



*Dale R. Folwell, CPA*

**North Carolina Local Government Commission Agenda**  
**March 7, 2023**  
**PRELIMINARY AGENDA**

1. Pledge of Allegiance / Salute to the North Carolina Flag
2. Conflict of Interest Statement
3. February 7, 2023 Minutes for Approval
4. Pension and OPEB Liability Report for Units on the Agenda (Attachment A)
5. Debt Approval Request: FPIC Units (Attachment B)
6. Debt Approval Requests and Related Actions: Consent Agenda (Attachment C)
7. Unit Updates Summary (Attachment D)
8. Other Items
  - a. Resolution Approving Proposed Text for Rules Changes to North Carolina Administrative Code 20 NCAC 03 Section .0700 (Attachment E)
  - b. Resolution Adopting Policy on Public Participation in LGC Meetings (Attachment F)
  - c. Resolution Adopting Policy on Review and Approval of Debt Applications (Attachment G)
  - d. Resolution Approving VUR Grants (Attachment H)
  - e. Report on Units with 2 Year Late Audits (Attachment I)
  - f. Discussion on challenges facing municipalities

Approximate Per Capita Debt

State: \$ 543.20

Federal: \$ 94,063.88

## Agenda Notes

1. LGC Staff recommends approval of all items on this agenda.
2. LGC approval of items on this agenda also includes as applicable:
  - a. A finding that the assumptions used by the unit's finance officer in preparing the statement of estimated interest pursuant to G.S. 159-55.1(a) are reasonable (**applicable only to general obligation bonds** pursuant to N.C.G.S 159-52(b) (Session Law 2022-53)).
  - b. Approval of the identified financing team (**applicable only to general obligation bonds sold by private sale** pursuant to N.C.G.S. 159-123(e) **and revenue bonds** pursuant to N.C.G.S. 159-83(a)(14)).

### 3. Glossary of Debt Types

- 159-153 Approval of other financing arrangements
- BAN Bond Anticipation Notes
- CON REV Conduit Revenue Bonds
- GAN Grant Anticipation Notes
- GO General Obligation Bonds
- GO BAN General Obligation Bonds – Bond Anticipation Notes
- GO REFUNDING General Obligation Bonds – Refunding
- IP Installment Purchase
- USDA IP USDA Installment Purchase
- IRB Industrial Revenue Bonds
- LOB Limited Obligation Bonds
- LOB BAN Limited Obligation Bonds – Bond Anticipation Notes
- LOB REFUNDING Limited Obligation Bonds – Refunding
- REV Revenue Bonds
- REV BAN Revenue Bonds – Bond Anticipation Notes
- REV REFUNDING Revenue Bonds – Refunding
- USDA Rev Bonds USDA Revenue Bonds
- SOB Special Obligation Bonds
- SRF State Revolving Fund Loan
- FRL Federal Revolving Loan

**FPIC Units**

<b>Unit Name</b>	<b>Debt Type</b>	<b>Project Title</b>	<b>Amount</b>	<b>Page #</b>
Blowing Rock	GO	Private Placement GO	\$1,695,000	B-1
Hickory	IP	Conference Center Expansion	\$14,165,000	B-11

**Consent Agenda**

<b>Unit Name</b>	<b>Debt Type</b>	<b>Project Title</b>	<b>Amount</b>	<b>Page #</b>
Pitt County	IP	Sheriff's Administrative Building	\$17,287,000	C-1
Wake County	GO	Refunding Bonds	\$83,700,000	C-3
Wilson's Mills	IP	Land Purchase with Buildings	\$1,500,000	C-5
Winston-Salem	GO	Two-Thirds Bonds	\$8,895,000	C-7

**Miscellaneous Action Items**

Gastonia Housing Authority	CON REV	Gastonia HA/Fairhaven Place	\$47,900,000	C-9
NCCFFA - Elon University	CON REV	LIBOR migration to Equivalent Index (Reissuance)	NA	C-10

**End Consent Agenda**

**Miscellaneous Non-Action Items**

NCCFFA-Multiple Units	NA	LIBOR migration to Equivalent Index	NA	C-11
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**Unit Updates**

<b>Unit Name</b>	<b>Vote Needed</b>
Eureka	No
Cliffside Sanitary District	No
Robersonville	No
Kingstown	No
Spring Lake	Yes

**Other Items**

<b>Unit Name</b>	<b>Vote Needed</b>
Resolution Approving Proposed Text for Rules Changes to North Carolina Administrative Code 20 NCAC 03 Section .0700	Yes
Resolution Adopting Policy on Public Participation in LGC Meetings	Yes
Resolution Adopting Policy on Review and Approval of Debt Applications	Yes
Resolution Approving VUR Grants	Yes
Report on Late Audits	No

NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER



*Dale R. Folwell, CPA*  
STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

<b>LGC Staff Analysis For:</b>	<b>Blowing Rock, Town of</b>		
<b>Amount Not To Exceed</b>	\$ 1,695,000		
<b>Financing Type</b>	General Obligation Bonds		
<b>Purpose and Type</b>	Water/Sewer	Water	
<b>Purpose and Type</b>		Sewer	
<b>Purpose and Type</b>	General Government	Parks & Recreation	
<b>Purpose and Type</b>		Streets & Sidewalks	
<b>Purpose and Type</b>			
<b>Project Description</b>	Private placement sale of the remaining voter-authorized general obligation bonds, consisting of \$590,000 Water Bonds, \$35,000 Sewer Bonds, \$650,000 Street Improvement Bonds and \$420,000 Parks and Recreation Bonds, which were approved by voters on November 4, 2014 and previously approved by the Commission on September 9, 2014. A 3-year extension of the authorization was approved by the Commission on March 2, 2021. Approval is requested for the private placement sale.		
<b>Statutory Reference</b>	G.S. 159 Article 4	<b>Last Request to Borrow</b> 4-7-2015: \$1,700,580 IFC for Building	
<b>FPICs</b>	<input type="checkbox"/> No <input type="checkbox"/> Yes - Immaterial <input checked="" type="checkbox"/> Yes - See attachment for summary and unit response		
<b>UAL Contract</b>	<input type="checkbox"/> Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)		
<b>Debt Management</b>	<input checked="" type="checkbox"/> Good - no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward		
<b>Proposed Amount is Necessary or Expedient</b>	<p>Proceeds of the bonds will be used to complete projects from proceeds of this final series of bonds under the existing authorization. The private placement sale is more cost effective than a public market sale, due to the relatively small principal authorizations remaining.</p>	<b>Is Adequate and Not Excessive</b>	<p>Bond proceeds for the final phase of projects would be supplemented by available Town cash and reserves, plus PARTF grant proceeds (Park &amp; Recreation project) to cover any overages.</p>
<b>Feasibility</b>			
<b>Tax Increase Anticipated</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes    Additional information (as applicable):		
<b>Public Hearing</b>	<input checked="" type="checkbox"/> N/A    OR    Date	<b>TEFRA Hearing</b>	<input type="checkbox"/> N/A    OR    Date
<b>Interest Rate Assumptions (GO Bonds Only)</b>	<input checked="" 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)).		



**Blowing Rock, Town of**

<b>Terms</b>	<b>Lender/Purchaser/Bank</b>	JPMorgan Chase Bank, NA	<b>Marketability</b> The bonds will not be rated.  <b>Moody's</b> N/A <b>S&amp;P</b> N/A <b>Fitch</b> N/A
	<b>Interest Rate</b>	3.29%	
	<b>Term</b>	15 years	
	<b>Payment</b>	Annual principal, Semiannual Interest payments	
	<b>Structure and Term</b>	\$113,000 principal due annually on March 1st	
	<b>Final Maturity</b>	March 1, 2038	
	<b>Other:</b>		

**Financing Team**

<b>Financial Advisor</b>	First Tryon Advisors		
<b>Underwriter</b>			
<b>Lender/Purchaser/Bank</b>	JPMorgan Chase Bank, NA		
<b>Underwriter's Counsel</b>			
<b>Bond Counsel</b>	Sands Anderson PC		
<b>Purchaser's Counsel</b>	Womble Bond Dickinson (US) LLP		
<b>Trustee</b>			
<b>Trustee's Counsel</b>			

**Amount Not to Exceed: \$ 1,695,000**

<b>Sources:</b>		<b>Amount:</b>
1 Bond Proceeds		\$ 1,695,000
2		
3		
4		
<b>Total</b>		\$ 1,695,000
<b>Uses:</b>		<b>Amount:</b>
1 Project Fund		\$ 1,651,800
2 Issuance Costs		\$ 43,200
3		
4		
<b>Total</b>		\$ 1,695,000

**Debt and Debt Ratios**

<b>Amount</b>	\$ 1,695,000	<b>Debt Ratio: Debt Per Capita</b>	
<b>Bonds Authorized and Unissued</b>	\$ 1,695,000	<b>Before</b>	\$ 6,282
<b>Existing Debt Excluding Enterprise Funds</b>	\$ 8,619,136	<b>After</b>	\$ 7,062
<b>Estimated Census</b>	1,372	<b>Debt Ratio: Debt to Assessed Valuation</b>	
<b>Tax Rate</b>	\$0.37	<b>Before</b>	0.52%
<b>Assessed Valuation</b>	\$ 1,652,645,310	<b>After</b>	0.59%

NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER



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<b>LGC Staff Analysis For:</b>	<b>City of Hickory</b>		
<b>Amount Not To Exceed</b>	\$ 14,165,000		
<b>Financing Type</b>	Installment Purchase		
<b>Purpose and Type</b>	General Government	Convention Center	
<b>Purpose and Type</b>			
<b>Project Description</b>	To cover costs of further expansion, renovations, and improvements to the Hickory Metro Convention Center.		
<b>Statutory Reference</b>	G.S. 160A-20	<b>Last Request to Borrow</b>	RL 11/23/2022 \$5.2M
<b>FPICs</b>	<input type="checkbox"/> No <input type="checkbox"/> Yes - Immaterial <input checked="" type="checkbox"/> Yes - See attachment for summary and unit response		
<b>UAL Contract</b>	<input type="checkbox"/> Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)		
<b>Debt Management</b>	<input checked="" type="checkbox"/> Good - no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward		
<b>Proposed Amount is Necessary or Expedient</b>	The project is essential to the City's continued economic development at the Convention Center.	<b>Is Adequate and Not Excessive</b>	Costs are defined with the bids received on 08/25/2022.
<b>Feasibility</b>	No tax increase is anticipated. Debt service will be paid from Occupancy Tax Revenues.		
<b>Tax Increase Anticipated</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes            Additional information (as applicable):		
<b>Public Hearing</b>	<input type="checkbox"/> N/A OR Date 2/7/2023	<b>TEFRA Hearing</b>	<input checked="" type="checkbox"/> N/A OR Date
<b>Interest Rate Assumptions (GO Bonds Only)</b>	<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 N.C.G.S 159-52(b) (SL 2022-53)).		



**City of Hickory**

<b>Terms</b>	<b>Lender/Purchaser/Bank</b>	Truist	<b>Marketability</b> Per 2022 Audit.  Moody's Aa1 S&P AA+ Fitch N/A
	<b>Interest Rate</b>	3.83%	
	<b>Term</b>	20 years	
	<b>Payment</b>	Annual	
	<b>Structure and Term</b>	Level Principal	
	<b>Final Maturity</b>	April 1, 2043	
<b>Other:</b>	Installation purchase contract is more timely than issue of G.O. Bonds.		

**Financing Team**

<b>Financial Advisor</b>	FHN Financial Municipal Advisors		
<b>Underwriter</b>			
<b>Lender/Purchaser/Bank</b>	Truist Bank		
<b>Underwriter's Counsel</b>			
<b>Bond Counsel</b>	Parker Poe Adams & Bernstein, LLP		
<b>Purchaser's Counsel</b>	Pope Flynn LLC		
<b>Trustee</b>			
<b>Trustee's Counsel</b>			

**Amount Not to Exceed:** \$ 14,165,000

<b>Sources:</b>	<b>Amount:</b>
1 Truist Bank Loan	\$ 14,165,000
2	
3	
4	
<b>Total</b>	\$ 14,165,000
<b>Uses:</b>	<b>Amount:</b>
1 Construction Costs	\$ 14,000,000
2 Cost of Insurance	\$ 47,500
3 Other	\$ 117,500
4	
<b>Total</b>	\$ 14,165,000

**Debt and Debt Ratios**

<b>Amount</b>	<b>\$ 14,165,000</b>	<b>Debt Ratio: Debt Per Capita</b>	
<b>Bonds Authorized and Unissued</b>	\$ 0	<b>Before</b>	\$ 826
<b>Existing Debt Excluding Enterprise Funds</b>	\$ 37,608,388	<b>After</b>	\$ 1,137
<b>Estimated Census</b>	<b>45,532</b>	<b>Debt Ratio: Debt to Assessed Valuation</b>	
<b>Tax Rate</b>	.6275	<b>Before</b>	0.70%
<b>Assessed Valuation</b>	\$ 5,393,256,119	<b>After</b>	0.96%

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<b>LGC Staff Analysis For:</b>	<b>Pitt County</b>		
<b>Amount Not To Exceed</b>	\$ 17,287,000		
<b>Financing Type</b>	Installment Purchase		
<b>Purpose and Type</b>	General Government	Building	
<b>Purpose and Type</b>	General Government	Law Enforcement/Public Safety	
<b>Purpose and Type</b>			
<b>Purpose and Type</b>			
<b>Purpose and Type</b>			
<b>Project Description</b>	There exists in the County a need to finance the costs of acquiring, constructing and equipping a new sheriff's administration building for the County. Building a new Sheriff's Administrative Building located at 100 New Hope Road, Greenville, NC. Project will allow the Pitt County Sheriff to consolidate employees into one location instead of multiple locations.		
<b>Statutory Reference</b>	G.S. 160A-20	<b>Last Request to Borrow</b>	IP 04/2021 \$16.9M
<b>FPICs</b>	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes - Immaterial <input type="checkbox"/> Yes - See attachment for summary and unit response		
<b>UAL Contract</b>	<input type="checkbox"/> Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)		
<b>Debt Management</b>	<input checked="" type="checkbox"/> Good - no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward		
<b>Proposed Amount is Necessary or Expedient</b>	The County has determined the project will allow Pitt County Sheriff to consolidate employees into one location instead of multiple locations.	<b>Is Adequate and Not Excessive</b>	Construction Bids received on 11/08/2022, with Daniels and Daniels Construction Co., Inc. awarded the bid. Costs are defined.
<b>Feasibility</b>	No tax increase is anticipated. Debt service will be paid from the general fund.		
<b>Tax Increase Anticipated</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes    Additional information (as applicable):		
<b>Public Hearing</b>	<input type="checkbox"/> N/A    OR    Date    2/6/2023	<b>TEFRA Hearing</b>	<input checked="" type="checkbox"/> N/A    OR    Date
<b>Interest Rate Assumptions (GO Bonds Only)</b>	<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)).		



Pitt County			
<b>Terms</b>	<b>Lender/Purchaser/Bank</b>	TD Bank, N.A.	<b>Marketability</b> As per 2022 Audit.  <b>Moody's</b> Aa1 <b>S&amp;P</b> AA <b>Fitch</b> AA+
	<b>Interest Rate</b>	4.38%	
	<b>Term</b>	15 Years	
	<b>Payment</b>	Annual Principal; Semi-annual Interest	
	<b>Structure and Term</b>	Level Principal	
	<b>Final Maturity</b>	March 01, 2038	
<b>Other:</b>	Installment purchase contract is more timely than issue of G.O. Bonds.		

Financing Team			
<b>Financial Advisor</b>	First Tryon Advisors	Bank's Counsel	Chapman & Cutler LLP
<b>Underwriter</b>			
<b>Lender/Purchaser/Bank</b>	TD Bank, N.A.		
<b>Underwriter's Counsel</b>			
<b>Bond Counsel</b>	Womble Bond Dickinson (US) LLP		
<b>Purchaser's Counsel</b>			
<b>Trustee</b>			
<b>Trustee's Counsel</b>			

Amount Not to Exceed: \$ 17,287,000		
Sources:	Amount:	
1 TD Bank Loan		\$ 17,287,000
2		
3		
4		
<b>Total</b>		\$ 17,287,000
Uses:	Amount:	
1 Construction Costs		\$ 15,645,000
2 Engineer or Architect Fees		\$ 927,624
3 Land/Right of Way/Other Legal		\$ 245,026
4 Other		\$ 469,350
<b>Total</b>		\$ 17,287,000

Debt and Debt Ratios			
<b>Amount</b>	\$ 17,287,000	<b>Debt Ratio: Debt Per Capita</b>	
<b>Bonds Authorized and Unissued</b>	\$ 0	<b>Before</b>	\$ 660
<b>Existing Debt Excluding Enterprise Funds</b>	\$ 113,567,209	<b>After</b>	\$ 760
<b>Estimated Census</b>	172,169	<b>Debt Ratio: Debt to Assessed Valuation</b>	
<b>Tax Rate</b>	.6841	<b>Before</b>	0.70%
<b>Assessed Valuation</b>	\$ 16,332,470,303	<b>After</b>	0.80%

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<b>LGC Staff Analysis For:</b>	<b>Wake County</b>		
<b>Amount Not To Exceed</b>	\$ 83,700,000		
<b>Financing Type</b>	General Obligation Bonds - Refunding		
<b>Purpose and Type</b>	General Government	Community College	
<b>Purpose and Type</b>	School (K-12)		
<b>Purpose and Type</b>	Land		
<b>Purpose and Type</b>			
<b>Purpose and Type</b>			
<b>Project Description</b>	Current Refunding: Proceeds of the refunding bonds will be used to redeem on May 1, 2023 the 5-1-2024 to 2032 maturities of the County's outstanding \$24,300,000 G.O. School Bonds, Series 2013A and the outstanding \$59,400,000 Public Improvement Bonds, Series 2013B. A competitive sale for the Refunding Bonds is scheduled for March 28, 2023, along with the sale of voter-authorized bonds.		
<b>Statutory Reference</b>	G.S. 159-72	<b>Last Request to Borrow</b>	9-22-2022: \$883,900,000 G O Referendum
<b>FPICs</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes - Immaterial <input type="checkbox"/> Yes - See attachment for summary and unit response		
<b>UAL Contract</b>	<input type="checkbox"/> Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)		
<b>Debt Management</b>	<input checked="" type="checkbox"/> Good - no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward		
<b>Proposed Amount is Necessary or Expedient</b>	Necessary and expedient to provide debt service savings compared to the 2013 Bonds. The refunding bonds will also be tax-exempt.	<b>Is Adequate and Not Excessive</b>	Amount is adequate to redeem the outstanding bonds.
<b>Feasibility</b>	Net present value savings is presently estimated at \$4,274,633, or 5.69% of the refunded bonds.		
<b>Tax Increase Anticipated</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes    Additional information (as applicable):		
<b>Public Hearing</b>	<input checked="" type="checkbox"/> N/A    OR    Date	<b>TEFRA Hearing</b>	<input type="checkbox"/> N/A    OR    Date
<b>Interest Rate Assumptions (GO Bonds Only)</b>	<input checked="" 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)).		



**Wake County**

<b>Terms</b>	<b>Lender/Purchaser/Bank</b>		<b>Marketability</b> (Expected Ratings)
	<b>Interest Rate</b>		
	<b>Term</b>		
	<b>Payment</b>	Annual Principal; Semi-annual Interest	
	<b>Structure and Term</b>	Relatively level principal for 9 years	
	<b>Final Maturity</b>	5-1-2032	
<b>Other:</b>	Final maturity of the Refunding Bonds will not extend beyond the current scheduled maturity date. Sale date scheduled for March 28, 2023.		

**Financing Team**

<b>Financial Advisor</b>	First Tryon Advisors		
<b>Underwriter</b>			
<b>Lender/Purchaser/Bank</b>			
<b>Underwriter's Counsel</b>			
<b>Bond Counsel</b>	Womble Bond Dickinson (US) LLP		
<b>Purchaser's Counsel</b>			
<b>Trustee</b>			
<b>Trustee's Counsel</b>			

**Amount Not to Exceed: \$ 83,700,000**

<b>Sources:</b>		<b>Amount:</b>
1 Bond proceeds		\$ 75,110,000
2 County contribution for interest and costs		\$ 1,722,964
3 Bond premium		\$ 8,893,982
4		
	<b>Total</b>	\$ 85,726,946
<b>Uses:</b>		<b>Amount:</b>
1 Principal and Interest - Refunding		\$ 85,289,625
2 Costs of Issuance		\$ 437,321
3		
4		
	<b>Total</b>	\$ 85,726,946

**Debt and Debt Ratios**

<b>Amount</b>	\$ 83,700,000	<b>Debt Ratio: Debt Per Capita</b>	
<b>Bonds Authorized and Unissued</b>	\$ 1,486,140,000	<b>Before</b>	\$ 2,821
<b>Existing Debt Excluding Enterprise Funds</b>	\$ 1,758,446,780	<b>After</b>	\$ 2,821
<b>Estimated Census</b>	1,150,204	<b>Debt Ratio: Debt to Assessed Valuation</b>	
<b>Tax Rate</b>	\$0.6195	<b>Before</b>	1.63%
<b>Assessed Valuation</b>	\$ 199,411,591,982	<b>After</b>	1.63%

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<b>LGC Staff Analysis For:</b>	<b>Wilson's Mills, Town of</b>		
<b>Amount Not To Exceed</b>	\$ 1,500,000		
<b>Financing Type</b>	Financing Agreement		
<b>Purpose and Type</b>	Land		
<b>Purpose and Type</b>	General Government	Multiple Municipal Buildings	
<b>Purpose and Type</b>			
<b>Purpose and Type</b>			
<b>Purpose and Type</b>			
<b>Project Description</b>	Wilson's Mills is planning to acquire 11.5 acres of land and the 5 move-in ready buildings on the land for Town Hall administrative offices, public works shop, animal control facilities, and future police department and utilities.		
<b>Statutory Reference</b>	G.S. 160A-20	<b>Last Request to Borrow</b>	IP 07-2015 \$160.5K
<b>FPICs</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes - Immaterial <input type="checkbox"/> Yes - See attachment for summary and unit response		
<b>UAL Contract</b>	<input type="checkbox"/> Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)		
<b>Debt Management</b>	<input checked="" type="checkbox"/> Good - no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward		
<b>Proposed Amount is Necessary or Expedient</b>	Necessary and expedient to provide for the addition of two new departments; the future police and utilities department will have 10-12 new positions to be staffed by 2025. The current Town Hall administrative offices location houses 31 employees in an over 100-year-old 900 sq. ft. building that is longstanding and at capacity.		<b>Is Adequate and Not Excessive</b> Appraisal is in hand and values the property at \$2,580,000.
<b>Feasibility</b>	No tax increase is anticipated. General Fund revenues will provide for debt service payments.		
<b>Tax Increase Anticipated</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes            Additional information (as applicable):		
<b>Public Hearing</b>	<input type="checkbox"/> N/A            OR            Date            2/20/2023	<b>TEFRA Hearing</b>	<input checked="" type="checkbox"/> N/A            OR            Date
<b>Interest Rate Assumptions (GO Bonds Only)</b>	<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)).		



**Wilson's Mills, Town of**

<b>Terms</b>	<b>Lender/Purchaser/Bank</b>	KS Bank	<b>Marketability</b> Per the FY2022 audit.  <b>Moody's</b> N/A <b>S&amp;P</b> AAA <b>Fitch</b> N/A
	<b>Interest Rate</b>	3.95%	
	<b>Term</b>	5 years	
	<b>Payment</b>	Annual Principal and Interest payments	
	<b>Structure and Term</b>	Level Debt Payments	
	<b>Final Maturity</b>	7/1/2027	
<b>Other:</b>	<p>The Town's Council has determined that standard appraised values on property do not align with the market pricing in the growing area. Although the purchase price of this property slightly exceeds the appraised value, the Town feels that the acreage with the buildings fits the current and future growth needs for the Town departments.</p> <p>Installment purchase contract is more timely than issue of G.O. Bonds.</p>		

**Financing Team**

<b>Financial Advisor</b>		Unit Attorney	Gabriel Du Sablon
<b>Underwriter</b>			
<b>Lender/Purchaser/Bank</b>			
<b>Underwriter's Counsel</b>			
<b>Bond Counsel</b>			
<b>Purchaser's Counsel</b>			
<b>Trustee</b>			
<b>Trustee's Counsel</b>			

**Amount Not to Exceed: \$ 1,500,000**

<b>Sources:</b>		<b>Amount:</b>
1 Bank Loan		\$ 1,500,000
2 State Capital and Infrastructure Funds (SCIF) Award		\$ 1,600,000
3		
4		
<b>Total</b>		\$ 3,100,000
<b>Uses:</b>		<b>Amount:</b>
1 Land Purchase		\$ 3,100,000
2		
3		
4		
<b>Total</b>		\$ 3,100,000

**Debt and Debt Ratios**

<b>Amount</b>	\$ 1,500,000	<b>Debt Ratio: Debt Per Capita</b>	
<b>Bonds Authorized and Unissued</b>	\$ 0	<b>Before</b>	\$ 561
<b>Existing Debt Excluding Enterprise Funds</b>	\$ 1,500,000	<b>After</b>	\$ 1,122
<b>Estimated Census</b>	2,674	<b>Debt Ratio: Debt to Assessed Valuation</b>	
<b>Tax Rate</b>	.42	<b>Before</b>	.71%
<b>Assessed Valuation</b>	\$ 212,367,514	<b>After</b>	1.41%

NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER



*Dale R. Folwell, CPA*  
STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

<b>LGC Staff Analysis For:</b>	<b>Winston-Salem, City of</b>		
<b>Amount Not To Exceed</b>	\$ 8,895,000		
<b>Financing Type</b>	General Obligation Bonds		
<b>Purpose and Type</b>	General Government	Law Enforcement/Public Safety	
<b>Purpose and Type</b>		Parks & Recreation	
<b>Purpose and Type</b>		Streets & Sidewalks	
<b>Purpose and Type</b>		Public Facilities	
<b>Purpose and Type</b>			
<b>Project Description</b>	Two-Thirds Net Debt Reduction G.O. Bonds consisting of \$985,000 Pubic Safety Bonds, \$1,760,000 Parks and Recreation Bonds, \$3,250,000 Streets and Sidewalk Bonds, and \$2,900,000 Public Facilities Bonds. Bond proceeds will supplement other City revenues to fund various projects including repaving reinforced concrete pads at 2 fire stations, resealing parking areas & driveways, other improvements to public safety facilities; Improvements to parks and recreation facilities including storm drainage, erosion control, park bridge replacement, playground resurfacing, repair of sinkholes, removal of invasive species at the Winston Lake Golf Course, general capital maintenance at other park facilities; Street resurfacing, bridge replacement and repair, upgrading and repair of street lighting including pole replacement, metering, etc, purchase & installation of a salt dome conveyor system & security fencing.		
<b>Statutory Reference</b>	G.S. 159-49	<b>Last Request to Borrow</b>	12-7-2021: \$60,000,000 LOB's
<b>FPICs</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes - Immaterial <input type="checkbox"/> Yes - See attachment for summary and unit response		
<b>UAL Contract</b>	<input type="checkbox"/> Application is for a contract subject to approval under modifications to N.C.G.S. 159-148 (SL 2022-53)		
<b>Debt Management</b>	<input checked="" type="checkbox"/> Good - no deficiencies and no defaults noted, or reasonable assurance of strict, lawfully compliant management proceeding forward		
<b>Proposed Amount is Necessary or Expedient</b>	Issuance of "Two-Thirds" bonds along with the scheduled sale of approximately \$55,000,000 voter authorized bonds is a cost effective means to fund these necessary projects.	<b>Is Adequate and Not Excessive</b>	Bond proceeds will supplement other funds of the City to finance these projects. Cost estimates are provided by professional City staff under the Asset Management Program.
<b>Feasibility</b>	No tax increase is anticipated for the Two-Thirds Bonds.		
<b>Tax Increase Anticipated</b>	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes            Additional information (as applicable):		
<b>Public Hearing</b>	<input type="checkbox"/> N/A            OR            Date            3/6/2023	<b>TEFRA Hearing</b>	<input type="checkbox"/> N/A            OR            Date
<b>Interest Rate Assumptions (GO Bonds Only)</b>	<input checked="" 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)).		



**Winston-Salem, City of**

<b>Terms</b>	<b>Lender/Purchaser/Bank</b>		<b>Marketability</b>	
	<b>Interest Rate</b>			
	<b>Term</b>	Not to exceed 20 years		<b>Moody's</b> Aaa
	<b>Payment</b>	Annual principal and semiannual interest payments		<b>S&amp;P</b> AAA
	<b>Structure and Term</b>	Level principal		<b>Fitch</b> AAA
	<b>Final Maturity</b>	Not beyond June 1, 2043		
<b>Other:</b>	Competitive public sale scheduled for April 18th, 2023.			

**Financing Team**

<b>Financial Advisor</b>	First Tryon Advisors		
<b>Underwriter</b>			
<b>Lender/Purchaser/Bank</b>			
<b>Underwriter's Counsel</b>			
<b>Bond Counsel</b>	Parker Poe Adams & Bernstein, LLP		
<b>Purchaser's Counsel</b>			
<b>Trustee</b>			
<b>Trustee's Counsel</b>			

**Amount Not to Exceed: \$ 8,895,000**

<b>Sources:</b>		<b>Amount:</b>
1 Bond Sale Proceeds		\$ 8,895,000
2		
3		
4		
	<b>Total</b>	\$ 8,895,000
<b>Uses:</b>		<b>Amount:</b>
1 Deposit to construction Accounts		\$ 8,895,000
2		
3		
4		
	<b>Total</b>	\$ 8,895,000

**Debt and Debt Ratios**

<b>Amount</b>	<b>\$ 8,895,000</b>	<b>Debt Ratio: Debt Per Capita</b>	
<b>Bonds Authorized and Unissued</b>	\$ 87,035,000	<b>Before</b>	\$ 1,364
<b>Existing Debt Excluding Enterprise Funds</b>	\$ 341,351,014	<b>After</b>	\$ 1,400
<b>Estimated Census</b>	250,249	<b>Debt Ratio: Debt to Assessed Valuation</b>	
<b>Tax Rate</b>	\$0.636	<b>Before</b>	1.26%
<b>Assessed Valuation</b>	\$ 27,032,607,127	<b>After</b>	1.30%

**NORTH CAROLINA**  
DEPARTMENT OF STATE TREASURER



*Dale R. Folwell, CPA*  
STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

Unit	Miscellaneous Action Item Description
<p><b>Gastonia Housing Authority - Fairhaven Place</b></p>	<p>The financing for Fairhaven Place was approved by the LGC on October 4, 2022. The LGC approved a not to exceed bond amount of \$39 million, including \$22 million of tax-exempt Series A and \$17 million of taxable Series B Multifamily Housing Revenue Notes (the "Multifamily Notes"). Due to increases in the construction costs for this project, the amount of the Multifamily Notes needed to finance this project has increased to \$24.9 million of tax-exempt Series A and \$23 million of taxable Series B, increasing the aggregate not to exceed principal amount for the Multifamily Notes to \$47.9 million. The not to exceed maturity date for the Multifamily Notes of December 31, 2042, and the not to exceed interest rate for the Multifamily Notes of 12% previously approved by the LGC will remain unchanged.</p>



<b>LGC Staff Analysis For:</b>	<b>Elon LIBOR migration to Equivalent Index (Miscellaneous Action Item)</b>
<b>Amount Not to Exceed</b>	
<b>NCCFFA Item</b>	<input checked="" type="checkbox"/> Yes
<b>Description</b>	<p>Background on the LIBOR Index and Replacement Requirements</p> <p>The US Dollar (USD) London Interbank Offered Rate (LIBOR) will be replaced by the Secured Overnight Financing Rate (SOFR) as a primary benchmark index. Financings tied to the LIBOR index are required to transition to an alternative equivalent rate formula based on a non-LIBOR index or formula. This transition must be completed by June 30, 2023. Previously LIBOR was used as an index to calculate financing interest rates in many variable financing agreements and for most interest rate swaps.</p> <p>SOFR (Secured Overnight Financing Rate) is the recommended, not required, new benchmark to replace LIBOR, with banks also permitted to select their own new benchmarks.</p> <p>Elon University's transition away from LIBOR requires the amendment of existing Trust Agreements and Bonds under the original terms to incorporate SOFR - based interest rate provisions - thus requiring NCCFFA &amp; LGC actionable approval.</p> <p>Proposed Transitions:</p> <ol style="list-style-type: none"> <li>1) Series 2012 Revenue Bonds, Original Par \$54,595,000 Original rate formula: 79% of 1 month LIBOR +110 basis points  New replacement = An equivalent SOFR based rate formula set at closing date.</li> <li>2) Series 2014B Revenue Refunding Bonds, Original Par \$110,310,000 Original rate formula: 67% of 1 month LIBOR + 107 basis points  New replacement = An equivalent SOFR based rate formula set at closing date.</li> <li>3) Series 2017A Revenue Bonds, Original Par \$24,320,000 Original rate formula: 79% of 1 month LIBOR + 58 basis points  New replacement = An equivalent SOFR based rate formula set at closing date.</li> <li>4) Series 2018 Revenue Bonds, Original Par \$20,000,000 Original rate formula: Fixed for year 1 - 10 (does not change), Variable years 11 - 15 at 82.5% of 1 month LIBOR + 100 basis points  New replacement = An equivalent SOFR based rate formula set at closing date.</li> </ol> <p>Facilities financed:</p> <p>The university has certified that there has been no change to original non-discriminatory use of the property financed through each of the bond series noted above.</p> <p>Financing Team:</p> <p>Bond Counsel: Womble Bond Dickinson (US) LLP</p> <p>Financial Advisor: JANNEY MONTGOMERY SCOTT LLC</p> <p>Trustee: Truist Bank</p> <p>Expected closing date: March 15, 2023</p> <p>Approvals:</p> <ul style="list-style-type: none"> <li>- Transition of Series 2012, 2014B, 2017A &amp; 2018 to equivalent SOFR based financing rates and related amendments to Trust Agreements.</li> <li>- Require completion prior to the June 30, 2023 LIBOR transition deadline.</li> </ul>



<b>LGC Staff Analysis For:</b>	<b>LIBOR migration to Equivalent Index (Misc - Non-Action Items)</b>
<b>Amount Not to Exceed</b>	
<b>NCCFFA Item</b>	<input checked="" type="checkbox"/> Yes
<b>Description</b>	<p>Background on the LIBOR Index and Replacement Requirements</p> <p>The US Dollar (USD) London Interbank Offered Rate (LIBOR) will be replaced by the Secured Overnight Financing Rate (SOFR) as a primary benchmark index. Financings tied to the LIBOR index are required to transition to an alternative equivalent rate formula based on a non-LIBOR index. This transition must be complete by June 30, 2023. Previously LIBOR was used as an index to calculate financing interest rates in many variable financing agreements and for most interest rate swaps.</p> <p>SOFR (Secured Overnight Financing Rate) is the recommended, not required, new benchmark to replace LIBOR, with banks also permitted to select their own new benchmarks.</p> <p>Transition away from LIBOR for the bond issuances below requires only an omnibus amendment to the original documents, and are miscellaneous non-action items. Original financing institutions remain unchanged.</p> <ol style="list-style-type: none"> <li>1) High Point University Series 2015 Revenue Bonds, Original Par \$80,630,000, Truist Bank <ul style="list-style-type: none"> <li>Original rate formula: 68% of 1 month LIBOR +81.25 basis points</li> <li>New replacement = A SOFR based rate formula to produce a rate equivalent to the rate applicable on the closing date</li> </ul> </li> <li>2) Metrolina Regional Scholars Academy, Inc. Series 2009 Revenue Bonds, Original Par \$4,050,000, Truist Bank <ul style="list-style-type: none"> <li>Original rate formula: 68% of 1 month LIBOR +212 basis points</li> <li>New replacement = A SOFR based rate formula to produce a rate equivalent to the rate applicable on the closing date</li> </ul> </li> <li>3) The Summit School, Series 2018 Revenue Bonds, Original Par \$12,840,000, Truist Bank <ul style="list-style-type: none"> <li>Original rate formula: 68% of 1 month LIBOR +212 basis points</li> <li>New replacement = A SOFR based rate formula to produce a rate equivalent to the rate applicable on the closing date</li> </ul> </li> <li>4) Peak Resources Realty, Series 2010A &amp; 2010B Recovery Zone Facility Bonds, Truist Bank <ul style="list-style-type: none"> <li>Original rate formula: 68% of 1 month LIBOR +178.75 basis points</li> <li>New replacement = A SOFR based rate formula to produce a rate equivalent to the rate applicable on the closing date</li> </ul> </li> <li>5) Raleigh Charter High School, Inc. Series 2015 Revenue Bonds, Original Par \$6,626,980, PNC Bank <ul style="list-style-type: none"> <li>Original rate formula: 65% of 1 month LIBOR +127 basis points</li> <li>New replacement = A SOFR based rate formula to produce a rate equivalent to the rate applicable on the closing date</li> </ul> </li> <li>6) Endeavor Charter School, Inc, Series 2016 Revenue Bonds, Original Par \$7,681,669, PNC Bank <ul style="list-style-type: none"> <li>Original rate formula: 65% of 1 month LIBOR +160 basis points</li> <li>New replacement = A SOFR based rate formula to produce a rate equivalent to the rate applicable on the closing date</li> </ul> </li> <li>7) Young Men's Christian Association of the Triangle Area, Inc. Series 2017 B,C Revenue Bonds, Original Par \$42,135,000, Truist Bank <ul style="list-style-type: none"> <li>Original rate formula: 67% of 1 month LIBOR + 66 basis points Series B 67% of 1 month LIBOR + 74 basis points Series C</li> <li>New replacement = A SOFR based rate formula to produce a rate equivalent to the rate applicable on the closing date</li> </ul> </li> </ol>



LIBOR migration to Equivalent Index (Misc - Non-Action Items)	
<b>Financing Details</b>	Financing Team  - Bond Counsel: McGuireWoods  Truist Bank  PNC Bank