



Gaston County

Gaston County
Board of Commissioners
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County Manager

Board Action

File #: 21-132

Commissioner Keigher - County Manager - To Approve the Use of the Accrued Interest from the 2016, 2017 and 2018 GO School Bonds for Paving Projects at Bessemer City High School, Hunter Huss High School, Catawba Heights Elementary School and Gardner Park Elementary School

STAFF CONTACT

Dr. Kim S. Eagle - County Manager

BUDGET IMPACT

N/A

BUDGET ORDINANCE IMPACT

N/A

BACKGROUND

The Board of Education budgets the use of bond funds and the Gaston County Commissioners approves the use of these funds. The bond interest amounts bear the same obligations and restrictions as the Bond Funds from which they were derived. The accrued interest on the capital funds totaled \$2,054,419.97 as of May 4, 2021 as detailed below:

2016 Bond	\$	372,897.02
2017 Bond		67,128.33
2018 Bond		<u>1,614,394.62</u>
Total	\$	2,054,419.97

The Board of Education is requesting that these funds be used for paving projects at Bessemer City High School (partially funded from 2016 bond reallocation - if approved), Hunter Huss High School, Catawba Heights Elementary School and Gardner Park Elementary School. These projects would include removing the existing pavement system down to the subgrade and provide 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 all projects could exceed the \$2,054,419.97 that we are requesting. Any shortfall will be covered by 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	TKeigher	TPhillbeck	RWorley	Vote
2021-146	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 15th 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.

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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.