

**NORTH CAROLINA DEPARTMENT OF STATE TREASURER
LOCAL GOVERNMENT COMMISSION
MINUTES
JULY 7, 2020**

The meeting was called to order at 2:32 p.m. by Chair Dale R. Folwell on the above date. The meeting was conducted by use of simultaneous communication by telephone due to the COVID 19 pandemic. Members present by phone were: Chair Folwell, Secretary of State Elaine Marshall, State Auditor Beth Wood, Secretary of Revenue Ronald Penny, Edward Munn, Viola Harris, Joshua Bass, Scott Padgett and Mike Philbeck. Mr. Philbeck left the meeting at 4:32 p.m.

Members Absent: None

A quorum was present for the entire meeting.

Other participants by phone: Greg Gaskins, Sharon Edmundson, Tim Romocki, Jennifer Wimmer, Alisia Smith, Cindy Aiken, Debbie Tomasko, Dora Fazzini, Mayor Robert Farrell, Paul Sabiston, C.B. Watson, Adam Stumb, Sandra Long, Susan Fearington, Jamie Holtzman, Kim Denton, Mattie Mae, Kim Outland, Natalie Rountree, Ashley Wooten, Alison Bell, Mayor Edward Henderson, David Ashburn, Sharon McFarland, Christy Horne, Katherine Bigelow, Jordan McMillen, Jonathan Care, Marcus Trathen, Aileen Staples, Eric Vernon and Andy Zukowski.

Chair Folwell asked those present if they had any actual, potential, or the appearance of a conflict of interest regarding the matters on the agenda. There were no conflicts to report.

Mr. Bass made a motion that the minutes of the June 2, 2020 and June 10, 2020 meetings be approved. Mr. Padgett seconded the motion and the minutes were approved by unanimous vote.

Chair Folwell announced the retirement of Greg Gaskins, effective December 1, 2020. Mr. Gaskins will remain Secretary of the Local Government Commission through November 30, 2020. Chair Folwell also announced that Sharon Edmundson has been appointed Deputy Treasurer and Director of the State and Local Government Finance Division as of July 1, 2020, and she will become Secretary of the Local Government Commission on December 1, 2020.

Mr. Bass made a motion to adopt the following resolution:

**RESOLUTION REQUIRING THE TOWN OF KINGSTOWN TO CONTRACT
WITH AN OUTSIDE ENTITY OR ENTITIES TO ENSURE COMPLIANCE
WITH THE BUDGET AND FISCAL CONTROL REQUIREMENTS OF
CHAPTER 159 OF THE NORTH CAROLINA GENERAL STATUTES**

WHEREAS, the staff of the Local Government Commission (the "Commission") has advised officers and the Town Council of the Town of Kingstown (the "Town") of their responsibilities for compliance with budget and fiscal control practices, standards and laws; and

WHEREAS, the staff of the Commission notified the Town and its officers, in a unit letter dated January 31, 2020, of its failure to comply with the provisions of the Local Government Budget and Fiscal Control Act, North Carolina General Statutes (G.S.), Chapter 159, Article 3, specifically G.S. 159-34(a) which requires that each unit of local government and public authority have its accounts audited as soon as possible after the close of each fiscal year and that the finance officer file a copy of the audit report with the Secretary of the Commission. The due date established by the Commission

staff for filing the audit report with the Secretary is October 31 each year, with a grace period extension to December 1; and

WHEREAS, the annual audit report for the Town for fiscal year ended June 30, 2019 has not been received by the Secretary of the Commission as of the date of this Resolution, approximately eleven months after fiscal year end and seven months after the due date (including grace period extension of the due date); and

WHEREAS, an annual audit report provides essential information on the financial condition of the Town to its officers, Town Council, its creditors and grantors, and citizens; and

WHEREAS, the Town has not indicated why the audit is late nor has it indicated if it has taken the steps necessary to update all accounting records and prepare its books for audit, including resolving its sewer billing and accounting records issues; and

WHEREAS, the Commission adopted a Resolution on June 2, 2020 recommending the Town's finance officer use the authority provided under North Carolina General Statute 159-25(a)(9) as needed to contract with outside entities, including certified public accountants in good standing with the North Carolina State Board of Certified Public Accountant Examiners, bookkeeping firms, councils of government, and other units of government, to ensure fulfillment of certain duties of the finance officer and to ensure that the annual audits are completed and filed as required; and

WHEREAS, the June 2, 2020 Resolution required a response by the Town no later than 30 days from the date of the Resolution either confirming the successful submission of the 2019 annual audit report to the Secretary of the Commission, or confirming that the Town has hired adequate assistance to complete and submit the 2019 annual audit, and as of the date of this Resolution no response has been received by the Commission; and

WHEREAS, by the authority given under N.C.G.S. 159-25 (e), the Commission may require any local government or public authority to contract with outside entities in accordance with the terms of subdivision (9) of subsection (a) of the section if the local government or public authority has received a unit letter from the Commission due to a deficiency in complying with Chapter 159 of North Carolina General Statutes.

NOW, THEREFORE, the Commission directs its Secretary,

1. To notify the Town, its officers and its Town Council that the Commission did not receive a response within 30 days of the June 2, 2020 Resolution; and
2. To deliver to the Town, its officers and its Town Council this Resolution pursuant to the provisions of N.C.G.S. Chapter 159; and
3. To require that the Town hire an outside entity or entities, within 30 days of the date of this Resolution, to assist the Town in preparing its books for audit, including but not limited to bringing all bank reconciliations current, ensuring all accounts have been billed appropriately, and updating all accounting records in accordance with the Local Government Budget and Fiscal Control Act; and
4. To notify the Town, its officers and its Town Council that the Commission expects a response not later than 30 days from the date of this Resolution that (a) confirms that the Town has hired an outside entity or entities and (b) reports the name(s) of the entity(ies) retained and the timeline for completing the work required to prepare its books for audit; and

5. To report to the Commission any failure of the Town to comply with the requirements in this Resolution or with the requirements of Chapter 159 of the General Statutes of North Carolina.

The Town will open its offices and accounting records to the Commission's staff and cooperate with staff as they work to verify that actions required by this Resolution have in fact been taken.

Failure to comply with this notice may result in the enforcement of North Carolina G.S. 159-181(c) under which the Commission may assume control of the Town's financial affairs.

I, Gregory C. Gaskins, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by the North Carolina Local Government Commission at its meeting held on July 7, 2020.

WITNESS my hand this 7th day of July 2020.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Philbeck made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE CITY OF ABERDEEN, NORTH CAROLINA FOR THE FINANCING OF THE CONSTRUCTION OF A NEW 12,874 SQUARE FOOT BUILDING TO SERVE AS A NEW POLICE HEADQUARTERS; RENOVATION OF 5,230 SQUARE FOOT EXISTING POLICE DEPARTMENT FOR NON-ESSENTIAL USE INCLUDING LOCKER AND SHOWER ROOMS AND A FITNESS ROOM AND A SHORT ENCLOSED WALKWAY WILL CONNECT THE TWO BUILDINGS THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. 160A-20

WHEREAS, the City of Aberdeen, North Carolina (the "City") has determined that it is necessary and expedient to continue to provide adequate public safety services to the Town (the "Project"); and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the City intends to finance the Project pursuant to an Installment Financing Agreement (the "Agreement") between the City and First Bank (the "Lender"), whereby the Lender shall advance moneys to the City, and the City, subject to its right of nonappropriation, shall repay the advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the Agreement shall not exceed \$5,707,000 with annual principal and semi-annual interest payments with a term of twenty (20) years at a rate of 2.45% per annum; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the City has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Agreement is necessary and expedient for the City;
- (ii) that the Agreement, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Agreement are adequate and not excessive for its proposed purpose;
- (iv) that the City's debt management procedures and policies are good;
- (v) that the City is not in default in any of its debt service obligations;
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Agreement will not be excessive.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and the financing contemplated thereby is hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission.

Ms. Harris seconded the motion and the foregoing resolution was adopted by unanimous vote. (Mr. Munn lost his phone connection at approximately 3:00 p.m. but rejoined the call at approximately 3:04 p.m. Mr. Munn voted yes by email to Alisia Smith at 3:13 p.m.) City Manager Paul Sabiston attended the meeting by telephone, spoke and answered members' questions. He also thanked the Commission for the approval of the project.

Ms. Marshall made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF ASHE FOR THE FINANCING OF CERTAIN CAPITAL IMPROVEMENTS THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. §160A-20

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County of Ashe, North Carolina (the “County”) intends to (a) (i) finance the acquisition, construction and equipping of a classroom and laboratory facility for the Ashe Campus of Wilkes Community College and (ii) refinance prior installment financings, the proceeds of which were applied to the acquisition, construction and equipping of a law enforcement and detention center (collectively, the “Project”) and (b) pay certain costs related to the execution and delivery of an Installment Financing Contract dated the date of delivery thereof (the “Contract”) between the County and Sterling National Bank (the “Bank”), whereby the Bank will advance moneys to the County for the purpose of financing the Project, and the County, subject to its right of nonappropriation, will repay the advancement with interest in installments;

WHEREAS, the principal amount to be advanced by the Bank to the County under the Contract shall not exceed \$13,150,000;

WHEREAS, the County will repay the advance in annual payments of interest and principal at an interest rate not to exceed 2.50% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond 2040;

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with Section 159-149 of the General Statutes; and

WHEREAS, the Commission, pursuant to Section 159-151 of the General Statutes, upon information and evidence received, finds and determines as follows:

- (i) the Contract is necessary and expedient for the County;
- (ii) the Contract, under the circumstances, is preferable to a bond issue by the County for the same purposes;
- (iii) the sums to fall due under the Contract are adequate and not excessive for its proposed purposes;
- (iv) the County's debt management procedures and policies are good;
- (v) the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- (vi) the County is not in default in any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application for approval of the Contract and planned financing are hereby approved under the provisions of Section 160A-20 of the General Statutes, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission."

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Ms. Marshall made a motion to approve the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR THE COUNTY OF ASHE, NORTH CAROLINA INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. §160A-20

WHEREAS, the County of Ashe, North Carolina has requested that the North Carolina Local Government Commission (the "Commission") approve its selection of the following financing team members for the above-referenced installment financing contract:

Special Counsel:	Parker Poe Adams & Bernstein LLP
Bank:	Sterling National Bank
Bank Counsel:	Gilmore & Bell, P.C.
Placement Agent:	Robert W. Baird & Co. Incorporated

WHEREAS, based on the information and evidence received by the Commission, the Commission is of the opinion that the County's request should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above-referenced financing team is hereby approved for the above-referenced installment financing contract."

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to approve the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CABARRUS (THE "COUNTY") FOR THE REFINANCING OF EXISTING INSTALLMENT FINANCING CONTRACTS EXECUTED AND DELIVERED PURSUANT TO G.S. §160A-20 AND AUTHORIZING THE EXECUTION AND DELIVERY BY THE CABARRUS COUNTY DEVELOPMENT CORPORATION OF LIMITED OBLIGATION REFUNDING BONDS (COUNTY OF CABARRUS, NORTH CAROLINA), SERIES 2020A AND SERIES 2020B, INCLUSIVE, RELATED THERETO IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$7,555,000.

WHEREAS, the County, for the purpose of financing and refinancing certain public facilities projects under Section 160A-20 of the North Carolina General Statutes, has previously entered into an Installment Financing Contract, dated as of August 15, 2002, as heretofore amended by Amendment Number One thereto, dated as of August 1, 2011 (collectively, the "Original 2002 Contract"), each between the County and Cabarrus County Development Corporation (the "Corporation");

WHEREAS, the County has determined that it can achieve debt service savings by refinancing the installment payments under the Original 2002 Contract maturing on February 1, 2021 and the related Limited Obligation Bonds (County of Cabarrus, North Carolina Installment Financing Contract), Series 2011B (the "2011B LOBs") maturing on February 1, 2021;

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to refinance the installment payments under the Original 2002 Contract and the related 2011 LOBs through Amendment Number Two to the Installment Financing Contract, proposed to be dated as of July 1, 2020 (the "2002 Second Contract Amendment") between the County and the Corporation, whereby the Corporation will advance moneys to the County for the purpose of refinancing the installment payments under the Original 2002 Contract and the related 2011B LOBs, and the County, subject to its right of non-appropriation, shall repay the advancement with interest in installments; and

WHEREAS, the Corporation intends to enter into Supplemental Indenture, Number 2, proposed to be dated as of July 1, 2020 (the "2002 Second Supplement"), which 2007 Second Supplement amends and supplements the Indenture of Trust dated as of August 15, 2002, as heretofore amended by Supplemental Indenture, Number 1, dated as of August 1, 2011 (collectively, the "Original 2002 Indenture"), each between the Corporation and Regions Bank, as trustee (the "2002 Trustee"), pursuant to which the Corporation will execute and deliver its Limited Obligation Refunding Bonds (County of Cabarrus, North Carolina), Series 2020A (the "2020A LOBs"); and

WHEREAS, the County, for the purpose of financing and refinancing certain public facilities projects under Section 160A-20 of the North Carolina General Statutes, has previously entered into an Installment Financing Contract, dated as of July 15, 2003, as heretofore amended by Amendment Number One thereto, dated as of August 1, 2011 (collectively, the "Original 2003 Contract"), each between the County and the Corporation); and

WHEREAS, the County has determined that it can achieve debt service savings by refinancing the installment payments under the Original 2002 Contract maturing on February 1, 2022 through February 1, 2024, inclusive, and the related Limited Obligation Bonds (County of Cabarrus, North Carolina Installment Financing Contract), Series 2011C (the "2011C LOBs") maturing on February 1,

2022 through February 1, 2024; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to refinance the installment payments under the Original 2003 Contract and the related 2011 LOBs through Amendment Number Two to the Installment Financing Contract, proposed to be dated as of July 1, 2020 (the "2003 Second Contract Amendment" and, together with the 2002 Second Contract Amendment, the "Contract Amendments") between the County and the Corporation, whereby the Corporation will advance moneys to the County for the purpose of refinancing the installment payments under the Original 2003 Contract and the related 2011C LOBs, and the County, subject to its right of non-appropriation, shall repay the advancement with interest in installments; and

WHEREAS, the Corporation intends to enter into Supplemental Indenture, Number 2, proposed to be dated as of July 1, 2020 (the "2003 Second Supplement"), which 2003 Second Supplement amends and supplements the Indenture of Trust dated as of July 15, 2003, as heretofore amended by Supplemental Indenture, Number 1, dated as of August 1, 2011 (collectively, the "Original 2003 Indenture"), each between the Corporation and Regions Bank, as trustee (the "2003 Trustee"), pursuant to which the Corporation will execute and deliver its Limited Obligation Refunding Bonds (County of Cabarrus, North Carolina), Series 2020B (the "2020B LOBs" and, together with the 2020A LOBs, the "2020 LOBs"); and

WHEREAS, all or any portion of the 2020 LOBs are expected to be issued, in one or more issues, through a direct bank placement; and

WHEREAS, the 2020A LOBs are expected to be purchased, in one or more issues, by J.P Morgan Chase Bank N.A. (the "Bank Purchaser") and the proceeds from the direct placement of the 2020A LOBs will be remitted by the Bank Purchaser to the County to fund the advancement by the Corporation to the County under the 2002 Second Contract Amendment; and

WHEREAS, the 2020B LOBs are expected to be purchased, in one or more issues, by the Bank Purchaser and the proceeds from the direct placement of the 2020B LOBs will be remitted by the Bank Purchaser to the County to fund the advancement by the Corporation to the County under the 2003 Second Contract Amendment; and

WHEREAS, the aggregate principal amount of the advancements under the Contract Amendments or the 2020 LOBs shall not exceed \$7,555,000; and

WHEREAS, the maturity of the installment payments under the 2002 Second Contract Amendment or of the 2020A LOBs shall not extend beyond December 31, 2021; and

WHEREAS, the maturity of the installment payments under the 2003 Second Contract Amendment or of the 2020B LOBs shall not extend beyond December 31, 2024; and

WHEREAS, the effective interest cost of the respective Contract Amendments or the 2020 LOBs shall not exceed 1.150%; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County and the Corporation have made proper application to the Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Commission pursuant to G.S. §159-151, upon information and evidence received, finds and determines as follows:

that each of the Contract Amendments is necessary and expedient for the County;

that each of the Contract Amendments, under the circumstances, is preferable to a bond issue by the County for the same purpose;

that the sums to fall due under each of the Contract Amendments are adequate and not excessive for its proposed purpose;

that the County's debt management procedures and policies are good;

that the increase in taxes, if any, necessary to meet the sums to fall due under each of the Contract Amendments will not be excessive; and

that the County is not in default in any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the 2002 Second Contract Amendment, the 2020A LOBs, the 2003 Second Contract Amendment, the 2020B LOBs, and the planned refinancing, are hereby approved under the provisions of G.S 160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission.

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to approve the following:

"RESOLUTION APPROVING THE FINANCING TEAM FOR THE CABARRUS COUNTY DEVELOPMENT CORPORATION LIMITED OBLIGATION REFUNDING BONDS (COUNTY OF CABARRUS, NORTH CAROLINA), SERIES 2020A AND SERIES 2020B, INCLUSIVE"

WHEREAS, the Cabarrus County Development Corporation and the County of Cabarrus have requested that the North Carolina Local Government Commission approve their selection of the following financing team members for the referenced limited obligation bonds financing:

Bond/Special Counsel/ Corporation Counsel:	Nexsen Pruet, PLLC
Placement Agent:	Piper Sandler & Co.
Placement Agent Counsel:	Pope Flynn, LLC
Bank Purchaser:	J.P. Morgan Chase Bank N.A.
Bank Purchaser's Counsel	Parker Poe Adams & Bernstein LLP
County Counsel:	Richard M. Koch, Esq.
Escrow Agent:	Regions Bank
Verification Agent:	Bingham Arbitrage Rebate Services, Inc.

WHEREAS, based upon the information and evidence received by the Local Government Commission, the Local Government Commission is of the opinion that the request by the County and the Corporation should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above financing team is hereby approved for the referenced limited obligation

bonds financing.

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to approve the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED \$6,830,000 COUNTY OF CABARRUS, NORTH CAROLINA TAXABLE GENERAL OBLIGATION REFUNDING BONDS"

WHEREAS, the County of Cabarrus, North Carolina (the "County") has requested that the North Carolina Local Government Commission (the "Commission") approve their selection of the following financing team member for the upcoming issuance of the County's \$6,830,000 Taxable General Obligation Refunding Bonds, Series 2020 (the "Bonds"):

WHEREAS, the members of the above referenced financing team include the following:

Bank Purchaser	TD Bank, N.A.
Bank's Counsel	Parker Poe Adams & Bernstein LLP
Bond Counsel	Nexsen Pruet, PLLC
Escrow Agent	Regions Bank
Placement Agent	Piper Sandler & Co.
Placement Agent's Counsel	Pope Flynn, LLC
Verification Agent	Bingham Arbitrage Rebate Services LLC

WHEREAS, based upon the information and evidence received by the Commission, the Commission is of the opinion that the request by the County should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the issuance of the Bonds.

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CABARRUS, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$6,830,000 TAXABLE GENERAL OBLIGATION REFUNDING BONDS"

WHEREAS, the County of Cabarrus, North Carolina (the "County") has applied to the Local Government Commission of North Carolina (the "Commission"), pursuant to the Local Government Bond Act, as amended, for approval of the issuance by the County of not to exceed \$6,830,000 Taxable General Obligation Refunding Bonds (the "Bonds") for the purpose of providing funds, together with any other available funds, to (a) refund all or a portion of the County's outstanding General Obligation Refunding Bonds, Series 2013, dated May 15, 2013 and (b) pay certain expenses related thereto; and

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:

- (i) that such proposed Bonds are necessary and expedient;
- (ii) that the proposed amount of such proposed Bonds is adequate and not excessive for the

- proposed purposes thereof;
- (iii) that the proposed funding and refunding is feasible;
- (iv) that the County's debt management procedures and policies are good;
- (v) that the increase in taxes, if any, necessary to service the proposed Bonds will not be excessive; and
- (vi) that the Bonds can be marketed at a reasonable interest cost to the County.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the County for approval of the Bonds in a principal amount not to exceed \$6,830,000 for the purposes set forth above is hereby approved pursuant to the Local Government Bond Act, as amended.

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

"RESOLUTION CONCERNING THE PRIVATE SALE OF NOT TO EXCEED \$6,830,000 COUNTY OF CABARRUS, NORTH CAROLINA TAXABLE GENERAL OBLIGATION REFUNDING BONDS"

WHEREAS, Article 7, as amended, of Chapter 159 of the Taxable General Statutes of North Carolina authorizes the Local Government Commission of North Carolina (the "Commission") to sell general obligation bonds at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to approval of the governing board of the issuing unit or one or more persons designated by resolution of such governing board to approve such prices; and

WHEREAS, T D Bank, N.A. (the "Bank Purchaser") has offered to purchase the Bonds from the Commission upon the terms and conditions set forth below and in the form of the Purchase Contract (hereinafter defined); and

WHEREAS, the County has furnished to the Commission forms of the following documents;

- (a) Bond Order adopted by the Board of Commissioners of the County (the "Board") on May 18, 2020, authorizing the issuance of general obligation refunding bonds of the County;
- (b) Bond Resolution adopted by the Board on May 18, 2020, authorizing the County to sell and issue the Bonds and authorizing the form and the terms of the documents described below;
- (c) Contract of Purchase, to be dated as of the date of delivery thereof, among the Commission, the County and the Bank Purchaser;
- (d) Escrow Deposit Agreement, to be dated on or about July 1, 2020, between the County and Regions Bank, as escrow agent for the bonds to be refunded.

WHEREAS, the County has requested the Commission to sell the Bonds at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

WHEREAS, the Commission desires to approve the request of the County that it sell the Bonds at private sale without advertisement; and

WHEREAS, the Commission desires to accept the offer of the Bank Purchaser to purchase the Bonds substantially in the form of the Purchase Contract and upon the terms and conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Bonds to the Bank Purchaser at private sale without advertisement pursuant to an executed Purchase Contract substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the County and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Bonds shall not exceed \$6,830,000 and the purchase price for the Bonds shall be approved by the Designated Assistant on the date of the sale of the Bonds and set forth in the Purchase Contract.

Section 3. The bonds shall bear interest at a true interest cost of not to exceed 1.40%, such measure being defined as determined by the Commission.

Section 4. No maturity of the Bonds shall exceed March 1, 2027.

Section 5. The Commission hereby determines that the sale of the Bonds in the manner and for the price as provided in this resolution is in the best interest of the County, provided that such sale shall be approved by the County including one or more persons designated by resolution of the Board of Commissioners for the County for such purpose.

Section 6. The Secretary or any Deputy Secretary of the Commission is hereby appointed as a Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Bond Purchase Agreement, including details of the Bonds, as shall be satisfactory to him or her, to approve the forms of other documents relating to the Bonds, to execute and deliver the Purchase Contract and such other documents on behalf of the Commission and to provide for the execution and delivery of the Bonds in accordance with the resolution adopted by the Board of Commissioners for the County and the Purchase Contract.

Section 7. This resolution shall be effective immediately upon its passage.

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF FRANKLIN, NORTH CAROLINA TO ENTER INTO A LEASE AGREEMENT WITH JMD HOUSING LLC FOR 35,000 SQUARE FEET OF SPACE AT 279 SOUTH BICKETT BOULEVARD IN LOUISBURG FOR USE BY MULTIPLE COUNTY DEPARTMENTS THROUGH A 60 MONTH LEASE CONTRACT PURSUANT TO G.S. 159-148. THE LEASE HAS TWO (2) OPTIONAL FIVE (5) YEAR EXTENSION

WHEREAS, the County of Franklin, North Carolina (the "County") has determined that it is necessary and expedient to meet the County's additional space requirements; and

WHEREAS, pursuant to Section 159-148 of the General Statutes of North Carolina, the County intends to lease office space through a 60 month Lease Contract (the "Contract") between the County and JMD Housing LLC (the "Lessor") whereby the Lessor shall provide office space to the County and the County, subject to its right of nonappropriation, shall make periodic lease payments; and

WHEREAS, the total amount of the lease contract shall not exceed \$725,230 with a term of sixty (60) months beginning August 1, 2020 with two optional sixty (60) month extensions. A payment at a flat rate of (\$3.75 square foot) is the basis of the lease contract; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed lease contract; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the County;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- (iv) that the County's debt management procedures and policies are good;
- (v) that the County is not in default in any of its debt service obligations; and
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 159-148 and relevant resolutions of the Commission."

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote. Jamie Holtzman, Finance Director attended the meeting by telephone, spoke and answered members' questions.

Mr. Padgett made a motion to approve the following order:

“RESOLUTION APPROVING THE REQUEST OF GATES COUNTY, NORTH CAROLINA TO APPROVE A LOAN MODIFICATION

WHEREAS, due to the COVID-19, the County of Gates, North Carolina has requested a loan modification for the county building housed by Department of Social Services (DSS) to a lower interest rate of 2.460% and return the final payment date back to the original due date of the loan; and

WHEREAS, in anticipation of revenue shortfalls in FY 2021, the lower payment would free up \$42,665 annually in the County's budget that would be used towards other operation costs; and

WHEREAS, on June 17, 2020, the Gates County Board of Commissioners passed a resolution approving the lower interest rate and returning the loan back to the original due date of September 28, 2027 with the intent of paying the loan off early in FY 2023; and

WHEREAS, currently the County has three (3) outstanding loans and will retire the first loan in FY 2022, freeing up funds for FY 2023 to make a final balloon payment on the DSS loan; and

WHEREAS, this loan was originally financed through the USDA in 2007 with the final payment due in September 2037;

WHEREAS, in 2012, this loan was refinanced through BB&T at a lower interest rate and shorter maturity date of September 2027; a prepayment of \$200,000 was made towards the principal in 2013 which adjusted the final payment date to September 28, 2025. The maturity date will now return to the original date of September 28, 2027; and

NOW, THEREFORE, BE IT ORDERED by the Local Government Commission of North Carolina hereby approves the loan modification.”

Mr. Penny seconded the motion and the foregoing order was adopted by unanimous vote.

Mr. Padgett made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF MCDOWELL, NORTH CAROLINA FOR THE CONSTRUCTION OF A 26,216 SQUARE FEET EMERGENCY MEDICAL SERVICES BASE AND THE RENOVATION AND ADDITION TO AN EXISTING 3,380 SQUARE FEET EMERGENCY MEDICAL SERVICES BUILDING THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the County of McDowell, North Carolina (the “County”) has determined that it is necessary and expedient because the Emergency medical services base station is currently located in the city limits of Marion. The project will locate the base station to the southern areas of Marion and a station in the northern area of Marion to improve response time in emergencies; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”) between the County and Truist Bank (the “Lender”) whereby the Lender shall advance moneys to the County and the County, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$7,524,300 with annual payments with a term of twenty (20) years at a rate of 2.63%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the County;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- (iv) that the County's debt management procedures and policies are good;
- (v) that the County is not in default in any of its debt service obligations; and

that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission."

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Ms. Wood made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR TOWN OF RED SPRINGS WATER AND SEWER REVENUE BONDS AND NOTES"

WHEREAS, Town of Red Springs (the "Town") has requested that the North Carolina Local Government Commission (the "Commission") approve its selection of the following financing team members for its upcoming issue of a water and sewer revenue bond anticipation note and subsequent issue of water and sewer revenue bonds:

Bond Counsel: Sanford Holshouser LLP
Purchaser of Bonds: USDA/Rural Development
Purchaser of Note: Truist Bank
Purchaser's Counsel: Pope Flynn LLC

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion that the Town's request should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is approved for the Town's proposed issue of water and sewer revenue bonds and notes."

Ms. Marshall seconded the motion and the foregoing resolution was adopted by unanimous vote. Mayor Edward Henderson and David Ashburn, Town Manager, attended the meeting by telephone, spoke and answered members' questions.

Then, Ms. Wood made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF RED SPRINGS FOR THE ISSUANCE OF NOT TO EXCEED \$2,966,000 WATER AND SEWER REVENUE BONDS AND A LIKE AMOUNT OF WATER AND SEWER REVENUE BOND ANTICIPATION NOTES”

WHEREAS, The Town of Red Springs (the “Town”) has applied to the North Carolina Local Government Commission (the “Commission”), pursuant to The State and Local Government Bond Act, as amended, and Article 9 of Chapter 159 of the General Statutes of North Carolina, for approval of (a) the issuance of not to exceed \$2,966,000 water and sewer revenue bonds (the “Bonds”) to provide funds, together with any other available funds, to finance water system improvements (the “Project”) and to pay the expenses of issuing the Bonds, and (b) the issuance of a like amount of water and sewer revenue bond anticipation notes (the “Notes”) to provide interim financing for the Project; and

WHEREAS, the Town has furnished to the Commission a draft of a Bond Order proposed to be adopted by the Town’s Board of Commissioners on or about July 7, 2020 (the “Bond Order”), authorizing and securing the Bonds, along with other documents and information related to the financing and the security for the Bonds and Notes; and

WHEREAS, based upon the information and evidence received in connection with the application, the Commission finds and determines:

- (i) that the proposed revenue bond issue is necessary and expedient;
- (ii) that the proposed amount of such revenue bond issue is adequate and not excessive, when added to other monies available to the Town, for the proposed purposes thereof;
- that the proposed Project is feasible;
- that the Town’s debt management procedures and policies are good;
- (v) that the proposed revenue bond issue and the Notes can be marketed at a reasonable interest cost to the Town.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Town’s application for approval of the proposed Bonds in an amount not to exceed \$2,966,000 and the issuance of the Notes in a like amount for the purposes set forth above is hereby approved pursuant to The State and Local Government Bond Act, as amended, and Article 9 of Chapter 159 of the General Statutes of North Carolina.”

Ms. Marshall seconded the motion and the foregoing resolution was adopted by unanimous vote. Mayor Edward Henderson and David Ashburn, Town Manager, attended the meeting by telephone, spoke and answered members’ questions.

Then Ms. Wood made the following motion to adopt the resolution:

“RESOLUTION APPROVING THE PRIVATE SALE OF THE TOWN OF RED SPRINGS WATER AND SEWER BONDS IN THE MAXIMUM AMOUNT OF \$2,966,000, AND THE PRIVATE SALE OF A LIKE AMOUNT OF BOND ANTICIPATION NOTES

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the “Commission”) to sell revenue bonds and bond anticipation notes at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit or one or more persons designated by resolution of such governing board to approve such prices; and

WHEREAS, the Commission has approved the issuance by the Town of Red Springs (the “Town”) of \$2,966,000 water and sewer revenue bonds (the “Bonds”) and a like amount of bond anticipation notes; and

WHEREAS, the United States of America, acting through the Department of Agriculture – Rural Utilities Service (the “Government”), has offered to purchase the Bonds; and

WHEREAS, Truist Bank (the “Purchaser”) has offered to purchase from the Commission the Town’s \$2,966,000 Water and Sewer Revenue Bond Anticipation Note, Series 2020 (the “Note”), upon the terms and conditions set forth below and in a proposal from the Purchaser dated June 24, 2020, relating thereto (the “Proposal”); and

WHEREAS, the Commission has received a copy of the Proposal and the Government’s commitment to purchase the Bonds;

WHEREAS, the Town has requested the Commission to sell the Bonds and the Note at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, in accordance with the Proposal and the Government’s offer, and the Commission desires to approve the Town’s request; and

NOW, THEREFORE, BE IT RESOLVED by the Commission, as follows:

Section 1. The Commission approves the sale of the Note to the Purchaser at private sale without advertisement pursuant to the Proposal, with the sale being subject to the Town’s approval and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Note shall not exceed \$2,966,000, and the purchase price for the Note shall be equal to the par amount of the Note as set forth in the Proposal.

Section 3. The Note shall bear interest at an annual interest rate not to exceed 2.04%, subject to adjustment upon a default or change in tax status.

Section 4. The final maturity of the original Note shall not extend beyond July 20, 2022.

Section 5. The Commission approves the sale of the Bonds at private sale without advertisement to the United States of America, or an agency of the United States, with the sale being subject to the Town’s approval. The aggregate principal amount of the bonds shall not exceed

\$2,966,000, and the final maturity of the Bonds (including any modifications or extensions of the original maturity) shall not extend beyond 40 years from the issue date of the bonds.

Section 6. The Commission hereby determines that the sale of the Bonds and the Notes in the manner and as provided in this resolution is in the Town's best interest, provided that the sale is approved by the Town (which may include approval by one or more persons designated by resolution of the Town Board for that purpose).

Section 7. The Secretary of the Commission or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve the form of the Bonds and the Note and the forms of other documents relating to the Bonds and the Note, to execute and deliver any appropriate documents on behalf of the Commission and to provide for the execution and delivery of the Bonds and the Note in accordance with the proceedings adopted by the Town Board and the Proposal.

Section 8. This resolution takes effect immediately."

Ms. Marshall seconded the motion and the foregoing resolution was adopted by unanimous vote. Mayor Edward Henderson and David Ashburn, Town Manager, attended the meeting by telephone, spoke and answered members' questions.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF STEDMAN, NORTH CAROLINA FOR THE PURCHASE AND RENOVATION OF THE OLD (FORMER) TOWN OF STEDMAN VOLUNTEER FIRE DEPARTMENT BUILDING THROUGH AN INSTALLMENT PURCHASE CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the Town of Stedman, North Carolina (the “Town”) has determined that it is necessary and expedient to house maintenance equipment and vehicles in a larger building; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”) between the Town and LGFCU Financial Partners, LLC (the “Lender”) whereby the Lender shall advance moneys to the Town and the Town, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$134,000 with annual payments with a term of fifteen (15) years at a rate of 3.50%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the Town;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- (iv) that the Town's debt management procedures and policies are good;
- (v) that the Town is not in default in any of its debt service obligations; and
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission.”

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF VANCE, NORTH CAROLINA FOR THE RENOVATION TO THE OLD EATON JOHNSON MIDDLE SCHOOL INTO THE NEW DSS (DEPARTMENT OF SOCIAL SERVICES) FACILITY, REPAYMENT OF THE PURCHASE OF ECONOMIC DEVELOPMENT LAND, REPAIRS TO THE ROOF AT THE COURTHOUSE AND RENOVATE LAW LIBRARY, AND PARKING LOT REPAIRS TO THE COMMUNITY COLLEGE THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the County of Vance, North Carolina (the “County”) has determined that it is necessary and expedient because the current DSS facility is in two locations and need to be combined and updated; to replenish the General Fund for purchase of Economic land; lastly, to assist with the required improvements to the Courthouse and Community College; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”) between the County and JP Morgan Chase (the “Lender”) whereby the Lender shall advance moneys to the County and the County, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$7,000,000 with annual payments with a term of fifteen (15) years at a rate of 1.50%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the County;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- (iv) that the County's debt management procedures and policies are good;
- (v) that the County is not in default in any of its debt service obligations; and
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission."

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF DUNN, NORTH CAROLINA FOR PROJECT THAT INCLUDES RENOVATIONS OF FIELD AND PLAYING SURFACES, WALKING TRAILS, EXERCISE EQUIPMENT, FIELD LIGHTING, SCOREBOARDS, SECURITY CAMERAS, FIRE AND EMERGENCY ACCESS TO FIELDS AND FACILITIES, AND CONSTRUCTION OF A CENTRAL CONTROL TOWER USED TO IMPROVE COORDINATION AND REGULATION OF EVENTS ONSITE THROUGH AN INSTALLMENT PURCHASE CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the City of Dunn, North Carolina (the “City”) has determined that it is necessary and expedient to meet the needs and expectations of the population of the City of Dunn with regards to access to parks, recreational activities, quality of facilities and safety for the total public; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the City intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”) between the City and United Community Bank (the “Lender”) whereby the Lender shall advance moneys to the City and the City, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$2,120,000 with annual payments with a term of fifteen (15) years at a rate of 2.75%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with

G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the City;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- (iv) that the debt management procedures and policies are good;
- (v) that the City is not in default in any of its debt service obligations; and
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF MATTHEWS, NORTH CAROLINA FOR A PROJECT THAT CONSISTS OF THE RESURFACING OF STREETS AROUND MATTHEWS STATION STREET AND INSTALLATION OF A NEW SOUND SYSTEM IN THE FULLWOOD THEATER THROUGH AN INSTALLMENT PURCHASE CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the Town of Matthews, North Carolina (the “Town”) has determined that it is necessary and expedient because the pavements are almost 20 years old are at the point where they are starting to have structural issues. Similar, the sound system in the Town Theater is in need of replacement due to age and deteriorating sound quality; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”) between the Town and Truist Bank (the “Lender”) whereby the Lender shall advance moneys to the Town and the Town, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$650,000 with annual payments with a term of fifty-nine (59) months at a rate of 2.07%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the Town;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- (iv) that the Town's debt management procedures and policies are good;
- (v) that the Town is not in default in any of its debt service obligations; and
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE CITY OF GASTONIA, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$18,500,000 GENERAL OBLIGATION REFUNDING BONDS

WHEREAS, the City of Gastonia, North Carolina (the “City”) has applied to the North Carolina Local Government Commission (the “Commission”) pursuant to the Local Government Bond Act, as amended, for approval of the issuance by the City of not to exceed \$18,500,000 General Obligation Refunding Bonds (the “Bonds”) for the purpose of providing funds, together with any other available funds, to (a) refund all or a portion of the City's outstanding Taxable General Obligation Street and Sidewalk Improvement Bonds (Build America Bonds), Series 2010C, dated September 9, 2010, and (b) pay certain expenses related thereto; and

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:

- (a) that such proposed Bonds are necessary and expedient;
- (b) that the proposed amount of such proposed Bonds is adequate and not excessive for the proposed purposes thereof;
- (c) that the proposed refunding is feasible;
- (d) that the City's debt management procedures and policies are good;

(e) that the increase in taxes, if any, necessary to service the proposed Bonds will not be excessive; and

(f) that the proposed Bonds can be marketed at a reasonable interest cost to the City.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the City of Gastonia, North Carolina for approval of the proposed Bonds in an amount not to exceed \$18,500,000 for the purposes set forth above is hereby approved pursuant to the Local Government Bond Act, as amended.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Thereupon, Mr. Padgett made a motion to adopt the following resolution:

RESOLUTION APPROVING THE FINANCING TEAM FOR A NOT TO EXCEED \$18,500,000 CITY OF GASTONIA, NORTH CAROLINA GENERAL OBLIGATION REFUNDING BOND, SERIES 2020

WHEREAS, the City of Gastonia, North Carolina (the “City”) has requested that the North Carolina Local Government Commission (the “Commission”) approve their selection of the following financing team members for the upcoming issuance of its General Obligation Refunding Bond, Series 2020 (the “Bond”):

Bond Counsel:	Womble Bond Dickinson (US) LLP
Purchaser:	TD Bank, N.A.
Purchaser’s Counsel	Parker Poe Adams & Bernstein LLP
Financial Advisor:	First Tryon Advisors

WHEREAS, based upon the information and evidence received by the Commission, the Commission is of the opinion that the request by the City should be approved;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above financing team is hereby approved for the issuance of the Bond.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Thereupon, Mr. Padgett made a motion to adopt the following resolution:

RESOLUTION CONCERNING THE PRIVATE SALE OF A NOT TO EXCEED \$18,500,000 CITY OF GASTONIA, NORTH CAROLINA GENERAL OBLIGATION REFUNDING BOND, SERIES 2020

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the “Commission”) to sell general obligation refunding bonds at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit or one or more persons designated by resolution of such governing board to approve such prices; and

WHEREAS, TD Bank, N.A. (the “Purchaser”) has offered to purchase from the City of Gastonia, North Carolina, (the “City”) its General Obligation Refunding Bond, Series 2020 (the “Bond”) from the Commission upon the terms and conditions set forth below and in the form of a Bond Purchase Agreement relating thereto (the “Bond Purchase Agreement”); and

WHEREAS, the Commission has received a copy of the Bond Purchase Agreement relating to the sale of the Bond; and

WHEREAS, the City has requested the Commission to sell the Bond at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

WHEREAS, the Commission desires to approve the request of the City that it sell the Bond at private sale without advertisement; and

WHEREAS, the Commission desires to accept the offer of the Purchaser to purchase the Bond substantially in the form of the Bond Purchase Agreement and upon the terms and conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Bond to the Purchaser at private sale without advertisement pursuant to an executed Bond Purchase Agreement substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the City and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Bond shall not exceed \$18,500,000, and the purchase price for the Bond shall be equal to the par amount of the Bond as set forth in the Bond Purchase Agreement.

Section 3. The Bond shall bear interest at an interest rate of 1.54% per annum (subject to adjustment as provided in the Bond).

Section 4. The final maturity of the Bond shall not exceed September 1, 2030.

Section 5. The Commission hereby determines that the sale of the Bond in the manner and for the price as provided in this resolution is in the best interest of the City, provided that such sale shall be approved by the City, including one or more persons designated by resolution of the City Council of the City for such purpose.

Section 6. The Secretary of the Commission or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Bond Purchase Agreement, including details of the Bond, as shall be satisfactory to him or her, to approve the forms of other documents relating to the Bond, to execute and deliver the Bond Purchase Agreement and such other documents on behalf of the Commission and to provide for the execution and delivery of the Bond in accordance with the resolution adopted by the City Council of the City and the Bond Purchase Agreement.

Section 7. This resolution shall be effective immediately upon its adoption.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF PINE LEVEL FOR THE ISSUANCE OF NOT TO EXCEED \$2,020,000 WATER AND SEWER SYSTEM REVENUE BONDS AND TO ISSUE A LIKE AMOUNT OF

**WATER AND SEWER SYSTEM REVENUE BOND ANTICIPATION NOTES IN
ANTICIPATION OF THE ISSUANCE OF SUCH BONDS**

WHEREAS, the Town of Pine Level (the “*Town*”) has applied to the North Carolina Local Government Commission (the “*Commission*”) to finance various improvements to the Town’s water and sewer system (the “*Project*”); and

WHEREAS, under the plan of finance for the issuance of Water and Sewer System Revenue Bonds in an aggregate principal amount of not to exceed \$2,020,000 (the “*Bonds*”), the United States Department of Agriculture (“*USDA*”) has issued a commitment to purchase the Bonds, subject to certain terms and conditions, upon completion of the Project, but in order to provide construction funding for the Project, it is necessary for the Town to issue its Water and Sewer System Revenue Bond Anticipation Notes in an aggregate principal amount of not to exceed \$2,020,000 in anticipation of the issuance of the Bonds (the “*Notes*”).

WHEREAS, in connection with the long-term plan of finance, the Town may need to issue additional bond anticipation notes (the “*Additional Notes*”) in anticipation of the issuance of the Bonds, in order to complete the construction of the Project before USDA will purchase the Bonds; and

WHEREAS, the Town has furnished to the Commission forms of the following documents:

- (a) Bond Order, to be adopted July 13, 2020, authorizing the issuance of Bonds, the Notes and any Additional Notes of the Town, subject to the terms thereof; and
- (b) Note Resolution of the Town, to be adopted July 13, 2020, authorizing the issuance of the Notes by the Town, subject to the terms thereof (the “*Note Resolution*”); and
- (c) Bond Resolution of the Town, to be adopted July 13, 2020, authorizing the issuance of the Bonds by the Town, subject to the terms thereof (the “*Bond Resolution*”).

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:

- (i) that the proposed issuance of the Bonds, the issuance of the Notes and the issuance of any Additional Notes in anticipation of the issuance of the Bonds is necessary and expedient;
- (ii) that the proposed amount of the proposed Bonds, the Notes and any Additional Notes are adequate, when added to other monies available to the Town, and not excessive for the proposed purposes thereof;
- (iii) that the Project is feasible;
- (iv) that the annual audit of the Town shows the Town to be in strict compliance with debt management policies, and the budgetary and fiscal management policies of the Town are in compliance with the law; and
- (v) that the Bonds, the Notes and any Additional Notes can be marketed at a reasonable interest cost to the Town.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the Town for approval of the proposed Bonds, the Notes and any

Additional Notes in an aggregate amount not to exceed \$2,020,000 for the purposes set forth is hereby approved pursuant to The State and Local Government Revenue Bond Act, as amended.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION CONCERNING THE PRIVATE SALE OF TOWN OF PINE LEVEL WATER SYSTEM REVENUE BOND ANTICIPATION NOTES

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the “*Commission*”) to sell revenue bonds and revenue bond anticipation notes at public sale or at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit; and

WHEREAS, the Town of Pine Level (the “*Town*”) has requested the Commission to sell each of its Water and Sewer System Revenue Bond Anticipation Notes and any Additional Notes approved concurrently herewith (the “*Notes*”) in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

WHEREAS, the Notes are being issued in anticipation of the issuance of Water and Sewer System Revenue Bonds by the Town (the “*Bonds*”) to be purchased by the United States Department of Agriculture (the “*USDA*”) pursuant to commitments to purchase the Bonds, subject to certain terms and conditions, upon completion of the project for which each Note is being issued (the “*Project*”); and

WHEREAS, the Town may need to issue additional notes (the “*Additional Notes*”) in anticipation of the issuance of the Bonds, in connection with completion of the construction of the Project before USDA will purchase the Bonds; and

WHEREAS, the Town has requested that the Commission also approve the future sale of any Additional Notes in connection with the construction of the Project; provided that USDA has issued a commitment to purchase the bonds to be issued at the maturity of any Additional Notes; and

WHEREAS, the Commission desires to approve the request of the Town that it sell the Note and any Additional Notes at private sale without advertisement;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Notes at private sale without advertisement to KS Bank, the “Purchaser”, determined by the Secretary of the Commission as proposing an interest rate of 1.92% for a term of 24 months, such sale being subject to the approval of the Town and satisfaction of the conditions set forth below.

Section 2. The sale of any Additional Notes at private sale without advertisement to one or more purchasers determined by the Secretary of the Commission as proposing the best interest rate or rates practicably available to the Town is hereby approved, provided that USDA has given a commitment to purchase the Bonds to be issued at the maturity of any such Additional Notes, such sale being subject to the approval of the Town and satisfaction of the conditions set forth below.

Section 3. The aggregate principal amount of the Notes shall not exceed \$2,020,000, and the purchase price for the Notes shall be approved by the Secretary of the Commission at the time of the

sale of the Notes. The aggregate principal amount of the Additional Notes shall not exceed, together with the Note, the aggregate principal amount of all commitments issued by USDA to purchase the Bonds.

Section 4. Renewal notes may be sold to private purchasers to refinance any maturing Note or Additional Notes, or renewals thereof.

Section 5. The Commission hereby determines that the sale of the Notes or the Additional Notes in the manner and for the price as provided in this resolution is in the best interest of the Town, provided that such sale shall be approved by the Board of Commissioners of Pine Level, North Carolina, sitting as governing body of the Town.

Section 6. This resolution shall be effective immediately upon its passage.

Section 7. The Commission hereby approves the engagement of Manning Fulton & Skinner, P.A. as bond counsel to the Town in connection with the issuance of the Notes.

Mr. Munn seconded the motion and the resolution was approved by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION CONCERNING THE PRIVATE SALE OF THE TOWN OF PINE LEVEL WATER AND SEWER SYSTEM REVENUE BONDS TO USDA

WHEREAS, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina authorizes the North Carolina Local Government Commission (the “*Commission*”) to sell revenue bonds and revenue bond anticipation notes at public sale or at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit; and

WHEREAS, the Town of Pine Level (the “*Town*”) has requested the Commission to sell its Water and Sewer System Revenue Bonds approved concurrently herewith (the “*Bonds*”) to the United States Department of Agriculture (“*USDA*”) upon the completion of construction of the project to be permanently financed thereby pursuant to commitments previously issued by USDA, all in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina; and

WHEREAS, the Commission desires to approve the request of the Town that it sell the Bonds to USDA at private sale without advertisement;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Bonds to USDA at private sale without advertisement in accordance with commitments previously made by USDA is hereby approved, such sale being subject to the approval of the Board of Commissioners of Town of Pine Level, sitting as governing body of the Town, (the “*Board*”) and satisfaction of the conditions set forth below.

Section 2. The aggregate purchase price for the Bonds shall not exceed \$2,020,000.

Section 3. No maturity of the Bonds shall be later than forty years from the date of issuance thereof.

Section 4. The Commission hereby determines that the sale of the Bonds in the manner and for the price as provided in this resolution is in the best interest of the Town, provided that such sale shall be approved by the Board.

Section 5. This resolution shall be effective immediately upon its passage.

Section 6. The Commission hereby approves the engagement of Manning Fulton & Skinner, P.A. as bond counsel to the Town in connection with the issuance of the Notes and the Bonds.

Mr. Munn seconded the motion and the resolution was approved by unanimous vote.

Mr. Padgett made a motion to approve the following action:

RESOLUTION APPROVING HOUSING AUTHORITY OF THE CITY OF WINSTON-SALEM MULTIFAMILY HOUSING REVENUE BONDS IN AN AMOUNT UP TO \$12,000,000 (THE "BONDS") FOR SKYLINE VILLAGE APARTMENTS AND THE FINANCING TEAM THEREFOR

WHEREAS, the Housing Authority of the City of Winston-Salem (the "Authority") has decided to issue its Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEMS) (Skyline Village Apartments), Series 2020 (the "Bonds") to finance the acquisition, rehabilitation and equipping by Skyline Village Holdings, LLC, a North Carolina limited liability company or a related or affiliated entity (the "Borrower"), of a low income multifamily residential rental facility known as Skyline Village Apartments, consisting of approximately 169 units, in the City of Winston-Salem, North Carolina (the "Development"); and

WHEREAS, in order to finance the Development, the Authority proposes to issue the Bonds in an aggregate principal amount not to exceed \$12,000,000, pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the "Act"); and

WHEREAS, the Bonds have to be approved by the North Carolina Local Government Commission (the "Commission"), for which approval the Commission may consider the criteria set forth in North Carolina General Statutes Section 159-153, and the Authority has applied to the Commission for such approval; and

WHEREAS, based upon the information and evidence received in connection with such application, including resolutions adopted by the Board of Commissioners of the Authority on June 9, 2020, it is hereby determined and found by the Commission:

- (a) that such proposed bond issue is necessary or expedient;
- (b) that the proposed amount of the bond issue is adequate and not excessive for the proposed purposes thereof;
- (c) that the Borrower has demonstrated that it is financially responsible and capable of fulfilling its obligations with respect to the Bonds and the Development;
- (d) that the Authority's debt management procedures and policies are good and that it is not in material default with respect to any of its debt service obligations; and

(e) the proposed date and manner of sale of the Bonds will not have an adverse effect upon any scheduled or anticipated sale of any obligations by the State of North Carolina or any political subdivision thereof or any agency of either of them; and

WHEREAS, the Authority has requested that the Commission approve its selection of the following financing team members for the upcoming issuance of the Bonds:

Bond Counsel:	McGuireWoods LLP
Authority's Counsel:	Kevin Cheshire, Esq.
Borrower:	Skyline Village Holdings, LLC
Borrower's Counsel:	Blanco Tackabery & Matamoros, P.A.
Mortgage Lender:	Bellwether Enterprise Mortgage Investments, LLC
Mortgage Lender's Counsel:	Cassin & Cassin LLP
Fannie Mae's Counsel:	DLA Piper (US) LLP
Underwriter:	Stifel, Nicolaus & Company, Incorporated
Underwriter's Counsel:	Norton Rose Fulbright US LLP
Tax Credit Investor:	Alliant Credit Facility II, LLC
LIHTC Investor's Counsel:	Nixon Peabody LLP
Trustee:	Wilmington Trust, National Association
Trustee's Counsel:	Alston & Bird LLP

WHEREAS, based upon the information and evidence received by the Commission, it is the opinion of the Commission that the request by the Authority should be approved; and

WHEREAS, there have been presented to the Commission forms of the following documents (the "Documents") to be used in connection with the issuance of the Bonds:

(a) Indenture of Trust dated as of August 1, 2020, between the Authority and Wilmington Trust, National Association, as trustee (the "Trustee"), providing for the issuance of the Bonds, together with the forms of the Bonds;

(b) Financing Agreement dated as of August 1, 2020, among the Authority, the Borrower and the Trustee, pursuant to which the Authority will lend the proceeds of the Bonds to the Borrower, together with the forms of the promissory notes of the Borrower; and

(c) Regulatory Agreement and Declaration of Restrictive Covenants dated as of August 1, 2020, among the Borrower, the Authority and the Trustee.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Bonds pursuant to the Documents in substantially the forms furnished to the Commission is hereby approved, such sale being subject to the satisfaction of the conditions set forth in the Documents and herein.

Section 2. It is hereby determined, with the approval of the Authority and the Borrower that the Bonds shall be issued in an aggregate principal amount not to exceed \$12,000,000, shall initially bear interest at a fixed rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2055.

Section 3. The Secretary of the Commission, or any Deputy Secretary, is hereby appointed the designated representative of the Commission for the purposes of this resolution and such designated representative is hereby authorized and directed, within the terms and conditions of

this resolution, to approve such changes to the Documents, including details of the Bonds, as shall be satisfactory to him or her, and to approve the forms of other documents relating to the Bonds.

Section 4. The financing team set forth above is hereby approved.

Section 5. This resolution shall be effective immediately upon its passage.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

RESOLUTION APPROVING THE FINANCING TEAM FOR THE NORTH CAROLINA MEDICAL CARE COMMISSION HEALTH CARE FACILITIES REVENUE REFUNDING BONDS (REX HEALTHCARE), SERIES 2020B

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”) has requested that the North Carolina Local Government Commission (the “Commission”) approve the following financing team members for the upcoming issuance by the Medical Care Commission of its North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (Rex Healthcare), Series 2020B (the “Bonds”):

Bond Counsel:	Womble Bond Dickinson (US) LLP
Purchaser:	JPMorgan Chase Bank, National Association
Purchaser’s Counsel:	Parker Poe Adams & Bernstein LLP
Obligated Group Counsel:	K&L Gates LLP
Bond Trustee/Master Trustee:	U.S. Bank National Association
Trustee’s Counsel:	McGuireWoods LLP
Financial Advisor:	Ponder & Co.

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion of the Commission that the request by the Medical Care Commission should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the Bonds.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote. Andy Zukowski, Chief Financial Officer of Rex Healthcare, attended the meeting by telephone, spoke and answered members’ questions.

Thereupon, Mr. Padgett made a motion to approve the following resolution:

RESOLUTION APPROVING THE SALE AND ISSUANCE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION HEALTH CARE FACILITIES REVENUE REFUNDING BONDS (REX HEALTHCARE), SERIES 2020B

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”), pursuant to the provisions of the Health Care Facilities Finance Act, the same being Chapter 131A of the General Statutes of North Carolina, as amended (the “Act”), proposes to authorize the issuance of the North Carolina Medical Care Commission Health Care Facilities Revenue Refunding Bonds (Rex Healthcare), Series 2020B (the “Bonds”), to be issued pursuant to a Trust Agreement, to be dated as of July 1, 2020 (the “Trust Agreement”), between the Medical Care Commission and U.S. Bank National Association, as bond trustee (the “Bond Trustee”), in an aggregate principal amount not to exceed \$77,000,000;

WHEREAS, the Bonds are to be issued by the Medical Care Commission for the purpose of providing funds, together with other available funds, to (a) currently refund all of the outstanding North Carolina Medical Care Commission Health Care Facilities Revenue and Revenue Refunding Bonds (Rex Healthcare), Series 2010A (the “2010A Bonds”) and (b) pay the fees and expenses incurred in connection with the sale and issuance of the Bonds;

WHEREAS, the proceeds of the Bonds will be loaned by the Medical Care Commission to Rex Hospital, Inc. (the “Corporation”) pursuant to a Loan Agreement, to be dated as of July 1, 2020 (the “Loan Agreement”), between the Medical Care Commission and the Corporation;

WHEREAS, there has been submitted at this meeting the proposed form of a Contract of Purchase, to be dated as of the date of delivery thereof (the “Contract of Purchase”), between JPMorgan Chase Bank, National Association (the “Purchaser”) and the Local Government Commission of North Carolina (the “Commission”), as approved by the Medical Care Commission and the Corporation, whereby the Purchaser will offer to purchase the Bonds on the terms and conditions set forth therein and in the Trust Agreement and the Commission desires to approve the issuance of the Bonds and then accept such offer when made and approve the Contract of Purchase; and

WHEREAS, there have been furnished to the Commission proposed forms of the following documents:

(a) the Trust Agreement;

(b) the Loan Agreement;

(c) the Contract of Purchase;

(d) Supplemental Indenture for Obligation No. 10, to be dated as of July 1, 2020, between the Corporation and U.S. Bank National Association, as master trustee (the “Master Trustee”), supplementing the Amended and Restated Master Trust Indenture, dated as of October 1, 2010 (as supplemented and amended from time to time, the “Master Indenture”), by and among the Corporation, Rex Healthcare, Inc. (the “Parent Corporation”) and the Master Trustee, including the form of Obligation No. 10, to be dated the date of delivery thereof, executed and delivered by the Corporation to the Medical Care Commission;

(e) Supplemental Indenture for Obligation No. 11, to be dated as of July 1, 2020, between the Corporation and the Master Trustee, supplementing the Master Indenture, including the form of Obligation No. 11, to be dated as of the date of delivery thereof, issued by the Corporation to the Purchaser;

(f) Continuing Covenants Agreement, to be dated as of July 1, 2020, among the Parent Corporation, the Corporation and the Purchaser; and

(g) Rate Lock Letter Agreement, to be dated the date of delivery thereof, between the Corporation and the Purchaser; and

all as part of the application from the Medical Care Commission to the Commission requesting approval of the proposed issuance of the Bonds; and

WHEREAS, the Commission has found and determined based upon the information and evidence it has received that the proposed financing and refinancing will effectuate the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

Section 1. The issuance of the Bonds by the Medical Care Commission as provided in the Trust Agreement is hereby approved.

Section 2. The Bonds shall be awarded to the Purchaser pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Contract of Purchase, subject to the approval of the Medical Care Commission and the Corporation. The Commission hereby determines that such award and sale of the Bonds in the aggregate principal amount not to exceed \$77,000,000, at an interest rate not to exceed 6.00% per annum and a final maturity not beyond July 1, 2030, are in the best interests of the Medical Care Commission and the Corporation and are hereby approved.

Section 3. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Contract of Purchase. Subject to the limitations in Sections 2 of this resolution, the Contract of Purchase is hereby approved, and the Secretary of the Commission or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Contract of Purchase, including details of the Bonds, as shall be satisfactory to the Designated Assistant, to approve the forms of other documents relating to the Bonds, and to execute and deliver the Contract of Purchase and such other documents that are required to be executed and delivered by the Commission on behalf of the Commission.

Section 4. This resolution shall take effect immediately upon its adoption.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote. Andy Zukowski, Chief Financial Officer of Rex Healthcare, attended the meeting by telephone, spoke and answered members' questions.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION FOR CITY OF HENDERSONVILLE, NORTH CAROLINA FOR THE INSTALLATION OF APPROXIMATELY 5,000 LF OF 6-INCH WATERLINE TO REPLACE VARIOUS EXISTING 2-INCH, 4-INCH AND 6-INCH WATERLINES. REPLACEMENT OF APPROXIMATELY 635 LF OF 8-INCH WATERLINE AND RELATED VALVES, HYDRANTS, SERVICES AND APPURTENANCES

WHEREAS, City of Hendersonville (the “City”) has determined it necessary and expedient because the City’s existing water infrastructure is aging and in need of replacement (with existing water infrastructure installed in the 1920’s). The City spends significant resources maintaining this aging infrastructure; and

WHEREAS, the City has filed an application with the North Carolina Local Government Commission (the “Commission”) for approval of a water revolving Loan in an amount not to exceed \$812,000 with a term of twenty (20) years at the rate established under this program for the respective loan, State or Federal, is not to exceed 4%;

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion that the request of the City should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a water revolving loan for the City is hereby approved.”

Mr. Munn seconded the motion and was approved by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION FOR TOWN OF MANTEO, NORTH CAROLINA FOR A PROJECT TO INCLUDE A COMPLETE RELOCATION AND REPLACEMENT OF ALL STATION FACILITIES INCLUDING BUT NOT LIMITED TO: NEW WATER -TIGHT/FLOOD PROOF CONCRETE WETWELL STRUCTURE, PUMPS, VALVES, PIPING, BYPASS PIPING, CONTROLS ENCLOSURE WITH ELECTRICAL INCLUDING PERMANENT STANDBY GENERATOR AND AUTOMATIC TRANSFER SWITCH

WHEREAS, Town of Manteo (the “Town) has determined it necessary and expedient to provide the Town with a permanent solution which will allow them to continue to pursue their goals of being a responsible steward to Shallowbag Bay and the Town of Manteo Historic District; and

WHEREAS, the Town has filed an application with the North Carolina Local Government Commission (the “Commission”) for approval of a sewer revolving loan in an amount not to exceed \$1,106,660 with a term of twenty (20) years at the rate established under this program for the respective loan, State or Federal, is not to exceed 4%;

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion that the request of the Town should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a sewer revolving loan for the Town is hereby approved.”

Mr. Munn seconded the motion and was approved by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

“RESOLUTION APPROVING CONVERSIONS WITH RESPECT TO THE NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY EDUCATIONAL FACILITIES REVENUE BONDS (LENOIR-RHYNE UNIVERSITY)

WHEREAS, the North Carolina Capital Facilities Finance Agency (the “Agency”) has previously issued bond on behalf of Lenoir-Rhyne University (the “University”), namely the North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Bond (Lenoir-Rhyne University), Series 2014 (the “2014 Bond”) and the North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Bond (Lenoir-Rhyne University), Series 2015 (the “2015 Bond”);

WHEREAS, the 2014 Bond is currently outstanding in the principal amount of \$9,213,000 and the 2015 Bond is currently outstanding in the principal amount of \$11,706,750 and the 2014 Bond and the 2015 Bond are owned by STI Institutional & Government, Inc. (“STING”) under bond purchase and loan agreements among the Agency, the Local Government Commission of North Carolina (the “Commission”), STING and the University (the “Agreements”);

WHEREAS, the University and STING have agreed under the Agreements to convert the interest rates on the bonds from 67% x (1-Month LIBOR + 2.22%) for the 2014 Bond and 67% x (1-Month LIBOR + 2.48%) for the 2015 Bond in each case to 79% x (1-Month LIBOR + 1.65%) both of which have interest rate swaps associated with them on which the University is paying 3.92% and 3.25%, respectively;

WHEREAS, the University expects to enter into modifications to existing interest rate swaps related to the new underlying interest rate calculation and based on the current 1-Month LIBOR (.19) and the reduction in the spread, the University expects to save approximately \$200K per year in interest expense on these issues over the next 10 years;

WHEREAS, in addition, the mandatory tender dates under the Agreements are being extended an additional 5 years from December 1, 2025 to December 1, 2030;

WHEREAS, there will be no extension of the maturities on the bonds, but will result in a “reissuance” for federal tax purposes;

WHEREAS, the University has requested that the Commission approve the transaction as described herein;

WHEREAS, based on the information and evidence received by the Commission, it is the opinion of the Commission that the University’s requests should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Local Government Commission of North Carolina that the above-described transactions are hereby approved.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to adopt the following resolution:

RESOLUTION APPROVING A SECOND AMENDMENT TO BOND PURCHASE AND LOAN AGREEMENT RELATING TO THE WAKE COUNTY INDUSTRIAL FACILITIES AND POLLUTION CONTROL FINANCING AUTHORITY SPECIAL PURPOSE PROJECT REVENUE BOND (INTERACT PROJECT), SERIES 2010

WHEREAS, The Wake County Industrial Facilities and Pollution Control Financing Authority (the “Authority”) has previously issued its Special Purpose Project Revenue Bond (InterAct Project), Series 2010 (the “Bond”) pursuant to a Bond Purchase and Loan Agreement dated as of October 1, 2010, among the Authority, Truist Bank (formerly Branch Banking and Trust Company) (the “Bank”), and The Family Violence Prevention Center, Inc. d/b/a InterAct (the “Borrower”), as amended by a First Amendment to Bond Purchase and Loan Agreement dated as of August 1, 2015, among the Authority, the Bank and the Borrower (as amended, the “BPLA”);

WHEREAS, the Bond is currently held by the Bank, bears interest at the Adjusted LIBOR Rate (as defined in the BPLA) and is subject to mandatory tender, at the option of the Bank, on or after October 21, 2020;

WHEREAS, the Bank and the Borrower have agreed to make certain changes to the provisions of the BPLA, including changing the interest rate for the Bond and extending the term of the Bond to the final maturity date;

WHEREAS, to carry out such changes, it is necessary to amend the BPLA; and

WHEREAS, there has been provided to the Commission a draft copy of a proposed Second Amendment to Bond Purchase and Loan Agreement dated as of July 1, 2020 (the "Amendment"), among the Authority, the Bank and the Borrower that would carry out such amendments;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission (the "Commission") as follows:

1. The Commission hereby approves the change in the interest rate for the Bond from the Adjusted LIBOR Rate to the Fixed Rate (as defined in the Amendment) and such other changes to the terms for the Bond as set forth in the draft Amendment.
2. The Commission hereby approves the form of the Amendment.
3. The Secretary of the Commission or any Deputy Secretary are hereby authorized and directed to execute and deliver such documents, certifications and other proofs, and to take such other actions, as they, with the advice of counsel, may deem necessary and appropriate to carry out the amendment of the BPLA and the Bond as provided hereby.

Mr. Munn seconded the motion to approve the agenda item concerning The Family Violence Prevention Center, Inc. d/b/a InterAct and the agenda item, which constitutes approval of the transaction described therein, was approved by unanimous vote.

Mr. Padgett made a motion to approve the following resolution:

"RESOLUTION AMENDING IN CERTAIN RESPECTS THE RESOLUTION APPROVING THE ISSUANCE OF AND AWARDING TO BB&T COMMUNITY HOLDINGS CO. AS PURCHASER OF THE NORTH CAROLINA MEDICAL CARE COMMISSION HEALTH CARE FACILITIES FIRST MORTGAGE REVENUE BONDS (LUTHERAN SERVICES FOR THE AGING), SERIES 2020B IN AN AGGREGATE PRINCIPAL AMOUNT, TOGETHER WITH THE SERIES 2020A BONDS, NOT TO EXCEED \$165,000,000

WHEREAS, the North Carolina Local Government Commission (the "Commission") has, by resolution adopted on March 3, 2020 (the "Series 2020A Resolution"), approved the issuance by the North Carolina Medical Care Commission (the "Medical Care Commission"), pursuant to the provisions of the Health Care Facilities Finance Act, the same being Chapter 131A of the General Statutes of North Carolina, as amended (the "Act"), of its Health Care Facilities First Mortgage Revenue Bonds (Lutheran Services for the Aging), Series 2020A (the "Series 2020A Bonds"), to be issued pursuant to a Trust Agreement, to be dated as of April 1, 2020 (the "Series 2020A Trust Agreement"), by and between the Medical Care Commission and The Bank of New York Mellon Trust Company, N.A., as bond trustee, in an aggregate principal amount, together with the other Series 2020 Bonds (as hereinafter defined), not to exceed \$165,000,000, for the purpose of providing funds, together with other available funds, to: (i) refund the Series 2017 Bonds (as defined in the Series 2020A Trust Agreement), (ii) refinance the Bank Loan (as defined in the Series 2020A Trust Agreement), (iii) finance the cost of the Trinity Place Project and the Trinity Oaks Project and a portion of the cost of the Trinity Landing Project, (iv) fund a portion of the interest accruing on a portion of the Series 2020A Bonds, (v) fund the Debt Service Reserve Fund (as defined in the Series 2020A Trust Agreement) in an amount equal to the Debt Service Reserve Fund Requirement (as defined in the Series 2020A Trust Agreement) and (vi) pay certain expenses incurred in connection with the issuance of the Series 2020A Bonds; and

WHEREAS, the Commission awarded the Series 2020A Bonds to BB&T Capital Markets, a division of BB&T Securities, LLC, and Janney Montgomery Scott, LLC (collectively, the

"Underwriters") pursuant to the provisions of Section 131A-11 of the Act and in accordance with the provisions of a Contract of Purchase, to be dated the date of the sale of the Series 2020A Bonds, whereby the Underwriters would offer to purchase the Series 2020A Bonds on the conditions set forth therein and in the Series 2020A Trust Agreement; and

WHEREAS, the Series 2020A Resolution contemplated that the Series 2020A Bonds would be issued as part of a plan of financing that would include a total of two series of the Commission's Health Care Facilities First Mortgage Revenue Bonds (Lutheran Services for the Aging), to be designated Series 2020A and Series 2020B (collectively, the "Series 2020 Bonds"); and

WHEREAS, the Commission also adopted a resolution on March 3, 2020 (the "Series 2020B Resolution") entitled "RESOLUTION APPROVING THE ISSUANCE OF AND AWARDING TO BB&T COMMUNITY HOLDINGS CO. AS PURCHASER OF THE NORTH CAROLINA MEDICAL CARE COMMISSION HEALTH CARE FACILITIES REVENUE BONDS (LUTHERAN SERVICES FOR THE AGING), SERIES 2020B IN AN AGGREGATE PRINCIPAL AMOUNT, TOGETHER WITH THE SERIES 2020A BONDS, NOT TO EXCEED \$165,000,000"; and

WHEREAS, the Commission has, by the Series 2020B Resolution, approved the issuance by the Medical Care Commission, pursuant to the provisions of the Act, of its Health Care Facilities First Mortgage Revenue Bonds (Lutheran Services for the Aging), Series 2020B (the "Series 2020B Bonds"), to be issued pursuant to a Trust Agreement, to be dated as of April 1, 2020 (the "Series 2020B Trust Agreement"), by and between the Medical Care Commission and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"), in an aggregate principal amount, together with the other Series 2020 Bonds, not to exceed \$165,000,000, for the purpose of providing funds, together with other available funds, to: (i) finance a portion of the cost of the Trinity Landing Project, (ii) fund a portion of the interest accruing on the Series 2020B Bonds and (iii) pay certain expenses incurred in connection with the issuance of the Series 2020B Bonds; and

WHEREAS, the Commission awarded the Series 2020B Bonds to BB&T Community Holdings Co. (the "Purchaser") pursuant to the provisions of Section 131A-11 of the Act and in accordance with the provisions of a Contract of Purchase, to be dated the date of the sale of the Series 2020B Bonds (the "Series 2020B Contract of Purchase"), whereby the Purchaser would offer to purchase the Series 2020B Bonds on the terms and conditions set forth therein and in the Series 2020B Trust Agreement; and

WHEREAS, in connection with the adoption of the Series 2020B Resolution the following draft documents (collectively, the "Series 2020B Transaction Documents") were furnished to the Commission:

- (a) the Series 2020B Trust Agreement;
- (b) the Series 2020B Contract of Purchase;
- (c) the Loan Agreement, to be dated as of April 1, 2020, by and between the Medical Care Commission and Lutheran Services for the Aging, Inc. (the "Parent Corporation"), Lutheran Home Wilmington Property, Inc., Lutheran Home – Wilmington, Inc., LSA Elms Property, Inc., LSA Elms at Tanglewood, Inc., Lutheran Home Winston-Salem Property, Inc., Lutheran Home Forsyth County Property, Inc., Lutheran Home – Forsyth County, Inc., Lutheran Home Hickory West Property, Inc., Lutheran Home – Hickory West, Inc., LSA Management, Inc., LSA Pharmacy, Inc., Lutheran Home – Albemarle, Inc., Lutheran Home – Hickory, Inc., Lutheran Home at Trinity Oaks, Inc., Lutheran Home – Winston-Salem, Inc., Lutheran Home Albemarle Property, Inc., Lutheran Home Hickory Property, Inc., Lutheran Home at Trinity Oaks Property, Inc.,

Lutheran Services Property, Inc., Lutheran Retirement Center – Salisbury, Inc., Lutheran Retirement Center – Wilmington, Inc., Lutheran Retirement Center at Lutheridge, Inc., Lutheran Retirement Center – Clemmons, Inc., The Foundation For Abundant Living (formerly known as Lutheran Services for the Aging Foundation, Inc.) and Abundant Living Adult Day Services, Inc. (collectively, the "Members of the Obligated Group"), relating to the Series 2020B Bonds;

- (d) Supplemental Indenture for Obligation No. 11, to be dated as of April 1, 2020 ("Supplemental Indenture No. 11"), by and between the Members of the Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee"), supplementing the Master Trust Indenture, dated as of December 1, 2012 (as supplemented and amended, the "Master Indenture"), by and between the Members of the Obligated Group and the Master Trustee;
- (e) Obligation No. 11, to be dated the date of its delivery, to be issued by the Members of the Obligated Group to the Medical Care Commission pursuant to the provisions of the Master Indenture and Supplemental Indenture No. 11 and assigned to the Bond Trustee;
- (f) Supplemental Indenture for Obligation No. 12, to be dated as of April 1, 2020 ("Supplemental Indenture No. 12"), by and between the Members of the Obligated Group and the Master Trustee, supplementing the Master Indenture;
- (g) Obligation No. 12, to be dated the date of its delivery, to be issued by the Members of the Obligated Group to the Purchaser pursuant to the provisions of the Master Indenture and Supplemental Indenture No. 12;
- (h) three Deeds of Trust, to be dated as of April 1, 2020, from certain Members of the Obligated Group to a deed of trust trustee for the benefit of the Master Trustee; and
- (i) the Guaranty and Credit Agreement, to be dated as of April 1, 2020, by and between the Members of the Obligated Group and the Purchaser;

all as part of the application from the Medical Care Commission to the Commission requesting approval of the proposed issuance of the Series 2020B Bonds; and

WHEREAS, the Parent Corporation, in consultation with its financial advisors and the Underwriters, has determined that it is not in the best interest of the Parent Corporation and the other Members of the Obligated Group to proceed with the public offering and sale of the Series 2020B Bonds under current market conditions; and

WHEREAS, the Parent Corporation and the other Members of the Obligated Group wish to proceed with the issuance of the Series 2020B Bonds under a modified plan of financing whereby the Series 2020B Bonds would be issued for the purpose of providing funds, together with other available funds, to (i) finance the cost of the Trinity Place Project, the Trinity Oaks Project and the Trinity Landing Project, (ii) fund a portion of the interest accruing on the Series 2020B Bonds and (iii) pay certain expenses incurred in connection with the issuance of the Series 2020B Bonds; and

WHEREAS, in support of the modified plan of financing, the Parent Corporation has furnished to the Commission an Independent Accountants' Compilation Report, dated June 17, 2020, prepared by CliftonLarsonAllen LLP; and

WHEREAS, certain amendments to the Series 2020B Resolution have been proposed in order to facilitate the implementation of the modified plan of financing, including the addition of other purchasers of the Series 2020B Bonds under the Series 2020B Contract of Purchase; and

WHEREAS, the Commission has found and determined, based upon the information and evidence it has received, that the proposed amendments will effectuate the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The Series 2020B Resolution is hereby amended as follows:

(a) The Series 2020 Bonds shall bear series and letter designations reflecting the chronological order in which Series 2020 Bonds are issued by the Medical Care Commission.

(b) The dated date of the Series 2020B Transaction Documents shall be changed from "April 1, 2020" to "July 1, 2020 or such other date as shall be mutually agreed to by the parties thereto".

(c) All references to the "Purchaser" in the Series 2020B Resolution shall mean, collectively, BB&T Community Holdings Co. and one or more of the following banks: Pinnacle Financial Partners, Atlantic Union Bank, First Midwest Bank, First Citizens Bank, and Mechanics & Farmers Bank.

Section 2. This resolution shall take effect immediately upon its passage."

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Padgett made a motion to approve the following order:

**“ORDER APPROVING THE EXTENSION OF GENERAL OBLIGATION BOND
ORDER FOR THE CITY OF SANFORD, NORTH CAROLINA**

WHEREAS, the City of Sanford has requested a three-year extension per G.S. 159-64 of \$4,000,000 Greenway Bonds authorization of September 10, 2013, of which the entire \$4,000,000 bonds remain unissued. The bonds were authorized to pay the costs of constructing greenway facilities and acquiring rights in land therefor, to extend the Endor Iron Furnace Greenway in order to extend public greenways and enhance recreational opportunities in the City and in Lee County; and

WHEREAS, the extension is necessary as the City Council had planned to increase tax rate and issue the bonds in 2020. However, due to the COVID19 virus and general economic conditions, City Council plans not to increase the tax rate for FY 2020 and request 3-year extension beyond the September 2020 authorization; and

WHEREAS, the City expects to be able to issue the bonds to construct the greenway projects within the revised timetable. Staff recommends approval of extending the authorization to September 10, 2023.

NOW, THEREFORE, BE IT ORDERED by the Local Government Commission of North Carolina hereby approves the proposed extension of the maximum time period for issuing bonds under the Bond Order from seven to ten years.”

Mr. Munn seconded the motion and the foregoing order was adopted by unanimous vote.

The phone connection was lost at 4:32 p.m. and was re-connected at approximately 4:34 p.m. Mr. Bass made the motion to adopt the following resolution, with this condition: the Town may not use the financing proceeds for any use that would require compliance with the provisions of **G.S. 159-175.10. Additional requirements for review of city financing application; communications service:**

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF WAKE FOREST, NORTH CAROLINA FOR CONSTRUCTION OF APPROXIMATELY 25 MILES OF UNDERGROUND FIBER THAT WILL INTERCONNECT 14 TOWN FACILITIES. THE NETWORK WILL CONSIST OF MULTIPLE BACKBONE RINGS THAT EMANATE FROM TOWN HALL AND EXTEND OVER PHYSICALLY DIVERSE PATHS TO CRITICAL TOWN FACILITIES. IN ADDITION, FIBER WILL BE EXTENDED TO THE TOWN’S OPERATIONS FACILITY WHICH WILL SERVE AS A SECONDARY HUB LOCATION FOR THE NETWORK THROUGH AN INSTALLMENT PURCHASE CONTRACT PURSUANT TO G.S. 160A-20.

WHEREAS, the Town of Wake Forest, North Carolina (the “Town”) has determined that it is necessary and expedient to provide for a safe and connected community and economic development. The project has been identified in the Town’s Capital Improvements Plan as a high priority; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the cost of the Project through an Installment Financing Contract (the “Contract”) between the Town and Truist Bank (the “Lender”) whereby the Lender shall advance moneys to the Town and the Town, subject to its right of nonappropriation, shall repay the advance with interest; and

WHEREAS, the principal amount of the Contract shall not exceed \$2,500,000 with semi-annual payments with a term of seven (7) years at a rate of 2.17%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-149; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the Town;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for the proposed purpose of the Contract;
- (iv) that the Town’s debt management procedures and policies are good;
- (v) that the Town is not in default in any of its debt service obligations; and

- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application for approval of the Contract and the planned financing, are hereby approved under the provisions of G.S. 160A-20 and relevant resolutions of the Commission.”

Ms. Harris seconded the motion and the foregoing resolution was adopted by unanimous vote of 8-0. Mr. Philbeck left the meeting at 4:32 p.m. when the phone connection was lost and did not vote. Marcus Trathen of Brooks, Pierce, McLendon, Humphrey & Leonard, LLP, attorney representing the N.C. Cable Telecommunications Association explained why he sent in a letter of objection to the Town’s project and was given two (2) minutes to speak. He stated that he wanted the Commission’s approval of the application conditioned on a commitment by the Town that the loan proceeds would not be used to support, directly or indirectly, the provision of communications services as defined by G.S. § 160A-340(3). Eric Vernon, of Wyrick Robbins Yates & Ponton LLP, the Town’s attorney and Aileen Staples, Finance Officer, were given two (2) minutes to speak in response to Mr. Trathen, and stated that the Town did not intend to provide any communications services to the public.

Ms. Harris made a motion to adjourn the meeting. Chair asked for a motion to adjourn the meeting in honor of the hard work of Greg Gaskins and his wife and assistant during this pandemic, Janet Gaskins, and their dog Giles. Ms. Marshall made the motion and Mr. Penny seconded the motion which passed by unanimous vote of 8-0. The meeting adjourned at 4:42 p.m.

The next regularly scheduled meeting of the North Carolina Local Government Commission will be held on August 4, 2020 at 2:30 p.m.

* * * * *

I, Greg C. Gaskins, Secretary of the North Carolina Local Government Commission, CERTIFY that the foregoing is a true and correct extract from minutes of a meeting of the North Carolina Local Government Commission duly called and held on July 7, 2020 and sets forth so much of said minutes as in any way relates to the introduction, consideration and passage of the resolutions herein set forth.

WITNESS my hand at Raleigh, this ___ day of July 2020.

Greg C. Gaskins, Secretary of the
Local Government Commission of North Carolina

Local Governments Requesting Debt Approval by LGC
 Agenda Date 07/07/20

As Reported in 2019 Fiscal Year End Audits										
Name of Unit	County	Last Year of Reval	Next Year of Reval	Total OPEB Liability	Actuarial Value of OPEB Assets	Net OPEB Liability	LGERS/TSERS Net Pension Liability	Total LEOSSA Pension Liability	Actuarial Value of LEOSSA Assets	Net LEOSSA Pension Liability
Aberdeen	Moore	2019	2023	3,763,684	0	3,763,684	1,665,859	879,247	0	879,247
Ashie County	Ashie	2019	2023	7,585,256	0	7,585,256	3,244,178	508,267	0	508,267
Cabarrus County	Cabarrus	2016	2020	42,246,559	0	42,246,559	18,459,668	7,374,262	0	7,374,262
Dunn	Hamett	2017	2022	7,000,597	0	7,000,597	1,764,074	1,214,771	0	1,214,771
Franklin County	Franklin	2018	2024	38,057,245	0	38,057,245	8,730,930	1,447,296	0	1,447,296
Gastonia	Gaston	2019	2023	53,213,429	0	53,213,429	16,409,491	19,972,541	0	19,972,541
Gates County	Gates	2017	2025	4,418,067	0	4,418,067	1,109,782	188,078	0	188,078
Hendersonville	Henderson	2019	2023	2,833,222	0	2,833,222	4,637,691	1,069,048	0	1,069,048
Lincoln County	Lincoln	2019	2023	50,470,936	0	50,470,936	11,600,990	2,265,319	0	2,265,319
Manteo	Dare	2013	2020	2,310,695	0	2,310,695	559,398	275,144	0	275,144
Matthews	Mecklenburg	2019	2023	NA	NA	NA	2,787,739	2,199,505	0	2,199,505
McDowell County	McDowell	2019	2023	3,720,825	0	3,720,825	4,544,933	916,385	0	916,385
Pine Level	Johnston	2019	2025	NA	NA	NA	104,038	141,173	0	141,173
Red Springs	Robeson	2018	2026	2,047,158	0	2,047,158	737,324	178,614	0	178,614
Sanford	Lee	2019	2023	45,526,800	3,090,824	42,435,976	6,239,971	4,115,532	0	4,115,532
Stedman	Cumberland	2017	2025	443,488	0	443,488	58,360	49,333	0	49,333
Vance County	Vance	2016	2024	18,875,330	0	18,875,330	5,215,831	865,373	0	865,373
Wake County Ind. Fac. & Pot. Ctr. Fin Agend	Wake	2016	2020	389,385,647	0	389,385,647	81,176,799	17,014,647	0	17,014,647
Wake Forest	Wake	2016	2020	19,912,937	0	19,912,937	5,639,058	3,063,359	0	3,063,359
Winston Salem Housing Authority	Forsyth	2017	2021	NA	NA	NA	1,707,375	NA	NA	NA

LEOSSA - Law Enforcement Officers' Special Separation Allowance OPEB - Other Post Employment Benefits (retiree healthcare) NA - not applicable
 LGERS - Local Government Employees Retirement System TSERS - Teachers and State Employees Retirement System