



Gaston County

Gaston County
Board of Commissioners
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Board Action Report

File #: 17-458, Version: 1

ADDED/ Commissioner Keigher - Finance - To Approve Budget Change Request to Recognize \$59,182,000 General Obligation Refunding Bonds, Series 2017 Proceeds

STAFF CONTACT

Tonya Frye - Finance Director - 704-866-3032

BUDGET IMPACT

The issuance cost incurred for these bonds will be paid from the proceeds of the bonds. An upfront equity contribution will be funded by an appropriation of fund balance. The initial bond payment is due August 1, 2018 and debt payments for all future years will be budgeted during the budget process.

BUDGET ORDINANCE IMPACT

None - all activity impacts the School Debt Service Fund.

BACKGROUND

On November 28, 2017 the Board of Commissioners approved the issuance of General Obligation Refunding Bonds, Series 2017. On December 15, 2017, Gaston County will issue General Obligation Refunding Bonds in the amount of \$59,182,000. The true interest cost for these bonds is 2.534%. These proceeds with a \$2,743,292 equity contribution will be used to purchase U.S. Treasury State and Local Government Series (SLGS) securities. These securities will allow the County to advance refund the 2009 B Bonds to achieve \$3,388,564 in debt service savings.

\$1,613,701 of the \$2,743,292 was budgeted in the fiscal year 2017-2018 budget for debt service and therefore does not require an appropriation.

POLICY IMPACT

N/A

ATTACHMENTS

Budget Change Request