

RESOLUTION

Northampton County Board of Supervisors
TO CONDUCT A PUBLIC REFERENDUM
REGARDING AN INCREASE IN SALES TAX

WHEREAS, Section 58.1-605.2 of the Code of Virginia of 1950, as amended by the General Assembly in 2020, allows a qualifying locality, In addition to the sales tax authorized under Va. Code § **58.1-605**, to levy a general retail sales tax at a rate not to exceed one percent as determined by its governing body to provide revenue solely for capital projects for the construction or renovation of schools in each such locality. Such tax shall be added to the rates of the state and local sales tax imposed the Virginia Retail Sales Tax Act, Va. Code § 58.1-600 et. seq., and

WHEREAS, Northampton County is a qualifying locality within the meaning of Va. Code § 58.1-605.2; and

WHEREAS, this tax may be levied only if the tax is approved in a referendum within Northampton County in accordance with Va. Code § **24.2-684** and initiated by a resolution of the local governing body; and

WHEREAS, on September 24, 2019, the Board of Supervisors (the "Board") of the County of Northampton, Virginia (the "County"), provided an initial authorization (the "Initial Authorization") for the issuance of a not-to-exceed \$28,925,000 general obligation school bond (as more specifically defined below, the "Local School Bond") for the purpose of financing capital projects for public school purposes, including, without limitation, the design, renovation, equipping, modernizing, replacement, construction and expansion of the Northampton Middle/High School Complex (collectively, the "Project"); and

WHEREAS, on October 9, 2019, the Board reaffirmed its determination that it was advisable to contract a debt and issue and sell its general obligation school bond in an aggregate principal amount not to exceed \$28,925,000 (the "Local School Bond") for the purpose of financing the Project and provided final authorization of the issuance and sale of the Local School Bond; and

WHEREAS, said a Local School Bond was issued on October 26, 2019 in the amount of \$27,210,035.85 and will be repaid by January 15, 2040; and

WHEREAS, a sales tax such as this in Northampton County would raise approximately \$1.4 million annually and could be used to retire existing and future bonds and ongoing capital needs for the school system; and

WHEREAS, it is the determination of the Northampton County Board of Supervisors that it should pursue the authority granted in the above-referenced Code.

NOW, THEREFORE, BE IT RESOLVED, that the Northampton County Board of Supervisors does hereby resolve to initiate a referendum within Northampton County in accordance with Va. Code § 24.2-684 for the authority to provide by ordinance for an additional general sales tax at a rate not to exceed one percent, in order to provide revenue solely for the Project, said tax to expire on January 15, 2040.

BE IT FURTHER RESOLVED, that the County Attorney is directed petition the Circuit Court for an Order calling for a referendum at the next general election, scheduled for November 3, 2020, on the following question:

Should the Board of Supervisors be authorized to impose an additional general sales tax in an amount not to exceed one percent (1%) in order to provide revenue solely for purpose of financing capital projects for public school purposes, including, without limitation, the design, renovation, equipping, modernizing, replacement, construction and expansion of the Northampton Middle/High School Complex, said tax to expire on January 15, 2040, the date upon which the repayment of that certain general obligation school bond dated October 26, 2019 is due?

- YES
- NO

Adopted this ____ day of ____ March _____, 2020.

NORTHAMPTON COUNTY BOARD OF SUPERVISORS

By: _____
Its County Administrator