COUNTY OF YORK
MEMORANDUM

DATE: August 4, 2005 (BOS Mtg. 8/16/05)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator

SUBJECT: Reimbursement from Bond Proceeds for Expenditures Made or to be Made in Connection with School Capital Projects

The following School Capital Projects included in the fiscal year 2006-2011 School Capital Program proposed to the Board are to be financed by the issuance of bonds sold through the Virginia Public School Authority:

- York High School renovations
- School Board Office renovations
- Tabb High School Gym construction

The renovation projects started in fiscal year 2005. The County has sufficient cash balances in its capital funds to finance these projects until the bonds are issued. Our bond sale is planned for the fall of 2005. The local funds will be required for other projects after bond proceeds are available.

In order to provide greater flexibility for dealing with bond proceeds and to preserve the County's ability to finance these projects with tax-exempt bonds under Internal Revenue Service regulations, staff recommends that the Board adopt a resolution stating the intent to reimburse itself from bond proceeds for school capital projects made in advance of issuance of the bonds. The Board has adopted similar routine reimbursement resolutions for other capital projects in the past, and adoption of such a resolution does not obligate the County to issue bonds. Should the County choose not to issue bonds, no further action by the Board will be necessary.

Proposed Resolution R05-142 has been prepared for the Board's consideration. If adopted, this resolution will authorize the County to reimburse itself from bond proceeds. Bond counsel has reviewed this resolution and approved it as to form. I recommend adoption of proposed Resolution R05-142.

White/3737
Attachment:
- Proposed Resolution R05-142