



City of Winston-Salem City Council
Council Agenda Item Summary

Title	Consideration of Actions Regarding the Issuance of \$10,440,000 Two-Thirds General Obligation Bonds (Series 2026 A and B), as well as the issuance of General Obligation Refunding Bonds in the amount of \$37,800,000 (Series 2026 C).
City Council Committee	Committee of the Whole
Meeting Date	March 9, 2026
Staff Lead (Presenter)	Kelly Latham, Chief Financial Officer
Department Head	Kelly Latham, Chief Financial Officer
City Manager/ACM	Ben Rowe, ACM

Agenda Item Summary

Recommended Council Action Resolution Approval
Suggested Action/ Motion I move to Approve the resolution making statements
Options of fact for the 2026A and 2026 B bond issuances.

Following the adoption of the findings of fact, I ask the City Clerk to introduce the title of each bond order into the record.

I move to approve the resolution calling for a public hearing on the bond orders, directing publication of the notice, and filing of a statement of debt and statement of disclosure.

Strategic Focus Area Good Government
Strategic Plan Objective GG2: Strengthening the Organization's Financial Practices and Position
Anticipated Fiscal Impact Fiscal Impact Anticipated: See Analysis in Summary

Summary of Information

City Council periodically appropriates funds for various capital projects as part of the City's capital improvement plan. City staff monitors the spending on the projects approved by City Council to determine the best time to issue debt to fund the projects. The Local Government Commission requires that 70% of projects have bids in hand at the time of the issuance of debt. The bid and spending progress on all budgeted debt funded projects are considered in determining the appropriate projects for a given debt issuance.

In FY 2024, City Council approved to issue two-thirds general obligation bonds for various projects. Staff is proposing the issuance of two-thirds bonds. The projects to be financed by the bonds in the amount of \$10,440,000 are included in Exhibit A.

In addition to issuing two-thirds bonds, staff recommends refinancing various GO Bonds to generate additional savings for the City (depending upon market rates on the date of the bond sale). The 2016A and 2016B bonds can be refinanced at this time, and the 2012A and 2014 GO Bonds are potentially feasible as well. Staff is asking for authorization to refinance these bonds, should market conditions be favorable. If market rates will not provide the expected savings, city staff can choose to forego the refunding.

The following items will start the legal process for the issuance of \$10,440,000 in two-thirds general obligation bonds, as well as refinancing previously issued GO bonds in the not-to-exceed amount of \$37,800,000.

Two-thirds bonds may be issued pursuant to Article V, Section 4 of the Constitution of the State that allow issuance of two-thirds of the net debt reduction in the preceding fiscal year.

The two-thirds bonds and refunding bonds are scheduled to be sold by the Local Government Commission through a competitive bid process on June 2, 2026, and will close on June 23, 2026, and June 24, 2026, respectively.

The following individual actions are needed at this time:

- A. Resolution of the City Council of the City of Winston-Salem, North Carolina, Making Certain Statements of Fact Concerning the Proposed Bond Issue.
- B. Introduction of bond orders by reading the following titles into the record: (no action requested).

Bond Order Authorizing the Issuance of \$6,612,190 Street and Sidewalk Bonds of the City of Winston-Salem, North Carolina; and

Bond Order Authorizing the Issuance of \$449,345 Parks and Recreation Bonds of the City of Winston-Salem, North Carolina.

Bond Order Authorizing the Issuance of \$247,865 Public Safety Bonds of the City of Winston-Salem, North Carolina.

Bond Order Authorizing the Issuance of \$1,130,600 Public Facilities Improvements Bonds of the City of Winston-Salem, North Carolina.

Bond Order Authorizing the Issuance of \$2,000,000 Housing Bonds of the City of Winston-Salem, North Carolina.

Bond Order Authorizing the Issuance of \$37,800,000 Refunding Bonds of the City of Winston-Salem, North Carolina.

- C. Resolution of the City Council of the City of Winston-Salem, North Carolina, Calling a Public Hearing on the Bond Orders, Directing Publication of Notices of Public Hearings, and Filing of a Debt Statement and Statement of Disclosure. Public Hearings: April 6, 2026.

At the April 6, 2026, City Council Meeting, the following legal actions will be needed in the below order to proceed with issuance:

- Conduct separate public hearings for each of the six bond orders
- Individually adopt each bond order after each individual public hearing
- Adopt a resolution to issue the bonds in the not to exceed amount of \$10,440,000 (Series 2026 A and B)
 - This resolution will also authorize the issuance of refunding bonds in an amount not to exceed \$37,800,000 (Series 2026C)

Analysis of Fiscal Impact

As part of the City's debt management strategy, the city limits borrowing funds in advance of need and will seek to ensure that funds are spent within 3 years of the debt issuance. In addition, the city will seek to balance the utilization of cash with the issuance of debt. These measures will strengthen our financial position and will be viewed favorably with the bond rating agencies.

The estimated interest cost for the two-thirds bonds is approximately \$4.8 million over the next 20 years.

The estimated savings on the refinancing is approximately \$1.6 million over the next 10 years, which is a net present value savings of 4%. The City's financial policies state that the net present value savings on a refunding issue must be 3% or greater.

Attachments

Resolution making statements of fact

Resolution calling for a public hearing and authorizing statements of debt and disclosure

Exhibit A - 2026 A and 2026 B Two-Thirds Projects

Exhibit B - Bond Orders

Committee Action	COW 3/9/2026
For: Unanimous	Against:
Remarks: Approved Unanimously	