

BOARD AGENDA ITEM

June 12, 2012

SUBJECT:

Resolution to Authorize the Issuance and Sale of General Obligation Bonds, Series 2012, Not Exceeding \$18,000,000

BACKGROUND INFORMATION:

Section 15 of Article X of the Constitution of the State of South Carolina provides that subsequent to November 30, 1982, school districts of the state may incur bonded indebtedness in an amount not exceeding eight percent (8%) of the assessed value of all taxable property therein.

ADMINISTRATIVE CONSIDERATION:

The District has issued the following bonds within its eight percent (8%) constitutional debt limits:

<u>Year</u>	<u>Bond Issuance</u>	<u>Year</u>	<u>Bond Issuance</u>
1984	\$ 11,000,000	2000	9,700,000
1985	1,250,000	2001	10,500,000
1986	2,700,000	2002	13,500,000
1987	2,250,000	2003	11,200,000
1988	2,650,000	2004	11,750,000
1989	6,300,000	2006	21,740,000
1990	4,500,000	2007	13,220,000
1991	7,600,000	2008	13,800,000
1992	6,450,000	2009	13,800,000
1993	7,550,000	2010	14,000,000
1994	8,000,000	2011	<u>16,000,000</u>
1995	7,600,000		
1996	10,500,000	Total	\$ <u><u>256,660,000</u></u>
1997	9,600,000		
1998	10,000,000		
1999	9,500,000		

Of the above, \$228,855,000 was paid through April 1, 2012. The amount applicable to the debt limit as of June 30, 2012 is \$27,805,000 (see attachment 1). The District

could issue bonds not exceeding \$18,000,000 for fiscal year 2012 – 2013 and remain within the 8% debt limit. Bond proceeds are used to fund projects in the District's Five Year Facilities Plan.

RECOMMENDATION:

1. Approve the resolution to provide for the issuance and sale of general obligation bonds, series 2012, in amounts not to exceed \$18,000,000.
2. Authorize the Administration to retain the services of McNair Law Firm, P.A. as bond counsel and Southwest Securities Group as financial advisors for the 2012 general obligation bond series.
3. Approve the issuance of 2012 general obligation bonds in an amount not exceeding \$18,000,000 to be delivered in August 2012.

ATTACHMENTS:

1. Bonds applicable to the debt limit
2. Proposed resolution

PREPARED BY:

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