



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2024-836

Agenda Item# I.4.

Agenda Date: 12/17/2024. **Department:** Financial & Administrative Services
Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2024 – 836 Order Authorizing the Issuance of \$6,300,000 in General Obligation Refunding Bonds

Council Priority: Place an ‘x’ in the box.

- | | |
|----------------------------------------------------------|------------------------------------------------------------------------|
| <input type="checkbox"/> Safest City | <input type="checkbox"/> Most Skilled Workforce |
| <input type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input type="checkbox"/> Other/Admin <u>Issuance of Refunding Debt</u> |

Council District: All

Public Hearing: No

Advertising Date/By: N/A

Contact 1 and Phone: Marlene Druga, Ext. 2094

Contact 2 and Phone: Sam Johnson, Ext. 2893

PURPOSE:

To adopt a bond order authorizing \$6,300,000 General Obligation Refunding Bonds for interest savings.

BACKGROUND:

There is an opportunity for the City to realize interest savings related to certain Series 2014 bonds previously issued by the City. The issuance of these Refunding Bonds would take place in February, 2025, along with the planned issuance of approximately \$52 million in General Obligation Debt for additional 2022 referendum projects, if Council authorizes that transaction at its January 21, 2025 meeting.

The City’s required sworn statement of debt and statement of disclosures are included for your reference at the following links:

Sworn Statement of Debt <https://www.greensboro-nc.gov/home/showdocument?id=61054>

Statement of Disclosures <https://www.greensboro-nc.gov/home/showdocument?id=61052>

BUDGET IMPACT:

By issuing \$6,300,000 in General Obligation Refunding Bonds, the City can take advantage of the current favorable interest rate market to save approximately \$527,000 in interest costs over the next 10 years at estimated 7.27% net present value savings. The current estimated interest rate for the refunding bonds is 3.33%.

ACCOUNT NUMBER:

Debt Service Fund 301 accounts

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council approve the attached bond order resolution authorizing the City to issue \$6,300,000 in General Obligation Refunding Bonds to refinance certain Series 2014 bonds.