



**GATE CITY COUNCIL SPECIAL CALLED MEETING AGENDA
SELECTION OF FINANCIAL INSTITUTION
JULY 22, 2013
156 E. JACKSON ST.
6:00 P.M.**

SELECTION OF FINANCIAL INSTITUTION

I. Mayor, Frances Perry, called the Special Called Meeting to order at 6:01 P.M.

II. ROLL CALL Town Clerk, Kathy Riley

Present : Mayor, Frances Perry
Vice Mayor, Allan "Cotton" Roberts
Council Member, Robin Richards
Council Member, Wallace W. Ross, Jr.
Council Member, Walter Salyers
Absent: Council Member, Roger Cassell

Others present: Town Treasurer, Chris Edwards

III. NEW BUSINESS

• **Selection of Financial Institution**

Town Treasurer, C. Edwards – Discussed Council's election for the Town to go out for bids for refinancing of the Town Hall building, receipt of two bids and provided the breakdown of each bid.

- BB&T – 2.59% for ten years with fees of \$1750.00.
- New Peoples Bank – Provided two bidss:
 - A) 3.99% for five years with an ARM to adjust after five years amortized up to term no greater than 240 months with processing fee of \$200.00
 - B) 4.49% for ten years with a balloon payment balance for a term no greater than 240 months

Town Treasurer, C. Edwards answered the following questions from Council:

- Amount to finance is approximately \$117,000, adding either the \$1750.00 or \$200.00 or pay the \$1750.00 or \$200.00 and just finance what is still owed.
- \$1750.00 would come out of the General Fund with funds available to pay it.
- BB&T provided a projection of quarterly payment breakdown of principal and interest
- The balloon payment of approximately \$117,000 is due in August.

- Going with the five year plan would strap Town with higher payment, with option to make additional payments and no prepay penalties.

Vice Mayor, A. Roberts – Stated BB&T is the best deal.

Council Members discussed possibly not financing the fees, with W. Salyers stating either or and A. Roberts stating it would not be that much more if it was based on \$117,000.

Town Treasurer, C. Edwards – Stated it was based on \$120,000, with just doing about \$117,000 plus fees if added in.

Motion made to go with BB&T proposal for the refinancing of Town Hall.

Motion by: Vice Mayor, A. Roberts 2nd by: Council Member, W. Salyers

VOTE: Yeas,	4
Nays,	0
Absent,	1-R. Cassell
Abstain,	0

IV. Special Called Meeting closes at 6:07 P.M.

Mayor Frances Perry

Town Clerk, Kathy Riley