

CITY OF TRUSSVILLE

CITY COUNCIL

SPECIAL MEETING

AUGUST 19, 2020

The City Council of the City of Trussville met in a special session on Wednesday, August 19, 2020 at 12:00 noon at Trussville City Hall. Council President Steele presided over the meeting and Lynn Porter, City Clerk, served as recording secretary.

Those members present were as follows:

Council President Zack Steele  
Councilman Perry Cook  
Councilman Brian Plant  
Councilman Alan Taylor

Absent: Councilman Jef Freeman

Others present in Official Capacity: Mayor Buddy Choat  
City Attorney Michael Brymer  
Financial Consultant Chris Williams  
Bond Attorney Rod Kanter  
Underwriter Ken Funderburk

Council President Steele called the meeting to order and stated this special meeting is called to approve refunding a portion of the 2016 warrants for a more attractive interest rate.

Councilman Taylor moved for unanimous consent to suspend the rules of procedure to allow for the immediate consideration of an ordinance to refund a portion of the City's 2016 warrants, seconded by Councilman Plant, and upon a roll call vote, the results were as follows:

Yeas: Councilmen Steele, Cook, Plant, and Taylor

Nays: None

Councilman Taylor moved Ordinance 2020-030-ADM refunding \$32.8 million of Series 2016A school warrants and \$49.7 million of Series 2016B city warrants for a \$9.15 million savings, seconded by Councilman Plant.

Mayor Choat stated this is an outstanding day for the City of Trussville. He introduced Financial Advisor Chris Williams, Bond Attorney Rod Kanter, and Bond Underwriter Ken Funderburk of Steifel.

Chris Williams, Rice Advisory, was recognized and stated in 2019 interest rates were low and we started looking at refunding some of the existing debt. He stated we looked at certain parameters we wanted to hit. By January 2020, we started to get ready. In February there was a \$4 million savings (8%). By the end of February the savings was \$6.5 million, but then COVID-19 hit and the market froze. Tax exempt issues began to come back in May and June, and we felt the taxable bond market would follow. This action will refund portions of the Series 2016 A, B, C, and D warrants into the Series 2020 A & B warrants.

Ken Funderburk stated the former benchmark was 3% savings. The norm now is 5%. This 14+% is off the charts and unexpected. Patience was involved. The Mayor is a steady voice and listened to advise, and it turned out exceptionally.

Rod Kanter, of Bradley Arant, stated today the City Council is authorizing the call and refunding of part of the 2016 warrants. He stated it is rare and difficult to get a governing body to understand.

Ken Funderburk, Steifel, stated we can't sell warrants unless the city is run well and managed well. This is a reflection of a well-run city, and the results are hard to beat. He stated he was fortunate to work on the downtown redevelopment project, and it appears to be a success with continual lifestyle impact. He stated City Attorney Rick Stotser worked well with them,

Councilman Cook verified that there is no extension on the final maturity, and was told this is correct.

Councilman Plant thanked the players stating he appreciated their hard work. He stated we are thrilled.

Councilman Taylor stated, on the subject of patience, that once we got to the 5% to 5.5% mark we started getting ready. We were told to hang in and ride a little longer. We have a great team, and good leadership from the Mayor.

Mayor Choat stated Finance Director Mike Hinson and City Clerk Lynn Porter deserve credit also.

Council President Zack Steele stated this is a big win for the city.

Upon a roll call vote, the results were as follows:

Yeas: Councilmen Steele, Cook, Plant, and Taylor

Nays: None

No other business coming before the Council, a motion was made to adjourn.

Respectfully submitted,

Lynn B. Porter  
City Clerk