

GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Facilities Steering Committee Presentation

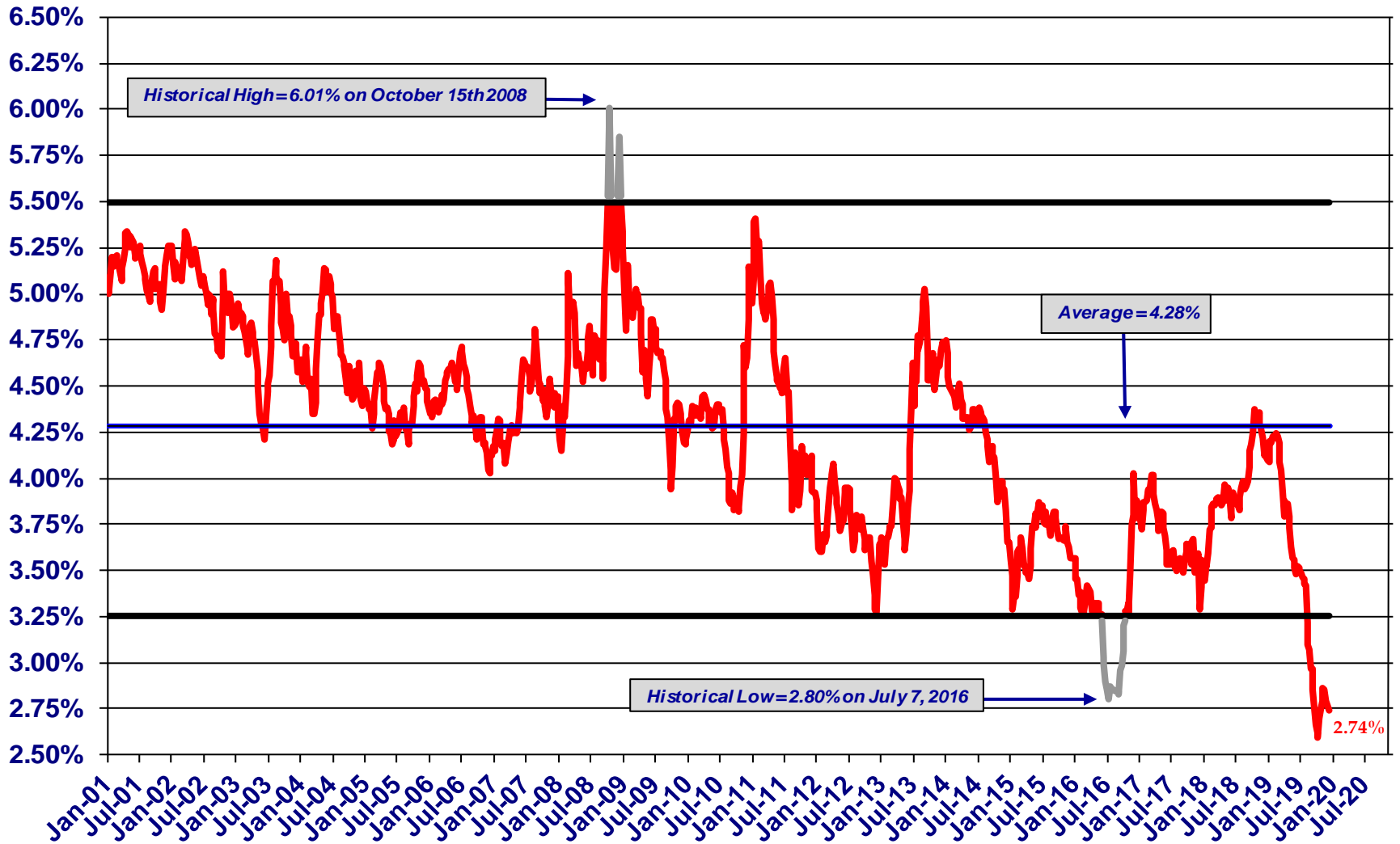
December 18, 2019



BOND MARKET UPDATE

BOND BUYERS INDEX OF MUNICIPAL BONDS

January 2001 - December 2019



**OUTSTANDING DEBT SERVICE
&
HISTORICAL STATISTICS**

Bond Election History

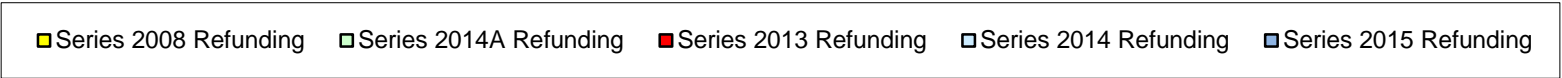
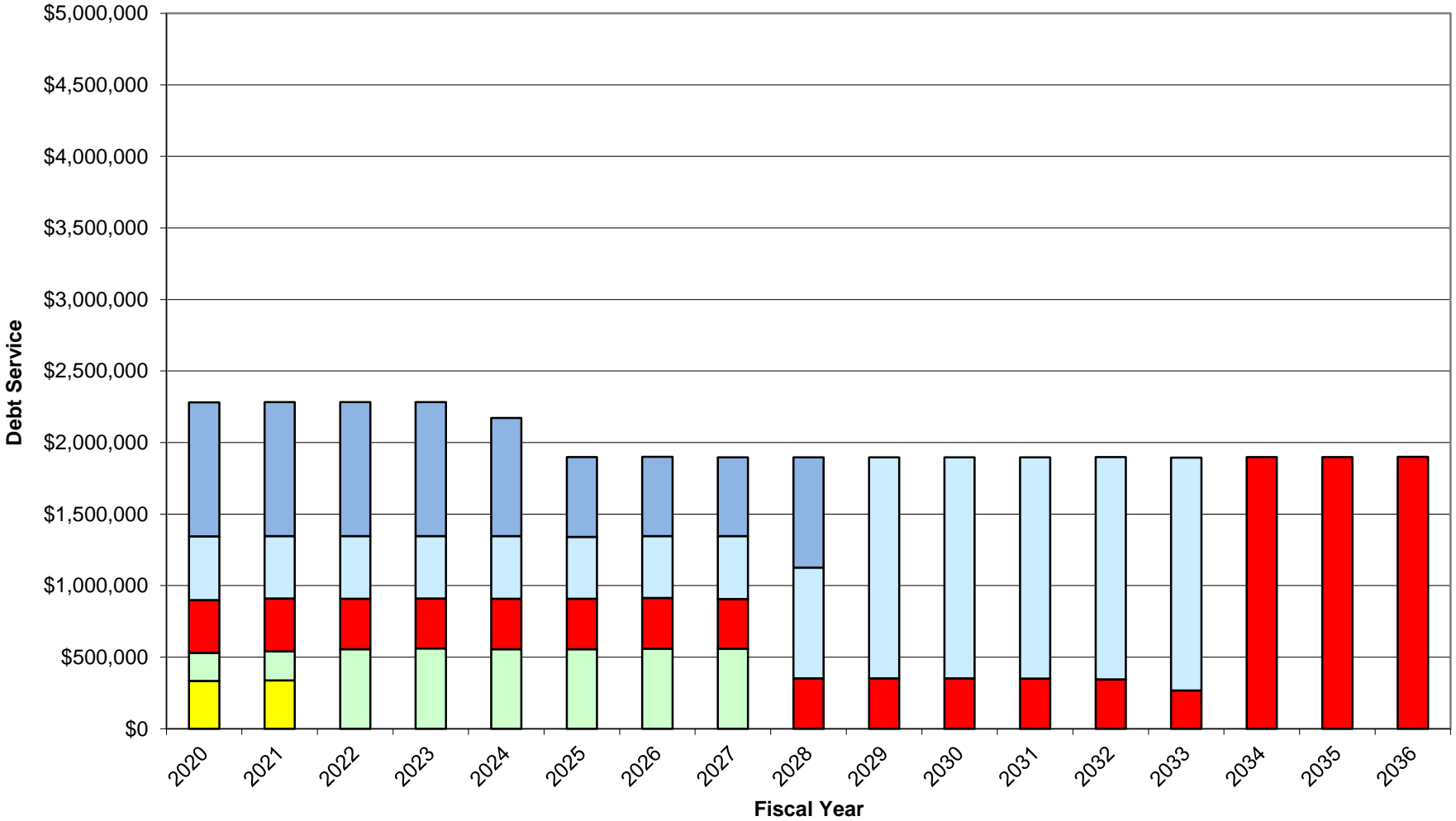
<u>Date</u>	<u>Amount</u>	<u>Vote Count</u>		<u>Result</u>	<u>Amount Issued</u>
		<u>For</u>	<u>Against</u>		
November 19, 2005	\$29,500,000	1,151	1,001	Pass	\$29,500,000
May 3, 2003	\$22,200,000	808	1,371	Fail	\$0
	\$ 4,200,000	650	1,391	Fail	\$0
February 22, 2003	\$29,900,000	1,101	1,428	Fail	\$0

Source: Municipal Advisory Council of Texas

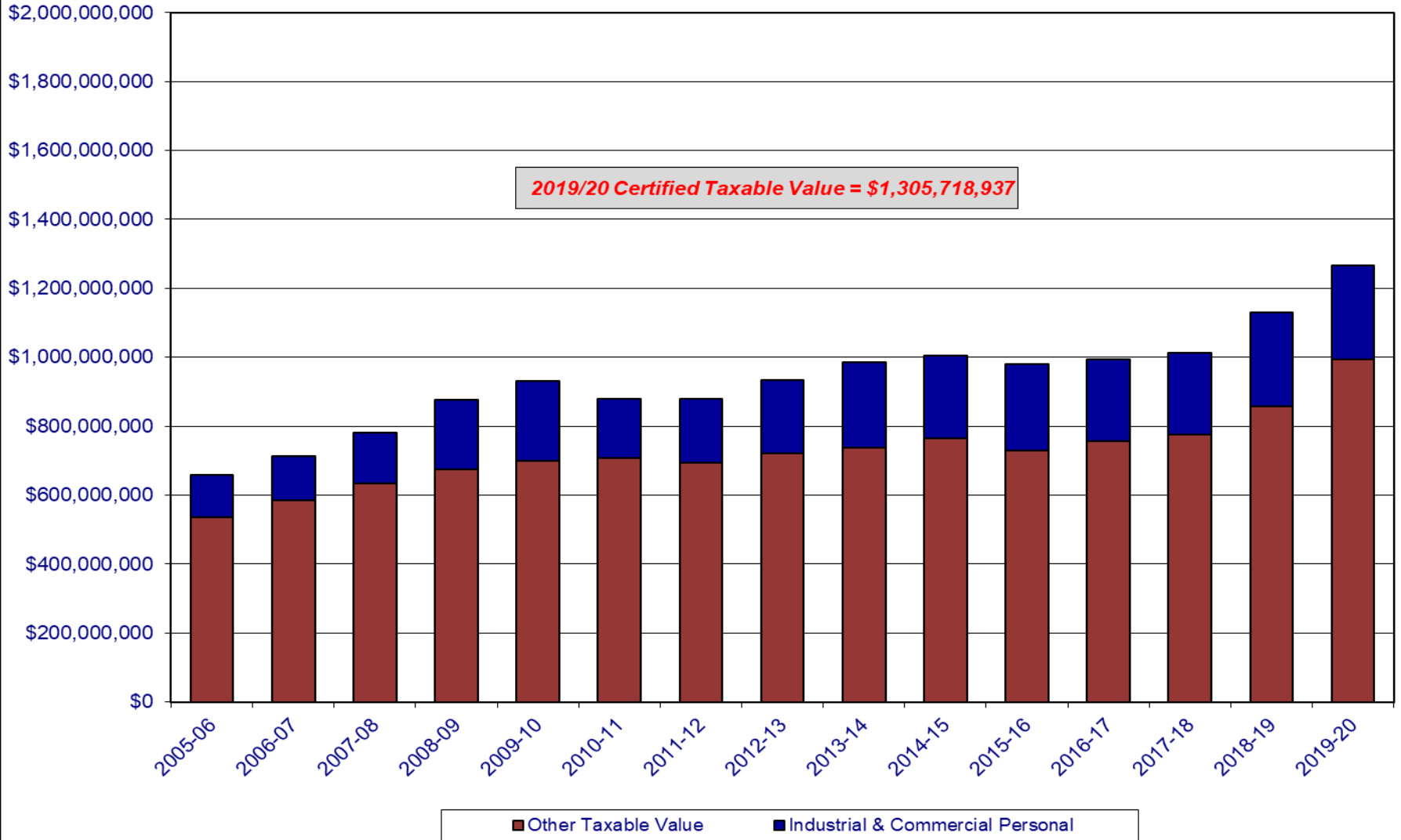
Historical Refunding Results

- **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**
-
- **Combined Refunding Results Over the Past 11 Years**
 - **Total Interest Cost Savings of \$7,911,831**

GAINESVILLE INDEPENDENT SCHOOL DISTRICT
Outstanding Voted Bond Debt Service



Taxable Value History



Tax Rate & Fund Balance History

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Fiscal Year Ending	M&O Tax Rate	I&S Tax Rate	Total Tax Rate	I&S Fund Balance	General Fund Balance	% of Operating Expenditures
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			
2019/20	\$1.0684	\$0.0800	\$1.1484			

BOND POSITION COMPARISON

Current Bond Rating Comparison

District	S&P Rating	Moody's Rating
Bridgeport ISD	AA-	
Krum ISD	AA-	
Pilot Point ISD	AA-	
Ponder ISD	AA-	
Wichita Falls ISD	AA-	
Decatur ISD		Aa3
Argyle ISD		Aa3
Burkburnett ISD	A+	
Jacksboro ISD	A+	
Springtown ISD	A+	A1
Gainesville ISD		A1
Mineral Wells ISD		A1
Aubrey ISD		A1
Lake Worth ISD	A	

Tax Base Per ADA

District	Net Taxable Assessed Value Before Freeze	ADA	Tax Base Per ADA
Mineral Wells ISD	\$ 901,426,801	2,945	\$30.61
Burkburnett ISD	\$ 942,535,898	2,959	\$31.85
Lake Worth ISD	\$1,037,731,935	3,088	\$33.61
Wichita Falls ISD	\$4,766,932,298	12,935	\$36.85
Springtown ISD	\$1,459,663,071	3,245	\$44.98
Gainesville ISD	\$1,305,718,937	2,898	\$45.05
Krum ISD	\$ 967,924,456	1,928	\$50.20
Aubrey ISD	\$1,212,615,500	2,317	\$52.34
Ponder ISD	\$ 791,274,486	1,457	\$54.30
Pilot Point ISD	\$ 903,501,930	1,306	\$69.17
Bridgeport ISD	\$1,453,241,428	1,942	\$74.84
Decatur ISD	\$2,566,187,225	3,228	\$79.49
Jacksboro ISD	\$ 819,202,725	994	\$82.42
Argyle ISD	\$2,485,903,412	2,936	\$84.67

Adjusted Debt to Assessed Value

District	Adjusted Debt To Assessed Value
Bridgeport ISD	1.15%
Wichita Falls ISD	1.58%
Pilot Point ISD	1.63%
Gainesville ISD	2.01%
Ponder ISD	2.05%
Decatur ISD	2.45%
Jacksboro ISD	3.28%
Springtown ISD	3.56%
Krum ISD	3.73%
Burkburnett ISD	3.77%
Mineral Wells ISD	4.74%
Lake Worth ISD	6.41%
Aubrey ISD	7.43%
Argyle ISD	8.07%

Current Tax Rate Comparison

District	M&O Tax Rate	I&S Tax Rate	Total Tax Rate
Gainesville ISD	\$1.0684	\$0.0800	\$1.1484
Wichita Falls ISD	\$0.9700	\$0.1800	\$1.1500
Bridgeport ISD	\$0.9700	\$0.2082	\$1.1782
Decatur ISD	\$0.9700	\$0.2400	\$1.2100
Springtown ISD	\$1.0684	\$0.1800	\$1.2484
Pilot Point ISD	\$1.0684	\$0.2000	\$1.2684
Krum ISD	\$1.0684	\$0.3235	\$1.3918
Mineral Wells ISD	\$1.0684	\$0.3304	\$1.3987
Jacksboro ISD	\$0.9700	\$0.4400	\$1.4100
Burkburnett ISD	\$1.0684	\$0.3716	\$1.4400
Ponder ISD	\$0.9700	\$0.4978	\$1.4678
Argyle ISD	\$1.0230	\$0.4850	\$1.5080
Aubrey ISD	\$1.0684	\$0.5000	\$1.5684
Lake Worth ISD	\$1.0684	\$0.5000	\$1.5684

PRELIMINARY BOND PROGRAM ANALYSIS

Preliminary Bond Program Analysis

Scenario 1: \$29,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Assumptions:

- Bond Election – Assumed to be May 2020
- Issuance Date – Assumed to be August 2020
- Amortization – Not-to-Exceed 25-Years with 10-Year Optional Early Redemption
- Interest Rate – Assumed to be 4.00%
- Collection % – Assumed to be 98%
- Use of Funds – Planned Use of Excess Funds for the Outstanding Bonds

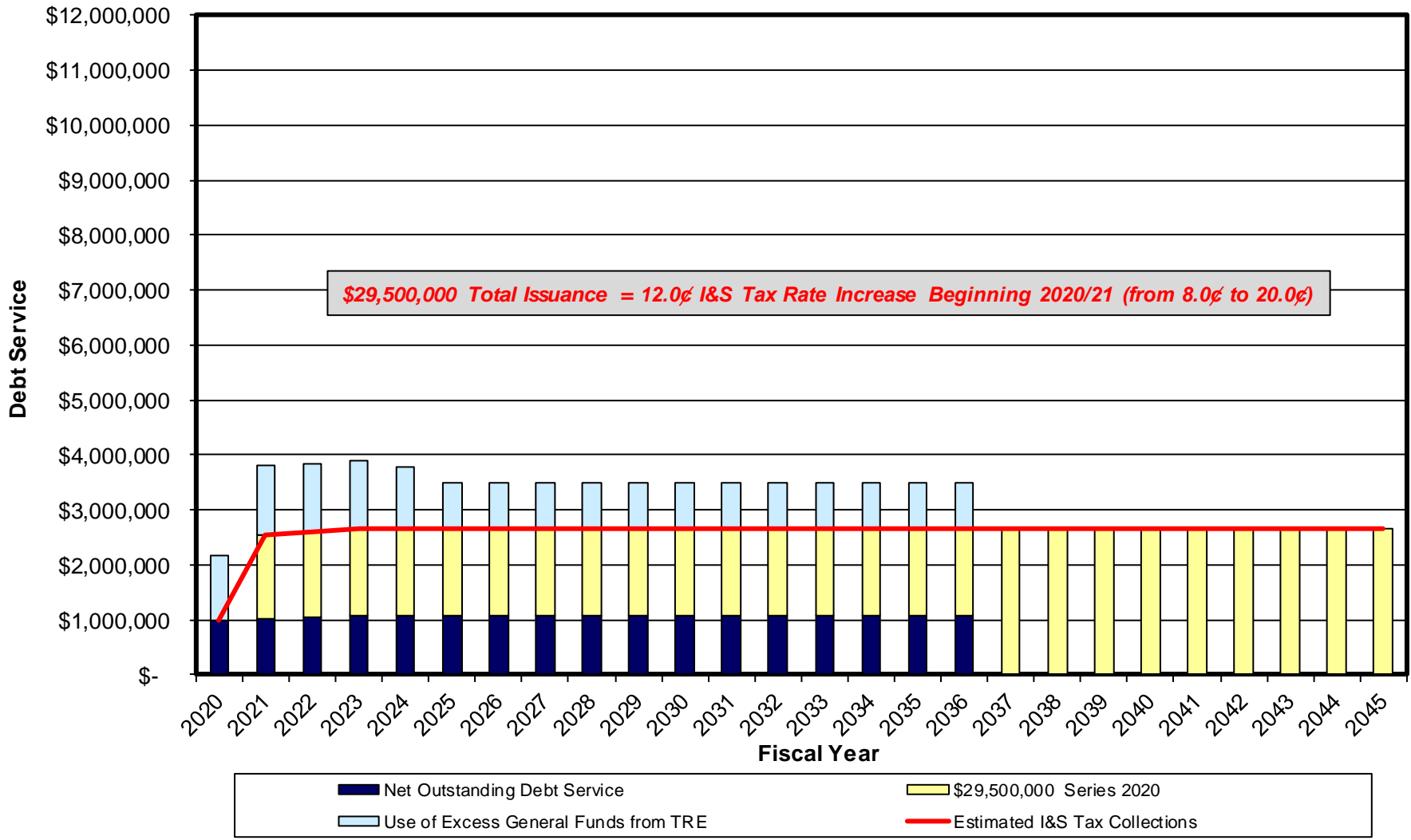
Tax Impact:

\$29,500,000 Total Issuance = 12.0¢ I&S Tax Rate Increase (from 8.0¢ to 20.0¢)

Note: Does Not Include M&O Tax Rate Compression

GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Scenario 1: \$29,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years



Tax Impact – Residential Home

Scenario 1: \$29,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Projected Cost to Homeowner for a 12.0¢ Increase for Voted Bonds			
Home Value Before Exemptions	Home Value After \$25,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$25,000	\$30.00	\$2.50
75,000	50,000	60.00	5.00
100,000	75,000	90.00	7.50
125,000	100,000	120.00	10.00
150,000	125,000	150.00	12.50
175,000	150,000	180.00	15.00
200,000	175,000	210.00	17.50
225,000	200,000	240.00	20.00
250,000	225,000	270.00	22.50

**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**

Preliminary Bond Program Analysis

Scenario 2: \$50,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Assumptions:

- Bond Election – Assumed to be May 2020
- Issuance Date – Assumed to be August 2020
- Amortization – Not-to-Exceed 25-Years with 10-Year Optional Early Redemption
- Interest Rate – Assumed to be 4.00%
- Collection % – Assumed to be 98%
- Use of Funds – Planned Use of Excess Funds for the Outstanding Bonds

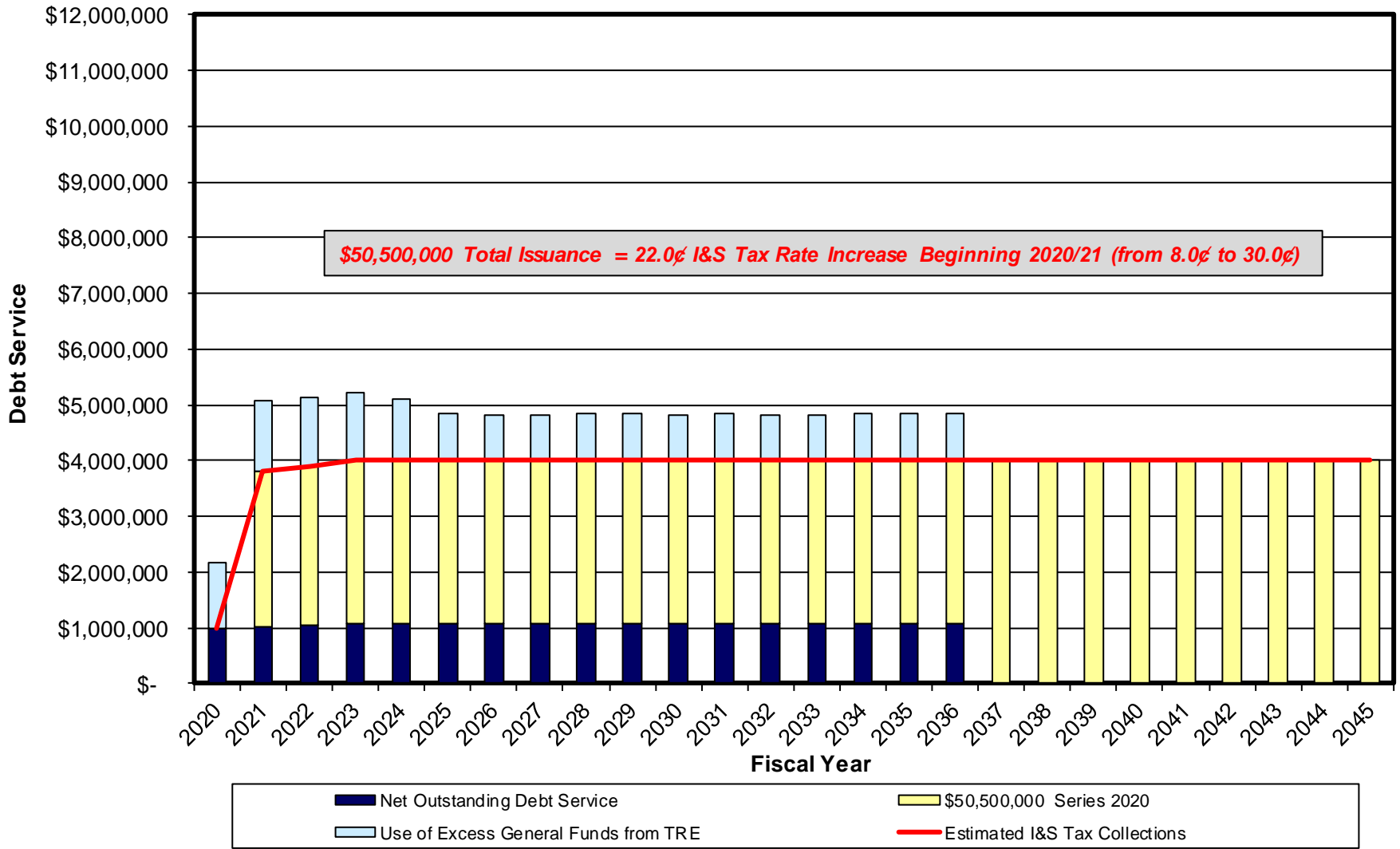
Tax Impact:

\$50,500,000 Total Issuance = 22.0¢ I&S Tax Rate Increase (from 8.0¢ to 30.0¢)

Note: Does Not Include M&O Tax Rate Compression

GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Scenario 2: \$50,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years



Tax Impact – Residential Home

Scenario 2: \$50,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Projected Cost to Homeowner for a 22.0¢ Increase for Voted Bonds			
Home Value Before Exemptions	Home Value After \$25,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$25,000	\$55.00	\$4.58
75,000	50,000	110.00	9.17
100,000	75,000	165.00	13.75
125,000	100,000	220.00	18.33
150,000	125,000	275.00	22.92
175,000	150,000	330.00	27.50
200,000	175,000	385.00	32.08
225,000	200,000	440.00	36.67
250,000	225,000	495.00	41.25

**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**

Preliminary Bond Program Analysis

Scenario 3: \$71,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Assumptions:

- Bond Election – Assumed to be May 2020
- Issuance Date – Assumed to be August 2020
- Amortization – Not-to-Exceed 25-Years with 10-Year Optional Early Redemption
- Interest Rate – Assumed to be 4.00%
- Collection % – Assumed to be 98%
- Use of Funds – Planned Use of Excess Funds for the Outstanding Bonds

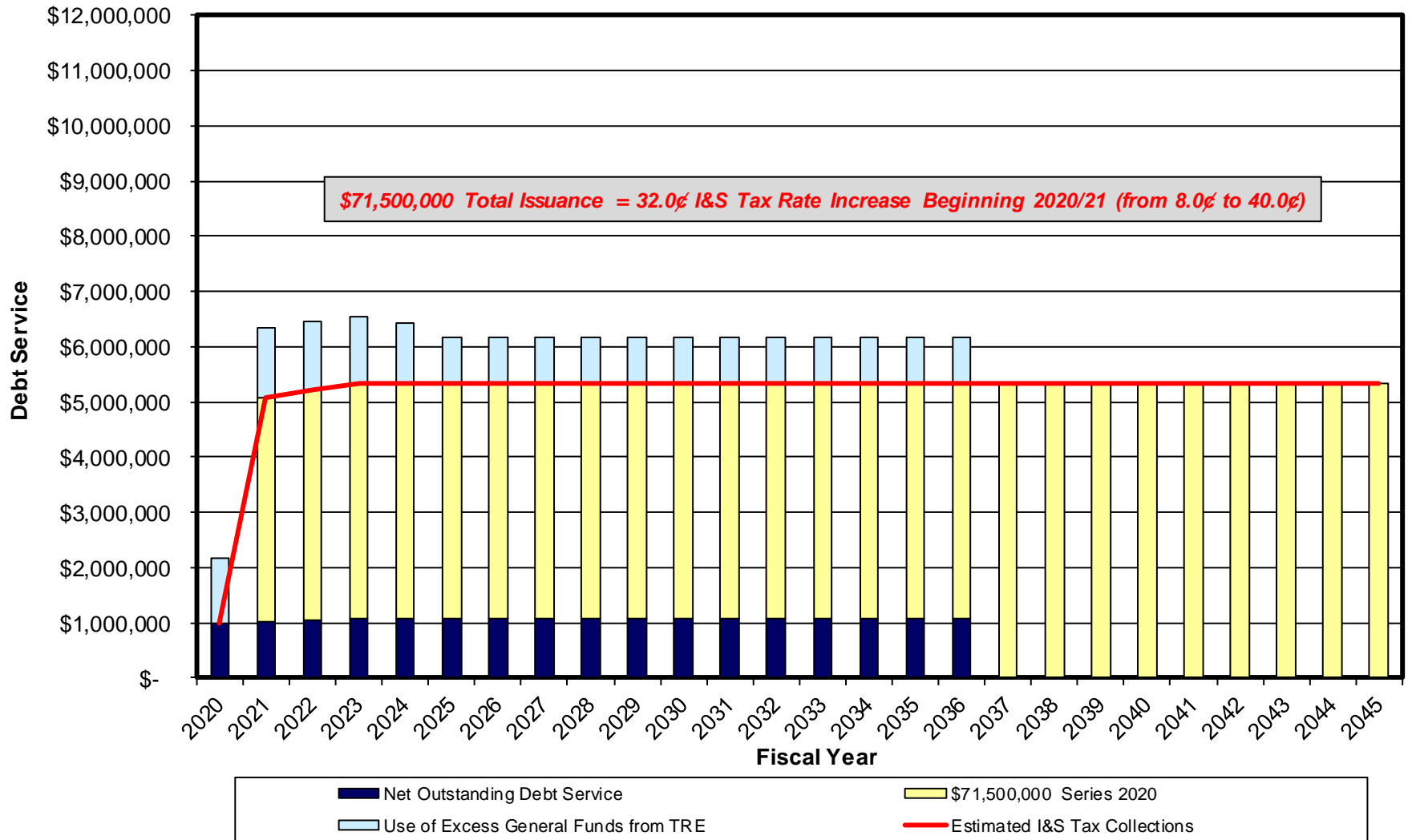
Tax Impact:

\$71,500,000 Total Issuance = 32.0¢ I&S Tax Rate Increase (from 8.0¢ to 40.0¢)

Note: Does Not Include M&O Tax Rate Compression

GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Scenario 3: \$71,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years



Tax Impact – Residential Home

Scenario 3: \$71,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Projected Cost to Homeowner for a 32.0¢ Increase for Voted Bonds			
Home Value Before Exemptions	Home Value After \$25,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$25,000	\$80.00	\$6.67
75,000	50,000	160.00	13.33
100,000	75,000	240.00	20.00
125,000	100,000	320.00	26.67
150,000	125,000	400.00	33.33
175,000	150,000	480.00	40.00
200,000	175,000	560.00	46.67
225,000	200,000	640.00	53.33
250,000	225,000	720.00	60.00

**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**

Preliminary Bond Program Analysis

Scenario 4: \$92,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Assumptions:

- Bond Election – Assumed to be May 2020
- Issuance Date – Assumed to be August 2020
- Amortization – Not-to-Exceed 25-Years with 10-Year Optional Early Redemption
- Interest Rate – Assumed to be 4.00%
- Collection % – Assumed to be 98%
- Use of Funds – Planned Use of Excess Funds for the Outstanding Bonds

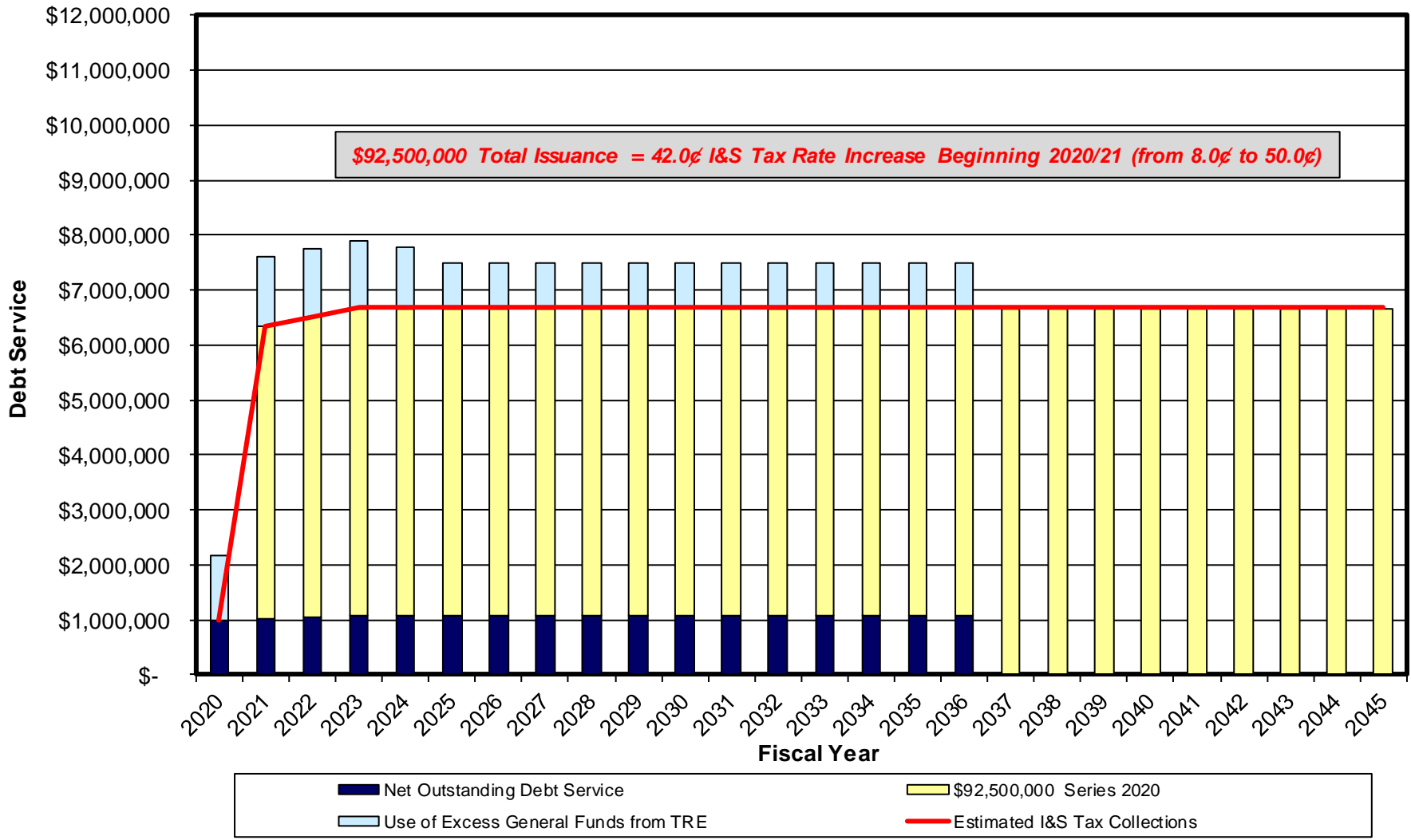
Tax Impact:

\$92,500,000 Total Issuance = 42.0¢ I&S Tax Rate Increase (from 8.0¢ to 50.0¢)

Note: Does Not Include M&O Tax Rate Compression

GAINESVILLE INDEPENDENT SCHOOL DISTRICT

Scenario 4: \$92,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years



Tax Impact – Residential Home

Scenario 4: \$92,500,000 Assuming Taxable Value Growth of 2.50% Per Year for 3 Years

Projected Cost to Homeowner for a 42.0¢ Increase for Voted Bonds			
Home Value Before Exemptions	Home Value After \$25,000 State Exemptions	Projected Annual Tax Increase	Projected Monthly Tax Increase
\$50,000	\$25,000	\$105.00	\$8.75
75,000	50,000	210.00	17.50
100,000	75,000	315.00	26.25
125,000	100,000	420.00	35.00
150,000	125,000	525.00	43.75
175,000	150,000	630.00	52.50
200,000	175,000	735.00	61.25
225,000	200,000	840.00	70.00
250,000	225,000	945.00	78.75
<p>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</p>			

TEXAS SCHOOL FINANCE & BONDS

Texas School Bond Elections

- Since 2010, there have been 1,135 Texas School Bond Elections Representing \$89.1 Billion
- On Average, 113 Texas School Bond Elections Per Year
- On Average, 63% Conducted in May and 37% in November
- On Average, 9 out of 10 were Single Proposition Elections
- On Average, 75% Passed All or Part
 - Low Pass % was 49% in November 2010
 - High Pass % was 89% in November 2015
- 2019 – 125 Bond Elections for \$15.5 Billion (\$12.4 Billion Successful)

Senate Bill 30

- 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

Texas School Finance

- M&O Budget vs I&S Budget
- House Bill 3
- Appraised Values
- Public Finance vs Personal Finance
- Federal Government Debt vs Local School Finance

Bond Election Timing

- May 2, 2020
 - Board Action to Call for the Bond Election
 - On or Before February 14th
 - Early Voting
 - April 20th through April 28th
 - Bond Election
 - May 2, 2020
 - Canvass Bond Election Results
 - May 5th to May 13th
 - 30-Day Contest Period
 - 30 Days from the date the Board Canvasses the Bond Election Results
 - Sell the Bonds
 - Early August to Mid-September