



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC: Consideration for Approval of an Order Authorizing the Issuance of United Independent School District Tax Refunding Bonds, Series 2008, and Other Matters Related Thereto

SUBMITTED BY: Laida P. Benavides, CPA **OF:** Division of Finance

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: March 26, 2008

RECOMMENDATION:

Consideration and Approval of an Order Authorizing the Issuance of United Independent School District Unlimited Tax Refunding Bonds, Series 2008; Entering into an Escrow Agreement, A Bond Purchase Agreement, and a Paying Agent/Registrar Agreement; Delegating to certain District Administrative Staff and Officials the Authority to Approve All Final Terms of the Bonds; and Other Matters Related Thereto

RATIONALE:

The District's financial advisors, Estrada, Hinojosa & Co. Inc., have deemed it advisable to issue Bonds to refund existing outstanding Unlimited Tax School Building & Refunding Bonds, Series 1998 in order to achieve a minimum net aggregate present value debt service savings of 3%. The recommended order would authorize the President of the Board of Trustees of the District, or the Superintendent of Schools as an "Authorized Representative", to act, individually, on behalf of the District in the selling and delivery of the bonds authorized by this Order.

BUDGETARY INFORMATION:

Potential Present Value Savings: \$203,234.41

BOARD POLICY REFERENCE AND COMPLIANCE:

Texas Gov't Code Chapter 1207.007

SUMMARY OF REFUNDING RESULTS

United Independent School District
U/L Tax Refunding Bonds, Series 2008
Current Market PSF Scale: 02/17/08
--ASSUMES CURRENT MARKET RATES EXIST APRIL 2008--
--NOT A FORWARD REFUNDING SCALE--

Dated Date	04/01/2008
Delivery Date	05/22/2008
Arbitrage yield	2.583201%
Escrow yield	2.371086%
Bond Par Amount	4,240,000.00
True Interest Cost	2.789289%
Net Interest Cost	2.861320%
Average Coupon	4.000000%
Average Life	3.449
Par amount of refunded bonds	4,295,000.00
Average coupon of refunded bonds	5.073836%
Average life of refunded bonds	3.327
PV of prior debt to 05/22/2008 @ 2.583201%	4,689,005.16
Net PV Savings	203,234.41
Percentage savings of refunded bonds	4.731884%
Percentage savings of refunding bonds	4.793264%

SUMMARY OF REFUNDING RESULTS

United Independent School District
U/L Tax Refunding Bonds, Series 2008
Current Market PSF Scale: 03/04/08
--ASSUMES CURRENT MARKET RATES EXIST APRIL 2008--
--NOT A FORWARD REFUNDING SCALE--

Dated Date	04/01/2008
Delivery Date	05/22/2008
Arbitrage yield	3.189580%
Escrow yield	1.741383%
Bond Par Amount	4,295,000.00
True Interest Cost	3.383133%
Net Interest Cost	3.444223%
Average Coupon	4.231730%
Average Life	3.454
Par amount of refunded bonds	4,295,000.00
Average coupon of refunded bonds	5.073836%
Average life of refunded bonds	3.327
PV of prior debt to 05/22/2008 @ 3.189580%	4,603,734.85
Net PV Savings	112,382.70
Percentage savings of refunded bonds	2.616594%
Percentage savings of refunding bonds	2.616594%