

Order Authorizing Redemption of a portion of Denton Independent School District Unlimited Tax School Building and Refunding Bonds, Series 2004, Unlimited Tax School Building and Refunding Bonds, Series 2005-B and Variable Rate Unlimited Tax School Building Bonds, Series 2012-A.

October 28, 2014

SUMMARY:

This item requests approval of the order authorizing redemption of a portion of Denton Independent School District Unlimited Tax School Building and Refunding Bonds, Series 2004, Unlimited Tax School Building and Refunding Bonds, Series 2005-B and Variable Rate Unlimited Tax School Building Bonds, Series 2012-A.

BOARD GOAL:

VI. Growth, Change & Fiscal Responsibility...In pursuit of excellence, the district will:
e. demonstrate effective and efficient management of district resources

PREVIOUS BOARD ACTION:

The Board has approved additional principal payments toward outstanding debt service based on available funds.

BACKGROUND INFORMATION:

The Board adopted the 2014-2015 budget on June 24, 2014 including a projected additional principal payment of \$ 2,680,000 pending the certified values to be released on July 25, 2014.

SIGNIFICANT ISSUES:

The debt service revenue projections have been revised based on the certified values received July 24, 2014. Revenue projections for 2014-2015 allow for an additional principal payment of \$ 8,180,000 (including \$ 2,710,000 with an original maturity date of August 15, 2015).

FISCAL IMPLICATIONS:

Bond Series 2004, totaling \$ 350,000, will be redeemed on December 4, 2014. Bond Series 2005-B, totaling \$ 2,710,000, will be redeemed on December 4, 2014. Bond Series 2012-A, totaling \$ 5,120,000 will be redeemed on August 1, 2015. The tax rate of \$0.50 will generate sufficient funds to meet the debt service payments plus this additional principal payment for 2014-2015.

BENEFIT OF ACTION:

The principal payment will reduce future interest cost associated with the bonds.

PROCEDURAL AND REPORTING IMPLICATIONS:

Notice of redemption of the bonds is required.

ALTERNATIVES:

Redemption of bonds is optional.

SUPERINTENDENT'S RECOMMENDATION:

Recommend approval of the Order Authorizing redemption of a portion of Denton Independent School District Unlimited Tax School Building and Refunding Bonds, Series 2004, Unlimited Tax School Building and Refunding Bonds, Series 2005-B and Variable Rate Unlimited Tax School Building Bonds, Series 2012-A.

STAFF PERSONS RESPONSIBLE:

Debbie Monschke – Assistant Superintendent of Administrative Services

ATTACHMENT:

Order Authorizing redemption of a portion of Denton Independent School District Unlimited Tax School Building and Refunding Bonds, Series 2004, Unlimited Tax School Building and Refunding Bonds, Series 2005-B and Variable Rate Unlimited Tax School Building Bonds, Series 2012-A.

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____