



# FY 20 BUDGET MEMO # 39

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DATE: May 2, 2019

TO: The Honorable Mayor and Members of the City Council

THROUGH: Robert Stalzer, City Manager *RA Stalzer*

FROM: David Hodgkins, Assistant City Manager/Director of Finance

SUBJECT: General Obligation Bond (GO Bond) Election – Process and Timeline

At the April 23, 2019 Budget Discussion Work Session Councilmember Miller requested the process and timeline required for a GO Bond election. The attached document prepared by the City's Bond Counsel, Hunton & Williams gives an example of the required steps and timing for a GO Bond election. The attached example assumes the special election was held contemporaneously with the general election (November 6, 2018). However, special elections are not specifically tied to the general election date.

When considering the attached example please keep in mind the following timing requirements for special elections. Special elections; 1) shall be held on a Tuesday, 2) shall not be held on the same day as a primary election, and 3) may be held on the same day as a general election. Additionally, a referendum election shall be ordered at least sixty days prior to the date for which the referendum election is called.

## City of Fairfax, Virginia

### Required Steps for General Obligation Bond Election<sup>1</sup>

<u>Date</u>	<u>Requirement</u>
Prior to beginning of August 2018	The City Council adopts an ordinance (introduce and adopt at two separate meetings) requesting the Circuit Court to order a special election. The ordinance may provide that any two or more purposes and amounts of bonds be combined into a single question for the election and referred to as “capital improvement bonds” in an aggregate principal amount equal to the sum of the amounts for the combined purposes. [Va. Code Section 15.2-2610]
Prior to beginning of August 2018	A certified copy of the ordinance is filed with the Circuit Court. [Va. Code Section 15.2-2610]
No later than August 17, 2018	The Circuit Court enters an order calling a special election on the same day as the next general election on November 6, 2018 (which timing is allowed by statute). [Va. Code Sections 15.2-2610 and 24.2-682]
No later than October 26, 2018	A certified copy of the court order calling the special election is published in a newspaper of general circulation in the City at least 10 days before the election. [Va. Code Section 15.2-2610]
Prior to November 6, 2018	The City shall prepare a printed explanation of the referendum to be distributed on election day. The City <u>may</u> also publish an explanation for each referendum question by paid advertisement in a newspaper with general circulation in the City one or more

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<sup>1</sup> Section 8.4 of the Charter for the City of Fairfax requires that the City receive the support of the voters in a bond referendum before issuing general obligations bonds:

“The procedure for the passage of an ordinance authorizing the issuance of bonds shall be the same as for the passage of any other ordinance, except that no such ordinance shall be passed as an emergency ordinance and that the affirmative votes of two-thirds of the entire Council shall be necessary for its adoption. Upon adoption by the Council of a bond ordinance, the City Clerk shall forthwith certify a copy of said ordinance to the Circuit or Corporation Court having jurisdiction or to the judge thereof, in vacation, who shall thereupon order a special election of the qualified voters of the City to be held by general law in such cases provided. If a majority of those voting therein at such election shall approve the ordinance, it shall take effect immediately, and if not, it shall be void.”

times preceding the special election. The explanations shall be prepared by the City Attorney and contain the ballot question and a neutral statement of not more than 500 words on the proposed question(s). [Va. Code Section 24.2-687]

City may disseminate other neutral materials or advertisements concerning issues of public concern that are the subject of the referendum; however such materials or advertisements may not advocate passage or defeat of the referendum question. [Typically, such materials would be circulated several months in advance of referendum date.]

November 6, 2018

The special election is held contemporaneously with the 2018 general election. [Va. Code Section 24.2-687]

November/December  
2018

A canvass of votes is conducted, and an abstract of votes is filed with the Circuit Court. [Va. Code Sections 15.2-2611 and 24.2-684]

November/December  
2018

The Circuit Court enters an order confirming the election results. [Va. Code Section 15.2-2611]

December 2018 and  
thereafter

The City proceeds to prepare, issue and sell one or more series of bonds up to the aggregate amount authorized.

Note: Bonds authorized by a special election may not be issued more than eight years after the date of the election; however, the eight-year period may, at the request of the City Council, be extended to up to ten years after the date of the election by order of the Circuit Court entered before the expiration of the eight-year period. [Va. Code Section 15.2-2611]

*HUNTON & WILLIAMS*  
*January 2018*