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April 13, 2016

Dr. Jamie Wilson
 Superintendent of Schools
 Denton Independent School District
 1307 North Locust
 Denton, Texas 76201

Ms. Debbie Monschke
 Assistant Superintendent of Administrative Services
 Denton Independent School District
 1307 North Locust
 Denton, Texas 76201

Re: Final Results – 2016 Refunding Program

Dear Dr. Wilson and Ms. Monschke:

Introduction

On Thursday, April 13, 2016, Denton Independent School District (the “District”) successfully sold its Unlimited Tax Refunding Bonds, Series 2016 (the “Series 2016 Refunding Bonds”) to refund its existing Unlimited Tax School Building Bonds, Series 2007 and 2008 and Unlimited Tax Refunding Bonds, Series 2006 and 2009 at a lower interest rate. This memorandum summarizes the results of the District’s 2016 Refunding Program, including the savings realized by the District and its taxpayers.

Summary of Savings – 2016 Refunding Program

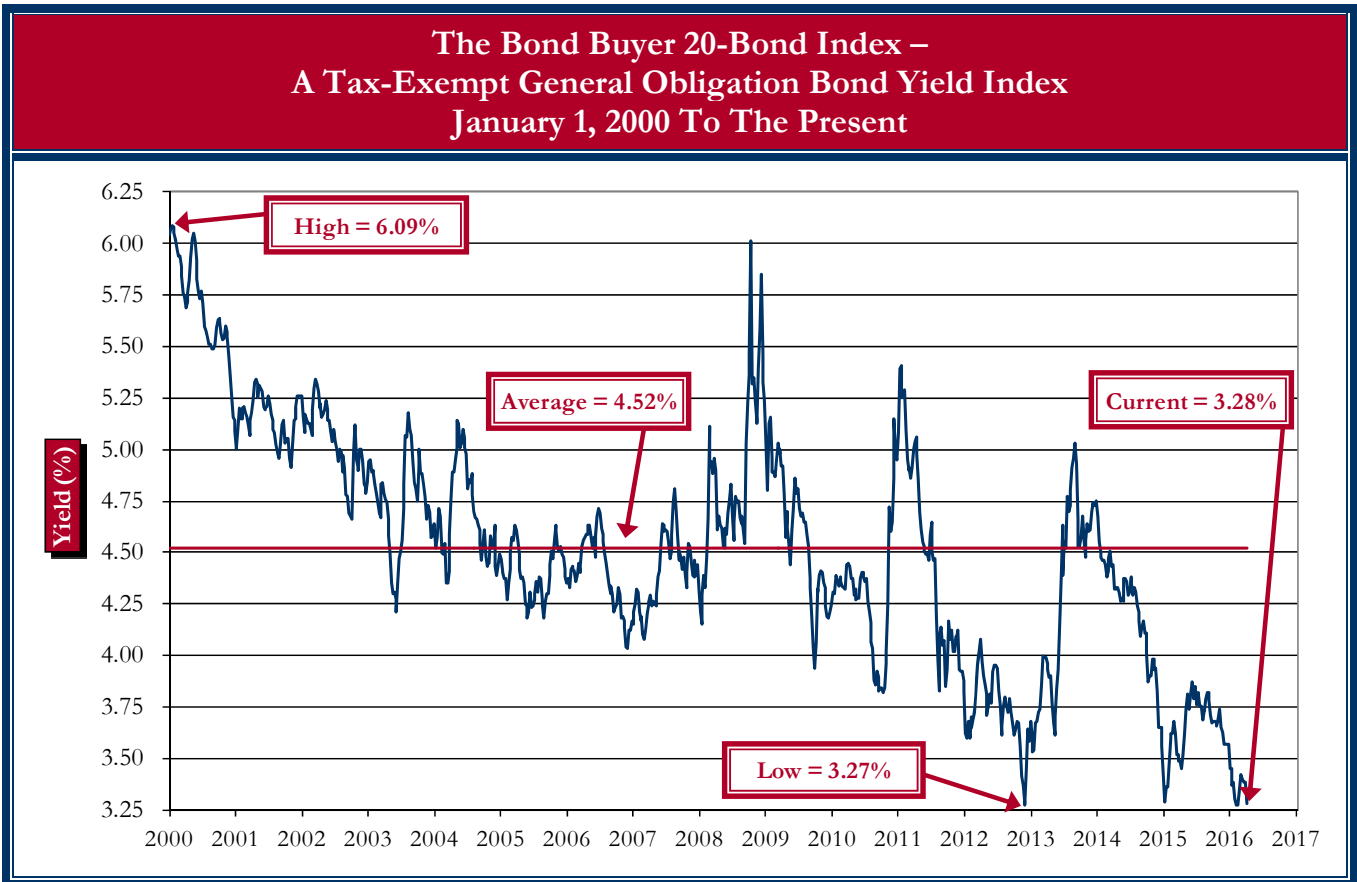
At its February 23, 2016 meeting, the Board of Trustees adopted a “Parameters Bond Order” authorizing the sale of the Series 2016 Refunding Bonds if certain parameters were met. Based upon the favorable bond market conditions, the interest rate on the District’s existing bonds was successfully reduced from 5.04% to 2.79% and the actual savings totaled \$51,970,247.

Based upon the favorable result of the 2016 Refunding Program, the District’s refunding programs have generated a collective savings of \$112,327,397 for taxpayers over the last 10-years (see table below)!

Summary of District’s Savings From Refunding Programs – Last 10-Years			
Issue	Series Refunded	Principal Amount Refunded	Total Savings
Unlimited Tax Refunding Bonds, Series 2005-C	1998, 1999, 2001	\$ 50,855,000	\$ 3,251,044
Unlimited Tax Refunding Bonds, Series 2006	2002	48,329,192	12,125,000
Unlimited Tax Refunding Bonds, Series 2011	1998, 1999, 2001, 2004	24,940,000	1,838,589
Unlimited Tax Refunding Bonds, Series 2012-B	2002, 2004, 2005-C	64,614,784	13,196,404
Unlimited Tax Refunding Bonds, Taxable Series 2012-C	2004, 2005-C	25,030,000	2,551,494
Unlimited Tax Refunding Bonds, Series 2012-D	2004	40,155,000	8,937,721
Unlimited Tax Refunding Bonds, Series 2014-C	2006-A	15,010,000	1,252,934
Unlimited Tax Refunding Bonds, Series 2015	2007, 2008	125,110,000	17,203,964
Unlimited Tax Refunding Bonds, Series 2016	2006, 2007, 2008, 2009	118,749,192	51,970,247
Total	---	\$ 512,793,168	\$ 112,327,397

Historically Favorable Interest Rates

As represented by “The Bond Buyer 20-Bond Index” in the graph below, municipal interest rates declined in recent weeks and were within 0.01% of an historical low at the time the Series 2016 Refunding Bonds were sold.



Reduction in Capital Appreciation Bonds within Debt Portfolio

An intangible benefit associated with the 2016 Refunding Program is the reduction of the maturity amount of the District’s capital appreciation bonds that were originally issued in year 2001. In particular, the District reduced the maturity amount of existing capital appreciation bonds by \$117,285,000. With the 2016 Refunding Program, capital appreciation bonds will comprise less than 4% of the District’s remaining bond payments and will be fully repaid in the upcoming 9 years.

Bonds Refunded – 2016 Refunding Program

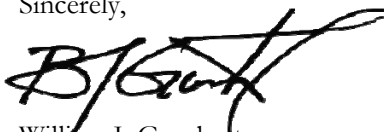
The following table provides the District's existing bonds that were refunded at a lower interest rate.

Summary of the Bonds to be Refunded					
Issue Outstanding	Principal Amount To Be Refunded	Maturities To Be Refunded	Interest Rate	Redemption Date	Redemption Price
Unlimited Tax Refunding Bonds, Series 2006	\$48,329,192	08/15/2018 – 2031	5.11%	08/15/2016	100.0%
Unlimited Tax School Building Bonds, Series 2007	8,405,000	08/15/2031 – 2035	4.50%	08/15/2017	100.0%
Unlimited Tax School Building Bonds, Series 2008	40,710,000	08/15/2034 – 2038	5.00%	08/15/2017	100.0%
Unlimited Tax Refunding Bonds, Series 2009	21,305,000	08/15/2017, 2020 – 2021, 2026 – 2028	5.06%	08/15/2019	100.0%
Totals	\$118,749,192	---	5.04%	---	---

Closing

Congratulations on the successful implementation of the District's 2016 Refunding Program and the collective \$112,327,397 of direct savings provided to taxpayers from refunding programs completed over the last 10 years! The actions of the District's Administration and Board of Trustees have prudently served the interests of the Denton ISD community. Should any questions arise or additional information is preferred, please do not hesitate to contact us. We thank you for the opportunity to be of service to the District and hope you are pleased with the resulting savings. Hope all is well with and for you!

Sincerely,



William J. Gumbert
Managing Director



Joshua M. McLaughlin
Managing Director