



NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER  
STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
AND THE LOCAL GOVERNMENT COMMISSION

JANET COWELL  
TREASURER

T. VANCE HOLLOMAN  
DEPUTY TREASURER

**Memorandum #2012-10**

**To: Finance Officers of North Carolina Local Governments and Public Authorities**

**From: Sharon Edmundson, Director, Fiscal Management Section**

**Subject: Continuing Disclosure Requirements of Rule 15c2-12**

**Date: December 9, 2011**

The 2011 filing deadline is fast approaching for filing annual secondary market disclosures to the Municipal Securities Rule Making Board (MSRB) for outstanding debt subject to the continuing disclosure requirements under Rule 15c2-12 of the Securities and Exchange Commission (SEC). There have been no changes to this filing process during this past year; however, please be reminded that filing can only be done electronically through the Electronic Municipal Market Access (EMMA), an electronic filing medium of the MSRB. EMMA is serving as an electronic central post office with the approval of the SEC. EMMA is completely web-based and free of charge to issuers submitting continuing disclosures. The EMMA webpage is located at <http://emma.msrb.org>.

For most units of government with a fiscal year end of June 30, please note that annual filing has to be done by the January 31, 2012 deadline, which is on a Tuesday. *The January 31<sup>st</sup> date is a contractual date and there is no extension.* Failure to file has the following consequences: 1) the MSRB must be notified timely that you failed to file; 2) the failure to file must be reported in future final Official Statements for the next five years; and 3) the failure to file is a breach of contract and as such is a violation that must be reported in your annual financial statement. Overall, this negative failure to file notification could affect future bond sales and rating.

The information filed for continuing disclosure is detailed in an agreement that is part of the official statement. It is important to review these requirements annually prior to making your filing. To assist in the filing process, sample filings have been prepared from the illustrative financial statements for Carolina County for only its General Obligation bonds per the following exhibits at:

<http://www.nctreasurer.com/DSTHome/StateAndLocalGov/AuditingAndReporting/SampleSecondaryMarketDisclosures.htm>

Exhibit # 3a and 3b -Annual Requirements – Debt Information and Tax Information

Exhibit # 4 - Form MB080G – Annual Debt Service Requirement and Debt Limitation-  
available on the Treasurer's website to be retrieved by each unit, and

Exhibit # 5 - Compiled Combined Budget for The Current Fiscal Year (July 1, 2011- June 30, 2012).

In addition to the above information, a copy of the unit's audited financial statements, which has been approved and accepted by the State and Local Government Finance Division (SLGFD) also should be submitted to EMMA.

If a unit has issued fixed or variable non-general obligation debt (such as revenue bonds, certificates of participation, or special obligation bonds) that is subject to continuing disclosure requirements, the unit should determine the specific annual disclosure requirements for this debt. While the disclosures for general obligation issues are substantially standardized among issuers, requirements for other debt may vary from one issue to another (including the deadlines for submitting disclosures to the MSRB). Please keep in mind that the information on the State Treasurer's website relates to disclosure requirements for general obligation issues only.

Please submit a copy of the required information to the SLGFD at the same time it is submitted to EMMA. The copy submitted to the SLGFD does **not** need to include a copy of your unit's audited financial statements. Additionally, if you would like for us to review your unit's disclosures prior to your sending the required information to EMMA, please send a draft copy to us by January 12, 2012.

To assure our office that your unit is aware of the sixteen events that require disclosure, that none of the events have occurred, and that your unit has timely submitted the required disclosures to EMMA, please use Exhibits #6 and #7 to notify the SLGFD. Please modify these exhibits if you need to. These certifications are for the SLGFD use only and are not required by the MSRB.

Should you have questions or need assistance, please contact Yusador Gaye at (919) 807-2394 or via email at [yusador.gaye@nctreasurer.com](mailto:yusador.gaye@nctreasurer.com).

**LETTER ONLY REQUIRED IF YOU HAVE NOT REGISTERED  
WITH THE MSRB**

Exhibit 1a

December 09, 2011

Municipal Securities Rulemaking Board  
Attention: Market Information Department  
1900 Duke Street  
Alexandria, VA 22314

Dear Sir or Madam:

Please grant County/City/Authority's authorized filer (MSRB ID: XXXXXID) access on the EMMA system to make secondary market disclosure filings and notice of material events filings on behalf of the (County/City/Authority for whom you are authorized to file debt issues for). Attached, please find the required manual confirmation document. **(See Exhibit 1b, confirmation document from the online registration that must be sent along with this letter to complete the registration process and Exhibit 1c for contact information.)**

Should you have any questions, please do not hesitate to contact us.

Sincerely,

City/County /Authority Manager or Administrator

# Confirmation Process (Manual)

Exhibit 1b

## ■ Confirmation document for manual submission

### Continuing Disclosure Registration - Manual Confirmation Document

You will need this document, which includes your confirmation number, to complete the manual confirmation process. Please print this page and send it to the MSRB along with the documentation identified in one of the options below.

**MSRB ID:** D001FM  
**Confirmation Number:** 0000-AAHL

#### For issuers and obligated persons:

Send this document along with a letter requesting confirmation, on your organization's letterhead, signed your organization's chief financial officer (or the person responsible for financial matters), to the address below.

or

Send this document along with a letter requesting confirmation and your organization's IRS Form 8038 to the address below. This option is not available to agents.

#### For users submitting disclosure documents as an agent on behalf of issuers or obligated persons:

Send this document along with a letter requesting confirmation AND a document signed by an issuer or obligated person designating you as an agent (e.g. continuing disclosure agreement) to the MSRB at the address below.

#### All correspondence should be addressed to:

MSRB  
Attention: Market Information Department  
1900 Duke Street  
Alexandria, VA 22314

Print

## Other Resources

MSRB Website: [www.msrb.org](http://www.msrb.org)

EMMA Website: [www.emma.MSRB.org](http://www.emma.MSRB.org)

## Contact Information

MSRB Market Information Department

703-797-6668

[emmaonline@msrb.org](mailto:emmaonline@msrb.org)

Municipal Securities Rulemaking Board

1900 Duke Street, Suite 600

Alexandria, VA 22314

Tel: 703-797-6600

Fax: 703-797-6700

**(NOT REQUIRED - USED ONLY AS TRANSMITTAL LETTER)**

***CAROLINA COUNTY***  
***DOGWOOD, NORTH CAROLINA***

December 9, 2011

From: Carolina County  
Dogwood, North Carolina  
Reporting for the fiscal year ended June 30, 2011

Information relates to the following securities issued by the issuer having the six digits CUSIP numbers XXXXXX and XXXXXX:

\$7,370,000 School Facility Serial Bonds, dated July 1, 19XX  
\$3,365,000 Advance Refunding Bonds, dated February 1, 20XX  
\$2,500,000 Community College Improvement Serial Bonds, dated September 1, 19XX  
\$2,340,000 Hospital Improvement Serial Bonds, dated May 1, 19XX  
\$2,350,000 Water Serial Bonds, Dated December 1, 19XX

Number of pages of attached information: THREE

Enclosed herewith is information the County of Carolina has undertaken to provide to purchasers on the above referenced bonds in accordance with Rule 15c2-12 of the Securities and Exchange Commission, consisting of the following items:

1. Comprehensive Annual Financial Report for year ended June 30, 2011.
2. Information required in the Undertaking, i.e. Combined Budget for the Current Fiscal Year, Debt Information and Tax Information.

Finance Officer  
Carolina County  
Dogwood, North Carolina  
(919) 807-2394

**Carolina County, North Carolina**

**Debt Information**

**LEGAL DEBT LIMIT**

Please refer to page(s) 35-J-83 of the Carolina County, North Carolina Audit Report/CAFR dated June 30, 2011.

**OUTSTANDING GENERAL OBLIGATION DEBT**

Please refer to page(s) 35-J-82 to 35-J-86 of the Carolina County, North Carolina Audit Report/CAFR dated June 30, 2011.

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**Latest Bonds Issued:**

19XX-19XX    \$3,365,000 School Facility Serial Bonds, Series 2011, 3.33 years average maturity, interest at 3.75 percent

**GENERAL OBLIGATION DEBT RATIOS**

Please refer to the report “Analysis of Debt of North Carolina Counties, Municipalities and Districts at June 30, 2011” filed with the MSRB by the North Carolina Department of State Treasurer, Division of State and Local Government Finance.

**GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS**

See Schedule MB080G attached (does not include refunded bonds).

**GENERAL OBLIGATION BONDS AUTHORIZED AND UNISSUED**

| <u>Purpose</u>       | <u>Date Approved</u> | <u>Balance Authorized and Unissued</u> |
|----------------------|----------------------|----------------------------------------|
| Streets Improvements | 11/7/19XX            | \$1,250,000                            |

**GENERAL OBLIGATION DEBT INFORMATION FOR UNDERLYING UNITS AS OF JUNE 30, 2011**

Please refer to the report “Analysis of Debt of North Carolina Counties, Municipalities and Districts at June 30, 2011” filed with the MSRB by the North Carolina Department of State Treasurer, Division of State and Local Government Finance.

**OTHER LONG TERM COMMITMENTS**

Please refer to page(s) 35-J-80 to 35-J-86 of the Carolina County, North Carolina Audit Report/CAFR dated June 30, 2011.

## Carolina County, North Carolina

### Tax Information

#### GENERAL INFORMATION

Please refer to page(s) 35-J-143  
of the Carolina County, North Carolina Audit Report/CAFR dated June 30, 2011.

#### TAX COLLECTIONS

Please refer to page(s) 35-J-144 to 35-J-145 of the Carolina County, North Carolina  
Audit Report/CAFR dated June 30, 2011.

#### TEN LARGEST TAXPAYERS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Please refer to page(s) 35-J-146 of the Carolina County, North Carolina Audit  
Report/CAFR dated June 30, 2011.

DEPARTMENT OF STATE TREASURER  
 STATE AND LOCAL GOVERNMENT FINANCE DIVISION  
 ANNUAL REQUIREMENTS AND DEBIT LIMITATION

| UNIT     | CAROLINA COUNTY |             |             |            |            |            |            |            |            |            | SUBJECT TO |            |
|----------|-----------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| FISCAL   | ***UTILITIES*** | ***OTHER*** | ***TOTAL*** | PRINCIPAL  | PRIN & INT | PRINCIPAL  | PRIN & INT | PRINCIPAL  | PRIN & INT | LIMITATION | TOTAL      |            |
| YEAR     | PRINCIPAL       | PRIN & INT  | PRINCIPAL   | PRIN & INT | PRINCIPAL  | PRIN & INT | PRINCIPAL  | PRIN & INT | PRINCIPAL  | PRIN & INT | LIMITATION | TOTAL      |
| 2010     | 73,109          | 77,609      | 1,571,891   | 2,050,166  | 1,645,000  | 2,127,775  | 10,229,118 | 10,335,000 | 10,229,118 | 10,335,000 | 10,335,000 | 10,335,000 |
| 2011     | 32,773          | 34,147      | 1,532,227   | 1,936,959  | 1,565,000  | 1,971,106  | 8,657,227  | 8,690,000  | 8,657,227  | 8,690,000  | 8,690,000  | 8,690,000  |
| 2012     | -               | -           | 1,500,000   | 1,832,775  | 1,500,000  | 1,832,775  | 7,125,000  | 7,425,000  | 7,125,000  | 7,425,000  | 7,425,000  | 7,425,000  |
| 2013     | -               | -           | 1,475,000   | 1,737,188  | 1,475,000  | 1,737,188  | 5,625,000  | 5,625,000  | 5,625,000  | 5,625,000  | 5,625,000  | 5,625,000  |
| 2014     | -               | -           | 1,475,000   | 1,667,900  | 1,475,000  | 1,667,900  | 4,150,000  | 4,150,000  | 4,150,000  | 4,150,000  | 4,150,000  | 4,150,000  |
| 2015     | -               | -           | 1,075,000   | 1,199,100  | 1,075,000  | 1,199,100  | 2,675,000  | 2,675,000  | 2,675,000  | 2,675,000  | 2,675,000  | 2,675,000  |
| 2016     | -               | -           | 600,000     | 673,800    | 600,000    | 673,800    | 1,600,000  | 1,600,000  | 1,600,000  | 1,600,000  | 1,600,000  | 1,600,000  |
| 2017     | -               | -           | 375,000     | 420,675    | 375,000    | 420,675    | 1,000,000  | 1,000,000  | 1,000,000  | 1,000,000  | 1,000,000  | 1,000,000  |
| 2018     | -               | -           | 375,000     | 403,575    | 375,000    | 403,575    | 625,000    | 625,000    | 625,000    | 625,000    | 625,000    | 625,000    |
| 2019     | -               | -           | 250,000     | 261,475    | 250,000    | 261,475    | 250,000    | 250,000    | 261,475    | 250,000    | 250,000    | 250,000    |
| TOTAL    | 105,882         | 111,756     | 10,229,118  | 12,183,612 | 10,335,000 | 12,295,369 | 10,335,000 | 12,295,369 | 10,335,000 | 12,295,369 | 10,335,000 | 12,295,369 |
| GR TOTAL | 105,882         | 111,756     | 10,229,118  | 12,183,612 | 10,335,000 | 12,295,369 | 10,335,000 | 12,295,369 | 10,335,000 | 12,295,369 | 10,335,000 | 12,295,369 |

Carolina County, North Carolina  
**Compiled Budget - Annually Budgeted Funds**  
 For the Fiscal Year Ending June 30, 2012

|                                                                            | General<br>Fund    | Special<br>Revenue<br>Fund | Enterprise<br>Fund |
|----------------------------------------------------------------------------|--------------------|----------------------------|--------------------|
| Estimated revenues:                                                        |                    |                            |                    |
| Ad valorem taxes                                                           | \$ 66,554,756      | \$ 113,596                 | \$ -               |
| Local option sales taxes                                                   | 16,694,688         | -                          | -                  |
| Other taxes and licenses                                                   | 491,138            | 228,800                    | -                  |
| Unrestricted intergovernmental                                             | 174,626            | -                          | -                  |
| Restricted intergovernmental                                               | 14,971,931         | -                          | -                  |
| Permits and fees                                                           | 478,726            | -                          | -                  |
| Sales and services                                                         | 1,373,785          | -                          | 1,191,825          |
| Investment earnings                                                        | 1,813,222          | 66,942                     | 125,012            |
| Miscellaneous                                                              | 139,541            | -                          | 11,880             |
| Total estimated revenues                                                   | <u>102,692,413</u> | <u>409,338</u>             | <u>1,328,718</u>   |
| Appropriations:                                                            |                    |                            |                    |
| General government                                                         | 7,516,826          | 670,995                    | -                  |
| Public safety                                                              | 8,439,119          | 23,920                     | -                  |
| Transportation                                                             | 1,366,294          | -                          | -                  |
| Economic and physical development                                          | 1,580,390          | -                          | -                  |
| Human services                                                             | 23,888,186         | -                          | -                  |
| Cultural and recreational                                                  | 6,969,888          | -                          | -                  |
| Education                                                                  | 49,701,619         | -                          | -                  |
| Solid waste operations                                                     | -                  | -                          | 127,518            |
| Water and sewer operations                                                 | -                  | -                          | 943,966            |
| Capital outlay                                                             | -                  | -                          | 152,000            |
| Debt service:                                                              |                    |                            |                    |
| Principal retirement                                                       | 941,799            | -                          | 299,144            |
| Interest and fees                                                          | 631,485            | -                          | 160,000            |
| Total appropriations                                                       | <u>101,035,607</u> | <u>694,915</u>             | <u>1,682,628</u>   |
| Estimated revenues over (under) appropriations                             | <u>1,656,806</u>   | <u>(285,577)</u>           | <u>(353,910)</u>   |
| Other financing sources (uses):                                            |                    |                            |                    |
| Transfers from other funds:                                                |                    |                            |                    |
| General Fund                                                               | -                  | 251,000                    | 230,000            |
| Special Revenue Fund                                                       | 263,846            | -                          | -                  |
| Enterprise Fund                                                            | 201,205            | 151,000                    | -                  |
| Capital Projects Fund                                                      | 2,960,632          | -                          | -                  |
| Transfers to other funds:                                                  |                    |                            |                    |
| General Fund                                                               | -                  | (263,846)                  | (201,205)          |
| Special Revenue Fund                                                       | (251,000)          | -                          | (151,000)          |
| Capital Projects Fund                                                      | (2,147,160)        | (469,433)                  | (238,482)          |
| Enterprise Fund                                                            | (230,000)          | -                          | -                  |
| Proceeds of capital leases                                                 | 130,000            | -                          | -                  |
| Sales of capital assets                                                    | 17,000             | -                          | -                  |
| Appropriated fund balance                                                  | 712,283            | 45,702                     | 6,777              |
| Total other financing sources (uses)                                       | <u>1,656,806</u>   | <u>(285,577)</u>           | <u>(353,910)</u>   |
| Estimated revenues and other sources over<br>appropriations and other uses | <u>\$ -</u>        | <u>\$ -</u>                | <u>\$ -</u>        |

Compiled by the staff of Carolina County finance department.

**NOTE: The compiled budget should most closely resemble the financial statements of the most recently audited fiscal year.**

***CAROLINA COUNTY***  
***DOGWOOD, NORTH CAROLINA***

**December 9, 2011**

Ms. Yusador Gaye  
State and Local Government Finance Division  
N.C. Department of State Treasurer  
325 N. Salisbury Street  
Raleigh, North Carolina 27603-1385

Dear Ms. Gaye:

Rule 15c2-12(b) (5) (iii) requires an Issuer or Obligated Person(s) to provide notice of any of the following eleven events with respect to the offered securities:

- 1) Principal and interest payment delinquencies
- 2) Non-payment related defaults
- 3) Unscheduled draws on debt service reserves reflecting financial difficulties
- 4) Unscheduled draws on credit enhancements reflecting financial difficulties
- 5) Substitution of credit or liquidity providers, or their failure to perform
- 6) Tax-exempt issues
- 7) Modifications to rights of security holders
- 8) Bond calls
- 9) Defeasances
- 10) Release, substitution, or sale of property securing repayments of the securities
- 11) Rating changes
- 12) Tender offers
- 13) Bankruptcy, insolvency, receivership or similar proceeding of the obligated person
- 14) Consummation of a merger, consolidation, or acquisition involving an obligated person, or Sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such action, other than pursuant to its terms
- 15) Appointment of a successor or additional trustee or the change of name of a trustee
- 16) Failure to file continuing annual information disclosure by deadline

I hereby certify that there have been no occurrences or no unreported occurrences of the events listed above during the reporting period (fiscal year ended June 30, XXXX) or subsequent thereto, through the filing date of this notice. I am duly authorized by the Issuer and have sufficient information available to make this certification.

Finance Officer  
Carolina County  
Dogwood, North Carolina  
(919) 807-2394

***CAROLINA COUNTY***  
***DOGWOOD, NORTH CAROLINA***

**Notice of Filing of Annual Information**

December 9, 2011

Ms. Yusador Gaye  
State and Local Government Finance Division  
N.C. Department of State Treasurer  
325 N. Salisbury Street  
Raleigh, North Carolina 27603-1385

Dear Ms. Gaye:

As required by the Undertaking, the Issuer hereby certifies that the required annual financial information, as set forth in the final official statement(s), has been provided in a timely manner to each Municipal Securities Rulemaking Board (MSRB). I am duly authorized by the Issuer and have sufficient information available to make this certification.

Finance Officer  
Carolina County  
Dogwood, North Carolina  
(919) 807-2394