

**20 NCAC 03 .0206 APPROVAL OF REVENUE ANTICIPATION NOTES**

- (a) If a governmental unit wishes to apply for approval of revenue anticipation notes, the officials of the unit shall arrange a conference with the staff of the Commission. The Secretary may waive the requirement for a preliminary conference.
- (b) At the preliminary conference, the following matters may be discussed:
- (1) the need for the proposed notes,
  - (2) the feasibility of selling the proposed notes,
  - (3) the adequacy of the unit's accounting system and internal control,
  - (4) any other matters relating to the unit or the proposed notes,
  - (5) the procedures for application for approval of the proposed notes.
- (c) The Secretary shall establish procedures for the application with due regard to the requirements of the law, of bond counsel and of the matters discussed in the preliminary conference.
- (d) The Commission may consider the following factors:
- (1) the necessity and expediency for issuance of the notes,
  - (2) the purpose for which the proceeds of the notes will be used,
  - (3) the reasonableness and adequacy of the budget,
  - (4) the ability of the unit to appropriate funds to pay for costs and interest due on the proposed notes,
  - (5) the availability of alternative internal sources of funds,
  - (6) the adequacy of the unit's accounting system and internal control,
  - (7) any other information the Commission considers applicable in the circumstances.

*History Note: Authority G.S. 159-3(f);  
Eff. February 1, 1976;  
Readopted Eff. September 23, 1977;  
Amended Eff. April 1, 1985;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. January 9, 2018.*