

Executive Summary

Prepared for Board of Trustees Meeting

December 14, 2021

Results of 2021 Taxable Bond Refunding

Board Goal:

Demonstrate effective and efficient management of district resources.

Purpose of Report

To review the 2021 taxable refunding program completed to date.

Objectives

By proactively pursuing this potential opportunity and being in a position to strike when market conditions would produce a desirable outcome, Denton ISD was able to reduce the interest rate on a portion of its existing debt from 4.48% to 1.90% which generated a direct savings of \$8,401,015 (net of all costs) for the District and its taxpayers. Denton ISD has now lowered its overall borrowing cost by \$187,852,629 since year 2005 by refinancing its outstanding bonds at a lower interest rate. Moreover, the District's aggregate savings (inclusive of refundings, prepayments, the use of variable rate bonds and the swaps) is now \$290,638,113 since year 2005, as summarized below.

\$187,852,629 – Bond Refundings

\$ 56,690,600 – Bond Prepayments

\$ 35,884,718 – Lower Interest Rates from Prudent Use of Variable Rate Put Bonds

\$ 10,210,166 – Use of Synthetic Debt Structures

\$290,638,113 – Total Savings Since Year 2005 After 2021 Taxable Refunding Program

Operational Impact

Long-term interest savings for the taxpayers of Denton ISD.