



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: February 20, 2012

AGENDA ITEM: Potential Refinancing of Outstanding Bonds

PRESENTER: Earl Husfeld

ALIGNS TO BOARD GOAL(S):

6. Provide resources and facilities consistent with the growth of the District.

BACKGROUND INFORMATION:

- Periodically Aledo ISD staff and the District's financial advisory firm, BOSC, Inc., review the District's financial and debt position to ensure the District is taking advantage of current market conditions.
- As you may be aware, long-term municipal interest rates are currently near historical lows.
- Based upon these current market conditions, it appears the District may be able to realize a financial savings by "refinancing" a portion of our outstanding bonds at a lower interest rate.

ADMINISTRATIVE CONSIDERATIONS:

- If the refinancing proves to be warranted, and due to the volatility of long-term municipal interest rates, the Board of Trustees may be asked to approve a "Parameters Order" to ensure the timely completion of the refinancing.
- If approved by the Board of Trustees, the Parameters Order would delegate the ability to approve the sale of the refinancing bonds to the District's Superintendent and Chief Financial Officer if certain parameters are met as specified in the Parameters Order.
- All potential refinancing opportunities will continue to be analyzed and final recommendations, if any, will be provided to you at the March board meeting.

FISCAL NOTE:

Unknown at this time.

ADMINISTRATIVE RECOMMENDATION:

None – Informational Report