

BOARD AGENDA ITEM

June 26, 2018

SUBJECT:

Issuance and Sale of General Obligation Bonds, Series 2018

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.

The School Board approved issuance of \$18,500,000 bonds in the District's adopted 2018 – 2019 budget and as part of the District's Five Year Facilities Plan.

ADMINISTRATIVE CONSIDERATION:

The District has issued the following bonds within its 8% constitutional debt limits:

<u>Year</u>	<u>Bond Issuance</u>	<u>Year</u>	<u>Bond Issuance</u>
1984	\$ 11,000,000	2002	13,500,000
1985	1,250,000	2003	11,200,000
1986	2,700,000	2004	11,750,000
1987	2,250,000	2006	21,740,000
1988	2,650,000	2007	13,220,000
1989	6,300,000	2008	13,800,000
1990	4,500,000	2009	13,800,000
1991	7,600,000	2010	14,000,000
1992	6,450,000	2011	16,000,000
1993	7,550,000	2012	17,500,000
1994	8,000,000	2013	17,500,000
1995	7,600,000	2014	17,500,000
1996	10,500,000	2015	17,500,000
1997	9,600,000	2016	18,000,000
1998	10,000,000	2017	18,000,000
1999	9,500,000		
2000	9,700,000	Total	\$ <u>362,660,000</u>
2001	10,500,000		

Of the above, \$329,895,000 will have been paid as of June 30, 2018. The amount applicable to the debt limit as of this date is \$32,765,000 (see attachment 1). The District could issue bonds of \$18,500,000 for fiscal year 2018 – 2019 and remain within the 8% debt limit. Bond proceeds are used to fund projects in the District's Five Year Facilities Plan.

The Series 2016A bond issuance, totaling \$75,000,000 and serviced by sales tax collections, does not apply to the 8% debt limit and is not reflected above. Bonds to be issued in relation to the \$90,000,000 referendum approved by voters in May 2018 will not apply to the 8% debt limit.

RECOMMENDATION:

Approve the resolution to provide for the issuance and sale of general obligation bonds, series 2018.

ATTACHMENTS:

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

PREPARED BY:

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