

City council approves refunding bond

Written by Austin Benson
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Action will save city more than \$9,000

The City of Gothenburg is issuing a new bond of \$250,000 to pay the remaining amount of a bond issued in 2008 for a street improvement project.

Gothenburg still owes \$245,000 on its current bond.

At their meeting Dec. 3, Gothenburg City Council members approved a general obligation refunding bond to pay off remaining outstanding debt and to save on interest.

“Leaving the bond in place we would owe \$17,835 in interest by 2016,” city administrator Bruce Clymer said.

In the three-year life of the bond, Gothenburg will save a projected \$9,632, Clymer said.

In other business, the city’s software, FundWare, is no longer supported by Blackbaud.

Instead, FundWare is being converted to Financial Edge and the city is being forced to spend money it doesn’t have, Clymer said.

“There is nothing in the budget for new software,” Clymer said. “If we want to wait, we can wait but we threaten the loss of a discount on Jan. 1.”

The Financial Edge software for \$25,266 with an annual fee of \$2,400 included.

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Currently, FundWare handles accounts payable, utility billing and payroll and other things for the city. Financial Edge would replace that.

City clerk Connie Dalrymple feels change has to happen.

Officials approved the purchase and will use funds from the Public Works Division.

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