

**Spotsylvania County  
Board of Supervisors Agenda  
Executive Summary**

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<b>Meeting Date:</b>	July 12, 2016
<b>Title:</b>	Board's Authorization of Sale of 2016 Bonds and of Related Public Hearing

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<b>Type:</b>	Action, Resolution
<b>Agenda Title:</b>	Board's Authorization of Sale of 2016 Bonds and of Related Public Hearing
<b>Recommendation:</b>	<p>1. Approve the attached Resolution and related documents authorizing the issuance of up to \$36,000,000 in General Obligation (GO) Public Improvement Bonds for the purpose of financing certain FY 2017 capital projects.</p> <p>2. Authorize a public hearing to be held on September 27, 2016 to receive comment on the FY 2017 budget adjustment that will be necessary to reflect these bond proceeds and related issuance costs.</p> <p>During the FY 2017 Budget and CIP processes, staff discussed the need to issue bonds to accomplish certain FY 2017 capital projects planned in the FY 2017 CIP and Budget. Projects for which borrowed funds are anticipated to be used are as follows:</p> <ul style="list-style-type: none"> <li>• School technology, bus replacements, and capital maintenance projects;</li> <li>• Replacement of the Computer Aided Dispatch (CAD) system;</li> <li>• Replacement of fire and EMS equipment;</li> <li>• Holbert Building renovation design;</li> <li>• Animal Shelter renovation;</li> <li>• Fire Training Center;</li> <li>• Hickory Ridge/Rt. 1 intersection improvements; and</li> <li>• Improvements at Exit 118.</li> </ul>
<b>Summary:</b>	<p>Debt service related to the new money GO issuance is included in the FY 2017 Adopted Budget. A future budget adjustment will be necessary to record the bond proceeds and issuance costs once the transaction is finalized. Due to the amount of the future budget adjustment, a public hearing will be required. The future budget adjustment will also adjust for any differences between the budgeted and final debt service figures.</p> <p>Staff requests that the Board approve the attached Resolution and related documents for the GO issuance to occur this summer. As is always the case when we request Board approval of bond documents, the documents are subject to further edits as we finalize the bond transaction, but are substantially complete at this time. Additionally, staff requests that a public hearing to budget the bond proceeds be authorized for September 27, 2016.</p>
<b>Financial Impact:</b>	<p>FY 2017 debt service costs related to this new money GO bond issuance are included in the FY 2017 Adopted Budget. Once the bond issuance is complete and actual debt service expenses are calculated, we will request the Board's approval to adjust the FY 2017 Budget for the actual bond proceeds, related issuance expenses, and any savings in debt service.</p>
<b>Staff Contacts:</b>	Bonnie Jewell, Budget Manager
<b>Legal Counsel:</b>	Richard L. Hurlbert, Jr., Bond Counsel

**Consequence of Denial/Inaction:**

If approval is denied, the bonds will not be issued and the projects will not take place as planned.

**Talking Points:**

During the FY 2017 Budget and CIP processes, staff discussed the need to issue bonds to accomplish certain FY 2017 capital projects planned in the FY 2017 CIP and Budget. Attached for the Board's approval are a Resolution authorizing issuance of up to \$36M in bonds and a number of other bond-related documents. Additionally, staff seeks the Board's authorization to hold a public hearing on September 27, 2016 associated with the budget adjustment that will need to occur at that time to recognize the bond proceeds and related issuance costs.

**ATTACHMENTS:**

File Name	Description	Type
<a href="#">Board of Supervisors Resolution - Spotsylvania 2016 GO Bonds3.doc</a>	Resolution Authorizing Issuance of Up to \$36M in General Obligation Public Improvement Bonds	Resolution
<a href="#">Bond Purchase Agreement 2.doc</a>	2016 GO Bonds - Bond Purchase Agreement	Backup Material
<a href="#">Notice of Sale 2.doc</a>	2016 GO Bonds - Notice of Sale	Backup Material
<a href="#">Preliminary Official Statement 2.doc</a>	2016 GO Bonds - Preliminary Official Statement	Backup Material
<a href="#">APPENDIX A Series 2016 GO 2.docx</a>	2016 GO Bonds - Appendix A	Backup Material
<a href="#">Continuing Disclosure Agreement 2.docx</a>	2016 Bonds - Continuing Disclosure Agreement	Backup Material

Please see the Board agenda item for the July 12, 2016 meeting to view these documents. The Board agenda is available on the County's website. Choose "Boards & Commissions" and then "Meeting Agendas."