



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: December 16, 2013

AGENDA ITEM: Potential Refinancing of Series 2005-A Bonds

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:

- 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.

ADMINISTRATIVE CONSIDERATIONS:

- During the November 18th board meeting, a Refunding Summary Letter prepared by BOSC, Inc., was provided to the Board of Trustees that contained an explanation of the potential savings available to the District by "refinancing" a portion of our outstanding Series 2005-A bonds at a lower interest rate by using a "bank qualified" financing structure.
- Subsequent to the November board meeting, BOSC and District staff came to the realization the contract with the Standby Bond Purchase Agreement Provider for the District's variable rate bonds expires in September 2014.
- The District will not receive notification of the renewal, or termination, of this contract until March 2014.
- Therefore, to provide the District with the most flexibility to address this contract issue during 2014, BOSC and District staff both agree it would be prudent to delay refinancing any of the District's outstanding bonds until such time as we receive information relative to the Standby Bond Purchase Agreement in March 2014.

FISCAL NOTE:

None – Informational Report

ADMINISTRATIVE RECOMMENDATION:

None – Informational Report