



Agenda

Board of Trustees

Regular Meeting

Location: Dutch Fork Middle School

Video Livestream: <https://lexrich5.rev.vbrick.com/#/webcasts/boardmeeting>

October 11, 2021

1. Call to order at 5:00 p.m.
2. Approval of the agenda
3. Enter Executive Session to consider the following:
 - a. Selected employment items (*Exhibit A*) (Action)
 - b. Selected employment items (*Exhibit B*) (Information Only)
 - c. Contractual negotiations related to the selection of Financial Advisor
 - d. Receipt of legal advice regarding COGNIA matter
 - e. Receipt of legal advice regarding construction matter
 - f. Legal update regarding C.A. No. 2021-CP-40-03694
 - g. Receipt of legal advice on Latent Roof Defects
 - h. Receipt of legal advice on federal and state Court Orders regarding Proviso 1.108
4. Call to order at 7:00 p.m.
5. Welcoming remarks – Jan Hammond, Board Chair
6. Invocation – Rebecca Blackburn Hines, Board of Trustees
7. Pledge of Allegiance – Rebecca Blackburn Hines, Board of Trustees
8. School Board Spotlight
9. Superintendent's Report
 - a. COVID-19 Update
 - b. COVID-19 Dashboard Update
 - c. Interim Superintendent's 2022/2023 and 2023/2024 Facilities Equity Plan
 - d. Update on Accountability Report
 - e. D5 Work-Based Learning Program
10. Approval of the minutes of the September 27, 2021 board meeting
11. Public Participation*

ACTION AGENDA

12. Action as Necessary or Appropriate on Matters Discussed in Executive Session
13. Approval of Proposed Financial Advisor (Exhibit C)
14. Approval of Proposed Funding for 2022/2023 and 2023/2024 Projects (Exhibit D)
15. Adoption of a Resolution to Refund the 2012B Callable Bonds with a Tax-Exempt Bond Issuance (Exhibit E)
16. Second and Final Reading of Proposed Revisions to Board Policy FB "Facilities Planning" (Exhibit F)
17. Second and Final Reading of new Board Policy FED "Close-Out of Construction Projects" (information initially included as revisions to existing Board Policy DI/DIE "Fiscal Accounting/Audits" given first reading on September 27, 2021 (Exhibit G)
18. Certification of Delegates for the 2021 SCSBA Delegate Assembly (Exhibit H)

DISCUSSION AGENDA

19. Discussion of Sale of Unused and/or Under-Utilized District Real Property
20. Adjourn

INFORMATION AGENDA

21. The next regular scheduled board meeting will be October 25, 2021, at the Center for Advanced Technical Studies.

* The Board welcomes and encourages public participation. However, the privilege of addressing the Board does not include the ability to make personal attacks on any Board Member, district employee, or other member of the public. We respectfully ask that you adhere to the procedures and the decorum provided in board policy BEDH "Public Participation at Meetings". Your comments should be limited to three minutes. Questions asked during public participation will be handled in accordance with board policy BEDH.

COVID-19 NOTICE: Due to state social distancing guidelines, seating capacity at our school board meeting will be limited. Mask use is encouraged. The district will live stream board meetings to provide virtual viewing options.



Minutes/September 27, 2021

The Board of Trustees of School District Five of Lexington and Richland Counties met at Chapin Middle School with the following members present:

Mrs. Rebecca Blackburn Hines
Mrs. Nikki Gardner, Secretary
Mrs. Jan Hammond, Chair
Mr. Matt Hogan
Mrs. Catherine Huddle
Mr. Ken Loveless, Vice Chair
Dr. Akil Ross, Interim Superintendent

The following staff were in attendance:

Mr. Todd Bedenbaugh, Executive Director of Operations
Dr. Michael Harris, Chief Planning and Administrative Officer
Mrs. Anna Miller, Chief of Academics and Administration
Mrs. Marty Rawls, Chief Finance Officer
Mrs. Amanda Taylor, Director of Communications

A livestream video link was provided to the public as a viewing option for the September 27, 2021, board meeting.

Chair Hammond called the meeting to order and gave welcoming remarks. The Invocation and Pledge of Allegiance were led by Ken Loveless, vice-chair, board of trustees.

During the Superintendent's Report, Dr. Ross presented updates on: (1) Equity in Facilities Plan, (2) COVID-19, and (3) How are the children? (Quarantine and Social and Emotional Health).

During the public participation, Rosie Robinson, Christine Hampton, Sarah Ostergaard, Lisa Boulware and Rose St. Louis spoke regarding Irmo High School; Michael Sugar spoke regarding the district; Lill Mood spoke regarding voter information; and Shanna Do spoke regarding COVID-19.

Todd Bedenbaugh gave a presentation on Proposed Funding for 2022/2023 and 2023/2024 (Exhibit E)

The Board presented for discussion and first reading proposed revisions to board policies FB "Facilities Planning" (Exhibit F) and DI/DIE "Fiscal Accounting Audits" (Exhibit G)

Ten Day Enrollment Report was presented for information (Exhibit H).

Reminder about District 5 Foundation's Annual Evening for Education, Saluda Shoals Park – River Center, Thursday, October 7, 2021, 6:00 p.m. was presented for information.

SCHOOL DISTRICT FIVE
OF
LEXINGTON AND RICHLAND COUNTIES

Meeting of September 27, 2021

	B L A C K B U R N H I N E S	G A R D N E R	H A M M O N D	H O G A N	H U D D L E	L O V E L E S S	V A C A N T
1. M. Loveless S. Huddle Approve the agenda.	X	X	X	X	X	X	
2. M. Huddle S. Loveless Enter executive session to consider the following: a.) selected employment items (Exhibit A) (Action); b.) selected employment items (Exhibit B) (Information Only); c.) receipt of legal advice regarding construction matter.	X	X	X	X	X	X	
3. M. Hogan S. Huddle Approve the minutes of the September 13, 2021 board meeting.	X	X	X	X	X	X	
4. M. Loveless S. Huddle Approve the minutes of the September 21, 2021 special-called board meeting.	X	X	X	X	X	X	
5. M. Huddle S. Blackburn Hines I move that we approve the selected employment items (Exhibit A).	X	X	X	X	X	X	
6. M. Loveless S. Huddle I move that unencumbered Capital Improvement funds from prior years be used to fund \$3,545,000.00 Capital Projects shown in (Exhibit C). M. Blackburn Hines S. Gardner I make the motion that we reallocate the unused funding from the Irmo High School science labs and District Office print shop renovations from the 2021 capital approved	X X	X X	X X	X X	X X	X X	

A = Absent
AB = Abstain
N = No
X = Yes
R = Recuse

SCHOOL DISTRICT FIVE
OF
LEXINGTON AND RICHLAND COUNTIES

Meeting of September 27, 2021

	B L A C K B U R N H I N E S	G A R D N E R	H A M M O N D	H O G A N	H U D D L E	L O V E L E S S	V A C A N T
budget to be redistributed for the removal of unsafe portables and the conversion of maintenance facilities which totals \$1,100,000.00 (Exhibit C).							
7. M. Loveless S. Huddle I make the motion that second reading approval be given to the following amendments to Policy FEC dated 2/14: 1) Members of the Board of Trustees be barred from voting or ad hoc membership on professional selection committees, 2) Candidates for voting or ad hoc membership of the selection committees be vetted by the superintendent to determine actual or apparent conflicts of interest and if conflicts of interest exist, that candidates must withdraw from consideration, and 3) Voting or ad hoc members of selection committees be required to sign and adhere to the district's Confidentiality and Conflict of Interest Policy (Exhibit D).	X	X	X	X	X	X	
8. M. Gardner S. Huddle I would like to make a motion to approve Discussion and First Reading of Proposed Revisions to Board Policy FB "Facilities Planning" (Exhibit F).	X	X	X	X	X	X	
9. M. Loveless S. Huddle I make the motion that first reading approval be given to the following amendment to Board Policy DI/DIE: On any project greater than \$5,000,000.00 in total value, it is the policy to use the services of a qualified Architect or Professional Engineer not associated in any way with the district personnel or design/construction/inspection teams or consultants, to close out and certify that project construction meets the specifications of the subject project. This project Close Out Professional shall be separate, in addition to and independent in duties from any project Resident Engineer or Construction Project	X	X	X	X	X	X	

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OF
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Meeting of September 27, 2021

	B L A C K B U R N H I N E S	G A R D N E R	H A M M O N D	H O G A N	H U D D L E	L O V E L E S	V A C A N T
Representative. The Project Close Out Professional shall be selected in accordance with this policy (DI/DIE) and shall certify items including but not necessarily limited to contract compliance with permits, commissioning, staff training, warranties, close out documents, inspection reports, construction deficiencies and completion of final lists of items to complete. This professional shall verify that bonds, contract amounts, lien waivers, change orders, retained amounts and other documents are correct and due and payable before contractors receive final payments (Exhibit G). *To include the word *licensed* after qualified*.							
10. M. Hogan S. Blackburn Hines Adjourn at 9:10 p.m.	X	X	X	X	X	X	

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**MEMORANDUM**

To: Members of the Board of Trustees

Through: Dr. Akil E. Ross, Sr.
Superintendent

From: Marty Rawls,
Chief Finance Officer 

Date: October 6, 2021

Re: October 11, 2021 Board Meeting
Action Item
Approval of Proposed Financial Advisor (Exhibit C)

Attached for Approval is the presentation provided by PFM Financial Advisors LLC outlining their financial advisory services.

MR
Attachment



School District No. 5 of Lexington County and Richland County (SC)

PFM Financial Advisors LLC

Financial Advisory Services Capabilities

October 11, 2021

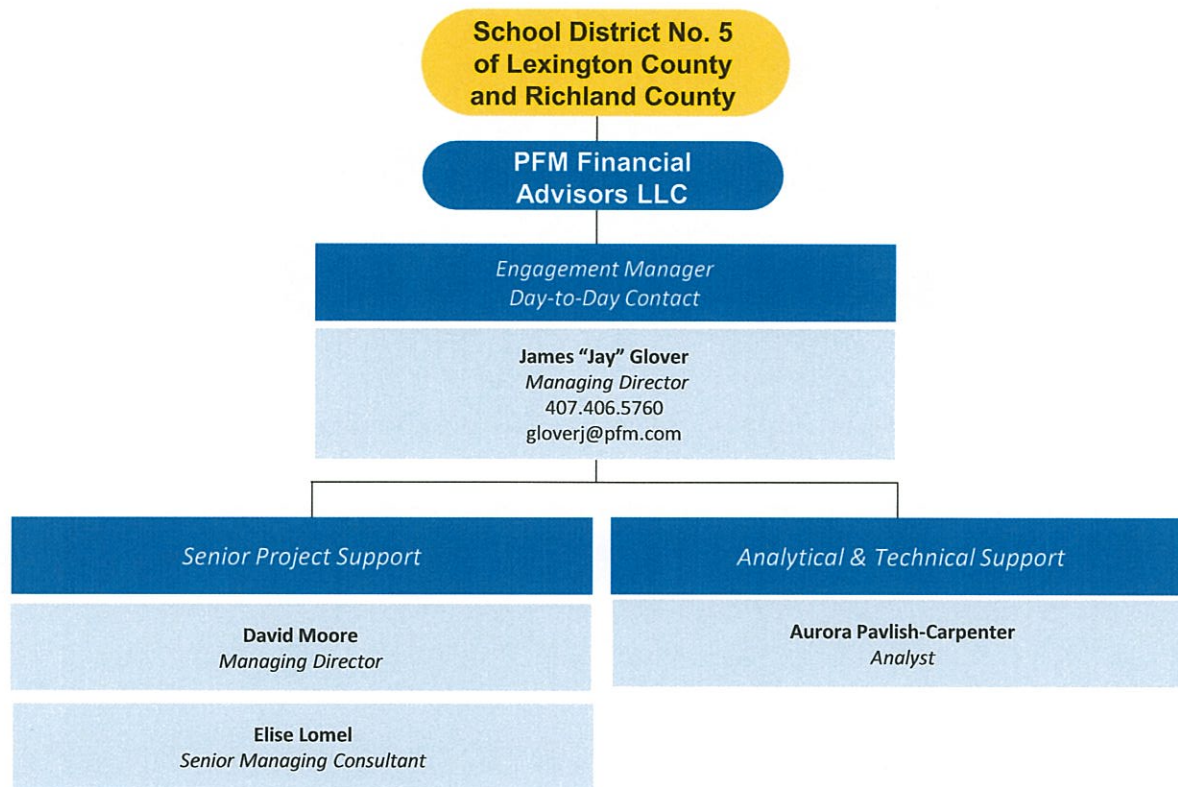
PFM Financial
Advisors LLC

200 S. Orange Avenue,
Suite 760
Orlando, FL 32801

407-648-2208
pfm.com



PFM's Financial Advisory Team





Jay Glover (gloverj@pfm.com)

Managing Director (407-406-5760)

As the Engagement Manager, Jay will take the lead role in overseeing the delivery of the requested financial advisory services and be responsible for review of all work products completed by PFM. Over the last 21 years, Jay has been one of the most active financial advisors in the southeast in terms of both total par amount and number of transactions completed. He has taken an active role in working with clients on new money issuances, refundings, pooled financings, conduit borrowings, derivative products analyses, state/federal financing programs and innovative financing solutions. Jay was born and raised in South Carolina. He received his undergraduate degree from the College of Charleston and an MBA from the University of South Carolina. Jay is a Registered Municipal Advisor Representative (Series 50).

David Moore (moored@pfm.com)

Managing Director (407-406-5751)

David has worked as an engineer, investment banker, and financial advisor, focusing on public finance for more than 25 years, and joined PFM in 1998. David's analytical foundation enables him to lead clients through complex structures and implement first-time credits to create client specific solutions. This expertise has been recognized nationally as his clients have won three Bond Buyer Deal of the Year awards. David is a Registered Municipal Advisor Representative (Series 50).

Elise Lomel (lomele@pfm.com)

Senior Managing Consultant (404-410-2227)

Elise started at PFM as an intern, became a full-time analyst in 2014. She has provided technical and analytical support for a variety of clients including school districts, state, county, city, public power and utility system, transit and airport clients. She is involved in analytical analysis as well as transaction management on debt transactions and structuring, strategic planning, pricing and cash flow analysis to her clients. Elise is also on the Board of the Georgia Chapter of Women in Public Finance as well as a member of the Georgia GFOA Conference Committee. She is a registered Municipal Advisor Representative (Series 50).



Why PFM?

Proven performance delivered by a team that is committed to our clients and offers a state-of-the-art approach to serving clients. Creative, customized solutions; not cookie cutter recommendations.

- I. Experienced Team with Recent, Relevant Experience
PFM is the dominant financial advisor in southeast and the nation and has served at this level for over 30 years. Our team is comprised of long-tenured professionals with recent, relevant experience serving issuers similar to the District.
- II. Resources
PFM offers the most comprehensive scope of services in the financial advisory business.
- III. A Strategic Partner
PFM is not just an advisor on debt transactions, but a strategic partner that can assist the District with all of its financial needs.
- IV. Seamless Integration
PFM can step in and get to work immediately having worked with the District's existing legal team on similar engagements.
- V. Independence
PFM offers the District 100% independence.



PFM Overview

- PFM was founded in 1975 on the principle of providing sound independent and fiduciary financial advice to governmental and not-for-profit entities around the country
 - PFM's national reputation and consistent growth are evident in our ranking as the nation's top financial advisor in terms of number of transactions and par amount
 - PFM leadership in both number of transactions and par amount issued shows a commitment to small, medium and large issuers

2020 Full Year Overall Long Term Municipal New Issues

Municipal Financial Advisory Ranking - Equal to Each Financial Advisor

Source: Refinitiv

	# issues	\$ in millions
PFM	995	69,733
Public Resources Advisory Group	159	43,381
Hilltop Securities	712	31,124
Acacia Financial Group Inc	150	17,348
Estrada Hinojosa & Company Inc	125	11,270
Frasca & Associates	46	11,212
KNN Public Finance	82	10,151
Piper Sandler & Co	256	8,187
Davenport & Company LLC	126	6,895
Montague DeRose & Associates LLC	47	6,841





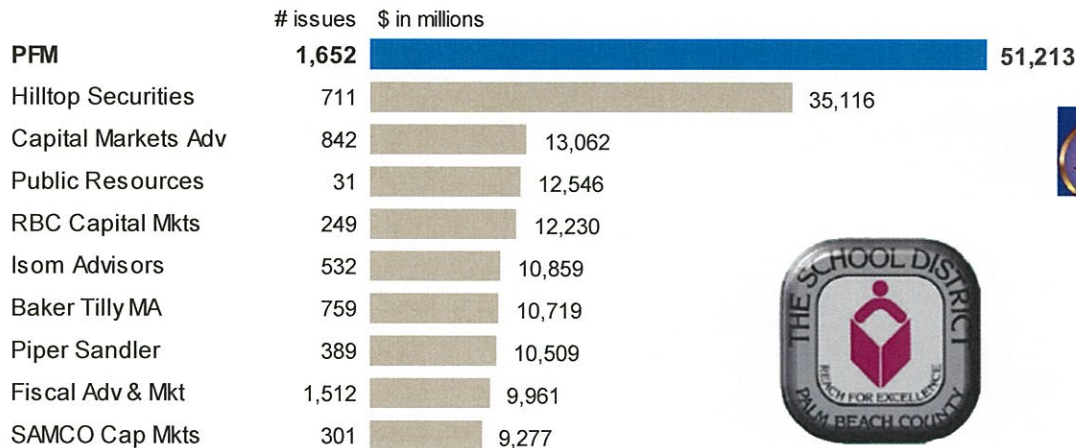
PFM's Commitment to K-12 Education

- PFM has been the market leader serving primary and secondary education clients throughout the nation
- From 2016 – 2020, PFM served as financial advisor on over 1,600 transactions with a total par amount in excess of \$51 billion for K-12 clients

2016 - 2020 Full Year Primary & Secondary Education Long Term Municipal New Issues

Municipal Financial Advisory Ranking - Full Credit to Each Financial Advisor

Source: Ipreo

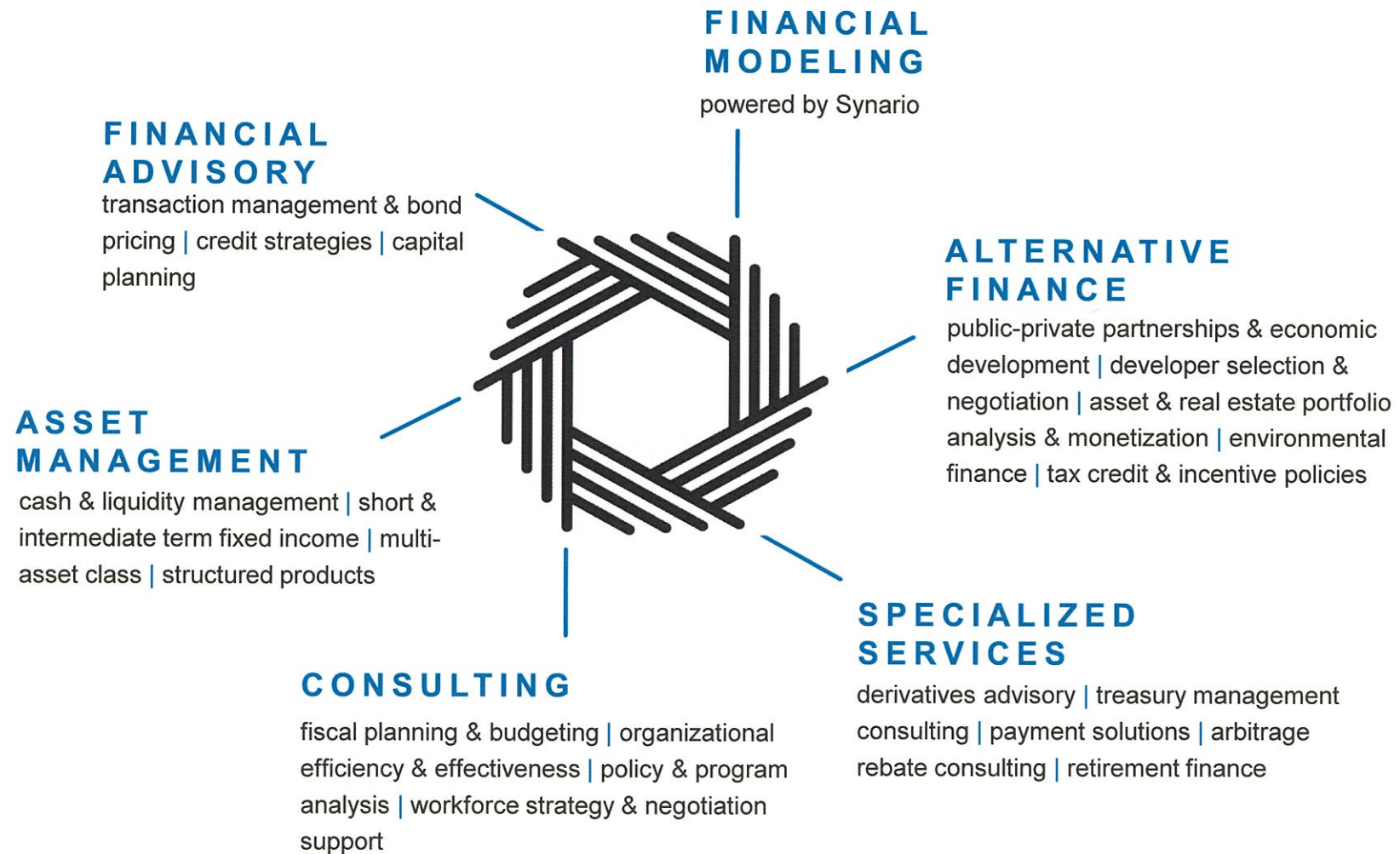


Charleston >excellence is our standard
County SCHOOL DISTRICT





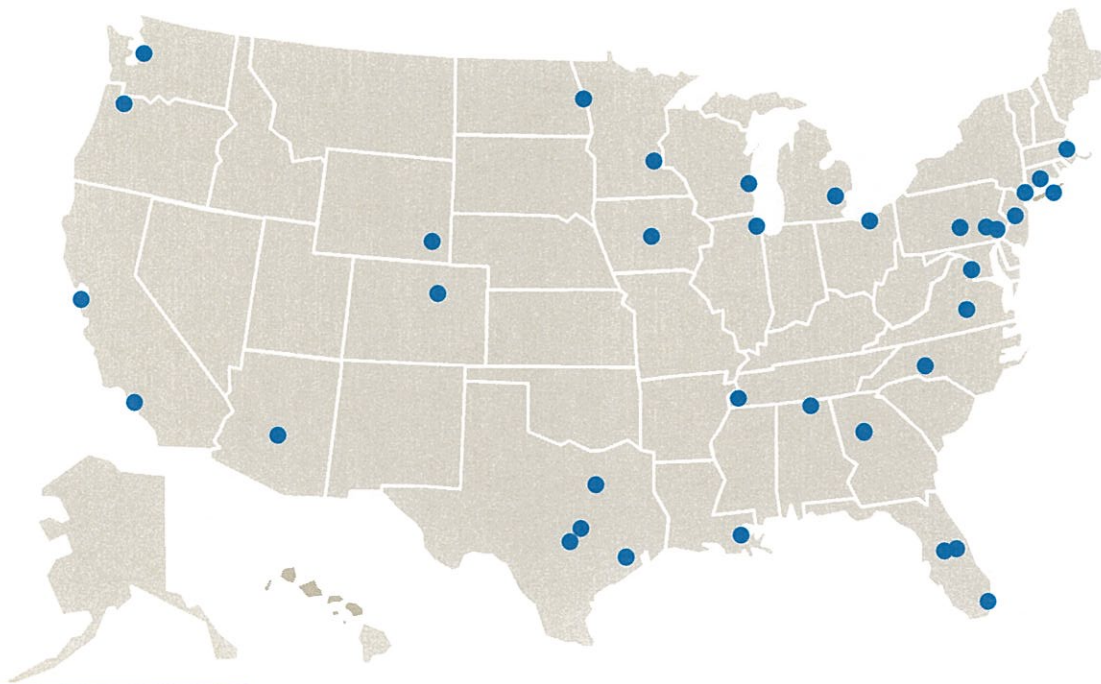
PFM Offers an Extensive Scope of Services





PFM's National Presence Offers Insight into National Trends

- Our national presence includes 36 offices across the U.S., with PFM's professionals located in every region of the country and within close proximity to most of our clients
 - Local Understanding: This results in a better understanding of the local issues and challenges affecting our clients, as well as providing the day-to-day contact required to properly meet their needs
 - National Knowledge: Our national presence allows PFM employees to reach out across the firm to gain additional knowledge of challenges or concerns our clients are facing which is often relevant on the local level



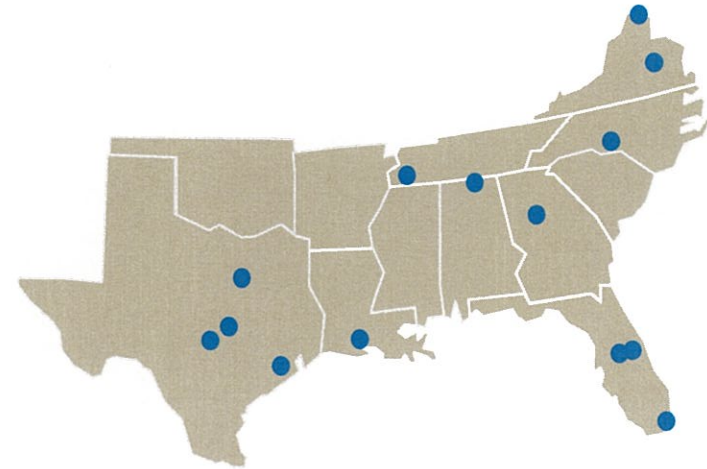
UNITED STATES

Ann Arbor	Miami
Arlington	Milwaukee
Atlanta	Minneapolis
Austin	New Orleans
Boston	New York
Chandler	Orlando
Charlotte	Orlando East
Chicago	Philadelphia
Cleveland	Portland
Dallas	Princeton
Denver	Richmond
Des Moines	San Antonio
Harrisburg	San Francisco
Houston	Seattle
Huntsville	St. Louis
Long Island	Wallingford
Los Angeles	Wyoming
Malvern	
Memphis	



PFM's Commitment to the South

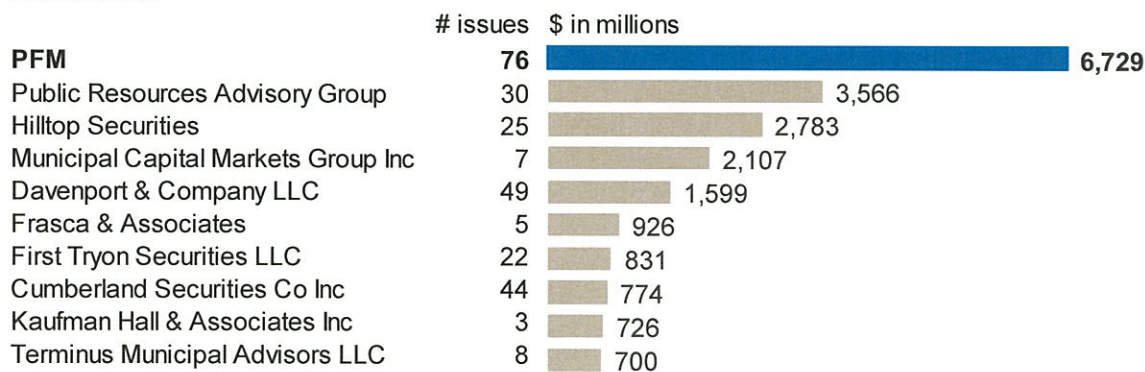
- PFM has a long-term strategic commitment to the South
- The firm's nationwide Pricing Group is located in Charlotte
- First half of 2021, PFM completed 76 transactions with a par amount in excess of \$6.7 billion



2021 First Half Southeast Long Term Municipal New Issues

Municipal Financial Advisory Ranking - Equal to Each Financial Advisor

Source: Refinitiv





PFM's Strategic Focus on South Carolina

◆ PFM approaches South Carolina practice strategically by focusing on issuers that benefit from:

- Hands on approach,
- Technical resources, and
- Credit/pricing expertise.

◆ PFM completed over \$5.5 billion in transactions in South Carolina since 2016

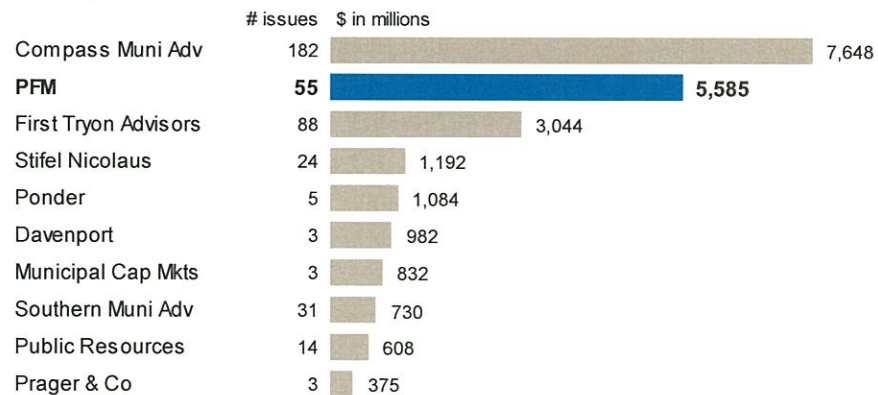
◆ Clients include:

- Charleston County Schools
- Richland No. 1 Schools
- Richland-Lexington Airport District
- Charleston Water System
- Charleston International Airport
- City of Hardeeville
- City of Walterboro
- University of South Carolina

2016 - 2020 South Carolina Overall Long Term Municipal New Issues

Municipal Financial Advisory Ranking - Full Credit to Each Financial Advisor

Source: Ipreo





How PFM Partners with Clients

- ◆ PFM views our role as both a strategic and technical partner and this commitment extends beyond financings:

- **Technical**

- Provide ongoing market updates on changing market conditions
- Provide superior transaction management
- Assist with rating agency relations
 - Resiliency
 - Cybersecurity

- **Strategic**

- Monitor legislative initiatives (American Rescue Plan)
- Provide updates on new financial products/programs
- Keep the District abreast of regulatory environment changes

- **Training (in person and virtual)**

- Debt & Investment seminars
- Training at GFOA and conferences
- Customized client specific training



Process to Maintain/Improve Already Strong Credit Ratings of the District

- PFM understands the extreme importance of securing and maintaining strong credit rating levels
- PFM takes an individualized, **proactive** strategic approach for each issuer
- **Knowledge**
 - Each agency views metrics differently and we understand those differences
 - Understand how financial and management changes over time may impact those metrics
- **Preparation**
 - Utilizing PFM's Scorecard, we will conduct an in-depth credit analyses to identify both credit strengths and weaknesses
- **Guidance**
 - We arm you with the information and context from the rating agency perspective
 - We understand how certain credit strengths and weakness are viewed by each rating agency and work with the District to prepare for those discussions to reach the best possible outcome
 - Recommend the best credit strategy for public debt and which rating agencies should be approached and how many ratings are required for an issuance to achieve the most attractive interest rates from investors
 - We coordinate the rating process to ensure guidance is provided along the way



Experience and Scope of Services That is Relevant to the District

- ◆ PFM offers expertise that is specific to helping South Carolina School Districts maximize the efficiency of capital funding:
 - Richland County School District One
 - Long-Term Capital Planning
 - Millage Levy Optimization
 - Rating Agency Strategy
 - Charleston County School District
 - Long-Term Capital Planning
 - Sales Tax Program Management
 - Rating Agency Strategy



Debt Service Planning - Richland County School District One

- It is critical for the District to extract every dollar possible for capital investment from the targeted millage levy AND plan for future capital needs.
 - PFM cycles through the model at least twice a year to assist in long-term capital planning

RichlandOne

Millage Impact Analysis - 68 Mills
Capital Improvement Program Summary
April 2021

Tax Year	Value of a Mill	Fiscal Year Ended June 30	1996 REFERENDUM \$184.235M		2002 REFERENDUM \$381M		O/S Debt Service Mill	ANNUAL CIP & PC REPLACEMENT				2015B Bonds \$60M		2017B Bonds \$9.47M		Total Annual Debt Service	GRAND TOTAL MILL < 66	Estimated Legal Debt Margin (000s)	
			Debt Service	PROJ'D MILL	Debt Service	PROJ'D MILL		Other Annual Capital Needs	Annual Major Repairs & Maint	Debt Service	PROJ'D MILL	Debt Service	PROJ'D MILL	Debt Service	PROJ'D MILL			Gross Available	June 30
2019	887,000	2020	10,628,969	12.0	27,447,890	30.9	42.9	8,080,000	6,145,000	14,587,738	16.4	1,331,705	1.5	3,356,875	3.8	57,353,176	64.0	74,695	16,903
2020	906,000	2021	10,617,625	11.7	29,092,159	32.1	43.8	8,050,000	9,820,000	18,286,967	20.2	1,331,705	1.5	-	-	59,328,456	64.0	76,295	17,483
2021	915,060	2022	10,880,525	11.9	29,027,309	31.7	43.6	7,990,000	10,900,000	19,321,322	21.1	1,331,705	1.5	-	-	60,560,861	64.0	77,058	16,501
2022	924,211	2023	9,269,000	10.0	31,435,748	34.0	44.0	7,880,000	12,755,000	20,949,111	22.7	1,331,705	1.4	-	-	62,985,564	66.0	77,828	17,296
2023	933,453	2024	9,491,625	10.2	31,841,884	34.1	44.3	7,920,000	12,690,000	20,923,730	22.4	1,331,705	1.4	-	-	63,588,944	66.0	78,607	18,590
2024	942,787	2025	7,415,625	7.9	35,056,461	37.2	45.1	7,440,000	12,655,000	20,400,891	21.6	1,331,705	1.4	-	-	64,204,682	66.0	79,393	19,481
2025	952,215	2026	7,559,375	7.9	35,646,153	37.4	45.3	6,280,000	13,710,000	20,294,292	21.3	1,331,705	1.4	-	-	64,831,525	66.0	80,187	19,260
2026	961,737	2027	-	-	35,053,536	36.4	36.4	7,780,000	13,225,000	21,324,743	22.2	9,082,674	9.4	-	-	65,460,953	66.0	80,988	21,531
2027	971,355	2028	-	-	30,128,908	31.0	31.0	7,650,000	19,760,000	27,827,241	28.6	8,137,130	8.4	-	-	66,093,279	66.0	81,798	29,656
2028	971,355	2029	-	-	30,113,330	31.0	31.0	7,550,000	19,715,000	27,680,034	28.5	8,293,820	8.5	-	-	66,087,184	66.0	81,798	23,061
2029	971,355	2030	-	-	6,426,201	6.6	6.6	17,250,000	24,180,000	42,060,657	43.3	17,603,511	18.1	-	-	66,090,369	66.0	81,798	40,366
2030	971,355	2031	-	-	6,411,638	6.6	6.6	17,250,000	24,180,000	42,060,657	43.3	-	-	-	-	48,472,295	47.8	81,798	40,368
2031	971,355	2032	-	-	6,400,075	6.6	6.6	17,250,000	24,180,000	42,060,657	43.3	-	-	-	-	48,460,732	49.9	81,798	81,798
FY 2019 - 2032 TOTAL			113,736,319		436,861,292					362,342,449		56,240,230		10,190,000		908,989,315			

Notes:

- (1) Est. Tax Year 2020 Mill Value: \$906,000
 - (2) Annual Growth Rate (2019 - 2027): 1.00%
 - (3) Millage Target: 66
 - (4) New Bonds Issued around April/May
 - (5) Interest Rates on: February 2021
- Not yet Confirmed by Richland County Treasurer



Strategic Debt Management – Charleston County School District

- PFM is assisting the District with a 30-year, five-phase capital program that is funded by general obligation bonds, Installment Purchase Revenue Bonds (IPRBs), and three sequential voter approved sales taxes. The total capital program exceeds \$2.5 billion.
- In addition to managing annual debt transactions to fund this program, PFM assists the District with managing a long-term strategic model that includes debt service, millage levy, capital needs, Fixed Cost of Ownership (renewal and replacement) and other aspects of the capital budget.

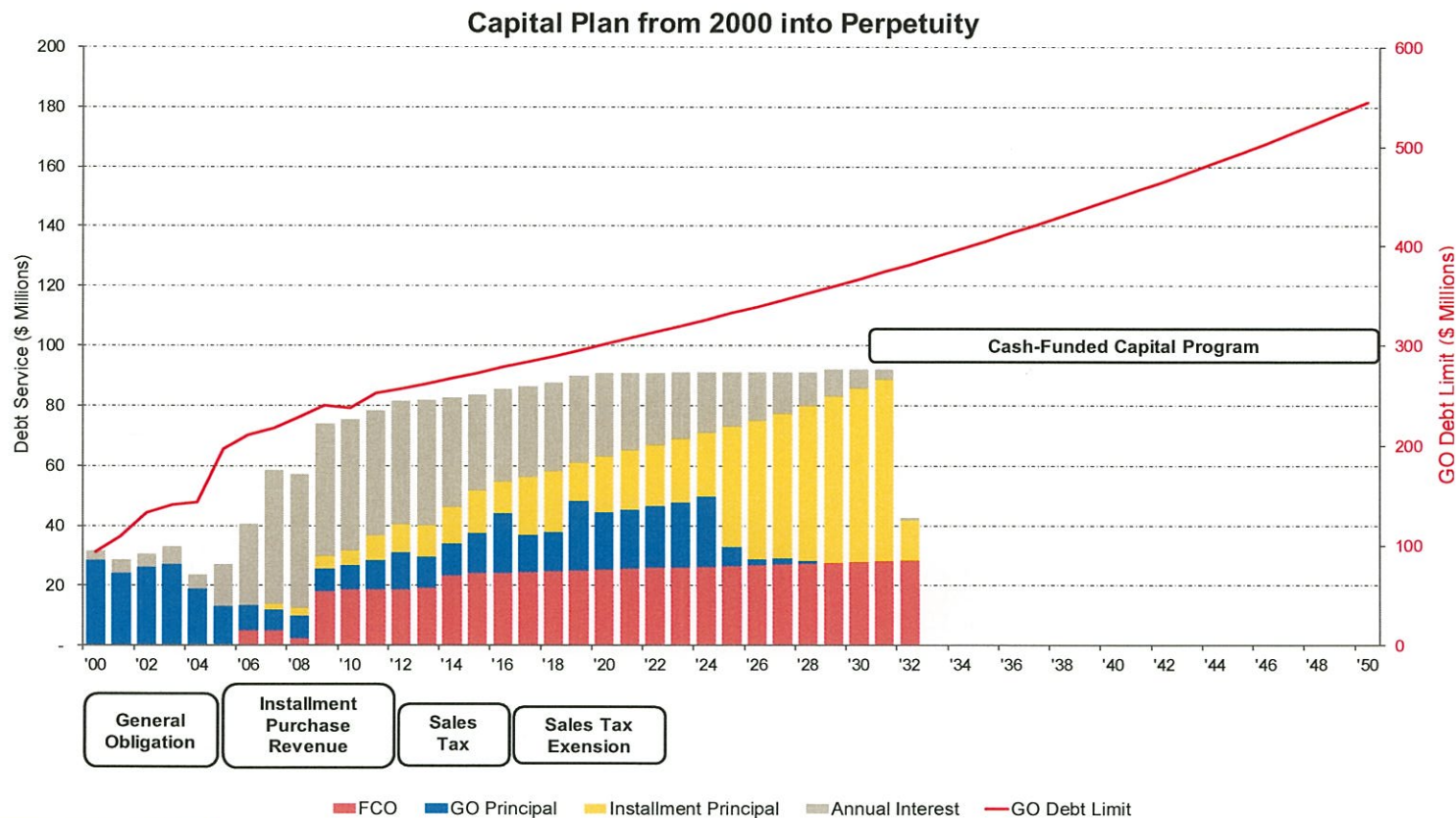
CCSD Long-Term Strategic Capital Program			
Phase	Approximately Amount	Time Period	Type of Program
I	200,000,000	1999-2005	General Obligation Bonds
II	600,000,000	2005-2011	Installment Purchase Revenue Bonds
III	450,000,000	2011-2016	Sales Tax (1)
IV	600,000,000	2017-2022	Sales Tax (2)
V	750,000,000	2023-2028	Sales Tax (3)
2,600,000,000			

Elements of the Capital Program	
Major Construction	New construction, renovation & replacement
Fixed Cost of Ownership	Major Repairs
Capital Maintenance	Major Maintenance



Strategic Debt Management – Charleston County School District

- The District desired to create a perpetually funded strategic capital plan to rebuild all its capital base AND providing for maintenance and renovation over time so that at the end of the program (2032) the District has (i) well maintained and current capital base and (ii) funding available to maintain and improve facilities. PFM helped the District develop a strategy to fund Fixed Costs of Ownership and Capital Maintenance annually as part of a 28-mill debt service levy that also covers the cost of debt service on all outstanding debt. As shown below, by 2032, all existing debt will be retired, and the program will require no more long-term debt.





District Debt Overview

- The District has six financings outstanding, all of which must be paid from the debt service millage levy
 - The District has a target debt service millage levy of 69.5 mills
 - This millage levy needs to cover existing obligations, \$15 million of annual fixed cost of ownership and \$50 million addition to Irmo High School
 - The District's current 8% debt limit is approximately \$46 million. Following 3/1/22 payments on 2019B and 2021 Bonds there will be no outstanding 8% debt.

School District No. 5 of Lexington and Richland Counties, SC						
Long-Term Debt Outstanding	Issue Date	Original Par Amount	Interest Rate	Amount Outstanding	Call Date	Final Maturity
General Obligation Bonds, Series 2010A (QSCBs) ⁽¹⁾	6/9/2010	10,000,000	5.25%	10,000,000	Non-callable	6/1/2027
General Obligation Bonds, Series 2012B ⁽¹⁾	8/21/2012	115,655,000	3.00% - 5.00%	76,855,000	3/1/2022	3/1/2032
General Obligation Bonds, Series 2013A ⁽¹⁾	11/19/2013	40,444,000	2.21%	23,066,000	-	3/1/2028
General Obligation Bonds, Series 2015B ⁽¹⁾	11/19/2015	62,025,000	2.75% - 5.00%	48,030,000	3/1/2025	3/1/2029
General Obligation Bonds, Series 2019B ⁽²⁾	9/4/2019	30,000,000	5.00%	10,595,000	Non-callable	3/1/2022
General Obligation Bonds, Series 2021 ⁽²⁾	5/13/2021	10,000,000	3.00%	10,000,000	Non-callable	3/1/2022
	-	268,124,000	-	178,546,000	-	-

(1) Authorized by Referendum

(2) Subject to 8% Debt Limit



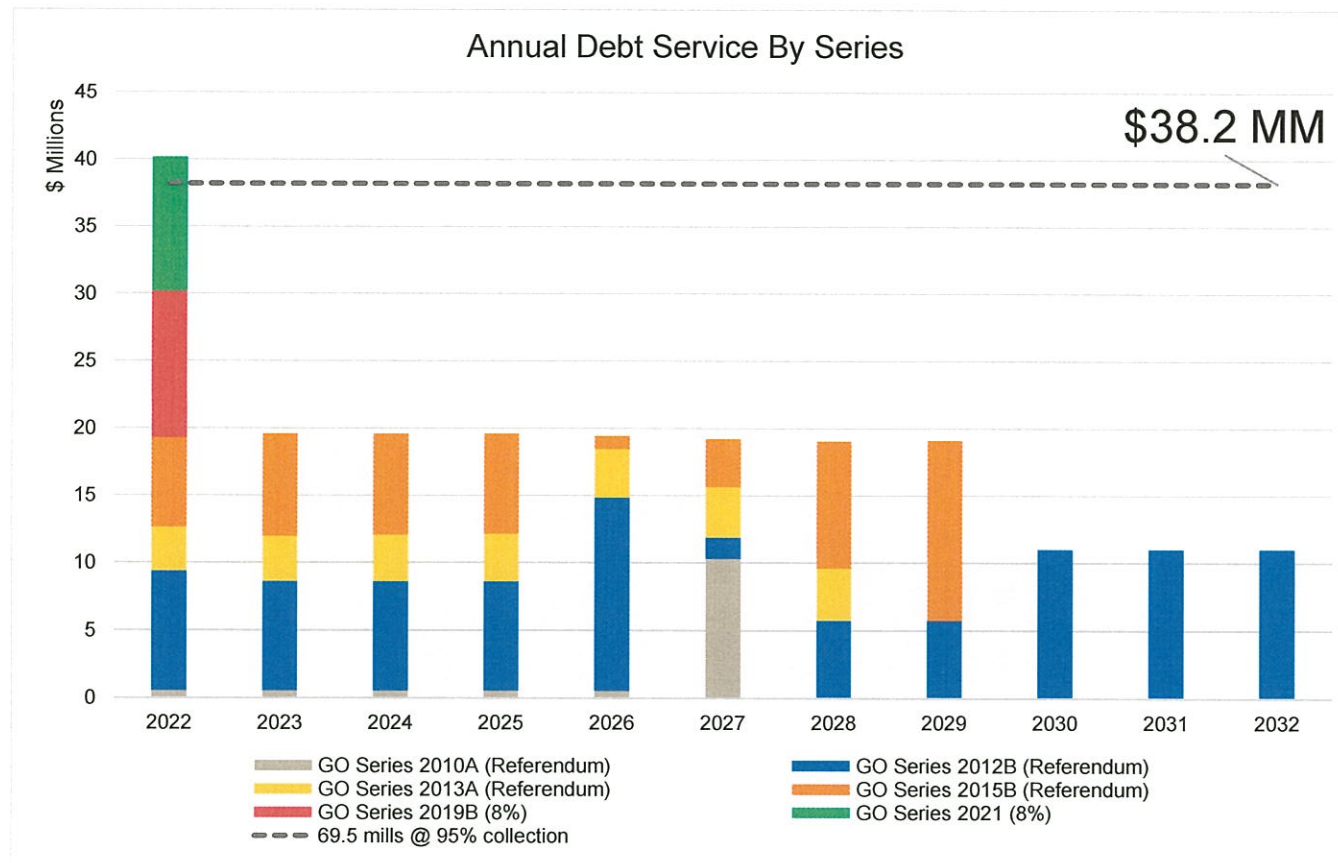
Refunding Opportunity

- The District issued its General Obligation Bonds, Series 2012B (the “2012B Bonds”) on September 11, 2012
 - Original Par Amount: \$115,655,000
 - Maturity Dates: March 1, 2014 through March 1, 2032
 - Interest Rates: 3.00% - 5.00%
 - Current Par Amount Outstanding: \$76,855,000
 - Bonds maturing on and after March 1, 2023 are callable at par on or after March 1, 2022
- Based on current market conditions and assumed AA/Aa2 credit ratings, PFM estimates the following refunding statistics:
 - Refunded Bonds Par Amount: \$70,575,000
 - All In True Interest Cost: 1.24%
 - Net Present Value Debt Service Savings: \$9,340,093
 - Approximate Annual Debt Service Savings: \$990,000 (no extension of final maturity)
 - % Net Present Value Debt Service Savings: 13.23% of the refunded bonds par amount



District Debt Overview

- The graph below shows the District's current debt obligations along with ad valorem taxes generated by a 69.5 mill debt service levy (assumes no increase in assessed values and no reassessment, to be conservative)





Structuring Goals and Factors

● Structuring Goals:

- Provide funds for Phase I of Irmo High School
- Provide funds for annual maintenance and technology
- Rapid Repayment of Debt
- Maintain Flexibility for Additional 8% Debt Capacity

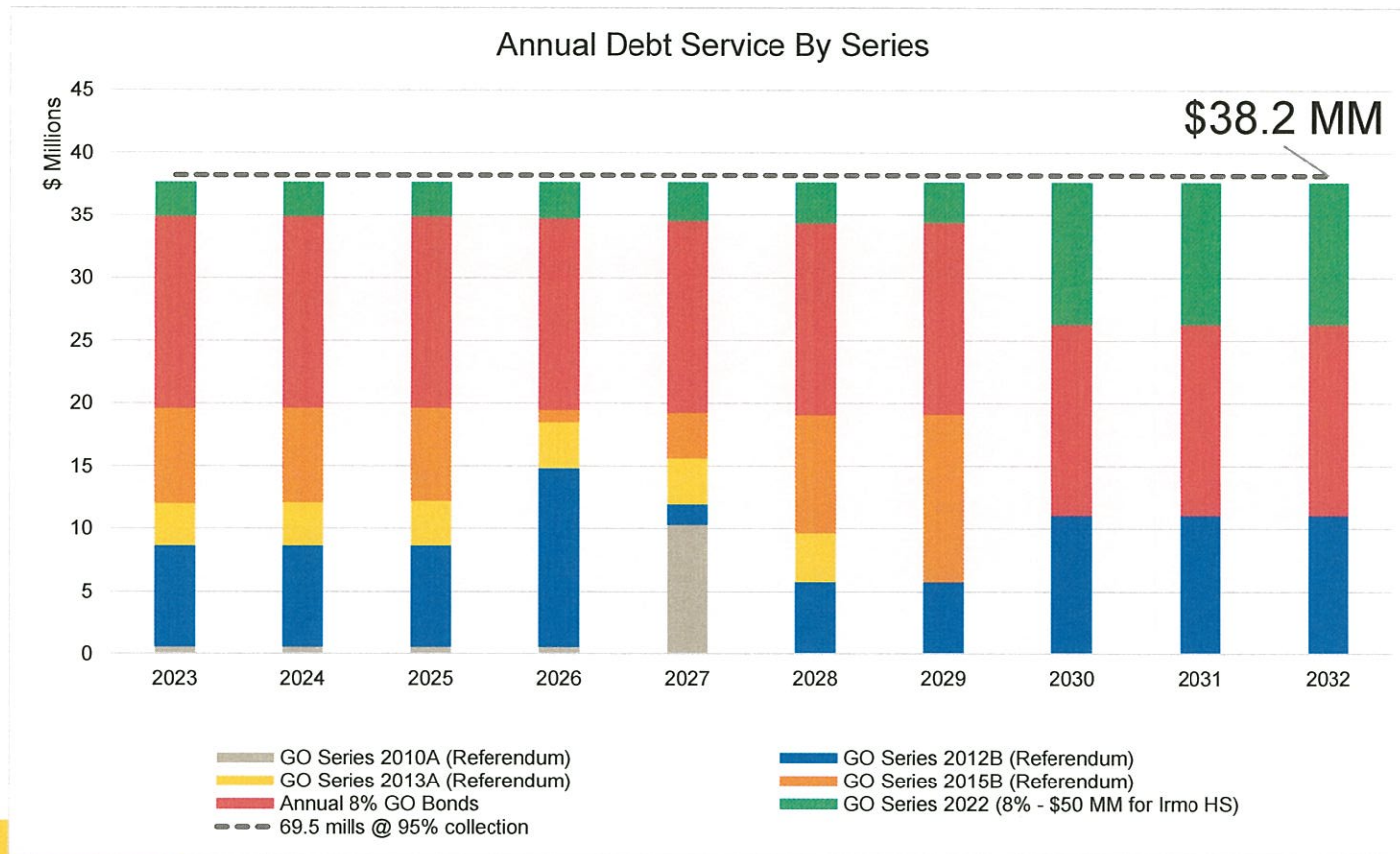
● Structuring Factors:

- Needs – (\$50 million for Irmo High School plus \$15 million annually for maintenance and technology = \$65 million) – amount exceeds 8% debt limit of \$46 million
- No increase in debt service millage levy and stable levy each year (69.5 mills)
- Precise cost of Irmo High School construction not known; define contingent funding
- Structure debt to allow for addition projects by 2025/2026
- Refunding 2012B Bonds offers \$9 million in savings AND the opportunity to create space for fast repayment of 8% debt
- Approximate \$14 million debt service account held by County Treasurer provides additional flexibility and cushion if project costs increase



Long-Term Capital Planning – Base Case

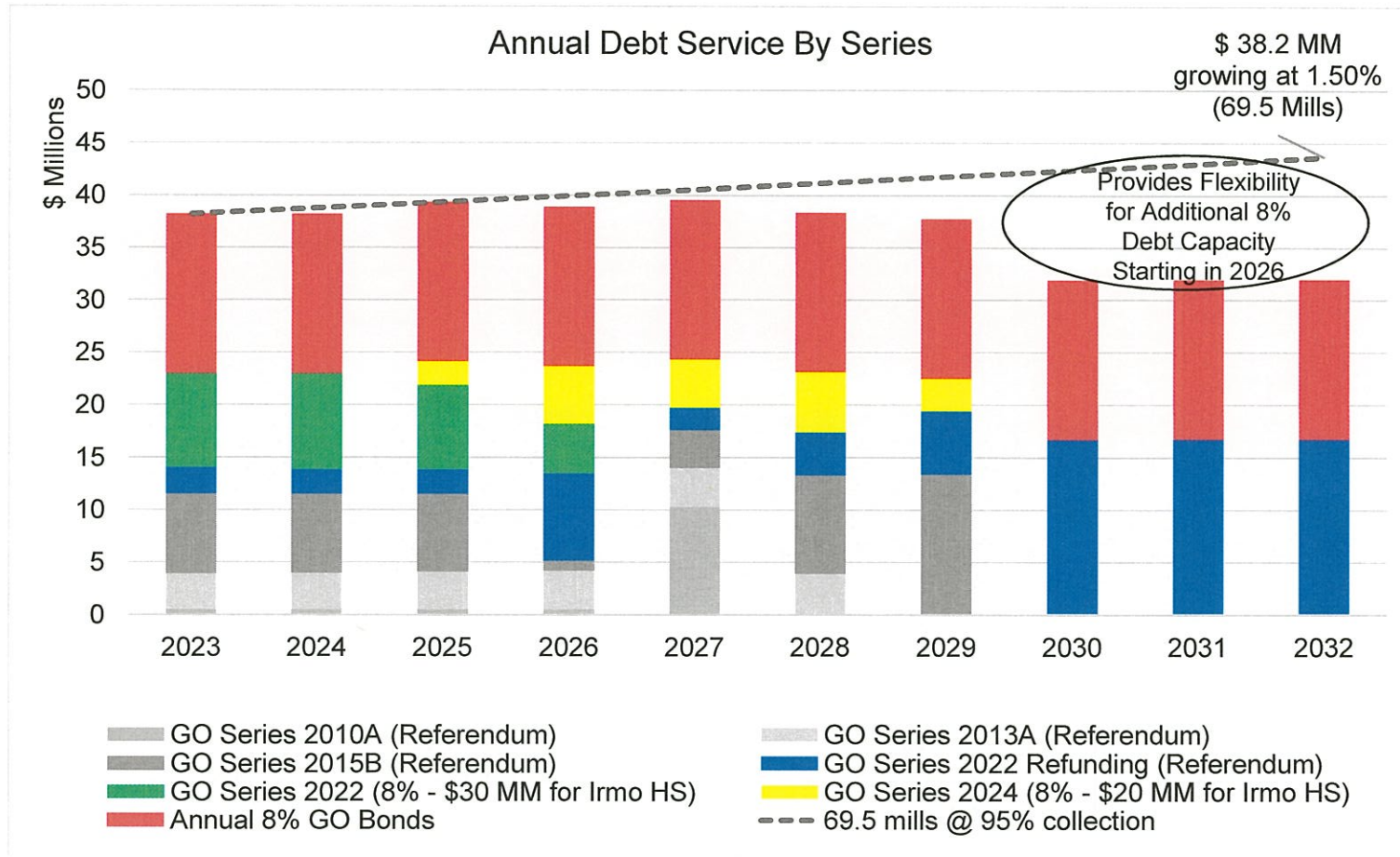
- The District can fund its' current obligations, \$15 MM of annual fixed cost of ownership, and \$50 MM for Irmo High School addition within its current 69.5 mills target debt service millage levy
- However, the constraining factor is the District doesn't have sufficient 8% debt capacity to issue the full \$50 MM in one series of the bonds.





Long-Term Capital Planning – Phased Scenario

- ◆ In order to stay within the 8% debt limit, the District would need to restructure the 2012B Bonds via the refunding to defer repayment of referendum debt and issue the new money bonds for Irmo High School in two series (\$30 MM in 2022 and \$20 MM in 2024).





Long-Term Capital Planning – Phased Scenario

- This scenario would generate significant bond proceeds over the next 10 years to help achieve the District's goals of equitable facilities throughout the District while staying within the 8% GO debt limit and target millage while retaining future financing flexibility

<u>As of Date</u>	<u>Bond Proceeds for Projects</u>		<u>As of Date</u>	<u>Outstanding 8% Debt</u>
3/1/2022	45,000,000		3/1/2022	43,115,000
3/1/2023	15,000,000		3/1/2023	35,310,000
3/1/2024	35,000,000		3/1/2024	45,795,000
3/1/2025	15,000,000		3/1/2025	36,775,000
3/1/2026 ⁽¹⁾	15,000,000		3/1/2026	27,475,000
3/1/2027	15,000,000		3/1/2027	23,375,000
3/1/2028	15,000,000		3/1/2028	18,000,000
3/1/2029	15,000,000		3/1/2029	15,000,000
3/1/2030	15,000,000		3/1/2030	15,000,000
3/1/2031	15,000,000		3/1/2031	15,000,000
3/1/2032	15,000,000		3/1/2032	15,000,000
	215,000,000			
(1) Additional 8% Capacity of approximately \$25 MM within 69.5 Mills				

- These figures assume 1.50% growth in assessed values. With higher growth in assessed values and reassessments, the 8% debt limit and amount of debt service that can be paid from the 69.5 mills will increase. This will create additional debt capacity to enhance the bond proceeds shown in the table above.



Proposed Fees

- ◆ To demonstrate our commitment to serving the District, we would propose an aggressive fee schedule as outlined below. We want to develop a long-term relationship with the District and earn your trust. The contract would be subject to termination by the District at any time.
 - Flat Fee of \$35,000 for the proposed 2012B refunding
 - Flat Fee of \$25,000 for the proposed \$30 MM 8% GO Bond
 - Flat Fee of \$20,000 for the proposed \$15 MM annual 8% GO Bonds
 - Assuming a combined plan of finance to fund all three of the above needs (phased scenario outlined in prior pages), PFM would further discount to a flat fee of \$65,000 for the combined financing
- ◆ All fees are fully negotiable to meet the needs of the District.
- ◆ Out-Of-Pocket Expenses not to exceed amount of \$1,000 per transaction



Closing



Why Issuers Choose PFM!

- ◆ Assigned personnel with recent, relevant experience working with SC issuers
 - The experience and commitment demonstrated in our proposal comes from the people serving you
 - Long-tenured professionals offering stability in management and coverage
- ◆ Understanding of complex concepts
 - Experience with issuers and decision-makers
 - Knowledgeable of all financing products
 - Non transactional capabilities, including cash flow analysis
- ◆ Firm experience is unmatched
 - Demonstrated commitment to clients
 - Dedicated independent bond pricing group
 - Top-ranked firm for 23 consecutive years
- ◆ Methodology and Approach aligns with our core practice
 - Dedicated fiduciary to municipal issuers
 - Credit rating process and management is a core strength
 - We are ready to start work immediately
- ◆ PFM's Value proposition
 - We believe the District will find great value in our service

PFM would appreciate the opportunity to work with the District in achieving your goals of both academic and personal success for all students through cost effective financing solutions.

Thank you!

Any Questions?



pfm



Disclosures

ABOUT PFM

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.

Financial advisory services are provided by PFM Financial Advisors LLC a registered municipal advisor with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010.

Investment advisory services are provided by PFM Asset Management LLC¹ which is registered with the SEC under the Investment Advisers Act of 1940. Swap advisory services are provided by PFM Swap Advisors LLC which is registered as a municipal advisor with both the MSRB and SEC under the Dodd-Frank Act of 2010, and as a commodity trading advisor with the Commodity Futures Trading Commission. Additional applicable regulatory information is available upon request.

Consulting services are provided through PFM Group Consulting LLC. Institutional purchasing card services are provided through PFM Financial Services LLC. PFM's financial modelling platform for strategic forecasting is provided through PFM Solutions LLC. A web-based platform for municipal bond information is provided through Munit LLC.

For more information regarding PFM's services or entities, please visit www.pfm.com.

¹On July 7, 2021, the holding company for PFM Asset Management LLC (PFMAM), entered into a definitive agreement to sell its asset management business including PFMAM along with other associated entities to U.S. Bancorp Asset Management Inc. (USBAM), a subsidiary of U.S. Bancorp. The transaction is expected to close in the fourth quarter of 2021, subject to regulatory approval and satisfaction of customary closing conditions. The sale does not affect our financial advisory and consulting businesses. PFM and its remaining affiliates (PFM Swap Advisors LLC, PFM Group Consulting LLC and PFM Solutions LLC) will continue to operate as is following the sale, providing leading financial advisory and consulting services.



M E M O R A N D U M

To: Members of the Board of Trustees

Through: Dr. Akil Ross Sr.
Interim Superintendent

From: Todd A. Bedenbaugh *TB*
Executive Director of Operations

Date: October 4, 2021

Re: October 11, 2021 Board Meeting
Approval of Proposed Funding for 2022/2023 and 2023/2024 Projects

Issue: Reallocation of funding projects is needed due to anticipated energy savings and ESSER funding.

Irmo High School's East Wing was built in 1964 resulting in a poor condition rating from the 2019 district wide facilities need assessment.

Recommendation: The administration is seeking approval for capital funds and 8% funds to be utilized for the below projects:

Proposed Major Construction- 8% Funds

- Irmo High, East Wing: Site work, demolition design, and construction \$48,750,000
- Irmo Middle: Roof replacement \$1,250,000

Total 8% Funds- \$50,000,000

Proposed Capital Improvements 2022/2023

- Chapin High: Stadium renovations to meet 5A seating requirements- \$8,500,000
- CrossRoads Intermediate: Gym roof- \$1,050,000
- Dutch Fork High: Track replacement- \$500,000
- Artificial turf replacement at Dutch Fork High, Chapin High, Irmo High- \$1,350,000
- Activity Bus-\$200,000
- Technology: Replace firewalls -\$3,200,000
- Contingency- \$200,000

Total Proposed Capital Improvements 2022- \$15,000,000

Proposed Capital Improvements 2023/2024

- River Springs Elementary: Roof replacement- \$2,500,000
- Chapin High: Track replacement- \$500,000
- Chapin High: Pave student gravel lot- \$275,000
- Chapin High: Roof replacement (rear classroom building)- \$800,000
- CrossRoads Intermediate: Covered walkways- \$250,000
- H.E. Corley Elementary: Bus Loop and visitor parking- \$700,000
- H.E. Corley Elementary: Roof replacement- \$2,700,000
- Irmo Middle: Pave car rider line- \$75,000
- Lake Murray Elementary: Replace flooring- \$450,000
- River Springs Elementary: Replace flooring- \$450,000
- Dutch Fork High: Practice field lighting - \$300,000
- Activity bus, special needs transportation, and vehicle replacements- \$600,000
- Technology: Replace firewalls- \$3,600,000
- Health room and security improvements- \$500,000
- HVAC System replacements at various schools not identified in energy savings- \$500,000
- School identified needs- \$300,000
- Contingency- \$500,000

Total Proposed Capital Improvements 2023- \$15,000,000

****All 8% and capital funds are cost estimates.**

Financial Strategy: Potential Energy Saving: Guaranteed Energy Savings Performance Contracting

- Ballentine Elementary
- CrossRoads Intermediate
- District Office
- Dutch Fork Elementary
- Harbison West Elementary
- Irmo Middle School
- Nursery Road Elementary
- Irmo High School West Wing



MEMORANDUM

To: Members of the Board of Trustees

Through: Dr. Akil E. Ross, Sr.
Superintendent

From: Marty Rawls, 
Chief Finance Officer

Date: October 6, 2021

Re: October 11, 2021 Board Meeting
Action Item
Adoption of a Resolution to Refund the 2012B Callable Bonds (Exhibit E)

Attached for Adoption is a Resolution providing the Administration authority to Refund the 2012B Callable Bonds.

MR
Attachment

A RESOLUTION

AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$70,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE INTERIM SUPERINTENDENT TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Findings and Determinations. The Board of Trustees (the "Board"), as the governing body of School District No. 5 of Lexington County and Richland County, South Carolina (the "School District"), hereby finds and determines:

(a) The School District was organized by action of the Lexington County Board of Education in 1951 and the Richland County Board of Education in 1952. The School District is also known as Richland-Lexington School District No. 5. The Board is the governing body of the School District.

(b) Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that after November 30, 1982, the governing body of any school district may incur general obligation debt in an amount not exceeding eight percent of the assessed value of all taxable property of such school district upon such terms and conditions as the General Assembly may prescribe. Such Article further provides that if general obligation debt is authorized by a majority vote of the qualified electors of the school district voting in a referendum authorized by law, there shall be no conditions or restrictions limiting the incurring of such indebtedness except as specified in such Article.

(c) Title 59, Chapter 71, Article 1, Code of Laws of South Carolina 1976, as amended (the "School Bond Act"), provides that the board of trustees of any school district may issue general obligation bonds of such school district for the purpose of defraying the cost of capital improvements to any amount not exceeding the constitutional debt limitation applicable to such school district. The School Bond Act requires the county board of education wherein the School District is located, if there is such, to approve the issuance of such bonds.

(d) Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended ("Title 11, Chapter 27"), provides that if an election be prescribed by the provisions of the School Bond Act but is not required by the provisions of Article X of the Constitution, then in every such instance, no election need be held and the remaining provisions of the School Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions. Title 11, Chapter 27 further provides that any school district of the state may issue bonds in fully-registered form.

(e) In a referendum (the "Referendum") held in the School District on November 4, 2008, the following question was submitted to the qualified electors of the School District:

Shall the Board of Trustees of School District No. 5 of Lexington County and Richland County, South Carolina (the "School District") be empowered to issue, at one time or from time to time, general obligation bonds of the School District, in the principal amount of not exceeding \$243,665,000, the proceeds of which shall be used to finance the costs (including architectural, engineering, legal and related fees) of acquiring land, constructing, improving, equipping, expanding, renovating and repairing school facilities within the School District as follows:

Constructing and equipping (including technology) the following schools:

A new high school, a new career and technical education facility, a new middle school and a new elementary school

Additions, renovations, improvements and modifications, including technology and other equipment for the following schools:

Leaphart Elementary School, Seven Oaks Elementary School, Irmo Elementary School, Chapin Elementary School, Irmo High School, Dutch Fork High School and Chapin High School?

The Referendum was duly conducted and a majority of the qualified electors of the School District voted in favor of the issuance of the general obligation bonds.

(f) Pursuant to constitutional and statutory authorizations, the Referendum, and a resolution adopted by the Board, the School District issued its \$115,655,000 General Obligation Bonds, Series 2012B dated September 11, 2012 (the "2012 Bonds").

(g) Title 11, Chapter 21 of the Code of Laws of South Carolina 1976, as amended (the "S.C. Code"), empowers any "public agency" to utilize the provisions of Article 5, Chapter 15, Title 11 of the S.C. Code (the "Refunding Act"), to effect the refunding of any outstanding general obligation bonds.

(h) The 2012 Bonds (the "Bonds to be Refunded") are subject to optional redemption as follows: "The Bonds maturing on or prior to March 1, 2022, shall not be subject to redemption prior to their stated maturities. The Bonds maturing on or after March 1, 2023, shall be subject to redemption at the option of the School District on or after March 1, 2022, as a whole or in part at any time, in such order of redemption as the School District may determine, at par, plus accrued interest to the date fixed for redemption."

(i) Pursuant to a Resolution adopted by the Board on August 13, 2012, the Board adopted Written Procedures related to Tax-Exempt Debt.

(j) Based on projected interest savings, it is now in the best interest of the School District for the Board to provide for the issuance and sale of general obligation refunding bonds of the School District pursuant to the Constitution and laws of the State of South Carolina (the "State") in the principal amount of not exceeding \$70,000,000, the proceeds of which will be used for the purposes of refunding the Bonds to be Refunded, paying the costs of issuance of the Refunding Bonds (hereinafter defined) and such other lawful purposes as the Board may determine.

Section 2. Authorizations and Details of Refunding Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State there is hereby authorized to be issued general obligation refunding bonds of the School District in the amount of not exceeding \$70,000,000 to obtain funds for any one or more of the purposes mentioned in Section 1(j) above, including any financial and legal fees relating thereto and other incidental costs of issuing the Refunding Bonds. The Refunding Bonds shall be designated "\$70,000,000 (or such lesser amount issued) General Obligation Refunding Bonds, Series 2021B (or such other appropriate series designation) of School District No. 5 of Lexington County and Richland County, South Carolina" (the "Refunding Bonds").

The refunding of the Bonds to be Refunded shall be effected with a portion of the proceeds of the Refunding Bonds which proceeds shall be used for the payment of the principal of such Bonds to be Refunded as and when such Bonds to be Refunded mature and are called for redemption in accordance with the provisions of the Resolution authorizing the Bonds to be Refunded, the redemption premium thereon, if any, and interest on such Bonds to be Refunded as and when the same becomes due. If necessary, notice of the aforesaid refunding for which a portion of the proceeds of the Refunding Bonds will be used shall be given in a financial paper published in the City of New York, State of New York.

If necessary, upon the delivery of the Refunding Bonds, the principal proceeds thereof, less any issuance expenses, shall be deposited with Wells Fargo Bank, N.A. (the "Escrow Agent") and held by it under a Refunding Trust Agreement (the "Refunding Trust Agreement") in a special trust account until the redemption of the Bonds to be Refunded.

The Interim Superintendent of the School District (the "Interim Superintendent") is hereby authorized and directed for and on behalf of the School District to execute such agreements and give such directions as shall be necessary to carry out the provisions of this Resolution, including the execution and delivery of the Refunding Trust Agreement. The Refunding Trust Agreement shall be dated the date of delivery of the Refunding Bonds to the initial purchasers thereof.

Upon the award of the Refunding Bonds, the School District shall designate the Bonds to be Refunded for redemption on a date determined by the Interim Superintendent in accordance with the Resolution authorizing the Bonds to be Refunded.

The Refunding Bonds shall be issued as fully-registered bonds; shall be dated as of their date of delivery; shall be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of the Refunding Bonds maturing in each year; shall be numbered from R-1 upward; shall bear interest at such times as hereafter designated by the Interim Superintendent at such rate or rates as may be determined at the time of the sale thereof; and shall mature serially in successive annual installments as determined by the Interim Superintendent.

Both the principal of and interest on the Refunding Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. Regions Bank shall serve as Registrar/Paying Agent for the Refunding Bonds.

Section 3. Delegation of Authority to Determine Certain Matters Relating to the Refunding Bonds.

The Board hereby delegates to the Interim Superintendent the authority to determine (a) the par amount of the Refunding Bonds; (b) the maturity dates of the Refunding Bonds and the respective principal amounts maturing on such dates; (c) the interest payment dates of the Refunding Bonds; (d) redemption provisions, if any, for the Refunding Bonds; and (e) the date, time and manner of sale of the Refunding Bonds. At the time of the sale, the School District reserves the right, in its sole discretion, either to decrease or increase the principal amount of the Refunding Bonds maturing in any year (all calculations to be rounded to the nearest \$5,000), provided that any such decrease or increase shall not exceed 15% of the par amount of the Refunding Bonds maturing in any year or such other percentage as agreed to by the School District and the winning bidder.

In the exercise of the authority delegated above, the following parameters shall be observed:

1. The final maturity of the Refunding Bonds cannot exceed the final maturity of the Refunded Bonds;
2. The structuring should facilitate the School District's efforts to maximize the availability of 8% funding for capital projects; and
3. A target millage rate of 69.5.

The Board hereby delegates to the Interim Superintendent or his lawfully authorized designee the authority to receive bids on behalf of the Board and the authority to award the sale of the Refunding Bonds to the lowest bidder therefor in accordance with the terms of the Official Notice of Sale for the Refunding Bonds, provided the true interest cost of the Refunding Bonds does not exceed 2% and the net present value savings is not less than 7% of the principal amount of the Bonds to be Refunded. After the sale of the Refunding Bonds, the Interim Superintendent or his lawfully authorized designee shall submit a written report to the Board setting forth the results of the sale of the Refunding Bonds.

In addition to the authority delegated above, the Interim Superintendent has the authority, upon recommendation from the School District's Financial Advisor and Bond Counsel, to sell the Refunding Bonds through a bank placement if it is determined to be in the best interest of the School District.

Section 4. Registration, Transfer and Exchange of Refunding Bonds. The School District shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Refunding Bonds. Upon presentation at its office for such purpose the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Refunding Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

Each Refunding Bond shall be transferable only upon the registry books of the School District, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent duly executed by the registered owner or his or her duly authorized attorney. Upon the transfer of any such Refunding Bond, the Registrar/Paying Agent on behalf of the School District shall issue in the name of the transferee a new fully-registered Refunding Bond of the same principal amount, interest rate and maturity as the surrendered Refunding Bond. Any Refunding Bond surrendered in exchange for a new registered Refunding Bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The School District and the Registrar/Paying Agent may deem or treat the person in whose name any fully-registered Refunding Bond shall be registered upon the registry books as the absolute owner of such Refunding Bond, whether such Refunding Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Refunding Bond and for all other purposes and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Refunding Bond to the extent of the sum or sums so paid, and neither the School District nor the Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Refunding Bonds is exercised, the School District shall execute and the Registrar/Paying Agent shall authenticate and deliver Refunding Bonds in accordance with the provisions of this Resolution. Neither the School District nor the Registrar/Paying Agent shall be obliged to make any such transfer of Refunding Bonds during the fifteen (15) days preceding an interest payment date on such Refunding Bonds.

Section 5. Record Date. The School District hereby establishes a record date for the payment of interest or for the giving of notice of any proposed redemption of Refunding Bonds, and such record date shall be the fifteenth (15th) day (whether or not a business day) preceding an interest payment date on such Refunding Bond or, in the case of any proposed redemption of Refunding Bonds, such record date shall be the fifteenth (15th) day (whether or not a business day) prior to the mailing of notice of redemption of Refunding Bonds.

Section 6. Mutilation, Loss, Theft or Destruction of Refunding Bonds. In case any Refunding Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the School District shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Refunding Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Refunding Bond, or in lieu of or in substitution for such lost, stolen or destroyed Refunding Bond. In any such event the applicant for the issuance of a substitute Refunding Bond shall furnish the School District and the Registrar evidence or proof satisfactory to the School District and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Refunding Bond, and of the ownership thereof, and also such security and indemnity as may be required by the laws of the State or such greater amount as may be required by the School District and the Registrar. Any duplicate Refunding Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Refunding Bond or in substitution for any allegedly lost, stolen or wholly-destroyed Refunding Bond shall be entitled to the identical benefits under this Resolution as was the original Refunding Bond in lieu of which such duplicate Refunding Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Refunding Bonds of the same series issued hereunder.

All expenses necessary for the providing of any duplicate Refunding Bond shall be borne by the applicant therefor.

Section 7. Execution of Refunding Bonds. The Refunding Bonds shall be executed in the name of the School District with the manual or facsimile signature of the Chair of the Board attested by the manual or facsimile signature of the Secretary of the Board under the seal of the School District which shall be impressed, imprinted or reproduced thereon. The Refunding Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Refunding Bond shall bear a certificate of authentication manually executed by the Registrar/Paying Agent in substantially the form set forth herein.

Section 8. Form of Refunding Bonds. The Refunding Bonds shall be in substantially the form set forth as Appendix A attached hereto.

Section 9. Eligible Securities. The Refunding Bonds initially issued (the "Initial Refunding Bonds") will be eligible securities for the purposes of the book-entry system of transfer maintained by The Depository Trust Company, New York, New York ("DTC"), and transfers of beneficial ownership of the Initial Refunding Bonds shall be made only through DTC and its participants in accordance with rules specified by DTC. Such beneficial ownership must be of \$5,000 principal amount of Refunding Bonds of the same maturity or any integral multiple of \$5,000.

The Initial Refunding Bonds shall be issued in fully-registered form, one Refunding Bond for each of the maturities of the Refunding Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Refunding Bonds becomes due, the School District shall transmit to DTC an amount equal to such installment of principal and interest. DTC shall remit such payments to the beneficial owners of the Refunding Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Refunding Bonds or any portion thereof shall be sent to DTC in accordance with the provisions of this Resolution.

If (a) DTC determines not to continue to act as securities depository for the Refunding Bonds, or (b) the School District has advised DTC of its determination that DTC is incapable of discharging its duties, the School District shall attempt to retain another qualified securities depository to replace DTC. Upon receipt by the School District of the Initial Refunding Bonds together with an assignment duly executed by DTC, the School District shall execute and deliver to the successor securities depository Refunding Bonds of the same principal amount, interest rate and maturity registered in the name of such successor.

If the School District is unable to retain a qualified successor to DTC or the School District has determined that it is in its best interest not to continue the book-entry system of transfer or that interests of the beneficial owners of the Refunding Bonds might be adversely affected if the book-entry system of transfer is continued (the School District undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify beneficial owners of the Refunding Bonds by mailing an appropriate notice to DTC, upon receipt by the School District of the Initial Refunding Bonds together with an assignment duly executed by DTC, the School District shall execute, authenticate and deliver to the DTC participants Refunding Bonds in fully-registered form, in substantially the form set forth in Section 8 of this Resolution in the denominations of any integral multiple of \$5,000.

Section 10. Security for the Refunding Bonds. The full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged for the payment of the principal of and interest on the Refunding Bonds as they respectively mature and to create such sinking fund as may be necessary to provide for the prompt payment thereof. There shall be levied annually by the Auditors of Lexington County and Richland County (the "Auditors") and collected by the Treasurers of Lexington County and Richland County (the "Treasurers") in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal of and interest on the Refunding Bonds as they respectively mature and to create such sinking fund as may be necessary to provide for the prompt payment thereof.

The Auditors and Treasurers shall be notified as to the delivery of and payment for the Refunding Bonds and are hereby directed to levy and collect, respectively, on all taxable property in the School District, a tax, without limit, on all taxable property in the School District sufficient to pay the principal of

and interest on the Refunding Bonds as they respectively mature and to create such sinking fund as may be necessary to provide for the prompt payment thereof.

Section 11. Defeasance. The obligations of the School District under this Resolution and the pledges, covenants and agreements of the School District herein made or provided for, shall be fully discharged and satisfied as to any portion of the Refunding Bonds, and such Refunding Bond or Refunding Bonds shall no longer be deemed to be outstanding hereunder when:

(a) such Refunding Bond or Refunding Bonds shall have been purchased by the School District and surrendered to the School District for cancellation or otherwise surrendered to the School District or the Paying Agent and is canceled or subject to cancellation by the School District or the Paying Agent; or

(b) payment of the principal of and interest on such Refunding Bonds either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with a corporate trustee in trust and irrevocably set aside exclusively for such payment (1) moneys sufficient to make such payment or (2) Government Obligations (hereinafter defined) maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment and all necessary and proper fees, compensation and expenses of the corporate trustee. At such time as the Refunding Bonds shall no longer be deemed to be outstanding hereunder, such Refunding Bonds shall cease to draw interest from the due date thereof and, except for the purposes of any such payment from such moneys or Government Obligations as set forth in (ii) above, shall no longer be secured by or entitled to the benefits of this Resolution.

“Government Obligations” shall mean any of the following:

(i) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America; and

(ii) non-callable, U.S. Treasury Securities - State and Local Government Series (SLGS).

Section 12. Exemption from State Taxes. Both the principal of and interest on the Refunding Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the S.C. Code, from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

Section 13. Sale of Refunding Bonds; Form of Notice of Sale. The Refunding Bonds shall be sold at public sale. A Notice of Sale shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper having general circulation in the State, not less than seven (7) days prior to the date set for such sale. The Notice of Sale shall be in substantially the form set forth as Appendix B attached hereto.

Section 14. Preliminary and Official Statement, If Any. The Board hereby authorizes and directs the Interim Superintendent or his lawfully-authorized designee to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Refunding Bonds together with the Notice of Sale. The Board authorizes the Interim Superintendent to designate the Preliminary

Official Statement as “near final” for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Rule”). The Interim Superintendent is further authorized to see to the completion of the final form of the Official Statement upon the sale of the Refunding Bonds so that it may be provided to the purchaser of the Refunding Bonds.

Section 15. Filings with Central Repository. In compliance with Section 11-1-85 of the S.C. Code, if the Refunding Bonds are issued as tax-exempt, the School District covenants that it will file or cause to be filed with a central repository for further availability in the secondary bond market when requested: (a) a copy of the annual audit of the School District within thirty (30) days of the School District’s receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which, in the opinion of the School District, adversely affects more than five percent (5%) of the School District’s revenue or its tax base.

Section 16. Continuing Disclosure. In compliance with the Rule, if the Refunding Bonds are publicly-traded, the School District covenants and agrees for the benefit of the holders from time to time of the Refunding Bonds to execute and deliver prior to closing, and to thereafter comply with the terms of, a Continuing Disclosure Certificate in substantially the form appearing as Appendix C to this Resolution. In the event of a failure of the School District to comply with any of the provisions of the Continuing Disclosure Certificate, an event of default under this Resolution shall not be deemed to have occurred. In such event, the sole remedy of any bondholder or beneficial owner shall be an action to compel performance by the School District.

Section 17. Deposit and Use of Proceeds. The proceeds derived from the sale of the Refunding Bonds necessary to refund the Bonds to be Refunded shall be deposited with the Escrow Agent pursuant to the terms of the Refunding Trust Agreement. The remaining proceeds, if any, shall be deposited with the Treasurer of Lexington County in a special fund to the credit of the School District and shall be applied solely to the purposes for which the Refunding Bonds have been issued, including payment of costs of issuance of the Refunding Bonds.

Section 18. Tax Covenants. The School District hereby covenants and agrees with the holders of the Refunding Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Refunding Bonds to become includable in the gross income of the bondholders for federal income tax purposes pursuant to the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations promulgated thereunder in effect on the date of original issuance of the Refunding Bonds. The School District further covenants and agrees with the holders of the Refunding Bonds that no use of the proceeds of the Refunding Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Refunding Bonds would have caused the Refunding Bonds to be “arbitrage bonds,” as defined in Section 148 of the Code, and to that end the School District hereby shall:

- (a) comply with the applicable provisions of Sections 103 and 141 through 150 of the Code and any regulations promulgated thereunder so long as the Refunding Bonds are outstanding;
- (b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States; and
- (c) make such reports of such information at the time and places required by the Code.

Section 19. Miscellaneous. The Board hereby authorizes the Chair of the Board, the Secretary of the Board, the Interim Superintendent and the Chief Financial Officer (or the equivalent thereto) to execute such documents and instruments as may be necessary to effect the issuance of the Refunding Bonds.

The Board hereby authorizes the engagement of Burr & Forman LLP as Bond Counsel for the Refunding Bonds. The Interim Superintendent is authorized to retain other necessary professionals in connection with the issuance of the Refunding Bonds including a Financial Advisor. The Interim Superintendent is further authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate said engagements.

All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Refunding Bonds are, to the extent of such conflict, hereby repealed and this Resolution shall take effect and be in full force from and after its adoption.

Adopted this _____ day of _____, 2021.

SCHOOL DISTRICT NO. 5 OF LEXINGTON
COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

Chair, Board of Trustees

(SEAL)

ATTEST:

Secretary, Board of Trustees

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B

No. R-

<u>INTEREST</u> <u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>ORIGINAL</u> <u>ISSUE DATE</u>	<u>CUSIP</u>
%			

REGISTERED HOLDER:

PRINCIPAL AMOUNT:

DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that School District No. 5 of Lexington County and Richland County, South Carolina (the "School District"), is justly indebted and, for value received, hereby promises to pay to the registered holder named above, or registered assigns, the principal amount shown above on the maturity date shown above, upon presentation and surrender of this Bond at the principal office of Regions Bank in Atlanta, Georgia (the "Paying Agent"), and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above until this Bond matures. Interest on this Bond is payable _____ 1, _____ and semiannually thereafter on _____ 1 and _____ 1 of each year, until this Bond matures, and shall be payable by electronic transfer or check or draft mailed to the person in whose name this Bond is registered on the registration books of the School District maintained by the registrar, presently Regions Bank in Atlanta, Georgia (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that interest on this fully-registered Bond shall be paid by check or draft as set forth above.

This Bond shall not be entitled to any benefit under the Resolution of the School District authorizing the Bonds, nor become valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

For the payment of the principal of and interest on this Bond as it respectively matures and for the creation of such sinking fund as may be necessary to provide for the prompt payment thereof, the full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged, and there shall be levied annually by the Auditors of Lexington County and Richland County and collected by the Treasurers of Lexington County and Richland County, in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal of and interest on this Bond as it respectively matures and to create such sinking fund as may be necessary to provide for the prompt payment thereof.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Resolution. One bond certificate with respect to each date on which the Bonds are stated to mature, registered in the name of the securities depository nominee, is being issued and required to be deposited with the securities depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the securities depository's participants, beneficial ownership of the Bonds in the principal amount of any integral multiple of \$5,000 being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the securities depository and its participants pursuant to rules and procedures established by the securities depository and its participants. The School District and the Registrar/Paying Agent will recognize the securities depository nominee, while the registered owner of this bond, as the owner of this bond for all purposes, including payments of principal of and redemption premium, if any, and interest on this bond, notices and voting. Transfer of principal and interest payments to participants of the securities depository will be the responsibility of the securities depository, and transfer of principal, redemption premium, if any, and interest payments to beneficial owners of the Bonds by participants of the securities depository will be the responsibility of such participants and other nominees of such beneficial owners. The School District will not be responsible or liable for such transfers of payments or for maintaining, supervision or reviewing the records maintained by the securities depository, the securities depository nominee, its participants or persons acting through such participants. While the securities depository nominee is the owner of this bond, notwithstanding, the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this bond shall be made in accordance with existing arrangements between the Registrar/Paying Agent or its successors under the Resolution and the securities depository.

This Refunding Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, date of maturity, denomination and rate of interest, aggregating _____ and no/100 Dollars (\$_____), issued pursuant to and in accordance with Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"); Title 59, Chapter 71, Article 1, Code of Laws of South Carolina 1976, as amended; Title 11, Chapters 15, [21] and 27, Code of Laws of South Carolina 1976, as amended; the favorable results of a referendum, and a Resolution duly adopted by the Board of Trustees of the School District.

[Redemption Provisions]

This Bond is transferable as provided in the Resolution, only upon the books of the School District kept for that purpose at the principal office of the Registrar by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon a new fully-registered Bond or Bonds of the same aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange therefor as provided in the Resolution. The School District, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina (the "State"), this Bond and the interest hereon are exempt from all State, county, municipal, school district and other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State to exist, to happen and to be performed precedent to or in the issuance of this Bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that

the amount of this Bond, together with all other indebtedness of the School District does not exceed the applicable limitation of indebtedness under the laws of the State; and, that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest on this Bond as it respectively matures and to create such sinking fund as may be necessary therefor.

IN WITNESS WHEREOF, SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY, SOUTH CAROLINA, has caused this Bond to be signed with the facsimile signature of the Chair of the Board of Trustees of the School District, attested by the facsimile signature of the Secretary of the Board of Trustees of the School District and the seal of the School District impressed, imprinted or reproduced hereon.

SCHOOL DISTRICT NO. 5 OF LEXINGTON
COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

Chair, Board of Trustees

ATTEST:

Secretary, Board of Trustees

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

This Refunding Bond is one of the Refunding Bonds described in the within-mentioned Resolution of School District No. 5 of Lexington County and Richland County, South Carolina.

_____,
as Registrar

By: _____
Authorized Officer

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the
entireties

_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to
Minors Act _____
(state)

JT TEN - as joint tenants with
right of survivorship
and not as tenants in
common

Additional abbreviations may also be used though not in above list.

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ (Name and Address of Transferee)
_____ the within Bond and does hereby irrevocably constitute and appoint
_____ attorney to transfer the within Bond on the books kept for registration
thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

(Authorized Officer)

Notice: Signature(s) must be
guaranteed by an institution
which is a participant in the
Securities Transfer Agents Medallion
Program ("STAMP") or similar program.

Notice: The signature to this assignment must
correspond with the name of the registered
holder as it appears upon the face
of the within Bond in every particular,
without alteration or enlargement or any change
whatever.

A copy of the final approving legal opinion to be rendered shall accompany each Refunding Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the School District with a facsimile signature of the Secretary of the Board of Trustees of the School District. Said certificate shall be in substantially the following form:

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the final legal opinion (except for date and letterhead) of _____, _____, South Carolina, approving the issue of the Refunding Bonds of which the within Refunding Bond is one, the original of which opinion was manually executed, dated and issued as of the date of delivery of and payment for the Refunding Bonds, and a copy of which is on file with School District No. 5 of Lexington County and Richland County, South Carolina.

SCHOOL DISTRICT NO. 5 OF LEXINGTON
COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

By: _____
Secretary, Board of Trustees

FORM OF OFFICIAL NOTICE OF SALE

\$ _____ GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021B,
SCHOOL DISTRICT NO. 5 OF LEXINGTON COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that electronic bids will be received by the Interim Superintendent or his designee of School District No. 5 of Lexington County and Richland County, South Carolina (the "School District") on _____, _____, 2021, until 11:00 a.m. (South Carolina time) for the purchase of \$ _____ General Obligation Refunding Bonds, Series 2021B (the "Bonds").

Bids: Electronic proposals must be submitted through i-Deal's Parity Electronic Bid Submission System ("Parity"). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Parity may be obtained from i-Deal, 1359 Broadway, 2nd Floor, New York, New York 10018, Customer Support, telephone (212) 849-5021.

Book-Entry-Only Bonds: The Bonds will be issued in fully-registered form. One Bond representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds and each such Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry-only form in the principal amount of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates representing each maturity with DTC.

The Bonds will bear interest from the date thereof payable semiannually on March 1 and September 1 of each year, commencing March 1, _____. The Bonds will be dated their date of delivery, and will mature serially on March 1 in each of the years and in the principal amounts as follows:

Year	Principal
(March 1)	Amount*

*Preliminary, subject to adjustment.

Adjustment of Maturity Schedule. The schedule of maturities set forth above (the "Maturity Schedules") represents an estimate of the principal amounts and maturities of the Bonds which will be sold. If, after final computation of the bids, the School District determines that the maturities of the Bonds should be adjusted in order to maintain a specific millage rate for debt service on all of its outstanding bonds, the School District reserves the right either to increase or decrease the principal amount of any maturity of the Bonds.

In the event of any such adjustment of the Maturity Schedules for the Bonds as described herein, no rebidding or recalculation of the bids submitted will be required or permitted. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of the Bonds pursuant to this paragraph.

Redemption Provisions: [TO BE PROVIDED IN ACTUAL OFFICIAL NOTICE OF SALE.]

Registrar/Paying Agent: Regions Bank, Atlanta, Georgia, will serve as registrar/paying agent for the Bonds.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% with no greater difference than three percent (3%) between the highest and lowest rates of interest and with the highest rate being five percent (5%). Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. **A BID FOR LESS THAN ALL OF THE BONDS OR A BID LESS THAN PAR WILL NOT BE ACCEPTED.**

Good Faith Deposit: No good faith deposit is required.

Official Statement: Upon the award of the Bonds, the School District will prepare an official statement (the "Official Statement") in substantially the same form as the preliminary official statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within seven (7) business days after the award of the Bonds, the School District will deliver the Official Statement to the successful bidder in sufficient quantity to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the School District all necessary pricing information and any Underwriter identification necessary to complete the Official Statement within 24 hours after the award of the Bonds.

Security: The Bonds shall constitute binding general obligations of the School District, and the full faith, credit, resources and taxing power of the School District are irrevocably pledged for the payment of the principal and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary to provide for the prompt payment thereof. There shall be levied and collected annually upon all taxable property of the School District a tax, without limitation as to rate or amount, sufficient for such purposes.

Continuing Disclosure: In order to assist the bidders in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission, the School District will undertake, pursuant to a resolution and a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Legal Opinion: The School District shall furnish upon delivery of the Bonds the final approving opinion of _____, _____, South Carolina, which opinion shall accompany each Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds.

[Issue Price Certificate: [TO BE PROVIDED IN ACTUAL OFFICIAL NOTICE OF SALE IF THE BONDS ARE PUBLICLY TRADED]]

Financial Advisor: _____ has acted as Financial Advisor to the School District in connection with the issuance of the Bonds. In this capacity, _____ provided technical assistance in the preparation of the offering documents and assisted the School District in preparing for this financing.

Delivery: The Bonds will be delivered on or about _____, 2021, in New York, New York, at the expense of the School District or at such other place as may be agreed upon with the purchaser at the expense of the purchaser. The balance of the purchase price then due (including the amount of accrued interest) must be paid in federal funds or other immediately available funds.

Award of Bid. The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost (TIC) to the School District. The TIC will be the nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the Bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded based on time received with the bid received earliest being the determining factor. The School District reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 3:00 p.m., South Carolina time, on the date of the sale.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be set forth on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid by the successful bidder.

Additional Information: The Preliminary Official Statement and this Official Notice of Sale of the School District with respect to the Bonds are available via the internet at _____ and will be furnished to any person interested in bidding for the Bonds upon request to Bond Counsel, _____, attention: _____, telephone _____, e-mail: _____. The Preliminary Official Statement shall be reviewed by bidders prior to submitting a bid. Bidders may not rely on this Official Notice of Sale as to the complete information concerning the Bonds. For additional information, please contact the School District's Financial Advisor, _____, _____, telephone _____, e-mail: _____.

School District No. 5 of Lexington County and
Richland County, South Carolina

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by School District No. 5 of Lexington County and Richland County, South Carolina (the “School District”) in connection with the issuance of \$_____ General Obligation Refunding Bonds, Series 2021B, School District No. 5 of Lexington County and Richland County, South Carolina (the “Bonds”). The Bonds are being issued pursuant to a Resolution adopted by the Board of Trustees of the School District (the “Resolution”). The School District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the School District for the benefit of the holders of the Bonds and in order to assist the Participating Underwriter (defined below) in complying with the Rule (defined below).

SECTION 2. Definitions. The following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the School District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Dissemination Agent” shall mean the School District or any successor Dissemination Agent designated in writing by the School District and which has filed with the School District a written acceptance of such designation.

“Financial Obligation” is defined by the Rule as and for purposes of this Disclosure Certificate shall mean (1) a debt obligation, (2) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (3) a guarantee of either of the foregoing; provided, however, that a “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“National Repository” shall mean for purposes of the Rule, the Electronic Municipal Market Access (EMMA) system created by the Municipal Securities Rulemaking Board.

“Repository” shall mean the National Repository and each State Depository, if any.

“Participating Underwriter” shall mean _____ and any other original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Depository” shall mean any public or private repository or entity designated by the State of South Carolina as a state depository for the purpose of the Rule. As of the date of this Certificate, there is no State Depository.

SECTION 3. Provision of Annual Reports.

(a) The School District shall, or shall cause the Dissemination Agent to provide, not later than February 1 of each year, commencing in 2022, to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to such date the School District shall provide the Annual Report to the Dissemination Agent, if other than the School District; provided, that if the audited financial statements required pursuant to Section 4 hereof to be included in the Annual Report are not available for inclusion in the Annual Report as of such date, unaudited financial statements of the School District may be included in such Annual Report in lieu thereof, and the School District shall replace such unaudited financial statements with audited financial statements within fifteen (15) days after such audited financial statements become available for distribution. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the School District may be submitted separately from the balance of the Annual Report.

(b) If the School District is unable to provide to the Repository an Annual Report by the date required in subsection (a), the School District shall send a notice to the Repository, in substantially the form attached hereto as Exhibit A.

(c) The Dissemination Agent shall:

(1) determine each year prior to the date for providing the Annual Report the name and address of the Repository; and

(2) if the Dissemination Agent is other than the School District, file a report with the School District and (if the Dissemination Agent is not the Registrar) the Registrar certifying whether the Annual Report has been provided pursuant to this Disclosure Certificate, and, if provided, stating the date it was provided, and listing the Repository to which it was provided.

SECTION 4. Content of Annual Reports. The School District's Annual Report shall contain or incorporate by reference the most recent audited financial statements, which shall be prepared in conformity with generally accepted accounting principles (or, if not in such conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information) applicable to governmental entities such as the School District, and shall, in addition, contain or incorporate by reference the following information for the most recently completed fiscal year:

- (a) School District enrollment;
- (b) Total state appropriations subject to withholding under Article X, Sec. 15, South Carolina Constitution;
- (c) Funding under the Education Finance Act, and the Education Improvement Act;
- (d) Outstanding General Obligation Indebtedness of the School District;
- (e) Market Value/Assessment Summary of taxable property in School District;
- (f) Tax rate for School District;
- (g) Tax collections for School District; and
- (h) Ten largest taxpayers (including fee-in-lieu-of-tax) for School District.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the School District is an "obligated

person” (as defined by the Rule), which have been filed with the Repository or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The School District shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the School District shall give, or cause to be given, notice of the occurrence of any of the following events (the “Listed Events”):

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution, or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the School District;
- (14) The consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School District other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- (15) Appointment of a successor or additional trustee or the change of name of a trustee.
- (16) Incurrence of a Financial Obligation of the School District; or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the School District, any of which affect security holders;
- (17) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the School District, any of which reflect financial difficulties.

(b) Whenever the School District obtains knowledge of the occurrence of a Listed Event described in subsections (a)(2), (7), (8), (11), (14), (15) or (16) above, the School District shall as soon as possible determine if such event would be material under applicable federal securities laws. If the School District determines that knowledge of the occurrence of such event would be material under applicable federal securities laws, the School District shall promptly, and no later than ten business days after the occurrence of the event, file a notice of such occurrence with the Repository.

(c) Whenever the School District obtains knowledge of the occurrence of a Listed Event described in subsections (a)(1), (3), (4), (5), (6), (9), (10), (12), (13) or (17) above, the School District shall promptly, and no later than ten business days after the occurrence of the event, file a notice of such occurrence with the Repository.

(d) Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8), (9), and (10) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds. For the purposes of the event identified in (a)(13) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the School District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the School District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the School District.

SECTION 6. Termination of Reporting Obligation. The School District's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of the Bond.

SECTION 7. Dissemination Agent. The School District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the School District.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the School District may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to the School District, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the School District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the School District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the School District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the School District, or the Dissemination Agent to comply with any provision of this Disclosure Certificate, any beneficial owner may take such actions as may be necessary and appropriate, including seeking injunctive relief or specific performance by court order, to cause the School District, or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the School District, or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The provisions of this Section 11 shall apply if the School District is not the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the School District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the School District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bond.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the School District, the Dissemination Agent, the Participating Underwriter, and holders from time to time of the Bonds and shall create no rights in any other person or entity.

SCHOOL DISTRICT NO. 5 OF LEXINGTON
COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

By: _____
Interim Superintendent

Dated: _____, 2021

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of School District: School District No. 5 of Lexington County and Richland County,
South Carolina

Name of Bond Issue: \$_____ General Obligation Refunding Bonds, Series 2021B,
School District No. 5 of Lexington County and Richland County,
South Carolina

Date of Issuance: _____, 2021

NOTICE IS HEREBY GIVEN that School District No. 5 of Lexington County and Richland County, South Carolina (the "School District") has not provided an Annual Report with respect to the above-named Bonds as required by Sections 3 and 4 of the Continuing Disclosure Certificate executed and delivered by the School District as Dissemination Agent. The School District has notified us in writing that the Annual Report will be filed by _____.

Dated: _____

SCHOOL DISTRICT NO. 5 OF LEXINGTON
COUNTY AND RICHLAND COUNTY,
SOUTH CAROLINA

CURRENT POLICY**FACILITIES PLANNING***Code* **FB** *Issued* **2/14**

Purpose: To establish the board's vision for planning for long-range facility needs.

The board may initiate long-range needs determination surveys on the recommendation of the superintendent or by the board's own appreciation of need.

The board will determine needs based upon the following criteria.

- the extent of use of existing facilities
- the students to be accommodated at a particular time and projected into the future
- the educational goals of the district
- the extent of non-school or shared use of the facilities
- demographic projections for birth rates, population growth and economic conditions

The superintendent, with the full participation of the professional staff, will develop educational specifications for new school facilities. The superintendent may use consultants when he/she deems it necessary.

Additionally, the board may employ the assistance of professional persons to help the district conduct a needs determination survey. The administration and/or specialist will present findings to the board for action.

The board should seek input from the community in determining long-range needs.

Adopted 2/10/14

FACILITIES PLANNING

Code **FB** Issued **2/14**

Purpose: To establish the board's vision for planning for long-range facility needs.

The board may initiate long-range needs determination surveys on the recommendation of the superintendent or by the board's own appreciation of need. **The District must raise capital to fund not only its long-range facility needs identified in a ten-year building program, but to identify the annual capital funding required to fund its cyclic maintenance, transportation, furniture/fixtures/equipment (FFE), information technology, and security needs.**

The facilities department will annually conduct condition assessments of its schools and systems and provide the superintendent and the Board with consolidated school and district-level assessments. These data will be used to develop a consolidated five-year master facilities plan or presentation to the superintendent, Board, and community groups.

The board will determine needs based upon the following criteria.

- the extent of use of existing facilities
- the students to be accommodated at a particular time and projected into the future
- the educational goals of the district
- the extent of non-school or shared use of the facilities
- demographic projections for birth rates, population growth and economic conditions

The superintendent, with the full participation of the professional staff, will develop educational specifications for new school facilities. The superintendent may use consultants when he/she deems it necessary.

Additionally, the board may employ the assistance of professional persons to help the district conduct a needs determination survey. The administration and/or specialist will present findings to the board for action.

The board should seek input from the community in determining long-range needs.

Legal references:

S.C. Code, 1976, as amended:

Section 59-23-210 - Construction, improvement, and renovation of public schools; compliance with the South Carolina School Facilities Planning and Construction Guide; committee members; submission of plans.

Adopted 2/10/14

SECOND AND FINAL READING – OCTOBER 11, 2021

*Policy***CLOSE-OUT OF CONSTRUCTION PROJECTS***Code FED Issued XX/21*

Purpose: To ensure that district construction projects are satisfactorily completed in compliance with the specifications of the project.

For any district construction project \$1,000,000.00 or greater in contract amount where warranties on materials and/or work are implicated, the superintendent or his/her designee shall retain the services of a qualified and licensed architect or professional engineer (the “Close-Out Professional”) who is not affiliated in any way with district personnel or with the district’s retained architect(s), general contractor(s) or construction inspection teams. This individual’s services shall be in addition to and separate from any inspections performed by the district’s construction personnel and/or inspections performed by the retained individuals involved with the construction project.

The Office of Operations may recommend to the Superintendent and the Board that a project be waived from the need to retain a Close-Out Professional.

Whenever it is necessary to retain a Close-Out Professional under this Policy, the superintendent or his/her designee shall select that individual through a Request for Qualifications proposal in accordance with the District’s Procurement Code.

The Close-Out Professional shall inspect the project and issue a report to certify including but not necessarily limited to the following: (1) project compliance with all required permits; (2) appropriate training of district staff regarding the project; (3) issuance of appropriate warranties; (4) issuance of inspection reports; (5) notation of any construction deficiencies and recommendations for remedying those deficiencies; (6) completion of “punch list” items. The Close-Out Professional’s report also shall verify that all bonds, contract amounts, lien waivers, change orders, retained amounts and any other relevant documents are correct and due and payable before the district makes final payment for the project.



The South Carolina School Boards Association

TO: Board Chairmen and District Superintendents
FROM: Scott T. Price, Executive Director
RE: **Certification of Delegates for the 2021 Delegate Assembly**
DATE: August 31, 2021

SCSBA's annual business meeting will take place on **Saturday, December 4, 2021**, at 2 p.m., at the Charleston Marriott in Charleston, South Carolina. This meeting is being held in conjunction with the Legislative and Advocacy Conference.

According to the SCSBA Constitution, *Article V*, the Delegate Assembly is the policy-making body of the association and is composed of certified voting delegates from active member boards. The number of votes allocated to each board is based on pupils enrolled in public elementary and secondary schools as per the ADM from the State Department of Education.

I am enclosing the official voting delegate certification form. On the form, you will find how many votes your district is allowed and the rules of the Delegate Assembly from SCSBA's Constitution.

Please take a moment to list the name(s) of your delegate(s) and designate how many votes each delegate will represent. **Please remember, the delegates your district sends to delegate assembly should represent and vote on behalf of your board.** When the delegate assembly book is posted to the website and the link is emailed to all board members in late September or early October, I encourage you to take time at a board meeting to review the items that will be voted on at the meeting on December 4.

Please choose alternate delegates as well. Anyone who is not a certified voting delegate, or a certified alternate delegate will **not** be allowed to vote during the Delegate Assembly. **There will be strict adherence to this rule.**

Please discuss this information at your next board meeting. All certification forms must be received in the SCSBA office by **Monday, November 15, 2021**. You may email your signed form to Judy LeGrand at jlegrand@scsba.org, mail a hard copy, or fax to 1.877.859.6439.

Thank you for your attention to this important matter. I look forward to hearing from you soon.

STP/jjl

cc: Board Secretaries

Enclosure

2021 SCSBA Delegate Assembly

Official Voting Delegates Certification Form

Lexington And Richland Five
Your district is allowed **6 votes**

Certification deadline: Monday, November 15, 2021

Certification of Delegates from SCSBA's Constitution:

Article V, Section 4. Each active member board will certify its voting delegate to SCSBA before the deadline date for such certification. An alternate delegate for each voting delegate will also be named and certified. **In no case will a member of a member board be allowed to serve as an official delegate unless certified by the member board as a delegate or alternate prior to the designated deadline for certification.**

Official Voting Delegates

The following board members have been designated as official voting delegates at the annual business meeting on Saturday, December 4, 2021. Please list each delegate attending along with an alternate. Include name and number of votes assigned to each delegate.

Check one (if a delegate is also serving as an alternate, check both boxes)

	Name	Number of votes
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		
☐ delegate ☐ alternate		

This form is not official until we have the appropriate signatures listed below.

Superintendent

Board Chairman

For delegates to be certified, this form must be returned by November 15, 2021, to:
Judy LeGrand, SCSBA, 111 Research Drive, Columbia, SC 29203; email: jlegrand@scsba.org
Or fax: 1-877-859-6439. Thank you.