

## CERTIFICATE OF CLERK

The undersigned Clerk of the Board of Supervisors of the County of Gloucester, Virginia, hereby certifies that:

1. A regular meeting (the "Meeting") of the Board of Supervisors of the County of Gloucester, Virginia (the "Board"), was held on September 2, 2025, at which the following members were present and absent:

PRESENT:

ABSENT:

2. A Resolution entitled "RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF GLOUCESTER, VIRGINIA APPROVING A WATER AND SEWER REVENUE BOND FINANCING WITH THE VIRGINIA RESOURCES AUTHORITY, AND OTHER RELATED ACTIONS" was duly adopted at the Meeting by the recorded affirmative roll-call vote of a majority of all of the members elected to the Board, the ayes and nays being recorded in the minutes of the Meeting as shown below:

MEMBER

VOTE

3. Attached hereto is a true and correct copy of the foregoing Resolution as recorded in full in the minutes of the Meeting.

4. The attached Resolution has not been repealed, revoked, rescinded or amended and is in full force and effect on the date hereof.

WITNESS my signature and the seal of the County of Gloucester, Virginia, this 2<sup>nd</sup> day of September, 2025.

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Clerk of the Board of Supervisors  
of the County of Gloucester, Virginia

[SEAL]

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF GLOUCESTER, VIRGINIA APPROVING A  
WATER AND SEWER REVENUE BOND FINANCING WITH  
THE VIRGINIA RESOURCES AUTHORITY, AND OTHER  
RELATED ACTIONS**

**WHEREAS**, the Board of Supervisors (the "Board") of the County of Gloucester, Virginia (the "County") has determined that it is necessary and advisable to issue and sell bonds of the County in the maximum aggregate principal amount of \$3,000,000 (the "Bonds") to (i) finance, with respect to the County's water and sewer system, certain costs of acquiring, constructing and equipping capital improvements (the "Projects") included in the County's Capital Improvement Plan, as the Board may amend it from time to time hereafter, (ii) provide for the funding of capitalized interest on the Bonds (if and as needed) and (iii) finance the costs of issuance of the Bonds;

**WHEREAS**, a public hearing on the issuance of the Bonds has been held after notice was published in accordance with the requirements of Section 15.2-2606 of the Code of Virginia of 1950, as amended (the "Virginia Code");

**WHEREAS**, the County has discussed with the Virginia Resources Authority ("VRA") the purchase of the Bonds, and VRA has indicated its willingness to purchase such Bonds from the proceeds of one or more series of its Infrastructure and State Moral Obligation Revenue Bonds (Virginia Pooled Financing Program) (collectively, the "VRA Bonds"), in accordance with the terms of a Local Bond Sale and Financing Agreement (the "Financing Agreement"), between VRA and the County, or such other financing agreement that may be entered into in connection with a separate series of the Bonds;

**WHEREAS**, the Financing Agreement is expected to indicate that (i) the sum of (A) \$2,350,000 plus (B) an amount necessary to pay costs of issuance on the Bonds or (ii) such other amount as requested by the County in writing and approved by VRA prior to VRA's bond pricing, is the amount of proceeds requested for the Project from VRA (the "Proceeds Requested");

**WHEREAS**, the date of the sale of the VRA Bonds is referred to as the "VRA Sale Date;"

**WHEREAS**, VRA has informed the County that VRA's objective is to pay the County a purchase price for the Bonds that in VRA's judgment reflects its market value (the "Purchase Price Objective") taking into consideration the Proceeds Requested and such factors as the purchase price received by VRA for the VRA Bonds, the issuance costs of the VRA Bonds (consisting of the underwriters' discount and other costs incurred by VRA) (collectively, the "VRA Costs") and other market conditions relating to the sale of the VRA Bonds;

**WHEREAS**, such factors are expected to result in the County receiving a purchase price other than the par amount of the Bonds, and, consequently (i) the aggregate principal amount of the Bonds may be greater than or less than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (ii) the County may receive less than the Proceeds Requested if the financing parameters established under Section 1 or Section 4 of this Resolution restrict the principal amount of the Bonds such that the maximum principal

amount of the Bonds does not exceed the Proceeds Requested by at least the amount of the VRA Costs and any original issue discount, the amount to be paid to the County, given the Purchase Price Objective and market conditions; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF GLOUCESTER, VIRGINIA:**

**1. Authorization of Issuance of Bonds.** The Board hereby determines that it is necessary and advisable and will benefit the residents of the County through the promotion of their health, safety, and welfare (i) to contract a debt and to issue the Bonds in an aggregate principal amount not to exceed \$3,000,000, and (ii) to award and sell the Bonds to or at the direction of VRA. The issuance and sale of the Bonds is hereby authorized on the terms and conditions set forth herein and in the Financing Agreement, and in accordance with Section 15.2-2601 of the Virginia Code, the Board elects to issue the Bonds pursuant to the provisions of the Public Finance Act of 1991, as amended. The proceeds from the issuance and sale of the Bonds shall be used to pay all or a portion of the costs of the Project. The Bonds shall be issued in one or more series with appropriate nomenclature and series designations, as determined by the Chair, the County Administrator or the Chief Financial Officer (each a "County Representative").

**2. Pledge of Revenues.** The Bonds shall be limited obligations of the County as to which the principal of, premium, if any, and interest shall be payable solely from the net revenues (i.e. revenue less operating expenses) derived by the County from its water and sewer system, as such systems may be expanded from time to time, and from other funds, if any, that have been or may be pledged for such purpose. Nothing in this Resolution, the Bonds, or any documentation under which the Bonds may be issued shall be deemed to pledge the full faith and credit and taxing power of the County to the payment of the Bonds. The Bonds will be issued under and are equally and ratably secured by a Master Indenture of Trust to be dated a date determined by the County Representative (the "Master Indenture") between the County and a corporate trustee selected by the County Representative (the "Master Trustee"), and as supplemented by a Supplemental Indenture of Trust (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture") to be dated a date determined by the County Representative, between the County and the Master Trustee, as "Parity Indebtedness" as defined therein.

**3. Authorization of Financing Documents.** The County Representative is hereby authorized and directed to determine the final form the Master Indenture, the Supplemental Indenture, and the Financing Agreement and to approve of those documents. The County Representative is hereby authorized and directed to execute those documents in substantially such form, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the County Representative, whose approval shall be evidenced conclusively by the execution and delivery thereof.

**4. Sale of Bonds; Terms and Conditions.**

(a) The Bonds may be issued in one or more series and the of each series shall be issued as a single bond in fully registered form and shall be dated the date of its issuance. The County Representative is hereby authorized to determine whether to issue the Bonds in one or

more series in connection with one or more of VRA's Virginia Pooled Financing Programs, provided that the parameters set forth in (b) below are satisfied.

(b) The Board hereby authorizes the sale of the Bonds to or at the direction of VRA on terms that VRA shall determine subject to VRA's Purchase Price Objective and market conditions described in the Recitals hereof, provided, however, that (i) the Bonds shall be issued in an aggregate principal amount not exceeding the amount specified in Section 1, (ii) the Bonds shall have a "true" interest cost not exceeding 6.0% (exclusive of "supplemental interest"), (iii) the Bonds shall be payable in principal installments ending no later than June 30, 2056, and (iv) the Bonds shall be subject to prepayment upon the terms set forth in the Financing Agreement.

(c) Subject to the parameters in subsection (b), the County further authorizes the County Representative to accept the final terms presented by VRA, including the final principal amount and the amortization schedule (including the principal installment dates and amounts) of the Bonds. If the limitation on the maximum aggregate principal amount of the Bonds set forth above restricts VRA's ability to generate the Proceeds Requested, taking into account the VRA Costs, the Purchase Price Objective and market conditions, the County Representative is authorized to accept a purchase price for the Bonds at an amount less than the Proceeds Requested.

(d) The actions of the County Representative in determining the final terms of the Bonds shall be conclusive, and no further action shall be necessary on the part of the Board. As set forth in the Financing Agreement, the County agrees to pay such "supplemental interest" and other charges as provided therein, including such amounts as may be necessary to maintain or replenish the VRA Reserve. The principal of, premium, if any, and interest on the Bonds shall be payable in lawful money of the United States of America.

**5. Details of Bonds.** The Bonds shall be issued upon the terms established pursuant to this Resolution, the Indenture, and the Financing Agreement. The Bonds shall be issued in fully registered form, and shall be numbered from R-1 upwards consecutively with the appropriate series designation. The Bonds shall mature in the years and amounts, shall bear interest payable semi-annually at such rates, and shall be subject to redemption prior to maturity on such terms all as set forth in the Financing Agreement. Principal, premium, if any, and interest shall be payable in lawful money of the United States of America.

**6. Form of Bond and Supplemental Indenture.** The Bonds shall be in substantially the form attached to the Indenture and on file in the County's records, with such appropriate variations, omissions, and insertions as are permitted or required by this Resolution or any subsequent Resolution or resolution of the Board. There may be endorsed on the Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. The Supplemental Indenture shall be in a form approved by the County Representative, with the approval of the County Representative evidenced by the delivery of the Supplemental Indenture.

**7. Appointment of Bond Registrar and Paying Agent.** The County Representative is hereby authorized to select and appoint as Registrar and Paying Agent for the Bonds (the "Bond Registrar") a bank or other financial institution capable of performing such duties. In the absence of such selection and appointment by the County Representative, the Treasurer of the County is

appointed as Bond Registrar. The Board or the County Representative may appoint a subsequent Bond Registrar or one or more paying agents for the Bonds upon giving written notice to VRA specifying the name and location of the principal office of any such Bond Registrar or paying agent.

**8. Execution of Bonds.** The County Representative is hereby authorized and directed to execute appropriate negotiable Bonds, and the Clerk of Board (the "Clerk") is hereby authorized and directed to affix the seal of the County thereto and attest the seal. The County Representative is hereby authorized and directed to deliver the Bonds to or at the direction of VRA upon payment of the purchase price therefor. The manner of execution and affixation of the seal may be by facsimile; provided, however, that if the signatures of the County Representative and the Clerk are both by facsimile, the Bonds shall not be valid until signed by the manual signature of the Bond Registrar.

**9. Tax Compliance Agreement.** If requested by VRA, such officers of the County as may be requested are authorized and directed to execute and deliver a non-arbitrage certificate and tax compliance agreement (the "Tax Compliance Agreement") with VRA in a form to be approved by the officers of the County executing such document, whose approval shall be evidenced conclusively by the execution and delivery thereof.

**10. Arbitrage Covenants.** If required by VRA, the County covenants that it shall neither take nor omit to take any action which will cause the VRA Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, or otherwise cause interest on the VRA Bonds to be includable in the gross income of the registered owner thereof under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of the Tax Compliance Agreement that may require the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bonds, unless the County receives an opinion of nationally recognized bond counsel that such compliance is not required or no longer required to prevent interest on the VRA Bonds from being included in the gross income for federal income tax purposes of the registered owners thereof under existing law. The County shall pay any such required rebate from legally available funds.

**11. Official Statement.** The County authorizes and consents to the inclusion, if necessary, of information with respect to the County contained in VRA's Preliminary Official Statement and VRA's Official Statement in final form, both prepared in connection with the sale of the VRA Bonds. If appropriate, such disclosure documents shall be distributed in such manner and at such times as any of them shall determine. The County Representative is authorized and directed to take whatever actions are necessary or appropriate to aid VRA in ensuring compliance with Securities and Exchange Commission Rule 15c2-12.

**12. Further Actions; Authorization of County Representative.** The County Representative and such officers and agents of the County as may be designated by the County Representative, are hereby authorized and directed to take such further action as they deem necessary or appropriate regarding the issuance and sale of the Bonds, including necessary steps to qualify or register them for sale in one or more jurisdictions and to secure credit enhancement therefor. All actions previously taken by the County Representative and such officers and agents in connection with the issuance and sale of the Bonds are hereby ratified and confirmed. The

authorizations granted in this Resolution to the County Administrator and the Clerk may be carried out by the Deputy, Interim, or Acting County Administrator and any Assistant or Deputy Clerk, respectively, in the absence of the primary officers.

**13. Filing of Resolution.** The County Attorney of the County is authorized and directed to file or cause to be filed a certified copy of this Resolution with the Circuit Court of Gloucester County pursuant to Sections 15.2-2607 and 15.2-2627 of the Virginia Code.

**14. SNAP Investment Authorization.** The County has heretofore received and reviewed the Information Statement (the "Information Statement") describing the State Non-Arbitrage Program of the Commonwealth of Virginia ("SNAP") and the Contract Creating the State Non-Arbitrage Program Pool I (the "Contract"), and the County has determined to authorize the Chief Financial Officer to utilize SNAP in connection with the investment of the proceeds of the lease transaction if the Chief Financial Officer determines that the utilization of SNAP is in the best interest of the County. The Board acknowledges that the Treasury Board of the Commonwealth of Virginia is not, and shall not be, in any way liable to the County in connection with SNAP, except as otherwise provided in the contract creating the investment program pool.

**15. Effective Date.** This Resolution shall take effect immediately. Except as set forth in the following sentence, the authorization to issue and sell the Bonds shall expire on June 30, 2026, but all other provisions of this Resolution shall remain in full force and effect.

# Utility Financing Options Comparison

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Gloucester County, Virginia



September 2, 2025

- On behalf of the County, Davenport distributed an RFP for a Direct Bank Loan with options for 15, 20, or 25-Year terms in an amount up to \$2,600,000\* to fund the following FY 2026 projects (as well as the related issuance costs):

Project	Amount
1 Pump Station Upgrades	\$ 1,360,000
2 WTP Motor Control Center	600,000
3 Filter Repairs	330,000
4 Raw Water Pump Upgrade	60,000
5 Total Projects	\$ 2,350,000

- The County received six (6) proposals for the Utility Financing from the following institutions:
  - Capital One Public Funding (“Capital One”);
  - Chesapeake Bank;
  - CoBank;
  - Huntington Public Capital (“Huntington”);
  - J.P. Morgan Chase Bank (“J.P. Morgan”); and
  - Webster Bank.
- In addition to the Bank RFP Process, Davenport submitted a non-binding Application on behalf of the County to participate the 2025 VRA Fall Pool, which is scheduled to lock in interest rates in Late October and close in Mid-November.
- Regardless of whether the County moves forward with a Direct Bank Loan or VRA, the Utility Financing is expected to be secured by a senior lien on the County’s Water & Sewer System revenues under a new Master Indenture of Trust and a First Supplemental Indenture of Trust.



# Interest Rate & Prepayment Summary



- Based on Davenport and County Staff's review of the proposals received and the current market estimates for the VRA Fall Pool, the remainder of this analysis focuses on the VRA Fall Pool.

A Lender (Lowest to Highest)	B Call Provisions	Interest Rate			
		C 15-Year	D 20-Year	E 25-Year	F 30-Year
1 VRA	Prepayable in whole or in part without penalty on or 11/1/2035	3.68% <sup>(1)</sup>	4.15% <sup>(1)</sup>	4.45% <sup>(1)</sup>	4.62% <sup>(1)</sup>
2 Webster Bank	Prepayable in whole on any date on or after 8/1/2030 with a 2% premium initially, declining to 1%, then no penalty (timing of declines depends on term). Some partial prepayment permitted	4.26%	4.57%	N/A	N/A
3 Capital One	Prepayable in whole at par on or after the call date (8/1/2033 or 8/1/2036, depending on term). Some partial prepayment permitted	4.51% <sup>(2)</sup>	4.74% <sup>(2)</sup>	4.89% <sup>(2)</sup>	N/A
4 Chesapeake Bank	No prepayment penalty for any amount that is paid ahead of schedule	4.75% <sup>(3)</sup>	4.75% <sup>(3)</sup>	N/A	N/A
5 Huntington	Subject to prepayment without penalty commencing 8/1/2030 in whole, but not in part, at par plus accrued interest	4.59%	4.78%	N/A	N/A
6 J.P. Morgan	Prepayable in whole or in part without premium or penalty if paid on or after the chosen call date. Any other prepayment is subject to breakage costs	4.65% (Non-Callable) 4.86% (7-Yr Call) 4.78% (10-Yr Call) 4.73% (12-Yr Call)	N/A	N/A	N/A
7 CoBank	Subject to Broken Funding Surcharge	5.97%	6.33%	6.52%	N/A

(1) Preliminary as of 8/15/2025. Subject to change until VRA sells bonds, which is currently scheduled to occur on 10/28/2025.


(2) Rates are subject to change if the relevant SOFR Swap rate on the date the interest rate is locked in is more than 0.05% different than it was on 8/14/2025.

(3) Fixed for the first 10 years of the term then adjusted to the Wall Street Journal Prime minus 1% for the remaining 5 or 10 years, depending on the selected final maturity.

# VRA Fall Pool Details and Estimated Debt Service



- A current market estimate as of August 15, 2025, for the VRA Fall Pool is shown here based on 15, 20, 25, and 30-year terms.
  - Interest rates for VRA would be locked upon the sale of bonds, which is currently scheduled to occur on October 28, 2025.

A		B	
Lender			
1 Interest Rate		15-Year: <b>3.68%</b> 20-Year: <b>4.15%</b> 25-Year: <b>4.45%</b> 30-Year: <b>4.62%</b>	
2 Acceptance / Rate Expiration		Preliminary as of 8/15/2025. Subject to change until VRA prices its bonds on/about 10/28/2025.	
3 Prepayment Provisions		Prepayable in whole or in part without penalty on or after 11/1/2035	
4 Project Fund/Escrow Requirements		Funds will be deposited with the Trustee Disbursement/requisition process will be required	
<b>Key Interest Rate Dates</b>			
5 Proposal Expiration/Deadline to Notify		9/19/2025	
Rate Locked		10/28/2025	
Rate Expiration/Close By		11/18/2025	
6 Bank/Other Fees		- Annual Admin Fee: 12.5 bps - VRA Closing/Legal Costs: approx. \$32,275 (est.) <sup>(2)</sup>	
7 Credit Approval		Subject to Application Process (Ongoing)	

\*Preliminary as of 8/15/2025, subject to change.

(1) Includes VRA Annual Admin Fee of 12.5 bps.

(2) Subject to change based on the number of participants in the Fall Pool, among other variables.

Note: under the VRA option, the County's payments would be due to VRA's trustee on 4/1 and 10/1 (one month prior to the bond payments of 5/1 and 11/1).

A		B	C	D	E
Preliminary Results		15-Year	20-Year	25-Year	30-Year
1	<b>Key Assumptions</b>				
2	Interest Rate Lock Date	10/28/2025	10/28/2025	10/28/2025	10/28/2025
3	Closing Date	11/18/2025	11/18/2025	11/18/2025	11/18/2025
4	First Interest	5/1/2026	5/1/2026	5/1/2026	5/1/2026
5	First Principal	11/1/2026	11/1/2026	11/1/2026	11/1/2026
6	Final Maturity	11/1/2040	11/1/2045	11/1/2050	11/1/2055
7	Interest Rate/TIC	3.68%*	4.15%*	4.45%*	4.62%*
8	AIC (1)	5.15%*	5.36%*	5.51%*	5.57%*
9	<b>Sources</b>				
10	Par Amount	2,355,000	2,430,000	2,495,000	2,540,000
11	Premium	239,457	166,937	100,502	57,982
12	Total Sources	\$ 2,594,457	\$ 2,596,937	\$ 2,595,502	\$ 2,597,982
13	<b>Uses</b>				
14	Project Fund	2,350,000	2,350,000	2,350,000	2,350,000
15	Local Costs of Issuance	200,000	200,000	200,000	200,000
16	VRA Cost of Issuance (2)	31,775	32,150	32,475	32,700
17	Underwriter's Discount (2)	11,775	12,150	12,475	12,700
18	Additional Proceeds	907	2,637	552	2,582
19	Total Uses	\$ 2,594,457	\$ 2,596,937	\$ 2,595,502	\$ 2,597,982
20	<b>Estimated Debt Service* (1)</b>				
21	2026	\$ 54,647	\$ 55,281	\$ 55,992	\$ 56,739
22	2027	223,003	190,300	172,381	159,416
23	2028	222,494	191,584	174,691	162,494
24	2029	226,600	192,613	171,872	160,444
25	2030	225,322	193,384	173,925	163,266
26	2031	223,788	193,900	170,850	160,959
27	2032	226,869	194,159	172,647	163,525
28	2033	224,566	194,163	174,188	160,963
29	2034	226,878	189,038	175,472	163,272
30	2035	223,806	193,656	171,628	160,453
31	2036	225,350	192,891	172,656	162,506
32	2037	226,381	191,869	173,428	159,431
33	2038	226,900	190,591	173,944	161,228
34	2039	222,034	189,056	174,203	162,769
35	2040	226,656	192,138	174,206	164,053
36	2041	225,638	189,834	173,953	160,209
37	2042	-	192,147	173,444	161,238
38	2043	-	189,075	172,678	162,009
39	2044	-	191,044	171,956	162,750
40	2045	-	192,950	171,291	163,472
41	2046	-	189,394	175,194	159,019
42	2047	-	-	173,663	159,388
43	2048	-	-	171,894	159,519
44	2049	-	-	174,769	159,413
45	2050	-	-	172,188	163,875
46	2051	-	-	174,144	162,903
47	2052	-	-	-	161,688
48	2053	-	-	-	160,228
49	2054	-	-	-	163,403
50	2055	-	-	-	161,213
51	2056	-	-	-	158,778
52	Total Debt Service	\$ 3,430,932	\$ 3,889,066	\$ 4,387,254	\$ 4,900,620

# Recommendation / Next Steps



- Based upon our review of the proposals, related analyses, and discussions with County Staff and Bond Counsel, Davenport and County Staff recommend that the County move forward with VRA with a 25-year term.

Date	Task
September 2 6:00 pm	County Board Meeting <ul style="list-style-type: none"><li>■ County Board holds Public Hearing.</li><li>■ Davenport presents financing options/scenarios.</li><li>■ County Board considers selecting preferred financing approach.</li><li>■ County Board considers adopting final resolution and form of financing documents, if available.</li></ul>
September 16 6:00 pm	County Board Meeting <ul style="list-style-type: none"><li>■ County Board considers adopting final resolution and form of financing documents, if not done previously.</li></ul>
By September 19	All Local Approvals due to VRA.
October 7 6:00 pm	County Board Meeting <ul style="list-style-type: none"><li>■ Placeholder, if needed.</li></ul>
October 28	VRA Bond Sale (interest rates locked in).
November 18	VRA Tentative Closing.



# Appendix

## Detailed Proposal Comparisons

# Debt Service Comparison | VRA vs. Banks



- Shown here is a comparison of the debt service included in planning work in Spring 2025 as well as estimates for the VRA Fall Pool and the Webster Bank and Capital One proposals.
  - Please note that the planning debt service shown here is based on a project amount of \$2,095,635. Since that planning work was completed, the actual project amount has been updated to be \$2,350,000.
- Based on the current market as of August 15, 2025, the VRA Fall Pool is estimated to provide the lowest cost of funds for each of the terms under consideration.
  - Interest rates for VRA would be locked upon the sale of bonds, which is currently scheduled to occur on October 28, 2025.
- The 30-year term from VRA provides the most similar annual payment to the planning work completed in Spring 2025.

\*Preliminary as of 8/15/2025, subject to change.

(1) Final pro forma updated by County Staff in Spring 2025 included a FY 2026 project amount of \$2,095,635. Following the completion of the analysis, the FY 2026 project amounts were increased to \$2,350,000.

(2) VRA options include VRA Annual Admin Fee of 12.5 bps.

Note: under the VRA option, the County's payments would be due to VRA's trustee on 4/1 and 10/1 (one month prior to the bond payments of 5/1 and 11/1).


(3) Rates are subject to change if the relevant SOFR Swap rate on the date the interest rate is locked in is more than 0.05% different than it was on 8/14/2025.

A	B	D	E	F	G	H	I	J
Preliminary Results	Planning Est.	2025 VRA Fall Pool Estimates				Webster Bank		Capital One
	25-Year	15-Year	20-Year	25-Year	30-Year	15-Year	20-Year	25-Year
1 Key Assumptions	(1)							
2 Interest Rate Lock Date		10/28/2025	10/28/2025	10/28/2025	10/28/2025	9/3/2025	9/3/2025	9/3/2025
3 Closing Date	FY 2026	11/18/2025	11/18/2025	11/18/2025	11/18/2025	10/15/2025	10/15/2025	10/15/2025
4 First Interest	FY 2027	5/1/2026	5/1/2026	5/1/2026	5/1/2026	8/1/2026	8/1/2026	8/1/2026
5 First Principal	FY 2027	11/1/2026	11/1/2026	11/1/2026	11/1/2026	8/1/2026	8/1/2026	8/1/2026
6 Final Maturity	FY 2051	11/1/2040	11/1/2045	11/1/2050	11/1/2055	8/1/2040	8/1/2045	8/1/2050
7 Interest Rate/TIC		3.68%*	4.15%*	4.45%*	4.62%*	4.26%	4.57%	4.89% <sup>(3)</sup>
8 AIC (2)	5.00%	5.15%*	5.36%*	5.51%*	5.57%*	5.48%	5.54%	5.70% <sup>(3)</sup>
9 Sources								
10 Par Amount		2,355,000	2,430,000	2,495,000	2,540,000	2,554,000	2,554,000	2,550,000
11 Premium		239,457	166,937	100,502	57,982	-	-	-
12 Total Sources		\$ 2,594,457	\$ 2,596,937	\$ 2,595,502	\$ 2,597,982	\$ 2,554,000	\$ 2,554,000	\$ 2,550,000
13 Uses								
14 Project Fund	2,095,635	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000	2,350,000
15 Local Costs of Issuance		200,000	200,000	200,000	200,000	200,000	200,000	200,000
16 VRA/Bank Cost of Issuance		31,775	32,150	32,475	32,700	4,000	4,000	-
17 Underwriter's Discount		11,775	12,150	12,475	12,700	-	-	-
18 Additional Proceeds		907	2,637	552	2,582	-	-	-
19 Total Uses		\$ 2,594,457	\$ 2,596,937	\$ 2,595,502	\$ 2,597,982	\$ 2,554,000	\$ 2,554,000	\$ 2,550,000
20 Estimated Debt Service* (2)								
21 2026	\$ -	\$ 54,647	\$ 55,281	\$ 55,992	\$ 56,739	\$ -	\$ -	\$ -
22 2027	148,690	223,003	190,300	172,381	159,416	232,834	197,011	179,946
23 2028	148,690	222,494	191,584	174,691	162,494	233,006	197,628	179,372
24 2029	148,690	226,600	192,613	171,872	160,444	233,297	197,652	179,512
25 2030	148,690	225,322	193,384	173,925	163,266	233,333	197,493	179,504
26 2031	148,690	223,788	193,900	170,850	160,959	233,114	197,152	179,350
27 2032	148,690	226,869	194,159	172,647	163,525	233,617	197,604	179,049
28 2033	148,690	224,566	194,163	174,188	160,963	232,844	196,852	178,602
29 2034	148,690	226,878	189,038	175,472	163,272	232,794	196,893	178,983
30 2035	148,690	223,806	193,656	171,628	160,453	233,424	197,683	179,169
31 2036	148,690	225,350	192,891	172,656	162,506	233,713	197,222	179,159
32 2037	148,690	226,381	191,869	173,428	159,431	233,662	197,510	178,954
33 2038	148,690	226,900	190,591	173,944	161,228	233,270	197,523	179,529
34 2039	148,690	222,034	189,056	174,203	162,769	233,515	197,262	178,883
35 2040	148,690	226,656	192,138	174,206	164,053	233,378	197,704	179,018
36 2041	148,690	225,638	189,834	173,953	160,209	232,856	197,826	178,907
37 2042	148,690	-	192,147	173,444	161,238	-	197,629	179,528
38 2043	148,690	-	189,075	172,678	162,009	-	197,111	178,881
39 2044	148,690	-	191,044	171,956	162,750	-	197,251	178,964
40 2045	148,690	-	192,950	171,291	163,472	-	197,025	178,753
41 2046	148,690	-	189,394	175,194	159,019	-	197,410	179,225
42 2047	148,690	-	-	173,663	159,388	-	-	179,355
43 2048	148,690	-	-	171,894	159,519	-	-	179,142
44 2049	148,690	-	-	174,769	159,413	-	-	179,562
45 2050	148,690	-	-	172,188	163,875	-	-	178,616
46 2051	148,690	-	-	174,144	162,903	-	-	179,279
47 2052	-	-	-	-	161,688	-	-	-
48 2053	-	-	-	-	160,228	-	-	-
49 2054	-	-	-	-	163,403	-	-	-
50 2055	-	-	-	-	161,213	-	-	-
51 2056	-	-	-	-	158,778	-	-	-
52 Total Debt Service	\$ 3,717,261	\$ 3,430,932	\$ 3,889,066	\$ 4,387,254	\$ 4,900,620	\$ 3,498,655	\$ 3,947,439	\$ 4,479,244
53 Annual Payment Difference vs. Same Term VRA		\$ 8,158	\$ 5,683			\$ 8,158	\$ 5,683	\$ 5,919
54 Total Debt Service Difference vs. Same Term VRA		\$ 67,724	\$ 58,373			\$ 67,724	\$ 58,373	\$ 91,989
55 VRA Breakeven Rate Movement to Bank						+ 31 bps	+ 20 bps	+ 21 bps

End of  
Non-  
Callable  
Period

# Detailed Comparison of Financing Options



A	B	C	D
Lender			
1 Interest Rate	15-Year: <b>3.68%</b> 20-Year: <b>4.15%</b> 25-Year: <b>4.45%</b> 30-Year: <b>4.62%</b>	15-Year: 4.26% 20-Year: 4.57% 25-Year: N/A	15-Year: <b>4.51%</b> 20-Year: <b>4.74%</b> 25-Year: <b>4.89%</b>
2 Acceptance / Rate Expiration	Preliminary as of 8/15/2025. Subject to change until VRA prices its bonds on/about 10/28/2025.	Rates are locked for a closing by 10/17/2025 if the term sheet is accepted by 9/3/2025.	Rates are subject to change if the relevant SOFR Swap rate on the date the interest rate is locked in is more than 0.05% different than it was on 8/14/2025. To be confirmed if rate can be locked upon notification of staff recommendation via email (subject to Board of Supervisors approval) and if there would be penalty if the rate were locked based on the recommendation and the Board chooses another option.
3 Prepayment Provisions	Prepayable in whole or in part without penalty on or after 11/1/2035	Prepayable in whole on any date on or after 8/1/2030 with a 2% premium initially. For the 15-Year option, the premium declines to 1% on 8/1/2031 with no penalty on or after 8/1/2032. For the 20-Year option, the premium declines to 1% on 8/1/2032 with no penalty on or after 8/1/2034. Partial prepayments of at least \$300,000 are permitted once per year and applied in inverse order.	Prepayable on or after the call date (8/1/2033 for 15-Year and 8/1/2035 for 20 and 25-Year) in whole without penalty. Partial prepayment is permitted from non-refunding proceeds, once per CY, in an amount between \$50,000-250,000, and applied in inverse order of maturities.
4 Project Fund/Escrow Requirements	Funds will be deposited with the Trustee Disbursement/requisition process will be required	Amenable to Deposit at VASNAP Quarterly reports of withdrawn funds are requested Involvement of Trustee to be discussed ( <b>firm to be selected</b> )	Proceeds would be deposited in an account at Capital One. To be confirmed: need for formal agreement and/or disbursement/requisition process, estimated earnings rate, and arbitrage rebate monitoring Involvement of Trustee to be discussed ( <b>firm to be selected</b> )
<b>Key Interest Rate Dates</b>			
5 Proposal Expiration/Deadline to Notify	9/19/2025	9/3/2025	9/2/2025
Rate Locked	10/28/2025	9/3/2025	9/2/2025
Rate Expiration/Close By	11/18/2025	10/17/2025	10/17/2025
6 Bank/Other Fees	- Annual Admin Fee: 12.5 bps - VRA Closing/Legal Costs: approx. \$32,275 (est.) <sup>(2)</sup>	Lender's Counsel: not to exceed \$4,000	None
7 Credit Approval	Subject to Application Process (Ongoing)	Subject to Final Credit Approval	Subject to Final Credit & Documentation Approval
8 Lender's Counsel	McGuireWoods LLP	Gilmore & Bell	TBD (Cost Covered by Bank)

# Disclaimer



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**PUBLIC HEARING NOTICE**  
**GLOUCESTER COUNTY BOARD OF SUPERVISORS**

Pursuant to the Code of Virginia, the Gloucester County Board of Supervisors will conduct a Public Hearing on September 2, 2025, beginning at 6:00 p.m. in the Colonial Courthouse, 6504 Main Street, Gloucester, Virginia to consider the following:

**PROPOSED WATER AND SEWER REVENUE BOND FINANCING**

The Gloucester County Board of Supervisors will hold a public hearing in accordance with Section 15.2-2606 of the Code of Virginia of 1950, as amended, on the issuance of water and sewer revenue bonds in an estimated maximum principal amount of \$3,000,000 to finance the costs of capital projects for the utility system contained in the County's capital improvement plan including without limitation the costs associated with pump station upgrades, raw water pump upgrade, filter repairs and the Water Treatment Plant motor control center.

The preceding is a summary, not the full text, of the County's capital improvement plan for the Department of Public Utilities. It is not intended to be a comprehensive representation of all of the projects and does not substitute for the plan, which is available for review on the web at [www.gloucesterva.gov](http://www.gloucesterva.gov), and in the County Administrator's Office at 6489 Main Street, Gloucester, Virginia.

The meeting will be broadcast live through the County website meeting portal at: <https://www.gloucesterva.gov/640/Meeting-Portal> and on Cox channel 48.

All interested parties are invited to express their views on this matter. Public comments may be submitted prior to the public hearing by three different methods:

- To submit comments online, complete the [Public Comment Submission](http://www.gloucesterva.gov/publiccomment) form ([www.gloucesterva.gov/publiccomment](http://www.gloucesterva.gov/publiccomment)). Please follow the instructions on the form to indicate the public hearing on which you want to comment.
- Comments may also be submitted by calling and leaving a message at 804-824-2760. Follow the prompts to leave comments for this specific public hearing, and clearly indicate your name (including spelling if needed) and your magisterial district.
- Finally, comments may be submitted by US Mail to County Administration, ATTN: PUBLIC HEARING, 6489 Main Street, Gloucester, VA 23061. Any mailed comments must include your name, your magisterial district, and the title of this public hearing clearly printed at the top, and all such comments must be received by the scheduled date of this hearing. Please type or print all comments legibly.



Comments submitted through these methods must be received by 4:30 p.m. on September 2, 2025, and will be read or played aloud during the public hearing up to the set time limit of 3 minutes.

“Form letters,” consisting of communications which are verbatim duplicates (other than the identifying information of the author/submitter) of one or more other communications received by the County pertaining to the matter to be considered at the public hearing, shall be read only once per letter, along with the list of persons submitting the same comments pursuant to such “form letter.”

Persons requiring assistance to submit comments for the meeting should contact the Gloucester County Administrator’s office at (804) 693-4042.

Carol Steele, County Administrator