



City of Greensboro

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

Agenda Report

File Number: 2025-173

Agenda Item# I.6.

Agenda Date: 3/4/2025. **Department:** Financial & Administrative Services

Meeting Type: Council Meeting **Category:** General Business Agenda

Title: 2025–173 Ordinance in the Amount of \$6,176,467 Amending the Debt Service Fund for Debt Refinancing

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 checked="" type="checkbox"/> Other/Admin <u>Fiscal Stewardship</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 appropriate funds to account for up to \$6,300,000 General Obligation (GO) Refunding Bonds, Series 2025B that refunded certain outstanding GO bonds issued in 2014 to achieve lower interest rates over the next nine (9) year period.

BACKGROUND:

On December 17, 2024 City Council approved a bond order in an amount up to \$6,300,000 to refinance Series 2014 General Obligation Bonds. The bonds were sold on February 4, 2025 at an interest rate of 2.97% and will realize average annual interest savings of \$63,435 over the next nine (9) years. The bond proceeds and related premiums will be delivered to the Depository Trust Company for payment to bondholders on February 26, 2025. Issuance of the GO Refunding bonds requires City Council approval of the attached ordinance to properly account for these transactions and to record payment to the agent for redemption of the outstanding bonds.

BUDGET IMPACT:

The projected reduction in interest rates should result in \$570,917 in debt service savings in the Debt Service Fund over the next nine (9) years, or average \$63,435 per year.

Vision Statement: “A Community with Endless Economic Opportunities and Exceptional Quality of Life.”

ACCOUNT NUMBER:

301-10-1031005.5899

301-10-1031005.5831

301-10-1031005.9004

301-10-1031005.9001

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council adopts the attached budget ordinance amending the FY 2024-2025 Debt Service Fund budget by \$6,176,467 to account for the General Obligation Refunding Bond Series 2025B bond issuance.