

City Council – Action Request Form

Date: May 4, 2020

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

From: Lisa M. Saunders, Chief Financial Officer

Council Action Requested:

Actions Regarding the Issuance of \$6,840,000 Two-Thirds General Obligation Bonds, Series 2020A, \$49,205,000 General Obligation Bonds, Series 2020B, \$16,300,000 Taxable General Obligation Bonds, Series 2020C, \$22,500,000 General Obligation Refunding Bonds, Series 2020D and \$8,000,000 Taxable General Obligation Refunding Bonds, Series 2020E

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 following items complete the process for the City to issue \$6,840,000 Two-Thirds General Obligation Bonds, Series 2020A (the “2020A Bonds”), \$65,505,000 General Obligation Bonds, Series 2020B Tax-Exempt (the “2020B Bonds”) and 2020C Taxable (the “2020C Bonds”), \$30,500,000 General Obligation Refunding Bonds, Series 2020D Tax Exempt (the “2020D Bonds”) and Series 2020E Taxable (the “2020E Bonds”).

The first action required is a public hearing to consider the bond orders introduced at the April 20, 2020 City Council meeting that relate to the 2020A Bonds, the 2020D Bonds and the 2020E Bonds. The City conducted public hearings on the bond orders related to the 2020B Bonds and the 2020C Bonds in connection with the 2014 and 2018 referendums approved by the voters. Approval of the new bond orders and the accompanying bond resolution will enable the City, subject to additional approval by the Local Government Commission, to issue the bonds.

The 2020A Bonds, the 2020B Bonds, and the 2020C Bonds are scheduled to be sold by the Local Government Commission on June 9, 2020, through a competitive bid process. The 2020D Bonds and the 2020E Bonds will be sold by Robert W Baird and Company on June, 18, 2020.

Committee Action:

Committee _____

Action _____

For _____

Against _____

Remarks:

City Council Actions Requested:

- a. Public hearing on the following bond orders (public hearing should be opened and closed by action of the City Council):
 1. Bond Order Authorizing the Issuance of \$30,500,000 General Obligation Refunding Bonds of the City of Winston-Salem, North Carolina (the “*Refunding Bond Order*”); and
 2. Bond Order Authorizing the Issuance of \$1,840,000 Park and Recreation Bonds of the City of Winston-Salem, North Carolina (the “*2/3rds Parks and Recreation Bond Order*”); and
 3. Bond Order Authorizing the Issuance of \$5,000,000 Street and Sidewalk Bonds of the City of Winston-Salem, North Carolina (the “*2/3rds Street and Sidewalk Bond Order*”).
- b. Consideration of bond orders:
 1. The Refunding Bond Order;
 2. The 2/3rds Parks and Recreation Bond Order; and
 3. The 2/3rds Street and Sidewalk Bond Order.
- c. Consideration of the resolution:
 1. Resolution of the City Council of the City of Winston-Salem, North Carolina, providing for the Issuance of the 2020A Bonds, the 2020B Bonds, the 2020C Bonds, the 2020D Bonds and the 2020E Bonds of the City of Winston-Salem, North Carolina.

The resolution authorizes the issuance of the 2020A Bonds - a series of two-thirds bonds; the 2020B Bonds and 2020C Bonds - the final issuance of bonds authorized by voters in the 2014 General Obligation Bond referendum and the first issuance of the 2018 General Obligation Bond referendum; and the 2020D Bonds and the 2020E Bonds - bonds refunding certain prior general obligation bonds of the City for savings. At current market rates, the refunding bonds are estimated to provide a net savings in interest cost over the life of the bonds of \$2.5 million.

A list of the projects and descriptions that will be funded by the Series 2020A Two-Thirds General Obligation Bonds is attached as Exhibit A. Attached as Exhibit B is the list of projects from the 2014 and 2018 Bond Referendums that will be funded with Series 2020B & 2020C General Obligation Bonds.

We recommend approval of each of the bond orders and the accompanying bond resolution.