

## Agenda Item VIII.A.



**Meeting Date:** September 19, 2023

**Department:** Administration

**Topic:** **Resolution 2023-16-R School Bond**

**Board Action:** The Board is being asked to adopt Resolution 2023-16-R and execute a bond sale agreement.

**Attachment:**

1. Amherst VPSA Fall 2023 - Bond Sale Agreement
2. Res 2023-16-R School Bond

**Summary:** In March 2022, the Board approved borrowing up to \$35 million for refinancing of school debt and the Amherst County High School Project. The refinancing did not happen and \$13M was borrowed for the Amherst County High School Project(Project).

With unprecedented inflation, an additional \$14 million is needed to complete the project. Based on Virginia Public School Authority (VPSA) and Davenport guidance, 19.4 million represents conservative estimates for flexibility purposes. This number includes project cost, capitalized interest and bond issuance cost, among others. The County will not borrow any more than is needed for the project.

This debt is general obligation debt, meaning that we are guaranteeing it with the full faith and credit and taxing power of the County. Generally, general obligation debt requires a referendum. However, bonds sold to VPSA are an exception to this requirement because they finance schools. They do still require a public hearing prior to issuance. The public hearing on March 15, 2022 was for \$35 million and covers this additional borrowing through the VPSA.

**Recommended Motion:** I move that the Board approve Resolution 2023-16-R and the execution of the bond sale agreement by the County Administrator.

**Comprehensive Plan Impact: PUBLIC EDUCATION**

**Goal #2:** Promote and maintain a safe, clean, inviting, supportive and healthy school environment that is conducive to teaching and learning for all students and staff.

**Goal #4:** Expand Opportunities to Learn