



2023 Facility Advisory Committee

Questions and Answers – As of 04-10-2023

Question #1:

What is the meaning of “Recapture” when it comes to funding and does CCISD have to do this?

Answer:

Recapture refers to funds that are required to be sent back to the state when property tax revenue generated from a school district’s tax base is too high. The state recaptures the funding to redistribute to other school districts, but since Clear Creek ISD is not a recapture district, no funds are recaptured. Recapture typically applies to school districts with high commercial and industrial tax bases, as opposed to school districts whose tax base has a high proportion of residential property.

Question #2:

Can the savings from Bonds 2013 & 2017 Bonds be used?

Answer:

Bond project savings and interest earned on bond funds may be used for purposes authorized by the original bond referendum ballot language. Historically, we have used the following ballot language for our bond elections:

“The issuance of \$XXX,XXX,XXX School Building Bonds for the Construction, Acquisition and Equipment of School Buildings in the District (Including the Rehabilitation, Renovation, Expansion and Improvement Thereof), the Purchase of the Necessary Sites for School Buildings, and the Purchase of New School Buses and Levying of the Tax in Payment Thereof.”

This ballot language allows our Board of Trustees to approve the use of Bond Savings and Interest for pressing capital needs. Savings and Interest for the 2013 and 2017 Bond Programs will be discussed in detail at the April 18th Committee meeting.

Question #3:

Where does the revenue generated by bus advertising go?

Answer:

Advertising revenue is deposited into the Advertising Fund, which is used to fund operating expenses for the C3 Studios Career and Technical Education (CTE) program at Challenger Columbia Stadium. This fund is also used to accumulate funds to replace the Video Board and related control room at Challenger Columbia Stadium based upon its 10-year replacement life cycle. When excess advertising revenue is generated, funds are transferred to the General Fund to offset Marketing Program operating costs.



2023 Facility Advisory Committee
Questions and Answers – As of 04-10-2023

Question #4:

Can the committee get a list of projects that were not funded in prior bond cycles?

Answer:

Yes. The needs assessment presented to, but not recommended by the 2013 and 2017 Facility Advisory Committees will be provided to the committee on April 11th.

Question #5:

What is the difference between the “Debt Service Fund” & Capital Projects Fund”?

Answer:

Capital projects funds are used to pay for capital and other long-term needs. When voters approve a bond referendum, the funds generated by the sale of bonds are deposited into Capital Projects funds and are expended as projects are completed. The Debt Service Fund is used to pay principal and interest on long-term debt. Debt Service property taxes are levied based upon the tax rate set by the Board of Trustees each year.

Question #6:

Does the school district receive the funding for the Bond in one lump sum?

Answer:

We issue bonds based upon the unique cash requirements of each bond program. We cannot logistically complete all approved projects immediately, so they are scheduled to be completed over a 5-year schedule. We are very conservative when investing district funds, so the interest rates we pay on long-term debt are typically higher than our rate of return on investments. This draw schedule ensures “just-in-time” funding of our projects, which keeps the tax rate as low as possible.

Question #7:

Does the school district re-negotiate the Bonds to get lower interest rates?

Answer:

Yes, we periodically re-negotiate and/or restructure bonds to obtain lower interest rates when market conditions are favorable.



2023 Facility Advisory Committee
Questions and Answers – As of 04-10-2023

Question #8:

What was the COVID drop and how did it relate to school district funding?

Answer:

Enrollment and attendance rates decline in 2020 and have fluctuated several times with covid resurgences. It has been sporadic and difficult to pinpoint trends to determine why the students are not returning. School district funding is based upon the Average Daily Attendance, therefore declines in attendance rates result in reduced funding.

Question #9:

Why does the tax rate continue to decrease if we are still paying for bonds?

Answer:

The Debt Service tax rate is established by the Board of Trustees annually and is based upon principal and interest payments required for each year. If the assessed value of the tax base increases due to growth, the tax rate required to generate the necessary funds to cover principal and interest payments is reduced.

Question #10:

How do we determine the priorities of the items listed in the assessment?

Answer:

Priorities are determined based upon standard life cycles, experience, condition, programmatic implications, and impact of items on District and Campus operations.

Question #11:

How do we determine the Life Cycle of items listed? Is there a standard list?

Answer:

Life cycles are developed based upon unique system types, industry standards and district experience. We will present a sample of life cycles at the April 11th Committee meeting.



2023 Facility Advisory Committee
Questions and Answers – As of 04-10-2023

Question #12:

Has the District tried to apply for assistance from the Inflation Reduction Act? Could this be used for these types of projects?

Answer:

We are reviewing this program and its eligibility requirements, and we will determine whether the program could be of benefit.

Question #13:

When looking at the Life Cycle of the item, is depreciation taken into consideration?

Answer:

Life cycles for our building systems and other capital assets are based upon their expected useful life. As systems near the end of their life cycles, the frequency of breakdowns and difficulty obtaining repair parts necessitates replacement to prevent disruption of campus and district operations. Since depreciation is typically defined as the reduction in the value of an asset with the passage of time, mostly due wear and tear, depreciation is factored into our life cycle determination.

Question #14:

Can an email version of the Assessment data be sent out?

Answer:

Yes. An MS Excel version of the assessment databased will be provided to the committee on April 11th.

Question #15:

How is the consensus reached/determined? By table voting, individual voting, etc?

Answer:

We do not vote on issues requiring action, but all issues are fully discussed. CCISD School Policy BQA (Local) states that “For consensus to exist, it is not necessary for every participant to agree in full, but it is necessary for every person to be given the opportunity to be heard and, in the end, for almost all to believe that the decision does not violate his or her convictions.” During the recommendation development meetings in May, we will assign teams to evaluate the information presented and each group will make recommendations for their area to the committee. The recommendations will be discussed, and the committee will attempt to reach consensus.



2023 Facility Advisory Committee
Questions and Answers – As of 04-10-2023

Question #16:

How is the construction cost determined?

Answer:

The estimated cost of facility and construction related assessment items was provided by our Architects and Engineers based upon the cost estimating database. The estimates in their database are determined by recent bids in the Houston area K-12 construction market as of Spring 2022. Cost estimates for other items such as fine arts instruments, buses and technology were based upon information supplied by each individual department.

Question #17:

If we feel that there is a facility need that is not on this assessment, how do we go about adding it to the assessment for Committee consideration?

Answer:

Committee members are encouraged to bring these types of items to the committee for discussion at any time. The committee will discuss and determine whether the items should be added to the assessment and prioritized for inclusion in the committee's recommendation.
