

## City Council – Action Request Form

**Date:** November 8, 2021

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

**From:** Lisa M. Saunders, Chief Financial Officer

**Council Action Requested:**

Resolution of the City of Winston-Salem, North Carolina Approving an Amendment to an Installment Purchase Contract with the North Carolina Municipal Leasing Corporation to Finance and Refinance Certain Facilities and Capital Assets and Related Matters

**Strategic Focus Area:** Service Excellence

**Strategic Objective:** Maintain City's Financial Strength

**Strategic Plan Action Item:** No

**Key Work Item:** Yes



**Summary of Information:**

The attached resolution authorizes an amendment, *Fifth Contract Amendment* (collectively with the 1996 Contract, the First Contract Amendment, the Second Contract Amendment, the Third and the Fourth Contract Amendment) to an installment purchase contract with the North Carolina Municipal Leasing Corporation, pursuant to which the Corporation will execute and deliver one or more series of limited obligation bonds in an amount not to exceed \$60,000,000.

The proceeds of the limited obligation bonds will finance City Council approved projects, in the amount of \$18,250,000, listed in Exhibit A. If market conditions are favorable, the resolution authorizes the City to refinance certain prior financing obligations of the City.

The City has previously provided a security interest in the Benton Convention Center and the Bryce A. Stuart Building through a Deed of Trust which will secure the City's obligation under the Fifth Contract Amendment as well. The City will not encumber any additional property in connection with this borrowing.

**Committee Action:**

<b>Committee</b>	<u>Finance 11/8/2021</u>	<b>Action</b>	<u>Approval</u>
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<b>For</b>	<u>Unanimous</u>	<b>Against</b>	<u></u>
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**Remarks:**

The financing team for the issuance includes Parker Poe Adams & Bernstein LLP, as special counsel, Wye River Group, Incorporated as financial advisor; and Robert W. Baird & Company as underwriter. A preliminary sale date has been set for January 27, 2022.

The attached resolution authorizes the following:

1. The City Manager and the Chief Financial Officer to proceed and negotiate on behalf of the City for the refinancing of the certain prior City obligations and the financing of new money projects for a principal amount not to exceed \$60,000,000 under the Fifth Contract Amendment to be entered into in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina.
2. The Chief Financial Officer to file with the Local Government Commission (LGC) an application for its approval of the Fifth Contract Amendment and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the City and its financial condition as may be required by the LGC.
3. The City Manager and the Chief Financial Officer to retain the assistance of Parker Poe Adams & Bernstein LLP, as special counsel; to retain Wye River Group, Incorporated, as financial advisor; and retain Robert W. Baird & Company, as underwriter.

We recommend approval of this resolution.