

Staff Report

Subject: General obligation transportation sales tax bond for TSPLOST projects, \$60,000,00.
Author: Mark W. Barnes, Finance Director
Department: Finance Department
Meeting Date: 4/2/2024
Item Description: Consideration to approve the bond resolution for \$60,000,000 principal for the countywide projects approved in the TSPLOST referendum passed November 2023

Summary Recommendation:

Staff is recommending approval of the resolution for a general obligation transportation sales tax bond for countywide projects approved in the November 2023 TSPLOST referendum, for the principal amount of \$60,000,000. The interest rate, issuance costs, and other terms will be available on 4/2/24, the date that bidding is complete.

Executive Summary:

In November of 2023, the citizens of Effingham County approved the new TSPLOST referendum for the transportation sales tax collection period beginning after the expiration of the current TSPLOST term. This referendum contained a list of countywide projects that could be funded via debt issuance, with the tax estimated to collect \$120,000,000 countywide. The referendum also contained approval to issue general obligation debt in the principal amount of \$60,000,000.

Further, the County entered into an intergovernmental agreement with the cities of Rincon, Springfield, and Guyton regarding the new TSPLOST that also allowed for projects to be funded by debt of up to \$60,000,000.

In accordance with the TSPLOST referendum and cities IGA, and to expedite the completion of those countywide projects listed in the referendum, staff requested bond bid proposals through our financial advisors, Davenport & Company. These bids will be completed on 4/2/24 and that information will be presented during the public meeting.

Background:

1. The November 2023 TSPLOST referendum was structured for a bond like this.
2. The TSPLOST intergovernmental agreement with the cities was structured for a bond like this.
3. The results of the bond bidding process will be completed on 4/2/24 and presented at the meeting.

Alternatives for Commission to Consider:

1. Approve the general obligation transportation sales tax bond resolution.
2. Do not approve the general obligation sales tax bond resolution.

3. Provide staff with direction.

Recommended Alternative:

Staff recommends Alternative number 1 – Approve the general obligation sales tax bond resolution.

Other Alternatives:

N/A

Department Review: *(list departments)*

County Manager, Finance

Funding Source:

TSPLOST

Attachments:

1. General obligation transportation sales tax bond resolution
2. Bond information to be available and provided on 4/2/24