

Order Authorizing Redemption of a Portion of Denton Independent School District Variable Rate Unlimited Tax School Building Bonds, Series 2000

September 9, 2008

SUMMARY:

This item requests approval of the order authorizing redemption of Denton Independent School District Variable Rate Unlimited Tax School Building Bonds, Series 2000.

BOARD GOAL:

- VI. Growth & Change...In pursuit of excellence, the district will:
- a. review and adjust policies and procedures effectively to address the challenges of rapid growth and changing demographic characteristics while maintaining and enhancing our strong sense of community

PREVIOUS BOARD ACTION:

The Board has approved additional principal payments toward outstanding debt service in the past based on available funds.

BACKGROUND INFORMATION:

The Board adopted the 2008-09 budget on June 24, 2008 including a projected additional principal payment of \$2,165,000 pending the certified values to be released on July 25, 2008.

SIGNIFICANT ISSUES:

The debt service revenue projections have been revised based on the certified values received in July 2008. Revenue projections for 2008-09 allow for an additional principal payment are \$625,000.

FISCAL IMPLICATIONS:

Bonds totaling \$625,000 will be redeemed on February 1, 2009. The tax rate of \$0.45 will generate sufficient funds to meet the debt service payments plus this additional principal payment for 2008-09.

BENEFIT OF ACTION:

The principal payment will reduce future interest cost associated with the bonds.

PROCEDURAL AND REPORTING IMPLICATIONS:

- Funds sufficient to pay the redemption price of the redeemed bonds must be deposited with the paying agent prior to 12/26/08.
- Notice of redemption of the bonds is required.

ALTERNATIVES:

Redemption of bonds is optional.

SUPERINTENDENT'S RECOMMENDATION:

Recommend approval of the Order Authorizing Redemption of Denton Independent School District Variable Rate Unlimited Tax School Building Bonds, Series 2000.

STAFF PERSONS RESPONSIBLE:

Debbie Monschke – Executive Director of Administrative Services

ATTACHMENT:

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APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____