

NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER



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

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STATE AND LOCAL GOVERNMENT FINANCE DIVISION

# LGC Update

Treasurer's Conference

June 20, 2024



# Introduction

Debbie Tomasko

Secretary, Local Government Commission /  
Director, State and Local Government Finance Division (SLGFD)

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# Agenda

- Process and Technology Changes
- Debt Topics



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# Process and Technology Changes



# Process and Technology Changes

- Coming Soon – LOGOS Audit Module
- AFIR changes
- Online Resources and Reminders
  - Website resources
  - Audit Fees
  - Audit Reports
  - Automated emails



## LOGOS Audit Module – Available for FY2024 Audits

LOGOS (Local Government System) is the system we are developing to help automate and streamline the submission and review of documents and information

LOGOS currently consists of the LGC-203/COLL-91 module

The DIW module will have the same look and feel as the LGC-203/COLL-91 module



## LOGOS Audit Module – Features Available 2024

Replacement of the DIW worksheet with an automated interface

- Improved quality of data through data validation
- Display of only the questions applicable to the unit
- Use of Audit Module to communicate numeric corrections needed (instead of ARCs for this purpose)
- Upload of Auditor Communications



# Data Entry Will Be Simplified

**Audit Detail:**  
Unit Name: **Aberdeen** | Audit Year: **2023** | Version: **4** | Audit Status: **In Progress**

Unit Info | **Audit Data** | Notes/Files | Internal

Gov Fund Fin Statements | Notes to the Fin Statements | Other | Transmittal Doc Info | Performance Indicators | Summary

- ✓ Balance Sheet
- ✓ Statement of Revenues, Expenditures and Changes in Fund Balance

- Governmental Fund Financial Statements - Balance Sheet
- Governmental Fund Financial Statements - Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund - Budget and Actual				
Account#	Question	2022	2023	
984	Amount of Ad valorem tax collected (including motor vehicle and prior years) reported on budget actual statement	\$5,466,380	6,000,000.00	▲▼
985	Amount of Ad valorem tax budgeted (including motor vehicle and prior years) reported on budget actual statement	\$5,303,707	5,500,000.00	▲▼
General Fund				
Account#	Question	2022	2023	
1052	Mark to Market unrealized losses in the General Fund. (enter as a negative number)	\$0	0.00	▲▼
369	Total Intergovernmental revenue Include restricted and unrestricted revenues	\$5,239,171	100,000.00	▲▼
16	Total revenues	\$12,450,518	200,000.00	▲▼
370	Debt service expenditures. Include principal, interest paid, and bond/debt issuance costs on long-term debt	\$987,532	300,000.00	▲▼
532	Total expenditures Exclude expenditures in the other financing sources (uses) section.	\$11,998,017	400,000.00	▲▼
1050	Amount expended for Powell Bill expenditures in the General Fund	\$0	0.00	▲▼
17	Total Transfers in (Please do not net transfers-in against transfers-out)	\$0	600,000	▲▼
20	Total Transfers out (Please do not net transfers-in against transfers-out)	\$600,000	700,000.00	▲▼
533	Total Proceeds from all long-term debt issuances Exclude proceeds from refundings	\$949,205	800,000.00	▲▼
508	Debt Refunding - Net refunding proceeds against debt payoff and if positive place results on this line.	\$0	900,000.00	▲▼
509	Debt Refunding - Net refunding proceeds against debt payoff and if negative place results on this line.	\$0	100,000.00	▲▼

Previous Tab | Save | Cancel | Next Tab





## Unit Questions Will Drive the Display/Suppression of Data Fields

Question	Audit Year
Is a water and/or sewer fund reported in the audited financial statements or does the unit have revenues, expenditures, capital assets or debt for a water and/or sewer system? The existence of, or lack thereof, a Stormwater fund should not have any bearing on the answer to this question.	No ▼
Is an electric fund reported in the audited financial statements or does the unit have revenues, expenditures, capital assets or debt for an electric system?	No ▼
For units that report an electric fund and may or may not belong to an Power Agency, please select the appropriate response.	Other Units with Electric Sys ▼
Does unit have Other Post-employment benefits (OPEB) assets, liabilities, and/or transactions recorded in their audited financial statements?	Yes ▼
Does unit have Law Enforcement Officer (LEO) pension assets, liabilities, and/or transactions recorded in their audited financial statements?	Yes ▼



## Data Validation Will Be Performed

Account#	Question	2022	2023
337	Total current and non-current portion of Debt. Include: Bonds, bond anticipation notes, Capital leases, Premiums and discounts, installment purchases. Exclude: Compensated absences, Pensions, Other post-employment benefits (OPEB), Debt within the primary government, Amounts due to participants from internal service funds, Landfill closure/postclosure liability, Any other debt not directly related to long-term contracts.	<input type="text" value="\$744,477"/>	<input type="text" value="800,000.00"/>
343	Decreases made (principal paid) on Long-Term Debt in current fiscal year. Reduce for debt refunding.	<input type="text" value="\$777,706"/>	<input type="text" value=""/>

\*Required input value



## Auditor Communications Can Be Uploaded

**Audit Detail:**  
Unit Name: **Morehead City** | Audit Year: **2024** | Version: **1** | Audit Status: **In Progress**

Unit Info

Add New Note

**Auditor Provided - Communication Letter**

**Note Subject:**  
An Auditor Communication Letter

**Note Type:**  
Auditor Provided - Communication Letter

**Note Text:**  
Optional: if you need to provide to additional context regarding the auditor communication letters uploaded, please do so below:  
This is a sample note to display the ability to upload Auditor Communication Letters. Including AU-C §260, AU-C §265, and Management Letters.

141/1000 characters

**Upload**

File Type(s)	File Name	Extension	
Management Letter	Management Letter	docx	View Delete
AU-C §260, AU-C §265	A Sample Document	pdf	View Delete

1

**Save & Close Note** Close



## **LOGOS Audit Module – Features Available 2025 (but not 2024)**

Upload of audit through the module

Other features as identified during rollout

Feedback? Suggestions? Have additional features you'd like to see?

Let us know! [SLGFD@nctreasurer.com](mailto:SLGFD@nctreasurer.com)



## AFIR Changes

As of July 1, 2024, the U.S. Census website will no longer be available for report uploads.

**AFIR reports are still required.**

LGC staff is working to identify an alternate process for the submission of AFIR reports.

Stay tuned and watch for a [blog post](#) announcing details.



## Online Resources

[File Upload Portal](#) – upload contracts, audits, invoices, FPIC responses

[Information on Applying for Debt](#) – deadlines, guidelines, etc.

[Debt Inquiry Portal](#) – easiest and quickest way to communicate with LGC staff

[LGC Meetings](#) – calendar, agendas, links for virtual access

And don't forget our [website](#), and our [blog](#) and [memos](#) pages (sign up to receive alerts when a new blog is posted!)



## Audit Reports

**Fiscal Year**  **UnitName**  **County**  **Unit Type**  **Re-Issued?**

Fiscal Year	Unit Name ↑	County	Unit Type	Date Audit Submitted	Re-Issued?	Audit File
2022	Ahoskie	Hertford County	Municipality	1/5/2023	No	<a href="#">Download File</a>
2022	Alamance	Alamance County	Municipality	10/28/2022	Yes	<a href="#">Download File</a>
2022	Alamance County	N/A	County	12/1/2022	No	<a href="#">Download File</a>
2022	Albemarle	Stanly County	Municipality	2/28/2023	No	<a href="#">Download File</a>
2022	Alexander County	N/A	County	11/9/2022	No	<a href="#">Download File</a>



## Automated Emails

Automated email responses are issued when LGC staff receive/review/approve audits, contracts, invoices, and FPIC responses, initiate LOGOS account requests, etc. Be on the lookout for emails from:

[LGCAuditReview@nctreasurer.com](mailto:LGCAuditReview@nctreasurer.com)

[LGCPortal@nctreasurer.com](mailto:LGCPortal@nctreasurer.com)

[LGCContract@nctreasurer.com](mailto:LGCContract@nctreasurer.com)

[LGCInvoice@nctreasurer.com](mailto:LGCInvoice@nctreasurer.com)

[LOGOS@nctreasurer.com](mailto:LOGOS@nctreasurer.com)





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# Debt Topics



# News from DMS - who's who

- Jennifer Wimmer - Director, Debt Management Section
- Stephanie Bacik - Assistant Director- Debt Inquiry Portal, non-GO debt financings
- Tony Blalock - Assistant Director- GO Bonds, Sale Calendar



# New General Obligation Bond Legislation





# New GO Bond Legislation-Ballot Language

Section 36.3.(a) of [Session Law 2023-134](#) (HB 259) amended G.S. 159-61(d), which sets forth the form of the ballot question to be used for local government general obligation bond referenda.



# New GO Bond Legislation-Ballot Language

- G.S. 159-61(d)
    - Section 36.3.(a) of [Session Law 2023-134](#) (HB 259) amended G.S. 159-61(d), which sets forth the form of the ballot question to be used for local government general obligation bond referenda as follows:
      - "(d) The form of the question as stated on the ballot shall be in substantially the following words:
        - ~~"Shall "~~"Additional property taxes may be levied on property located in (name of unit of local government) in an amount sufficient to pay the principal of and interest on bonds if approved by the following ballot question. Shall the order authorizing \$\_\_\_\_\_ bonds plus interest for (briefly stating the purpose) and providing that additional taxes may be levied in an amount sufficient to pay the principal of and interest on the bonds be approved? approved, in light of the following:
          - (1) The estimated cumulative cost over the life of the bond, using the highest interest rate charged for similar debt over the last (maximum bond issuance term), would be (\$\_\_\_\_\_).
          - (2) The amount of property tax liability increase for each one hundred thousand dollars (\$100,000) of property tax value to service the cumulative cost over the life of the bond provided above would be (\$\_\_\_\_\_ ) per year.
            - YES
            - NO""
- These amendments become effective on December 31, 2023, and apply to bond referenda conducted by local government units after that date.



# New GO Bond Legislation-Ballot Language

- LGC staff has published “Guidelines For Compliance With General Obligation Bond Ballot Question Requirements”.
- The guidelines were developed through analysis and discussion with input and review from the UNC School of Government and local government bond counsel throughout the state.

*The guidelines express the views of the staff of the LGC and do not constitute legal or financial advice. Local government units are not required to utilize these guidelines and should consult with their bond counsels and financial advisors to ensure compliance with the requirements of G.S. 159-61(d).*

# LGC Debt Approval Refresher





# Types of Financings

General Obligation  
(GO) Bonds

Revenue Bonds

Installment Financing  
Contract (IFC) *or*  
Limited Obligation  
Bonds (LOB)

Interim Financing/USDA

State Revolving Funds  
(DEQ)

Leases





## LGC Approval Process

- The LGC approves almost all debt for local government units
- Transactions equal to or greater than \$500,000/5 years (other criteria apply); \$50,000/3 years for UAL units (other criteria apply); vehicle purchases greater than \$50,000 for UAL units
- Financings can not be split to avoid LGC approval



## Is LGC Approval Required?

- Reference the flow charts created by UNC School of Government (see our [website](#))
- Submit an inquiry through our [Debt Inquiry portal](#)



# Debt Inquiry Form

Unit Name

County

Name

Title

Email

Phone

Provide a telephone number

Unit Contact Name (If different than above)

Unit Contact Title

Unit Email

Unit Phone

Are you on the most recent Unit Assistance List published by the Department of State Treasurer?

Type Of Debt

Amount of Debt

Brief description of the project or the purpose of debt.

Any questions or other information you wish to share?



## UAL Units and Debt

- Any unit on the Unit Assistance List can contact us for help working through financings.
- Any questions can be directed to the Debt Inquiry portal or the Coach Team member assigned to the unit.



# Deadlines and Dates

- In general:
  - audits are due two months prior to the LGC meeting at which an item will be considered
  - applications are due one month prior
  - FPIC responses are due one month prior
- Deadlines are available on our [website](#).
- LGC meets monthly, usually the first Tuesday of the month at 1:30 pm



## Deadlines and Dates (continued)

- See our [website](#) for:
  - The LGC meeting calendar
  - Meeting agendas
  - Links for virtual access (listen only)
  - Meeting audio recordings



# Questions?

Feel free to contact us with any questions, concerns,  
or suggestions:

**[SLGFD@nctreasurer.com](mailto:SLGFD@nctreasurer.com)**