

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** March 4, 2010

**Action Agenda  
Item No. 1**

**SUBJECT:** Adoption of an Amendment to the Bond Resolution for the Approved Issuance of General Obligation Bonds to Refinance County Bonds Issued in 2001 and 2003

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**DEPARTMENT:** Financial Services

**PUBLIC HEARING:** (Y/N)

No

**ATTACHMENT(S):**  
Amendment to Bond Resolution

**INFORMATION CONTACT:**

Clarence G. Grier, 919-245-2453  
Bob Jessup, 919-933-9891

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**PURPOSE:** To amend the approved Bond Resolution for the issuance of General Obligation Bonds to refinance County bonds issued in 2001 and 2003.

**BACKGROUND:** On December 15, 2009, the Orange County Board of Commissioners adopted a resolution (the "Prior Bond Resolution") to approve the issuance of general obligation refunding bonds in the maximum amount of \$27,000,000 to refinance County bonds issued in 2001 and 2003.

The December 15 resolution provided for the refunding bonds to mature not later than December 31, 2021. The County's financial adviser advised the County that this was the best overall arrangement for carrying out the refunding calls as the bonds matured.

As a result of the bond sale, the general obligation bonds issued to refinance the County's 2001 and 2003 bonds will mature in February 2022. Thus, the Prior Bond Resolution requires an amendment to the approved maturity date of the bonds to close the bond sale. The result of the bond sale was a savings of \$1,120,543 in future debt service.

**FINANCIAL IMPACT:** There is not a financial impact of this action.

**RECOMMENDATION(S):** The Manager recommends that the Board:

- 1) Adopt the Resolution regarding the amendment to the December 15, 2009 Bond Resolution to extend the maturities of the bond sale to refinance the County's 2001 and 2003 bonds to December 31, 2022; and
- 2) Authorize and direct staff to take the actions contemplated in such proceedings to complete the closing of the refunding bond issue.

**Amendment to Bond Resolution*****WHEREAS --***

By a resolution adopted on December 15, 2009, the Orange County Board of Commissioners approved the issuance of general obligation bonds to refinance County bonds issued in 2001 and 2003. The Board previously amended the December 15 resolution to allow for the refunding of County bonds issued in 2004.

The December 15 resolution provided for the refunding bonds to mature not later than December 31, 2021. The County's financial adviser has advised the County that the best overall arrangement for carrying out the refunding calls for bonds to mature beyond that limitation.

**Therefore, be it resolved by the Board of Commissioners of Orange County, North Carolina, as follows:**

1. The County's "Resolution for the Sale of Refunding Bonds" as adopted on December 15, 2009, and previously amended on February 2, 2010 (the "Prior Resolution"), is hereby amended to provide that the final maturity date for the refunding bonds shall not extend beyond December 31, 2022.
2. All previous actions of County officers and representatives toward the sale and issuance of the refunding bonds are ratified and approved.
3. Except as expressly amended by this resolution, the Prior Resolution is ratified and confirmed. This amending resolution takes effect immediately.