



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



JOSH STEIN
GOVERNOR

KRISTIN WALKER
STATE BUDGET DIRECTOR

March 16, 2026

TO: Department Heads and Chief Fiscal Officers
State Departments, Agencies, and Institutions

FROM: Kristin Walker *Kristin Walker*

SUBJECT: Council of State Meeting Notification

The next Council of State (COS) meeting is scheduled for 10:00 am on Tuesday, April 7, 2026. Although space is limited, members and guests are invited to attend in person at the Halifax Visitor Center, located at 25 St David St, Halifax, NC. For those who wish to participate virtually, a link will be provided closer to the meeting date.

Submissions to be considered for the April 7th Council of State agenda should be submitted by March 24, 2026. If there are questions, please email them to MaryGrace.Corr@osbm.nc.gov.

Thank you.

KW/mgc

COUNCIL OF STATE
ETHICS AWARENESS AND CONFLICT OF
INTEREST REMINDER

In accordance with the State Government Ethics Act, it is the duty of every Council member to avoid both conflicts of interest and the appearances of conflict.

If any Council member has any known conflict of interest or is aware of facts that might create the appearance of such conflict, with respect to any matters coming before the Council today, please identify the conflict or the facts that might create the appearance of a conflict to ensure that any inappropriate participation in that matter may be avoided. If at any time, any new matter raises a conflict during the meeting, please be sure to identify it at that time.

AGENDA
COUNCIL OF STATE

April 7, 2026
10:00 a.m.

Historic Halifax Visitor Center
25 St David St
Halifax, NC 27839

Webex public link for guests wishing to participate virtually- <https://bit.ly/April2026COS>

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A) Ethics Awareness and Conflict of Interest Reminder		
B) Welcome Remarks	Vernon Bryant	
C) Approval of March 3, 2026, Minutes		
D) Interest Matters/Bond Resolution	Brad Briner	
i) STIF Rate and Report on Earnings		
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April 7, 2026

MEMORANDUM

To: The Council of State

From: Bradford Briner
State Treasurer

Subject: Current STIF crediting interest rate and report on the earnings credited to the General Fund and Highway Trust Fund for the periods indicated.

Short-Term Investment Fund (STIF)	<u>Current Month (Jan)</u>
Annualized Net Cash Return	4.10%

The earnings of the Short-Term Investment Fund credited to the General Fund and Highway Trust Fund are shown below:

	<u>General Fund</u>	<u>Highway Trust Fund</u>
February 2026		
Credits	\$42,823,476	\$6,905,143
2025-26 Fiscal		
Y-T-D Credits	\$345,431,994	\$63,585,919
2024-25 Fiscal		
Y-T-D Credits	\$435,212,108	\$76,294,871

Fund earnings and STIF Annualized Net Cash Return provided by DST Financial Operations Division.

Note the Highway Fund was removed because the accounts have moved under the Highway Trust Fund. If the Highway Fund earns interest again it will be presented.

FIRE INSURANCE MATTERS
FUND CONDITION REPORT

State Property Fire Insurance Fund
Fund Condition February Council of State
(Cumulative Since July 1, 2025 as of February 28, 2026)

Beginning Balance	7/1/2025	43,056,566.01
Premium Received		41,825,321.00
Legislative Funding		0.00
Reinsurance Reimbursement		0.00
Interest Income		1,911,549.92
Unrealized Gain - Investments		47,409.31
Disaster Reimbursement		0.00
Total Revenue		43,784,280.23
Claims Paid		10,138,418.34
Losses Paid (Reinsurer)		0.00
Return of Expenditure		0.00
Reinsurance Premium Paid		0.00
Realized Loss - Sale of Investments		0.00
Administrative Expenses		2,038,126.68
Adjustments to Cash Basis		103,126.27
Total Expenditures		12,279,671.29
Fund Balance	2/28/2026	74,561,174.95

PROPERTY INSURANCE LOSSES

January 2026

Office of State Fire Marshal Requests permission to pay the following loss(es) from the State Property Fire Insurance Fund:

UNC Wilmington

Location of Loss: Schwartz Hall (#54)
Cause of Loss: Water Damage
Coverage Type: All Risk Special Form
Date of Loss: 10/15/2025
Loss Number: 2026-0002-60005007
Amount of Loss: \$94,553.62

East Carolina University

Location of Loss: Howe/Bate (#71)
Cause of Loss: Flood (Tropical St. Chantal)
Coverage Type: All Risk Special Form
Date of Loss: 6/16/2025
Loss Number: 20260003-60005008
Amount of Loss: 545,906.19

NC Highway Patrol - Viper

Location of Loss: Rodanthe Tower Site (#8000005)
Cause of Loss: Wind
Coverage Type: All Risk Special Form
Date of Loss: 2/22/2026
Loss Number: 20260004-82801000
Amount of Loss: \$124,104.14

Dept. of Transportation

Location of loss: Elizabeth City DMV office bldg. (#1)
Cause of Loss: Water Damage
Coverage Type: All Risk Special Form
Date of Loss: 2/1/2026
Loss Number: 2026005-42008001
Amount of Loss: \$149,927.22

BOARD OF TRANSPORTATION
RIGHT OF WAY MATTERS INDEX

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BOARD OF TRANSPORTATION RIGHT OF WAY MATTERS
SALE OF RESIDUE TO HIGHEST BIDDER VIA REAL ESTATE AGENT AND/OR
AUCTIONEER

ITEM 1

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Mahogany Realty Group, LLC

LOCATION: Winston Salem Northern Beltway
Forsyth County

AREA: 0.444 Acres

CONSIDERATION: \$216,000.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project U-2579B in Forsyth County for \$200,000.00 in 2007. The current appraised value of this residue property is \$216,000.00. The Grantee, Mahogany Realty Group, LLC, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$216,000.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

ITEM 2

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Ramkumar Jeyaraman

LOCATION: Winston Salem Northern Beltway
Forsyth County

AREA: 0.342 Acres

CONSIDERATION: \$22,166.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project U-2579DEF in Forsyth County for \$6,225.00 in 2022. The current appraised value of this residue property is \$15,000.00. The Grantee, Ramkumar Jeyaraman, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$22,166.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

BOARD OF TRANSPORTATION RIGHT OF WAY MATTERS (Continued)
SALE OF RESIDUE TO HIGHEST BIDDER VIA REAL ESTATE AGENT AND/OR
AUCTIONEER (Continued)

ITEM 3

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Motif Builders LLC

LOCATION: Winston Salem Northern Beltway
Forsyth County

AREA: 5.956 Acres

CONSIDERATION: \$59,500.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project U-2579DEF in Forsyth County for \$415,452.00 between 2018 and 2020 inclusive of Map Act Damages. The current appraised value of this residue property is \$59,500.00. The Grantee, Motif Builders LLC, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$59,500.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

ITEM 4

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Stinson Hartis Partners, LLC

LOCATION: Monroe Bypass
Union County

AREA: 9.616 Acres

CONSIDERATION: \$946,123.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project R-3329/2559 in Union County for \$201,600.00 in 2012. The current appraised value of this residue property is \$198,750.00. The Grantee, Stinson Hartis Partners, LLC, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$946,123.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

BOARD OF TRANSPORTATION RIGHT OF WAY MATTERS (Continued)
SALE OF RESIDUE TO HIGHEST BIDDER VIA REAL ESTATE AGENT AND/OR
AUCTIONEER (Continued)

ITEM 5

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Charleston Keys Rock LLC, A Wyoming Limited Liability Company

LOCATION: US-321
Watauga County

AREA: 0.120 Acres

CONSIDERATION: \$31,000.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project R-2237C in Watauga County for \$3,900.00 in 2011. The current appraised value of this residue property is \$5,000.00. The Grantee, Charleston Keys Rock LLC, A Wyoming Limited Liability Company, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$31,000.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

ITEM 6

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: SALEM SKY LLC

LOCATION: NC-63
Buncombe County

AREA: 0.693 Acres

CONSIDERATION: \$22,574.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project U-3301 in Buncombe County for \$16,625.00 in 2017. The current appraised value of this residue property is \$7,500.00. The Grantee, SALEM SKY LLC, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$22,574.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

BOARD OF TRANSPORTATION RIGHT OF WAY MATTERS (Continued)
SALE OF RESIDUE TO HIGHEST BIDDER VIA REAL ESTATE AGENT AND/OR
AUCTIONEER (Continued)

ITEM 7

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Prabhat S. Chanderbali & Jewan R. Chanderbali

LOCATION: Bridge # 59 Over the North Toe River
Yancey County

AREA: 0.780 Acres

CONSIDERATION: \$16,000.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project B-3089 in Yancey County for \$800.00 in 1998. The current appraised value of this residue property is \$15,000.00. The Grantees, Prabhat S. Chanderbali & Jewan R. Chanderbali, the highest bidders after auctioneer advertisement, have agreed to pay the Department the high bid amount of \$16,000.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

ITEM 8

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Kirkland Burnette & Samantha Burnette

LOCATION: US-19 East
Yancey County

AREA: 1.020 Acres

CONSIDERATION: \$25,000.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project R-2519A in Yancey County for \$3,175.00 in 2005. The current appraised value of this residue property is \$10,000.00. The Grantees, Kirkland Burnette & Samantha Burnette, the highest bidders after auctioneer advertisement, have agreed to pay the Department the high bid amount of \$25,000.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

BOARD OF TRANSPORTATION RIGHT OF WAY MATTERS (Continued)
SALE OF RESIDUE TO HIGHEST BIDDER VIA REAL ESTATE AGENT AND/OR
AUCTIONEER (Continued)

ITEM 9

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Adam Young Trucking & Grading, LLC

LOCATION: US-19 East
Yancey County

AREA: 0.659 Acres

CONSIDERATION: \$20,000.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project R-2519B in Yancey County for \$1,775.00 in 2013. The current appraised value of this residue property is \$5,000.00. The Grantee, Adam Young Trucking & Grading, LLC, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$20,000.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

ITEM 10

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: Michael Thomas Williamson

LOCATION: US-19 East
Yancey County

AREA: 0.360 Acres

CONSIDERATION: \$36,000.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project R-2519B in Yancey County for \$1,025.00 in 2013. The current appraised value of this residue property is \$16,100.00. The Grantee, Michael Thomas Williamson, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$36,000.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

BOARD OF TRANSPORTATION RIGHT OF WAY MATTERS (Continued)
SALE OF RESIDUE TO HIGHEST BIDDER VIA REAL ESTATE AGENT AND/OR
AUCTIONEER (Continued)

ITEM 11

GRANTOR: State of North Carolina Department of Transportation

GRANTEE: William Barclay Yates

LOCATION: I-26 Connector
Henderson County

AREA: 0.980 Acres

CONSIDERATION: \$38,000.00

COMMISSION: Buyer's Premium

COMMENTS: The Department acquired this residue during the construction of Highway Project R-0505 in Henderson County for \$1.00 in 2009. The current appraised value of this residue property is \$2,500.00. The Grantee, William Barclay Yates, the highest bidder after auctioneer advertisement, has agreed to pay the Department the high bid amount of \$38,000.00. The Secretary of Transportation approved this conveyance with the concurrence of the Board of Transportation in a resolution adopted on March 5, 2026.

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COUNCIL OF STATE
STATE PROPERTY INDEX

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STATE PROPERTY MATTERS
ACQUISITION BY DEED

ITEM 1

GRANTOR: The Nature Conservancy

GRANTEE: State of North Carolina, Department of Environmental Quality,
Division of Wildlife Resources Commission

LOCATION: off June Johnson Road, Hoke County

AREA: ±419 acres

CONSIDERATION: Gift

COMMENTS: Game Land Addition. Property proposed for acquisition will be incorporated into Nicholson Creek Game Land. Acquisition of this property will provide additional hunting and fishing opportunities for the public. This item was reported to the Joint Legislative Commission on Governmental Operations. Notifications of acquisitions were made to the County and/or Municipality in accordance with G.S.§146-22.

ITEM 2

GRANTOR: Open Space Institute Land Trust, Inc.

GRANTEE: State of North Carolina, Department of Environmental Quality,
Division of Wildlife Resources Commission

LOCATION: off Sutton Creek Road, Pisgah Forest, Transylvania County

AREA: Four contiguous parcels totaling ±844 acres improved with four dwellings containing ±5,981 sq. ft. and ancillary structures

UNIT COST: \$7,701.42/ acre

CONSIDERATION: \$6,500,000

COMMENTS: Game Land Addition. Property proposed for acquisition will be incorporated into Pisgah Creek Game Land. The proposed transaction is a bargain sale. The improvements will be utilized by the Wildlife Resources Commission (WRC) staff. Funding for this acquisition is provided by a grant from North Carolina Land and Water Fund (\$4,000,000), and WRC Endowment (\$2,500,000). This item was reported to the Joint Legislative Commission on Governmental Operations. Notifications of acquisitions were made to the County and/or Municipality in accordance with G.S.§146-22.

STATE PROPERTY MATTERS (Continued)
ACQUISITION BY LEASE

ITEM 1

LESSOR: MBJS Properties, LLC

LESSEE: State of North Carolina, NC Social Work Certification and Licensure Board

LOCATION: 1207 South Cox Street, Asheboro, Randolph County

TERM: Five years effective May 1, 2026, or possession with one 5-year renewal option

AREA: ±3,686 sq. ft. of office space

UNIT COST: \$18.06/sq. ft. (average) – including parking
\$18.98/sq. ft. (average) renewal option

ANNUAL RENTAL: \$58,650.95 (average)
\$61,642.74 (average) renewal option

COMMENTS: New Lease. The proposed new lease will replace two expired leases for adjacent suites currently occupied by the NC Social Work Certification and Licensure Board. One proposal received from advertisement meeting specifications. Space accessible to the disabled. 100% State Funds.

DISPOSITION BY LEASE

ITEM 1

LESSOR: State of North Carolina, Department of Adult Correction, Correction Enterprise

LESSEE: Harris Family Farms, LLC

LOCATION: West side of State Road 1108 adjacent to south side of State Road 1125 near Odom Correctional Institute, Northampton County

TERM: Five year term effective April 1, 2026, or possession

AREA: ±537 acres

UNIT COST: \$126.16/acre

ANNUAL RENTAL: \$67,747.68

STATE PROPERTY MATTERS (Continued)
DISPOSITION BY LEASE (Continued)

ITEM 1 (Continued)

COMMENTS: New Farmland Lease. New farmland lease adjacent to Odom Correctional Institution Prison Work Farm. The higher of two proposals were received through advertising.

DISPOSITION BY EASEMENT

ITEM 1

GRANTOR: State of North Carolina, Department of Environmental Quality,
Division of Wildlife Resources Commission

GRANTEE: Holly Cox Russell

LOCATION: 2530 Gibson Mill Road, Ellerbe, Richmond County

AREA: 30 ft. x ±906 ft. or ±27,180 sq. ft.

CONSIDERATION: None

COMMENTS: Proposed easement is to memorialize an ingress/egress easement that has been used as the primary access to the property for over 70 years.

ITEM 2

GRANTOR: State of North Carolina, Department of Natural and Cultural Resources,
Division of Historic Sites

GRANTEE: Duke Energy Progress, LLC

LOCATION: 509 Town Creek Mound Road, Mt. Gilead, Montgomery County

EASEMENT AREA: ±1,074.60 sq. ft. (±0.025 acre)

CONSIDERATION: Benefit

COMMENTS: Utility Easement. Proposed easement is needed for the installation of a new underground electric line and appurtenant equipment at Town Creek Indian Mound State Historic Site. This new line will provide a more secure connection at the site and will replace failing equipment damaged by Helene.

STATE PROPERTY MATTERS (Continued)
DISPOSITION BY EASEMENT (Continued)

ITEM 3

GRANTOR: State of North Carolina, North Carolina State University

GRANTEE: Metropolitan Sewerage District

LOCATION: 74 Research Drive, Mills River, Henderson County

EASEMENT AREA: Permanent Utility Easement: ±2,574 sq. ft. (±0.059 acre)
Temporary Construction Easement: ±17,030 sq. ft. (±0.39 acre)

CONSIDERATION: Benefit

COMMENTS: Sewer Easement. Proposed easement is needed for the construction, installation and maintenance of a new pump station and sewer force main, including all appurtenant equipment. This easement will also cover the replacement of undersized sanitary sewer lines and related equipment to support the Mountain Horticultural Crops Research Station. The temporary construction easement will terminate upon completion of the project.

SEVERANCE

ITEM 1

PROPOSED ACTION: Severance of timber

DEPARTMENT/AGENCY: State of North Carolina, Department of Agriculture and Consumer Services, Research Stations

LOCATION: Umstead Farm Unit, 2652 Old NC 75, Butner,
Granville County

AREA: ±84 acres

COMMENTS: Approval is requested to sever ±84 acres of timber that have reached biological and economic maturity. The timber will be clear-cut and reforested with productive pine plantations. Severance will be handled by a contractor.

STATE PROPERTY MATTERS (Continued)
SEVERANCE (Continued)

ITEM 2

PROPOSED ACTION: Severance by demolition

DEPARTMENT/AGENCY: State of North Carolina, Department of Agriculture and Consumer Services, Research Stations

LOCATION: 2415 W. Vernon Avenue, Kinston, Lenoir County

STRUCTURE: Jones Farm Building #38, built in 1957, containing 2,400 sq. ft., Complex #54-11, Asset #38

COMMENTS: This building has been declared unsafe due to its age and no longer serves a useful purpose. Demolition will be handled by a contractor.

ITEM 3

PROPOSED ACTION: Severance by demolition

DEPARTMENT/AGENCY: State of North Carolina, Department of Natural and Cultural Resources, Fort Fisher State Historic Site

LOCATION: 1610 Fort Fisher Blvd. South, Kure Beach, New Hanover County

STRUCTURES:

- 1) Maintenance Building, built in 1978, containing 960 sq. ft., Complex #65-4, Asset #2
- 2) Lumber Storage, built in 1978, containing 265 sq. ft., Complex #65-4, Asset #5
- 3) Storage Building, built in 1967, containing 526 sq. ft., Complex #65-4, Asset #6

COMMENTS: These buildings are in poor condition, present a health and safety hazard, and have been condemned by the Department of Insurance. Demolition will be handled by a contractor.

STATE PROPERTY MATTERS (Continued)
SEVERANCE (Continued)

ITEM 4

PROPOSED ACTION: Severance by demolition

DEPARTMENT/AGENCY: State of North Carolina, Department of Natural and Cultural Resources, Division of Parks and Recreation

LOCATION: 1280 Campground Road, Hanging Rock State Park, Westfield, Stokes County

STRUCTURES: 1) Upper Shower House, built in 1952, containing 779 sq. ft., Complex #85-3, Asset #20
2) Lower Shower House, built in 1966, containing 779 sq. ft., Complex #85-3, Asset #21
3) Pit Toilet Campground, built in 1985, containing 19 sq. ft., Complex #85-3, Asset #61

COMMENTS: These structures are in poor condition and are cost prohibitive to repair. Demolition will be handled by a contractor.

ITEM 5

PROPOSED ACTION: Severance by demolition

DEPARTMENT/AGENCY: State of North Carolina, Department of Natural and Cultural Resources, Division of Parks and Recreation

LOCATION: Cliff of the Neuse State Park, Park Entrance Road, Seven Springs, Wayne County

STRUCTURES: Overlook Restrooms & Storage, built in 1953, containing 1,659 sq. ft., Complex #96-8, Asset #16

COMMENTS: This structure is in poor condition and is cost-prohibitive to repair. Demolition will be handled by a contractor.

STATE PROPERTY MATTERS (Continued)
OTHER MATTERS

ITEM 1

Second Lease Amendment. On September 13, 2011, the Governor and Council of State approved a ten-year acquisition lease with two 5-year renewal options at 16-G Regent Park Boulevard, Asheville with Carl H. Ricker Jr. and Janis L. Ricker consisting of $\pm 4,489$ sq. ft. of office space on behalf of the NC Education Lottery. On September 1, 2015, the Governor and Council of State approved an $\pm 1,846$ sq. ft. expansion and first amendment to lease at the same rate per square foot as the existing lease.

The agency has determined that it needs an additional $\pm 1,920$ sq. ft. of adjacent space to support additional staff, bringing the total to $\pm 8,255$ sq. ft. at the same rate of \$31.80/sq. ft. With the approval of Council of State, the lease will be amended to reflect this expansion.

ITEM 2

Reversionary Interest. On January 6, 2026, the Governor and Council of State approved an acquisition by deed of gift for approximately 5.62 acres in Buncombe County from Southern Appalachian Highlands Conservancy on behalf of the Department of Natural and Cultural Resources, Parks and Recreation, for inclusion in Pisgah View State Park. In the previously approved agenda item, it was inadvertently omitted that the property is to be acquired subject to a reversionary interest held by the Grantor, which requires the property to be used for State Park purposes. Therefore, authorization is requested to proceed with the acquisition subject to the reversionary interest.

OTHER DISCUSSION

Governor allows time for each member to share updates from respective agency.