

City Council – Action Request Form

Date: June 4, 2018

To: The City Manager

From: Lisa M. Saunders, Chief Financial Officer

Council Action Requested:

Resolution of the City Council 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 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: No



Summary of Information:

Due to current low interest rates, the City has an opportunity to refinance the Series 2006 A and Series 2006 D Certificates of Participation (COPS) and issue \$2 million in new funding for previously approved Winston-Salem Fairgrounds Improvements. Major improvements at the Winston-Salem Fairgrounds include renovations to the Education Building, Annex Building, and grounds, of which \$1.3 million has been spent to date. City Council approved directing application be made to the Local Government Commission and negotiation with Bank of America, N.A. on May 21, 2018.

The attached resolution authorizes the execution of an Amendment to an Installment Purchase Contract and the execution and delivery of a limited obligation bonds pursuant to a supplement to an Indenture of Trust to be purchased by Bank of America, N.A., the proceeds of which will refinance the COPS and provide new funds of \$2 million for a total of not to exceed \$15.5 million at an interest rate of 3.07% for the remainder of the thirteen year term. The refinance will save approximately \$1.1 million in future interest cost.

I recommend approval of the accompanying resolution.

Committee Action:

Committee _____

Action _____

For _____

Against _____

Remarks: