

# GAINESVILLE INDEPENDENT SCHOOL DISTRICT

## Facilities Planning Committee Presentation

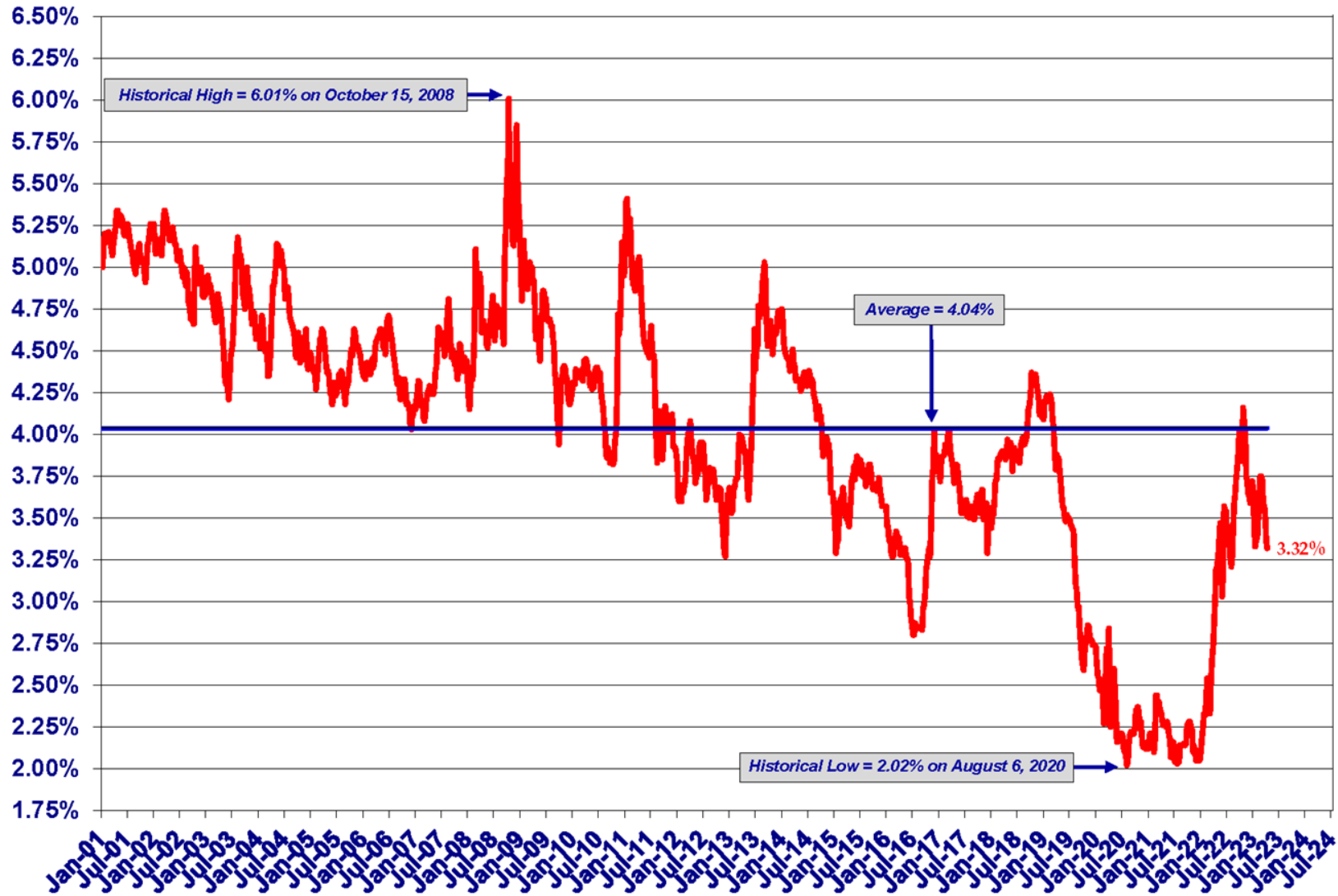
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April 18, 2023



# BOND BUYERS INDEX OF MUNICIPAL BONDS

January 2001 - April 2023



# Bond Election History

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<u>Date</u>	<u>Amount</u>	<u>Vote Count</u>		<u>Result</u>	<u>Amount Issued</u>
		<u>For</u>	<u>Against</u>		
November 2, 2021	\$70,000,000	484	1,097	Fail	N/A
November 19, 2005	\$29,500,000	1,151	1,001	Pass	\$29,500,000
May 3, 2003	\$22,200,000	808	1,371	Fail	N/A
	\$ 4,200,000	650	1,391	Fail	N/A
February 22, 2003	\$29,900,000	1,101	1,428	Fail	N/A

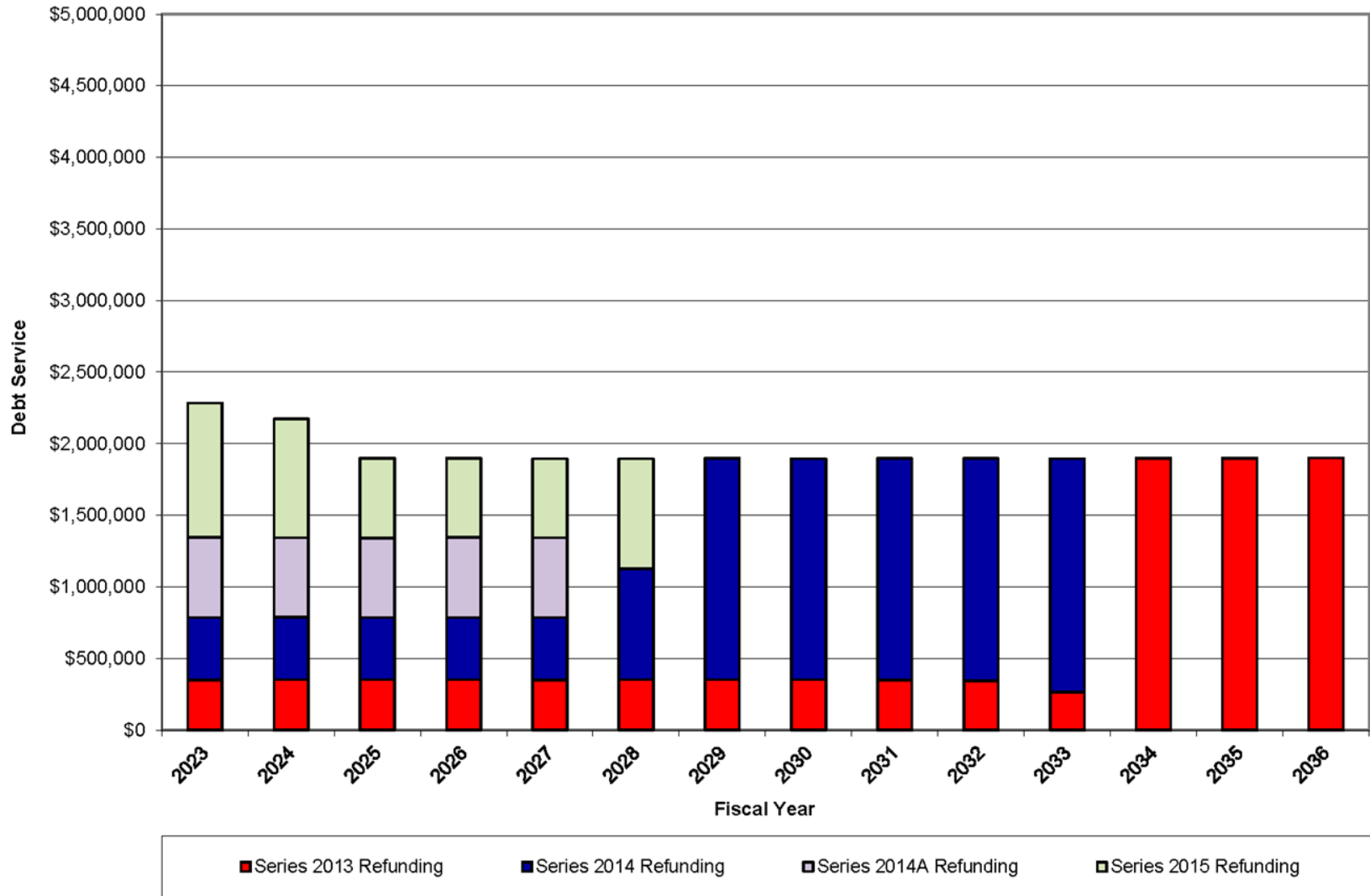
*Source: Municipal Advisory Council of Texas*

# Historical Refunding Results

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- Series 2008 Refunding Bonds
    - Total Interest Cost Savings of \$171,951
  - 2012 Modification Agreement with First State Bank of Gainesville
    - Additional Interest Cost Savings of \$290,403
  - Series 2013 Refunding Bonds
    - Total Interest Cost Savings of \$2,390,256
  - Series 2014 Refunding Bonds
    - Total Interest Cost Savings of \$2,218,989
  - Series 2014A Refunding Bonds
    - Total Interest Cost Savings of \$1,033,444 (Includes \$300,000 Cash Contribution for Principal Payoff)
  - Series 2015 Refunding Bonds
    - Total Interest Cost Savings of \$1,806,788
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- Combined Refunding Results Over the Past 15 Years
    - Total Interest Cost Savings of \$7,911,831

**GAINESVILLE INDEPENDENT SCHOOL DISTRICT**  
**Outstanding Voted Bond Debt Service**



# Taxable Value History

(1)	(2)	(3)	(4)	(5)	(6)
Fiscal Year Ending (August 31)	Net Taxable Value	Taxable Value Change (\$)	Taxable Value Change (%)	5-Year Average	10-Year Average
2005/06	\$ 659,689,282				
2006/07	\$ 712,111,335	\$ 52,422,053	7.95%		
2007/08	\$ 781,858,084	\$ 69,746,749	9.79%		
2008/09	\$ 876,560,055	\$ 94,701,971	12.11%		
2009/10	\$ 929,654,159	\$ 53,094,104	6.06%		
2010/11	\$ 880,040,320	\$ (49,613,839)	-5.34%		
2011/12	\$ 879,931,056	\$ (109,264)	-0.01%		
2012/13	\$ 932,913,734	\$ 52,982,678	6.02%	3.77%	
2013/14	\$ 985,248,691	\$ 52,334,957	5.61%		
2014/15	\$ 1,003,845,159	\$ 18,596,468	1.89%		
2015/16	\$ 979,264,228	\$ (24,580,931)	-2.45%		
2016/17	\$ 992,504,161	\$ 13,239,933	1.35%		
2017/18	\$ 1,013,913,635	\$ 21,409,474	2.16%	1.71%	2.74%
2018/19	\$ 1,131,197,771	\$ 117,284,136	11.57%		
2019/20	\$ 1,263,840,498	\$ 132,642,727	11.73%		
2020/21	\$ 1,367,258,319	\$ 103,417,821	8.18%		
2021/22	\$ 1,473,692,827	\$ 106,434,508	7.78%		
2022/23	\$ 1,703,306,654	\$ 229,613,827	15.58%	10.97%	6.34%

# Tax Rate & Fund Balance History

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Fiscal Year Ending (August 31)	M&O Tax Rate	I&S Tax Rate	Total Tax Rate	I&S Fund Balance	General Fund Balance	% of Exp
2005/06	\$ 1.5000	\$ 0.0550	\$ 1.5550	\$ 41,837	\$ 5,857,880	27%
2006/07	\$ 1.3700	\$ 0.3383	\$ 1.7083	\$ 257,449	\$ 6,268,402	29%
2007/08	\$ 1.0400	\$ 0.2454	\$ 1.2854	\$ 312,955	\$ 5,484,074	26%
2008/09	\$ 1.0400	\$ 0.2353	\$ 1.2753	\$ 248,293	\$ 5,558,701	28%
2009/10	\$ 1.0400	\$ 0.2353	\$ 1.2753	\$ 49,641	\$ 3,902,019	17%
2010/11	\$ 1.0400	\$ 0.2353	\$ 1.2753	\$ 7,734	\$ 3,348,300	17%
2011/12	\$ 1.0400	\$ 0.2943	\$ 1.3343	\$ 272,914	\$ 4,780,391	26%
2012/13	\$ 1.0400	\$ 0.2678	\$ 1.3078	\$ 522,879	\$ 8,356,862	41%
2013/14	\$ 1.0400	\$ 0.2500	\$ 1.2900	\$ 710,400	\$ 9,217,246	45%
2014/15	\$ 1.0400	\$ 0.2400	\$ 1.2800	\$ 477,805	\$ 11,954,955	59%
2015/16	\$ 1.0400	\$ 0.2400	\$ 1.2800	\$ 676,432	\$ 11,919,201	49%
2016/17	\$ 1.1700	\$ 0.1100	\$ 1.2800	\$ 657,061	\$ 8,028,710	27%
2017/18	\$ 1.1700	\$ 0.1100	\$ 1.2800	\$ 700,021	\$ 10,825,142	43%
2018/19	\$ 1.1700	\$ 0.1000	\$ 1.2700	\$ 633,565	\$ 15,619,093	60%
2019/20	\$ 1.0684	\$ 0.0800	\$ 1.1484	\$ 481,929	\$ 14,990,244	48%
2020/21	\$ 1.0216	\$ 0.0800	\$ 1.1016	\$ 389,600	\$ 17,640,019	62%
2021/22	\$ 0.9820	\$ 0.0800	\$ 1.0620	\$ 429,635	\$ 22,543,087	84%
2022/23	\$ 0.9429	\$ 0.0800	\$ 1.0229			

# Recent Bond Ratings

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- **Aaa** based on the Permanent School Fund Guarantee
- **Aa3** Underlying Credit Rating Assigned by Moody's Investor Services  
(Upgraded from A1 to Aa3 March 3<sup>rd</sup>, 2021)
- Analysts Cite:
  - Strong Financial Performance
  - Enrollment Growth
  - Low Leverage
  - Below Average Resident Incomes



# Current Bond Rating Comparison

District	S&P Rating	Moody's Rating
Gainesville ISD		Aa3
Farmersville ISD		Aa3
Van Alstyne ISD		Aa3
Bridgeport ISD <sup>(1)</sup>	AA-	
Krum ISD	AA-	
Wichita Falls ISD	AA-	
Burkburnett ISD	A+	
Callisburg ISD	A+	
Valley View ISD	A+	
Era ISD	A+	
Sanger ISD		A1
Aubrey ISD	A+	A2
Lindsay ISD <sup>(2)</sup>	No Outstanding Debt	No Outstanding Debt
Sivells Bend ISD	No Outstanding Debt	No Outstanding Debt

(1) Upcoming May 6, 2023 Bond Election in the amount of \$185,000,000 for a 29.33¢ I&S Tax Rate Increase.

(2) Upcoming May 6, 2023 Bond Election in the amount of \$ 15,800,000 for a 27.00¢ I&S Tax Rate Increase.

# Current Tax Rate Comparison

District	M&O Tax Rate	I&S Tax Rate	Total Tax Rate
Sivells Bend ISD	\$0.8546	\$0.0000	\$0.8546
Lindsay ISD <sup>(1)</sup>	\$0.9380	\$0.0000	\$0.9380
Callisburg ISD	\$0.8546	\$0.0985	\$0.9531
<b>Gainesville ISD</b>	<b>\$0.9429</b>	<b>\$0.0800</b>	<b>\$1.0229</b>
Era ISD	\$0.8546	\$0.1700	\$1.0246
Bridgeport ISD <sup>(2)</sup>	\$0.8546	\$0.2066	\$1.0612
Valley View ISD	\$0.9096	\$0.1745	\$1.0841
Farmersville ISD	\$0.9429	\$0.3458	\$1.2887
Wichita Falls ISD	\$0.8715	\$0.4250	\$1.2965
Burkburnett ISD	\$0.9969	\$0.3431	\$1.3400
Van Alstyne ISD	\$0.9105	\$0.5000	\$1.4105
Sanger ISD	\$0.9346	\$0.4760	\$1.4106
Krum ISD	\$0.9429	\$0.4746	\$1.4175
Aubrey ISD	\$0.9429	\$0.5000	\$1.4429

(1) Upcoming May 6, 2023 Bond Election in the amount of \$ 15,800,000 for a 27.00¢ I&S Tax Rate Increase.

(2) Upcoming May 6, 2023 Bond Election in the amount of \$185,000,000 for a 29.33¢ I&S Tax Rate Increase.

# Preliminary Bond Program Analysis

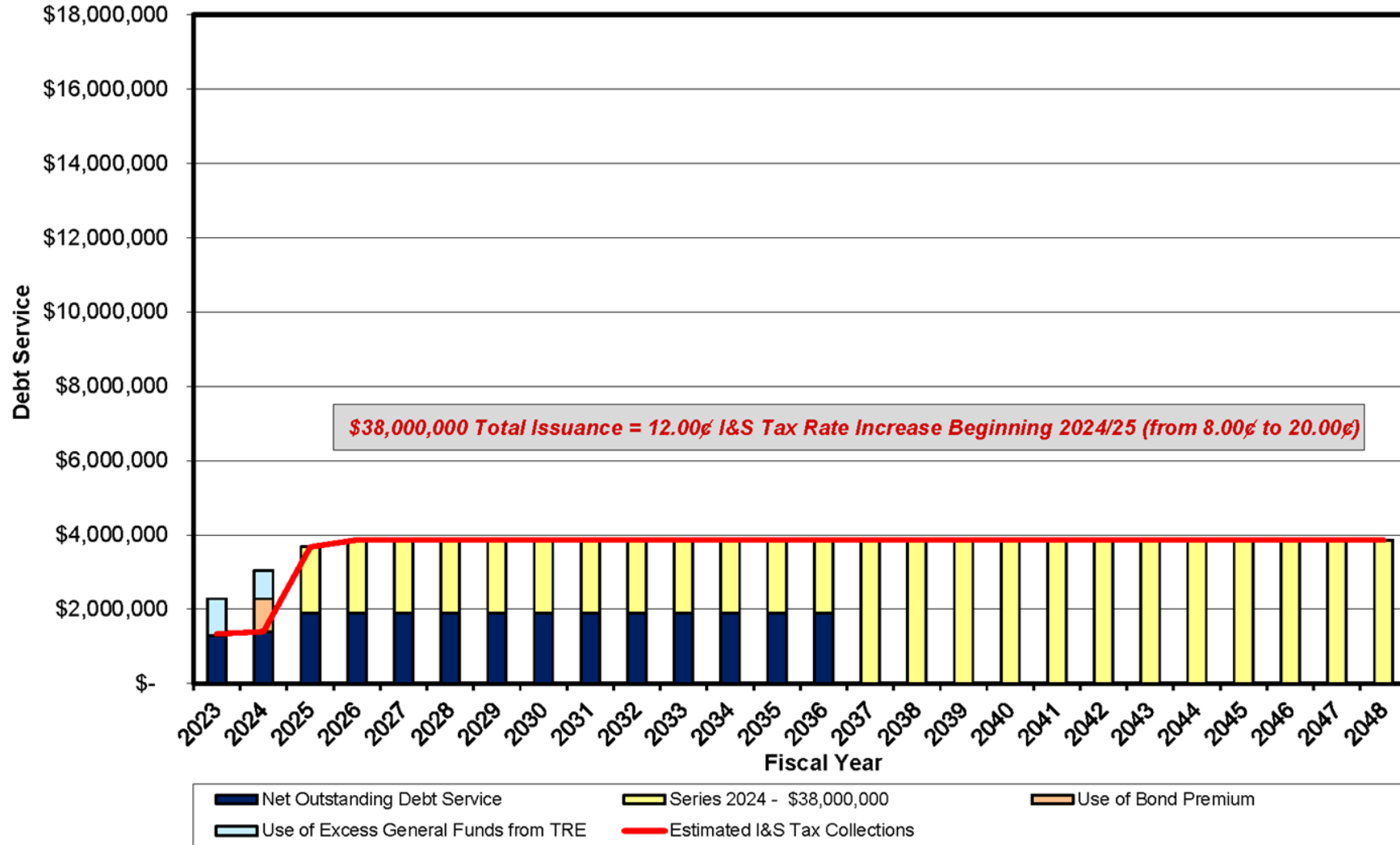
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## Summary of Parameters:

Bond Election:	Assumed to be November 2023.
Issuance Date:	Assumed to be February 2024.
Amortization:	Assumed to be 25 Years with 10-Year Optional Early Redemption.
Interest Rate:	Assumed to be 4.50%.
Taxable Value:	Assumed to be \$1,703,306,654 in 2022/23.
Taxable Value Growth:	Assumed Growth of 5.00% for 3 Years Beginning in 2023/24.
Collection Percentage:	Assumed to be 98%.
Use of General Funds:	Assumed No Use of Excess General Funds.
Use of I&S Funds:	Assumed No Use of Existing I&S Fund Balance.
2023/24 I&S Tax Rate:	Assumed to Remain at Current Rate of 8¢.

# GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Scenario 1: \$38,000,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years



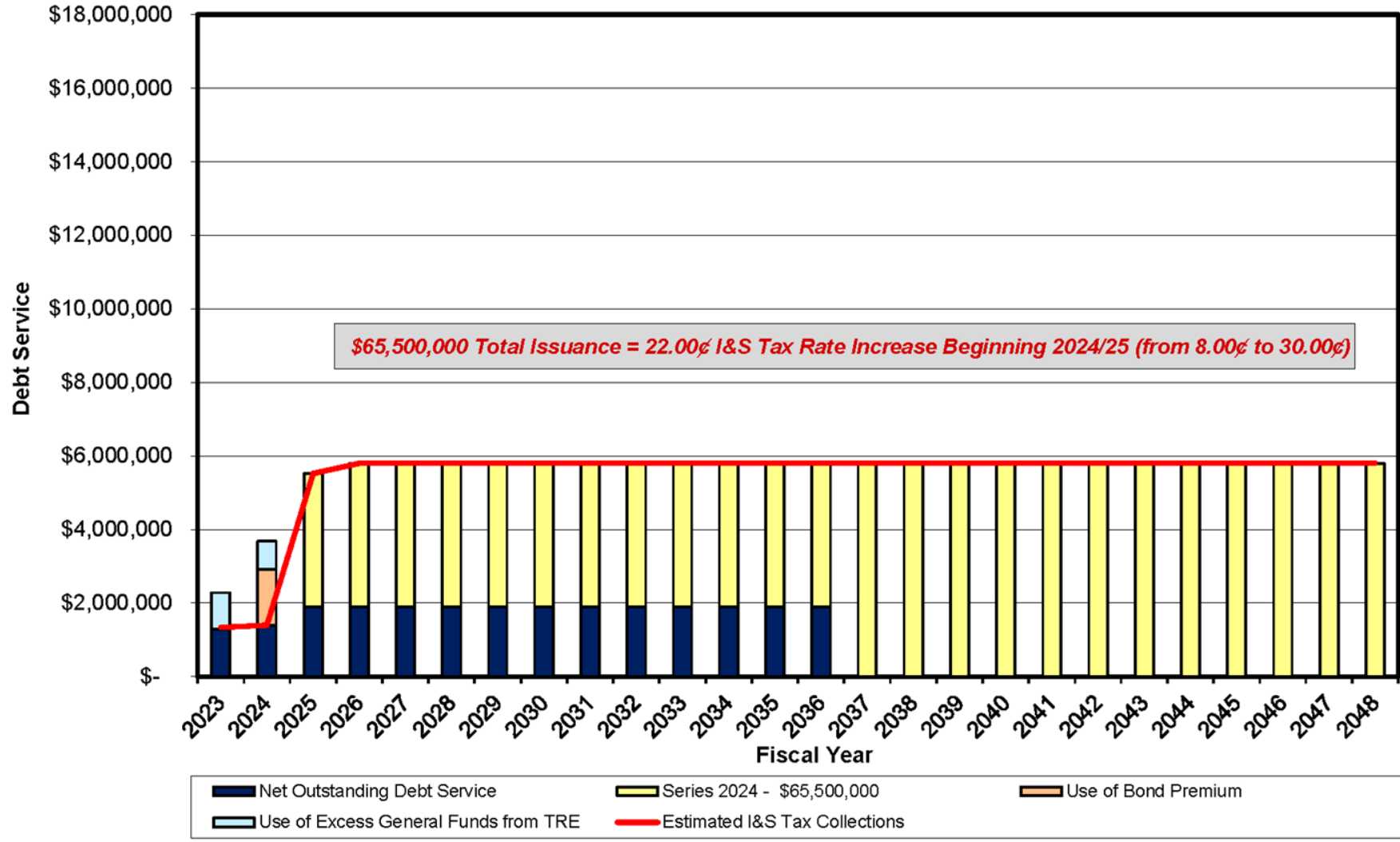
# Tax Impact – Residential Home

**Scenario 1: \$38,000,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years**

<b>Projected Cost to Homeowner for a 12.0¢ Increase for Voted Bonds</b>			
Home Value Before Exemptions	Home Value After \$40,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$10,000	\$12.00	\$1.00
100,000	60,000	72.00	6.00
150,000	110,000	132.00	11.00
200,000	160,000	192.00	16.00
<b>220,516</b>	<b>180,516</b>	<b>216.62</b>	<b>18.05</b>
300,000	260,000	312.00	26.00
350,000	310,000	372.00	31.00
400,000	360,000	432.00	36.00
450,000	410,000	492.00	41.00
500,000	460,000	552.00	46.00
<p><b>No Tax Increase above the frozen level on the Homestead of Taxpayers 65 years of age and older who have applied for and received the Age 65 Freeze</b></p>			

# GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Scenario 2: \$65,500,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years



# Tax Impact – Residential Home

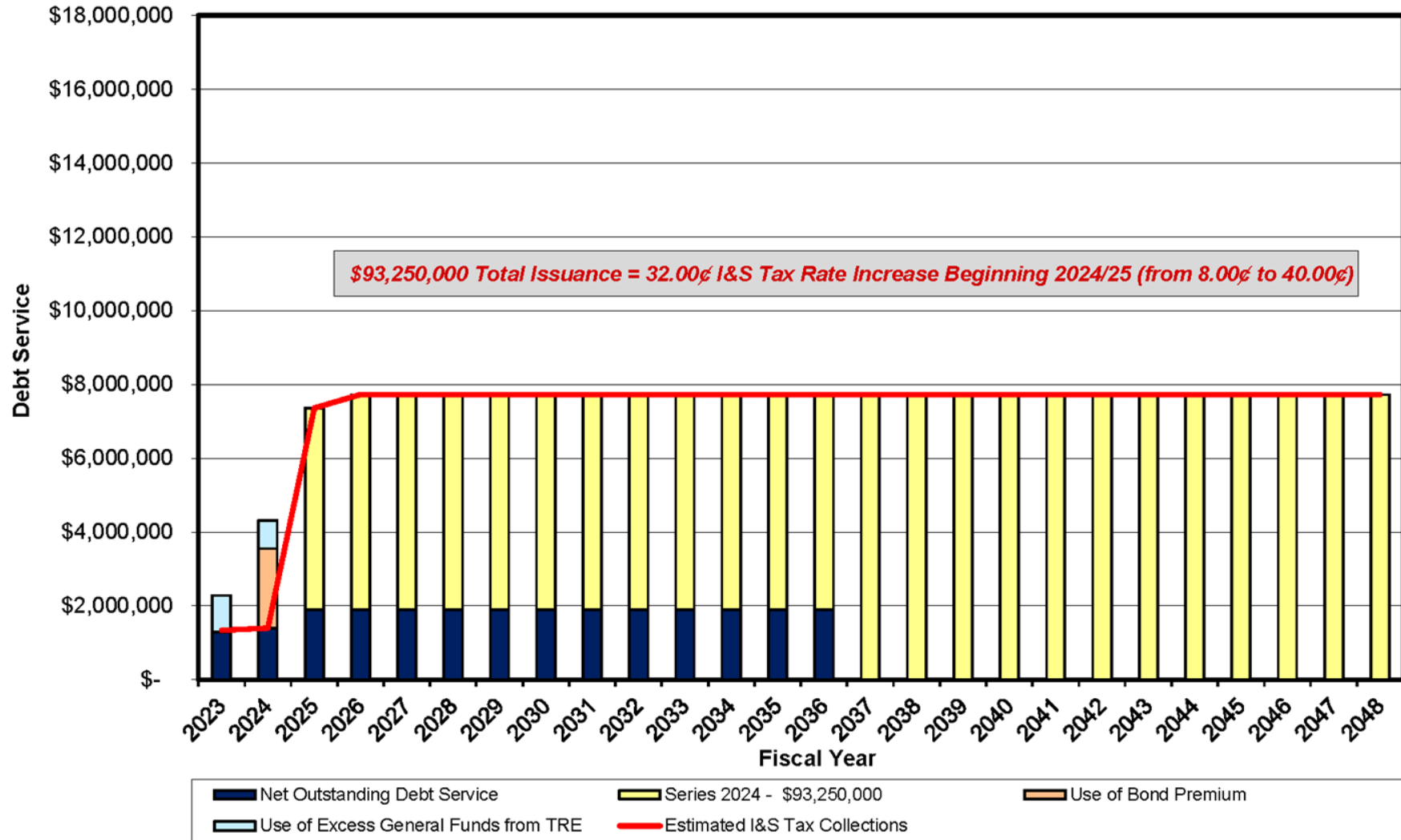
**Scenario 2: \$65,500,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years**

<b>Projected Cost to Homeowner for a 22.0¢ Increase for Voted Bonds</b>			
Home Value Before Exemptions	Home Value After \$40,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$10,000	\$22.00	\$1.83
100,000	60,000	132.00	11.00
150,000	110,000	242.00	20.17
200,000	160,000	352.00	29.33
<b>220,516</b>	<b>180,516</b>	<b>397.14</b>	<b>33.09</b>
300,000	260,000	572.00	47.67
350,000	310,000	682.00	56.83
400,000	360,000	792.00	66.00
450,000	410,000	902.00	75.17
500,000	460,000	1,012.00	84.33

**No Tax Increase above the frozen level  
on the Homestead of Taxpayers 65 years of age and older  
who have applied for and received the Age 65 Freeze**

## GAINESVILLE INDEPENDENT SCHOOL DISTRICT

**Scenario 3: \$93,250,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years**





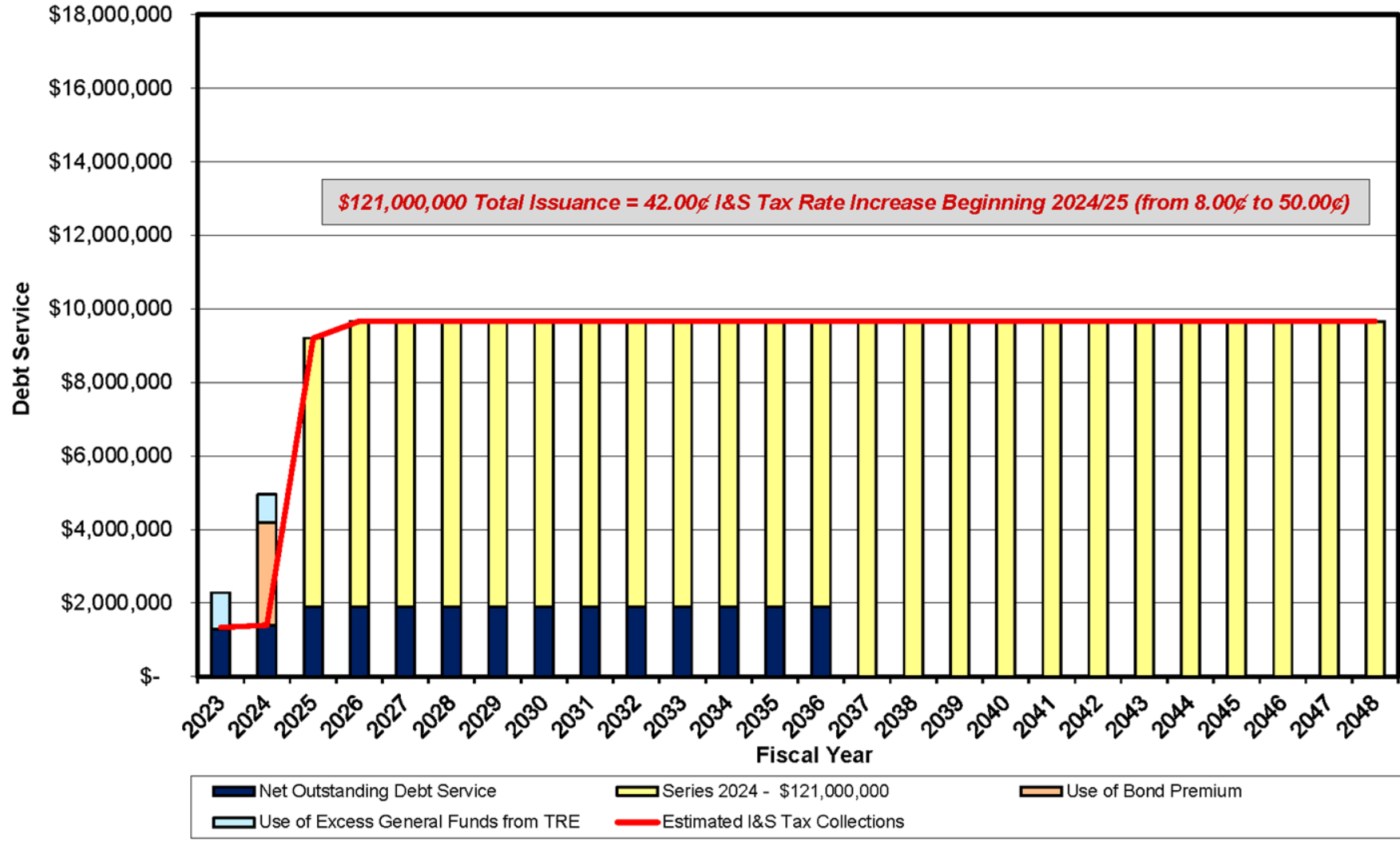
# Tax Impact – Residential Home

**Scenario 3: \$93,250,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years**

<b>Projected Cost to Homeowner for a 32.0¢ Increase for Voted Bonds</b>			
Home Value Before Exemptions	Home Value After \$40,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$10,000	\$32.00	\$2.67
100,000	60,000	192.00	16.00
150,000	110,000	352.00	29.33
200,000	160,000	512.00	42.67
<b>220,516</b>	<b>180,516</b>	<b>577.65</b>	<b>48.14</b>
300,000	260,000	832.00	69.33
350,000	310,000	992.00	82.67
400,000	360,000	1,152.00	96.00
450,000	410,000	1,312.00	109.33
500,000	460,000	1,472.00	122.67
<p><b>No Tax Increase above the frozen level on the Homestead of Taxpayers 65 years of age and older who have applied for and received the Age 65 Freeze</b></p>			

# GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Scenario 4: \$121,000,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years



# Tax Impact – Residential Home

**Scenario 4: \$121,000,000 Assuming Taxable Value Growth of 5.00% Per Year for 3 Years**

<b>Projected Cost to Homeowner for a 42.0¢ Increase for Voted Bonds</b>			
Home Value Before Exemptions	Home Value After \$40,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$10,000	\$42.00	\$3.50
100,000	60,000	252.00	21.00
150,000	110,000	462.00	38.50
200,000	160,000	672.00	56.00
<b>220,516</b>	<b>180,516</b>	<b>758.17</b>	<b>63.18</b>
300,000	260,000	1,092.00	91.00
350,000	310,000	1,302.00	108.50
400,000	360,000	1,512.00	126.00
450,000	410,000	1,722.00	143.50
500,000	460,000	1,932.00	161.00
<b>No Tax Increase above the frozen level on the Homestead of Taxpayers 65 years of age and older who have applied for and received the Age 65 Freeze</b>			

# Texas School Bond Elections

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- 2022 – 199 Elections (\$32,107,528,361 Dollar Volume)
  - 115 Passed All or Some Propositions (58%)
  - 84 Failed All Propositions (42%)
- 2021 – 128 Elections (\$15,807,216,543 Dollar Volume)
  - 94 Passed All or Some Propositions (73%)
  - 34 Failed All Propositions (27%)
- 2020 – 39 Elections (\$9,288,061,214 Dollar Volume)
  - 31 Passed All or Some Propositions (79%)
  - 8 Failed All Propositions (21%)
- 2019 – 125 Elections (\$15,527,404,135 Dollar Volume)
  - 98 Passed (78%)
  - 27 Failed (22%)
- 2018 – 104 Elections (\$11,026,121,959 Dollar Volume)
  - 86 Passed (83%)
  - 18 Failed (17%)

# Required Propositions & Ballot Language

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- Stadium with seating for more than 1,000
  - Natatorium
  - Another Recreational Facility other than a gym, playground or play area
  - Performing Arts Facility
  - Housing for Teachers
  - Technology Equipment other than security or infrastructure
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- Ballot Required to State “This is a Tax Increase”

# Bond Election Timing

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- November 7, 2023
  - Board Action to Call for the Bond Election
    - On or Before August 21<sup>st</sup>
  - Early Voting
    - October 23<sup>rd</sup> through November 3<sup>rd</sup>
  - Bond Election
    - November 7, 2023
  - Canvass Bond Election Results
    - November 10<sup>th</sup> to November 20<sup>th</sup>
  - 30-Day Contest Period
    - 30 Days from the date the Board Canvasses the Bond Election Results
  - Sell the Bonds
    - Early February to Mid-March