

City Council – Action Request Form

Date: September 9, 2025

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Kelly Latham, Chief Financial Officer
Ben Rowe, Assistant City Manager

Council Action Requested:

Resolution of the City of Winston-Salem, North Carolina, directing the application to the Local Government Commission for Approval of the City's Water and Sewer System Revenue bonds, Series 2025; Requesting Local Government Commission Approval of the 2025 Bonds; Declaring the Intent of the City to Reimburse Itself for Capital Expenditures from Proceeds Thereof; And Certain Related Matters.

Strategic Focus Area: Good Government

Strategic Plan Objective: GG4: Maintaining and updating infrastructure and facilities

Summary of Information:

There are a variety of large projects and needs for the Water and Sewer Utility. In order to provide financing for these projects through Revenue Bonds, Council's approval is requested for the initial resolution, which would allow staff to move forward with the financing.

Revenue Bonds are a type of publicly issued debt that is secured by revenues generated by user fees to pay the debt service. Revenue Bonds do not require voter approval and are not backed by the full taxing power of the City. Revenue Bonds must also be approved by the State of NC's Local Government Commission (LGC).

The LGC is composed of nine members: the State Treasurer, the Secretary of State, the State Auditor, the Secretary of Revenue, and five others by appointment. The State Treasurer serves as Chair. The LGC examines whether the amount being borrowed is adequate and reasonable for the projects and an amount the unit can reasonably afford to repay.

Committee Action:

Committee	FC 09/09/2025	Action	Approval
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For	Unanimous	Against	
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Remarks:

Council's approval will allow City staff to begin the process required to issue Revenue Bonds in an amount not to exceed \$70,000,000. The resolution makes specific findings about the projects and the financing that is required by the LGC and directs City staff to submit the application to the LGC and work with bond counsel, financial advisors, and underwriters to complete the transaction. City Council will be asked to adopt the bond order on October 6, 2025, which officially authorizes the transaction.

The timetable and required steps to issue the debt are shown below:

September 9	Finance Committee recommends initial resolution approval
September 15	City Council adopts initial resolution
September 20	Finance sends a notice of proposed debt issuance to the Joint Legislative Committee on Local Government
October 6	City Council adopts the bond order
October 7	Finance submits application for debt to the LGC
October 27	City receives credit ratings from Moody's and Standard and Poor's
November 4	LGC considers the City's request to issue debt at their monthly meeting
November 10	Official Statement is available
November 18	Bonds are sold
December 3	Closing date; funds are received by the City