



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: June 16, 2014

AGENDA ITEM: Consider Approval of Budget Amendment Related to Bond Refunding

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:

- Per Board Policy CE (Local), the Board of Trustees shall amend the budget when a change is made increasing any one of the functional spending categories or increasing revenue object accounts or other resources.

ADMINISTRATIVE CONSIDERATIONS:

- In accordance with Board Policy CE (Local), the budget amendments/transfers itemized on the following page are presented for your review and consideration.
- These budget amendments/transfers are necessary so the District's accounting records will reflect the bond refunding sale the District recently completed.
- The bond refunding sale lowered the interest rate paid on a portion of the District's outstanding debt from 5.10% to 3.07%. This lower interest rate resulted in total savings of \$1,866,979 over the life of the bonds. These savings are net of all costs.

FISCAL NOTE:

The budget amendments/transfers presented increase the Debt Service Fund revenues and expenditures in the amount of \$9,947,568.

ADMINISTRATIVE RECOMMENDATION:

The Administration recommends the Board of Trustees approve the 2013-2014 Debt Service Fund budget amendments/transfers as presented on the following page.

**ALEDO INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND
2013-2014 CROSS-FUNCTION BUDGET AMENDMENTS
As of June 16, 2014**

REVENUES

<u>Function/Description</u>	<u>Original Budget</u>	<u>Amended Budget October 21, 2013</u>	<u>Amendments</u>	<u>Amended Budget June 16, 2014</u>
57 Local Revenues	\$ 7,995,508	\$ 6,421,345	\$ -	\$ 6,421,345
79 Other Resources - Sale of Refunding Bonds	-	-	9,947,568	9,947,568
79 Other Resources - Transfer In from General Fund	1,601,105	3,175,268	-	3,175,268
Total Revenues	\$ 9,596,613	\$ 9,596,613	\$ 9,947,568	\$ 19,544,181

APPROPRIATIONS

<u>Function/Description</u>	<u>Original Budget</u>	<u>Amended Budget October 21, 2013</u>	<u>Amendments</u>	<u>Amended Budget June 16, 2014</u>
71 Bond Principal	\$ 2,410,398	\$ 2,410,398	\$ 1,535,000	\$ 3,945,398
71 Bond Interest	7,036,215	7,036,215	(1,535,000)	5,501,215
71 Debt Service Fees	150,000	150,000	150,826	300,826
00 Other Uses - Pmt to Bond Refunding Escrow	-	-	9,796,742	9,796,742
Total Appropriations	\$ 9,596,613	\$ 9,596,613	\$ 9,947,568	\$ 19,544,181