

LOCAL GOVERNMENT COMMISSION  
FEBRUARY 4, 2020

1. PLEDGE OF ALLEGIANCE

2. TOAST TO THE FLAG

3. CONFLICT OF INTEREST STATEMENT

4. MINUTES FOR APPROVAL

January 7, 2020 and January 23, 2020

<b>(FINAL)</b>
<b>RELATED INFORMATION</b>
Approximate Per Capita Debt 01/31/20
State:     \$   574
Federal:   \$ 70,487

<u>Unit</u>	<u>Type</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>	<u>Page Number</u>	<u>Last request to Borrow</u>	<u>Voted/ Non-Voted</u>
Update on Town of Eureka	Update						
Update on Cliffside Sanitary District	Update						
Cliffside Sanitary District Budget	Action Item	Final Budget for the Fiscal Year Ending 6-30-2020			2		
Burnsville, Town of	Financing Agreement	Fire Station	\$ 1,604,000	Unit Letter	3	FA 9-2005 720K	
Cabarrus, County of	Financing Agreement (LOBs)	Courthouse, Schools, Bldg.	\$ 130,000,000	Unit Letter	4	FA 7-2018 652.7K	
Hillsborough, Town of	Revenue	Combined Utility Systems	\$ 3,300,000	Unit Letter	5	FA 4-2018 \$2.7M	
Indian Beach, Town of	Financing Agreement	Police Building	\$ 250,000	Unit Letter	5	GO 6-2001 \$3.7M	
Williamston, Town of	Financing Agreement	Police Department	\$ 2,308,944	Unit Letter	6	FA 10-2016 \$600K	
Williamston, Town of	Financing Agreement	Fire Department	\$ 2,042,595	Unit Letter	6	FA 10-2016 ^00K	
Clay, County of	Financing Agreement	Recreation	\$ 2,605,298		7	FA 5-2019 \$3.4M	
Hertford County	Financing Agreement	School	\$ 5,000,000		7	FA 5-2016 \$2.85M	
Knightdale, Town of	Financing Agreement	Recreation	\$ 2,000,000		8	FA 1-2019 \$2.3M	
Lexington, City of (defer to March 3, 2020 Meeting)	Financing Agreement	Economic Development	\$ 2,571,905		8	FA 10-2018 \$1.14M	
Onslow, County of	Financing Agreement (LOBs)	Schools	\$ 31,000,000		9	FA 10-20189 \$36.5M	
Wentworth, Town of	Financing Agreement	Park	\$ 427,000		9	FA 8-2014 615K	
Charlotte, City of	General Obligation	Refunding	\$ 130,000,000		10	RB 8-2019 \$75M	Non-voted
Forsyth County	General Obligation	Refunding	\$ 78,000,000		11	FA 10-2019 \$70M	Non-voted
Huntersville, Town	General Obligation	Refunding	\$ 5,100,000		12	GO 9-10-2019 - G O Extension	
Oxford, City of	Revolving Loan	Water	\$ 1,855,562		13	RB 10-2019 \$5M	
Thomasville, City of	Revolving Loan	Water	\$ 1,006,649		13	FA 2019 \$29.9M	
Asheville, City of	Miscellaneous - Action	Refunding - BAN takeout	\$ 23,000,000		14	RB 10--2018 \$40M	
Cornelius, Town of	Miscellaneous - Action	3-year extension of Authorization	\$ 4,000,000		14	FA 6-2019 \$657K	
Fletcher, Town of	Miscellaneous - Action	Change of Bank	NA		14	FA 10-2019 \$1.8M	
Gastonia, City of	Miscellaneous - Action	Annexation	\$ 513		14	RL 12-2015 \$30.0M	
Hendersonville, City of	Miscellaneous - Action	Loan amount increase	2,650,010		14	RB 12-2019 \$13M	
Rockingham, City of	Miscellaneous - Action	Modification - Extension of term	\$ 7,751,000		15	FA 10-2018 \$7.75M	
Discussion of Late Audits	Informational Item						

Cliffside Sanitary District  
Annual Budget Detail  
For the Fiscal Year Ending June 30, 2020

CLIFFSIDE SANITARY DISTRICT  
ANNUAL BUDGET ORDINANCE  
FOR THE FISCAL YEAR ENDING JUNE 30, 2020

District revenues:	\$	122,400
Operations charges	\$	6,000
Current Year Property Taxes	\$	5,800
County contribution	\$	73,000
Loan proceeds DEQ	\$	<u>207,200</u>
District Appropriations:		
Administrative fee - Broad River	\$	750
Monthly operations fee, current fiscal year	\$	75,000
Monthly operations fee, unpaid from prior year	\$	33,200
Testing Fees	\$	6,400
Plant maintenance and repairs	\$	21,000
Capital Costs	\$	40,000
Utilities	\$	27,000
Permits	\$	2,667
Other operating costs	\$	1,183
	\$	<u>207,200</u>

**BE IT ORDAINED** by the North Carolina Local Government Commission acting in place of the Board of Commissioners of the Cliffside Sanitary District, North Carolina pursuant to General Statute 159-181(c):

**Section 1:** The following amounts are hereby appropriated in the District's operating fund for the operation of the District and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020 in accordance with the chart of accounts heretofore established for this District:

**ESTIMATED REVENUES**

Operations charges	\$ 122,400
Current Year Property taxes	6,000
County contribution	5,800
Loan proceeds DEQ	<u>73,000</u>

**TOTAL ESTIMATED REVENUES** \$207,200

**Section 2:** It is estimated that the following revenues will be available in the Operating Fund of the District:

**APPROPRIATIONS**

Operations and Repairs	\$ <u>207,200</u>
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**TOTAL APPROPRIATIONS** \$207,200

**Section 3:** The Secretary of the Local Government Commission and the Finance Officer are hereby authorized to (a) take any actions and to (b) execute and deliver any contract, agreement, and any other document on behalf of the Local Government Commission that may be necessary, appropriate or desirable for the purpose of collecting District receipts and expending appropriations from all funds.

**Section 4:** Copies of this Budget Ordinance shall be furnished to the Secretary of the Local Government Commission and to the Finance Officer to be kept on file by them for their direction in the disbursement of funds.

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>TOWN OF BURNSVILLE</b> \$1,604,000 Fire Department G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the construction of a new Fire Station for the Town.  <u>Expected Sources and Uses of Funds:</u> <u>Sources:</u> Bank Loan: \$ 1,604,000.00 Fund Balance: \$ 300,000.00 Cash: \$ 94,411.00 Total Sources: \$ <u>1,998,411.00</u>  <u>Uses:</u> Construction Cost: \$ 1,998,411.00 Total Uses: \$ <u>1,998,411.00</u>	Necessary and expedient to effectively provide emergency response services for the community. The existing facility is simply worn out, in poor condition as well as doesn't meet the needs of the department.	Bids in hand.	The Town received a unit letter due to the budgetary report for the Water and Sewer Fund showing expenditures that exceeded the amount authorized by the budget. This over- expenditure is an indication that the pre-audit process required by G.S. 159-28 is not functioning properly. It was determined that the schedule in the report was incorrect. The auditor is reissuing the corrected report with no budget overage reflected. This fiscal staff also conducted a unit visit on 1/23/2020.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: United Community Bank Approval Rate: 3.27% Term: 15 years Market Rate: 2.90% Payment: Monthly S&P: NA Moody's: NA	Installment purchase contract is more timely than issue of G.O. Bonds

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Municipal Building	5,500	\$ 2,042,595	9/5/2019	\$ -	\$330,883,868	2,764,577	\$0.79	0.84%	1.45%	\$ 503	\$ 874	Martin Co.	\$ 312



UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>TOWN OF HILLSBOROUGH</b> Combined Utility Systems Revenue Bond, Series 2020 G.S. 159; Article 5 Amount not to exceed: \$3,300,000	Project: Raising the elevation of the Carr Store and Mill Creek roads to remove them from the new floodplain of the West Fork of Eno Reservoir. The reservoir was enlarged by raising the existing pool level 10 feet requiring dam improvements, improvements to adjacent roads and clearing/preparation of the reservoir rim and embankments between the existing and the higher new pool levels.  <u>Expected Sources and Uses of Funds:</u> Sources: Revenue Bond at par: \$ 3,271,000 Total Sources \$ 3,271,000  Uses: Project Costs \$ 3,151,000 Issuance Costs \$ 120,000 Total Uses \$ 3,271,000	Necessary and expedient to complete the Town's goal of creating an adequate independent source of water.	Bids are in hand. All material permitting is complete and in hand.	The Town received a unit letter due to late submission of its audited financial statements to the Fiscal Management section of the State and Local Government Finance Division for the third consecutive year. The Town responded by stating that its auditor, Dixon Hughes Goodman LLP, had staffing issues for 2017, 2018 and 2019 and that prevented timely submission of the audited statements. The Town also stated that it plans on issuing a request for proposals for audit services in February 2020 and that the proposal and related contract will clearly define the Town's expectation regarding audit deadlines. The response was considered satisfactory.	Feasibility study by the City's feasibility consultants, Willdan Financial Services, performed at the beginning of Phase 1 of this project, and including provisions for issuance to the Phase 2 bond, for the period fiscal years 2019-2023 demonstrates coverage by Income Available for Debt Service as defined and required in the covenants of the Master Trust Agreement of at least 1.44X on total system debt and at least 6.00X on Parity Bonds only thru 2023. Actual coverages since that study have exceeded these projections. Water and Sewer rates are projected to increase at 5% per year through 2022 with no increases thereafter. The average monthly residential bill for usage of 5,000 gallons in 2020 is: Water: \$46.30	Term: Not to exceed 25 years. Interest Rate: Fixed Structure: The debt has been structured to overlay/combine with another related borrowing pertaining to the reservoir that, conceptually, are part of, and required for, this reservoir project. When the two amortizations are combined, the total debt service schedule will approximate effective interest amortization resulting in level payments across the term of the combined loans. Principal paid annually and interest will be paid semiannually.  APPROVALS Final maturity: Not beyond 2030 Interest Rate not to exceed: 1.98% Amount not to exceed: \$3,300,000  FINANCING TEAM Bond Counsel: Sanford Holshouser LLP Lender: Truist Bank Trustee/Registrar: U.S. Bank, National Association Bank Counsel: Pope Flynn, LLC Financial Advisor: Davenport & Company LLC	
<b>TOWN OF INDIAN BEACH</b> \$250,000 Police Building G.S. 160A-20 Installment Purchase Contract Private Placement	This project involves the re-modeling of the Town's Police Station.	Necessary and expedient due to inadequate storage for evidence and equipment.	Project is complete and exact cost are known.	The Town received a unit letter due to concerns regarding the Town's financial position. The letter addressed concerns with the decline in the Town's cash and investments, and fund balance of the General Fund and overexpenditures of the budget. The Town's response was considered to be satisfactory. The fiscal staff visited the Town on 1/28/2020.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: First Bank Approval Rate: 4.36% Term: 15 year taxable Market Rate: 3.50% Payment: Annually S&P: N/A Moody's: N/A  Installment purchase contract is more timely than issue of G.O. Bonds	

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita			
								Before	After	Before	After		
Municipal Building	127	\$ 250,000	7/10/2019	\$ -	\$415,026,338	443,194	\$0.255	0.11%	0.17%	\$ 3,490	\$ 5,458	Carteret Co.	\$ 472

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>TOWN OF WILLIAMSTON</b> \$2,042,595 Fire Department G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of renovations and additions to the current fire station. The interim financing will be taken out permanently with a USDA loan.  Expected Sources and Uses of Funds: <u>Sources:</u> Bank Loan: \$ 2,042,595 Cash: \$ 72,957 Total Sources: \$ 2,115,552  <u>Uses:</u> Construction Cost: \$ 1,704,569 Engineer/Arch Fees: \$ 74,000 FF&E: \$ 336,983 Total Issues: \$ 2,115,552	Necessary and expedient because the current space is not adequately sized for the current standards for population and use within the fire district.	Bids in hand.	This Town received a unit letter due to the budgetary report for the General Fund showing debt service expenditures that exceeded the amount authorized by the budget. This is an indication that the G.S. 159-28 is not functioning properly. The Town provided a response and it was satisfactory to the fiscal staff.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: BB&T Approval Rate: 2.17% Term: 3 Years Market Rate: 1.75% Payment: Annually S&P: N/A Moody's: N/A	Installment purchase contract is more timely than issue of G.O. Bonds

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Municipal Building	5,500	\$ 2,042,595	9/5/2019	\$ -	\$330,883,868	3,030,926	\$0.79	0.92%	1.53%	\$ 551	\$ 922
								Martin County			
											\$ 312

<b>TOWN OF WILLIAMSTON</b> \$2,308,944 Police Department G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the construction of a new police station. The interim financing will be taken out permanently with a USDA loan.  Expected Sources and Uses of Funds: <u>Sources:</u> Bank Loan: \$ 2,308,944 Cash: \$ 626,999 Total Sources: \$ 2,935,943  <u>Uses:</u> Construction Cost: \$ 2,055,550 Engineer/Arch Fees: \$ 122,200 Land and Rt-of way: \$ 212,026 FF&E: \$ 546,167 Total Issues: \$ 2,935,943	Necessary and expedient because the Police Department has outgrown the current facility and the new location will provide for the needs of the department for many years into the future.	Bids in hand.	This Town received a unit letter due to the budgetary report for the General Fund showing debt service expenditures that exceeded the amount authorized by the budget. This is an indication that the G.S. 159-28 is not functioning properly. The Town provided a response and it was satisfactory to the fiscal staff.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: BB&T Approval Rate: 2.17% Term: 3 Years Market Rate: 1.75% Payment: Annually S&P: N/A Moody's: N/A	Installment purchase contract is more timely than issue of G.O. Bonds
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Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Municipal Building	5,500	\$ 2,308,944	9/5/2019	\$ -	\$330,883,868	3,030,926	\$0.79	0.92%	1.61%	\$ 551	\$ 971
								Martin County			
											\$ 312

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>CLAY COUNTY</b> \$2,605,298 Park G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the construction of a New Sports Complex for Clay County Schools.  <u>Expected Sources and Uses of Funds:</u> <u>Sources:</u> Bank Loan: \$ 2,605,298 Cash: \$ 180,800 Total Sources: \$ 2,786,098  <u>Uses:</u> Construction Cost: \$ 2,605,298 Engineer or Arch. Fees \$ 174,900 Contingency \$ 5,900 Total Uses: \$ 2,786,098	Necessary and expedient due to the construction of the new primary school on the old battlefield site. The new complex will replace and upgrade the previously used facilities.	Bids in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: Truist Bank Approval Rate: 2.24% Term: 10 Years Market Rate: 1.60% Payment: Annually S&P: N/A Moody's: Aa2

Installment purchase contract is more timely than issue of G.O. Bonds

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Recreation	11,074	\$ 2,605,298	1/2/2020	\$ -	\$1,871,592,721	10,399,011	\$0.38	0.56%	0.69%	\$ 939	\$ 1,174

<b>HERTFORD COUNTY</b> \$5,000,000 School G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the acquisition, construction and equipping of a new Ahoskie Elementary School located in the County.  <u>Expected Sources and Uses of Funds:</u> <u>Sources:</u> Bank Loan: \$ 5,000,000 Needs Based School Fund \$ 15,000,000 Total Sources: \$ 20,000,000  <u>Uses:</u> Construction Cost: \$ 15,521,375 Engineer or Arch. Fees \$ 1,198,000 Land and Rt. of Way \$ 800,000 Administrative Cost \$ 255,000 Contingency \$ 1,100,000 Other \$ 1,125,625 Total Uses: \$ 20,000,000	Necessary and expedient to provide a much needed school for the County.	Bids in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: BB&T Approval Rate: 2.22% Term: 10 Years Market Rate: 1.90% Payment: Semi-annual interest, Annual principal S&P: A+ Moody's: A1
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Installment purchase contract is more timely than issue of G.O. Bonds

**Financing Team**

Financial Advisors: Davenport & Company, LLC  
Bond Counsel: McGuireWoods LLP  
Bank Counsel: Pope Flynn, LLC

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
School	24,029	\$ 5,000,000	1/6/2020	\$ -	\$1,660,139,762	16,241,656	\$0.84	0.98%	1.28%	\$ 676	\$ 884

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE																		
<b>TOWN OF KNIGHTDALE</b> \$2,000,000 Park G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of Phase I of the Wake Stone Athletic Park soccer complex. The initial phase will include fill transfer, site work, five soccer fields, parking, road improvements, sidewalks and utilities.	Necessary and expedient to provide additional outdoor recreation for Town residents and visitors and address the need for additional soccer capacity in Eastern Wake County.	Bids in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: BB&T Approval Rate: 2.29% Term: 10 years Market Rate: 1.50% Payment: Annually S&P: AA Moody's: A2																		
<p><u>Expected Sources and Uses of Funds:</u></p> <p><u>Sources:</u></p> <table border="0"> <tr><td>Bank Loan:</td><td>\$ 2,000,000</td></tr> <tr><td>Wake Co. Hospitality Grant:</td><td>\$ 1,000,000</td></tr> <tr><td>Capital Reserve Fund:</td><td>\$ 1,021,000</td></tr> <tr><td>General Fund:</td><td>\$ 279,000</td></tr> <tr><td>Stormwater Fund:</td><td>\$ 200,000</td></tr> <tr><td>Total Sources:</td><td><u>\$ 4,500,000</u></td></tr> </table> <p><u>Uses:</u></p> <table border="0"> <tr><td>Construction Cost:</td><td>\$ 4,400,000</td></tr> <tr><td>Professional Fees:</td><td>\$ 100,000</td></tr> <tr><td>Total Uses:</td><td><u>\$ 4,500,000</u></td></tr> </table>						Bank Loan:	\$ 2,000,000	Wake Co. Hospitality Grant:	\$ 1,000,000	Capital Reserve Fund:	\$ 1,021,000	General Fund:	\$ 279,000	Stormwater Fund:	\$ 200,000	Total Sources:	<u>\$ 4,500,000</u>	Construction Cost:	\$ 4,400,000	Professional Fees:	\$ 100,000	Total Uses:	<u>\$ 4,500,000</u>	<p>Installment purchase contract is more timely than issue of G.O. Bonds</p> <p><b>Financing Team</b> Bond Counsel: Pope Flynn, LLC</p>
Bank Loan:	\$ 2,000,000																							
Wake Co. Hospitality Grant:	\$ 1,000,000																							
Capital Reserve Fund:	\$ 1,021,000																							
General Fund:	\$ 279,000																							
Stormwater Fund:	\$ 200,000																							
Total Sources:	<u>\$ 4,500,000</u>																							
Construction Cost:	\$ 4,400,000																							
Professional Fees:	\$ 100,000																							
Total Uses:	<u>\$ 4,500,000</u>																							

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Recreation	16,753	\$ 2,000,000	12/18/2019	\$ -	\$1,731,773,173	12,841,412	\$0.43	0.74%	0.86%	\$ 767	\$ 886
								Wake County			
								\$ 2,146			

<b>CITY OF LEXINGTON</b> \$2,571,905 Economic Development G.S.160A-20 Installment Contract Private Placement	Acquisition of approximately 200 acres of real estate that is suitable for commercial and industrial use. The financing of the property will be by Front Street - Lexington, LLC in which the City of Lexington will hold a majority (51%) interest. Team Family Partnership, LLC will hold the remaining 49% equity interest in Front Street - Lexington, LLC. The obligations of Front Street - Lexington, LLC under the agreement will be secured by a deed of trust on the real estate.	Necessary and expedient to stimulate the local economy, increase the tax base, promote the creation of new jobs, and promote the welfare of the citizens.	Value of property is verified by tax cards. Purchase agreement between buyer and sellers is in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: Brown Street Partners, LLC & Golden Crescent Investment Corporation Approval Rate: 0.00% Term: 10 Years Market Rate: 1.60% Payment: Annually										
<span style="color: red;">Defer until March 3, 2020 meeting</span>						S&P: AA- Moody's: A1										
<p><u>Expected Sources and Uses of Funds:</u></p> <p><u>Sources:</u></p> <table border="0"> <tr><td>Bank Loan:</td><td>\$ 2,571,905</td></tr> <tr><td>Cash:</td><td>\$ 400,000</td></tr> <tr><td>Total Sources:</td><td><u>\$ 2,971,905</u></td></tr> </table> <p><u>Uses:</u></p> <table border="0"> <tr><td>Project Costs:</td><td>\$ 2,971,905</td></tr> <tr><td>Total Uses:</td><td><u>\$ 2,971,905</u></td></tr> </table>						Bank Loan:	\$ 2,571,905	Cash:	\$ 400,000	Total Sources:	<u>\$ 2,971,905</u>	Project Costs:	\$ 2,971,905	Total Uses:	<u>\$ 2,971,905</u>	<p>Installment purchase contract is more timely than issue of G.O. Bonds</p>
Bank Loan:	\$ 2,571,905															
Cash:	\$ 400,000															
Total Sources:	<u>\$ 2,971,905</u>															
Project Costs:	\$ 2,971,905															
Total Uses:	<u>\$ 2,971,905</u>															

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Economic Development	18,149	\$2,571,905	12/9/2019	\$ -	\$ 1,613,632,857	\$ 6,064,358	\$0.65	0.38%	0.54%	\$ 334	\$ 476
								Davidson County			
								\$ 725			

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
<b>ONslow COUNTY</b> \$31,000,000 Limited Obligation Bonds Series 2020 160A-20 Installment Contract Public Offering	Construction of a new approximately 100,000 square foot West Central Elementary School on 30 acres of donated land. The school will be built with oversize core capacity to allow for future modular additions and include furniture, technology, kitchen, parking and playground.	Necessary and expedient to relieve overcrowded school facilities and meet anticipated future growth.	Bids are in hand for all projects.	No major deficiencies. No defaults noted.	No tax increase is required. Debt service will be paid with revenues to the General Fund and beginning in FY 2029, lottery funds.	Structure: Straight line amortization with annual principal and semi-annual interest payments.  Expected Ratings: S&P: AA- , Moody's: Aa3; Expected Rate: Effective Interest Cost: 2.356% Expected Underwriters Fee/\$1,000: \$ 5.00  APPROVALS Amount Not To Exceed: \$ 31,000,000 Approval rate not to exceed: 3.350% Final Maturity not beyond: 2039  FINANCING TEAM Bond Counsel: Robinson Bradshaw & Hinson; Underwriter: PNC Capital Markets Underwriter's Counsel: Parker Poe Adams & Bernstein LLP. Financial Advisor: DEC Associates Inc. <b>Trustee: U.S. Bank</b>  Limited Obligation Bond structure is more timely and feasible than G.O. Bonds
<u>Expected Sources and Uses of Funds:</u>						
Sources:						
Limited Obligation						
Bonds at Par: \$ 24,960,000						
Net Original Issue Premium \$ 5,644,522						
Total Sources \$ 30,604,522						
Uses:						
Project Funds \$ 30,275,683						
Issuance Costs \$ 228,999						
Underwriters Discount \$ 99,840						
Total Uses \$ 30,604,522						

Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
School	196,793	\$ 31,000,000	1/22/2020	\$ -	\$ 14,210,500,000	\$ 227,119,554	\$0.705	1.60%	1.82%	\$ 1,154	\$ 1,312

<b>TOWN OF WENTWORTH</b> \$427,000 Park G.S. 160A-20 Installment Purchase Contract Private Placement	This project includes the construction of a public park with playground, picnic shelter, gravel drive, restrooms, playground, and amphitheater.  <u>Expected Sources and Uses of Funds:</u> <u>Sources:</u> Bank Loan: \$ 427,000 Cash: \$ 681,010 Total Sources: \$ 1,108,010  <u>Uses:</u> Construction Cost: \$ 970,010 Engineer or Arch. Fees \$ 103,000 Contingency \$ 35,000 Total Uses: \$ 1,108,010	Necessary and expedient to provide recreation for the Citizens of Wentworth. There currently is no public area for playground facilities.	Bids in hand.	No major deficiencies. No defaults noted.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: United Financial, a Division of Home Trust Bank Approval Rate: 2.24% Term: 5 years Market Rate: 2.50% Payment: Semi- Annual S&P: N/A Moody's: N/A	Installment purchase contract is more timely than issue of G.O. Bonds
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Purpose	Estimated Census	Amount	Public Hearing	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds			
								To Property Values		Per Capita	
								Before	After	Before	After
Recreation	2,713	\$ 427,000	1/7/2020	\$ -	\$0	0	\$0.00	0.00%	0.00%	\$ -	\$ 157

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>CITY OF CHARLOTTE</b> \$130,000,000 General Obligation Refunding Bonds G.S. 159-72	All or portion of bonds to be refunded: \$33,855,000 General Obligation Refunding Bonds, Series 2009C, sold on January 12, 2010 at a TIC of 3.1422%, maturing June 1, 2021 to 2027, with a current interest rate of 5.0%; and \$86,600,000 G O Refunding Bonds, Series 2012A, sold on April 12, 2012 at a TIC of 2.7974%, maturing July 1, 2023 to 2032, with a current interest rate of 5.0%.	Necessary and expedient to provide savings on the bonds to be refunded.	Amount is adequate, with other available funds of the City, to redeem the 2009C Bonds and to defease the 2012A Bonds.	No major deficiencies. No defaults noted.	A tax increase is not anticipated.	<u>Structure:</u> Current Refunding of the 2009C Bonds and Advance Refunding of the 2012A Bonds on a taxable basis.  The net present value savings for the 2009C Bonds is \$4,608,855, or 13.61% of the Refunded Bonds. Net present value savings for the 2012A Bonds is \$6,486,115, or 7.49% of the Refunded Bonds. (Estimates as of December 18, 2020)  The refunding bonds will be structured with no extensions of maturities: Final maturity June 1, 2027 for the 2009C refunding and July 1, 2032 for the 2012A refunding.  Sale: Negotiated sale Sale Date: On or about February 12, 2020  <u>Approvals:</u> Amount not to exceed: \$130,000,000 Rates Not to Exceed: 2.25% for the Tax-Exempt Bonds and 3.40% for the Taxable Bonds.  Bond Counsel: Parker Poe Adams & Bernstein LLP Underwriters: PNC Capital Markets LLC (Sr. Manager) JP Morgan (Co-Manager) Underwriters' Counsel: McGuireWoods LLP Financial Advisor: DEC Associates, Inc. Escrow Agent: U.S. Bank, National Association Verification Agent: The Arbitrage Group	Moody's: Aaa S&P: AAA Fitch: AAA (Expected Ratings)

Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds				
								To Property Values		Per Capita		
								Before	After	Before	After	
Refunding	859,035	\$ 130,000,000	N/A	\$ 570,495,000	\$ 98,173,253,000	\$ 1,244,954,000	\$ 0.4887	1.85%	1.86%	\$ 1,974	\$ 1,985	\$ 1,260
								Mecklenburg County				

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>FORSYTH COUNTY</b> \$78,000,000 G.S. 159-72 General Obligation Refunding Bonds	All or portion of bonds to be refunded: \$1,420,000 G. O. Public Improvement Bonds, Series 2010A sold September 1, 2010 at a TIC of 1.9569%, maturing on April 1, 2021 with current interest rates of 2.75% and 4.0%; and \$75,800,000 Taxable G. O. Public Improvement Bonds, Series 2010C (BAB's) sold September 2, 2010 a TIC of 3.2171% (after Federal subsidy payments), maturing on April 1, 2021 to 2025, inclusive, and 2030 with current interest rates of 3.798% to 5.166%.	Necessary and expedient to provide savings on the outstanding issues.	Amount is adequate to redeem debt.	No major deficiencies. No defaults noted.	Debt service will be reduced.	<u>Structure:</u> Current Refunding. Estimated Combined Net Present Value Savings \$9,147,847, or 11.85% of the refunded bonds, as of 1-12-2020.  The refunding bonds will be structured with no extensions of maturities, with a final maturity of April 1, 2030.  Sale: Negotiated Sale Date: On or about March 4, 2020  <u>Approvals:</u> Amount not to exceed: \$78,000,000 Interest Rate (TIC) Not to Exceed: 3.0% Final Maturity not to exceed: April 1, 2030  <u>Financing Team:</u> Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: DEC Associates, Inc. Underwriters: BofA Securities, Inc., Senior Manager PNC Capital Markets, LLC, Co-Manager Underwriters' Counsel: Robinson Bradshaw and Hinson, P.A.	Moody's: Aaa S&P: AAA Fitch: AAA <b>(Expected Ratings)</b>

Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds				
								To Property Values		Per Capita		Per Capita
								Before	After	Before	After	After
Refunding	376,309	\$ 78,000,000	N/A	\$ 228,975,000	\$ 37,367,649,132	\$ 584,994,528	0.7535	2.18%	2.18%	\$ 2,163	\$ 2,165	

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>TOWN OF HUNTERSVILLE</b> \$5,100,000 G.S. 159-72 General Obligation Refunding Bonds	All or portion of bonds to be refunded: \$4,770,000 Taxable G. O. Street Bonds, Series 2010B (BAB) sold August 25, 2010 at a TIC of 3.6248% (after Federal subsidy payments) and maturing June 1, 2021 to 2030, inclusive, with current interest rates of 3.95% to 5.40%.	Necessary and expedient to provide savings on the outstanding issue.	Amount is adequate to redeem debt.	No major deficiencies. No defaults noted.	Debt service will be reduced.	<u>Structure:</u> Current refunding. Net Present Value Savings \$499,610, or 10.47% of the refunded bonds, as of 1-13-2020.  The refunding bonds will be structured with no extensions of maturities, and with approximately level annual gross savings of \$55,110 as of 1-13-2020. The Refunding Bonds will have a final maturity of June 1, 2030.  Sale: Competitive Sale Date: February 19, 2020  <u>Approvals:</u> Amount not to exceed: \$5,100,000  <u>Financing Team:</u> Bond Counsel: Parker Poe Adams & Bernstein LLP Financial Advisor: Davenport & Company LLC Escrow Agent: U.S. Bank, National Association Verification Agent: Bingham Arbitrage Rebate Services, Inc.	Moody's: Aaa S&P: AAA Fitch: -- <b>(Expected Ratings)</b>

Purpose	Estimated Census	Amount	Election Date	Bonds Authorized & Unissued	Assessed Valuation	Existing Debt Excluding Enterprise Funds	Tax Rate	Debt Ratios-Excluding Enterprise Funds					
								To Property Values		Per Capita		Per Capita	
								Before	After	Before	After	After	
Refunding	61,220	\$ 5,100,000	N/A	\$ 15,560,000	\$ 9,351,394,982	\$ 22,206,000	0.240	0.40%	0.41%	\$ 617	\$ 622	Mecklenburg County	\$ 1,260

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE	MARKETABILITY
<b>CITY OF OXFORD</b> Water \$1,855,562 G.S. 159G-22 Revolving Loan	This project includes the installation of approximately 8,020 linear feet of proposed water mains, to include approximately 6, 750 linear feet of 6-inch water main, approximately 320 linear feet of 8-inch water main, and approximately 950 linear feet of 12-inch water main.	Necessary and expedient to improve the City's distribution system by eliminating the ongoing maintenance needs of the existing aging system.	Cost estimated provided by McGill Associates, P. A.	No major deficiencies No defaults noted.	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. Water:\$ 33.40 Sewer:\$54.08	Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.	N/A
<b>CITY OF THOMASVILLE</b> Water \$1,006,649 G.S. 159G-22 Revolving Loan	Replacement of existing 2" diameter waterline with approximately 6500 LF of 6" diameter waterline which will be installed along Circle Place, Griffith St., Jordan St., Middle Ave., Nance Dr., Rockspring Dr., White St., and Wilson St. within the City of Thomasville. The larger 6" diameter pipe will provide the City with improved circulation of water, water quality, and water pressure as well as improved reliability of the waterline material.	Necessary and expedient because the water quality and low pressures provided by the current small diameter pipe has caused concern for the City to meet current and future regulations. Also, due to the age of the pipe, many pipe breaks have occurred over the years and keep occurring.	Cost estimates provided by LaBella Associates, PC	No major deficiencies. No defaults noted.	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. Water: \$34.90 Sewer: \$51.31	Loan from State of North Carolina Term: 20 years The rate, as established under this program for the respective loan, State or federal, is not to exceed 4%.	N/A

**MISCELLANEOUS - ACTION ITEMS**

City of Asheville

The City of Asheville requests the Commission to issue not to exceed \$23,000,000 General Obligation Refunding Bonds at a negotiated sale, at a rate not to exceed 5.0%, in order to refund and redeem the City's outstanding G.O. BAN's. The BAN's were issued under the City's Draw Program that was approved by the Commission on June 5, 2018. The original bonds were approved by voters at referenda held on November 8, 2016, for Transportation, Housing and Parks purposes and the Refunding Bonds are to be priced on February 26, 2020. The portion of the Refunding Bonds for Housing purposes will be issued on a taxable basis.

The financing team members are:

Bond Counsel: Parker Poe Adams & Bernstein LLP  
 Underwriter: BofA Securities, Inc.  
 Underwriter's Counsel: Womble Bond Dickinson (US) LLP  
 Financial Advisor: DEC Associates, Inc.

Town of Cornelius

The Town of Cornelius requests a three-year extension per G.S. 159-64 of \$4,000,000 Town Center Redevelopment Bonds authorized at referendum on November 5, 2013, of which the entire \$4,000,000 bonds remain unissued.

The bonds were authorized to pay the costs of public facilities and infrastructure improvements in a one-mile radius of the intersection of Catawba Avenue and Main Street in Cornelius.

The extension is necessary as the Town has taken considerable time to determine community and stakeholder desire for redevelopment projects. The Town has engaged an architectural team to complete the design for the facility and grounds, and needs additional time for construction drawings, obtaining permits and actual construction. These items will push the Town beyond the November 2020 authorization and is requesting a three-year extension. Cornelius expects to be able to issue the bonds to construct the necessary projects within the revised timetable. Staff recommends approval of extending the authorization to November 5, 2023.

Town of Fletcher

The Town of Fletcher was approved for an installment purchase contract for \$1,800,000 with Capital Bank at the 10/01/19 LGC meeting. The Town has not been able to close the loan due to some ongoing disputes with the bank over certain additional provisions required by the bank. The Town along with their financial advisor has decided that it would be best to go with the next lowest bidder, BB&T, in order to expedite loan closing. BB&T has agreed to honor its previously quoted terms which will result in a slight increase in rate (3.26% vs. 3.20%) and the Town has determined the amount de minimus and in overall terms advantageous in their present situation. Staff to the LGC agrees with this assessment.

City of Gastonia

The City of Gastonia and the following fire departments have requested approval of an annexation payment schedule developed in accordance with G.S. 160A-31.1, whereby the City will make lump sum payments for the City's proportionate share of outstanding debt as follows:

<b>Volunteer Fire Department</b>	<b>Effective Annexation Date</b>	<b>Payment Period</b>	<b>Reimbursement</b>
Agriculture Center VFD	5/22/2019	2020	\$79.27
Union Road VFD	6/19/2019	2020	\$433.47

City of Hendersonville

The City of Hendersonville is requesting approval for an increase of additional funds on a State Revolving Loan for Drinking Water Improvements. The loan is for the construction of a new 1-MG, glass-fused-to-steel ground storage tank and related appurtenances adjacent to an existing ground storage tank. The original loan was approved by the LGC on October 2, 2018 for \$2,617,500. The City is requesting an increase of \$2,650,010 for a total loan amount of \$5,267,510. The increase is due to actual construction bids received being higher than the engineers original estimate.

City of Rockingham

The City of Rockingham entered into a 17-month interim financing agreement with BB&T (now Truist Bank) in October, 2018 for acquisition and construction of a 40,000 square ft. downtown campus for Richmond Community College. At the end of the 17 month term maturing February 19, 2020, the loan was to be taken out by long term USDA financing. Due to the project timeline extending past what was originally anticipated, the City will not be ready by the original deadline. BB&T (Truist) has agreed to extend the term for an additional six months up to August 1, 2020 with the interest rate unchanged at 2.64%. This will give the City additional time to close on the interim loan.