

Attachment A:
Consent Agenda



LGC Staff Analysis For:		RALEIGH, CITY OF			
PAR Amount Not To Exceed		\$ 220,000,000			
Financing Type		Revenue Bonds - Bond Anticipation Notes			
Purpose and Type		Water/Sewer		Water	
Purpose and Type		Water/Sewer		Sewer	
Purpose and Type					
Purpose and Type					
Purpose and Type					
Project Description		<p>2026 Water and Sewer Draw Program. These are proposed projects but not limited to these only:</p> <ol style="list-style-type: none"> 1. Crabtree Valley Sewer Replacement 2. Smith Creek WWTP Upgrade 3. Water and Sewer Main Replacement 4. Lake Benson and Lake Wheeler Dam Improvements 5. Mine Creek Outfall and Gravity Sewer 6. West Neuse Interceptor 			
Statutory Reference		G.S. 159 Article 5		Last Request to Borrow 10/2025; LOB; \$68,175,000	
FPICs		<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes - Not Material	<input type="checkbox"/> Yes – See Attachment	<input type="checkbox"/> N/A
UAL Contract		<input type="checkbox"/> Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)			
Debt Management		<input checked="" type="checkbox"/> 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 funding is necessary or expedient to improve the service and operations of the City's water and sewer system by performing necessary periodic capital improvements and upgrades. Projects represent a significant requirement of financing resources and financed over time in a cost effective manner, as the projects are to be executed.	Proposed Amount is Adequate and Not Excessive		This is a draw down Bond Anticipation Note to fund initial design costs, equipment costs, and various phases of project. It allows the City to accept bids of the various projects as available to 1) only pay interest on amounts drawn, 2) use flexibility to downsize borrowing for any grants or state funding that might be received, and 3) minimize times the City would need to access the market.
Feasibility		The City has projections for the period 2026-2030. Current projections demonstrate total debt service coverages of 2.34X in FY2026 and of at least 2.13X through 2030.			
Tax Increase Anticipated		<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A	Additional Information (as applicable):
Rate Increase Anticipated		<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A	No rate increase is indicated.
Public Hearing		<input checked="" type="checkbox"/> N/A OR Date		TEFRA Hearing	<input checked="" type="checkbox"/> N/A OR Date
Interest Rate Assumptions (GO Bonds Only)		<input type="checkbox"/> 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

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

DENISE CANADA
DIVISION DIRECTOR

LGC Staff Analysis For:

RALEIGH, CITY OF

Terms	Lender/Purchaser/Bank	PNC Bank, NA	Marketability	Private sale without advertisement
	Interest Rate	79.0% * Daily SOFR + 27 bps		
	Term	36 months		
	Payment	Interest monthly; principal at maturity		
	Structure and Term	interest payments with principal due at maturity		
	Final Maturity	February 5, 2029 (36 months from closing)		
Other:	Term out provision - 3 years + 3 years term out			

Financing Team				
Municipal Advisor	DEC Associates Inc			
Underwriter/Senior				
Lender/Purchaser/Bank	PNC Bank, National Association			
Underwriter's Counsel				
Bond Counsel	Womble Bond Dickinson (US) LLP			
Purchaser's Counsel	Parker Poe Adams & Bernstein, LLP			
Trustee	U.S. Bank Trust Company, N.A			
Trustee's Counsel				

Amount Not to Exceed: \$ 220,000,000		
Sources:		Amount:
1 Bond Anticipation Notes		\$ 220,000,000
2		
3		
4		
Total		\$ 220,000,000
Uses:		Amount:
1 Pre-construction Activity and Construction Projects		\$ 220,000,000
2		
3		
4		
Total		\$ 220,000,000

General Fund Debt and Debt Ratios			
Amount	\$ 220,000,000	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	



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LGC Staff Analysis For:		NCCFFA: WOODLAWN SCHOOL	
Amount Not To Exceed		\$ 6,000,000	Financing Type Conduit Revenue Bonds
Purpose and Type		Education School (K-12)	
Project Description		The Bonds will be issued (i) to finance the construction, equipping, and furnishing of new academic facilities on the Borrower's existing campus, located at 135 Woodlawn School Loop, Mooresville, North Carolina 28115, (ii) to refinance an outstanding bank loan, the proceeds of which were used to acquire the land and certain existing buildings on the Campus, and (iii) to pay certain costs incurred in connection with the issuance of the Bonds. Currently secured \$2,238,407 in pledges through a multi-year capital campaign of which approximately \$909,826 is in hand and the remainder scheduled to be received over a four-year period.	
Statutory Reference		G.S. 159D Article 2	Last Request to Borrow None
Debt Management		<input checked="" type="checkbox"/> 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		The refunding and financing are necessary or expedient to provide assistance to qualified institutions to be able to construct and renovate facilities for educational purposes and to serve and benefit the public.	
Proposed Amount is Adequate and Not Excessive		GMP is in hand. Refunding amount is par amount plus cost of issuance. Costs are known and defined.	
Feasibility		The debt service coverage ratio ranges from 1.48X to 4.56X for FY2026 - FY2030	
TEFRA Hearing Date		9/26/2025	
Terms	Lender/Purchaser/Bank	First Citizens Bank & Trust Company	
	Interest Rate	4.83% fixed rate	
	Term	10 years; amortization based on 20 years	
	Payment	42 months interest only; monthly principal and interest thereafter	
	Structure and Term	level debt service	
	Final Maturity	NTE 12/31/2046	
Other:	Closing cannot occur until DEQ permitting is secured and received by LGC staff.		



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LGC Staff Analysis For:		NCCFFA: WOODLAWN SCHOOL
Marketability	Moody's	N/A
S&P	N/A	
Fitch	N/A	

Financing Team			
Municipal Advisor	First Tryon Advisors, LLC		
Underwriter/Senior			
Underwriter's Counsel			
Bond Counsel	Pope Flynn LLC		
Lender/Purchaser/Bank	First Citizens Bank & Trust Company		
Trustee			
Trustee's Counsel			
Lender's Counsel	Parker Poe		
Real Estate Counsel	Copeland Richards		

Amount Not to Exceed: \$ 6,000,000		
Sources:	Amount:	
1 Par Amount		\$ 6,000,000
2		
3		
4		
5		
6		
7		
8		
9		
10		
	Total	\$ 6,000,000
Uses:	Amount:	
1 Academic Center		\$ 4,163,499
2 Payoff Existing United Community Bank Loan		\$ 831,000
3 Project Contingency		\$ 355,744
4 Taxable Cost of Issuance		\$ 180,000
5 Tax-Exempt Cost of Issuance		\$ 120,000
6 Expense Reimbursement		\$ 349,757
7		
8		
9		
10		
	Total	\$ 6,000,000



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Unit	Miscellaneous Non-Action Item
MONROE, CITY OF	<p>The City of Monroe issued \$11,416,000 in Combined Enterprise System Revenue Refunding Bond, Series 2025 to refinance the Refunded 2016 Bonds. The proceeds will be used to (i) refund the current, outstanding, callable maturities of the City's Combined Enterprise System Revenue Refunding Bonds, Series 2016 and (ii) pay the costs of issuance.</p> <p>The City issued Request for Proposals, and Regions Capital Advantage Inc. submitted the winning bid. As a result, Regions Capital Advantage Inc. has been designated as the Bond Purchaser under the Bond Order. No public sale for this refunding; private placement only.</p> <p>The net present value savings are \$484,363.85 with refunded percentage savings of 4.298%.</p>

Attachment B:
UAL Unit: Roxboro

REQUESTS FOR LGC APPROVAL OF CERTAIN FINANCINGS BY UNITS ON THE UNIT ASSISTANCE LIST (UAL)

BACKGROUND

Article 8 of North Carolina General Statutes Chapter 159 (Local Government Finance) addresses financing agreements and other financing arrangements and the circumstances under which LGC approval is required for such agreements. Session Law 2022-53 made several changes to this Article related to financing arrangements for units on the Unit Assistance List (UAL). A summary of the requirements of the Article and requirements specific to units on the UAL as a result of the changes enacted in S.L. 2022-53 follows.

G.S. 159-148(a) defines the contracts and financing arrangements requiring LGC approval; this section was modified by North Carolina Session Law 2022-53, which assigned a lower threshold for UAL units in several of the criteria which trigger required LGC approval. Specifically:

LGC approval is required for any contract, agreement, memorandum of understanding, or any other transaction having the force and effect of a contract relating to the lease, acquisition, or construction of capital assets in which the contract:

- Extends for **five or more years** from the date of the contract, including periods that may be added to the original term through the exercise of options to renew or extend. S.L. 2022-53 modified this term to **three or more years** for units included on the most recently published Unit Assistance List. (G.S. 159-148(a)(1))
- Obligates the unit to **\$500,000** or one-tenth of one percent (1/10 of 1%) of the assessed value of property subject to taxation, whichever is less. S.L. 2022-53 modified this threshold to **\$50,000** for units included on the most recently published Unit Assistance List. (G.S. 159-148(a)(3))

G.S. 159-148(b) defines exceptions to Article 8 and includes an exemption for contracts for the purchase, lease, or lease with option to purchase of motor vehicles. S.L. 2022-53 modified this exemption to include in Article 8 (and therefore require LGC approval of) financing contracts for the purchase, lease, or lease with option to purchase of motor vehicles for units on the Unit Assistance List if the financing contract amount equals or exceeds \$50,000.

(Continued on next page)

LGC CONSIDERATION

LGC staff provides enhanced reviews of UAL units' fiscal and debt management practices to ensure these units are making sound financial decisions. UAL units seeking LGC approval of financing contracts under these modified thresholds 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 UAL units requesting approval of financing contracts are requested to be available at the meeting their application is being considered to answer questions of LGC members.

Pursuant to [G.S. 159-151](#)(b), the LGC shall approve an application under Article 8 if it makes six required findings, including that the unit's debt management procedures and policies are good or that reasonable assurances have been given that its debt will be managed in strict compliance with law. However, the statute also allows the LGC to approve a financing under Article 8 if it does not make all of the required findings but concludes that (i) the proposed project is necessary and expedient, (ii) the proposed undertaking cannot be economically financed by a bond issue and (iii) the contract will not require an excessive increase in taxes. This provision allows the LGC to approve requests from UAL units for financing contracts for critical needs of the unit.

IMPLEMENTATION OF SESSION LAW [2022-53](#)

Since the enactment of Session Law [2022-53](#) in July of 2022, staff have worked to implement a streamlined application and review process for units on the UAL seeking approval of financing contracts under the modified thresholds described above. Staff have:

- Updated the letters sent to units notifying them of their inclusion on the UAL to include details of the requirements for LGC approval of financing contracts.
- Deployed an online [Debt Inquiry Portal](#) which allows units to quickly and easily send questions to staff regarding LGC debt approval.
- Developed a streamlined application process for UAL units seeking financing contract approval under these changes.
- Waived the requirement for a current audit for applications under these new limits. The focus of these reviews is to ensure that UAL units are making sound financial decisions while they work to address late audits and other financial and fiscal management issues that resulted in their inclusion on the UAL.
- Created a dedicated team including both fiscal management staff and debt management staff to review these applications and to provide oversight and guidance to the UAL units.



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DIVISION DIRECTOR

LGC Staff Analysis For:		ROXBORO, CITY OF			
PAR Amount Not To Exceed		\$ 922,452			
Financing Type		Installment Financing Contract			
Purpose and Type		General Government		Public Vehicles	
Purpose and Type		General Government		Equipment	
Purpose and Type					
Purpose and Type					
Purpose and Type					
Project Description		The City is planning to finance 5 police vehicles, 1 Fire Department Truck, 1 garbage truck and 1 CAT asphalt roller.			
Statutory Reference		G.S. 160A-20		Last Request to Borrow 1/2025; IFC \$1,909,799	
FPICs		<input type="checkbox"/> No	<input type="checkbox"/> Yes - Not Material	<input type="checkbox"/> Yes – See Attachment	<input type="checkbox"/> N/A
UAL Contract		<input checked="" type="checkbox"/>	Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)		
Debt Management		<input type="checkbox"/>	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.		These purchases are necessary to support essential services: police and fire vehicles replace aging units, the garbage truck maintains sanitation operations, and the asphalt roller boosts street department repair efficiency.		Proposed Amount is Adequate and Not Excessive	Cost estimates have been provided for all the vehicles, costs are defined.
Feasibility		General fund revenues will provide for debt service.			
Tax Increase Anticipated		<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A	Additional Information (as applicable):
Rate Increase Anticipated		<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> N/A	
Public Hearing		<input checked="" type="checkbox"/> N/A OR Date		TEFRA Hearing	<input checked="" type="checkbox"/> N/A OR Date
Interest Rate Assumptions (GO Bonds Only)		<input type="checkbox"/> 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)).			



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LGC Staff Analysis For:

ROXBORO, CITY OF

Terms	Lender/Purchaser/Bank	Truist	Marketability
	Interest Rate	Fixed NTE 4.18%	
	Term	5 years	
	Payment	Annual Principal and Interest	
	Structure and Term	Level Debt Service Payments	
	Final Maturity	January 31, 2031	
Other:			

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

Amount Not to Exceed: \$ 922,452		
Sources:		Amount:
1 Bank Proceeds		\$ 922,452
2		
3		
4		
Total		\$ 922,452
Uses:		Amount:
1 2026 Dodge Durango w/ Up-fit (5)		\$ 398,485
2 HEIL Front End Loader Refuse Truck body w/ 2026 Peterbilt 520 cab/chassis		\$ 420,418
3 2026 Ford F250 (\$59,357); CAT Asphalt Roller (\$35,981)		\$ 95,338
4 Estimated Contingency (Surcharges/Tariffs/Shipping)		\$ 8,211
Total		\$ 922,452

General Fund Debt and Debt Ratios			
Amount	\$ 922,452	Debt Ratio: Debt Per Capita	
Bonds Authorized and Unissued	\$ 0	Before	\$ 588
Existing Debt Excluding Enterprise Funds	\$ 4,778,970	After	\$ 701
Estimated Census	8,129	Debt Ratio: Debt to Assessed Valuation	
Tax Rate	\$0.80	Before	0.58%
Assessed Valuation	\$ 822,998,375	After	0.69%

**REQUESTS FOR LGC APPROVAL OF CERTAIN FINANCINGS BY UNITS ON
THE UNIT ASSISTANCE LIST (UAL)**

Town of Roxboro

The Town of Roxboro has been on the Unit Assistance List (UAL) since 2015 due to financial health issues in the Water and Sewer Fund. Additionally, the General Fund has exhibited a trend of low fund balance.

Roxboro's General Fund reserves have continued to decline, with fund balance available as a percentage of expenditures at 15.45%, down from 28.38% in fiscal year 2022.

In response to these financial performance concerns, Roxboro is working to rebuild its available fund balance. In adopting the FY 2026 budget, the Town adopted a tax rate that is five cents above the revenue-neutral rate following the 2025 revaluation. The Town is committed to maintaining expenditures at a level that does not exceed actual expenditures from the prior fiscal year and is emphasizing the importance of the pre-audit process with staff.

As of June 30, 2025, the Water and Sewer Fund reported net operating losses of \$63,024. While the fund continues to operate at a loss, this represents a significant improvement over prior years, when operating losses totaled \$750,547 in FY 2024 and \$1,552,606 in FY 2023. The Town notes that recent Water and Sewer Fund financial challenges stem largely from a lawsuit related to deficiencies in the design of an oxidation ditch that cracked and created a void. As a result, the Town incurred \$2,134,754 in repair costs at the wastewater treatment plant. The lawsuit has since been settled, and the Town has been awarded \$2,827,064.16.

In addition, the Town increased water and sewer billing rates by 7.5%, which is estimated to generate approximately \$450,000 in additional revenue during the current fiscal year.

In summary, the Town is actively addressing these concerns by improving budget discipline, increasing ad valorem tax rates, and raising utility rates to stabilize utility finances. However, continued support and monitoring will be essential as the Town works to restore its overall fiscal health.