

MEMO

DATE: July 12, 2011

TO: Mr. David Meadows, Interim Superintendent

FROM: Linda Pannell, Finance Director

RE: Refinancing of Debt

Young Law Group in Jackson (Jim Young) monitors our debt for refinancing and advises us when the time is right to do so. Recently, I have had conversations with them related to the district's debts that if refinanced have the potential to save our district's funds. There are two (2) outstanding debts that can be refinanced at this time. The General Obligation Refunding Bonds, Series 1998 and the Limited-Tax Notes, Series 2004 will be the debt considered for the current refinancing. The resolution requested for presentation and approval will provide the following for the School District and the Board of Trustees:

- Result in substantial cost savings for the district
- Retain Mr. Otis Tims to serve as issuer's counsel for the refinancing
- Retain Young Law Group PLLC to serve as bond counsel
- Authorize the Superintendent to select an underwriter and/or bank to assist in the structuring, marketing and issuance of the Refunding Bonds and Refunding Notes
- Authorize and direct the legal counsel to work with an underwriter or bank to structure the issues, prepare the bond documents and present a bond/note resolution, bond/note documents and financing proposal to the Board of Trustees for approval at a later date
- States the Board's intent to proceed with the issuance if doing so will provide a net present value savings of at least two percent (2%) of each of the Refunding Bonds and Refunding Notes
- States the district is under no obligation to proceed with the issuance and none of the parties retained as counsel shall be entitled to compensation or reimbursement if the refunding does not produce a net present value savings

Your consideration for presenting this resolution to the Board of Trustees at the July 19th board meeting is appreciated.