

**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**

**WHEREAS**, the City Council (the “*City Council*”) of the City Winston-Salem, North Carolina (the “*City*”) hereby determines that it is necessary to improve its water and sewer systems (collectively, the “*System*”); and

**WHEREAS**, the City Council is considering the issuance of not to exceed \$70,000,000 City of Winston-Salem, North Carolina Water and Sewer System Revenue Bonds, Series 2025 (the “*2025 Bonds*”), to (1) finance the costs of extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment for, the City’s water and sewer systems (collectively, the “*2025 Projects*”), and (2) pay the costs of issuing the 2025 Bonds; and

**WHEREAS**, the City Council wishes to retain (1) Parker Poe Adams & Bernstein LLP, as bond counsel (“*Bond Counsel*”); (2) First Tryon Advisors LLC, as financial advisor (“*Financial Advisor*”); (3) The Bank of New York Mellon Trust Company, N.A., as trustee for the 2025 Bonds; and (4) Raftelis Financial Consultants, Inc., as feasibility consultant (collectively, the “*Financing Team*”); and

**WHEREAS**, the City Council desires that the Chief Financial Officer of the City file with the Local Government Commission of North Carolina (the “*Commission*”) an application for its approval of the 2025 Bonds on a form prescribed by the Commission, and (1) request in such application that the Commission approve (A) the competitive sale by the Commission of the 2025 Bonds and (B) the City’s use of the Financing Team, and (2) state in such application such facts and to attach thereto such exhibits in regard to the 2025 Bonds and to the City and its financial condition as the Commission may require, and to take all other action necessary for the issuance of the 2025 Bonds; and

**WHEREAS**, the City will incur and pay certain expenditures (the “*Original Expenditures*”) in connection with the 2025 Projects prior to the date of issuance of the 2025 Bonds, such Original Expenditures to be paid for originally from a source other than the proceeds of the 2025 Bonds, and the City intends, and reasonably expects, to be reimbursed for such Original Expenditures from a portion of the proceeds of the 2025 Bonds.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and the City Council of Winston-Salem, North Carolina, as follows:

- Section 1.** The City is authorized to issue the 2025 Bonds to finance the 2025 Projects and pay the costs of issuing the 2025 Bonds.
- Section 2.** The use of the Financing Team in connection with the issuance of the 2025 Bonds is approved. In addition, to the extent necessary, the Chief Financial Officer is authorized to engage any other third parties that may be necessary to execute the transactions contemplated by this Resolution.
- Section 3.** The Chief Financial Officer, with advice from Bond Counsel and the Financial Advisor, is authorized, directed and designated to file an application with the Commission for its approval of the issuance of the 2025 Bonds.

**Section 4.** The City Council finds and determines and asks the Commission to find and determine from the City's application and supporting documentation as follows:

- (a) the issuance of the 2025 Bonds is necessary or expedient;
- (b) the maximum stated principal amount of the 2025 Bonds will be adequate but is not excessive, when added to other money available for such purpose, to finance the 2025 Projects;
- (c) the proposed 2025 Projects are feasible;
- (d) the City's debt management procedure and policies are good; and
- (e) the 2025 Bonds can be marketed at a reasonable interest cost to the City.

**Section 5.** The City Council requests that the Commission sell the 2025 Bonds through competitive sale to the bidder whose bid results in the lowest interest cost to the City, determined on the basis of the true interest cost method.

**Section 6.** The City Manager, the City Attorney, the Chief Financial Officer, and the City Clerk, and their respective designees, are authorized to do any and all other things necessary to complete the steps necessary for the issuance of the 2025 Bonds.

**Section 7.** The City presently intends, and reasonably expects, to reimburse itself for Original Expenditures in an amount not to exceed \$70,000,000 on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the 2025 Bonds. The City adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the City's intent to reimburse itself for the Original Expenditures from proceeds of the 2025 Bonds. The Chief Financial Officer, with advice from Bond Counsel, is authorized, directed and designated to act on behalf of the City in determining and itemizing all of the Original Expenditures incurred and paid by the City in connection with the 2025 Projects during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of issuance of the 2025 Bonds.

**Section 8.** This Resolution is effective on the date of its adoption.