

HUNTON

MEMORANDUM

TO: India Adams-Jacobs,
Town Manager
Town of Bowling Green

DATE: February 26, 2026

FROM: Christopher G. Kulp

2026 Bond Financing - Requested Actions of Town Council

At the Town Council meeting scheduled for Thursday, March 5, 2026, we would ask Town Council to take the following actions in connection with the issuance of a new 2026 General Obligation Bond:

- (1) **Hold a Public Hearing** – Pursuant to the provisions of the Public Finance Act of 1991 (Va Code Sections 15.2-2600 et seq.), the Town Council is required to hold a public hearing prior to the final authorization of the issuance of bonds. Notice was published on February 17 and February 24, 2026.
- (2) **Consider Adopting the Ordinance** (form attached) – the Ordinance is a short form authorization of the issuance of general obligation bonds to (a) refinance the existing 2021 Bond Anticipation Note held by CoBank and (b) finance the capital improvement projects related to the Town’s water and sewer utility systems, subject to the final approval terms set forth in the bond resolution (see below). The bonds are to be issued as general obligation indebtedness of the Town secured by its full faith and credit.
- (3) **Consider Adopting the Bond Resolution** (form attached) – the Bond Resolution provides approval of the specific financing terms of the loan with the bank selected by Town Council from the bids received. The loan will be evidenced by a 2026 General Obligation Bond to be issued by the Town. By its terms, the resolution (a) approves the primary financing parameters for the 2026 Bond, such as (i) the maximum principal amount, (ii) interest rate, (iii) final maturity date, and (iv) prepayment provisions, (b) approves the form of the 2026 Bond attached to the resolution, (c) delegates to Town officers the authority to finalize the terms of the 2026 Bond (within such agreed upon parameters) and execute the 2026 Bond and related loan documents and closing papers, and (d) includes covenants that the Town will follow the applicable provisions of the federal tax code to maintain the tax-exempt status of the 2026 Bond and will provide annually to the bank (i) the Town’s financial statements and (ii) the Town’s budget.

The Ordinance and the Bond Resolution have been prepared by Hunton Andrews Kurth LLP, Richmond, Virginia, as the Town’s bond counsel, and reviewed as to form by Jeff Gore, as the Town Attorney.