

## City Council – Action Request Form

**Date:** June 13, 2023

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

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

**Council Action Requested:**

Resolution of the City of Winston-Salem, North Carolina, Approving an Installment Purchase Contract 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 City of Winston-Salem, North Carolina, established a financing (leasing) program for certain real and personal property in 1984. The installment financing program provides low-cost financing for the acquisition of needed equipment for all operations of the city such as police cars, fire trucks, heavy operating equipment, and computer equipment. This resolution approves a new installment financing in the amount of \$25,000,000, which should be sufficient to meet the City’s personal property needs for the next 18 months.

The accompanying resolution authorizes the execution of an installment purchase contract in the amount not to exceed \$25,000,000 with Bank of America (Banc of America Public Capital Corp.) to finance budgeted equipment for the remainder of fiscal year 2023 as well as equipment to be approved with the fiscal year 2024 budget.

The financing will be structured as a tax-exempt fixed rate installment purchase for a 59-month term. The city has received a commitment letter from Bank of America with an interest rate of 3.3207%.

**Committee Action:**

<b>Committee</b>	<u>FC June 13, 2023</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:**

First Tryon Financial Advisors solicited a Request for Proposal, and the following bank responses were received:

<b>Bank</b>		<b>Rate</b>	<b>Fees</b>
Bank of America	Fixed Rate	3.3207%	
Capital One Public Funding	Indicative Rate	4.04%	
First Horizon	Indicative Rate	3.89%	\$12,500
JP Morgan Chase	Indicative Rate	3.61%	\$17,500
Pinnacle Financial Partners	Fixed Rate	3.69%	\$ 8,500
TD Bank	Fixed Rate	3.47%	
Truist Bank	Fixed Rate	3.62%	\$15,000
Webster Bank	Fixed Rate	3.73%	
Wells Fargo	Indicative Rate	3.28%	\$17,500

Exhibit A includes a list of vendors solicited, and the demographics for Bank of America.

The resolution approves all acts and doings of the Mayor, the City Manager, the Chief Financial Officer, City Attorney, and City Clerk that are in conformity with the purposes and intents of the resolution for the execution, delivery, and performance of any agreements, and/or other documents necessary to carry out the installment purchase contract.

Staff recommends approval of the resolution.