

**BOARD OF SUPERVISORS
FINANCE/ GOVERNMENT OPERATIONS AND
ECONOMIC DEVELOPMENT COMMITTEE
ACTION ITEM**

SUBJECT: Resolution Authorizing the Issuance of Lease Revenue Bonds Through the Economic Development Authority

ELECTION DISTRICT: Countywide

CRITICAL ACTION DATE: October 11, 2016

STAFF CONTACTS: John Sandy, County Administration
Janet Romanchyk, Finance and Procurement
Nicole Speight, Finance and Procurement

PURPOSE: To authorize the issuance of lease revenue bonds through the Economic Development Authority (EDA) in an amount not to exceed \$63,500,000 for capital projects in the Capital Improvement Program.

RECOMMENDATION: Staff recommends that the Finance/Government Operations and Economic Development Committee (FGOEDC) recommend that the Board of Supervisors (Board) adopt an Authorizing Resolution for the issuance of not more than \$63,500,000 of lease revenue bonds through the EDA as shown in Attachment 1.

Lease revenue bonds totaling \$63,500,000 is anticipated to be issued to fund, in whole or in part, the acquisition, design, construction, and equipping of the Library Management Project, Landfill Reclamation, General Government Office Space property acquisition located at 742 Miller Drive, Leesburg, Virginia (Cornerstone Church building) and renovation, Courts Complex Phase 3, E-911 Phone System Upgrade, Juvenile Detention Center, Public Safety Firing Range, Lovettsville Community Center Replacement, Alder School Road, Crosstrail Boulevard (Segment A2), Route 772 Transit Station Connector Bridge, Woodgrove High School/Fields Farm Park Road, and other ancillary bond issuance costs.

BACKGROUND: The Board has appropriated funding and financing for the acquisition, design, construction and equipping of the aforementioned projects in several adopted Capital Improvement Programs. The issuance of the bonds is necessary to reimburse the County for project expenses that have occurred and/or to provide funding for future anticipated project expenditures. The projects and associated dollar amounts included in this bond issuance are recommended based on the Schedule of Major Financings (Attachment 2) included in the FY 2017 Adopted Debt Service

Fund and the cash flow needs of the projects.

The Department of Finance and Procurement works with the Departments of Management and Budget and Transportation and Capital Infrastructure to determine the status of the projects in the debt issuance schedule and the amount of cash flow needed. Attachment 3 provides financing details for each project, including: the year the Board appropriated the project; the year and amount of the bond referendum approved by voters, if applicable; any prior bonds issued and their series number; the remaining amount of authorized unissued bonds; and the amount of bonds to be sold this fall for each project.

ISSUES:

Deviations from the Schedule of Major Financings: As stated above, the Schedule of Major Financings, as well as the cash flow needs of projects are the primary factors for the timing and amount of debt issued for projects. However, as part of the preparations for bond sales, the County must work with both its financial advisors and Bond Counsel to determine size and structure of issuances, which ultimately may deviate from the schedule for various reasons. For this fall sale, the planned issuance of \$6,000,000 for the Landfill Reclamation project, as listed in the schedule, will be reduced due to the private business use associated with the hauler contracts at the landfill. Per IRS Tax Code, tax-exempt bond proceeds cannot fund more than 10% of a bond issuance, therefore Bond Counsel will likely recommend that the issuance for the landfill be capped at \$4,000,000 for this sale. The variance in the issuance for this project will be made up in the schedule in a later fiscal year.

In consultation with the County's Financial Advisors—Davenport, LLC, the Department of Finance and Procurement staff has tentatively scheduled this bond sale for early November with closing to follow in mid-November. In order to meet this schedule, staff requests the FGOEDC's recommendation be forwarded to the October 20, 2016 Board of Supervisors' Business Meeting. The draft bond sale documents referenced in the attached resolution will be available for review and public inspection in the Department of Finance and Procurement by the October 20, 2016 Board Business Meeting. On October 27, 2016, staff will also present the lease revenue materials to the Loudoun County Economic Development Authority.

FISCAL IMPACT: For some of the projects listed in the tables in Attachment 3, the Board has appropriated funding for fixtures, furniture and equipment (FF&E) in addition to funding for construction. Other projects require funding solely for construction. Per the Board's Fiscal Policy, the County will repay the debt of financed equipment within a period not to exceed the expected useful life of the project or equipment. Debt related to equipment ancillary to a construction project may be amortized over a period less than that of the primary project. As such, it is customary for the County to amortize equipment within seven years and construction in 20 years.

Table 1. Projected Debt Service by Construction and Equipment

| | Construction | Equipment | Total |
|-----------|---------------------|------------------|---------------------|
| Principal | \$60,589,205 | \$310,812 | \$60,900,017 |
| Interest | 31,805,200 | 61,537 | 31,866,737 |
| | | | <u>\$92,766,754</u> |

Assuming that \$60,589,205 of bonds are issued with a 20-year, level principal repayment schedule at a true interest cost of 5%, the estimated interest charge or costs to repay the bonds would be \$31,805,200. Assuming that \$310,812 of bonds are issued with a 7-year, level principal repayment schedule at a true interest cost of 5%, the estimated interest charge or costs to repay the bonds would be \$61,537. The estimated total debt service for this bond issuance is \$92,766,754.

ALTERNATIVES: The Board may choose to not debt finance these projects at this time.

DRAFT MOTIONS:

1. I move that the Finance/Government Operations and Economic Development Committee recommend the Board of Supervisors approve the resolution entitled "RESOLUTION OF THE BOARD OF SUPERVISORS OF LOUDOUN COUNTY, VIRGINIA APPROVING A PLAN OF FINANCING WITH THE ECONOMIC DEVELOPMENT AUTHORITY OF LOUDOUN COUNTY, VIRGINIA, FOR THE ACQUISITION, DESIGN, CONSTRUCTION AND EQUIPPING OF LOUDOUN COUNTY FACILITIES" as shown in Attachment 1 of the October 11, 2016 Action Item.

OR

2. I move an alternate motion.

ATTACHMENTS:

1. RESOLUTION OF THE BOARD OF SUPERVISORS OF LOUDOUN COUNTY, VIRGINIA APPROVING A PLAN OF FINANCING WITH THE ECONOMIC DEVELOPMENT AUTHORITY OF LOUDOUN COUNTY, VIRGINIA, FOR THE ACQUISITION, DESIGN, CONSTRUCTION AND EQUIPPING OF LOUDOUN COUNTY FACILITIES
2. Schedule of Major Financings (FY 2017 Adopted Budget)
3. Projects Financed with Lease Revenue Bonds

**RESOLUTION OF THE BOARD OF SUPERVISORS OF
LOUDOUN COUNTY, VIRGINIA**

**APPROVING A PLAN OF FINANCING WITH THE
ECONOMIC DEVELOPMENT AUTHORITY OF
LOUDOUN COUNTY, VIRGINIA, FOR THE
ACQUISITION, DESIGN, CONSTRUCTION AND
EQUIPPING OF LOUDOUN COUNTY FACILITIES**

WHEREAS, the Board of Supervisors (the “**Board of Supervisors**”) of Loudoun County, Virginia (the “**County**”) has determined that it is necessary and appropriate to finance costs of the acquisition, design, construction and equipping of the following projects: (i) upgrades to the Library Management System; (ii) voluntary remediation of the oldest un-lined portion of the Loudoun County Landfill; (iii) design of a new 92,000 square foot facility for the General District Court and court administrative support functions located at 2 Church Street in Leesburg, Virginia and construction of a parking garage proximate to the site; (iv) replacement of the E-911 Phone System for the Emergency Communications Center; (v) construction and equipping of a new Juvenile Detention Center located in Leesburg, Virginia; (vi) design, construction and equipping of an approximately 65,000 square foot Public Safety Firing Range located in Leesburg, Virginia; (vii) replacement of the Lovettsville Community Center; (viii) improvements to Alder School Road; (ix) design and construction of improvements to Crosstrail and Kincaid Boulevards in the vicinity of Philip A. Bolen Memorial Park and the Leesburg Airport in the Leesburg Planning Subarea of the County; (x) construction of the Route 772 Transit Station Connector Bridge linking Croson Lane on the western side of the Dulles Greenway to Shellhorn Road on the eastern side of the Dulles Greenway; (xi) design and construction of a two lane road connecting Woodgrove High School to Route 690 through the County-owned Field Farms property; (xii) the purchase and renovation of a 30,000 square foot facility located at 742 Miller Drive in Leesburg, Virginia for County government office space; and (xiii) such other projects approved by the Board of Supervisors that do not, in the opinion of bond counsel to the County, adversely affect the tax exempt status of the Bonds (hereinafter defined) (collectively, the “**Project**”), by entering into a lease financing arrangement as hereinafter described; and

WHEREAS, the Economic Development Authority of Loudoun County, Virginia (the “**Authority**”), pursuant to the Industrial Development and Revenue Bond Act (the “**Act**”) under which it is created, is authorized to exercise all the powers set forth in the Act, which include, among other things, the power to make loans to, among others, a county in furtherance of the Act, to finance or refinance and lease facilities for use by, among others, a county, to issue its revenue bonds, notes and other obligations from time to time for such purposes and to pledge all or any part of its revenues and receipts derived from payments received by the Authority in connection with its loans or from the leasing by the Authority of such facilities or from any source, as security for the payment of principal of and interest on any such obligations;

WHEREAS, pursuant to the Master Trust Agreement dated as of February 1, 2015 (the “**Master Trust Agreement**”), by and between the Authority and U.S. Bank National Association, as trustee (the “**Trustee**”), the Authority agreed to issue multiple Series of Bonds

from time to time, and to loan the proceeds thereof to the County, to be applied by the County to finance, in part, the costs of acquisition, construction and equipping of certain County projects;

WHEREAS, pursuant to the Master Trust Agreement, as amended and supplemented by the First Supplemental Trust Agreement dated as of February 1, 2015 (the “**First Supplemental Trust Agreement**”), by and between the Authority and the Trustee, the Authority issued a Series of Bonds designated as Public Facility Lease Revenue Bonds, Series 2015A (Loudoun County Public Facilities Project) (the “**Series 2015A Bonds**”);

WHEREAS, pursuant to the Master Trust Agreement, as amended and supplemented by the Second Supplemental Trust Agreement dated as of June 1, 2016 (the “**Second Supplemental Trust Agreement**”), by and between the Authority and the Trustee, the Authority issued a Series of Bonds designated as Public Facility Lease Revenue Bonds, Series 2016A (Loudoun County Public Facilities Project) (the “**Series 2016A Bonds**”);

WHEREAS, pursuant to the terms of the Ground Lease dated as of February 1, 2015, as amended and supplemented by the First Amendment to Ground Lease dated as of June 1, 2016 (the “**Existing Ground Lease**”), by and between the County and the Authority, the County provided security for the Series 2015A Bonds, the Series 2016A Bonds and any additional Series of Bonds secured by the Lease Agreement (hereinafter defined) by granting to the Authority a leasehold interest in certain real property and improvements owned by the County and located in the County, as more fully described in the Existing Ground Lease (the “**Property**”);

WHEREAS, pursuant to the terms of the Lease Agreement dated as of February 1, 2015, as amended and supplemented by the First Supplemental Lease Agreement dated as of June 1, 2016 (the “**Existing Lease Agreement**”), by and between the Authority and the County, (i) the Authority agreed to lease the Property back to the County and (ii) the County agreed to repay the loan from the Authority by making payments of Basic Rent and Additional Rent (as such terms are defined in the Existing Lease Agreement) in an amount sufficient for the Authority to repay the Series 2015A Bonds, the Series 2016A Bonds and any additional Series of Bonds, subject to appropriation by the Board of Supervisors from time to time of sufficient moneys for such purpose;

WHEREAS, the Board of Supervisors desires that the Authority (a) issue an additional Series of Bonds to be designated as Public Facility Lease Revenue Bonds, Series 2016B (Loudoun County Public Facilities Project) in an aggregate principal amount not to exceed \$63,500,000 (the “**Bonds**”), pursuant to the terms of the Master Trust Agreement, as amended and supplemented by the Third Supplemental Trust Agreement to be dated as of November 1, 2016 (the “**Third Supplemental Trust Agreement**”) (the Master Trust Agreement, as amended and supplemented by the First Supplemental Trust Agreement, the Second Supplemental Trust Agreement and the Third Supplemental Trust Agreement, is hereinafter referred to as the “**Trust Agreement**”) and (b) make available to the County the proceeds of the Bonds to pay the costs of the Project, including all or a portion of the costs of issuing the Bonds, pursuant to the terms of the Trust Agreement;

WHEREAS, the Director of Finance and Procurement and the County Administrator have recommended that Nixon Peabody LLP be selected as bond counsel (“**Bond Counsel**”);

and

WHEREAS, there have been made available for review drafts of the following documents (collectively, the “**Documents**”) in connection with the transactions described above, copies of which shall be filed with the records of the Board of Supervisors:

(a) The Third Supplemental Trust Agreement, which provides for the issuance and delivery of the Bonds and is to be acknowledged and consented to by the County;

(b) The Second Amendment to Ground Lease to be dated as of November 1, 2016 (the “**Second Amendment to Ground Lease**”), by and between the County and the Authority, amending the Existing Ground Lease in order to: (i) extend the term of the Ground Lease from December 1, 2041 to a date no later than December 1, 2042, if necessary; and (ii) add any one or more of the parcels of real property owned by the County and located at 748 Miller Drive, S.E. (PIN 191-45-1706), 751 Miller Drive (PIN 234-40-7410) and Lot 7, Leesburg Airport Associates Subdivision (PIN 235-17-7001), Leesburg, Virginia, and the structures and improvements located therein or situated thereon (the “**Additional Property**”), to the Property leased by the County to the Authority pursuant to the Ground Lease;

(c) The Second Supplemental Lease Agreement to be dated as of November 1, 2016 (the “**Second Supplemental Lease Agreement**”), by and between the Authority and the County, amending the Existing Lease Agreement (the Existing Lease Agreement, as amended by the First Supplemental Lease Agreement and the Second Supplemental Lease Agreement, is hereinafter referred to as the “**Lease Agreement**”) in order to: (i) extend the term of the Lease Agreement from December 1, 2036 to a date no later than December 1, 2037, if necessary; (ii) add the Additional Property to the Property leased by the Authority to the County pursuant to the Lease Agreement; and (iii) reflect principal and interest payments on the Bonds in addition to principal and interest payments on the Series 2015A Bonds and the Series 2016A Bonds in the schedule of Basic Rent included therein;

(d) Continuing Disclosure Agreement of the County to be dated the date of the Bonds (the “**Disclosure Agreement**”); and

(e) Preliminary Official Statement of the Authority, to be dated the date of its distribution, relating to the public offering of the Bonds (the “**Preliminary Official Statement**”).

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF LOUDOUN COUNTY, VIRGINIA:

1. The following plan for financing the Project is approved. The Bonds may be issued in the maximum principal amount not to exceed \$63,500,000. The Authority will make available to the County the proceeds of the Bonds pursuant to the terms of the Trust Agreement. As set forth in the Lease Agreement, the County will make payments of Basic Rent and Additional Rent (as defined in the Lease Agreement) to the Authority in amounts sufficient to amortize the Bonds and to pay the fees or expenses of the Authority and the Trustee. The obligation of the Authority to pay principal of and premium, if any, and interest on the Bonds will be limited to payments of Basic Rent and Additional Rent received from the County. The Bonds will be secured by an assignment of Basic Rent and Additional Rent due under the Lease

Agreement, all for the benefit of the holders of the Bonds. The obligation of the County to make Basic Rent payments and Additional Rent payments will be subject to the Board of Supervisors making annual appropriations in sufficient amounts for such purposes. If the County exercises its right not to appropriate money for such payments, the Trustee shall have the right to declare immediately due and payable the entire unpaid balance on the Basic Rent due and thereafter to become due and to exercise any remedies provided in the Lease Agreement upon an event of non-appropriation. The plan of financing for the Project shall contain such additional requirements and provisions as may be approved by the County Administrator or the Director (each as defined below).

2. The Authority is hereby requested to undertake the issuance of the Bonds, to make available to the County the proceeds of the Bonds for the Project and to secure the Bonds as set forth in the Trust Agreement. The Authority is authorized and directed to modify the series designation of each series of the Bonds, if such Bonds are sold in a year other than 2016 or for other reasons that the Authority determines, in consultation with the County staff, to be appropriate.

3. The Board of Supervisors, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, hereby states its intent to make annual appropriations in future fiscal years in amounts sufficient to make all payments of Basic Rent and Additional Rent under the Lease Agreement attributable to the Project and hereby recommends that future Boards do likewise during the term of the Lease Agreement.

4. The Board of Supervisors hereby approves of the selection Nixon Peabody LLP as Bond Counsel. The Board of Supervisors hereby approves the sale of the Bonds by competitive bid or negotiated sale in one or more series, all as may be determined by the County Administrator or the Director, either of whom may act.

5. The County Administrator of Loudoun County (the "**County Administrator**" and as used herein, the term County Administrator shall also include the Deputy County Administrator and all Assistant County Administrators) or the Director of Finance and Procurement of Loudoun County (the "**Director**," and as used herein, the term Director shall include the Acting Director of Finance and Procurement and the Controller), either of whom may act, is authorized and directed to execute or approve the Documents, which shall be in substantially the forms submitted to this meeting, which are approved, with such completions, omissions, insertions and changes not inconsistent with this Resolution as may be approved by the officer executing them, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes. The County Attorney is hereby authorized to cause the Lease Agreement and any other documents as are necessary to be recorded in the Clerk's Office of the Circuit Court of Loudoun County.

6. The Project is hereby declared to be essential to the efficient operation of the County, and the County anticipates that the Project will continue to be essential to the operation of the County during the term of the Lease Agreement.

7. In making completions to the Second Amendment to Lease Agreement, the County Administrator or the Director, either of whom may act, shall provide for payments of Basic Rent in amounts equivalent to the payments on the Series 2015A Bonds, the Series 2016A Bonds and the Bonds, which shall be sold to one or more underwriters on terms as shall be satisfactory to the County Administrator or the Director, either of whom may act; provided, however, that the payments of Basic Rent shall be equivalent to the Bonds maturing in installments not later than 30 years after their issuance; having a “true” or “Canadian” interest cost not exceeding 7% per year (taking into account any original issue discount); being subject to optional redemption at a premium not exceeding 2% of their principal amount; and being sold to the underwriter(s) at a price not less than 98% of the principal amount thereof (without taking into account any original issue discount). The County Administrator or the Director, either of whom may act, are further authorized to approve (a) a lesser principal amount for the Bonds, (b) a maturity schedule, including serial maturities and term maturities and redemption provisions, for the Bonds, (c) modify the series designation with respect to the Bonds, all as the County Administrator or the Director shall determine to be in the best interest of the County, (d) whether the Bonds are to be issued in one or more series, and whether such series shall be issued on a Federally taxable or tax-exempt basis or a combination thereof.

If any series of Bonds is sold by negotiation, the County Administrator or the Director, either of whom may act, is authorized to appoint one or more underwriters as book-running senior manager, co-senior managers or co-managers, all as he may determine to be in the best interest of the County. Furthermore, if the Bonds are sold by negotiation, the County Administrator or the Director, either of whom may act, is authorized to execute a bond purchase agreement (the “**Bond Purchase Agreement**”) and deliver it to the underwriter(s) of the Bonds. The Bond Purchase Agreement shall set forth the final terms of the Bonds and be in a form approved by the County Administrator or the Director, either of whom may act, in collaboration with the County Attorney and Bond Counsel, and the execution thereof by the County Administrator or Director shall evidence his approval of such agreement. If the Bonds are sold by competitive bid, the County Administrator or the Director, either of whom may act, is authorized and directed to take all proper steps to have prepared and distributed, in accordance with standard practices of municipal securities, a notice of sale (the “**Notice of Sale**”) to advertise the Bonds for sale. Each Bond Purchase Agreement or Notice of Sale, as applicable, shall be in a form that is consistent with the provisions of this Resolution and as the County Administrator or the Director, either of whom may act, may consider to be in the best interest of the County.

The actions of the County Administrator or the Director in approving the terms of and selling the Bonds shall be conclusive, and no further action shall be necessary on the part of the Board of Supervisors.

8. A draft of a Preliminary Official Statement describing the Bonds, copies of which have been provided to the members of the Board of Supervisors, is approved as the form of the Preliminary Official Statement by which the Bonds will be offered for sale, with such completions, omissions, insertions and changes not inconsistent with this Resolution as the Director may consider appropriate. After the Bonds have been sold, the Director, in collaboration with Davenport & Company LLC (the “Financial Advisor”), shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not

inconsistent with this Resolution as are necessary or desirable to complete it as a final Official Statement, execution thereof by the Director to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes. The County shall arrange for the delivery to the purchaser of the Bonds of a reasonable number of copies of the final Official Statement, within seven business days after the Bonds have been awarded, for delivery to each potential investor requesting a copy of the Official Statement and to each person to whom such purchaser and members of its group initially sell Bonds.

9. The Director is authorized, on behalf of the County, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC"), except for the omission in the Preliminary Official Statement of certain pricing and other information permitted to be omitted pursuant to such the Rule. The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed final as of its date by the County, except for the omission in the Preliminary Official Statement of such pricing and other information permitted to be omitted pursuant to the Rule.

10. The Director is hereby authorized and directed to execute the Disclosure Agreement setting forth the reports and notices to be filed by the County and containing such covenants as may be necessary to assist the purchasers of the Bonds in complying with the provisions of the Rule. The Disclosure Agreement shall be substantially in the form provided to members of the Board of Supervisors, with such completions, omissions, insertions and changes that are not inconsistent with this Resolution.

11. The County Administrator, the Director, the Treasurer (hereinafter defined) and all other officers of the County are each hereby, acting singly, authorized and directed to work with representatives of the Authority, its counsel, Bond Counsel, the Financial Advisor and the underwriter(s) to perform all services and prepare and execute all documentation necessary to bring the Bonds to market including (a) approving the final forms of the Documents, and (b) taking all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the undertaking of the Project.

12. If the County Administrator or Director determines that it is in the best interest of the County that a series of the Bonds be issued on a tax-exempt basis, then the County Administrator or the Director, on behalf of the County, shall covenant that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Bonds, the County will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code, necessary to maintain such exclusion. In addition, in furtherance of such covenant, the County Administrator or the Director shall agree, on behalf of the County, to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the County Administrator or the Director, on behalf of the County, shall agree to continually comply with the provisions of the "Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Internal Revenue Code of 1986" to be executed by the Authority and the County in connection with the execution and delivery of the Bonds, as amended from time to time.

In the event that the County Administrator or the Director determines that it is in the best interest of the County that a series of the Bonds be issued on a tax-exempt basis, the County Administrator or the Director, on behalf of the County, shall covenant that no part of the proceeds of the Bonds shall be used, directly or indirectly, to acquire any "investment property," as defined in section 148 of the Code, which would cause the Bonds to become "arbitrage bonds" within the meaning of section 148 of the Code or under applicable Treasury regulations promulgated thereunder. Furthermore, upon such determination, in order to assure compliance with the rebate requirement of section 148 of the Code, the County Administrator or the Director, on behalf of the County, shall further covenant that the County will pay or cause to be paid to the United States Treasury Department the amounts necessary to satisfy the requirements of section 148(f) of the Code, and that it will establish such accounting procedures as are necessary to adequately determine, account for and pay over any such amount or amounts required to be paid to the United States in a manner consistent with the requirements of section 148 of the Code, such covenant to survive the defeasance of the Bonds.

13. All costs and expenses in connection with the undertaking of the Project and the issuance of the Bonds, including the Authority's fees and expenses and expenses of Bond Counsel, counsel for the Authority, the Trustee, the underwriter(s) and counsel to the underwriter(s), shall be paid from the proceeds of the Bonds or other legally available funds of the County. If for any reason the Bonds are not issued, it is understood that all such expenses shall be paid by the County from its legally available funds and that the Authority shall have no responsibility therefor.

14. The Board of Supervisors hereby determines that it is in the best interests of the County to authorize and direct the County Treasurer (the "**Treasurer**"; and, as used herein, the term Treasurer shall include all Deputy Treasurers) to participate in the State Non-Arbitrage Program ("**SNAP**") in connection with the investment of the proceeds of the Bonds. The Treasurer is authorized and directed, as appropriate, to provide for the separation of a portion of the proceeds of the Bonds in one or more special accounts.

15. The County may make certain expenditures in connection with the Project out of temporary funds. To the extent it makes such expenditures, the County reasonably expects to be reimbursed for the expenditures, as permitted by Treasury Regulation Section 1.150-2, from the proceeds of a tax-exempt or taxable financing. The financing is in an amount presently estimated not to exceed \$63,500,000.

16. All other acts of the County Administrator or the Director and other officers of the County that are in conformity with the purposes and intent of this Resolution and in furtherance of the plan of financing, the issuance and sale of the Bonds and the undertaking of the Project are hereby approved and ratified.

17. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

18. This Resolution shall take effect immediately.

The undersigned Clerk of the Board of Supervisors of Loudoun County, Virginia, certifies that the foregoing Resolution was adopted by the Board of Supervisors on October 20, 2016.

WITNESS my signature and the seal of the Board of Supervisors of the Loudoun County, Virginia, this ___ day of _____, 2016.

(SEAL)

Clerk, Board of Supervisors of
Loudoun County, Virginia



Debt Service Fund

| Schedule of Major Financings | | | | | | | | | | | |
|--|--|--|--------------------------------|-----------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|
| FY 2017 - FY 2022 Adopted Capital Improvement Program | | | | | | | | | | | |
| Capital Projects and Leases To Be Financed | Anticipated Sale or Closing Dates and Amounts | | | | | | | | | | |
| Financing Type/Project | Total Project | Amount to be Financed FY 2017-FY 2022 | Construction Start Year | Amount of Referendum | Potential Referendum Date or Status | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
| General Obligation Bonds or Appropriation-Based: | | | | | | | | | | | |
| Administration Projects: | | | | | | | | | | | |
| Land Acquisition - Eastern DS Group Residence | 480,000 | 480,000 | N/A | N/A | Not Required (2) | 0 | 0 | 480,000 | 0 | 0 | 0 |
| Major Computer Systems | 71,000,000 | 13,500,000 A | N/A | N/A | Not Required (2) | 1,500,000 | 0 | 0 | 12,000,000 | 0 | 0 |
| Subtotal, Administration Projects | 71,480,000 | 13,980,000 | | | | 1,500,000 | 0 | 480,000 | 12,000,000 | 0 | 0 |
| General Government Projects: | | | | | | | | | | | |
| Consolidated Shops & Warehouse | 38,500,000 | 7,500,000 | 2017 | N/A | Not Required (2) | 0 | 0 | 0 | 4,000,000 | 3,500,000 | 0 |
| General Government Office Space Purchase (Blue Seal and Miller Dr) | 13,600,000 | 8,100,000 | N/A | N/A | Not Required (2) | 8,100,000 | 0 | 0 | 0 | 0 | 0 |
| Landfill Reclamation Project | 21,480,000 | 19,480,000 A | 2015 | N/A | Not Required (2) | 6,000,000 | 5,000,000 | 5,480,000 | 3,000,000 | 0 | 0 |
| Landfill Sequence V Closure | 6,410,000 | 6,410,000 | 2020 | N/A | Not Required (2) | 0 | 0 | 1,350,000 | 5,060,000 | 0 | 0 |
| Subtotal, General Government Projects | 79,990,000 | 41,490,000 | | | | 14,100,000 | 5,000,000 | 6,830,000 | 12,060,000 | 3,500,000 | 0 |
| Health & Welfare Projects: | | | | | | | | | | | |
| DS Group Residence - Eastern Loudoun | 2,375,000 | 2,375,000 | 2019 | N/A | Not Required (2) | 0 | 0 | 0 | 0 | 0 | 2,375,000 |
| DS Group Residence - Purcellville | 2,025,000 | 2,025,000 | 2017 | N/A | Not Required (2) | 0 | 2,025,000 | 0 | 0 | 0 | 0 |
| Subtotal, Health & Welfare Projects | 4,400,000 | 4,400,000 | | | | 0 | 2,025,000 | 0 | 0 | 0 | 2,375,000 |
| Parks & Recreation and Library Services Projects: | | | | | | | | | | | |
| Ashburn Recreation & Community Center | 70,930,000 | 44,270,000 | 2018 | 44,270,000 | Nov. 2016 (1) | 9,680,000 | 8,000,000 | 18,555,000 | 8,035,000 | 0 | 0 |
| Brambleton Library | 7,100,000 | 7,030,000 | N/A | N/A | Not Required (2) | 0 | 0 | 0 | 7,030,000 | 0 | 0 |
| Fields Farm Park | 28,910,000 | 27,050,000 | 2022 | 27,050,000 | Nov. 2020 (1) | 0 | 0 | 0 | 0 | 3,350,000 | 23,700,000 |
| STEM Library | 47,000,000 | 47,000,000 | 2022 | 47,000,000 | Nov. 2020 (1) | 0 | 0 | 0 | 0 | 5,900,000 | 41,100,000 |
| Hal & Berni Hanson Regional Park | 64,340,000 | 31,845,000 | 2018 | 31,845,000 | Nov. 2017 (1) | 0 | 17,000,000 | 14,845,000 | 0 | 0 | 0 |
| Lovettsville Community Center Replacement | 7,880,000 | 6,385,000 A | 2017 | N/A | Not Required (2) | 6,385,000 | 0 | 0 | 0 | 0 | 0 |
| Lovettsville District Park (includes entrance & access road) | 9,000,000 | 9,000,000 A | 2017 | 9,000,000 | Nov. 2013 (1) | 4,000,000 | 5,000,000 | 0 | 0 | 0 | 0 |
| Franklin Park to Purcellville Trail | 5,520,000 | 5,000,000 | 2022 | 5,000,000 | Nov. 2021 (1) | 0 | 0 | 0 | 0 | 0 | 5,000,000 |
| Sterling Community Center Renovation | 15,502,000 | 5,085,000 A | 2017 | 6,085,000 | Nov. 2014 (1) | 0 | 5,085,000 | 0 | 0 | 0 | 0 |
| Subtotal, Parks & Recreation and Library Services Projects | 256,182,000 | 182,665,000 | | | | 20,065,000 | 35,085,000 | 33,400,000 | 15,065,000 | 9,250,000 | 69,800,000 |
| Notes on Amount to be Financed between FY 2017 - FY 2022 | | | | | | | | | | | |
| A - Includes previously authorized, but unissued debt financing | | | | | | | | | | | |
| B - Remaining amount to be financed after FY 2022 | | | | | | | | | | | |
| Notes on Potential Referendum Dates and Projects: | | | | | | | | | | | |
| (1) General obligation bond financing requires referendum approval. Expenditures prior to referendum approval will not use general obligation financing. | | | | | | | | | | | |
| (2) May be issued through Capital Leases, Lease Revenue Bonds, Other Financing Sources. | | | | | | | | | | | |



Debt Service Fund

| Schedule of Major Financings | | | | | | | | | | | | | |
|--|--|--|--------------------------------|-----------------------------|--|----------------|----------------|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| FY 2017 - FY 2022 Adopted Capital Improvement Program | | | | | | | | | | | | | |
| Capital Projects and Leases To Be Financed | Anticipated Sale or Closing Dates and Amounts | | | | | | | | | | | | |
| Financing Type/Project | Total Project | Amount to be Financed FY 2017-FY 2022 | Construction Start Year | Amount of Referendum | Potential Referendum Date or Status | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | | |
| General Obligation Bonds or Appropriation-Based: | | | | | | | | | | | | | |
| Public Safety Projects: | | | | | | | | | | | | | |
| Animal Services Facility | 15,495,000 | 15,370,000 | A | 2017 | 15,370,000 | Nov. 2014 | (1) | 7,120,000 | 5,050,000 | 3,200,000 | 0 | 0 | |
| Courts Complex Phase III | 87,210,000 | 77,900,000 | A | 2017 | N/A | Not Required | (2) | 10,000,000 | 16,000,000 | 29,000,000 | 15,100,000 | 7,800,000 | |
| DIT-E911 System Upgrade | 3,000,000 | 106,812 | A | N/A | N/A | Not Required | (2) | 106,812 | 0 | 0 | 0 | 0 | |
| Philomont Fire Rescue Station Replacement | 15,925,000 | 2,200,000 | A | 2023 | 15,925,000 | Nov. 2021 | (1) | 0 | 0 | 0 | 0 | 2,200,000 | |
| Fire and Rescue Vehicle Annex | 4,600,000 | 510,000 | A | 2022 | 4,600,000 | Nov. 2021 | (1) | 0 | 0 | 0 | 0 | 510,000 | |
| Juvenile Detention Center Phase I | 15,015,000 | 14,049,700 | A | 2017 | N/A | Not Required | (2) | 6,049,700 | 8,000,000 | 0 | 0 | 0 | |
| Aldie Fire Rescue Station Replacement | 18,860,000 | 4,000,000 | A | 2018 | 4,000,000 | Nov. 2017 | (1) | 0 | 4,000,000 | 0 | 0 | 0 | |
| Station 20 - Leesburg VFD Expansion | 4,000,000 | 4,000,000 | A | 2017 | 4,000,000 | Nov. 2016 | (1) | 4,000,000 | 0 | 0 | 0 | 0 | |
| Leesburg South Fire & Rescue Station | 17,600,000 | 17,600,000 | A | 2021 | 17,600,000 | Nov. 2019 | (1) | 0 | 0 | 2,200,000 | 15,400,000 | 0 | |
| Lovettsville Fire Station Replacement | 14,500,000 | 13,500,000 | A | 2017 | 13,500,000 | Nov. 2016 | (1) | 6,750,000 | 6,750,000 | 0 | 0 | 0 | |
| Lucketts Fire Station Replacement | 12,730,000 | 8,570,000 | A | 2017 | 11,490,000 | Nov. 2013 | (1) | 5,570,000 | 3,000,000 | 0 | 0 | 0 | |
| Fire Rescue Training Center Expansion | 7,510,000 | 7,510,000 | A | 2022 | 7,510,000 | Nov. 2020 | (1) | 0 | 0 | 0 | 880,000 | 6,630,000 | |
| Public Safety Firing Range | 21,300,000 | 16,000,000 | A | 2017 | N/A | Not Required | (2) | 4,000,000 | 12,000,000 | 0 | 0 | 0 | |
| Round Hill Fire Station Replacement | 15,660,000 | 15,660,000 | A | 2020 | 15,660,000 | Nov. 2018 | (1) | 0 | 0 | 1,900,000 | 13,760,000 | 0 | |
| Sterling Fire Station Replacement | 16,371,000 | 12,470,000 | A | 2018 | 14,430,000 | Nov. 2014 | (1) | 0 | 6,115,000 | 6,355,000 | 0 | 0 | |
| Subtotal, Public Safety Projects | 269,776,000 | 209,446,512 | | | | | | 43,596,512 | 60,915,000 | 40,455,000 | 31,060,000 | 24,080,000 | 9,340,000 |
| Transit Projects: | | | | | | | | | | | | | |
| Dulles Corridor Metrorail Project - Non TIFIA Funding | 300,000,000 | 60,000,000 | A | 2016 | N/A | Not Required | (2) | 60,000,000 | 0 | 0 | 0 | 0 | |
| Metrorail Parking Garages | 133,000,000 | 130,000,000 | A | 2016 | N/A | Not Required | (2) | 40,000,000 | 50,000,000 | 40,000,000 | 0 | 0 | |
| Metro Capital Contribution | 50,000,000 | 50,000,000 | A | N/A | 50,000,000 | Nov. 2018 | (1) | 0 | 0 | 12,000,000 | 12,000,000 | 13,000,000 | 13,000,000 |
| Subtotal, Transit Projects | 483,000,000 | 240,000,000 | | | | | | 100,000,000 | 50,000,000 | 52,000,000 | 12,000,000 | 13,000,000 | 13,000,000 |
| Road Projects: | | | | | | | | | | | | | |
| Alder School Road | 8,395,558 | 5,617,000 | A | 2017 | N/A | Not Required | (2) | 5,617,000 | 0 | 0 | 0 | 0 | |
| Shelhorn Rd | 24,000,000 | 8,000,000 | A | 2021 | 8,000,000 | Nov. 2016 | (2) | 8,000,000 | 0 | 0 | 0 | 0 | |
| Crosstrail Blvd - Segment A2 | 31,300,000 | 3,000,000 | A | 2015 | N/A | Not Required | (2) | 3,000,000 | 0 | 0 | 0 | 0 | |
| Crosstrail Blvd - Segment B | 43,560,000 | 41,560,000 | A | 2020 | 41,560,000 | Nov. 2019 | (1) | 0 | 0 | 7,500,000 | 22,500,000 | 11,560,000 | |
| Atlantic Blvd Pedestrian Improvements | 6,061,000 | 6,000,000 | A | 2022 | 6,000,000 | Nov. 2021 | (1) | 0 | 0 | 0 | 0 | 6,000,000 | |
| Braddock/Supreme/Summerall Intersection Improvements | 2,000,000 | 2,000,000 | A | 2017 | 2,000,000 | Nov. 2016 | (2) | 2,000,000 | 0 | 0 | 0 | 0 | |
| Route 772 Transit Station Connector Bridge | 24,953,000 | 18,209,360 | A | 2017 | N/A | Not Required | (2) | 9,334,360 | 8,875,000 | 0 | 0 | 0 | |
| Woodgrove HS/Fields Farm Park Road | 6,315,000 | 2,812,145 | A | 2017 | N/A | Not Required | (2) | 2,812,145 | 0 | 0 | 0 | 0 | |
| Evergreen Mills-Belmont/Stone Springs | 12,300,000 | 12,300,000 | A | 2021 | 12,300,000 | Nov. 2020 | (1) | 0 | 0 | 0 | 2,000,000 | 10,300,000 | |
| Route 7/Route 690 Interchange | 34,600,000 | 8,000,000 | A | 2017 | 8,000,000 | Nov. 2016 | (1) | 4,000,000 | 2,000,000 | 2,000,000 | 0 | 0 | |
| Subtotal, Transportation Projects | 193,484,558 | 107,498,505 | | | | | | 34,763,505 | 10,875,000 | 2,000,000 | 7,500,000 | 24,500,000 | 27,860,000 |
| SUBTOTAL - General Government | 1,358,312,558 | 799,480,017 | | | | | | 214,025,017 | 163,900,000 | 135,165,000 | 89,685,000 | 74,330,000 | 122,375,000 |
| Notes on Amount to be Financed between FY 2017 - FY 2022 | | | | | | | | | | | | | |
| A - Includes previously authorized, but unissued debt financing | | | | | | | | | | | | | |
| B - Remaining amount to be financed after FY 2022 | | | | | | | | | | | | | |
| Notes on Potential Referendum Dates and Projects: | | | | | | | | | | | | | |
| (1) General obligation bond financing requires referendum approval. Expenditures prior to referendum approval will not use general obligation financing. | | | | | | | | | | | | | |
| (2) May be issued through Capital Leases, Lease Revenue Bonds, or Other Financing Sources. | | | | | | | | | | | | | |



Debt Service Fund

| Schedule of Major Financings | | | | | | | | | | | |
|--|----------------------|---------------------------------------|-------------------------|----------------------|-------------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| FY 2017 - FY 2022 Adopted Capital Improvement Program | | | | | | | | | | | |
| Capital Projects and Leases To Be Financed | | | | | | Anticipated Sale or Closing Dates and Amounts | | | | | |
| Financing Type/Project | Total Project | Amount to be Financed FY 2017-FY 2022 | Construction Start Year | Amount of Referendum | Potential Referendum Date or Status | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
| General Obligation Bonds or Appropriation-Based: | | | | | | | | | | | |
| School Administration Projects: | | | | | | | | | | | |
| School Vehicle Lease | 60,000,000 | 60,000,000 | N/A | N/A | Not Required (2) | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| Subtotal, Administration Projects | 60,000,000 | 60,000,000 | | | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| ES-22, Discovery ES | 25,705,000 | 1,078,000 A | 2012 | 22,830,000 | Nov. 2011 (1) | 1,078,000 | 0 | 0 | 0 | 0 | 0 |
| ES-23, North Dulles | 45,420,000 | 41,740,000 B | 2021 | 45,420,000 | Nov. 2019 (1) | 0 | 0 | 0 | 4,545,000 | 16,055,000 | 21,140,000 |
| ES-27, Dulles North Area | 35,040,000 | 11,540,000 A | 2015 | 31,540,000 | Nov. 2014 (1) | 6,430,000 | 0 | 5,110,000 | 0 | 0 | 0 |
| ES-28, Dulles South Area | 38,770,000 | 38,770,000 | 2017 | 38,770,000 | Nov. 2016 (1) | 4,500,000 | 14,068,000 | 16,152,000 | 4,050,000 | 0 | 0 |
| ES-31, Dulles North Area | 39,810,000 | 36,355,000 | 2018 | 38,270,000 | Nov. 2015 (1) | 0 | 2,845,000 | 11,630,000 | 18,660,000 | 3,220,000 | 0 |
| Elementary School Classroom Additions - Dulles | 16,320,000 | 16,320,000 | 2017 | 16,320,000 | Nov. 2016 (1) | 16,320,000 | 0 | 0 | 0 | 0 | 0 |
| Elementary School Classroom Additions - Countywide | 19,100,000 | 19,100,000 | 2021 | 19,100,000 | Nov. 2020 (1) | 0 | 0 | 0 | 0 | 19,100,000 | 0 |
| Subtotal, Elementary School Projects | 220,165,000 | 164,903,000 | | | | 28,328,000 | 16,913,000 | 32,892,000 | 27,255,000 | 38,375,000 | 21,140,000 |
| Middle School Projects: | | | | | | | | | | | |
| MS-6, Trailside MS | 43,760,000 | 1,295,000 A | 2012 | 39,380,000 | Nov. 2011 (1) | 1,295,000 | 0 | 0 | 0 | 0 | 0 |
| MS-7, Dulles South Area | 60,820,000 | 60,820,000 | 2017 | 60,820,000 | Nov. 2016 (1) | 9,435,000 | 24,510,000 | 14,795,000 | 12,080,000 | 0 | 0 |
| MS-9, Dulles North Area | 53,540,000 | 33,185,000 A | 2015 | 48,185,000 | Nov. 2014 (1) | 10,000,000 | 7,940,000 | 10,000,000 | 5,245,000 | 0 | 0 |
| Subtotal, Middle School Projects | 158,120,000 | 95,300,000 | | | | 20,730,000 | 32,450,000 | 24,795,000 | 17,325,000 | 0 | 0 |
| High School Projects: | | | | | | | | | | | |
| HS-8, Riverside HS | 90,010,000 | 6,960,000 A | 2012 | 81,010,000 | Nov. 2011 (1) | 6,960,000 | 0 | 0 | 0 | 0 | 0 |
| HS-9, Dulles South Area | 130,660,000 | 117,160,000 | 2019 | 117,160,000 | Nov. 2017 (1) | 0 | 8,260,000 | 30,000,000 | 45,000,000 | 25,000,000 | 8,900,000 |
| HS-11, Dulles North Area | 121,870,000 | 109,680,000 | 2017 | 112,725,000 | Nov. 2015 (1) | 28,960,000 | 26,515,000 | 20,985,000 | 33,220,000 | 0 | 0 |
| Advance Technology Academy | 114,638,000 | 63,175,000 A | 2015 | 83,175,000 | Nov. 2014 (1) | 20,000,000 | 20,000,000 | 15,000,000 | 8,175,000 | 0 | 0 |
| CS Monroe Conversion | 51,850,000 | 18,270,000 B | 2021 | 45,090,000 | Nov. 2020 (1) | 0 | 0 | 0 | 0 | 3,245,000 | 15,025,000 |
| HS Stadium Synthetic Field and Track Resurface | 9,375,000 | 9,375,000 | 2021 | 9,375,000 | Nov. 2020 (1) | 0 | 0 | 0 | 0 | 2,265,000 | 7,110,000 |
| Subtotal, High School Projects | 518,403,000 | 324,620,000 | | | | 55,920,000 | 54,775,000 | 65,985,000 | 86,395,000 | 30,510,000 | 31,035,000 |
| Other School Projects: | | | | | | | | | | | |
| Division Security Improvements | 9,570,000 | 8,430,000 | 2021 | 8,430,000 | Nov. 2020 (1) | 0 | 0 | 0 | 0 | 8,430,000 | 0 |
| Subtotal, Other School Projects | 9,570,000 | 8,430,000 | | | | 0 | 0 | 0 | 0 | 8,430,000 | 0 |
| SUBTOTAL - Schools | 966,258,000 | 653,253,000 | | | | 114,978,000 | 114,138,000 | 133,672,000 | 140,975,000 | 87,315,000 | 62,175,000 |
| GRAND TOTAL | 2,324,570,558 | 1,452,733,017 | | | | 329,003,017 | 278,038,000 | 268,837,000 | 230,660,000 | 161,645,000 | 184,550,000 |
| Notes on Amount to be Financed between FY 2017 - FY 2022 | | | | | | | | | | | |
| A - Includes previously authorized, but unissued debt financing | | | | | | | | | | | |
| B - Remaining amount to be financed after FY 2022 | | | | | | | | | | | |
| Notes on Potential Referendum Dates and Projects: | | | | | | | | | | | |
| (1) General obligation bond financing requires referendum approval. Expenditures prior to referendum approval will not use general obligation financing. | | | | | | | | | | | |
| (2) May be issued through Capital Leases, Lease Revenue Bonds, or Other Financing Sources. | | | | | | | | | | | |

Projects Financed with Lease Revenue Bonds

Project Details for Issuance of Lease Revenue Bonds

| PROJECT | CIP | REFERENDUM | | PREVIOUSLY ISSUED | | AMOUNT AUTHORIZED AND UNISSUED | FALL 2016 AMOUNT TO BE SOLD |
|--|------|------------|--------|--------------------------|----------------|--------------------------------|-----------------------------|
| | YEAR | YEAR | AMOUNT | AMOUNT | SERIES | | |
| Allder School Road | 2009 | N/A | N/A | 1,000,000 | 2011A | 5,617,000 | 5,617,000 |
| Courts Complex Phase III | 2011 | N/A | N/A | 5,000,000 2,300,000 | 2015A 2016A | 70,100,000 | 10,000,000 |
| Crosstrial Blvd-Segment A2 | 2011 | N/A | N/A | 15,000,000 12,000,000 | 2015A 2015 | 3,000,000 | 3,000,000 |
| E-911 Phone System Upgrade [±] | 2013 | N/A | N/A | 2,100,000 | 2015 | 900,000 | 106,812 |
| General Government Office Space- 742 Miller Drive | 2016 | N/A | N/A | N/A | N/A | 8,100,000 | 8,100,000 |
| Juvenile Detention Center | 2009 | N/A | N/A | 965,300 | 2010A | 14,049,700 | 6,049,700 |
| Landfill Reclamation Project | 2014 | N/A | N/A | 2,000,000 | 2015 | 13,500,000 | 4,000,000 |
| Library Management System | 2014 | N/A | N/A | 1,000,000 | 2015 | 1,500,000 | 1,500,000 |
| Lovettsville Community Center Replacement [±] | 2014 | N/A | N/A | 1,000,000 | 2015A | 6,380,000 | 6,380,000 |
| Public Safety Firing Range | 2007 | N/A | N/A | 0 | N/A | 16,000,000 | 4,000,000 |
| Route 772 Transit Station Connector Bridge | 2015 | N/A | N/A | 0 | N/A | 18,209,360 | 9,334,360 |
| Woodgrove HS and Fields Farm Road | 2015 | N/A | N/A | 1,002,855 | 2015 | 2,812,154 | 2,812,145 |
| GRAND TOTAL | | | | | | \$60,900,017 | |

Notes: [±] Includes financing for equipment.