

1. PLEDGE OF ALLEGIANCE

2. TOAST TO THE FLAG

3. CONFLICT OF INTEREST STATEMENT

4. MINUTES FOR APPROVAL

7/13/2021, 7/26/21

FINAL
RELATED INFORMATION
Approximate Per Capita Debt

State: \$ 553
Federal: \$ 85,883

Special Presentation:

VUR Studies and Rate Studies by Shadi Eskaf (Research Director - UNC Environmental Finance Center)

<u>Unit</u>	<u>Type</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>	<u>Number</u>	<u>to Borrow</u>	<u>Non-Voted</u>
Town of Ayden	Financing Agreement	Sewer	\$ 2,214,350	Unit Letter		R 2-2020 \$916K	
City of Brevard	Financing Agreement	Municipal Building	\$ 2,350,000	Unit Letter		FA 8-2020 \$1.3MM	
Town of Walnut Creek	Revolving Loan	Sewer Improvements	\$ 1,754,000	Unit Letter		FA 9-2012 \$614K	
Wilson County	Financing Agreement	School	\$ 13,000,000	Unit Letter		FA 3-2018 \$875K	
City of Thomasville	Financing Agreement	Recreation	\$ 6,100,000			RL 12-2018 \$1.4MM	
Wake County	Financing Agreement	Schools	\$ 584,065,000			GO 3-2021 \$218 MM	
Johnston County	Revenue Bond	Water and Sewer	\$ 52,500,000			GO 5-2021 \$36MM	
State of North Carolina	Revenue Bonds	GARVEEs	\$ 300,000,000			R 10-2020 \$499.4MM	
Town of Landis	Revolving Loan	Sewer	\$ 2,288,120			RL 2-2016 \$212k	
Town of Swepsonville	Revolving Loan	Sewer	\$ 1,500,000			RL 2-2000 \$211K	

MISCELLANEOUS ITEMS

ACTION

Durham County	General Obligation Bonds	Draw Note Program - G.O. Bond Anticipation Notes	\$ 50,000,000			FA 4-2-21 \$225 MM	
Orange Water & Sewer Authority	Revolving Loan	Misc. Loan Increase	\$ 4,657,928			RL 8-2020 \$670K	
Wake County	General Obligation Bonds	Draw Note Program - G.O. Bond Anticipation Notes	\$ 171,900,000			GO 3-2021 \$218 MM	

NON-ACTION

Washington County	Revenue Bond	Misc. Non-Action Rate Modification	\$ 3,500,000			RL 7-2014 \$560K	
Statement of Economic Interest	Non-Action Item	Secretary Penny LGC Designee - Tenisha S. Jacobs					

<u>Unit</u>	<u>Type</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>	<u>Number</u>	<u>to Borrow</u>	<u>Non-Voted</u>
UNIT UPDATES							
(Under Financial Control of the LGC)							
Eureka							
Cliffside Sanitary District							
Robersonville	Action Item	Approve Financing Contract		Vote Needed			
Robersonville	Action Item	Approve Budget Amendment		Vote Needed			
Kingstown	Action Item	Resolution Ratifying Service Contract		Vote Needed			
Pikeville							
(Units Engaged in Fiscal Accountability Agreements)							
Spring Lake							
Scotland Neck							
(Other Units)							
Wilkesboro	Action Item	Resolution Enforcing G.S. 159-25		Vote Needed			
OTHER ITEMS							
Closed Session pursuant to G.S. 143-318.11(a)(3) to discuss a legal matter (if necessary)	Non-Action Item						

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
TOWN OF AYDEN \$2,214,350 Sewer Line Extension G.S. 160A-20 Installment Purchase Contract Private Placement	This project consists of the extension of approximately 7,900 linear feet of gravity sewer collection assets to NC 102 east of town. <u>Sources:</u> Bank Loan: \$2,214,350 Total Sources: <u>\$2,214,350</u> <u>Uses:</u> Construction Cost: \$1,715,950 Engineer or Arch. Fees: \$351,980 Land and Rt-of-way: \$7,500 Special Counsel Fees: \$20,000 Other Legal/Fiscal Cost: \$6,000 Contingency: \$112,920 <u>\$2,214,350</u>	Necessary and expedient to provide service to proposed annexed property to be developed for residential housing and mixed use (commercial/residential).	Bids in hand.	The Town received a unit letter because the Town's audited financial statements were not received by our office until June 7, 2021, four months after the extended due date of January 31, 2021 and eleven months after the fiscal year end. According to our records, the Town's statements also were received late in the prior year. Also, in the General Fund, the percentage of fund balance available for appropriation relative to expenditures has declined over the last three years to its current level of 22.49%. It appears that this decline was caused primarily by the Town using fund balance as a source of funds to balance its budget. In their response, the Town noted that they did not appropriate any fund balance in the 2022 budget. They also detailed plans for an audit team, including the Finance Director, the Town Manager, and other staff that will work to help with the work load. They also changed audit firms. The response was satisfactory.	No tax increase is anticipated. General Fund revenues will provide for debt service.	Bank: Truist Bank Approval Rate: 2.30% Term: 15 Years Market Rate: 2.00% 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
Sewer	4,932	\$ 2,214,350	3/8/2021	\$ -	\$242,333,679	3,202,601	\$0.54	1.32%	2.24%	\$ 649	\$ 1,098
								Pitt County			

CITY OF BREVARD \$2,350,000 G.S. 160A-20 Installment Contract Private Placement	Construction of a Community Center Building, parking lot and street improvements. <u>Expected Sources and Uses of Funds:</u> <u>Sources:</u> Bank Loan: \$ 2,350,000 Total Sources: <u>\$ 2,350,000</u> <u>Uses:</u> Project Costs: \$ 2,350,000 Total Uses: <u>\$ 2,350,000</u>	Necessary and expedient to replace an old Community Center that had closed down several years ago.	Bid is in hand.	The City received a unit letter due to (1) concern that the General Fund balance available for appropriations relative to expenditures is substantially less than comparable units and (2) a potential sign of weakness in the Water & Sewer Fund which has liabilities significantly higher than its cash, investments and receivables. The City responded that (1) they took on property tax collection from the County and have improved cash flow and adopted a lean budget with no tax increase and eliminated transfers from the GF to three other funds totaling \$425,000. In addition annual transfer from the WSF to the GF of \$600,000 was withheld this past fiscal year due to uncertainty with COVID-19 which would have resulted in a significantly higher unassigned fund balance. (2) The quick ratio is better than it appears with a receivable reimbursement as well as an increase in expenditures on capital project work. The City has also implemented a number of rate increases, fees and policy changes over the past 7 years including an annual 4% raise in rates which the City has determined generates sufficient revenues to increase the strength of the WSF. The City's response was considered satisfactory.	The City approved a 2 cent tax rate increase. Debt service will be paid from the revenues to the General Fund.	Lender: Truist Bank Amount not to exceed: \$ 2,350,000 Approval rate: 1.99% Term (Years): 15 Market Rate: 1.80% Payment: Annual Principal and Interest Current G.O. Ratings: S&P: N/A Moody's: N/A Installment financing is more timely than issuing G. O. Bonds
--	---	--	-----------------	---	--	---

Removed from Agenda

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	8,004	\$ 2,350,000	6/21/2021	\$ -	\$ 967,092,788	\$ 883,364	\$0.0510	0.09%	0.33%	\$ 110	\$ 404
								Transylvania County			

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	FEASIBILITY/ TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
VILLAGE OF WALNUT CREEK Sewer \$1,754,000 G.S. 159G-22 Revolving Loan	This project consists of replacing three (3) aging dry-pit submersible lift stations with new submersible lift stations and the replacement of approximately 3,470 LF of 8-inch terra cotta gravity sewer main, approximately 12 manholes, and approximately 26 service laterals.	The project is necessary and expedient as it will provide a safer environment for lift station maintenance, reduce O&M costs, and eliminate potential Sanitary Sewer Overflows (SSOs).	A cost estimate is provided by Gary M. Flowers, P.E. of Municipal Engineering Services Company PA	The Village received a unit letter because financial statements show expenditures that exceeded the amounts authorized by the budget. Additionally, the Village did not contribute 5% of salary to a police officer's supplemental retirement income plan (401K) as required by NCGS Article 12E Chapter 143. The Village did not contribute 16.01% of salary to the Local Government Employees Retirement System (LERS) as required by NCGS Article 3 Chapter 128 for salary and bonuses paid to employees during FY 2020. The Village responded that payroll issues concerning contributions to State Retirement and 401K have been corrected. The Village has made contributions for the current year to NCLGERS and 401K salaries as well. The Council will review budget vs. actual revenues and expenditures each month and amend the budget as necessary to ensure adequate appropriations for all expenditures. All expenditures and cash disbursements will be pre-audited as required by NCGS 159. The response was satisfactory.	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: \$29.90 Sewer: \$50.00	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%.
WILSON COUNTY \$13,000,000 160A-20 Installment Contract Private Placement	(1) Construction of Wilson County Schools new Wilson Academy of Applied Technology (WAAT). (2) Remodel & repair various other school facilities. <u>Expected Sources and Uses of Funds:</u> Uses: Loan Proceeds \$ 13,000,000 Lottery Grant \$ 15,000,000 Available Cash \$ 426,631 Total Sources \$ 28,426,631 Uses: Project Costs Wilson Academy \$ 25,571,817 Barnes ES \$ 1,452,594 Lee Woodward ES \$ 1,246,220 Costs of Issuance \$ 156,000 Total Uses \$ 28,426,631	Necessary and expedient to match lottery grant to build WAAT and make necessary repairs to ageing school facilities.	Bid is in hand.	The County received a unit letter for an internal control deficiency material weakness that accounts are not being reconciled regularly and timely. The County responded that the delay in reconciliations was attributable to employee turnover and the difficulty of hiring and training replacements during COVID-19. The County has also engaged a CPA firm to assist in addressing areas of weakness and provide guidance. The County's response was considered satisfactory.	No tax increase is anticipated. Debt service will be paid from General Fund revenues and sales tax revenues.	Bank: Truist Amount \$ 13,000,000 Approval Rate: 1.96% Term (years): 15 Market Rate: 1.70% Structure: Annual principal and semi-annual interest payments. Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: Aa2 FINANCING TEAM Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: Davenport & Company Lender's Counsel: Pope Flynn Installment purchase structure is more timely and feasible than G.O.

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	81,801	\$ 13,000,000	7/12/2021	\$ -	6,652,602,034	\$ 7,420,000	\$0.730	0.11%	0.31%	\$	91	\$	250

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
CITY OF THOMASVILLE \$6,100,000 160A-20 Installment Contract Private Placement	Construction of a new Aquatics Facility and Recreation Center including certain City Council and administrative space. <u>Expected Sources and Uses of Funds:</u> Uses: Loan Proceeds \$ 6,100,000 Total Sources \$ 6,100,000 Uses: Project Costs \$ 6,037,500 Costs of Issuance \$ 62,500 Total Uses \$ 6,100,000	Necessary and expedient to replace an existing pool that is past its useful life as well as provide citizens with enhanced recreational facilities.	Bid is in hand.	No deficiencies or defaults noted.	The County passed a 2 cent property tax increase in FY 2018 dedicated for recreation purposes. An additional 1 cent increase was approved for the FY 2022 budget for the same purpose. Debt service will be paid from these additional revenues.	Bank: Pinnacle Bank Amount \$ 6,100,000 Approval Rate: 1.70% Term (years): 15 Market Rate: 1.50% Structure: Semi -annual principal and interest payments. Bank placement will not be rated. Current G.O. ratings: S&P N/A Moody's: Aa3 FINANCING TEAM Bond Counsel: Womble Bond Dickinson (US) LLP Financial Advisor: First Tryon Advisors Lender's Counsel: Nexsen Pruet

Installment purchase structure is more timely and feasible than G.O.

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 Before	After	Per Capita Before	After
Recreation	26,784	\$ 6,100,000	6/21/2021	\$ -	\$ 19,119,658,171	\$ 13,820,406	\$0.600	0.07%	0.10%	\$ 516	\$ 744
										Davidson County	\$ 602

UNIT	PROJECT	PROPOSED ISSUE IS NECESSARY AND EXPEDIENT	ADEQUATE NOT EXCESSIVE	DEBT MANAGEMENT	TAX INCREASE	TERMS/OTHER INFORMATION PREFERABLE TO A BOND ISSUE
WAKE COUNTY \$584,065,000 Public Schools G.S.160A-20 Installment Contract Private Placement	(1) Construct and renovate certain Wake County Public School System (WCPSS) schools and school facilities. <u>Expected Sources and Uses of Funds:</u> Sources: Loan Amount \$ 584,065,000 Cash Contribution \$ 111,872,929 Total Sources \$ 695,937,929 Uses: Project Funds: <u>New Construction</u> Wood Creek ES \$ 51,500,111 Hilltop Needmore ES \$ 46,883,053 Fuquay Varina MS \$ 79,982,830 Rex Road ES \$ 48,872,767 Felton Grove HS \$ 144,404,815 E-53 \$ 3,508,561 ES (TBD) \$ 3,508,561 HS-15 (Capital Blvd Site) \$ 4,518,815 MS-12 \$ 6,600,000 <u>Renovation</u> Swift Creek ES \$ 49,411,113 BaucomES \$ 42,722,667 <u>Program Requirements</u> Life Cycle Building \$ 39,247,929 Life Cycle Furniture \$ 4,214,000 Education Equipment \$ 5,292,000 Technology Devices \$ 39,244,000 Technology Infrastructure \$ 13,309,000 Security \$ 12,867,000 Temporary Classrooms \$ 5,517,170 Assessments \$ 1,109,118 Land Acquisition \$ 13,847,829 Space Need Analysis Prior. \$ 37,500,000 Partial Renovation \$ 8,870,908 Program Contingency \$ 13,402,841 Program Management \$ 19,602,841 Total Uses \$ 695,937,929	Necessary and expedient to meet the County's continuing rapid population growth and provide sufficient public school facilities to support WCPSS annual enrollment of 160,000+	Costs for the projects are based on estimates provided by Construction Managers at Risk (CMARs) and their design architects. The County maintains an extensive 7-year Capital Improvement Plan (CIP) for public school projects. Each project is associated with specific funding sources and the CIP is authorized by the Board of Commissioners. All project related disbursement requests from WCPSS are made by submitting a sworn certification of capital project expenditures to finance staff who then review the request to ensure budget authority exists and identifies the appropriate funding source. Before proceeds are drawn from the bank the request is approved by the debt manager.	No deficiencies or defaults noted.	The County Board has found by resolution that any related required tax increases will not be deemed excessive. Debt service will be paid from the Debt Service Fund (DSF) that is designated to fund capital projects. Currently 18.57 cents of the ad valorem tax rate as well as certain sales tax, lottery and other miscellaneous revenues are dedicated to the DSF and capital expenditures. The viability of the Debt Service Fund and its capacity to adequately cover debt service for these projects and other anticipated future financing needs through fiscal year 2025, has been evaluated by the County's financial advisor.	Structure: Draw down, interest only, variable rate installment financing facility. The Facility will have a commitment to advance \$584,065,000, but no more than half or \$292,032,500 of the total can be outstanding at any time. The County intends to convert the outstanding balance to conventional permanent financing in intervals as need and market conditions will dictate. The lender will set forth limitations on draw schedule and advance amounts. The County will then take out the remaining balance at the end of the five year initial maturity. If the County is not able to obtain financing at the end of the five year term, the Draw Facility will convert to a five year term loan with equal principal payments plus interest due semi-annually at the specified term-out rate. APPROVALS Amount Not To Exceed: \$ 584,065,000 Approval rate not to exceed : 79% of SOFR +32 bps Initial Maturity 4/1/2026 Final Maturity not beyond: 4/1/2031 Maximum Rate 22.00% Bank placement will not be rated. Current G.O. ratings: S&P: AAA Moody's: Aaa Fitch: AAA Truist Short Term Debt Ratings S&P: A-1 Moody's: A2 Fitch: F-1 FINANCING TEAM Bond Counsel: Womble Bond Dickinson, (US) LLP Financial Advisor: First Tryon Advisors Lender: STI Institutional & Government, Inc. (Truist) Lender's Counsel: Moore&VanAllen Installment financing is more timely than issuing 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
Schools	1,111,761	\$ 584,065,000	6/21/2021	\$ 849,830,000	\$ 188,640,000,000	\$ 3,179,892,285	\$0.6000	2.14%	2.45%	\$ 3,625	\$ 4,150

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
JOHNSTON COUNTY Water and Sewer Revenue Bonds, Series 2021 G.S. 159; Article 5 Public Offering Amount not to exceed: \$ 52,500,000 Project: consists of upgrades to the existing equalization and pumping facility to include pump capacity upgrades to 8,300 gallons per minute (gpm) with the ability to convey flow to the 4.0 MGD 210 WWTF and the C.JCRWWTF (Central Johnston County Regional Wastewater Treatment Facility); approximately 7,800LF of 24" force main from a pump station to the 210 WWTF; a new 4 MGD wastewater pump station on Swift Creek Road and approximately 27,000 LF of 24" force main to convey wastewater to the 210 WWTF; purchase of nitrogen credit allocation from a private mitigation bank in order to secure additional nitrogen allocation for the County's NPDES discharge permit.; Approximately 20,000 LF of 12" and 16" force main from the Pine Level WWPS to Selma; approximately 10,000 LF of 16" force main from the existing point of 16" force main connection into the gravity main on Buffalo Road to the County's existing Buffalo WWPS; approximately 28,500 LF of 24" water main along Buffalo Road from the water treatment plant discharge main to NC HWY 42 and upgrades to the existing Buffalo Road Booster Pump Station to a firm capacity of 6.5 MGD; and construction and installation of approximately 28,000LF of 8"-20" water mains between Wilsons Mills and Clayton.	Necessary and expedient to provide additional capacity to the bulk customers allowing for future growth; and to divert flow to the new 210 Wastewater Treatment Facility (WWTP). The new 210 WWTP facility is being financed with State Revolving Loans that have previously been approved by the Commission.	80% of bids are in hand for the projects and all major permits have been received. The remaining 20% of project are based on estimates provided by County staff.	The County has provided internal projections for the period FY 2021 through FY 2026 and the projections have been reviewed by Wildan Financial Services. Current projections demonstrate required coverages of debt service by net revenues as defined in the Bond Covenants of at least 1.74X on total system debt through FY 2026. Average residential monthly water and sewer bill based on 5000 gallons is \$102.15 and is expected to have average annual increases of 5% for sewer and 6% water per year for Fiscal Years 2022-2025.	No major deficiencies. No defaults noted.	Public Sale. Sale is scheduled on August 11, 2021 so as to not conflict with any other revenue bonds. Current ratings: S&P: Aa2 Moody's: Pending	Term: Not to Exceed 30 years Interest Rate: Fixed Structure: The debt service payments related to the Wastewater Treatment plant (WWTP) improvements will be wrapped with the State revolving loan debt for the plant resulting in combined level debt service payments to the maturity of the bonds. Debt service payments related to other projects will be essentially level payments after initial years of interest-only during construction. Expected Rate: Effective Interest Cost: % Expected Underwriters Discount: \$4.34/\$1,000 APPROVALS Final Maturity: Not beyond 2051 Interest Rate not to exceed: 5% Amount not to exceed: \$52,500,000 FINANCING TEAM Financial Advisor: Davenport & Company, LLC Bond Counsel: Nexsen Pruet, PLLC Master Trustee: U.S. Bank, National Association Bond Trustee: U.S. Bank National Association Underwriters: Wells Fargo Securities and Robert W. Baird & Co. Underwriters Counsel: Parker Poe Adams & Bernstein LLP

Expected Sources and Uses of Funds:

Sources:

Par Amount:	\$ 51,165,000
Total Sources:	<u>\$ 51,165,000</u>

Uses:

Project Fund Deposits:	\$ 49,983,534
Cost of Issuance:	\$ 1,179,125
Additional proceeds:	\$ 2,341
Total Uses:	<u>\$ 51,165,000</u>

PROJECT		PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
STATE OF NORTH CAROLINA Grant Anticipation Revenue Vehicle Bonds (GARVEEs)		Necessary and expedient to accelerate transportation projects across the State (see Program Description)	Project costs are estimated using NCDOT's standard estimation process.	The State Treasurer has made the following determination:	No major deficiencies. No defaults noted.	Anticipated Ratings: A2 (Moody's) AA (S&P) A+ (Fitch)	Structure: The Series 2021 GARVEEs are anticipated to be fixed rate with a 15 year maturity and an approximate 8.157 years average life.
Total Amount (Par) not to exceed (Preliminary)	\$ 300,000,000			After issuance of the 2021 GARVEEs, (assuming issuance of \$285 million or below) the outstanding principal amount of GARVEE debt (\$1,160.9 million) does not exceed the total amount of federal transportation funds authorized for the State in the prior federal fiscal year ended 9/30/2020 (\$1,163.0 million);		Public offering in \$5,000 denominations through a negotiated sale.	After the issuance of the 2021 GARVEEs debt service on the GARVEE program is anticipated to peak at approximately \$155 million in FY 2022-2023 and declining thereafter.
GARVEEs Series 2021			The amounts proposed are adequate and not excessive. Approximately \$52 million is forecast to be submitted for reimbursement in October 2021 and the remainder is expected to be expended within two years.				Interest Rate: Fixed Fixed over life of bonds Expected Interest Cost (All-In TIC): 1.74% Total 2021 GARVEE Amount not to exceed: \$300,000,000
Sources of Funds:*							
Par Amount	\$ 245,450,000						
Net Reoffering Premium	\$ 60,642,144						
	\$ 306,092,144						
Uses of Funds:*							
Deposit to Project Fund	\$ 305,000,815						
Financing Costs ¹	\$ 1,091,329						
	\$ 306,092,144						

PROGRAM DESCRIPTION

- GARVEEs authorized by N.C.G.S. §136-18(12b), codified by S.L. 2005-403, as amended.
- Program originally approved by COS and LGC in 2007. This will be the 8th issue.
- Estimated approximate total program size outstanding at any one time: \$1.0-1.5 Billion
- Program size is legislatively limited based on Federal Highway Fund allocations.
- GARVEEs are revenue bonds solely supported by a pledge of federal highway funds.
- The proceeds are used to accelerate eligible highway project construction.
- The GARVEE program has been designed to be "evergreen", with multiple issues of GARVEEs providing funding for a group of projects on a cash flow basis. All projects are to be included in the State's Transportation Improvement Plan and designated as eligible for GARVEE funding under federal agreements. See next page for the current list.

* Preliminary
¹ Includes Costs of Issuance and Underwriter's Discount.

- The Federal Aid Highway Program currently expires on September 30, 2021. The State's financial advisor believes that the risk of expiration without extension or short-term interim authorization is unlikely. Since 2003, Congress has passed multiple extensions of each existing program authorization until adoption of the next reauthorization, as follows:
 1. The current authorization, FAST act was enacted December 2015 and initially authorized through September 20, 2020. Pursuant to a Continuing Resolution approved in October 2020, the current authorization is set to expire September 30, 2021.
 2. The prior authorization, MAP-21 was enacted July 2012. The extension of the authorization to May 31, 2015 was passed prior to the original expiration of September 30, 2014.
 3. The next previous authorization, SAFETEA-LU was signed in August 2005 with an original expiration date of August 2009. Congress passed 9 separate interim extensions of the authorization until MAP-21 was enacted in 2012.
 4. The next previous authorization, TEA-21 was set to expire in 2003. Congress passed 12 extensions over 680 days prior to the enactment of SAFETEA-LU.
- For North Carolina, risk of delay is also mitigated by the GARVEE legal structure (first payment not due until March 2022) and DOT's policy regarding set-aside provisions.
- The State's financial advisor and lead underwriters of the GARVEEs believe the status of the reauthorization will not negatively impact the marketability of the GARVEEs due to the level of sophistication of the potential investor universe and their familiarity with the risks associated with the federal reauthorization process.

or

After the issuance of the 2021 GARVEEs, the maximum annual principal and interest (\$154.7 million) does not exceed 20% of the expected average annual federal revenue in the most recently adopted State Transportation Improvement Plan (approximately \$240.0 million).

APPROVALS 2021 GARVEEs

Maturity: Not to exceed 12/31/36
Interest Rate: Not to exceed 6%
Financing Costs: Not to exceed \$10/1,000.

FINANCING TEAM

Sr. Managing Underwriter: Bank of America Merrill Lynch
Financial Advisor: Hilltop Securities
Co-Bond Counsel: Nexsen Pruet, PLLC
The Francis Law Firm, PLLC
Disclosure Counsel: Moore & Van Allen PLLC
Underwriters' Counsel: McGuireWoods LLP
Trustee: US Bank
Trustee Counsel: To Be Determined

CONTINUED ON NEXT PAGE

PROJECT	PROJECT IS NECESSARY & EXPEDIENT	AMOUNT OF PROJECT IS ADEQUATE BUT NOT EXCESSIVE	FEASIBILITY	DEBT MANAGEMENT	MARKETABILITY	TERMS/ OTHER INFORMATION
---------	----------------------------------	---	-------------	-----------------	---------------	--------------------------

STATE OF NORTH CAROLINA (CONTINUED)

Preliminary List of Projects Eligible to receive GARVEE funding *	2021 GARVEE
I-40 WIDENING	\$ 55,000,000
WINSTON SALEM LOOP	60,000,000
US 321 WIDENING	35,000,000
I-26 WIDENING	20,000,000
US 70 HAVELOCK BYPASS	65,000,000
FAYETTEVILLE OUTER LOOP	40,000,000
WINSTON SALEM LOOP	10,000,000
US 401 WIDENING	10,000,000
WINSTON SALEM LOOP	10,000,000
Total	\$ 305,000,000

* Projects and amounts subject to change.

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
TOWN OF LANDIS Sewer \$2,288,120 G.S. 159G-22 Revolving Loan	This project consists of the rehabilitation of approximately 3,870 linear feet of 8-inch terra cotta (clay) gravity sewers and 35 brick manholes in the S. Upright Street sewer basin.	Necessary and expedient to help eliminate large quantities of inflow and infiltration in the basin as well as reduce operational and maintenance costs and higher treatment costs associated with maintaining older infrastructure. These improvements will provide the residents served by the project area with improved sewer lines and reliable sewer service for years to come.	Cost estimates provided by Municipal Engineering Services Company, PA.	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: \$55.78 Sewer: \$64.97	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
TOWN OF SWEPSONVILLE Sewer \$1,500,000 G.S. 159G-22 Revolving Loan	This project includes approximately 6,800 linear feet of heavy cleaning to remove sand and other accumulated deposits within the outfall and 6,800 linear feet of cured in place pipe (CIPP) sanitary sewer rehabilitation.	Necessary and expedient to rehabilitate existing infrastructure to reduce infiltration and inflow (I/I).	Cost estimates provided by Alley, Williams, Carmen & King.	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: \$36.57 Sewer: \$37.46	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:
County of Durham
G.S. 159-161

(ACTION ITEMS):

The County of Durham requests approval to issue up to \$50,000,000 bond anticipation notes under general obligation bond authorizations previously approved by the Commission for School, Community College, Library and Museum projects. Under the BAN program, the County will draw funds as advances in the amounts and at times needed to pay the costs of projects being financed under the bond authorizations. The County has used this type of G.O. note program previously, the last such BAN being approved by the Commission in June 2019. The BAN will be issued non-competitively at a floating rate of interest based upon the the weekly SIFMA Index, plus 25 basis points (0.25%), with a maximum rate of 20.0%. There will be no fee for unused funds. The initial maturity date is (on or about) August 10, 2024 and the extended maturity date is (on or about) August 10, 2027, depending on the actual closing date. At or before the extended maturity date of the BAN, the County will redeem the note by issuance of fixed rate general obligation bonds or from other available funds of the County. The County agrees to provide the LGC staff with notification of each new advance from the BAN authorization and submit to staff written confirmation within four business days of each advance request.

The Financing Team members are:

Bond Counsel: Parker Poe Adams & Bernstein LLP
Purchaser: Bank of America, N.A.
Purchaser's Counsel: McGuireWoods, LLP
Financial Advisor: DEC Associates, Inc.

Orange Water and Sewer Authority
G.S. 159G-22

The Authority is requesting an increase of additional funds on a State Revolving Loan. The loan is for the replacement of about 300 LF of existing 12" asbestos cement (AC) pipe with Ductile Iron (DI) pipe; replacement of about 500LF of 6" AC pipe along Cameron Court with a 6" DI pipe; reconnection of existing service connections and hydrants to the new pipe; and abandonment of approximately 1100LF of existing 12" AC pipe along the railroad tracks between Merritt Mill Road and Brewer Lane in Carrboro. The original loan was approved by the LGC on April 7, 2020. The authority is requesting an increase of \$ 1,694,920 for a total loan amount of \$4,657,928. The increase is due to construction bids coming in higher than expected due to an increasing cost environment.

County of Wake
G.S. 159-161

Wake County requests approval to issue additional bond anticipation notes under a general obligation bond authorization for Community College Projects previously approved by the Commission. Under the BAN program, the County will draw funds as advances under the BAN in the amounts and at times needed to pay the costs of projects being financed under the authorizations. The County has used this type of G.O. note program previously, the last such notes being approved by the Commission in August 2019 for amounts of up to \$725,100,000 outstanding at any one time. The principal amount of the BAN shall not exceed \$171,900,000. The BAN will be issued non-competitively at a floating rate of interest based upon the the SOFR Index (30-day average SOFR rate), as follows: For the 2021 BAN; 79% of the SOFR Index, plus the applicable spread which is currently 30 basis points (0.30%), with no fee for an unused balance, and the maximum rate not to exceed 22.0%. Interest on the BAN shall be calculated on an actual 365/366 day basis from the date of the BAN, for actual amounts drawn. The County may not request more than four advances in any calendar month. At or before the maturity of the BAN, the County will redeem the note by issuance of fixed rate general obligation bonds or from other available funds of the County. The maturity date of the BAN will be April 1, 2026. The "extended maturity" date shall be April 1, 2031. The County agrees to provide the LGC staff with notification of each new advance from the BAN authorization and submit to staff written confirmation within four business days of an advance request.

The Financing Team Members for the 2021 BAN are:

Bond Counsel: Womble Bond Dickinson (US) LLP
BAN Purchaser: STI Institutional and Government, Inc.
Purchaser's Counsel: Moore and VanAllen LLP
Financial Advisor: First Tryon Advisors

(NON-ACTION ITEMS)

Washington County

The County has negotiated a rate modification with Branch Banking & Trust Company to its existing, directly held, tax exempt, Water Revenue Bond, Series 2013A and 2013B:
7/13/2021 (modification date)

Date Issued	Original Amount	Remaining Amount	Previous Rate	New Rate	Interest Savings	Maturity Date
8/6/2013	\$ 5,000,000	\$ 3,427,000	3.89%	2.09%	\$ 434,522.03	6/1/2033

SEI Evaluation Secretary Penny LGC Designee - Tenisha S. Jacobs