered outstanding leadership in preserving and promoting the work of the Commission consistent with its obligations in statute; and

WHEREAS, the Local Government Commission is composed of distinguished citizens serving as Commission Members.

NOW, THEREFORE, BE IT RESOLVED BY THE LOCAL GOVERNMENT COMMISSION THAT:

Section 1. The Commission Members hereby express their deep appreciation and gratitude to **Mr. John D. Burns** for his leadership and public service on the Local Government Commission.

Section 2. The Chairman and Secretary of the Commission are hereby directed to prepare and deliver a signed copy of this Resolution to **Mr. Burns**.

Section 3. This Resolution shall be acknowledged within the minutes of the Commission's meeting held on October 7, 2025, in Raleigh, North Carolina.

WITNESS my hand this 7th day of October, 2025.

____

Denise Canada, Secretary
North Carolina Local Government Commission

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

DENISE CANADA
DIVISION DIRECTOR

RESOLUTION

WHEREAS, Paul G. Butler, Jr. served as a member of the Local Government Commission from September 2021 until June 2025; and

WHEREAS, Mr. Butler was dedicated to furthering the work of the Commission in overseeing debt issuance and ensuring financial oversight of over 1,100 units of local government; and

WHEREAS, Mr. Butler made invaluable contributions to the work of the Commission through his service; and

WHEREAS, Mr. Butler rendered outstanding leadership in preserving and promoting the work of the Commission consistent with its obligations in statute; and

WHEREAS, the Local Government Commission is composed of distinguished citizens serving as Commission Members.

NOW, THEREFORE, BE IT RESOLVED BY THE LOCAL GOVERNMENT COMMISSION THAT:

Section 1. The Commission Members hereby express their deep appreciation and gratitude to **Mr. Paul G. Butler, Jr.** for his leadership and public service on the Local Government Commission.

Section 2. The Chairman and Secretary of the Commission are hereby directed to prepare and deliver a signed copy of this Resolution to **Mr. Butler**.

Section 3. This Resolution shall be acknowledged within the minutes of the Commission's meeting held on October 7, 2025, in Raleigh, North Carolina.

WITNESS my hand this 7th day of October, 2025.

____

Denise Canada, Secretary
North Carolina Local Government Commission

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

DENISE CANADA
DIVISION DIRECTOR

RESOLUTION

WHEREAS, Vida C. Harvey served as a member of the Local Government Commission from November 2021 until June 2025; and

WHEREAS, Ms. Harvey was dedicated to furthering the work of the Commission in overseeing debt issuance and ensuring financial oversight of over 1,100 units of local government; and

WHEREAS, Ms. Harvey made invaluable contributions to the work of the Commission through her service; and

WHEREAS, Ms. Harvey rendered outstanding leadership in preserving and promoting the work of the Commission consistent with its obligations in statute; and

WHEREAS, the Local Government Commission is composed of distinguished citizens serving as Commission Members.

NOW, THEREFORE, BE IT RESOLVED BY THE LOCAL GOVERNMENT COMMISSION THAT:

Section 1. The Commission Members hereby express their deep appreciation and gratitude to **Ms. Vida C. Harvey** for her leadership and public service on the Local Government Commission.

Section 2. The Chairman and Secretary of the Commission are hereby directed to prepare and deliver a signed copy of this Resolution to **Ms. Harvey**.

Section 3. This Resolution shall be acknowledged within the minutes of the Commission's meeting held on October 7, 2025, in Raleigh, North Carolina.

WITNESS my hand this 7th day of October, 2025.

____

Denise Canada, Secretary
North Carolina Local Government Commission

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

RESOLUTION

WHEREAS, Michael D. Philbeck served as a member of the Local Government Commission from July 2013 until June 2025; and

WHEREAS, Mr. Philbeck was dedicated to furthering the work of the Commission in overseeing debt issuance and ensuring financial oversight of over 1,100 units of local government; and

WHEREAS, Mr. Philbeck made invaluable contributions to the work of the Commission through his service; and

WHEREAS, Mr. Philbeck rendered outstanding leadership in preserving and promoting the work of the Commission consistent with its obligations in statute; and

WHEREAS, the Local Government Commission is composed of distinguished citizens serving as Commission Members.

NOW, THEREFORE, BE IT RESOLVED BY THE LOCAL GOVERNMENT COMMISSION THAT:

Section 1. The Commission Members hereby express their deep appreciation and gratitude to **Mr. Michael D. Philbeck** for his leadership and public service on the Local Government Commission.

Section 2. The Chairman and Secretary of the Commission are hereby directed to prepare and deliver a signed copy of this Resolution to **Mr. Philbeck**.

Section 3. This Resolution shall be acknowledged within the minutes of the Commission's meeting held on October 7, 2025, in Raleigh, North Carolina.

WITNESS my hand this 7th day of October, 2025.

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Denise Canada, Secretary
North Carolina Local Government Commission