

Request Details:

From: Hospital Authority of Columbus Georgia (the "Hospital Authority")
 To: Columbus Consolidated Government (the "City")
 Subject: Potential Refinancing Opportunity

To whom it may concern:

The Hospital Authority of Columbus, Georgia, in conjunction with our and the City's Financial Advisors Davenport & Company LLC, continuously monitors our debt portfolio for potential refinancing opportunities to lower debt service costs. We have preliminarily identified the Series 2013 issuance as a potential refinancing candidate.

In 2013, the Hospital Authority issued \$31.445 million of Revenue Anticipation Certificates which were secured through an intergovernmental agreement in which the City provided its backing. The 2013 Certificates when originally issued, had the industry standard 10-year call (prepayment) feature which is now quickly approaching (July 1, 2023) so we are looking to potentially take advantage of lower interest rates. The bonds we are contemplating refinancing are outlined below.

Series 2013 Certificates				
Maturity Date	Principal	Coupon	Interest	Total
7/1/2022	\$1,340,000	5.00%	\$1,027,450	\$2,367,450
7/1/2023	1,410,000	5.00%	960,450	2,370,450
7/1/2024	1,480,000	5.00%	889,950	2,369,950
7/1/2025	1,560,000	5.00%	815,950	2,375,950
7/1/2026	1,635,000	5.00%	737,950	2,372,950
7/1/2027	1,720,000	5.00%	656,200	2,376,200
7/1/2028	1,810,000	5.00%	570,200	2,380,200
7/1/2029	1,900,000	5.00%	479,700	2,379,700
7/1/2030	2,000,000	5.00%	384,700	2,384,700
7/1/2031	2,085,000	3.25%	284,700	2,369,700
7/1/2032	2,155,000	3.25%	216,938	2,371,938
7/1/2033	2,225,000	3.25%	146,900	2,371,900
7/1/2034	2,295,000	3.25%	74,588	2,369,588
Total	\$23,615,000		\$7,245,675	\$30,860,675

We are at a minimum, seeking to refinance the outstanding 5.00% coupons but will refinance the 3.25% coupons as well if it makes financial sense.

We discussed the potential opportunity at our March 28th Board Meeting and directed Staff and our professional team to begin the process. The recommendation is to explore the potential refinancing via a Public Market Issuance. The refinancing will only be pursued further if the market conditions make financial sense and meet the City's debt policy with regards to minimum savings levels or as determined by Staff.

As you are well aware, the market has been extremely volatile recently. At the moment, the potential refinancing is producing savings in excess of the City's debt policy. We are working swiftly and under the presumption rates will remain favorable. However, that can change at a moment's notice. Regardless, by beginning this process, the Hospital Authority desires to be "shelf ready" to take advantage of interest rates if and when the opportunity presents itself.

Therefore, we are requesting that City Council consider the intent resolution at the April 11th Council Meeting. This intent resolution will allow for the Hospital Authority to prepare a Preliminary Official Statement, engage conversations with the Rating Agencies and maintain the City's support behind the issuance.

Please do not hesitate to reach out should you have any questions.

Thank you,



Ernie Smallman
Chairman
Hospital Authority of Columbus
March 19, 2023

CC: Britt Hayes, President / CEO, Hospital Authority of Columbus
Rick Alibozek, Chief Financial Officer, Hospital Authority of Columbus
Isaiah Hugley, City Manager, Columbus Consolidated Government
Pam Hodge, Deputy City Manager, Columbus Consolidated Government
Angelica Alexander, Finance Director, Columbus Consolidated Government
Clifton Fay, City Attorney, Columbus Consolidated Government
Lucy Sheftall, Assistant City Attorney, Columbus Consolidated Government
Courtney Rogers, Financial Advisor, Davenport & Company LLC
Doug Gebhardt, Financial Advisor, Davenport & Company LLC
Jim Pannell, Bond Counsel, Gray Pannell & Woodward
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