



## Legislation Text

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File #: 2017-075, Version: 1

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### **TITLE**

### **ADOPTION OF BOND RESOLUTIONS/APPROVAL OF RELATED AMENDMENT TO REDEEM BANs**

### **SPONSOR**

N. Reid Baker III

### **BACKGROUND**

At the 1-19-2017 Work Session of the Board of County Commissioners, the Board heard alternatives from staff regarding the issue of the remaining School and Community College authorizations totaling \$160.07 million in one or two issues. Staff presented information regarding the status of the projects and the more immediate cash needs to redeem the Bond Anticipation Notes (see below), provide for expenditures already incurred and meet the cash flow needs in the coming year. Staff recommended a structured financing in one issue during this fiscal year that was agreed to by the Board. The Board also approved projects and a plan to issue \$27.195 million two thirds bonds to fund County projects. Additional actions have been approved by the Board during the 2-9-2017 and 2-23-2017 meetings to among other things introduce and adopt a bond order authorizing the issue, and call for and hold a public hearing regarding adoption of the bond order.

The final Board action required in the process is to adopt the resolutions providing for the sale and issuance of, and details concerning (a) \$160,070,000 general obligation bonds for Guilford County Schools (\$130,170,000) and GTCC (\$29,900,000) and (b) \$27,195,000 general obligation bonds for public buildings.

As noted above, part of the proceeds of the general obligation bonds issued for the Guilford County Schools and GTCC will be used to redeem the entire \$24,350,000 outstanding principal amount of its General Obligation Community College and School Bond Anticipation Note, Series 2014. The \$50 million line-of-credit facility will expire with the issue of the remaining balances of these authorizations, as well. The redemption of the outstanding principal amount requires a budget amendment in the General Fund to provide the funding source and support the payment. **(NO ADDITIONAL COUNTY FUNDS REQUIRED)**

### **BUDGET IMPACT**

### **Budget Ordinance Amendment**

General Fund

\$24,350,000 Increase in Debt Issued (General Obligation Bonds)

\$24,350,000 Increase in Appropriation to Debt Service (payment to redeem BANs)

**NO ADDITIONAL COUNTY FUNDS REQUIRED**

**REQUESTED ACTION**

Adopt the resolutions providing for the sale and issuance of, and details concerning (a) \$160,070,000 general obligation bonds for Guilford County Schools (\$130,170,000) and GTCC (\$29,900,000) and (b) \$27,195,000 general obligation bonds for public buildings.

Approve amendment to the Budget Ordinance in the amount of \$24.35 million to the General Fund Debt Service Department to provide and appropriate the necessary funds to redeem the outstanding principal amount of the County's General Obligation Community College and School Bond Anticipation Note, Series 2014.