

Georgia Vocational Rehabilitation Services (GVRS)

Board Meeting

Wednesday, July 29th, 2020

MS Teams



GVRA



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Georgia Vocational
Rehabilitation Agency

Chairman's Welcome

- Welcome & Remarks
- Roll Call and Agenda

Bond Sales Overview

Paul Bryant, Residential Services Bond Projects Manager



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Georgia Vocational
Rehabilitation Agency

General Obligation Bonds

Paul L. Bryant
Residential Services Bond Projects Manager

07/29/2020



General Obligation Bonds

1. Updates on Existing Bond Projects
2. SFY 2021 Bond Resolution



General Obligation Bonds

1. Updates on Existing Bond Projects
Facility Assessment Capital Plan
Performed in 2004 - recommended \$37M
to repair the observed deficiencies



Georgia Vocational
Rehabilitation Agency

General Obligation Bonds

1. Updates on Existing Bond Projects
 - Facility Assessment Capital Plan
 - Recently Completed ~ \$5.23M
 - RWS Fire Protection Upgrades, \$2.07M
 - RWS Electrical Rehab. Program, \$1.06M
 - RWS Sewer Rehab. Program, \$2.10M



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General Obligation Bonds

1. Updates on Existing Bond Projects
 - Facility Assessment Capital Plan
 - Recently Completed
 - Active Bond Projects ~ \$5.7M
 - RWS HVAC Mini Plants Phase 2
 - RWS Waterproofing Upgrades



General Obligation Bonds

1. Updates on Existing Bond Projects
 - Facility Assessment Capital Plan
 - Recently Completed
 - Active Bond Projects
 - Future Bond Project Efforts



General Obligation Bonds

2. SFY 2021 Bond Resolution

What are general obligation bonds?

What's the process?

Current Resolution for consideration



**RESOLUTION
OF THE
GEORGIA VOCATIONAL
REHABILITATION SERVICES BOARD**

I. WHEREAS, pursuant to an act of the Georgia General Assembly (Ga. L. 2012, Volume One, Book One, commencing at p. 303, Act No. 608, 2012 Regular Session, H.B. 1146), as amended (the "Act"), effective as of July 1, 2012 (the "Effective Date"), various titles of the Official Code of Georgia Annotated were amended so as to reorganize and reestablish various social services and labor and industrial relations programs and agencies of the State of Georgia (the "State"), and to reassign various functions to such programs and agencies;

II. WHEREAS FURTHER, pursuant to the Act, the Georgia Vocational Rehabilitation Agency (the "Agency") was created and established as an agency of the State, in accordance with to O.C.G.A. § 49-9-4;

III. WHEREAS FURTHER, the Act provided for the transfer of the functions, duties, powers, and authority exercised on June 30, 2012, by the Division of Rehabilitation Services within the Department of Labor, including the disability adjudication section and the Roosevelt Warm Springs Institute for Rehabilitation, to the Agency, effective as of July 1, 2012;

IV. WHEREAS FURTHER, the Georgia Vocational Rehabilitation Services Board (the "Board") was established in accordance with O.C.G.A. § 49-9-2;

V. WHEREAS FURTHER, pursuant to Article VII, Section IV of the Constitution of the State of Georgia (the "Georgia Constitution"), the State may finance certain capital needs directly through the issuance of general obligation debt;

VI. WHEREAS FURTHER, pursuant to Article VII, Section IV, Paragraph VII(a) of the Georgia Constitution, and the "Georgia State Financing and Investment Commission Act", O.C.G.A. § 50-17-20 through 50-17-30, as amended (the "Commission Act"), the Georgia State Financing and Investment Commission (the "Commission") is the agency and instrumentality of the State charged with issuing debt of the State and ensuring the proper application, as provided by law, of the proceeds of such debt to the purposes for which the debt is incurred;

VII. WHEREAS FURTHER, Article VII, Section IV, Paragraph I (c) of the Georgia Constitution, and the Commission Act provide that certain general obligation debt (as defined by O.C.G.A. § 50-17-21 (5) and hereinafter "General Obligation Debt") may be incurred to acquire, construct, develop, extend, enlarge, or improve land, waters, property, highways, buildings, structures, equipment, or facilities of the State, its agencies, departments, institutions, and of those State authorities which were created and activated prior to November 8, 1960;



VIII. WHEREAS FURTHER, as set forth in ATTACHMENT 1 attached hereto and incorporated herein, the General Assembly of the State of Georgia (the "General Assembly") has passed and the Governor of the State of Georgia (the "Governor") has signed various appropriations acts authorizing amounts from state general funds to be appropriated for the purpose of financing certain capital projects through the issuance of General Obligation Debt, and such appropriations are more fully set forth in such ATTACHMENT 1;

IX. WHEREAS FURTHER, the Board finds an immediate need for certain project funding for the purposes of financing some or all of the projects and facilities associated with the appropriations set forth in ATTACHMENT 1 hereto (the "Projects") in the aggregate principal amount of \$1,000,000;

X. WHEREAS FURTHER, the Board therefore desires to request the issuance of \$1,000,000 in aggregate principal amount of State of Georgia General Obligation Bonds, the instruments of which shall have maturities not in excess of the respective appropriations set forth in ATTACHMENT 1 hereto (the "General Obligation Bonds"), for the purpose of financing some or all of the Projects;

XI. WHEREAS FURTHER, the Board is aware of the provisions and requirements of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations issued thereunder respecting arbitrage bonds and private activity bonds, and is aware that the Projects must proceed with due diligence and be timely completed following receipt of the proceeds derived from the sale of the General Obligation Bonds (the "Bond Proceeds");

XII. WHEREAS FURTHER, the Board intends to use all or a portion of the Bond Proceeds for certain purposes which may give rise to "private business use" within the meaning of Section 141(b)(1) of the Code and thus is requesting that the General Obligation Bonds be issued as federally taxable bonds,

NOW, THEREFORE, BE IT RESOLVED BY THE GEORGIA VOCATIONAL REHABILITATION SERVICES BOARD THAT:

SECTION 1.

The Board hereby approves and authorizes the Projects.

SECTION 2.

The Board hereby requests the Georgia State Financing and Investment Commission to undertake to issue \$1,000,000 in aggregate principal amount of State of Georgia General Obligation Bonds, the instruments of which shall have maturities not in excess of the respective appropriations set forth in ATTACHMENT 1 hereto, for the purpose of financing some or all of the Projects.

**SECTION 3.**

The Board intends to use all or a portion of the Bond Proceeds for certain purposes that may give rise to "private business use", as defined by Section 141 of the Code, and therefore the Board requests that the General Obligation Bonds be issued as federally taxable bonds.

SECTION 4.

The Board hereby determines and agrees that with respect to:

- (a) any Agency project previously financed with proceeds of General Obligation Debt issued by the State with the intent that:
 - (i) the interest on such bonds be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code; or
 - (ii) such bonds at the time of their issuance were designated by the State as Build America Bonds under Section 54AA of the Code;

- (b) any project transferred to the Agency pursuant to the Act and which pertains to the functions transferred to the Agency pursuant to the Act (any such project a "Transferred Project") and where such Transferred Project was financed with proceeds of General Obligation Debt issued by the State with the intent that:
 - (i) the interest on such bonds be excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code; or
 - (ii) such bonds at the time of their issuance were designated by the State as Build America Bonds under Section 54AA of the Code;

and where any such bonds remain outstanding (including any refunding bonds), the Board certifies that such project(s) are not now being used for any private business use within the meaning of pertinent provisions of the Code, except for those specific instances in which the Agency has identified to the Commission such use of the project(s) and (i) provision was made so as to retire, redeem or defease any and all then-remaining outstanding bonds for the project(s) concurrent with such use, or (ii) the Commission has determined that the aforementioned retirement, redemption or defeasance is not required to maintain the tax-exempt or Build America Bond status of such bonds.

SECTION 5.

The Commissioner of the Agency, the Chairperson of the Board, the Secretary of the Board, and their valid delegates each are hereby authorized and directed to execute any



instruments and take whatever action which may be necessary in connection with the issuance of the General Obligation Bonds by the Commission, including, but not limited to, the preparation and execution of answers in connection with any legal proceeding as to the validity of any action by the Board with respect to the issuance of the General Obligation Bonds by the Commission. The Attorney General or any Assistant Attorney General of the State are authorized to execute Acknowledgment of Service and Waiver of Process in such legal proceedings.

SECTION 6.

All attachments, exhibits and schedules attached hereto or referenced in this resolution (the "Resolution") are hereby incorporated herein and made a part hereof.

[Remainder of page intentionally left blank]



Georgia Vocational
Rehabilitation Agency

This Resolution is hereby adopted this 29th day of July, 2020.

CHAIRPERSON
GEORGIA VOCATIONAL REHABILITATION SERVICES BOARD

ATTEST:

SECRETARY
GEORGIA VOCATIONAL REHABILITATION SERVICES BOARD

07/29/2020

218-1179060

[SIGNATURE PAGE - GVRA BOND REQUEST RESOLUTION]



Georgia Vocational
Rehabilitation Agency

ATTACHMENT 1

**GEORGIA VOCATIONAL REHABILITATION AGENCY
APPROPRIATIONS**

Pursuant to Paragraphs I through III of Section IV of Article VII of the Georgia Constitution, the General Assembly has passed and the Governor has signed various appropriations acts set forth in this Attachment 1, so as to make certain appropriations to the State of Georgia General Obligation Debt Sinking Fund for the purpose of financing certain capital projects through the issuance of General Obligation Debt.

H.B. 793, State Fiscal Year 2020-2021:

The General Appropriations Act for State Fiscal Year 2020-2021 (commencing at p. 1 of 170, Act No. 404, 2020 Regular Session, H.B. 793) signed by the Governor on June 30, 2020.

[Remainder of page intentionally left blank]



Georgia Vocational
Rehabilitation Agency

<u>H.B.</u>	<u>Bond</u>	<u>Appropriation</u>	<u>General Obligation Debt Authorized</u>	<u>General Obligation Debt Previously Issued</u>	<u>General Obligation Debt Available</u>	<u>General Obligation Debt Requested</u>
793	# 62	<p>[FEDERALLY TAXABLE] From State General Funds, \$90,800 is specifically appropriated for the purpose of financing projects and facilities for the Georgia Vocational Rehabilitation Agency by means of the acquisition, construction, development, extension, enlargement, or improvement of land, waters, property, highways, buildings, structures, equipment or facilities, both real and personal, necessary or useful in connection therewith, through the issuance of not more than \$1,000,000 in principal amount of General Obligation Debt, the instruments of which shall have maturities not in excess of two hundred and forty months.</p>	\$1,000,000	\$0	\$1,000,000	\$1,000,000
Total			<u>\$1,000,000</u>	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>

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Georgia Vocational
Rehabilitation Agency

Thank You

Paul L. Bryant
Residential Services Bond Projects Manager

07/29/2020

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BOARD VOTE

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- Public Comments
- Adjournment