



Resolution Authorizing a Bond Issuance and the Issuance of Refunding Bonds

March 18, 2026



Financing Plan: Debt Issuance - \$156.55M

One Financing, Three Purposes

Revenue Bonds not to exceed **\$156.55 million**

1. Capital improvement plan (CIP) projects - \$118.14 million.
2. Refund Portion of the 2023B Bond Anticipation Notes
Rivanna Station Futures Property - \$26.36 million.
3. Refund Series 2015B Bonds - \$12.05 million.



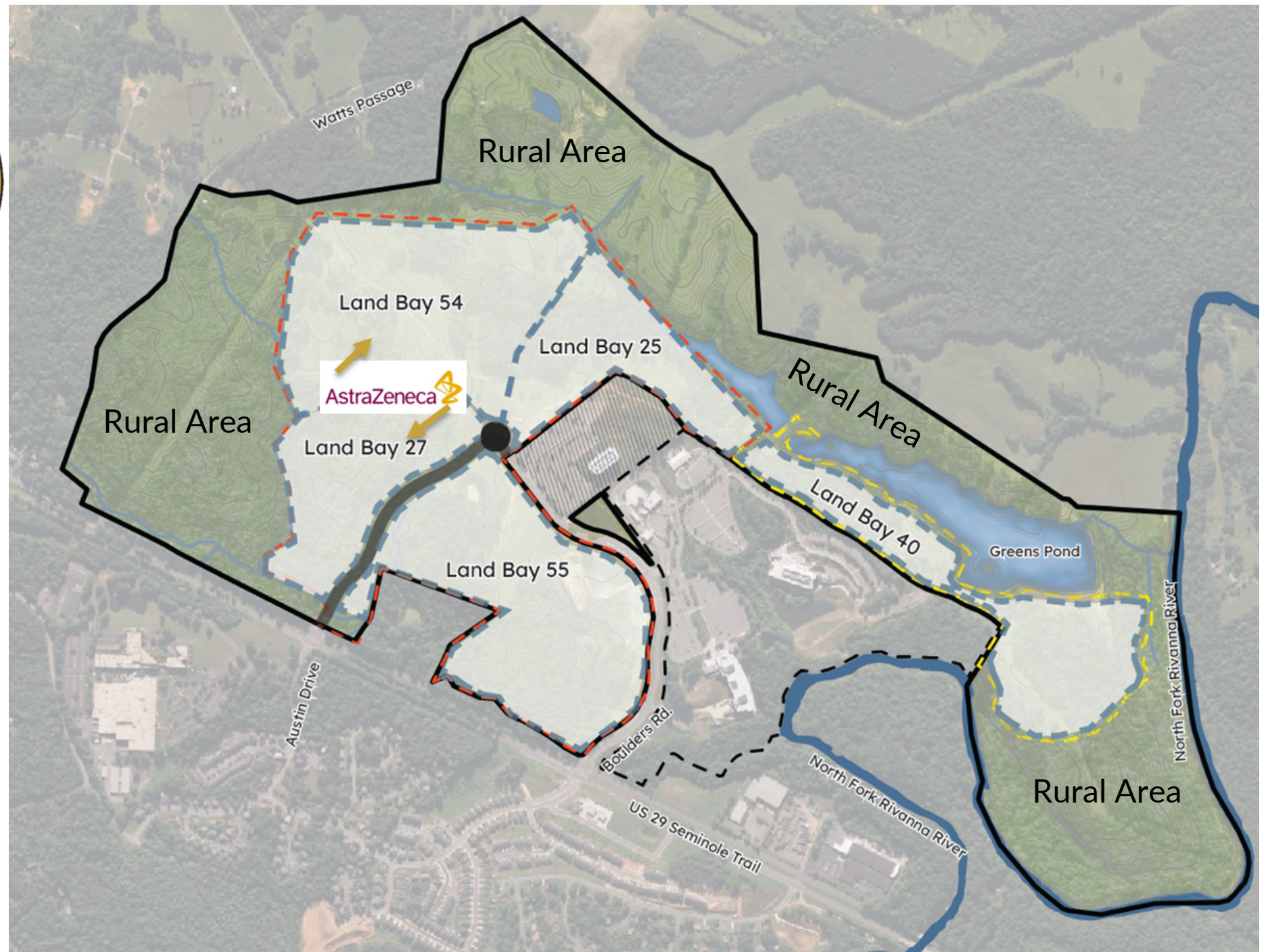
1. Capital Improvement Plan (CIP) projects

- Capital improvement plan (CIP) projects for education, judicial, public safety, parks and recreation, solid waste and county administration.
- Primarily reimbursement of the County's expenditures since the last bond issuance in 2023.
- Not to exceed \$118.14 million.



2. Refund Portion of 2023B Bond Anticipation Notes (BAN)

- In 2023, the \$58.8M Purchase of the Rivanna Futures Property was financed with five-year interest-only debt.
 - Taxable with Interest Rate of 5.3%
- A portion of the property is planned to be for general public purchases and is eligible for non-taxable rates.
 - Refund \$24.9M of initial BAN
 - Projected non-taxable rate is near 4.0%
- The BAN will decrease to \$33.9M.
 - Matures in FY28.





3. Refund Series 2015B Bonds

- Opportunity to refund 2015B Bonds.
- Refunding estimated to generate a Net Present Value savings in excess of 3.00%.
- Refunding is dependent upon interest rate over the next month.



Financing and Debt Structure

- EDA is the conduit issuer of the Revenue Bonds on behalf of the County.
- The County is responsible for the payment of the debt – no liability to the EDA.
- This financing framework was originally put in place in 2003, and the proposed 2026 financing would represent the ninth financing undertaken under this framework.
- Debt is structured as Nontaxable, 20-year maturity

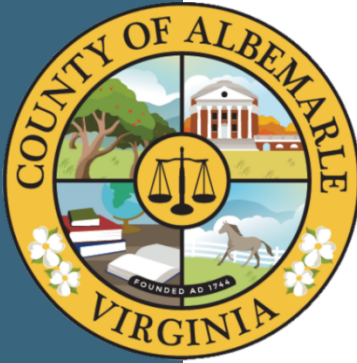


Different Financing Types

Characteristics	General Obligation Bonds	Public Facility Revenue Bonds
Issuance Type	Voter referendum approval	Issuance via EDA
Lead Time to Market	Longer lead time	Shorter lead time
Project Funding Sequence	Before project initiation	Before project initiation or afterwards (reimbursement)
Interest Rate	Lowest possible based on credit rating	Slightly higher than GO
Issuance Cost	Voter education, ballots, underwriter, bond counsel, financial advisor	Underwriter, bond counsel, financial advisor



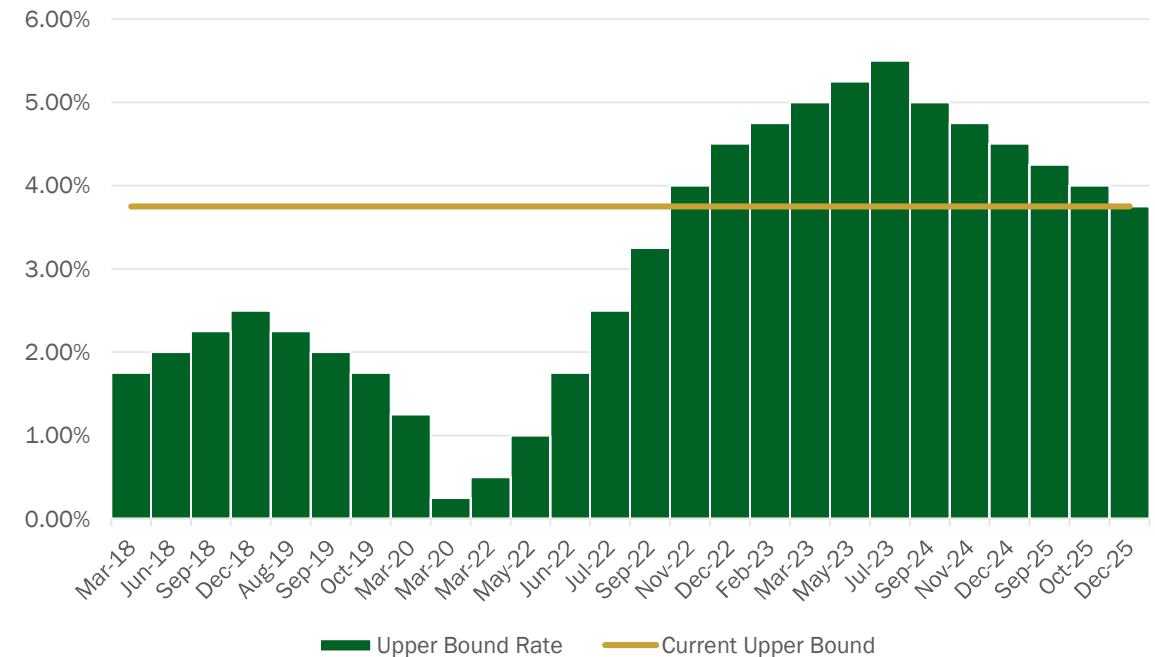
Market Update



FOMC Open Market Operations

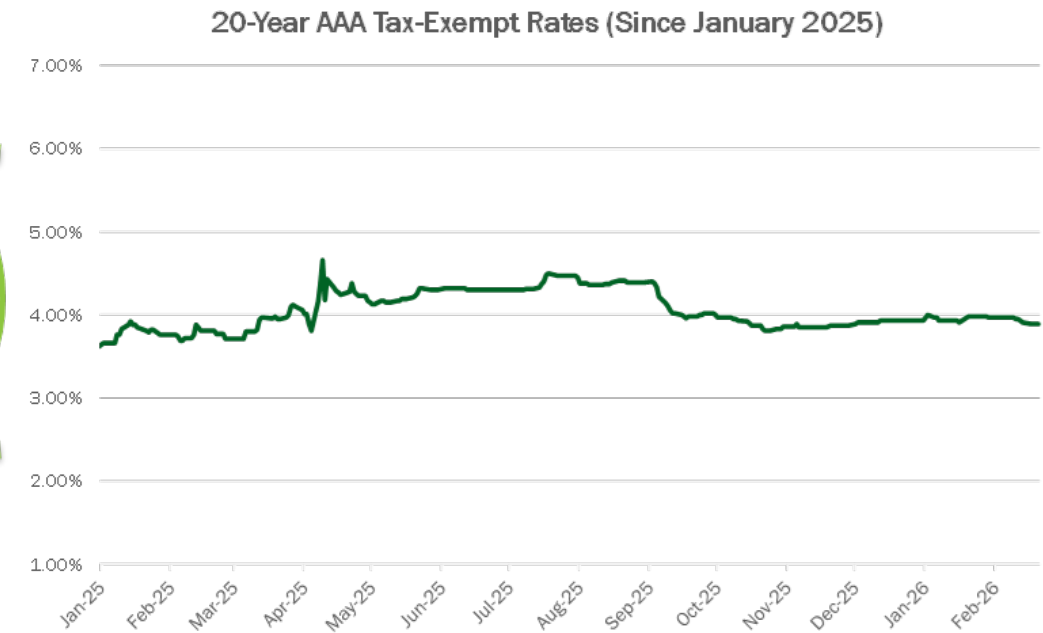
Federal Funds Historical Rate Changes Since 2018		
Date	Upper Bound Rate	Change
3/22/2018	1.75%	N/A
6/14/2018	2.00%	0.25%
9/27/2018	2.25%	0.25%
12/20/2018	2.50%	0.25%
8/1/2019	2.25%	-0.25%
9/19/2019	2.00%	-0.25%
10/31/2019	1.75%	-0.25%
3/3/2020	1.25%	-0.50%
3/16/2020	0.25%	-1.00%
3/17/2022	0.50%	0.25%
5/5/2022	1.00%	0.50%
6/16/2022	1.75%	0.75%
7/27/2022	2.50%	0.75%
9/21/2022	3.25%	0.75%
11/2/2022	4.00%	0.75%
12/14/2022	4.50%	0.50%
2/1/2023	4.75%	0.25%
3/22/2023	5.00%	0.25%
5/3/2023	5.25%	0.25%
7/27/2023	5.50%	0.25%
9/18/2024	5.00%	-0.50%
11/7/2024	4.75%	-0.25%
12/18/2024	4.50%	-0.25%
9/17/2025	4.25%	-0.25%
10/29/2025	4.00%	-0.25%
12/10/2025	3.75%	-0.25%

Historical Federal Funds Rate Changes Since 2018





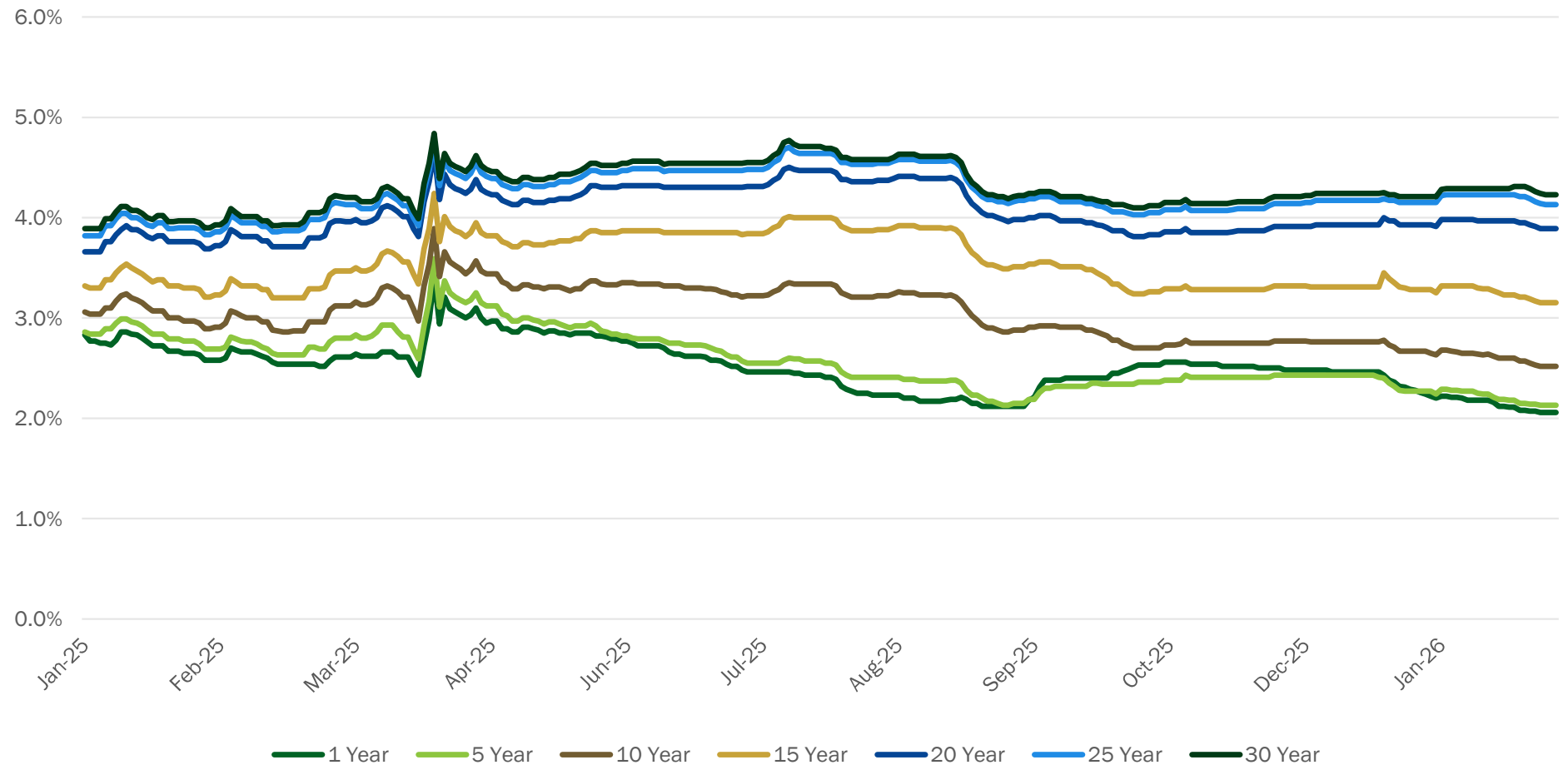
AAA Tax-Exempt 20-Year Interest Rate





AAA Tax-Exempt Rates

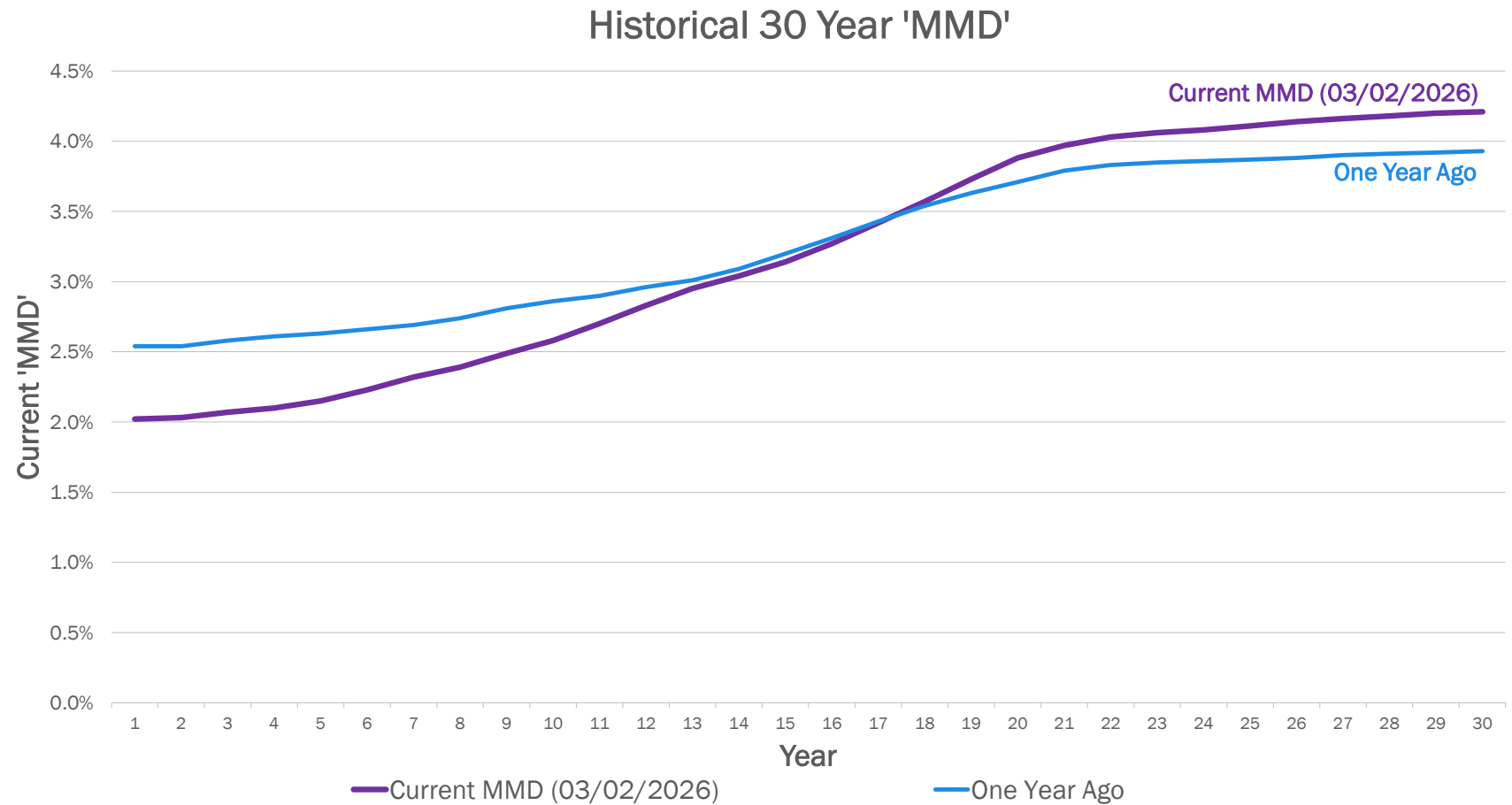
AAA Tax-Exempt Rates (Since January 2025)



Note: The contents of this slide were provided by Davenport & Company LLC.



MMD | One-Year Ago vs. Today





Plan of Finance



Recommended Plan of Finance

- Based upon the current market environment and success of recent bond sales, combined with the County's strong credit ratings, Davenport recommends that the County undertake the borrowing for the New Money projects and Refunding via **a Competitive Public Market Sale**.
- The key characteristics of a **Competitive Public Market Sale** can be summarized as follows:
 - Davenport, in consultation with County staff, will meet with the National Credit Rating Agencies to obtain an updated Credit Rating for the bonds;
 - The bonds would be sold based upon the County's strong credit ratings;
 - The County's issuer and general obligation ratings are currently Aaa/AAA/AAA from Moody's/S&P/Fitch (the highest ratings available). The 2026 Bonds will be an appropriation credit, so they would be rated one-notch lower due to the appropriation risk (i.e., Aa1/AA+/AA+ assuming an affirmation of the County's issuer ratings).
 - A public offering document is prepared by Bond Counsel on behalf of the County;
 - The bonds are sold as a series of bonds to the investing public at prevailing interest rates;
 - Interest rates are fixed for the entire term of the loan; and,
 - The interest rate and eventual debt service/refunding savings for the County would not be determined until the day the bonds are sold in the primary market (currently expected to be in mid to late April).



Impact of the Series 2026 Bonds & Future Borrowing Needs

- In the near future, but not as a part of this borrowing, the County will also need to permanently finance the remaining (~\$33.9 million) Taxable portion of the Series 2023B Note.
- The County currently does not have an exact timeline for permanently financing the Taxable portion, but it will need to occur prior to the final maturity of the 2023B Notes, which is in June of 2028.
- Herein, we have shown the projected impact of the following:
 - 1) A 2026 Borrowing for \$114.9 million of Tax-Exempt New Money Capital Projects;
 - 2) A 2026 Borrowing for a \$24.9 million Tax-Exempt partial refinancing of the 2023B Notes; and
 - 3) A 2028 Borrowing for a Taxable permanent financing of the remaining \$33.9 million of 2023B Notes outstanding.
- On the following pages, we have provided the projected impacts of the Series 2026 Bonds, as well as the potential future permanent financing of the remaining 2023B Notes.

***The 2026
Bonds***



Summary of Assumptions

Financing	Project Costs ⁽¹⁾	Term & Structure	Planning Rate Assumption
Series 2026 Public Facility Revenue Bonds (Tax-Exempt)	New Money: \$114.9 MM Rivanna Refi: \$24.9 MM	20 Years Level-Debt Service	Current Market Rates +50 BPS (Approx. 3.92%) ⁽²⁾
2028 Permanent Financing of 2023 Rivanna Station Notes (Taxable)	\$33.9 MM	20 Years Level-Debt Service	6.00% ⁽³⁾

⁽¹⁾ - Excludes costs of issuance.

⁽²⁾ - As of March 5, 2026.

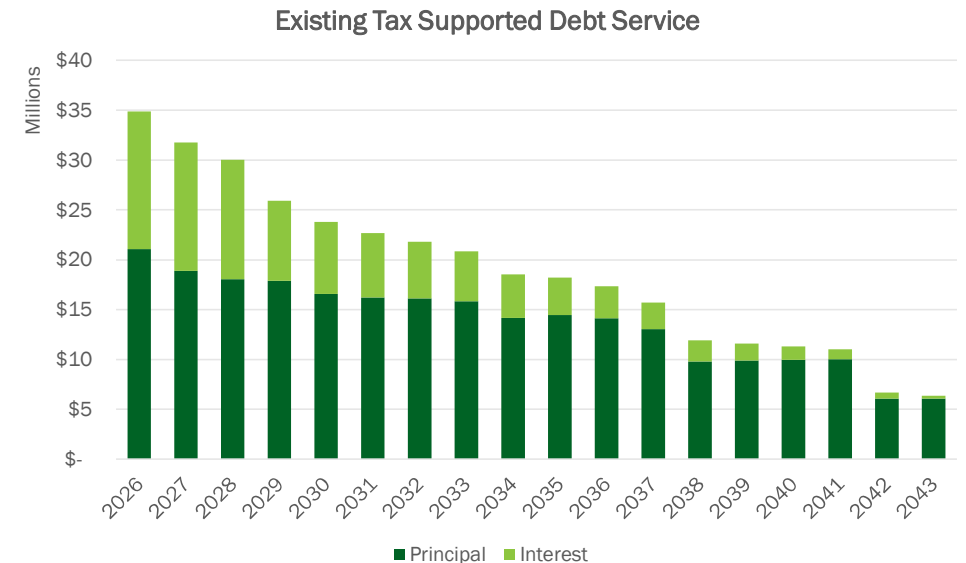
⁽³⁾ - Preliminary planning estimate.

Note: The contents of this slide were provided by Davenport & Company LLC.



Existing Debt Profile

Existing Tax Supported Debt Service					
Fiscal Year	Principal	Interest	Total	Payout Ratio	
2026	\$ 21,066,140	\$ 13,827,399	\$ 34,893,539	8%	
2027	18,894,834	12,871,489	31,766,323	16%	
2028	18,054,098	11,987,739	30,041,836	23%	
2029	17,901,761	8,022,411	25,924,172	31%	
2030	16,584,040	7,225,031	23,809,071	37%	
2031	16,210,000	6,463,208	22,673,208	44%	
2032	16,115,000	5,703,050	21,818,050	50%	
2033	15,835,000	5,016,600	20,851,600	57%	
2034	14,185,000	4,340,231	18,525,231	62%	
2035	14,435,000	3,782,519	18,217,519	68%	
2036	14,125,000	3,215,444	17,340,444	74%	
2037	13,025,000	2,654,131	15,679,131	79%	
2038	9,795,000	2,127,900	11,922,900	83%	
2039	9,865,000	1,749,900	11,614,900	87%	
2040	9,945,000	1,370,500	11,315,500	91%	
2041	10,020,000	989,500	11,009,500	95%	
2042	6,070,000	607,000	6,677,000	98%	
2043	6,070,000	303,500	6,373,500	100%	
Total	\$ 248,195,873	\$ 92,257,552	\$ 340,453,424		



Note: Excludes principal payment on the Series 2023B BANs (Rivanna Station Note). Debt service is shown gross of Federal Subsidies. Includes debt service associated with 2017 Qualified Energy Conservation Bond.

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Estimated Debt Service

Series 2026 Bonds & 2028 Permanent Financing

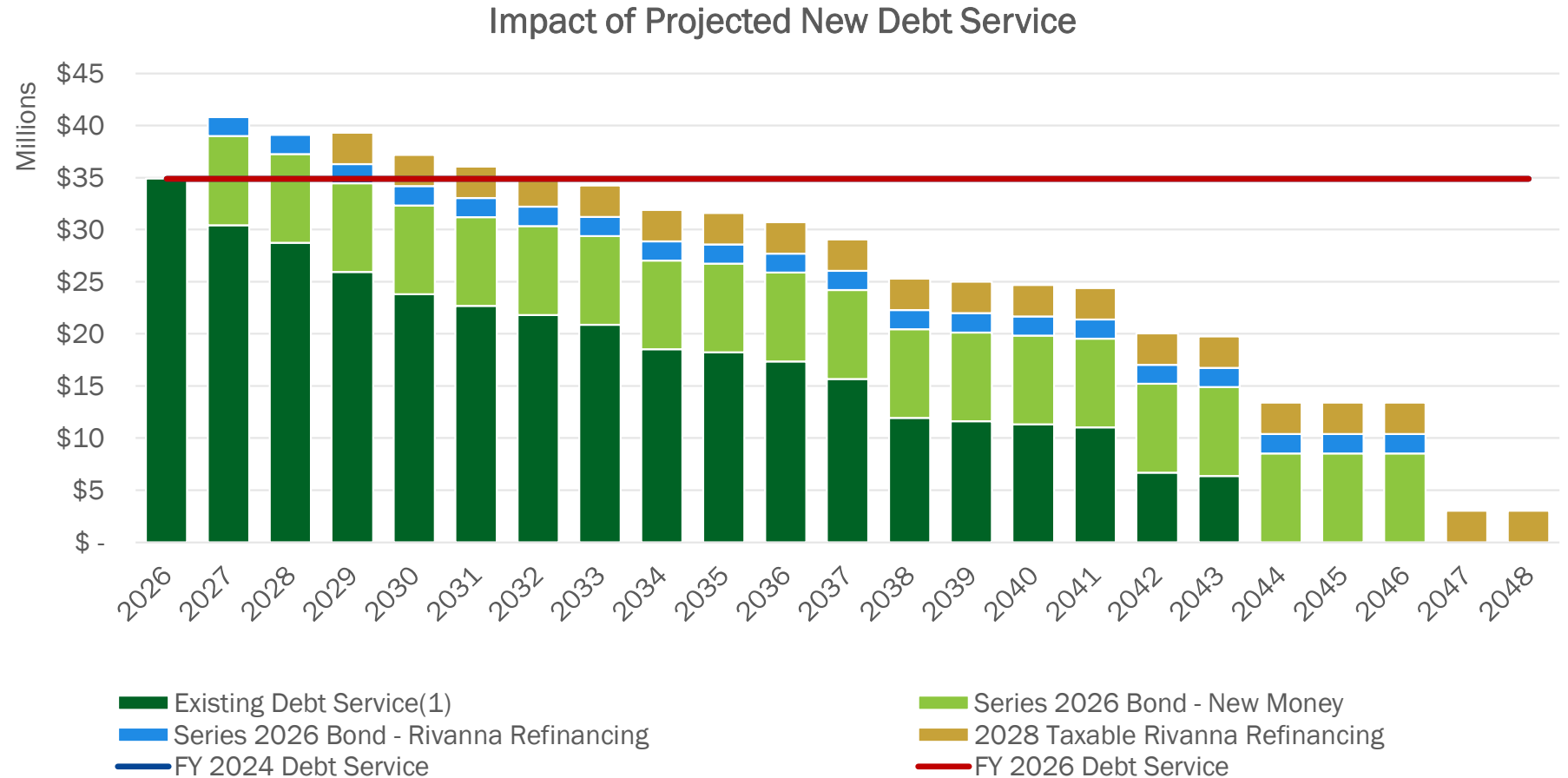
Impact of Estimated Debt Service					
Fiscal Year	Existing Debt Service ⁽¹⁾	Series 2026 Bond - New Money	Series 2026 Bond - Rivanna Refinancing	2028 Taxable Rivanna Refinancing	Total Debt Service
2026	\$34,893,539	\$ -	\$ -	\$ -	\$34,893,539
2027	30,446,358	8,520,361	1,845,238	-	40,811,956
2028	28,721,871	8,523,619	1,847,819	-	39,093,309
2029	25,924,172	8,520,619	1,845,319	3,011,953	39,302,063
2030	23,809,071	8,519,119	1,846,069	3,010,100	37,184,359
2031	22,673,208	8,518,619	1,849,819	3,010,400	36,052,045
2032	21,818,050	8,523,619	1,846,319	3,012,100	35,200,088
2033	20,851,600	8,523,369	1,845,819	3,009,900	34,230,688
2034	18,525,231	8,522,619	1,848,069	3,008,800	31,904,719
2035	18,217,519	8,520,869	1,847,819	3,008,500	31,594,706
2036	17,340,444	8,522,619	1,850,069	3,008,700	30,721,831
2037	15,679,131	8,522,119	1,849,569	3,009,100	29,059,919
2038	11,922,900	8,518,869	1,846,319	3,009,400	25,297,488
2039	11,614,900	8,522,369	1,845,319	3,009,300	24,991,888
2040	11,315,500	8,521,619	1,846,319	3,008,500	24,691,938
2041	11,009,500	8,521,119	1,849,069	3,011,700	24,391,388
2042	6,677,000	8,520,119	1,848,319	3,008,300	20,053,738
2043	6,373,500	8,520,650	1,848,350	3,008,300	19,750,800
2044	-	8,519,125	1,848,600	3,011,100	13,378,825
2045	-	8,523,200	1,845,700	3,011,100	13,380,000
2046	-	8,521,975	1,849,650	3,013,000	13,384,625
2047	-	-	-	3,011,200	3,011,200
2048	-	-	-	3,010,400	3,010,400
Total	\$337,813,494	\$170,426,593	\$36,949,569	\$60,201,853	\$605,391,509

(1) By refinancing a portion of the County's 2023B BAN, the County's Existing Debt Service will decline in FY 2027 and 2028.
 Note: Debt Service estimates include preliminary Costs of Issuance assumptions. Assumes current market interest rates as of 3/5/2026 **PLUS** 50 basis points.
 Note: The contents of this slide were provided by Davenport & Company LLC.



Estimated Debt Service

Series 2026 Bonds & 2028 Permanent Financing

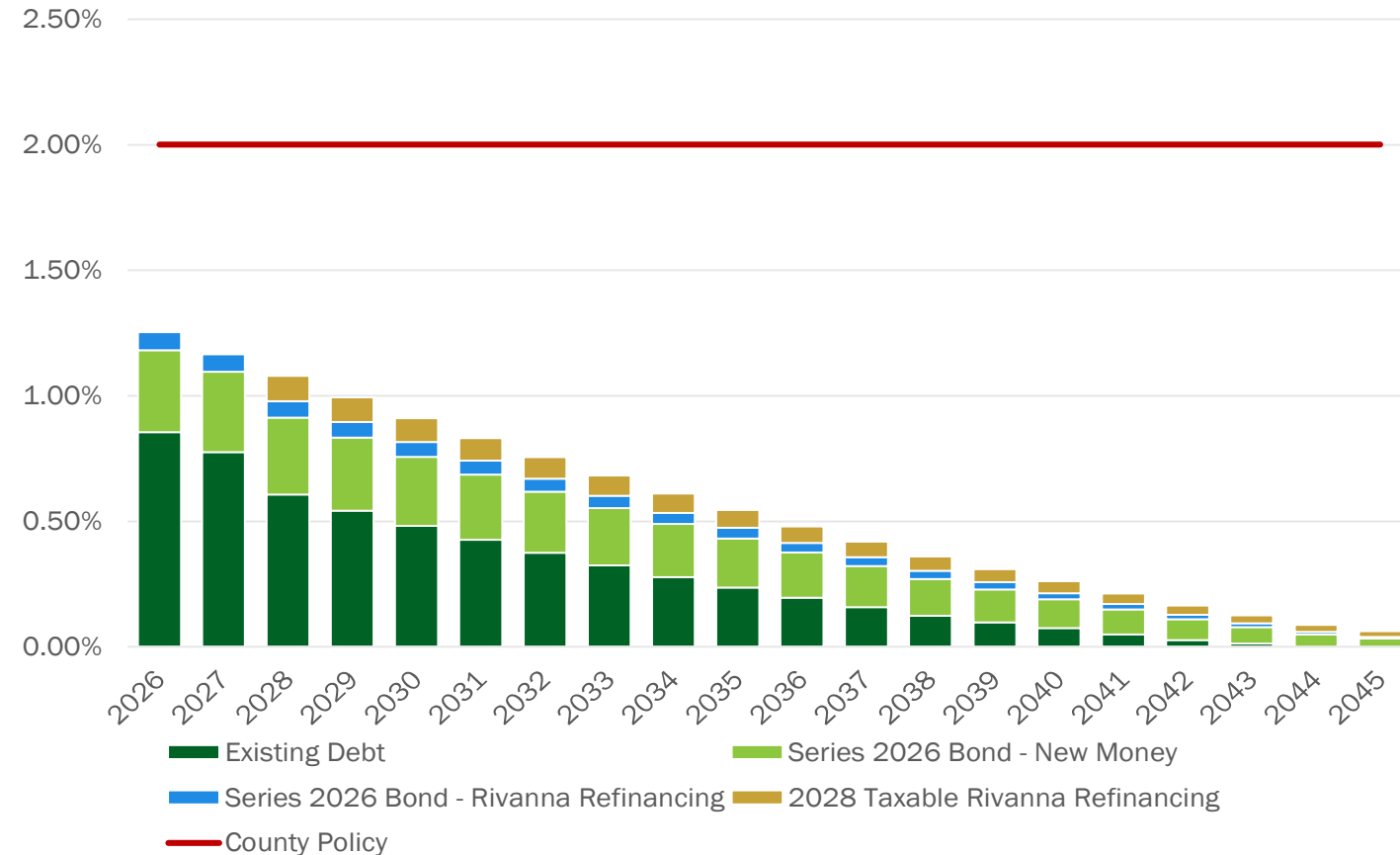


Note: Debt Service estimates include preliminary Costs of Issuance assumptions. Assumes current market interest rates as of 3/5/2026 **PLUS** 50 basis points.

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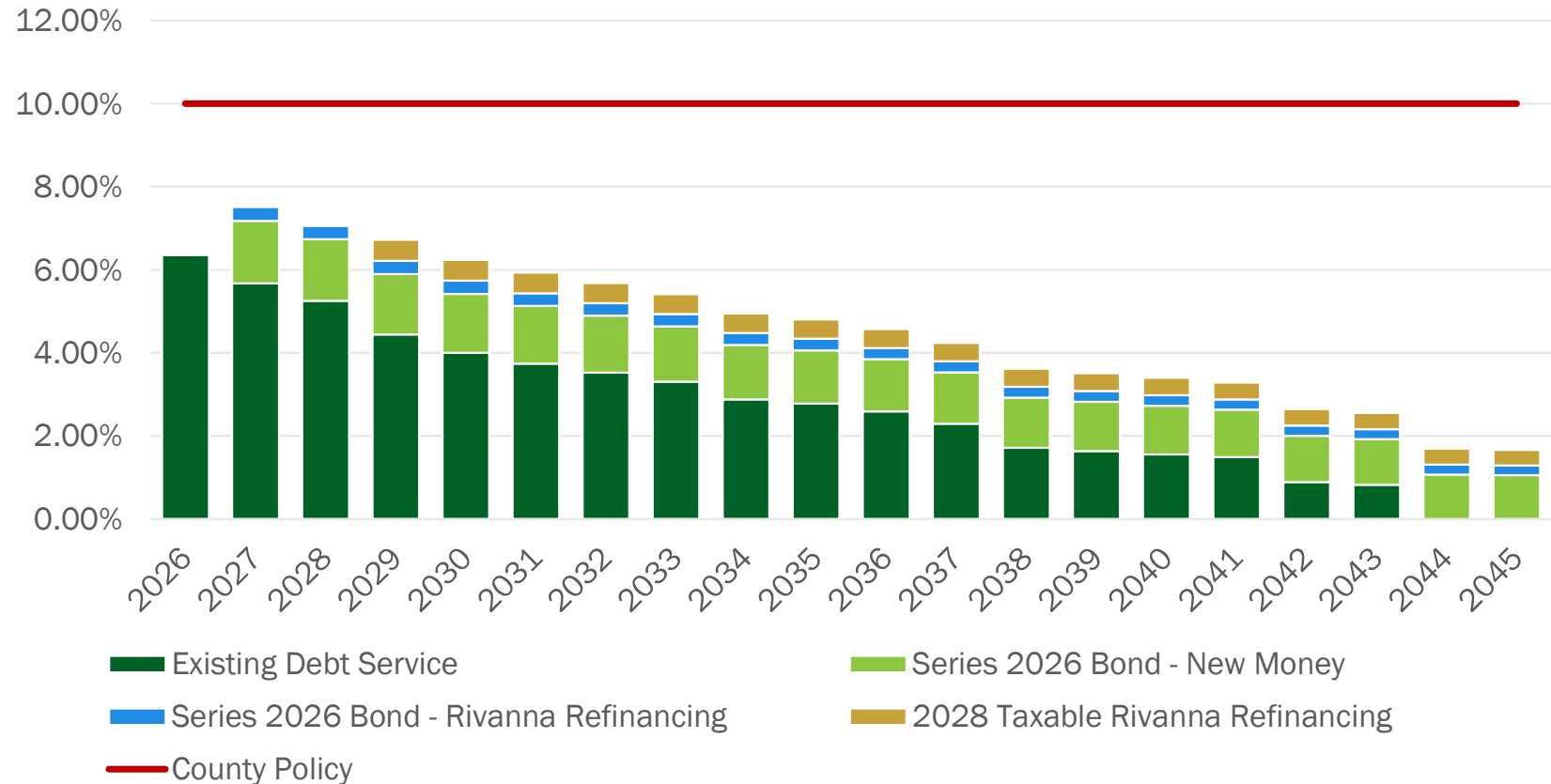
Impact on Debt to Assessed Value



County Policy: Total long-term obligations as a percentage of the estimated market value of taxable property should not exceed 2%.



Impact on Debt to Assessed Value



County Policy: The ratio of debt service expenditures to General Fund and School Fund revenues, less General Fund transfers to the School Fund, should not exceed 10%.

Note: General Fund and School Operating Fund Revenues are assumed to grow at 2% annually from 2025 levels.

Note: The contents of this slide were provided by Davenport & Company LLC.



Potential Refunding Opportunity



Overview

- With the issuance of the Series 2026 Bonds, the County has the opportunity to refund a portion (~\$11.5 million) of its outstanding Series 2015B Bonds while taking advantage of economies of scale;
- At this time, Davenport estimates a partial refunding of the Series 2015B Bonds could generate over \$400,000* in debt service savings for the County;
- This partial refunding is estimated to generate greater than 3.00% NPV savings* in the current interest rate environment (i.e., no interest rate cushion); and,
- Davenport and County Staff will continue to monitor the interest rate environment and potential refunding savings.

*Note: Based on current market rates as of March 2026. Preliminary and subject to change.
Note: The contents of this slide were provided by Davenport & Company LLC.



Series 2015B Bonds Outstanding

Summary of Outstanding Bonds			
Maturity (June 1)	Coupon Rate	Amount	Call Provision
2026	5.000%	\$3,125,000	6/1/2025 @100
2027	3.000%	1,000,000	6/1/2025 @100
2028	3.000%	1,030,000	6/1/2025 @100
2029	3.000%	1,060,000	6/1/2025 @100
2030	3.125%	1,090,000	6/1/2025 @100
2031	3.250%	1,125,000	6/1/2025 @100
2032	3.250%	1,160,000	6/1/2025 @100
2033	3.250%	1,200,000	6/1/2025 @100
2034	3.250%	1,235,000	6/1/2025 @100
2035	3.375%	1,280,000	6/1/2025 @100
2036	3.500%	1,320,000	6/1/2025 @100
Total		\$14,625,000	

Summary of Outstanding Bonds	
Series	2015B
Dated Date	September 30, 2015
Credit	Public Facility Revenue
Callable Par	\$14,625,000
Coupon Range	3.00% - 5.00%
Call Date	6/1/2025 @100

The County is currently evaluating a refunding of the 2027 - 2036 maturities

*Note: Based on current market rates as of March 2026. Preliminary and subject to change.

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Potential Refunding Results

Series 2015B Refunding Net Budgetary Savings			
Fiscal Year	Net Prior Debt Service	Refunding Debt Service	Net Budgetary Savings
2026	\$19,505	\$ -	\$19,505
2027	1,369,563	1,328,233	41,330
2028	1,369,563	1,326,750	42,813
2029	1,368,663	1,329,000	39,663
2030	1,366,863	1,324,000	42,863
2031	1,367,800	1,327,000	40,800
2032	1,366,238	1,327,500	38,738
2033	1,368,538	1,330,500	38,038
2034	1,364,538	1,325,750	38,788
2035	1,369,400	1,328,500	40,900
2036	1,366,200	1,328,250	37,950
Total	\$13,696,867	\$13,275,483	\$421,385

Summary of Refunding Results	
Par Refunded	\$11,500,000
Net Budgetary Savings	421,385
NPV Savings (\$)	349,897
NPV Savings (%)	3.04%
All-in TIC	2.69%

Note: Assumes current market interest rates as of 3/5/2026. Preliminary estimate subject to change.

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Next Steps



Next Steps

Date	Action
March 17 	<u>Economic Development Authority Meeting</u> ■ Economic Development Authority Adopts Resolution and Approves Forms of POS/Financing Documents
March 18	<u>Board of Supervisors Meeting</u> ■ Board of Supervisors Adopts Resolution and Approves Forms of POS/Financing Documents
Week of March 23	Credit Presentation Meetings
Mid to Late April	Bond Sale – interest rates locked in.
Early May	Bond Closing – funds received.



Financing Plan: Debt Issuance - \$156.55M

Questions?



Proposed Motion:

“I move to adopt the Resolution attached to the staff report as Attachment A.”