
Capital Financing Plan

Policy Reference: OE-6, Financial Administration

Background Information:

The Capital Facility plan was originally approved on September 30, 2013 in the amount of \$314 million. The plan was later revised on June 9, 2014 in the amount of \$427.6 million, and revised again on July 28, 2014 in the amount of \$451.6 million. The Board directed the administration to develop a financing plan that **would not** require an increase in millage or result in a bond referendum.

Purpose:

In consultation with our financial advisor, the administration ran several financing scenarios based on project scope, project timing, and the available cash flows. At the May 19, 2014 Board meeting, a financing plan was presented that did not require an increase in millage or require a bond referendum.

Based on the most recent capital plan of \$451.6 million, the financial advisor has developed a financing plan that will result in \$488.5 million of funding provided through the education capital sales tax and the issuance of 8% General Obligation Bonds.

For Further Information:

Please contact John Gardner at 488-6896 or by e-mail at jgardner@horrycountyschools.net.

Recommendation:

<p>It is recommended that the Board approve the Capital Financing Plan that includes the utilization of the education capital sales tax and the issuance(s) of 8% General Obligation Bonds in an amount not to exceed \$156.89 million. Before issuing any debt, the administration will bring a bond resolution to the Board for approval.</p>
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