The meeting was called to order at 2:30 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 and Viola Harris. (State Auditor Beth Wood participated in the vote to approve the August 4, 2020 meeting minutes, the vote to adopt the Fiscal Note, the proposed Rule and Rule Amendments, the votes to adopt Resolutions for the Town of Kingstown, Town of Robersonville, Town of East Laurinburg, both projects for Catawba County, City of Cherryville, Town of Franklinville, Town of Grifton, Harnett County, both projects for Town of Holly Springs, City of Kinston and Rockingham County. She left the meeting during the discussion on the Town of Smithfield. She left the meeting at 3:50 p.m., rejoined at 3:58 p.m. and then left the meeting at 4:13 p.m. due to another commitment.)

Members Absent: Joshua Bass, Mike Philbeck and Scott Padgett.

A quorum was present for the entire meeting.


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.

Ms. Harris made a motion that the minutes of the August 4, 2020 meeting be approved. Mr. Munn seconded the motion and the minutes were approved by unanimous vote.

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

RESOLUTION ADOPTING PROPOSED RULE 20 NCAC 03 .0508 AND PROPOSED AMENDMENTS TO RULE 20 NCAC 03 .0502 AND 20 NCAC 03 .0505

WHEREAS, the Local Government Commission (“Commission”) is a governmental entity of the State of North Carolina housed within the Department of State Treasurer (“DST”), State and Local Government Finance Division (“SLGFD”); and

WHEREAS, the staff to the SLGFD is also staff to the Commission; and

WHEREAS, the Commission (by authority granted in North Carolina General Statutes § 159-3(f) and DST are vested with rule-making authority as described in the North Carolina Administrative Procedures Act (“APA”) codified in Chapter 150B of the North Carolina General Statutes (“N.C.G.S.”) and are rule-making agencies as defined therein; and
WHEREAS, as a rule-making agency, DST has appointed a staff member as its Rule Making Coordinator ("Coordinator"); and

WHEREAS, as part of a DST division, the Commission participates in the DST's rule-making program, works with the Coordinator and directs its staff to do the same; and

WHEREAS, as a rule-making agency, and by the authority of N.C.G.S. § 159-3(f) and N.C.G.S. § 159-34, the Commission has proposed a new administrative rule, Proposed Rule 20 NCAC 03.0508, which requires a process for government units to provide responses and corrective action plans in response to audit findings, and Proposed Amendments to Rules 20 NCAC 03.0502 and 20 NCAC 03.0505, to update sections of the audit contract and audit billing rules (collectively the "Proposed Rules"), said Proposed Rules to be codified in Chapter 20 Section 03 of the North Carolina Administrative Code ("NCAC"), being attached hereto; and

WHEREAS, the Commission previously approved the required fiscal note and the language of the Proposed Rules at its meeting on June 2, 2020; and

WHEREAS, the Proposed Rules and fiscal note were published in the NC Register and on the DST website on July 1, 2020 for the required 60-day comment period; and

WHEREAS, pursuant to N.C.G.S. § 150B-21.2(i) a public Rulemaking Hearing was held via conference call on July 21, 2020, and no comments were received during the Hearing; and

WHEREAS, the 60-day comment period ended on August 31, 2020, with no public comments having been received; and

WHEREAS, SLGFD staff has presented the fiscal note and the attached final language of the Proposed Rules to the Commission for final review and has requested the Commission to adopt the Proposed Rules;

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

1. The Commission adopts the Proposed Rules and fiscal note attached hereto.
2. The Commission authorizes its staff, working with the DST Rule Making Coordinator, to submit the Proposed Rules and fiscal note to the Office of Administrative Hearings and to take all steps required by the permanent rulemaking process in accordance with NCGS Chapter 150B Article 2A.
3. This Resolution shall take effect immediately upon its passage.

Ms. Marshall seconded the motion which passed by unanimous vote of 6-0.

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

RESOLUTION GIVING NOTICE AND WARNING TO THE TOWN OF KINGSTOWN, PURSUANT TO G.S. 159-181(c), REGARDING THE TOWN'S FAILURE TO COMPLY WITH THE BUDGET AND FISCAL CONTROL REQUIREMENTS OF CHAPTER 159 OF THE GENERAL STATUTES OF NORTH CAROLINA
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 has issued a series of Unit Letters notifying the Town, its officers, and its Town Council of the Town’s financial problems and 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; and

WHEREAS, the staff of the Commission has further advised the Town, its officers and its Town Council of circumstances for Commission intervention with respect to a municipality that fails or refuses to comply with budget and fiscal control laws, including the Commission’s authority to assume full control of the Town’s financial affairs.

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; 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;

NOW, THEREFORE, the Commission directs its Secretary, pursuant to G.S. 159-181(c):

1. To notify the Town, its officers, and its Town Council that the Town has failed to submit an annual audit report for the 2019 fiscal year as required under North Carolina G. S. 159-34(a);
2. To notify the Town, its officers, and its Town Council that the Town has failed to adopt a budget ordinance for the July 1, 2020 through June 30, 2021 fiscal year as required under North Carolina G. S. Statute 159-8;
3. To notify the Town, its officers and its Town Council that the Town’s failure to adopt a budget ordinance imperils or makes impossible the Town’s ability to comply with other statutes related to fiscal management including North Carolina G. S. 159-25, 159-26, 159-27, and 159-28; and
4. To notify the Town, its officers, and its Town Council that the Town has failed to establish and maintain an accounting system as required under North Carolina G. S. 159-26; and
5. 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 provides an action plan that addresses and remedies the deficiencies detailed in this Resolution; and
6. To notify the Town, its officers and its Town Council to open the Town’s 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; and
7. To deliver to the Town, its officers, and its Town Council this Resolution as Notice and Warning from the Commission pursuant to the provisions of Chapter 159 of General Statutes of North Carolina; and
8. To report to the Commission any failure of the Town to comply with this notice and warning or with the requirements of Chapter 159 of the General Statutes of North Carolina.

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 full control of the Town’s financial affairs.

Mr. Penny seconded the motion which passed by unanimous vote of 6-0. Chair Fulwell recognized the efforts of Mr. Philbeck to develop a regional solution for the Town with Cleveland County Water.
Ms. Marshall made the motion to adopt the following resolution:

RESOLUTION GIVING NOTICE AND WARNING TO THE TOWN OF ROBERSONVILLE, PURSUANT TO G.S. 159-181(c), REGARDING THE TOWN’S FAILURE TO COMPLY WITH THE BUDGET AND FISCAL CONTROL REQUIREMENTS OF CHAPTER 159 OF THE GENERAL STATUTES OF NORTH CAROLINA

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

WHEREAS, the Commission has issued a series of Unit Letters notifying the Town, its officers, and its Town Council of the Town’s financial problems and its failure to comply with the provisions of the Local Government Budget and Fiscal Control Act, North Carolina General Statues (G.S.), Chapter 159, Article 3; and

WHEREAS, an August 19, 2020 letter notified the Mayor and members of Town Council of the significant concerns of the State Auditor and the Commission staff regarding the development and adoption of the fiscal year 2021 budget; and

WHEREAS, the staff of the Commission has further advised the Town, its officers and its Town Council of circumstances for Commission intervention with respect to a municipality that fails or refuses to comply with budget and fiscal control laws, including the Commission’s authority to assume full control of the Town’s financial affairs;

NOW, THEREFORE, the Commission directs its Secretary, pursuant to G.S. 159-181(c):

1. To notify the Town, its officers, and its Town Council that the Town has failed to submit an annual audit report for the 2018 and 2019 fiscal years as required under North Carolina G.S. 159-34(a);

2. To notify the Town, its officers, and its Town Council that the Town has failed to establish and maintain an accounting system as required under North Carolina G.S. 159-26;

3. To notify the Town, its officers and its Town Council that the Town has failed to comply with G.S. 159-23(a)(1) which requires that the finance officer “keep the accounts of the local government or public authority in accordance with generally accepted principles of governmental accounting and the rules and regulations of the Commission”;

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 provides an action plan that addresses and remedies the deficiencies detailed in this Resolution;

5. To notify the Town, its officers, and its Town Council to open the Town’s 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;

6. To notify the Town, its officers, and its Town Council that the Commission may take action under its authority in North Carolina General Statutes and Administrative Code prior to the receipt of a response by the Town if the Commission finds it necessary to do so to safeguard the assets of the Town or to address newly discovered violations;

7. To deliver to the Town, its officers, and its Town Council this Resolution as Notice and Warning from the Commission pursuant to the provisions of Chapter 159 of General Statutes of North Carolina; and

8. To report to the Commission any failure of the Town to comply with this notice and warning or with the requirements of Chapter 159 of the General Statutes of North
Carolina.

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 full control of the Town’s financial affairs.

Ms. Wood seconded the motion which passed by unanimous vote of 6-0.

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

RESOLUTION REQUIRING THE TOWN OF EAST LAURINBURG 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 Governing Body of the Town of East Laurinburg (the “Town”) of their responsibilities for compliance with budget and fiscal control practices, standards and laws; and

WHEREAS, the staff of Commission notified the Town and its officers, and its Governing Body in a unit letter dated January 3, 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 reports for the Town for fiscal years ended June 30, 2017, 2018, and 2019 have not been received by the Secretary of the Commission as of the date of this Resolution;

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

WHEREAS, the Commission adopted a Resolution on March 3, 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 March 3, 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 2017, 2018, and 2019 annual audit reports to the Secretary of the Commission, or confirming that the Town has hired adequate assistance to complete and submit the 2017, 2018, and 2019 annual audits, 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 Governing Body that the Commission did not receive a response within 30 days of the March 3, 2020 Resolution; and

2. To deliver to the Town, its officers, and its Governing Body 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 Governing Body 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 notify the Town, its officers, and its Governing Body to 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; and

6. 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.

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.

Mr. Munn seconded the motion which passed by unanimous vote of 6-0.

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

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CATAWBA 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 Catawba, North Carolina (the “County”) intends to finance the renovation and improvement to Banoak Elementary School and St. Stephens High School (collectively, the “Projects”), pursuant to the execution and delivery of an Installment Financing Contract dated as of September 9, 2020 (the “Contract”) between the County and Truist Bank (the “Lender”), whereby the Lender will advance moneys to the County for the purpose of financing the Projects, 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 Lender to the County under the Contract shall not exceed $18,550,000;

WHEREAS, the County will repay the advance in semi-annual payments of interest and annual payments of principal at an interest rate not to exceed 1.76% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond 2035;
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 which passed by unanimous vote of 6-0.

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

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

WHEREAS, the County of Catawba, 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
Lender: Truist Bank
Lender Counsel: Pope Flynn, LLP
Financial Advisor: First Tryon Advisors

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 which passed by unanimous vote of 6-0.

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

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CATAWBA, NORTH CAROLINA FOR THE REFINANCING 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, as amended, the County of Catawba, North Carolina (the "County") has previously executed and delivered an Installment Financing Contract dated as of November 1, 2011 (the "2011 Contract"), between the Catawba County Public Facilities Financing Corporation (the "Corporation") and the County, the proceeds of which were used to refinance prior installment financings that financed the costs of (a) the construction and equipping of a new high school for Catawba County Schools and a new middle school for Hickory City Schools and the equipping of a learning resource center at Catawba Valley Community College, (b) improvements to Bunker Hill High School, (c) the construction and equipping of various wastewater system improvements, including sewer mains and lines, pump stations, and a utility bridge, and (d) the construction and equipping of, or improvements to, certain public school facilities, including Snow Creek Elementary School and Bandys High School, and certain facilities at Catawba Valley Community College (collectively, the "Projects");

WHEREAS, under an Indenture of Trust dated as of November 1, 2011 between the Corporation and U.S. Bank National Association, as trustee, the Corporation executed and delivered $48,115,000 Limited Obligation Bonds (County of Catawba, North Carolina), Series 2011 (the "2011 Bonds") evidencing proportionate undivided interests in rights to receive certain revenues pursuant to the 2011 Contract, to assist the County in refinancing the Projects;

WHEREAS, the County has determined it is in the best interest of the County to refund the 2011 Bonds in order to achieve debt service savings pursuant to an Installment Financing Contract (the "Contract") between the County and JPMorgan Chase Bank, N.A. (the "Lender"), whereby the Lender will advance money to the County for the purpose of refinancing the Projects, 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 Lender to the County under the Contract will not exceed $12,325,000;

WHEREAS, the County will repay the advance in semi-annual payments of interest and annual payments of principal at an interest rate not to exceed 1.60% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond 2028;

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 refinancing; and

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

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

(1) the Contract is necessary and expedient;
(2) the Contract, under the circumstances, is preferable to a bond issue for the same purposes;

(3) the sums to fall due under the Contract are adequate and not excessive for its proposed purpose;

(4) the County's debt management procedures and policies are good;

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

(6) 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 refinancing are hereby approved under the provisions of Section 160A-20 of the General Statutes, as amended, Article 8 of Chapter 159 of the General Statutes, as amended, and relevant resolutions of the Commission.”

Mr. Munn seconded the motion which passed by unanimous vote of 6-0.

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

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

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

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Counsel</td>
<td>Parker Poe Adams &amp; Bernstein LLP</td>
</tr>
<tr>
<td>Lender</td>
<td>JPMorgan Chase Bank, N.A.</td>
</tr>
<tr>
<td>Lender Counsel</td>
<td>McGuireWoods LLP</td>
</tr>
<tr>
<td>Financial Advisor</td>
<td>First Tryon Advisors</td>
</tr>
</tbody>
</table>

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 which passed by unanimous vote of 6-0.
Ms. Harris made the motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE CITY OF
CHERRYVILLE, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO
EXCEED $8,700,000 GENERAL OBLIGATION BONDS

WHEREAS, the City of Cherryville, North Carolina (the "City") has applied to the North Carolina Local Government Commission (the "Commission") and requested the Commission's approval of the issuance of not exceeding $8,700,000 General Obligation Bonds of the City; and

WHEREAS, $3,300,000 of the Bonds will be proposed for downtown improvements, $3,600,000 for water and $1,800,000 will be proposed for sewer;

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

(i) that said bonds are necessary and expedient;

(ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;

(iii) that the debt management procedures and policies of the City are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;

(iv) that the increase in taxes, if any, necessary to service said bonds will not be excessive; and

(v) that said bonds can be marketed at reasonable rates of interest;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the City of Cherryville for approval of the issuance of not to exceed $8,700,000 for the City of Cherryville General Obligation Bonds is hereby approved.

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote of 6-0.

Ms. Wood-Harris made the motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED
$8,700,000 CITY OF CHERRYVILLE GENERAL OBLIGATION BONDS

WHEREAS, the City of Cherryville (the "City") has proposed to engage the services of:

Bond Counsel: Sanford Holshouser LLP
Financial Advisor: Davenport & Company LLC

In connection with the issuance and sale of its General Obligation Bonds and has requested that the North Carolina Local Government Commission (the "Commission") approve its proposed financing team; and
WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the City should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the City is hereby approved.”

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote of 6-0.

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

“RESOLUTION APPROVING THE REQUEST OF THE TOWN OF FRANKLINVILLE, NORTH CAROLINA FOR INSTALLATION OF A CHLORINATION POINT, HYDRAULICALLY DOWNSTREAM OF THE CLEARWELL, TO REDUCE TRIHALOMETHANE (THM) FORMATION AND THE INSTALLATION OF THM-REMOVAL EQUIPMENT IN TWO TANKS

WHEREAS, the Town of Franklinville, North Carolina (the “Town”) has determined that it is necessary and expedient to improve the quality of drinking water for 1,100 students and staff at two schools served by this well; and

WHEREAS, the Town of Franklinville filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $39,213 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

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 Town is hereby approved.”

Ms. Marshall seconded the motion which passed by unanimous vote of 6-0.

Ms. Harris made the motion to adopt the following resolution:


WHEREAS, the Town of Grifton, North Carolina (the “Town”) has determined that it is necessary and expedient because the Town receives its primary source of drinking water from a series of two (2) wells located around the Town. Well #2, installed in 1962, is experiencing significant deficiencies due to structural damage and corrosion of the well screen and casing; and

WHEREAS, the Town of Grifton filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $39,213 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and
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 Town is hereby approved.”

Ms. Wood seconded the motion which passed by unanimous vote of 6-0. Town Manager Mark Warren attended the meeting by telephone, spoke and answered members’ questions.

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

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF HARNETT FOR THE REFINANCING OF PRIOR INDEBTEDNESS THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. § 160A-20

WHEREAS, the County of Harnett, North Carolina (the “County”) has determined that it is in the best interests of the County to enter into an installment financing contract with the Harnett County Public Facilities Corporation, a North Carolina nonprofit corporation (the “Corporation”), in order to (1) all or a portion of the County’s payment obligations under: (a) an Installment Financing Contract dated as of November 1, 2010 (the “2010 Contract”) between the County and Bank of America, N.A., the successor to which is Capital One Public Funding, LLC, the outstanding proceeds of which were used to refinance the construction and equipping of Angier Elementary School; (b) an Installment Financing Contract dated as of November 1, 2011 (the “2011 Contract”), between the County and SunTrust Equipment Finance & Leasing Corp., the proceeds of which were used to refinance (i) the construction and equipping of Overhills High School and Lillington-Shawtown Elementary School and (ii) water and sewer system improvements; (c) an Installment Purchase Contract dated as of April 15, 2007, as supplemented and amended by Amendment Number One to the Installment Purchase Contract dated as of April 1, 2015 (as supplemented and amended, the “2015 Contract”) with Harnett County Public Facilities Corporation, the proceeds of which were used to refinance (i) the construction, furnishing and equipping of Overhills Elementary School, (ii) the construction, furnishing and equipping of a jail and law enforcement facility, (iii) the construction of a gymnasium at Coats Elementary School, and (iv) the construction of a solid waste transfer station; (d) an Installment Financing Contract dated as of August 1, 2015 (the “2015 First Bank Contract”) between the County and First Bank, the proceeds of which were used to (i) refinance the acquisition, construction, renovation, equipping and furnishing of the County’s Agricultural Center and Animal Control Center, (ii) finance various improvements to the County’s Public Works Facility, and (iii) finance the acquisition of land; (e) an Installment Financing Contract dated as of April 21, 2016 (the “2016 Contract” and, together with the 2010 Contract, the 2011 Contract, the 2015 Contract and the 2015 First Bank Contract, the “Prior Contracts”), between the County and Regions Capital Advantage, Inc., the proceeds of which were used to refinance (i) the construction, furnishing and equipping of Boone Trail Elementary School and (ii) the construction, furnishing and equipping of additions to Harnett Central High School, Johnsonville Elementary School and Highland Elementary School; and (f) the County’s Special Obligation Bond, Series 2013 (the “Special Obligation Bond”) issued pursuant to a bond order duly adopted by the Board of the County on December 17, 2012 and a bond resolution duly adopted by the Board on December 17, 2012, the proceeds of which were used to (1) acquire, construct and install a leachate collection system at the Dunn Erwin Landfill facility and (2) make certain improvements to the facility’s convenience center and transfer station; (collectively, the “Prior Indebtedness”); and (2) pay the costs related to the execution and delivery of the Contract (as defined below);

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina (the “General Statutes”), the County intends to refinance the Prior Indebtedness through an Installment Financing Contract dated as of September 1, 2020 (the “Contract”) between the County and the Corporation, whereby the Corporation will advance moneys to the County for the purpose of
refinancing the Prior Indebtedness and the County, subject to its right of nonappropriation, will repay the advancement with interest in installments; and

WHEREAS, the Corporation will enter into an Indenture of Trust dated as of September 1, 2020 between the Corporation and U.S. Bank National Association, as trustee (the "Trustee"), pursuant to which the Corporation will execute and deliver its Limited Obligation Refunding Bonds, Series 2020 (the "Bonds"); and

WHEREAS, the Bonds are to be underwritten by PNC Capital Markets LLC and Robert W. Baird & Co. Incorporated (the "Underwriters"), and the proceeds from the sale of the Bonds will be remitted by the Underwriters to the County to fund the advances by the Corporation to the County under the Contract; and

WHEREAS, the aggregate principal amount of the Bonds shall not exceed $63,000,000; and

WHEREAS, the maturity of the installment payments under the Contract shall not extend beyond December 31, 2028; and

WHEREAS, the effective interest cost with respect to the Bonds shall not exceed 1.75%; and

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

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

(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 the Contract's 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 North Carolina Local Government Commission that the application for approval of the Contract, the Bonds and the planned financing are hereby approved under the provisions of Section 160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission."
“RESOLUTION APPROVING THE FINANCING TEAM FOR THE LIMITED OBLIGATION REFUNDING BONDS, SERIES 2020”

WHEREAS, the County of Harnett, North Carolina (the “County”) has requested that the North Carolina Local Government Commission approve its selection of the following financing team members for the above-referenced bonds:

Special Counsel: - Parker Poe Adams & Bernstein LLP
Underwriters: - PNC Capital Markets LLC
- Robert W. Baird & Co. Incorporated
Underwriters’ Counsel: - McGuireWoods LLP
Financial Advisor - Davenport & Company LLC
Trustee: - U.S. Bank National Association (DTC)
Verification Agent: - Bingham Arbitrage Rebate Services, Incorporated

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

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above-referenced financing team is hereby approved for the execution and delivery of the above-referenced bonds.”

Mr. Penny seconded the motion and the foregoing resolution was adopted by unanimous vote of 6-0.

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

RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF HOLLY SPRINGS, NORTH CAROLINA FOR THE CONSTRUCTION OF THE REPLACEMENT OF APPROXIMATELY 8,500 LINEAR FEET OF 8” SANITARY SEWER FORCE MAIN WITH AN 18” DIAMETER PIPE THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. 160A-20

WHEREAS, the Town of Holly Springs, North Carolina (the “Town”) has determined that it is necessary and expedient to increase system capacity and increase the efficiency of the sanitary sewer pump station; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the Project pursuant to an Installment Financing Agreement (the “Agreement”) 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 advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the Agreement shall not exceed $3,100,000 with principal annually and interest semi-annually with a term of fifteen (15) years taxable at a rate of 1.916% per annum; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the Town 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 Town;

(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 Town’s debt management procedures and policies are good;

(v) that the Town 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. Marshall seconded the motion and the foregoing resolution was adopted by unanimous vote of 6-0.

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


WHEREAS, the Town of Holly Springs, North Carolina (the “Town”) has determined that it is necessary and expedient to avail the County-Town of lowered financing costs; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the Project pursuant to an Installment Financing Agreement (the “Agreement”) 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 advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the Agreement shall not exceed $3,070,118 with annual principal and interest payment with a term of eight (8) years at a rate of 1.490% per annum; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the Town has made proper application to the North Carolina Local Government Commission (the
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 Town;

(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 Town’s debt management procedures and policies are good;

(v) that the Town 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. Marshall seconded the motion and the foregoing resolution was adopted by unanimous vote of 6-0.

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

“RESOLUTION APPROVING THE REQUEST OF THE CITY OF KINSTON, NORTH CAROLINA FOR REPLACEMENT OF 13,300 LINEAR FEET OF 8-INCH, 460 LINEAR FEET OF 10-INCH LINE, 290 SEWER SERVICES, AND 37 MANHOLES. THE PROJECT WILL CONSIST OF THE OPEN CUT METHOD TO REPLACE THE LINE AND NEW MANHOLES WILL BE INSTALLED; AND

WHEREAS, the City of Kinston, North Carolina (the “City”) has determined that it is necessary and expedient to help alleviate inflow and infiltration and exfiltration issues with the sewer in this area due to the poor condition of the pipes and the brick manholes; and

WHEREAS, the City of Kinston filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $3,299,600 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

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 City is hereby approved.”

Ms. Harris seconded the motion and the foregoing resolution was adopted by unanimous vote of 6-0. Finance Director Donna Goodson attended the meeting by telephone, spoke and answered
Ms. Harris made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF ROCKINGHAM COUNTY, NORTH CAROLINA FOR THE REFINANCING OF THREE EXISTING INSTALLMENT FINANCING CONTRACTS THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO N.C.G.S. §160A-20

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, Rockingham County, North Carolina (the "County") intends to refinance (a) the Financing Agreement and Deed of Trust dated as of April 27, 2010 between the County and Branch Banking and Trust Company ("BB&T") in the original principal amount of $4,283,000, which financed improvements at Douglass Elementary School and which was designated as a recovery zone economic development bond for federal tax purposes, of which $2,141,500 remains outstanding (the “2010 RZEDB”); (b) the Installment Financing Contract dated July 10, 2014 between the County and BB&T, the proceeds of which were used to finance improvements to Rockingham Community College, of which $720,817.02 remains outstanding (the “2014 IFC”); and (c) the Installment Financing Contract dated June 16, 2017, between the County and BB&T, a portion of which (the “2017 Tax-Exempt Loan”) was used to finance the replacement of the HVAC system at the County’s Department of Social Services building and a portion of which (the “2017 Taxable Loan”) was used to finance the design of water and wastewater infrastructure for the Reidville Energy Center (the “2017 IFC”); and

WHEREAS, in order to accomplish such refinancing, the County intends to enter into an Installment Financing Contract (the “Contract”) with JPMorgan Chase Bank, N.A. (the “Bank”) pursuant to which the Bank will advance moneys to the County, and the County will use such funds, together with funds provided by the County (including the County’s anticipated RZEDB subsidy) to refinance the 2010 RZEDB, 2014 IFC, and 2017 IFC; and

WHEREAS, the County, subject to its right of nonappropriation, shall repay the advance under the Contract with interest in installments, which Contract will be secured by a deed of trust on the Department of Social Services building; and

WHEREAS, the principal component of the installment payments associated with the Contract shall not exceed $4,706,000; and

WHEREAS, the Contract shall have a final maturity not beyond 2032 and shall bear interest at an interest rate of not to exceed 1.18% with respect to the tax-exempt portion of the Contract and 1.62% with respect to the taxable portion of the Contract; and

WHEREAS, pursuant to Article 8, 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 N.C.G.S. 159-149; and

WHEREAS, the Commission, pursuant to N.C.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 in order to take advantage of lowered financing costs;
(ii) that the Contract, under the circumstances, is preferable to a bond issue by the County for the same purpose;

(iii) that the sums to fall due under the Contract are adequate and not excessive for its proposed purposes;

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

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

(vi) 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 Contract and the planned financing are hereby approved under the provisions of Section 160A-20 of the General Statutes and 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 of 6-0.

THE TOWN OF SMITHFIELD

The Commission received citizen objection letters to the loan application and the Town’s written response to the objections. Smithfield resident Mr. Clint Sena attended by telephone and spoke in opposition to the application. Mr. Sena stated that the application should not be approved because it was unnecessary, a financial risk, would raise water rates, uncertainty of project cost, uncertainty about debt management, the existing water plant needs maintenance rather than expansion, and the impact on the wetlands. Town Manager Michael Scott attended the meeting by telephone and was given the opportunity to respond to Mr. Sena’s comments, referring to the Town’s previously submitted written response and answered the questions from the Commission. After much discussion, Mr. Scott agreed to withdraw the application to be re-submitted pending a resolution from the Town council reaffirming their support for the loan application. The Commission informed the Town that a Special Meeting of the Commission could be scheduled, and that Commission staff would advise the Town what additional documents and information should be submitted to the Commission.

(During the Town of Smithfield discussion, the phone connection was lost at 4:13 p.m. and was re-connected at approximately 4:15 p.m. All Members rejoined the meeting except for Auditor Wood. The public listen-only phone connection was also restored at the same time.)

Ms. Harris made the motion to adopt the following resolution:


WHEREAS, the Town of Lewisville, North Carolina (the “Town”) has determined that it is necessary and expedient to replace an older Community Center and provide Town residents with ample space for functions; 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 $2,000,000 with annual principal and interest payments with a term of ten (10) years at a rate of 1.80%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the Town 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 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. Munn seconded the motion which passed by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:


WHEREAS, the City of Morganton, North Carolina (the “City”) has determined that it is necessary and expedient to provide overdue utility upgrades and create an ADA compliant event/outdoor space; 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 Truist 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 $2,788,358 with annual payments with a term of fifteen (15) years at a rate of 1.93%; and

WHEREAS, pursuant to Article 8 of 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 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 City’s 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 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. Munn seconded the motion which passed by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:


WHEREAS, the Town of Rockwell, North Carolina (the “Town”) has determined that it is necessary and expedient because the current building housing the Police Department is not structurally sound, has experienced structural failure due to age, weather and storm water run-off from US Highway 52; 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 F&M 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 $1,457,000 with annual payments with a term of twenty (20) years at a rate of 2.95%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes of North Carolina, the Town 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 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. Munn seconded the motion which passed by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF STOKES 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 Stokes, North Carolina (the “County”) intends to (a) finance a portion of the costs of constructing (i) a new Emergency Medical Services Station (the “EMS Station”) in the County, and (ii) a new Maintenance Facility in the County (collectively, the “Project”) and (b) pay certain costs related to the execution and delivery of an Installment Financing Contract dated as of September 1, 2020 (the “Contract”) between the County and Truist Bank (the “Bank”), whereby the Bank will advance money
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 $1,265,000;

WHEREAS, the County will repay the advance in semi-annual payments of interest and annual payments of principal at an interest rate not to exceed 1.66% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond 2030;

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 of 5-0.
Ms. Harris made a motion to approve the following resolution:

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

WHEREAS, the County of Stokes, 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:** Truist Bank
- **Bank Counsel:** Pope Flynn, LLP
- **Financial Advisor:** DEC Associates, Inc.

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 of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CAMDEN, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED $33,000,000 GENERAL OBLIGATION BONDS

WHEREAS, the County of Camden, North Carolina (the “County”) has applied to the North Carolina Local Government Commission (the “Commission”) and requested the Commission’s approval of the issuance of not exceeding $33,000,000 General Obligation Bonds of the County; and

WHEREAS, $33,00,000 of the Bonds will be proposed for schools; and

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

(i) that said bonds are necessary and expedient;

(ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;

(iii) that the debt management procedures and policies of the County are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;

(iv) that the increase in taxes, if any, necessary to service said bonds will not be excessive; and

(v) that said bonds can be marketed at reasonable rates of interest;
NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the County of Camden for approval of the issuance of not to exceed $33,000,000 County of Camden General Obligation Bonds is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED $33,000,000 COUNTY OF CAMDEN GENERAL OBLIGATION BONDS

WHEREAS, the County of Camden (the “County”) has proposed to engage the services of:

Bond Counsel: Womble Bond Dickinson (US) LLP
Financial Advisor: First Tryon Advisors

In connection with the issuance and sale of its General Obligation Bonds and has requested that the North Carolina Local Government Commission (the “Commission”) approve its proposed financing team; and

WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the County should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the County is hereby approved.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CARTERET, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED $42,000,000 GENERAL OBLIGATION BONDS

WHEREAS, the County of Carteret, North Carolina (the “County”) has applied to the North Carolina Local Government Commission (the “Commission”) and requested the Commission’s approval of the issuance of not exceeding $42,000,000 General Obligation Bonds of the County; and

WHEREAS, $42,000,000 of the Bonds will be proposed for schools; and

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

(i) that said bonds are necessary and expedient;
(ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;
(iii) that the debt management procedures and policies of the County are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;
that the increase in taxes, if any, necessary to service said bonds will not be excessive; and

that said bonds can be marketed at reasonable rates of interest;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the County of Carteret for approval of the issuance of not to exceed $42,000,000 County of Carteret General Obligation Bonds is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED $42,000,000 COUNTY OF CARTERET GENERAL OBLIGATION BONDS

WHEREAS, the County of Carteret (the "County") has proposed to engage the services of:

Bond Counsel: Parker Poe Adams & Bernstein LLP

In connection with the issuance and sale of its General Obligation Bonds and has requested that the North Carolina Local Government Commission (the "Commission") approve its proposed financing team; and

WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the County should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the County is hereby approved."

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF JACKSON, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED $20,000,000 GENERAL OBLIGATION BONDS

WHEREAS, the County of Jackson, North Carolina (the "County") has applied to the North Carolina Local Government Commission (the "Commission") and requested the Commission's approval of the issuance of not exceeding $20,000,000 General Obligation Bonds of the County; and

WHEREAS, $20,000,000 of the Bonds will be proposed for an indoor pool facility; and

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

(i) that said bonds are necessary and expedient;

(ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;
(iii) that the debt management procedures and policies of the County are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;

(iv) that the increase in taxes, if any, necessary to service said bonds will not be excessive; and

(v) that said bonds can be marketed at reasonable rates of interest;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the County of Jackson for approval of the issuance of not to exceed $20,000,000 County of Jackson General Obligation Bonds is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED $20,000,000 COUNTY OF JACKSON GENERAL OBLIGATION BONDS

WHEREAS, the County of Jackson (the "County") has proposed to engage the services of:

Bond Counsel: Sanford Holshouser LLP

In connection with the issuance and sale of its General Obligation Bonds and has requested that the North Carolina Local Government Commission (the "Commission") approve its proposed financing team; and

WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the County should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the County is hereby approved."

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF LEE, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED $25,000,000 GENERAL OBLIGATION BONDS

WHEREAS, the County of Lee, North Carolina (the "County") has applied to the North Carolina Local Government Commission (the "Commission") and requested the Commission's approval of the issuance of not exceeding $25,000,000 General Obligation Bonds of the County; and

WHEREAS, $25,000,000 of the Bonds will be proposed for parks and recreation facilities; and

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

(i) that said bonds are necessary and expedient;
(ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;

(iii) that the debt management procedures and policies of the County are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;

(iv) that the increase in taxes, if any, necessary to service said bonds will not be excessive; and

(v) that said bonds can be marketed at reasonable rates of interest;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the County of Lee for approval of the issuance of not to exceed $25,000,000 County of Lee General Obligation Bonds is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED $25,000,000 COUNTY OF LEE GENERAL OBLIGATION BONDS

WHEREAS, the County of Lee (the “County”) has proposed to engage the services of:

Bond Counsel: Womble Bond Dickinson (US) LLP
Financial Advisor: Davenport & Company LLC

In connection with the issuance and sale of its General Obligation Bonds and has requested that the North Carolina Local Government Commission (the "Commission") approve its proposed financing team; and

WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the County should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the County is hereby approved.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF GASTON FOR THE ISSUANCE OF NOT TO EXCEED $65,000,000 COUNTY OF GASTON GENERAL OBLIGATION REFUNDING BONDS”

WHEREAS, the County of Gaston (the “County”) has applied to the North Carolina Local Government Commission (the “Commission”) and requested the Commission’s approval of the issuance of not exceeding $65,000,000 General Obligation Refunding Bonds of the County; and
WHEREAS, based upon the information and evidence received in connection with such application, it is determined and found by the Commission:

(i) that said bonds are necessary and expedient;

(ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;

(iii) that the debt management procedures and policies of the County are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;

(iv) that the increase in taxes, if any, necessary to service said bonds will not be excessive; and

(v) that said bonds can be marketed at reasonable rates of interest;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the County for approval of the issuance of not to exceed $65,000,000 County of Gaston General Obligation Refunding Bonds is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Thereupon, Ms. Harris made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED $65,000,000 COUNTY OF GASTON GENERAL OBLIGATION REFUNDING BONDS”

WHEREAS, the County of Gaston (the “County”) has proposed to engage the services of:

Bond Counsel: Robinson Bradshaw & Hinson, P.A.
Financial Advisor: Davenport & Company LLC

In connection with the issuance and sale of its General Obligation Refunding Bonds and has requested that the North Carolina Local Government Commission (the “Commission”) approve its proposed financing team; and

WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the County should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the County is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made a motion that the following resolution be adopted:

RESOLUTION APPROVING THE FINANCING TEAM FOR THE BRUNSWICK REGIONAL WATER AND SEWER H2GO, BRUNSWICK
COUNTY, NORTH CAROLINA WATER AND SEWER REVENUE BOND,
SERIES 2020

WHEREAS, the Brunswick Regional Water and Sewer H2GO, Brunswick County, North Carolina (the “District”) 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 Water and Sewer Revenue Bond issue:

- **Purchaser:** First Bank
- **Purchaser’s counsel:** Nexsen Pruet, PLLC
- **Bond Counsel:** McGuireWoods LLP
- **Bond Registrar/Paying Agent:** District Finance Officer
- **Financial Advisor:** Davenport & Company, LLC

WHEREAS, based upon information and evidence received by the Commission, it has determined to approve the District’s request;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team for the District’s upcoming Water and Sewer Revenue Bond, Series 2020 is hereby authorized and approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

RESOLUTION APPROVING THE APPLICATION OF THE BRUNSWICK REGIONAL WATER AND SEWER H2GO, BRUNSWICK COUNTY, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED $42,000,000 WATER AND SEWER REVENUE BOND, SERIES 2020

WHEREAS, the Brunswick Regional Water and Sewer H2GO, Brunswick County, North Carolina (the “District”) has applied to the North Carolina Local Government Commission (the “Commission”), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed $42,000,000 Water and Sewer Revenue Bond, Series 2020 of the Brunswick Regional Water and Sewer H2GO, Brunswick County, North Carolina (the “Bond”) for the purpose of providing funds for the acquisition, construction and equipping of a reverse osmosis water treatment plant facility and related expenditures (the "Project"); and

WHEREAS, the District has furnished to the Commission:

(a) The Board previously adopted (i) a bond order, as amended and supplemented (the “2004 Bond Order”), pursuant to which the District issued (i) its $3,016,000 Sewer Revenue Bonds, Series 2004A, and (ii) its $1,428,000 Sewer Revenue Bonds, Series 2004B, (collectively, the “2004 Bonds”) and (2) the bond order, as amended and supplemented (the “2006 Bond Order,”) pursuant to which the District issued (i) its $2,229,000 Sewer Revenue Bonds, Series 2006A, and (ii) its $750,000 Sewer Revenue Bonds, Series 2006B (collectively, the “Series 2006 Bonds”).

(b) The Board adopted a bond order on July 10, 2012 (the “Bond Order”) authorizing a Water and Sewer Revenue Bond, Series 2012 of the District in an aggregate principal amount not to exceed $6,855,000 (the “Series 2012 Bond”), the proceeds of which were used to refund the 2004 Bonds and the 2006 Bonds. $3,452,765.91 in principal amount of the Series 2012 Bond remains outstanding as of the date hereof.
The Board adopted a Resolution on July 21, 2020 authorizing the submission of an application to the North Carolina Local Government Commission (the “Commission”) requesting approval of the issuance of water and sewer revenue bonds of the District in an aggregate principal amount not to exceed $42,000,000.

The Board has determined that it in the District’s best interest to issue at this time Additional Bonds under the Bond Order designated the Water and Sewer Revenue Bond, Series 2020 in the aggregate principal amount not to exceed $42,000,000 (the “2020 Bond”) to finance the acquisition, construction and equipping of a reverse osmosis water treatment plant facility and related expenditures (the “Project”), and hereby adopts this Resolution authorizing the issuance of the 2020 Bond subject to the approval of the Commission (the “Series Resolution”). The Bond will be issued as “Additional Bonds” under Section 3.02 of the Bond Order.

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

(a) that the proposed revenue bond issue is necessary and expedient;
(b) that the proposed amount of the revenue bond issue is adequate and not excessive, when added to other monies available to the District, for the proposed purpose thereof;
(c) that the proposed Project is feasible;
(d) that the net revenues of the System (as defined in the Bond Order) will be sufficient to service the proposed revenue bond; and
(e) that the proposed revenue bond can be sold at a reasonable interest cost to the District.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the District for approval of the proposed Bond in an amount not to exceed $42,000,000 for the purposes set forth therein 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 of 5-0.

Ms. Harris made a motion to approve the following resolution (the “Resolution”):

RESOLUTION CONCERNING THE PRIVATE SALE OF BRUNSWICK REGIONAL WATER AND SEWER H2GO, BRUNSWICK COUNTY, NORTH CAROLINA WATER AND SEWER REVENUE 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 revenue 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; and

WHEREAS, First Bank (the “Bank”) has offered to purchase the $42,000,000 Water and Sewer Revenue Bond, Series 2020 (the “Bond”) of the Brunswick Regional Water And Sewer H2GO, Brunswick County, North Carolina (the “District”), from the Commission upon the terms and
conditions set forth below and in the form of the Series Resolution to be adopted by the District on August 18, 2020, and the form of the Bond attached thereto; and

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

WHEREAS, the Commission desires to accept the offer of the Bank to purchase the Bond 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 Bank at private sale without advertisement pursuant to the Bond Order and the Series Resolution is hereby approved, such sale being subject to the approval of the Secretary of the Commission or a designated assistant of the Commission (the “Designated Assistant”).

Section 2. The aggregate principal amount of the Bond shall not exceed $42,000,000 and the purchase price for the Bond shall be approved by the Designated Assistant on the date of the sale.

Section 3. The Bonds shall bear interest at an interest rate not to exceed 2.65% and will mature no later than August 1, 2040.

Section 4. 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 District, provided that such sale shall be approved by the District.

Section 5. 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, including details of the Bond, as shall be satisfactory to him or her, to approve the forms of other documents on behalf of the Commission and to provide for the execution and delivery of the Bond in accordance with the Bond Order.

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

Mr. Munn seconded the motion and the foregoing Resolution was adopted by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE CITY OF CHARLOTTE, NORTH CAROLINA STORM WATER FEE REVENUE BONDS

WHEREAS, the City of Charlotte, North Carolina (the “City”) has requested that the Local Government Commission of North Carolina (the “Commission”) approve its selection of the following financing team members for the upcoming Storm Water Fee Revenue Bond issue:

Underwriters: J.P. Morgan Securities LLC (Sr. Manager)
                Siebert Williams Shank & Co. (Co-Manager)
Bond Counsel: Parker Poe Adams & Bernstein LLP
Underwriters’ Counsel: McGuireWoods LLP
WHEREAS, based upon the information and evidence received by the Commission, it is the opinion of the Commission that the City’s request should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission the above-referenced financing team is hereby approved for the City's upcoming Storm Water Fee Revenue Bonds, Series 2020.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF CHARLOTTE, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED $116,000,000 STORM WATER FEE REVENUE BONDS

WHEREAS, the City of Charlotte, North Carolina (the “City”) has applied to the Local Government Commission of North Carolina (the “Commission”), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed $116,000,000 aggregate principal amount of Storm Water Fee Revenue Bonds, Series 2020 (the “Bonds”) of the City of Charlotte, North Carolina, for the purpose of providing funds to (1) prepay in full the City’s Storm Water Fee Bond Anticipation Note, Series 2018 (the “Bond Anticipation Note”), the proceeds of which were used to finance the costs of additions and capital improvements to, or the acquisition, renewal and replacement of capital assets of, or purchasing and installing new equipment relating to the operation and maintenance of the storm water facilities within the jurisdiction of the City and (2) pay the costs of issuing the Bonds;

WHEREAS, the City has furnished to the Commission the forms of the following:

(a) (1) a Bond Order adopted by the City Council of the City (the “City Council”) on July 27, 2020 and (2) a Bond Resolution adopted by the City Council on July 27, 2020 authorizing the issuance of the Bonds in an amount not to exceed $116,000,000 to provide funds to prepay the Bond Anticipation Note and to pay the costs of issuing the Bonds and authorizing the form and the terms of each of the documents set forth below;

(b) a Series Indenture, Number 9 dated as of October 1, 2020 (the “Series Indenture”) between the City and U.S. Bank National Association, as trustee (the “Trustee”);

(c) a Preliminary Official Statement with respect to the Bonds; and

(d) a Bond Purchase Agreement to be dated on or about September 24, 2020 (the “Purchase Contract”) among the Commission, the City and J.P. Morgan Securities LLC, on its own behalf and on behalf of Siebert Williams Shank & Co. (the “Underwriters”), pursuant to which the City and the Commission will sell the Bonds to the Underwriters in accordance with the terms and conditions set forth therein.

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:
that such 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 City, for the proposed purpose thereof;

(iii) that the proposed prepayment of the Bond Anticipation Note is feasible;

(iv) that the City’s debt management procedures and policies are good; and

(v) that the proposed revenue bond can be marketed as a reasonable interest cost to the City.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the City for approval of the proposed Bonds in an amount not to exceed $116,000,000 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 of 5-0.

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

“RESOLUTION CONCERNING THE PRIVATE SALE OF THE CITY OF CHARLOTTE, NORTH CAROLINA STORM WATER FEE REVENUE BONDS

WHEREAS, the City of Charlotte, North Carolina (the “City”) has applied to the Local Government Commission of North Carolina (the “Commission”), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed $116,000,000 aggregate principal amount of Storm Water Fee Revenue Bonds, Series 2020 (the “Bonds”) of the City of Charlotte, North Carolina, for the purpose of providing funds to (1) prepay in full the City’s Storm Water Fee Bond Anticipation Note, Series 2018 (the “Bond Anticipation Note”), the proceeds of which were used to finance the costs of additions and capital improvements to, or the acquisition, renewal and replacement of capital assets of, or purchasing and installing new equipment relating to the operation and maintenance of the storm water facilities within the jurisdiction of the City and (2) pay the costs of issuing the Bonds;

WHEREAS, J.P. Morgan Securities LLC, on its own behalf and on behalf of Siebert Williams Shank & Co., LLC (collectively, the “Underwriters”) have offered to purchase the Bonds from the Commission upon the terms and conditions set forth below and in the form of the Bond Purchase Agreement to be dated on or about September 24, 2020 (the “Purchase Contract”) among the Commission, the City and the Underwriters;

WHEREAS, the Commission has received a copy of a Preliminary Official Statement to be dated on or about September 15, 2020 with respect to the Bonds (the “Official Statement”);

WHEREAS, the City 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;

WHEREAS, the Commission desires to approve the request of the City that it sell the Bonds at private sale without advertisement;
WHEREAS, the Commission desires to accept the offer of the Underwriters to purchase the Bonds substantially in the form of the Purchase Contract and upon the terms and conditions set forth below; and

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the Bonds to the Underwriters at private sale without advertisement pursuant to the executed Purchase Contract and Series Indenture, Number 9 dated as of October 1, 2020 (the “Series Indenture”) between the City and U.S. Bank National Association, as trustee, substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the Secretary of the Commission or a designated assistant of the Commission (the “Designated Assistant”) and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Bonds shall not exceed an aggregate principal amount of $116,000,000. 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 an effective interest cost not to exceed 3.60%, as determined by the Commission.

Section 4. No maturity of the Bonds will exceed 2050.

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 City, provided that such sale shall be approved by the City.

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 Purchase Contract, 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 Bond Order, the Series Indenture and the Purchase Contract.

Section 7. The Official Statement relating to the Bonds, substantially in the form furnished to the Commission, with such insertions and changes therein as may be approved by the Designated Assistant, and the use thereof in connection with the public offering and sale of the Bonds is hereby approved and authorized. The Designated Assistant is hereby authorized and directed to execute and deliver on behalf of the Commission the final Official Statement in such form.

Section 8. This Resolution shall be effective immediately upon its passage.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE CITY OF CHARLOTTE, NORTH CAROLINA WATER AND SEWER SYSTEM REFUNDING REVENUE BONDS

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WHEREAS, the City of Charlotte, North Carolina (the “City”) has requested that the Local Government Commission of North Carolina (the “Commission”) approve its selection of the following financing team members for the upcoming Water and Sewer System Refunding Revenue Bond issue:

Underwriters:  Wells Fargo Bank, National Association  
                 Samuel A. Ramirez & Company, Inc.  
                 Loop Capital Markets LLC  
Bond Counsel:  Parker Poe Adams & Bernstein LLP  
Underwriters’ Counsel:  McGuireWoods LLP  
Financial Consultant:  First Tryon Advisors  
Trustee/Registrar:  U.S. Bank National Association (DTC)

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

NOW, THEREFORE, BE IT RESOLVED by Commission that the above-referenced financing team is hereby approved for the City’s upcoming Water and Sewer System Refunding Revenue Bonds, Series 2020.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF CHARLOTTE, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED $405,000,000 WATER AND SEWER SYSTEM REFUNDING REVENUE BONDS

WHEREAS, the City of Charlotte, North Carolina (the “City”) has applied to the Local Government Commission of North Carolina (the “Commission”), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed $405,000,000 aggregate principal amount of Water and Sewer System Refunding Revenue Bonds, Series 2020 (the “Bonds”) of the City of Charlotte, North Carolina, for the following purposes:

(1) to prepay in full the City’s Water and Sewer System Revenue Bond Anticipation Note, Series 2018 (the “Bond Anticipation Note”), the proceeds of which were used to finance the costs of extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment for the City’s water and sewer system;

(2) to refund the City’s outstanding Water and Sewer System Revenue Bonds, Series 2009B (the “2009B Bonds”), the proceeds of which were used to finance and refinance costs of improvements to the City’s water and sewer system, including, among other things, extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment; and

(3) to pay the costs of issuing the Bonds;

WHEREAS, the City has furnished to the Commission the forms of the following:
(1) a bond order adopted by the City Council of the City (the “City Council”) on July 27, 2020 and (b) a bond resolution adopted by the City Council on July 27, 2020 authorizing the issuance of the Bonds in an amount not to exceed $405,000,000 to provide funds for the purposes described above;

(2) a Series Indenture, Number 20 dated as of September 1, 2020 (the “Series Indenture”) between the City and U.S. Bank National Association, as trustee (the “Trustee”);

(3) a Preliminary Official Statement with respect to the Bonds; and

(4) a Bond Purchase Agreement (the “Purchase Agreement”) among the Commission, the City and Wells Fargo Bank, National Association, on its behalf and on behalf of Samuel A. Ramirez & Company, Inc., and Loop Capital Markets LLC (collectively, the “Underwriters”), pursuant to which the City and the Commission will sell the Bonds to the Underwriters in accordance with the terms and conditions set forth therein.

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

(i) such proposed revenue bond issue is necessary and expedient;
(ii) the proposed amount of such revenue bond issue is adequate and not excessive, when added to other funds available to the City, for the proposed purpose thereof;
(iii) the proposed prepayment of the Bond Anticipation Note and the refunding of the 2009B Bonds are feasible;
(iv) the City’s debt management procedures and policies are good; and
(v) the proposed revenue bonds can be marketed as a reasonable interest cost to the City.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the City for approval of the proposed Bonds in an amount not to exceed $405,000,000 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 of 5-0.

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

“RESOLUTION CONCERNING THE PRIVATE SALE OF THE CITY OF CHARLOTTE, NORTH CAROLINA WATER AND SEWER SYSTEM REFUNDING REVENUE BONDS

WHEREAS, Article 7 of Chapter 159 of the General Statutes of North Carolina, as amended, authorizes the Local Government Commission of North Carolina (the “Commission”) to sell revenue 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; and
WHEREAS, the City of Charlotte, North Carolina (the “City”) has applied to the Commission, pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed $405,000,000 aggregate principal amount of Water and Sewer System Refunding Revenue Bonds, Series 2020 (the “Bonds”) of the City of Charlotte, North Carolina, for the following purposes:

(1) to prepay in full the City’s Water and Sewer System Revenue Bond Anticipation Note, Series 2018 (the “Bond Anticipation Note”), the proceeds of which were used to finance the costs of extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment for the City’s water and sewer system;

(2) to refund the City’s outstanding Water and Sewer System Revenue Bonds, Series 2009B (the “2009B Bonds”), the proceeds of which were used to finance and refinace costs of improvements to the City’s water and sewer system, including, among other things, extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment; and

(3) to pay the costs of issuing the Bonds;

WHEREAS, Wells Fargo Bank, National Association, on its behalf and on behalf of Samuel A. Ramirez & Company, Inc., and Loop Capital Markets LLC (collectively, the “Underwriters”), has offered to purchase the Bonds from the Commission on the terms and conditions set forth below and in the form of the Bond Purchase Agreement to be dated on or about September 11, 2020 (the “Purchase Agreement”) among the Commission, the City and the Underwriters;

WHEREAS, the Commission has received a copy of a Preliminary Official Statement with respect to the Bonds (the “Official Statement”);

WHEREAS, the City 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;

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

WHEREAS, the Commission desires to accept the offer of the Underwriters to purchase the Bonds substantially in the form of the Purchase Agreement and upon the terms and conditions set forth below;

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the Bonds to the Underwriters at private sale without advertisement pursuant to the executed Purchase Agreement and Series Indenture, Number 20 dated as of September 1, 2020 (the “Series Indenture”) between the City and U.S. Bank National Association, as trustee, substantially in the form furnished to the Commission, is hereby approved, such sale being subject to the approval of the Designated Assistant (as defined below) and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Bonds will not exceed an aggregate principal amount of $405,000,000. The purchase price for the Bonds will be approved by the Designated Assistant on the date of the sale of the Bonds and set forth in the Purchase Agreement.
Section 3. The Bonds will bear interest at an effective interest cost not to exceed 3.60%, as determined by the Commission.

Section 4. No maturity of the Bonds will exceed 2050.

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 City, provided that such sale is approved by the City.

Section 6. The Secretary of the Commission, or any Deputy Secretary is hereby appointed the “Designated Assistant” 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 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 Agreement and such other documents on behalf of the Commission and to provide for the execution and delivery of the Bonds in accordance with the Bond Order, the Series Indenture and the Purchase Agreement.

Section 7. The Official Statement relating to the Bonds, substantially in the form furnished to the Commission, with such insertions and changes therein as may be approved by the Designated Assistant, and the use thereof in connection with the public offering and sale of the Bonds, are hereby approved and authorized. The Designated Assistant is hereby authorized and directed to deliver on behalf of the Commission the final Official Statement in such form.

Section 8. This Resolution is effective immediately on its passage.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made a motion to approve the following action:

RESOLUTION APPROVING INLIVIAN MULTIFAMILY MORTGAGE REVENUE NOTE (FREEDOM FLATS), SERIES 2020 IN AN AMOUNT UP TO $28,000,000 AND THE FINANCING TEAM THEREFOR

WHEREAS, INLIVIAN (formerly known as the Housing Authority of the City of Charlotte, N.C.) (the “Authority”) has decided to issue its Multifamily Mortgage Revenue Note (Freedom Flats), Series 2020 (the “Note”) to finance the acquisition, construction and equipping by ECG Freedom, LP, a North Carolina limited partnership, or an affiliated or related entity (the “Borrower”), of a multifamily rental housing development to be known as Freedom Flats, consisting of approximately 220 units on an approximately 10.8 acre site located in the City of Charlotte, Mecklenburg County, North Carolina (the “Development”); and

WHEREAS, in order to finance the Development, the Authority proposes to issue the Note in an aggregate principal amount of not to exceed $28,000,000, pursuant to the Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the “Act”); and

WHEREAS, the Note has 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 August 18, 2020, it is hereby determined and found by the Commission:

(a) that such proposed note issue is necessary or expedient;
(b) that the proposed amount of the note 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 Note 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) that the proposed date and manner of sale of the Note 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 Note:

Bond Counsel: McGuireWoods LLP
Issuer's Counsel: The Banks Law Firm, P.A.
Borrower: ECG Freedom, LP
Borrower's Counsel: Reno & Cavanaugh, PLLC and The Banks Law Firm, P.A.
Developer: Elmington Capital Group and Horizon Development Properties, Inc.
Funding Lender: Citibank, N.A.
Funding Lender's Counsel: Sidley Austin LLP and Norris, George & Ostrow PLLC
Equity Investor: Pinnacle Bank
Equity Investor's Counsel: Barnes & Thornburg 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 be approved; and

WHEREAS, it is expected that the Note will be privately placed with Citibank, N.A. (the "Funding Lender"); 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 Note:

(a) Funding Loan Agreement dated as of September 1, 2020, between the Authority and the Funding Lender, providing for the issuance of the Note, together with the form of the Note;
(b) Borrower Loan Agreement dated as of September 1, 2020, between the Authority and the Borrower, providing for the financing of the Development by the Authority, together with the form of the promissory note of the Borrower;
(c) Regulatory Agreement and Declaration of Restrictive Covenants dated as of September 1, 2020, from the Borrower for the benefit of the Authority; and
(d) Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of September 1, 2020, from the Borrower to the deed of trust trustee named therein for the benefit of the Authority and assigned to the Funding Lender.

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

Section 1. The sale of the Note 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 Note shall be issued in an aggregate principal amount not to exceed $28,000,000, shall initially bear interest at a variable rate, such rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2060.

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 Note, as shall be satisfactory to him or her, and to approve the forms of other documents relating to the Note.

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 which passed by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE FINANCING TEAM FOR EAST MOORE WATER DISTRICT WATER REVENUE BONDS AND NOTES”

WHEREAS, East Moore Water District (the “District”) 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 revenue bond anticipation note and subsequent issue of water revenue bonds:

Bond Counsel: Sanford Holshouser LLP
Purchaser of Bonds: USDA/Rural Development
Purchaser of Note: Financial institution approved by the Secretary

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

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is approved for the District’s proposed issue of water revenue bonds and notes.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Then, Ms. Harris made a motion to adopt the following resolution:
“RESOLUTION APPROVING THE APPLICATION OF EAST MOORE WATER DISTRICT FOR THE ISSUANCE OF NOT TO EXCEED $1,395,000 WATER REVENUE BONDS AND A LIKE AMOUNT OF WATER REVENUE BOND ANTICIPATION NOTES”

WHEREAS, East Moore Water District (the “District”) 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 $1,395,000 water revenue bonds (the “Bonds”) to provide funds, together with any other available funds, to finance a series of water line extensions (the “Project”) and to pay the expenses of issuing the Bonds, and (b) the issuance of a like amount of Water Revenue Bond Anticipation Notes (the “Notes”) to provide interim financing for the Project; and

WHEREAS, the District has furnished to the Commission a draft of a Bond Order proposed to be adopted by the District’s governing board on or about September 15, 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 the revenue bond issue is adequate and not excessive, when added to other monies available to the District, for the proposed purposes;
(iii) that the proposed Project is feasible;
(iv) that the District’s debt management procedures and policies are good;
(v) that the proposed Bonds and the Notes can be marketed at a reasonable interest cost to the District.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the District’s application for approval of the proposed Bonds in an amount not to exceed $1,395,000 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.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE PRIVATE SALE OF EAST MOORE WATER DISTRICT WATER BONDS IN THE MAXIMUM AMOUNT OF $1,395,000, 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
Whereas, the Commission has approved the issuance by East Moore Water District (the “District”) of $1,395,000 water 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, the District, in collaboration with the Commission, will seek proposals from qualified financial institutions to provide required interim construction financing in the form of revenue bond anticipation notes (the “Notes”); and

Whereas, the District has requested the Commission to sell the Bonds and Notes at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, and the Commission desires to approve the District’s request; and

Now, therefore, be it resolved by the Commission, as follows:

Section 1. 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 District’s approval. The aggregate principal amount of the bonds shall not exceed $1,395,000, 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 2. The Commission approves the private sale of the Notes to a financial institution selected by the Secretary, with the sale being subject to the District’s approval and satisfaction of the conditions set forth below.

Section 3. The aggregate principal amount of the Notes shall not exceed $1,395,000, and the purchase price for the Notes shall be at least equal to 98% of the par amount of the Notes.

Section 4. The final maturity of the original Notes shall not extend beyond November 3, 2021, but the Secretary is authorized to extend the maturity date, without further action of the Commission, to any date not later than two years from the original issuance date of the Notes.

Section 5. 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 District’s best interest, provided that the sale is approved by the District (which may include approval by one or more persons designated by resolution of the District Board for that 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 the form of the Bonds and the Notes and the forms of other documents relating to the Bonds and the Notes, 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 Notes.

Section 7. This resolution takes effect immediately.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.
Ms. Harris made a motion to approve the following:

“RESOLUTION APPROVING THE APPLICATION OF JOHNSTON HEALTH SERVICES CORPORATION FOR NOT TO EXCEED $101,073,209 FHA INSURED MORTGAGE LOAN MODIFICATION AND TAXABLE BANK LOAN”

WHEREAS, Johnston Health Services Corporation (“JHSC”) is a controlled entity of Johnston Memorial Hospital Authority (“JMHA”);

WHEREAS, JMHA is a hospital authority established under the Hospital Authorities Act, Article 2, Part 2 of Chapter 131E of the General Statutes of North Carolina (the “Act”) and, as such, JMHA is permitted by the Act to exercise any or all of the powers conferred upon JMHA by the Act through or by designated agents, including a corporation formed under the laws of North Carolina;

WHEREAS, in 2008, JMHA issued the Johnston Memorial Hospital Authority FHA Insured Mortgage Revenue Bonds (Johnston Memorial Hospital Project), Series 2008 (the “Series 2008 Bonds”), which were evidenced by a Deed of Trust Note (as subsequently amended, the “Note”), which Note was secured by a Deed of Trust and Assignment of Rents, Profits and Income (as subsequently amended, the “Deed of Trust”);

WHEREAS, in 2015, JHSC defeased the Series 2008 Bonds through (i) a taxable FHA mortgage modification, interest rate reduction and payment reamortization financing transaction (the “FHA Insured Taxable Mortgage Loan Modification”) and (ii) a taxable bank loan (the “Taxable Bank Loan,” and collectively with the FHA Insured Taxable Mortgage Loan Modification, the “2015 Transaction”);

WHEREAS, JHSC now seeks to (i) reduce the interest rate specified in the Note from its present rate of Three and Thirty Eight hundredths per centum (3.38%) per annum to One and Sixty Four hundredths per centum (1.64%) per annum, and (ii) recast the unpaid principal balance ($95,593,531.54) at the new interest rate over the remaining term of the Note (collectively, the “2020 Transaction”);

WHEREAS, JHSC has furnished to the North Carolina Local Government Commission (the “Commission”) forms of the following documents;

(a) a Fifth Allonge to Deed of Trust Note, Third Loan Document Modification Agreement, and Third Amendment to Other FHA Loan Documents, each proposed to be dated on or about September 29, 2020 (collectively, the “Mortgage Loan Documents”), between JHSC and Wells Fargo Bank, N.A., and approved by the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner;

(b) Business Loan Agreement and related Promissory Note, each proposed to be dated on or about September 29, 2020 (the “Unsecured Bank Loan”), between JHSC and First-Citizens Bank & Trust Company to provide the funds to satisfy the prepayment; and

WHEREAS, JHSC has requested the Commission to approve the 2020 Transaction under Sections 131E-26(b) and 131E-32(c) of the General Statutes of North Carolina; and

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found that (i) the 2020 Transaction is necessary and expedient, (ii) the 2020 Transaction, under the circumstances, is preferable to a bond issue by JMHA for the same purpose, (iii) the sums to fall due under the 2020 Transaction are adequate and not
excessive for the proposed purpose, (iv) JHSC’s debt management procedures and policies are good, and (v) that JHSC is not in default on any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the Commission that:

Section 1. The application of JHSC for approval of the 2020 Transaction in a principal amount not to exceed $101,073,209 for the purposes set forth above is hereby approved pursuant to Sections 131E-26(b) and 131E-32(c) of the General Statutes of North Carolina.

Section 2. The aggregate principal amount of the Mortgage Loan shall not exceed $95,593,532. The aggregate principal amount of the Unsecured Bank Loan shall not exceed $5,480,000.

Section 3. The Mortgage Loan shall bear interest at a taxable rate not to exceed 2.17% per annum. The Unsecured Bank Loan shall bear interest at a taxable rate not to exceed 2.25% per annum.

Section 4. The final maturity of the Mortgage Loan shall not be later than July 31, 2035. The final maturity of the Unsecured Bank Loan shall not be more than five (5) years after the delivery date thereof.

Section 5. Each of the Mortgage Loan, the Unsecured Bank Loan and the EDA, in substantially the form furnished to the Commission, are hereby approved.

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 Mortgage Loan, the Unsecured Bank Loan and/or the EDA, as shall be satisfactory to him or her, to approve the forms of any other documents relating to or required by the 2020 Transaction and to execute and deliver any documents or certificates on behalf of the Commission related to the 2020 Transaction.

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

Section 8. Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made a motion to approve the following:

“RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED $101,073,209 JOHNSTON HEALTH SERVICES CORPORATION FHA INSURED MORTGAGE LOAN MODIFICATION AND TAXABLE BANK LOAN”

WHEREAS, Johnston Health Services Corporation (“JHSC”) has requested that the North Carolina Local Government Commission (the “Commission”) approve their selection of the following financing team members for the upcoming FHA Insured Taxable Mortgage Loan Modification and Taxable Bank Loan (collectively, the “2020 Transaction”):

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

<table>
<thead>
<tr>
<th>Mortgagor/Borrower</th>
<th>Johnston Health Services Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage Loan Lender</td>
<td>Wells Fargo Bank, N.A.</td>
</tr>
</tbody>
</table>
Taxable Loan Lender | First-Citizens Bank & Trust Company
---|---
FHA Mortgage Banker | Armadale Capital, Inc.
FHA/GNMA Counsel | Harris Beach, PLLC
JHSC Corporate Counsel | Hall, Render, Killian, Heath & Lyman, LLP
Mortgagee | Wells Fargo Bank, N.A.
Mortgage Insurance | Dept. of Housing and Urban Development, acting through Federal Housing Commissioner (FHA)

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

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the 2020 Transaction.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

"RESOLUTION APPROVING THE FINANCING TEAM FOR THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE BONDS (FRIENDS HOMES) SERIES 2020A, AND THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES ENTRANCE FEE REVENUE BONDS (FRIENDS HOMES) SERIES 2020B-1 AND SERIES 2020B-2"

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”) has requested that the North Carolina Local Government Commission (the “Commission”) approve its selection of the following financing team members for the upcoming Friends Homes, Inc. bond issue:

Underwriter: | Truist Securities, Inc.
Bond Counsel: | Parker Poe Adams & Bernstein LLP
Borrower’s Counsel: | Hill Evans Jordan & Beatty PLLC
Bond Trustee/Master Trustee: | U.S. Bank National Association
Underwriter’s Counsel: | McGuireWoods LLP
Feasibility Consultant: | Dixon Hughes Goodman LLP

WHEREAS, based upon the information and evidence received by the Commission, it is 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 Medical Care Commission’s proposed Retirement Facilities Revenue Bonds (Friends Homes) Series 2020A, and Retirement Facilities Entrance Fee Revenue Bonds (Friends Homes) Series 2020B-1 and Series 2020B-2.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.
Ms. Harris made a motion to approve the following resolution:

“RESOLUTION APPROVING THE ISSUANCE AND SALE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE BONDS (FRIENDS HOMES) SERIES 2020A, AND THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES ENTRANCE FEE REVENUE BONDS (FRIENDS HOMES) SERIES 2020B-1 AND SERIES 2020B-2 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $63,000,000”

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, proposes to authorize the issuance of its Retirement Facilities Revenue Bonds (Friends Homes) Series 2020A (the “2020A Bonds”), Retirement Facilities Entrance Fee Revenue Bonds (Friends Homes) Series 2020B-1 (the “2020B-1 Bonds”), and Retirement Facilities Entrance Fee Revenue Bonds (Friends Homes) Series 2020B-2 (the “2020B-2 Bonds”) and together with the 2020A Bonds and the 2020B-1 Bonds, the “Bonds”) in a total aggregate principal amount not to exceed $63,000,000 for the purpose of providing funds to Friends Homes, Inc. (the “Corporation”) to be used to (a) finance improvements to the Corporation’s campuses, including, without limitation, (i) construction and equipping of 55 new independent living units, (ii) enhancements to and equipment and furnishings for the Wellness Center, dining and common areas, parking areas and other campus facilities, and (iii) certain other capital improvements, (b) pay capitalized interest on the Bonds, (c) fund debt service reserve funds for the Bonds if necessary and (d) pay certain fees and expenses incurred in connection with the sale and issuance of the Bonds; and

WHEREAS, there have been made available to the Commission copies of the following documents relating to the issuance of the Bonds:

(a) a Master Trust Indenture, dated as of October 1, 2019 (the “Master Indenture”), by and between the Corporation and U.S. Bank National Association, as master trustee (the “Master Trustee”);

(b) a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, dated as of October 1, 2019 (the “Original Deed of Trust”) from Corporation for the benefit of the Master Trustee;

(c) a Trust Agreement, to be dated as of October 1, 2020 (the “Trust Agreement”), by and between the Medical Care Commission and U.S. Bank National Association, as bond trustee;

(d) a Loan Agreement, to be dated as of October 1, 2020, between the Medical Care Commission and the Corporation, pursuant to which the Medical Care Commission will lend the proceeds of the Bonds to the Corporation, and the Letters of Representation attached thereto;

(e) a Contract of Purchase, to be dated the dated of delivery thereof (the “Purchase Agreement”), between the Commission and Truist Securities, Inc., as underwriter of the Bonds (the “Underwriter”), and approved by the Corporation and the Medical Care Commission, pursuant to which the Underwriter will offer to purchase the Bonds on the terms and conditions set forth therein;

(f) a Supplemental Indenture for Obligation No. 2, to be dated as of October 1, 2020, between the Corporation and the Master Trustee;

(g) Obligation No. 2A, to be dated as of the date of delivery thereof, from the Corporation to the Medical Care Commission in connection with the 2020A Bonds;
(h) Obligation No. 2B-1, to be dated as of the date of delivery thereof, from the Corporation to the Medical Care Commission in connection with the 2020B-1 Bonds;

(i) Obligation No. 2B-2, to be dated as of the date of delivery thereof, from the Corporation to the Medical Care Commission in connection with the 2020B-2 Bonds;

(j) a First Amendment to Deed of Trust, supplementing and amending the Original Deed of Trust in order to describe Obligation Nos. 2A, 2B-1, and 2B-2;

(k) an Assignment of Contracts by the Corporation to the Master Trustee, pursuant to which the Corporation will assign certain contracts to the Master Trustee; and

(l) a Preliminary Official Statement, to be dated the date of its delivery, with respect to the Bonds (the “Preliminary Official Statement”);

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

WHEREAS, the Commission has found and determined based upon the information and evidence it has received, that the proposed financing will effectuate the purposes of Chapter 131A of the General Statutes of North Carolina as amended;

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 are hereby awarded to the Underwriter pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Purchase Agreement, subject to the approval of the Medical Care Commission and the Corporation. The Commission hereby determines that such award and sale of the Bonds at an initial all-in true interest cost of not more than 6% per annum and with a final maturity not later than September 1, 2050 is in the best interests of the Medical Care Commission and the Corporation. The Commission hereby determines that the total aggregate principal amount of the Bonds shall not exceed $63,000,000.

Section 3. The distribution of the Preliminary Official Statement, in substantially the form submitted at this meeting, is hereby authorized, and the distribution of the final Official Statement, upon approval by the Medical Care Commission, is hereby approved.

Section 4. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Purchase Agreement. Subject to the limitations in Section 2 of this resolution, the Purchase Agreement is hereby approved, and the Secretary or any Deputy Secretary of the Commission 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 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, and to execute and deliver the Purchase Agreement and such other documents on behalf of the Commission.

Section 5. This resolution shall take effect immediately upon its passage.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.
Ms. Harris made a motion to approve the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE NORTH CAROLINA MEDICAL CARE COMMISSION HEALTH CARE FACILITIES FIRST MORTGAGE REVENUE BONDS (THE PRESBYTERIAN HOMES OBLIGATED GROUP), SERIES 2020A AND 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 its selection of the following financing team members for the upcoming The Presbyterian Homes, Inc. and Glenaire, Inc. bond issue:

Underwriters (Series 2020A Bonds): B.C. Ziegler and Company (Sr. Mgr.)
Placement Agent (Series 2020B Bonds): B.C. Ziegler and Company
Bond Counsel: Parker Poe Adams & Bernstein LLP
Borrower’s Counsel: Wyatt, Early, Harris & Wheeler, LLP
Bond Trustee/Master Trustee: U.S. Bank National Association
Trustee’s Counsel: McGuireWoods LLP
Purchaser (Series 2020B Bonds): BB&T Community Holdings Co.
Purchaser’s Counsel: Moore & Van Allen PLLC
Underwriters’ Counsel: Robinson, Bradshaw & Hinson, P.A.
Feasibility Consultant: Dixon Hughes Goodman LLP

WHEREAS, based upon the information and evidence received by the Commission, it is 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 Medical Care Commission’s proposed Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group), Series 2020A and Series 2020B.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

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

“RESOLUTION APPROVING THE ISSUANCE AND SALE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION HEALTH CARE FACILITIES FIRST MORTGAGE REVENUE BONDS (THE PRESBYTERIAN HOMES OBLIGATED GROUP), SERIES 2020A AND SERIES 2020B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $216,270,000”

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, proposes to authorize the issuance of its Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group), Series 2020A (the “2020A Bonds”) and its Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group), Series 2020B (the “2020B Bonds”) and, together with the 2020A Bonds, the “Bonds”) in a total aggregate principal amount not to exceed $216,270,000 for the purpose of providing funds to The Presbyterian Homes, Inc. (“PHI”) and Glenaire, Inc. (“Glenaire,” and together with PHI, the “Corporations”), to be used to (a) finance capital improvements for a continuing care retirement community located at 4000 Glenaire Circle, Cary, Wake County, North Carolina 27511-3802 using the
proceeds of “qualified 501(c)(3) bonds” within the meaning of Section 145(a) of the Internal Revenue Code of 1986, as amended, (b) finance interest on the Bonds, (c) fund debt service reserve funds for the Bonds if necessary, and (d) pay certain fees and expenses incurred in connection with the issuance of the Bonds.

WHEREAS, there have been made available to the Commission draft copies of the following documents relating to the issuance of the Bonds:

Related to both series of Bonds:

(a) an Amended and Restated Master Trust Indenture, dated as of September 1, 2016 (the “Master Indenture”), by and among the Corporations, The Presbyterian Homes Foundation, Inc. (the “Foundation”) and U.S. Bank National Association, as master trustee (the “Master Trustee”);

(b) an Amended and Restated Deed of Trust, dated as of September 1, 2016 from Glenaire for the benefit of the Master Trustee and securing the Glenaire facilities (the “Wake Deed of Trust”);

(c) an Amended and Restated Deed of Trust, dated as of September 1, 2016 from PHI for the benefit of the Master Trustee and securing the River Landing at Sandy Ridge facilities (the “Guilford Deed of Trust”);

(d) an Amended and Restated Deed of Trust, dated as of September 1, 2016 from PHI for the benefit of the Master Trustee and securing the Scotia Village facilities (the “Scotland Deed of Trust” and, together with the Wake Deed of Trust and the Guilford Deed of Trust, the “Obligated Group Deeds of Trust”);

(e) a Second Amendment to Amended and Restated Deed of Trust, to be dated as of October 1, 2020, by and between Glenaire and the Master Trustee, amending the Wake Deed of Trust to add certain additional properties recently acquired by Glenaire to the Wake Deed of Trust and describe Obligation Nos. 21, 22, and 23;

(f) a Second Amendment to Amended and Restated Deed of Trust, to be dated as of October 1, 2020, by and between PHI and the Master Trustee, amending the Guilford Deed of Trust to add certain additional properties recently acquired by PHI to the Guilford Deed of Trust and describe Obligation Nos. 21, 22, and 23; and

(g) a Second Amendment to Amended and Restated Deed of Trust, to be dated as of October 1, 2020, by and between PHI and the Master Trustee, amending the Scotland Deed of Trust to describe Obligation Nos. 21, 22, and 23.

Related to the 2020A Bonds:

(a) a Trust Agreement, to be dated as of October 1, 2020 (the “2020A Trust Agreement”), by and between the Commission and U.S. Bank National Association, as bond trustee (the “Bond Trustee”);

(b) a Loan Agreement, to be dated as of October 1, 2020, between the Commission and the Corporations, pursuant to which the Commission will lend the proceeds of the 2020A Bonds to the Corporations;

(c) a Contract of Purchase, to be dated the dated of delivery thereof (the “2020A Purchase Agreement”), between the LGC and B.C. Ziegler and Company, as representative of the underwriters of 2020A Bonds (collectively, the “Underwriters”), and approved by the Corporations and the
Commission, pursuant to which the Underwriters will offer to purchase the 2020A Bonds on the terms and conditions set forth therein;

(d) a Supplemental Indenture for Obligation No. 21 to be dated as of October 1, 2020 among the Corporations and the Master Trustee;

(e) Obligation No. 21 to be dated as of the date of delivery thereof from the Corporations to the Commission in connection with the 2020A Bonds; and

(f) a Preliminary Official Statement to be dated the date of its delivery with respect to the 2020A Bonds (the "Preliminary Official Statement");

Related to the 2020B Bonds:

(a) a Trust Agreement, to be dated as of October 1, 2020 (the “2020B Trust Agreement” and together with the 2020A Trust Agreement, the “Trust Agreements”), by and between the Commission and the Bond Trustee;

(b) a Loan Agreement, to be dated as of October 1, 2020, between the Commission and the Corporations, pursuant to which the Commission will lend the proceeds of the 2020B Bonds to the Corporations;

(c) a Contract of Purchase, to be dated the date of delivery thereof (the “2020B Purchase Agreement” and together with the 2020A Purchase Agreement, the “Purchase Agreements”), between the LGC and BB&T Community Holdings Co. (the “Purchaser”), and approved by the Corporations and the Commission, pursuant to which the Purchaser will offer to purchase the 2020B Bonds on the terms and conditions set forth therein;

(d) a Supplemental Indenture for Obligation No. 22 to be dated as of October 1, 2020 among the Corporations and the Master Trustee;

(e) Obligation No. 22 to be dated as of the date of delivery thereof from the Corporations to the Commission in connection with the 2020B Bonds;

(f) a Supplemental Indenture for Obligation No. 23 to be dated as of October 1, 2020 among the Corporations and the Master Trustee;

(g) Obligation No. 23 to be dated as of the date of delivery thereof from the Corporations to the Purchaser in connection with certain obligations relating to the 2020B Bonds; and

(h) a Continuing Covenants Agreements to be dated as of October 1, 2020 among the Corporations, the Foundation and the Purchaser;

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

WHEREAS, the Commission has found and determined based upon the information and evidence it has received, that the proposed financing will effectuate the purposes of Chapter 131A of the General Statutes of North Carolina as amended;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:
Section 1. The issuance of the Bonds by the Medical Care Commission as provided in the Trust Agreements is hereby approved.

Section 2. The 2020A Bonds are hereby awarded to the Underwriters pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the 2020A Purchase Agreement, and the 2020B Bonds are hereby 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 2020B Purchase Agreement and, in each case subject to the approval of the Medical Care Commission and the Corporations. The Commission hereby determines that the award and sale of the 2020A Bonds at an initial all-in true interest cost not to exceed 6.00% per annum and the 2020B Bonds at an initial rate not to exceed 6.00% per annum, and each with a final maturity not later than October 1, 2050, is in the best interests of the Medical Care Commission and the Corporations. The Commission hereby determines that the total aggregate principal amount of the Bonds shall not exceed $216,270,000.

Section 3. The distribution of the Preliminary Official Statement, in substantially the form submitted at this meeting, is hereby authorized, and the distribution of the final Official Statement for the 2020A Bonds, upon approval by the Medical Care Commission, is hereby approved.

Section 4. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreements and the Purchase Agreements. Subject to the limitations in Section 2 of this resolution, the Purchase Agreements are hereby approved, and the Secretary or any Deputy Secretary of the Commission 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 Purchase Agreements, including details of the Bonds, as shall be satisfactory to him or her, to approve the forms of other documents relating to the Bonds, and to execute and deliver the Purchase Agreements and such other documents on behalf of the Commission.

Section 5. This resolution shall take effect immediately upon its passage.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution, with the Town of Clayton’s request reduced to $12 million as recommended by Commission staff:

"RESOLUTION APPROVING THE REQUEST OF THE TOWN OF CLAYTON, NORTH CAROLINA FOR THE CONSTRUCTION OF A NEW ADVANCED BIOLOGICAL TREATMENT FACILITY (NEUSE RIVER WATER RECLAMATION FACILITY) TO REPLACE THE AGED LITTLE CREEK FACILITY, THE CURRENT TREATMENT CAPACITY WITH JOHNSTON COUNTY, AND TO PROVIDE UP TO 10 MGD OF TREATMENT CAPACITY TO MEET THE GROWING NEEDS OF THE TOWN. THE PROJECT ALSO INCLUDES THE NECESSARY LINEAR INFRASTRUCTURE TO REDIRECT WASTEWATER FLOW FROM LITTLE CREEK TO THE NEW WASTEWATER RECLAMATION SITE"

WHEREAS, the Town of Clayton, North Carolina (the “Town”) has determined that it is necessary and expedient because the existing Little Creek facility is over 55 years old and has reached the end of its useful life without substantial rehabilitation and replacement and has limited ability for future expansion. In addition, residential and industrial growth is necessitating an expansion of the Town’s treatment capacity; and
WHEREAS, the Town of Clayton filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $12,000,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

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 the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION FOR THE CONSTRUCTION OF A 3.5 MILLION GALLON EQUALIZATION FACILITY. THE EQUALIZATION SYSTEM IS EXPECTED TO INCLUDE A 12.5 MGD TRIPLEX 125 HP PUMP STATION, 1100 LF OF 24” FORCE MAIN, A 3.5 MILLION GALLON STORAGE TANK, AND 550 LF OF 36” GRAVITY SEWER FLOW RETURN

WHEREAS, the Fayetteville Public Works Commission (the “PWC Commission”) has determined that it is necessary and expedient to relieve portions of the Rockfish Creek Basin Interceptor system susceptible to surcharging and overflows during periods of extreme wet weather; and

WHEREAS, the PWC Commission filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $17,912,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

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 PWC Town is hereby approved.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF THE GREENVILLE UTILITIES COMMISSION FOR THE EXPANSION OF THE EXISTING “OLD RIVER ROAD” WATER TREATMENT PLANT’S CAPACITY FROM 22.3 MGD TO 32 MGD BY INSTALLING AND ADDITIONAL RAW-WATER CONVEYANCE, CLARIFICATION TRAIN, FILTERS, AND UPGRADES TO THE CHEMICAL-FEED AND BULK-STORAGE SYSTEMS

WHEREAS, the Greenville Utilities Commission (the “GUC”) has determined that it is necessary and expedient to accommodate current and anticipated water demands. An expansion to 32 MGD is expected to meet system needs through 2035; and

WHEREAS, the Commission GUC filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $40,000,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and
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 Greenville Utilities Commission (the "GUC") is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF THE GREENVILLE UTILITIES COMMISSION FOR THE REHABILITATION OR REPLACEMENT OF 2,300 LINEAR FEET OF 8-INCH AND 3,200 LINEAR FEET OF 6-INCH WATERLINE

WHEREAS, the Greenville Utilities Commission (the "Commission") has determined that it is necessary and expedient to assure continued adequate water service to the Commission Customers.

WHEREAS, the Commission filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $1,000,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

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 GUC is hereby approved.

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF THE CITY OF NEWTON, NORTH CAROLINA FOR REPLACEMENT OR ELIMINATION OF SEVERAL SECTIONS OF EXISTING GRAVITY SEWER LINES. THE PROPOSED PROJECT WILL CONSIST OF A DUPLEX SUBMERSIBLE PUMP STATION WITH A WET WELL DEPTH OF APPROXIMATELY 28 FEET, APPROXIMATELY 1,600 LINEAR FEET OF FORCE MAIN, BACK-UP POWER GENERATOR, REPLACEMENT OF APPROXIMATELY 200 LINEAR FEET OF 18" GRAVITY SEWER AND 410 LINEAR FEET OF 8" GRAVITY SEWER, PAVEMENT REPAIR, CURB AND GUTTER, AND STORM SEWER REPAIRS ASSOCIATED WITH THE PROPOSED IMPROVEMENTS

WHEREAS, the City of Newton, North Carolina (the "City") has determined that it is necessary and expedient because the existing sewer lines are more than 40 years old. Two (2) of these lines are beneath an existing privately-owned industrial warehouse. These lines have been found to be severely deteriorated; and

WHEREAS, the City of Newton filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $1,900,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

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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 City is hereby approved.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF THE TOWN OF WALLACE, NORTH CAROLINA FOR THE CONSTRUCTION OF TWO (2) NEW PUBLIC WELLS, WHICH WILL INCLUDE DRILLING TWO (2) TEST WELLS, CHEMICAL ANALYSIS OF WATER SAMPLES, INSTALLING TWO (2) PERMANENT WELLS, AND ASSOCIATED BUILDING, ELECTRICAL CONTROLS, TREATMENT SYSTEMS AND TELEMETRY SYSTEMS, AS WELL AS CONNECTION TO THE TOWN’S WATER SYSTEM

WHEREAS, the Town of Wallace, North Carolina (the “Town”) has determined that it is necessary and expedient to replace a well which has been a source of contamination as well as to replace production capacity lost by the abandonment of two (2) existing wells; and

WHEREAS, the Town of Wallace filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed $966,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

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 Town is hereby approved.”

Mr. Munn seconded the motion and the foregoing resolution was adopted by unanimous vote of 5-0.

Ms. Harris made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE REQUEST OF CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE INCREASE OF ADDITIONAL FUNDS ON A STATE REVOLVING LOAN.

WHEREAS, City of Winston-Salem, North Carolina (the “City”) requests an increase of $20,000,000 for a total loan of $60,000,000. The original loan was approved by the Local Government Commission on December 4, 2018 for $20,000,000 and a loan increase of $20,000,000 was approved August 6, 2019; and

WHEREAS, the loan is for the expansion and rehabilitation of the Nielson Water Treatment Plant (WTP); and

WHEREAS, the increase is due to limited amount of DWSRF loan funds awarded to the city at the time the original funding application was submitted. Since that time, another funding round has occurred, and DEQ/DWI (Division of Water Infrastructure /Department of Environmental Quality) was able to offer the City additional funding toward the cost of the project; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the request by the City mentioned above is hereby approved.”
Mr. Munn seconded the motion which passed by unanimous vote of 5-0.

MISCELLANEOUS - NON-ACTION ITEM:

Town of Emerald Isle – The Town has negotiated a rate modification with Truist (Formerly BB&T) Bank to its existing, privately held tax exempt, installment purchase for its land acquisition. The original issuance was on 5/11/2018 for $600,000.

<table>
<thead>
<tr>
<th>Outstanding balance as of 5/11/2020</th>
<th>Initial Rate</th>
<th>Modified Rate as of 1/24/2020</th>
<th>Approximate Interest Savings</th>
<th>Maturity Date</th>
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<td>$540,000</td>
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Ms. Munn made the motion to adjourn the meeting. Ms. Marshall seconded the motion which passed by unanimous vote of 5-0. The meeting adjourned at 4:37 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 September 1, 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 September 2020.

Greg C. Gaskins, Secretary of the Local Government Commission of North Carolina
<table>
<thead>
<tr>
<th>Name of Unit</th>
<th>Counties</th>
<th>Last Fiscal Year</th>
<th>Year of Data</th>
<th>Total OPEB Liability</th>
<th>General Fund Value of OPEB Assets</th>
<th>Net OPEB Assets</th>
<th>Long-term OPEB Liabilities</th>
<th>General Fund Long-term Liabilities</th>
<th>Vested Liability</th>
<th>Total OPEB Liability</th>
<th>Total OPEB Liability</th>
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<tbody>
<tr>
<td>Perham Regional Hospital and Clinic</td>
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Note: The data represents the net long-term OPEB liability for each entity. The values are in thousands of dollars.