Action Item

Date: August 27, 2026 **Division**: Finance

Subject: Consider an Order Authorizing the Issuance of Unlimited Tax Refunding Bonds; Appointing a Pricing Officer and Delegating to the Pricing Officer the Authority to Approve the Sale of the Bonds; Establishing Certain Parameters for the Approval of Such Matters; Levying an Annual Ad Valorem Tax for the Payment of the Bonds; and Enacting Other Provisions Relating to the Subject for the 2026-27 Fiscal Year

Background Information:

- At the August 29, 2022, Special Board Meeting, the Board of Trustees adopted a revised version of Board Policy CCA (LOCAL) Local Revenue Sources – Bond Issues. This policy serves as the District's debt management policy and is reviewed on an annual basis.
- Board Policy CCA (LOCAL) includes guidelines for Refunding Debt Obligations.
- Administration, in consultation with the financial advisor and bond counsel, performed an analysis of the District's current debt portfolio to identify potential refunding targets. For a parameters order, consideration is given to minimum NPV (Net Present Value) Savings, Maximum TIC (True Interest Cost), Maximum Aggregate Original Principal Amount, and the Maximum Final Maturity.
- The District's financial advisor has assisted with identifying all bonds callable between now and August 15, 2030.
- The District's financial advisor and bond counsel have assisted in establishing parameters for the 2026-27 fiscal year that are in alignment with Board Policy CCA (LOCAL).
    - Pricing Officers: Superintendent and Chief Financial Officer;
    - The aggregate original principal amount of the Bonds shall not exceed the par amount of the Refunded Obligations selected by the Pricing Officer to be refunded;
    - The maximum true interest cost shall not exceed 5.00%;
    - The refunding must achieve a minimum net present value debt service savings of 2.00%;
    - The final maturity shall not be longer than August 15, 2045; and
    - The delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to the date that is one year after adoption of this Order.
- A Parameters Order gives the administration the flexibility to act should market conditions meet the criteria established through the Debt Management Policy and the Order.

Administrative Consideration:

- Board Policy CCA (LOCAL) requires the administration to review its Debt Management Plan on an annual basis.
- Included is the Parameters Order.

Recommendations:

- That the Lewisville ISD Board of Trustees adopts an order authorizing the issuance of Unlimited Tax Refunding Bonds; appointing a pricing officer and delegating to the pricing officer the authority to approve the sale of the Bonds; establishing certain parameters for the approval of such matters; levying an annual Ad Valorem Tax for the payment of the Bonds; and enacting other provisions relating to the subject for the 2026-27 Fiscal Year.

Timeline/Report:

- A Parameters Order will be considered for adoption on an annual basis.