



# Gaston County

Gaston County  
Board of Commissioners  
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## County Manager

## Board Action

File #: 21-131

Commissioner Keigher - County Manager - To Approve the Use of the Remaining Principal Proceeds from the 2016 School Bond Issue for a Paving Project at Bessemer City Middle School and a Paving Project at Bessemer City High School

### STAFF CONTACT

Dr. Kim S. Eagle - County Manager

### BUDGET IMPACT

N/A

### BUDGET ORDINANCE IMPACT

N/A

### BACKGROUND

In 2016 the Gaston County Board of Commissioners sold \$50.5 million in school bonds for the purpose of building a new Stanley Middle School and consolidating the existing Rhyne Elementary, Forest Heights Elementary, and Pleasant Ridge Elementary into a new elementary school. Upon completion of both construction projects, there was \$658,532.39 in unused principal funds remaining to be used. The Board of Education is requesting that these funds be used for paving projects at Bessemer City Middle School and Bessemer City High School. These projects would include removing the existing pavement system down to the subgrade and provide a new pavement system along with curb and gutter, striping, adjacent sidewalks when needed, wheel stops, and the related design, engineering, and project administration costs. The cost of both projects is projected to exceed the \$658,532.39 that we are requesting. Therefore, the shortfall in funding will be covered by either re-appropriated accrued interest (subject to Commissioners approval) or unused funds from the 2018 school bond offering.

### POLICY IMPACT

N/A

### ATTACHMENTS

Bond Balances and School's Letter

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	AFrale	BHovis	KJohnson	TKelgher	TPhilbeck	RWarley	Vote
2021-147	05/25/2021	CB	RW	A	A	A	A	A	AB	A	U

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A=AYE, N=NAY, AB=ABSENT, ABS=ABSTAIN, U=UNANIMOUS

Gaston County Bond Balances  
As of May 4, 2021

	Proceeds		Interest		Total
2006 Bonds	\$	-	\$	-	\$ -
BA Bonds	\$	-	\$	-	\$ -
2016 Bonds	\$	658,532.39	\$	372,897.02	\$ 1,031,429.41
2017 Bonds	\$	503,381.03	\$	67,128.33	\$ 570,509.36
2018 Bonds	\$	8,706,283.29	\$	1,614,394.62	\$ 10,320,677.91
	\$	9,868,196.71	\$	2,054,419.97	\$ 11,922,616.68

# MEMO

**To:** Dr. Kim Eagle, Gaston County Manager  
**From:** Dr. Jeff Booker, Superintendent of Gaston County Schools  
**Date:** May 7, 2021  
**Subject:** School Bond Proceeds (REVISED)

We appreciate all of the support you and your staff have given to Gaston County Schools over the past several years. I wanted to make you aware that on March 15<sup>th</sup> the Board of Education voted to request the following actions of the County Commissioners (balances revised to reflect time adjustments):

- 1. Reallocate \$2,054,420 of accrued interest on school bonds, and
- 2. Reallocate \$658,532 of unused proceeds of the 2016 bonds.

The accrued interest balances on school bonds were provided by the County finance staff on March 4, 2021. These balances are detailed below:

2016 Bond	\$ 372,897
2017 Bond	\$ 67,128
2018 Bond	<u>\$ 1,614,395</u>
Total	\$ 2,054,420

The reallocated accrued interest will be used to provide paving projects at Bessemer City High School, Hunter Huss High School, Catawba Heights Elementary School and Gardner Park Elementary School.

Also, in 2016 the County issued \$50.5 million in school bonds for the purpose of building Pleasant Ridge Elementary School and Stanley Middle School. These two schools were completed under budget which resulted in unused proceeds totaling \$658,532. Our Board has requested that these proceeds be used to fund paving projects at Bessemer City Middle and Bessemer City High Schools.

Please let me know how we should proceed with requesting approval from the County Commissioners on these two items.

Thank you.