



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**



JOSH STEIN
GOVERNOR

KRISTIN WALKER
STATE BUDGET DIRECTOR

July 22, 2025

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 9:00 am on Tuesday, August 5, 2025. Although space is limited, members and guests are invited to attend in person at the Transportation Building, 1 South Wilmington Street, DOT Board Room (#150), Raleigh. Guests should sign-in at the Security Desk upon arrival to the main entrance accessible from Wilmington Street. For those who wish to participate virtually, a link will be provided closer to the meeting date.

Submissions to be considered for the August 5th Council of State agenda should be submitted by July 24, 2025. 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

August 5, 2025

Transportation Building
1 South Wilmington Street, Raleigh
DOT Board Room, Room 150

Webex public link for guests wishing to participate virtually - <https://bit.ly/AugCOS2025>

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B. Approval of July 8, 2025 Minutes	
C. Interest Matters/Bond Resolution	Brad Briner
1. STIF Rate and Report on Earnings	
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NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

INVESTMENT MANAGEMENT DIVISION

August 5, 2025

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 and Highway Funds for the periods indicated.

Short-Term Investment Fund (STIF)
Annualized Net Cash Return

Current Month (June)
4.48%

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>
July 2025 Credits	\$50,869,194	\$8,823,016
2025-26 Fiscal Y-T-D Credits	\$50,869,194	\$8,823,016
2024-25 Fiscal Y-T-D Credits	\$59,503,288	\$8,821,487

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

Please note that the Highway Fund was removed because the interest-bearing accounts have moved under the Highway Trust Fund but will add back if the Highway Fund begins to earn interest again and does not report zero.

State Property Fire Insurance Fund

Fund Condition August Council of State

(Cumulative Since June 1, 2025 as of June 30, 2025)

Beginning Balance	7/1/2024	14,144,519.06
Premium Received		43,995,491.00
Legislative Funding		0.00
Reinsurance Reimbursement		28,268,975.50
Interest Income		2,358,152.99
Realized Gain - Sale of Investments		0.00
Disaster Reimbursement		31,845.88
Total Revenue		74,654,465.37
Losses Paid (Fund)		13,479,381.38
Losses Paid (Reinsurer)		0.00
Return of Expenditure		
Reinsurance Premium Paid		27,845,402.50
Realized Loss - Sale of Investments		0.00
Administrative Expenses		2,717,919.76
Total Expenditures		44,042,703.64
Fund Balance	6/30/2025	44,756,280.79

PROPERTY INSURANCE LOSSES

June 2025

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

1. Department of Adult Corrections

Location of Loss: DPS Sampson #19
Cause of Loss: Fire
Coverage Type: Fire/Lightning
Date of Loss: 3/1/2022
Loss Number: 20220004-49004017
Amount of Loss: \$2,814,957.41

2. UNC-Chapel Hill

Location of Loss: Marsico Hall #556
Cause of Loss: Fire
Coverage Type: All Risk Special Form
Date of Loss: 3/15/2023
Loss Number: 20230015-60005002
Amount of Loss: \$3,947,501.15

3. UNC-Hospitals

Location of Loss: Neurology Clinic #29
Cause of Loss: Water
Coverage Type: All Risk Special Form
Date of Loss: 7/8/2024
Loss Number: 20250012-60005018
Amount of Loss: \$21,617.56

COUNCIL OF STATE
STATE PROPERTY INDEX

August 2025

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STATE PROPERTY MATTERS
ACQUISITION BY DEED

ITEM 1

GRANTOR: Madison County Board of Education

GRANTEE: State of North Carolina, Department of Agriculture and Consumer Services, NC Forest Service

LOCATION: 9350 US Highway 25/70, Marshall, Madison County

AREA: ±1.88 acres

UNIT COST: \$ 21,276.60/acre

CONSIDERATION: \$40,000

COMMENTS: New Ranger Office. Property proposed for acquisition will allow for the construction of a new Ranger's Office in Madison County. This property is a portion of a larger 15.76-acre parcel and meets the Forest Service's long-identified need for a suitable office location in the area. Funding for this acquisition is provided by the North Carolina Forest Service Fund. 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: The Conservation Fund

GRANTEE: State of North Carolina, Department of Agriculture and Consumer Services, NC Forest Service

LOCATION: East Fork Road, Brevard, Transylvania County

AREA: ±14.4 acres

CONSIDERATION: Gift

COMMENTS: State Forest Addition. Property proposed for acquisition will ensure the protection of high-quality mountain habitat and be managed as part of the Headwaters State Forest. The NC Forest Service will manage this site as a working stewardship forest. 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 DEED (Continued)

ITEM 3

GRANTOR: Land Water and Sand, LLC
Bret Frk, Manager

GRANTEE: State of North Carolina, Department of Natural and Cultural Resources,
Division of Parks and Recreation

LOCATION: Shumont Road, Broad River Township, Buncombe County

AREA: Three contiguous lots containing ± 6.11 acres

UNIT COST: $\pm \$25,368.25/\text{acre}$

CONSIDERATION: \$155,000

COMMENTS: State Park Addition. Property proposed for acquisition is for inclusion in Chimney Rock State Park. Acquisition of this property provides land for parking and a trail head at the park. Funding for this acquisition is provided by the Parks and Recreation Trust Fund. 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 4

GRANTOR: Walton Farm, LLC
Mary H. G. Walton, Administrative Member

GRANTEE: State of North Carolina, Department of Natural and Cultural Resources,
Division of Parks and Recreation

LOCATION: off Reedy Creek Road, Cary Township, Wake County

AREA: ± 7 acres

UNIT COST: $\pm \$257,142.86/\text{acre}$

CONSIDERATION: \$1,800,000

COMMENTS: State Park Addition. Property proposed for acquisition is for inclusion in William B. Umstead State Park. This property will be acquired subject to an agricultural life estate held by Mary Walton and Charles Walton which will allow for goat grazing in a manner consistent with maintaining the conservation values of the property. Funding for this acquisition is provided by the Parks and Recreation Trust Fund. 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 DEED (Continued)

ITEM 5

GRANTOR: 6421 Westgate Realty, LLC
Ehsan Khani, Managing Member

GRANTEE: State of North Carolina, Department of Natural and Cultural Resources,
Division of Parks and Recreation

LOCATION: 8241 Brownleigh Drive, House Creek Township, Raleigh, Wake County

AREA: ±6 acres

UNIT COST: ±\$541,666.67/acre

CONSIDERATION: \$3,250,000

COMMENTS: State Park Addition. Property proposed for acquisition is for inclusion in William B. Umstead State Park. Acquisition of this property protects natural resources, water quality, and adds a buffer near the Glenwood Avenue entrance. Funding for this acquisition is provided by the Parks and Recreation Trust Fund. 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 6

GRANTOR: Charles D. Lowe and wife, Linda Franks Lowe

GRANTEE: State of North Carolina, North Carolina A&T State University

LOCATION: 751 J F H Dairy Road, Greensboro, Guilford County

AREA: ±52 acres

UNIT COST: ±\$40,384.62/acre

CONSIDERATION: \$2,100,000

COMMENTS: Research Farm Addition. Property proposed for acquisition is for inclusion in NCA&T Farm at McConnell Road to expand its farm research portfolio and advance agricultural innovation. Funding for this acquisition is provided by Title III Education Grant Funds. 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 DEED (Continued)

ITEM 7

GRANTOR: Charles Lowe and spouse, Linda Lowe

GRANTEE: State of North Carolina, North Carolina A&T State University

LOCATION: 3321 Old McConnell Loop, Greensboro, Guilford County

AREA: ±17.47 acres

UNIT COST: ±\$60,103.03/acre

CONSIDERATION: \$1,050,000

COMMENTS: Research Farm Addition. Property proposed for acquisition is for inclusion in NCA&T Farm at McConnell Road to expand its farm research portfolio and advance agricultural innovation. Funding for this acquisition is provided by Title III Education Grant Funds. 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.

DISPOSITION BY DEED

ITEM 1

GRANTOR: State of North Carolina, Department of Adult Correction,
Division of Prisons

GRANTEE: Recidivism Reduction Educational Program Services, a non-profit
corporation
Kerwin E. Pittman, CEO

LOCATION: Wayne Correctional Center, 700 Stevens Mill Road, Goldsboro,
Wayne County

AREA: ±19 acres improved with ±80,827 sq. ft. of buildings

CONSIDERATION: \$275,000

COMMENTS: Surplus Property. Property proposed for disposition is no longer utilized and has been declared surplus by the agency. The property will be conveyed as-is, by non-warranty deed. This item was reported to the Joint Legislative Commission on Governmental Operations.

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

ITEM 2

GRANTOR: State of North Carolina, Department of Health and Human Services,
Mental Health Services

GRANTEE: Town of Black Mountain

LOCATION: Black Mountain Neuro-Medical Treatment Center, off N. Fork Road,
Black Mountain, Buncombe County

AREA: ±11 acres

CONSIDERATION: Gift

COMMENTS: Surplus Property. Property proposed for disposition is no longer utilized and has been declared surplus by the agency. The Town of Black Mountain is proposing to construct a multi-purpose emergency services station to improve response capabilities including training facilities supporting fire, law enforcement and emergency management. The property will be conveyed as-is by non-warranty deed, subject to a reversionary interest reserved by the State. This item was reported to the Joint Legislative Commission on Governmental Operations.

DISPOSITION BY EASEMENT

ITEM 1

GRANTOR: State of North Carolina, Fayetteville State University

GRANTEE: Fayetteville Public Works Commission

LOCATION: 632 Langdon Street, Fayetteville, Cumberland County

EASEMENT AREA: ±4,159 sq. ft. (±0.095 acre)

CONSIDERATION: Benefit

COMMENTS: Utility Easement. Proposed easement is needed to connect an 8" sewer line into the sewer main which is being rerouted to accommodate construction of a new parking garage on campus.

STATE PROPERTY MATTERS (Continued)
SEVERANCE

ITEM 1

PROPOSED ACTION: Severance by demolition

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

LOCATION: Tidewater Research Station, 207 Research Station Road,
Plymouth, Washington County

STRUCTURES: 1) Corn Storage Building G-13, built in 1971, Complex #94-3,
Asset #8000003
2) Grain Storage Facility G-18, built in 1984, Complex #94-3,
Asset #8000004

COMMENTS: These buildings are in poor condition and no longer serve a useful purpose.
Demolition will be handled by a contractor.

ITEM 2

PROPOSED ACTION: Severance by demolition

DEPARTMENT/AGENCY: State of North Carolina, Department of Agriculture and Consumer Services, Forest Service

LOCATION: 762 Claridge Road, Claridge Forest Center, Goldsboro,
Wayne County

STRUCTURE: Equipment Storage, built in 1953, containing 2,268 sq. ft.,
Complex #96-7, Asset #10

COMMENTS: This structure is in poor condition, beyond its useful life and is a safety hazard.
Demolition will be handled by a contractor.

STATE PROPERTY MATTERS (Continued)
SEVERANCE (Continued)

ITEM 3

PROPOSED ACTION: Severance by demolition

DEPARTMENT/AGENCY: State of North Carolina, Department of Transportation,
Division of Highways, Maintenance

LOCATION: 181 Westside Drive, DOT Maintenance Yard, Mocksville,
Davie County

STRUCTURES: 1) Asphalt Shed-3, built in 1940, containing 858 sq. ft.,
Complex #30-2, Asset #4
2) Maintenance Crew Leader Tool Shed, built in 1940, containing
248 sq. ft., Complex #30-2, Asset #5
3) Storage Shed-7, built in 1940, containing 2,511 sq. ft.,
Complex #30-2, Asset #8

COMMENTS: These structures are in poor condition and no longer serve a useful purpose.
Demolition will be handled by staff if available, otherwise it will be done through a contractor.

ITEM 4

PROPOSED ACTION: Severance by demolition

DEPARTMENT/AGENCY: State of North Carolina, Department of Transportation,
Division of Highways, Maintenance

LOCATION: 1245 Main Street, DOT Maintenance Yard, Swan Quarter,
Hyde County

STRUCTURES: Maintenance Salt Storage Bin, built in 1985, containing 400 sq. ft.,
Complex #48-4, Asset #7

COMMENTS: This structure is in poor condition, beyond its useful life and is not structurally
sound. Demolition will be handled by staff if available, otherwise it will be done through a
contractor.

STATE PROPERTY MATTERS (Continued)
OTHER MATTERS

ITEM 1

Assignment and Assumption of Lease. On September 10, 2019, the Governor and Council of State approved a 5-year acquisition lease with two 5-year renewal options for 5,866 sq. ft. of office space at 109 & 111 Jordan Plaza, Elizabeth City, Pasquotank County, on behalf of the Department of Commerce, Division of Workforce Solutions from Coastal Plains Development Group, LLC. Due to a change in business operations, the Division of Workforce Solutions desires to assign the lease to the Albemarle Commission, a council of government. Coastal Plains Development Group has agreed to the lease assignment. With the approval of the Council of State, the lease will be assigned to reflect this change.

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OTHER DISCUSSION

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