

Lexington Richland County School District No. 5 (Series 2019B Bond Sale Report)



January 27, 2020

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\$30,000,000 General Obligation Bonds, Series 2019B



Issue Overview:

Lexington & Richland Cos SD #5 \$30,000,000 General Obligation Bonds, Series 2019B (South Carolina School District Credit Enhancement Program)

Intercept Rating: Aa1 / AA

Issuer Rating: Aa2 / AA

The following bids were submitted using **PARITY**® and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Sale Date: August 14, 2019

Closing Date: September 4, 2019

Collateral / Pledge: General Obligation

Duration: 3 Years

Net Reoffering Premium: \$1,839,203.96

Project Fund Deposit: \$31,673,773.96

Bidder Name	TIC %
Hutchinson, Shockey, Erley & Co.	0.9775682
Morgan Stanley & Co, LLC	0.9915750
J.P. Morgan Securities LLC	0.9954960
TD Securities	0.9955590
FTN Financial Capital Markets	0.9996450
RBC Capital Markets	1.0008280
Bank of America Merrill Lynch	1.0083970
BNY Mellon Capital Markets	1.0190670
Piper Jaffray	1.0385610
Robert W. Baird & Co., Inc.	1.0567680
Mesirow Financial, Inc.	1.0634730
Wells Fargo Bank National Association	1.1061190

Twelve bids with Hutchinson, Shockey, Erley & Co. providing the lowest cost of capital; highly competitive transaction

\$30,000,000 General Obligation Bonds, Series 2019B Pricing Summary



School District No. 5 of Lexington County, South Carolina

General Obligation Bonds, Series 2019B

FINAL: Sold to HSE on 08.14.19 - Delivery on 09.04.19

(Eight Percent Debt)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
03/01/2020	Serial Coupon	5.000%	0.930%	9,070,000.00	101.991%	9,250,583.70
03/01/2021	Serial Coupon	5.000%	0.930%	10,335,000.00	106.015%	10,956,650.25
03/01/2022	Serial Coupon	5.000%	0.940%	10,595,000.00	109.975%	11,651,851.25
Total	-	-	-	\$30,000,000.00	-	\$31,859,085.20

Bid Information

Par Amount of Bonds	\$30,000,000.00
Reoffering Premium or (Discount)	1,859,085.20
Gross Production	\$31,859,085.20
Total Underwriter's Discount (0.066%)	\$(19,881.24)
Bid (106.131%)	31,839,203.96
Total Purchase Price	\$31,839,203.96
Bond Year Dollars	\$46,275.00
Average Life	1.543 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	1.0254912%
True Interest Cost (TIC)	0.9775682%

\$30,000,000 General Obligation Bonds, Series 2019B Debt Service Schedule



School District No. 5 of Lexington County, South Carolina

General Obligation Bonds, Series 2019B

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(Eight Percent Debt)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
03/01/2020	9,070,000.00	5.000%	737,500.00	9,807,500.00
09/01/2020	-	-	523,250.00	523,250.00
03/01/2021	10,335,000.00	5.000%	523,250.00	10,858,250.00
09/01/2021	-	-	264,875.00	264,875.00
03/01/2022	10,595,000.00	5.000%	264,875.00	10,859,875.00
09/01/2022	-	5.000%	-	-
Total	\$30,000,000.00	-	\$2,313,750.00	\$32,313,750.00

Yield Statistics

Bond Year Dollars	\$46,275.00
Average Life	1.543 Years
Average Coupon	5.0000000%

Net Interest Cost (NIC)	1.0254912%
True Interest Cost (TIC)	0.9775682%
Bond Yield for Arbitrage Purposes	0.9361425%
All Inclusive Cost (AIC)	1.3238921%

IRS Form 8038

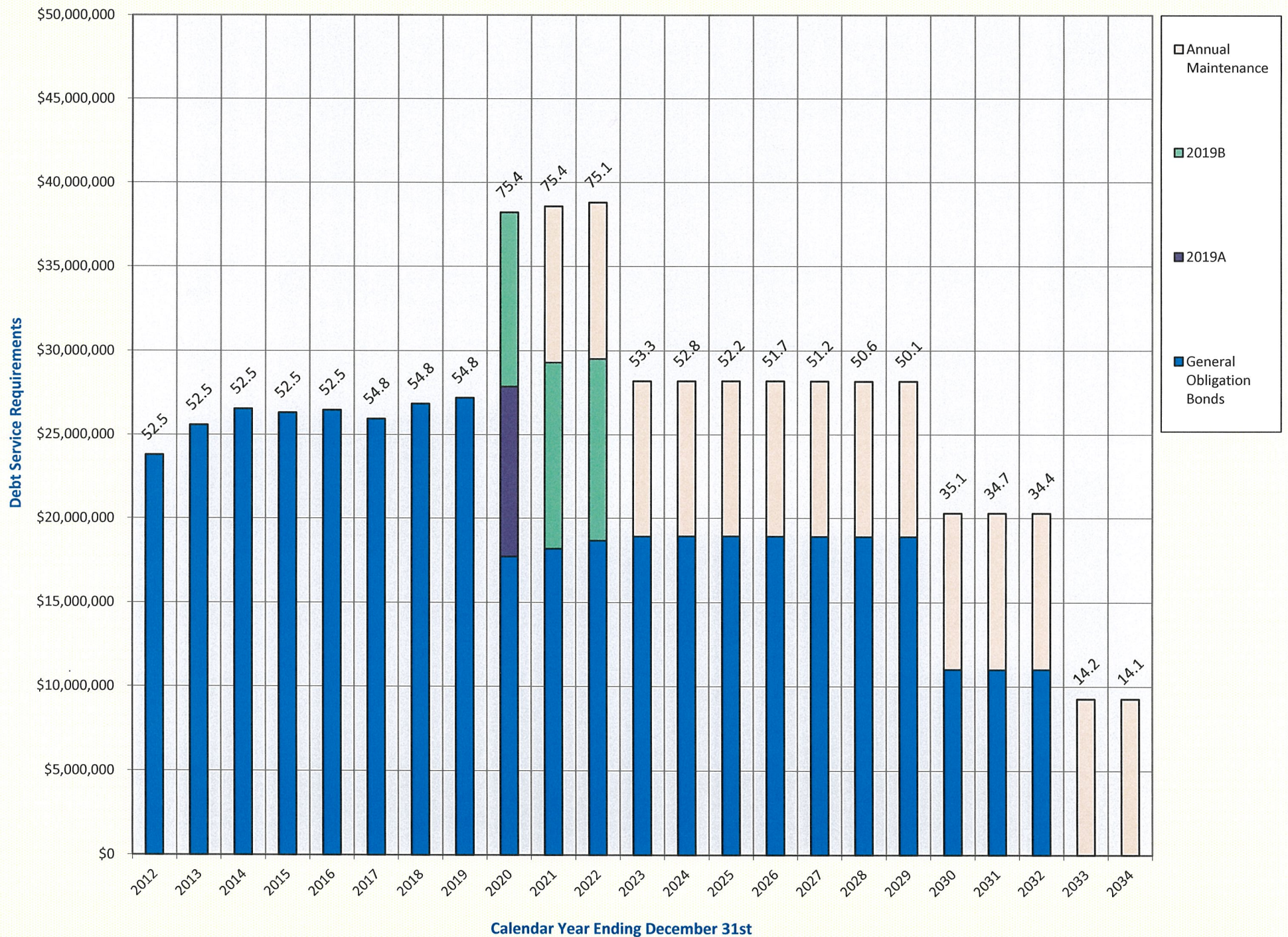
Net Interest Cost	0.9107065%
Weighted Average Maturity	1.567 Years

Prior to March 15, 2004, Section 59-71-180 of the Code of Laws of South Carolina, 1976, as amended, read as follows:

The proceeds derived from the sale of the bonds must be deposited with the treasurer of the county wherein the operating school unit is located, in whole or in part, in a special fund to the credit of the operating school unit and shall be applied solely to the purposes for which the bonds were issued, except that the premium, if any, shall be placed in the sinking fund established by Section 59-71-150 and the accrued interest, if any, must be used to discharge in part the first interest to become due on such bonds.

Act No. 184 effective March 15, 2004, amended the language as follows:

The proceeds derived from the sale of the bonds must be deposited with the treasurer of the county ~~wherein~~ in which the operating school unit is located, in whole or in part, in a special fund to the credit of the operating school unit and ~~shall~~ must be applied solely to the purposes for which the bonds were issued, except that the ~~premium, if any, shall be placed in the sinking fund established by Section 59-71-150 and the~~ accrued interest, if any, ~~shall~~ must be used to discharge in part the first interest to become due on the bonds.



Constitutional Debt Limit Report

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	General	Series	Series		Est.			Eight
June	Obligation	2019A	2019B	Annual	Assessed		Debt	Percent
30th	Bonds	Bonds	Bonds	Maintenance	Value	Growth	Limitation	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	\$1,060,940
2020		\$10,005,000	\$9,070,000		\$518,457,493	1.00%	\$41,476,599	\$11,276,599
2021			\$10,335,000	\$9,270,000	\$523,642,067	1.00%	\$41,891,365	\$22,026,365
2022			\$10,595,000	\$9,270,000	\$528,878,488	1.00%	\$42,310,279	\$33,040,279
2023				\$9,270,000	\$534,167,273	1.00%	\$42,733,382	\$33,463,382
2024				\$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

Future Capacity: Debt limit capacity increases as

Series 2019B matures over 2020, 2021 and 2022.