

Note: This is the original version of a document. Per the April 29 meeting of the Board of Trustees, it required revisions, and the revised version is posted publicly on the District website under the 2018-2019 Board Meeting Information web page as "Options for Board Issuance and Debt Service Repayment".


EXHIBIT B



MEMORANDUM

To: Members of the Board of Trustees

Through: Christina S. Melton, Ed.D., Superintendent

From: A. Len Richardson
Chief Finance & Operations Officer 

Date: April 24, 2019

Re: Financing Options for Elementary School #13
Board Meeting – April 29, 2019

Mike Gallagher with Compass Financial Advisors will be at the Board meeting to discuss financing options for Elementary #13. The enclosed Building Program Update will be discussed. The following information may be helpful when reviewing the documents:

- The mill valuation is included on page 4, column B.
- The millage requirements for a 3, 5, 7 and 10-year financing terms are included on page 6.
- To determine the additional millage needed for each financing term, subtract the current debt service mills (54.8) from the corresponding millage requirement for each term.

A spreadsheet showing the cost to taxpayers for each financing term is also included for your information.

ALR

Attachment

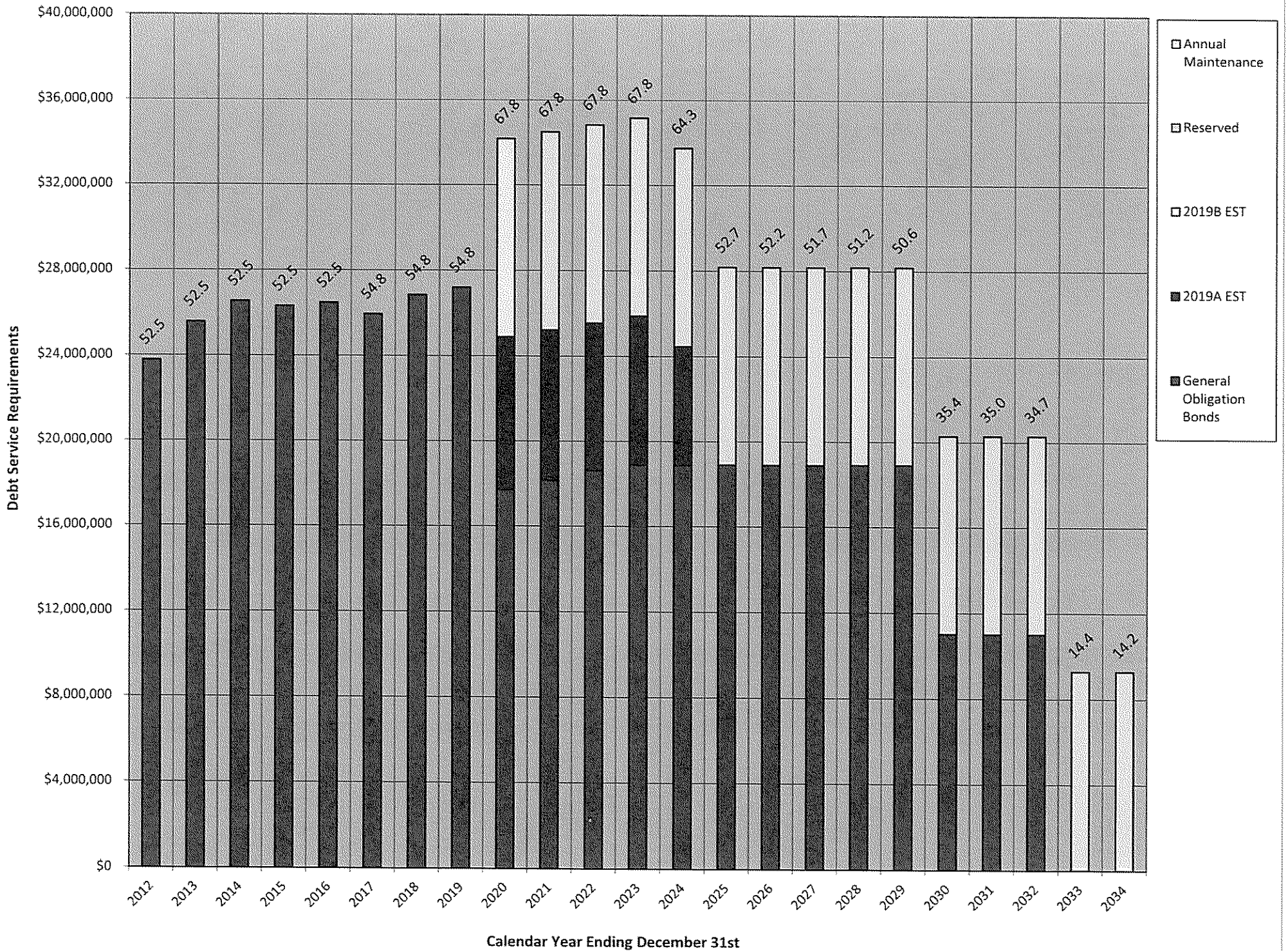
Lexington County School District No. 5

(Building Program Update)



Debt Capsule Report

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Bond Series	Original Par Amount	Current Amount Outstanding	Borrowing Interest Rate	Refundable Bonds Interest Rate	Final Maturity	Call Information
2010A QSCB	\$10,000,000	\$10,000,000	0.000%	---	2027	Non-Callable
2012B	\$115,655,000	\$89,085,000	2.830%	3.540%	2032	Mar 2022 @ 100%
2013A REF	\$40,444,000	\$28,181,000	2.210%	---	2028	Non-Callable
2015B REF	\$62,025,000	\$55,185,000	2.360%	2.990%	2029	Mar 2025 @ 100%
Totals:	\$228,124,000	\$182,451,000	---	---	---	---



Debt Service Structure Report

(A)	(B)	(C)	(D)	(E)	(F)	(G)
		(\$30.0MM)	(\$9.0MM)		(\$9.0MM)	
Calendar Year	General Obligation Bonds	Series 2019A EST Bonds	Series 2019B EST Bonds	Reserved	Annual Maintenance	Total
2012	\$23,779,077					\$23,779,077
2013	\$25,570,252					\$25,570,252
2014	\$26,540,987					\$26,540,987
2015	\$26,311,056					\$26,311,056
2016	\$26,465,380					\$26,465,380
2017	\$25,944,008					\$25,944,008
2018	\$26,837,390					\$26,837,390
2019	\$27,191,885					\$27,191,885
2020	\$17,710,288	\$7,184,250	\$9,270,000			\$34,164,538
2021	\$18,150,592	\$7,068,250			\$9,270,000	\$34,488,842
2022	\$18,630,598	\$6,923,750			\$9,270,000	\$34,824,348
2023	\$18,889,976	\$6,995,500			\$9,270,000	\$35,155,476
2024	\$18,890,787	\$5,565,750			\$9,270,000	\$33,726,537
2025	\$18,893,109				\$9,270,000	\$28,163,109
2026	\$18,889,029				\$9,270,000	\$28,159,029
2027	\$18,890,155				\$9,270,000	\$28,160,155
2028	\$18,892,272				\$9,270,000	\$28,162,272
2029	\$18,891,463				\$9,270,000	\$28,161,463
2030	\$11,013,006				\$9,270,000	\$20,283,006
2031	\$11,009,200				\$9,270,000	\$20,279,200
2032	\$11,010,900				\$9,270,000	\$20,280,900
2033					\$9,270,000	\$9,270,000
2034					\$9,270,000	\$9,270,000
Totals:	\$428,401,410	\$33,737,500	\$9,270,000	\$0	\$129,780,000	\$601,188,910

Note: 2013 - 2020 Direct Payments Reduced Due to Sequestration

Debt Service Millage Cash Flow Report

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Accounts:	(1110)		(1000)	(3000)	(5210)					
Calendar	Budgeted	Growth	Local	State	Transfers	Fund	Debt	Millage	Millage	Remaining
Year	Per Mill	Estimate	Sources	Sources		Balance	Service	Target	Levied	Millage
	Valuation					Draw				
2012*	\$451,500	1.83%	\$202,647	\$848,009			\$23,779,077		52.5	
2013*	\$456,379	1.08%	\$197,651	\$884,100			\$25,570,252		52.5	
2014*	\$464,884	1.86%	\$220,309	\$925,246			\$26,540,987		52.5	
2015*	\$462,918	-0.42%	\$184,876	\$972,728		\$321,373	\$26,311,056		52.5	
2016*	\$464,517	0.35%	\$174,426	\$981,792		\$922,045	\$26,465,380		52.5	
2017*	\$469,211	1.01%	\$254,089	\$1,046,803			\$25,944,008		54.8	
2018*	\$479,062	2.10%	\$271,497	\$1,091,245			\$26,837,390		54.8	
2019	\$479,062		\$270,000	\$1,090,000			\$27,191,885		54.8	
2020	\$483,853	1.00%	\$270,000	\$1,090,000			\$34,164,538	67.8	67.8	\$675
2021	\$488,691	1.00%	\$270,000	\$1,090,000			\$34,488,842	67.8	67.8	\$4,423
2022	\$493,578	1.00%	\$270,000	\$1,090,000			\$34,824,348	67.8	67.8	\$250
2023	\$498,514	1.00%	\$270,000	\$1,090,000			\$35,155,476	67.8	67.8	\$3,768
2024	\$503,499	1.00%	\$270,000	\$1,090,000			\$33,726,537	67.8	64.3	\$1,770,699
2025	\$508,534	1.00%	\$270,000	\$1,090,000			\$28,163,109	67.8	52.7	\$7,675,500
2026	\$513,619	1.00%	\$270,000	\$1,090,000			\$28,159,029	67.8	52.2	\$8,024,365
2027	\$518,756	1.00%	\$270,000	\$1,090,000			\$28,160,155	67.8	51.7	\$8,371,474
2028	\$523,943	1.00%	\$270,000	\$1,090,000			\$28,162,272	67.8	51.2	\$8,721,073
2029	\$529,183	1.00%	\$270,000	\$1,090,000			\$28,161,463	67.8	50.6	\$9,077,116
2030	\$534,474	1.00%	\$270,000	\$1,090,000			\$20,283,006	67.8	35.4	\$17,314,358
2031	\$539,819	1.00%	\$270,000	\$1,090,000			\$20,279,200	67.8	35.0	\$17,680,538
2032	\$545,217	1.00%	\$270,000	\$1,090,000			\$20,280,900	67.8	34.7	\$18,044,835
2033	\$550,670	1.00%	\$270,000	\$1,090,000			\$9,270,000	67.8	14.4	\$29,425,393
2034	\$556,176	1.00%	\$270,000	\$1,090,000			\$9,270,000	67.8	14.2	\$29,798,747
Totals:	---	---	\$5,825,495	\$24,189,923	\$0	\$1,243,418	\$601,188,910	---	---	\$155,913,213

* Actual Collectable Value of a Mill, per Audited Financial Statements.

Constitutional Debt Limitation Report

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
June 30th	General Obligation Bonds	Series 2019A EST Bonds	Series 2019B EST Bonds	Annual Maintenance	Est. Assessed Value	Growth	Debt Limitation	Eight Percent Capacity
2012	\$19,830,000				\$467,186,555	2.50%	\$37,374,924	
2013	\$15,000,000				\$475,659,600	1.81%	\$38,052,768	
2014	\$23,690,000				\$484,840,605	1.93%	\$38,787,248	
2015	\$12,603,000				\$479,732,400	-1.05%	\$38,378,592	
2016	\$11,079,000				\$483,035,929	0.69%	\$38,642,874	
2017	\$9,550,000				\$495,714,200	2.62%	\$39,657,136	
2018	\$9,819,000				\$513,324,250	3.55%	\$41,065,940	
2019	\$9,718,000				\$513,324,250		\$41,065,940	\$2,065,940
2020		\$5,830,000	\$9,000,000		\$518,457,493	1.00%	\$41,476,599	\$8,036,599
2021		\$6,010,000		\$9,270,000	\$523,642,067	1.00%	\$41,891,365	\$14,461,365
2022		\$6,170,000		\$9,270,000	\$528,878,488	1.00%	\$42,310,279	\$21,050,279
2023		\$6,560,000		\$9,270,000	\$534,167,273	1.00%	\$42,733,382	\$28,033,382
2024		\$5,430,000		\$9,270,000	\$539,508,946	1.00%	\$43,160,716	\$33,890,716
2025				\$9,270,000	\$544,904,035	1.00%	\$43,592,323	\$34,322,323
2026				\$9,270,000	\$550,353,076	1.00%	\$44,028,246	\$34,758,246
2027				\$9,270,000	\$555,856,606	1.00%	\$44,468,529	\$35,198,529
2028				\$9,270,000	\$561,415,172	1.00%	\$44,913,214	\$35,643,214
2029				\$9,270,000	\$567,029,324	1.00%	\$45,362,346	\$36,092,346
2030				\$9,270,000	\$572,699,617	1.00%	\$45,815,969	\$36,545,969
2031				\$9,270,000	\$578,426,613	1.00%	\$46,274,129	\$37,004,129
2032				\$9,270,000	\$584,210,880	1.00%	\$46,736,870	\$37,466,870
2033				\$9,270,000	\$590,052,988	1.00%	\$47,204,239	\$37,934,239
2034				\$9,270,000	\$595,953,518	1.00%	\$47,676,281	\$47,676,281
Totals:	\$111,289,000	\$30,000,000	\$9,000,000	---	---	---	---	---

Lexington County School District No. 5
Debt Service Fund Millage Levy Summary
(Tax Year 2019)

DRAFT

Estimated Revenues

Beginning Balance on June 30, 2019:			\$5,940,000.00
1000 Revenues from Local Sources:	\$483,852.70	67.80	\$32,805,213.13
1000 Revenues from Local Sources:			\$270,000.00
3000 Revenues from State Sources:			\$1,090,000.00
Cash Balance Held as Reserve Fund for QSCB Direct Payments:			(\$246,225.00)
 Total Revenues:			 <u>\$39,858,988.13</u>

Estimated Expenditures

<u>Due Date</u>	<u>Bond Series</u>	<u>Principal</u>	<u>Interest</u>	<u>Direct Payment</u>	<u>Total</u>	<u>Grand Total</u>
09/01/19	2012B		\$1,655,156.25		\$1,655,156.25	
09/01/19	2013A REF		\$311,400.05		\$311,400.05	
09/01/19	2015B REF		\$1,130,281.25		\$1,130,281.25	
12/01/19	2010A QSCB		\$262,500.00	(\$246,225.00)	\$16,275.00	\$3,113,112.55
 03/01/20	2012B	\$5,965,000	\$1,655,156.25		\$7,620,156.25	
03/01/20	2013A REF	\$2,483,000	\$311,400.05		\$2,794,400.05	
03/01/20	2015B REF	\$3,295,000	\$1,130,281.25		\$4,425,281.25	
03/01/20	2019A EST	\$5,830,000	\$750,000.00		\$6,580,000.00	
03/01/20	2019B EST	\$9,000,000	\$270,000.00		\$9,270,000.00	
06/01/20	2010A QSCB		\$262,500.00	(\$246,225.00)	\$16,275.00	\$30,706,112.55
 09/01/20	2012B		\$1,506,031.25		\$1,506,031.25	
09/01/20	2013A REF		\$283,962.90		\$283,962.90	
09/01/20	2015B REF		\$1,047,906.25		\$1,047,906.25	
09/01/20	2019A EST		\$604,250.00		\$604,250.00	
12/01/20	2010A QSCB		\$262,500.00	(\$246,225.00)	\$16,275.00	<u>\$3,458,425.40</u>
 Total Expenditures:						 <u>\$37,277,650.50</u>

Ending Balance June 30, 2020: \$6,039,763.03

Ending Balance December 31, 2020: \$2,581,337.63

Note: Direct Payment Reduced by 6.2% for Sequestration

Millage Increase Cost to Taxpayers
Debt Service Millage
Current Millage = 54.8

3 Year Financing Term					
Category	Assessment Rate	Assessed Value	Mill Value	# Mills	Taxpayer Cost
Owner Occupied Homes	4%	\$ 100,000.00	0.001	20.6	\$ 82.40
Motor Vehicle	6%	\$ 20,000.00	0.001	20.6	\$ 24.72
Other Business/Personal property	6%	\$ 100,000.00	0.001	20.6	\$ 123.60

5 Year Financing Term					
Category	Assessment Rate	Assessed Value	Mill Value	# Mills	Taxpayer Cost
Owner Occupied Homes	4%	\$ 100,000.00	0.001	13.0	\$ 52.00
Motor Vehicle	6%	\$ 20,000.00	0.001	13.0	\$ 15.60
Other Business/Personal property	6%	\$ 100,000.00	0.001	13.0	\$ 78.00

7 Year Financing Term					
Category	Assessment Rate	Assessed Value	Mill Value	# Mills	Taxpayer Cost
Owner Occupied Homes	4%	\$ 100,000.00	0.001	8.6	\$ 34.40
Motor Vehicle	6%	\$ 20,000.00	0.001	8.6	\$ 10.32
Other Business/Personal property	6%	\$ 100,000.00	0.001	8.6	\$ 51.60

10 Year Financing Term					
Category	Assessment Rate	Assessed Value	Mill Value	# Mills	Taxpayer Cost
Owner Occupied Homes	4%	\$ 100,000.00	0.001	6.0	\$ 24.00
Motor Vehicle	6%	\$ 20,000.00	0.001	6.0	\$ 7.20
Other Business/Personal property	6%	\$ 100,000.00	0.001	6.0	\$ 36.00