



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: May 18, 2015

AGENDA ITEM: Consider Approval of Budget Amendment Related to Bond Refunding

PRESENTER: Earl Husfeld

ALIGNS TO BOARD GOAL(S): Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

BACKGROUND INFORMATION:

- Per Board Policy CE (Local), the Board of Trustees shall amend the budget when a change is made increasing any one of the functional spending categories or increasing revenue object accounts or other resources.

ADMINISTRATIVE CONSIDERATIONS:

- In accordance with Board Policy CE (Local), the budget amendments/transfers itemized on the following page are presented for your review and consideration.
- These budget amendments/transfers are necessary so the District's accounting records will reflect the bond refunding sale the District recently completed.
- As I shared with you in April, the bond refunding sale lowered the interest rate paid on a portion of the District's outstanding debt from 5.30% to 3.58%. This lower interest rate resulted in total savings of \$3,502,667 over the life of the bonds. These savings are net of all costs.

FISCAL NOTE:

The budget amendments/transfers presented increase the Debt Service Fund revenues and expenditures in the amount of \$21,728,976.

ADMINISTRATIVE RECOMMENDATION:

The Administration recommends the Board of Trustees approve the 2014-2015 Debt Service Fund budget amendments/transfers as presented on the following page.

**ALEDO INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND
2014-2015 CROSS-FUNCTION BUDGET AMENDMENTS
As of May 18, 2015**

REVENUES

| <u>Function/Description</u> | <u>Original Budget</u> | <u>Amendments</u> | <u>Amended Budget June 16, 2014</u> |
|--|----------------------------|----------------------|---|
| 57 Local Revenues | \$ 6,676,939 | \$ - | \$ 6,676,939 |
| 79 Other Resources - Sale of Refunding Bonds | - | 21,728,976 | 21,728,976 |
| 79 Other Resources - Transfer In from General Fund | 2,835,525 | - | 2,835,525 |
| Total Revenues | \$ 9,512,464 | \$ 21,728,976 | \$ 31,241,440 |

APPROPRIATIONS

| <u>Function/Description</u> | <u>Original Budget</u> | <u>Amendments</u> | <u>Amended Budget June 16, 2014</u> |
|--|----------------------------|----------------------|---|
| 71 Bond Principal | \$ 2,320,017 | \$ 3,225,500 | \$ 5,545,517 |
| 71 Bond Interest | 7,042,447 | (3,225,500) | 3,816,947 |
| 71 Debt Service Fees | 150,000 | 251,739 | 401,739 |
| 00 Other Uses - Pmt to Bond Refunding Escrow | - | 21,477,237 | 21,477,237 |
| Total Appropriations | \$ 9,512,464 | \$ 21,728,976 | \$ 31,241,440 |