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## Refunding of Bonds

**Policy Reference:** OE-6, Financial Administration

**Background Information:**

The district's bond counsel and financial advisor continually monitor the district's debt in relation to the market rates to determine when, and if, it is beneficial for the district to refund any portion of its debt. Over time, the district has refunded debt when market rates were favorable. At the October 20 Board Retreat, Brian Nurick identified the 2005B series and the 2006A series as potential candidates. Based on current market conditions, the district could experience over \$15.6 million in net savings or a 10.25% net present value savings as a result of the transaction.

**Purpose:**

The McNair Firm has prepared the enclosed Resolution for the Issuance of Bonds in an amount not to exceed \$129.75 million for the review and approval of the Board of Education. Dependent on the financial markets, the district would pursue any refunding opportunity in which a net present value savings of five percent or greater would be realized.

**For Further Information:**

Please contact John Gardner at 488-6896 or by e-mail at [jgardner@horrycountyschools.net](mailto:jgardner@horrycountyschools.net).

**Recommendation:**

<p><b>It is recommended that the refunding of debt not to exceed \$129.75 million be approved by the Board contingent on the realization of a net present value savings of five percent or greater.</b></p>
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