



Annual Report of Certain Financial and Local Debt Information

Fiscal Year Ended June 30, 2023

Denotes Required Information Pursuant to Local Government Code, Section 140.008

This report was posted on the District's website on December __, 2023.



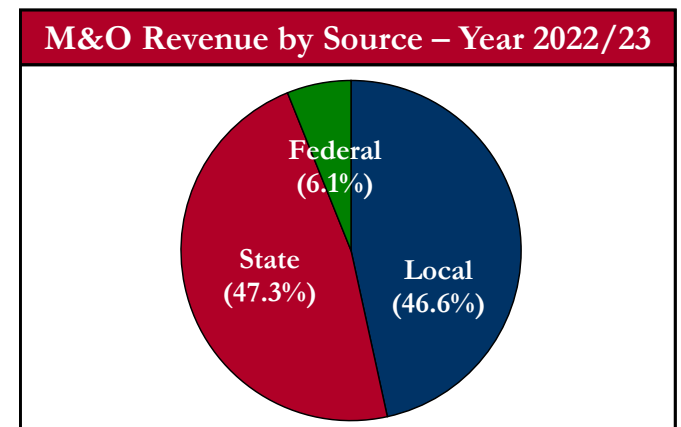
☑ Overview of Certain Financial/Bond Ratings

- ☐ **Overview:** Santa Fe Independent School District (the “District”) has been assigned the following independent financial/bond ratings that indicate the relative strength of the District’s financial and debt management:
 - **School Financial Integrity Rating System of Texas (“FIRST”):** Pursuant to Subchapter D, Chapter 39 of the Texas Education Code, the State annually deploys a financial accountability rating system to distinguish the level of a school district’s financial performance based upon certain uniform criteria.
 - ✓ Based on data for year 2021/22, the District was assigned a 2022/23 FIRST Rating of “B = Above Standard Achievement” and the District’s score was 80 out of a possible 100 points.
 - **Credit Ratings:** The District also maintains independent ratings from certain nationally recognized credit rating agencies, such as S&P Global Ratings and Moody’s Investors Service, Inc., that evaluate the District’s financial strength and its ability to pay its existing bonds.
 - ✓ **S&P Global Ratings:** Assigns a “AA-” credit rating to the District, defined as “Having a very strong capacity to meet its financial commitments. It differs from the highest-rating only to a small degree.”



Overview of State Funding System

- ❑ **State Funding System – Where Do the District’s Revenues Come From:** Santa Fe ISD is legally required to operate pursuant to the requirements of the Texas Education Code. In particular, Chapters 41-45 of the Texas Education Code determine the District’s ability to generate local tax revenues for maintenance & operation purposes and for the repayment of voter-approved bonds. In this regard, the District annually sets two (2) separate tax rates that are levied upon its certified taxable value that is independently determined by the Galveston Central Appraisal District:
 - **Maintenance & Operations (“M&O”) Tax Rate:** To provide funds for the “day to day” operational expenses of the District, including instructional programs, teacher salaries, instructional supplies, security, student transportation, extracurricular activities, utilities, facility infrastructure/maintenance, etc.
 - ✓ The District’s annual funds for maintenance & operation purposes primarily consist of a combination of State funding and local M&O taxes. In general, the dollar amount of each component is determined by the District’s “Equalized Wealth per Student” (i.e. taxable value / weighted average daily attendance) as set by the State. For year 2022/23, the District’s sources for M&O revenues are summarized below.
 - ✓ Beginning in year 2019/20, the District’s M&O tax rate is subject to compression pursuant to House Bill 3 that was enacted during the 2019 legislative session.





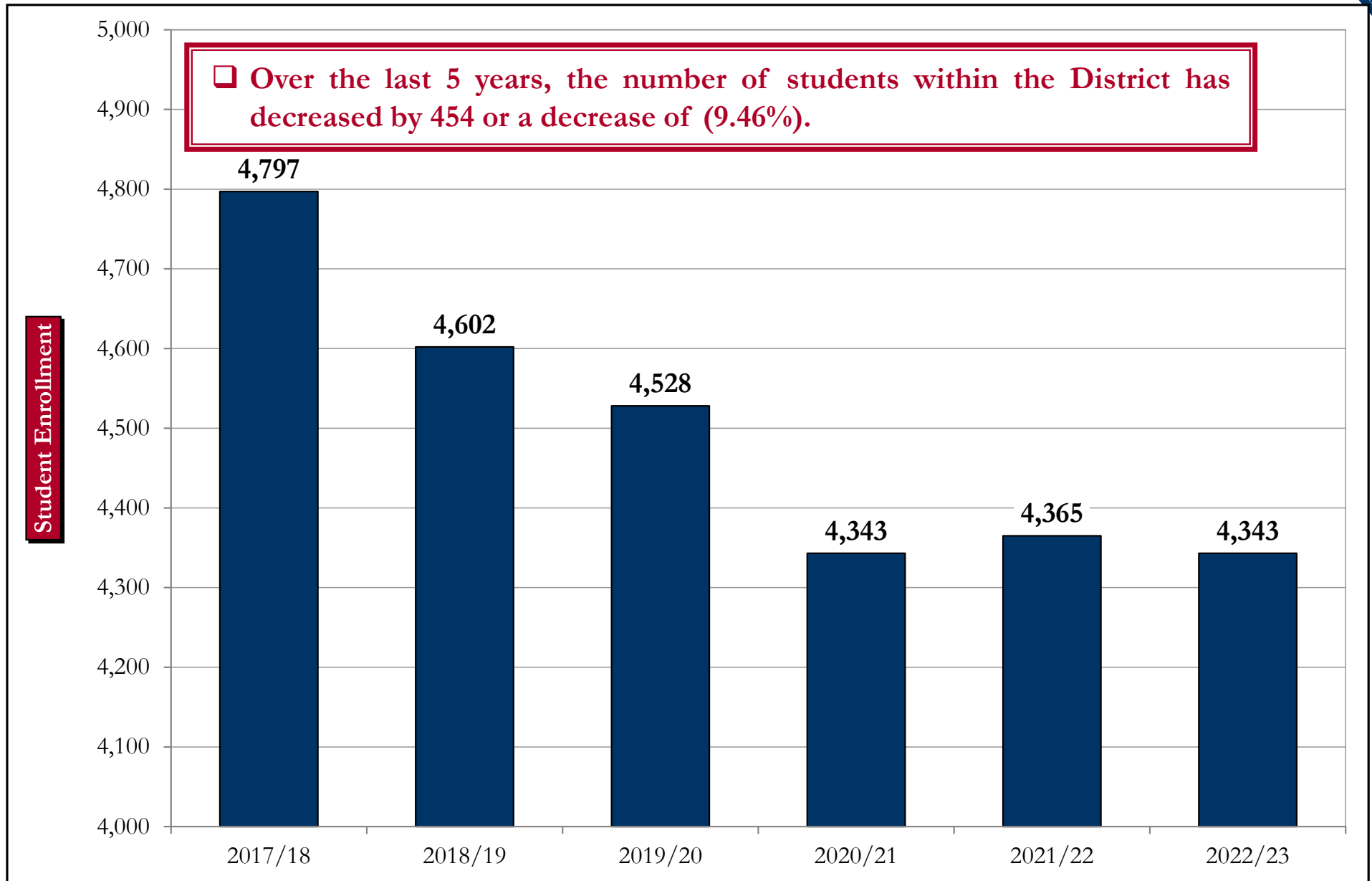
☑ Overview of State Funding System

- **Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds previously approved by a majority of voters for capital improvements. The following summarizes the District’s bond programs approved by voters over the last 15 years:

District’s Historical Bond Elections Approved By Voters				
Election Date	Purpose	Student Enrollment	Election Amount	Dollar Amount Remaining To Be Issued
November 4, 2008	Buliding, Renovations & Auditorium	4,517	\$65,195,000	\$0
November 8, 2016	Buliding, Renovations & Buses	4,738	\$34,565,000	\$0
Total Dollar Amount Of Authorized But Unissued Bonds - As of June 30, 2023:				\$0

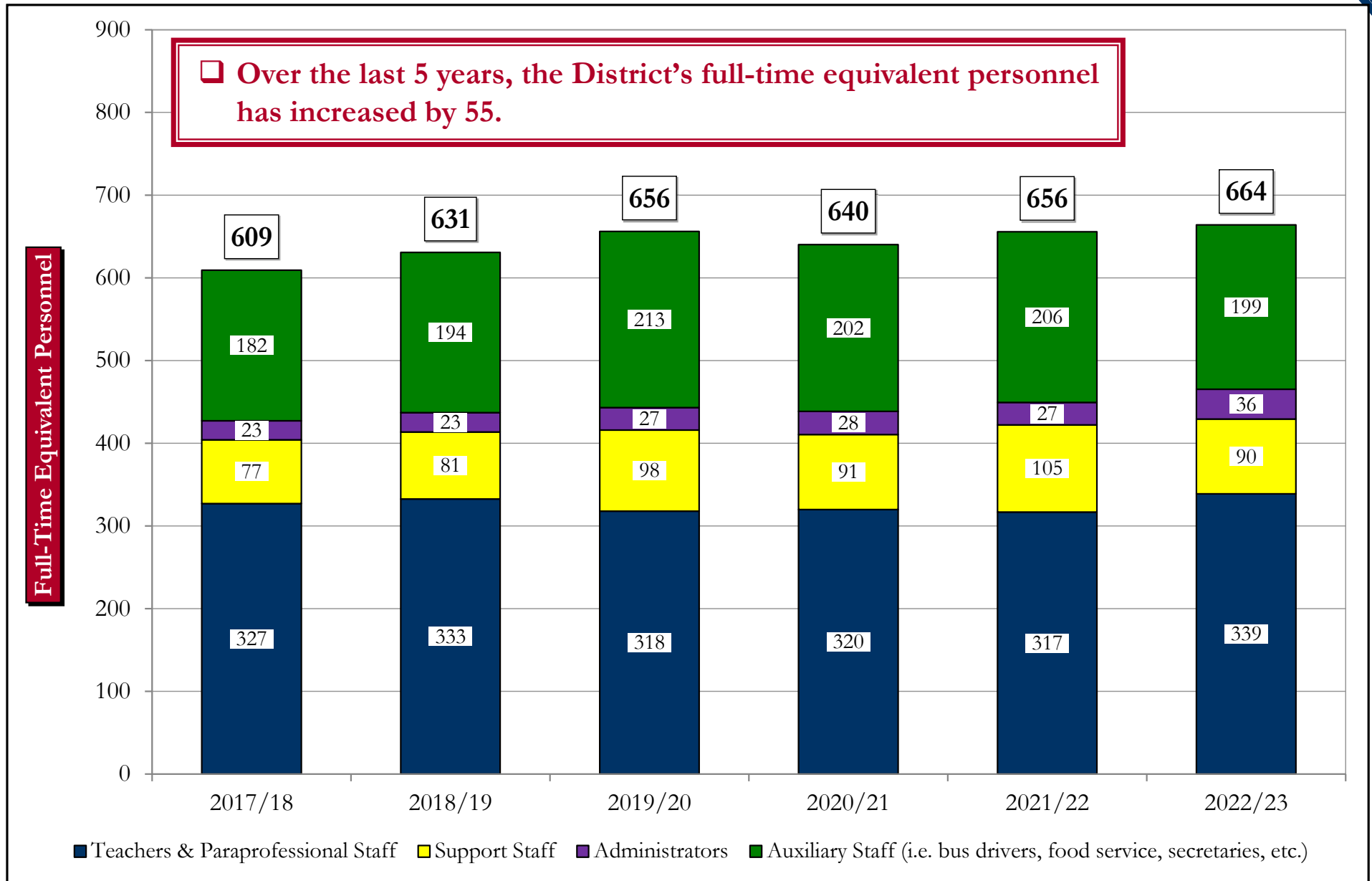


Historical Student Enrollment



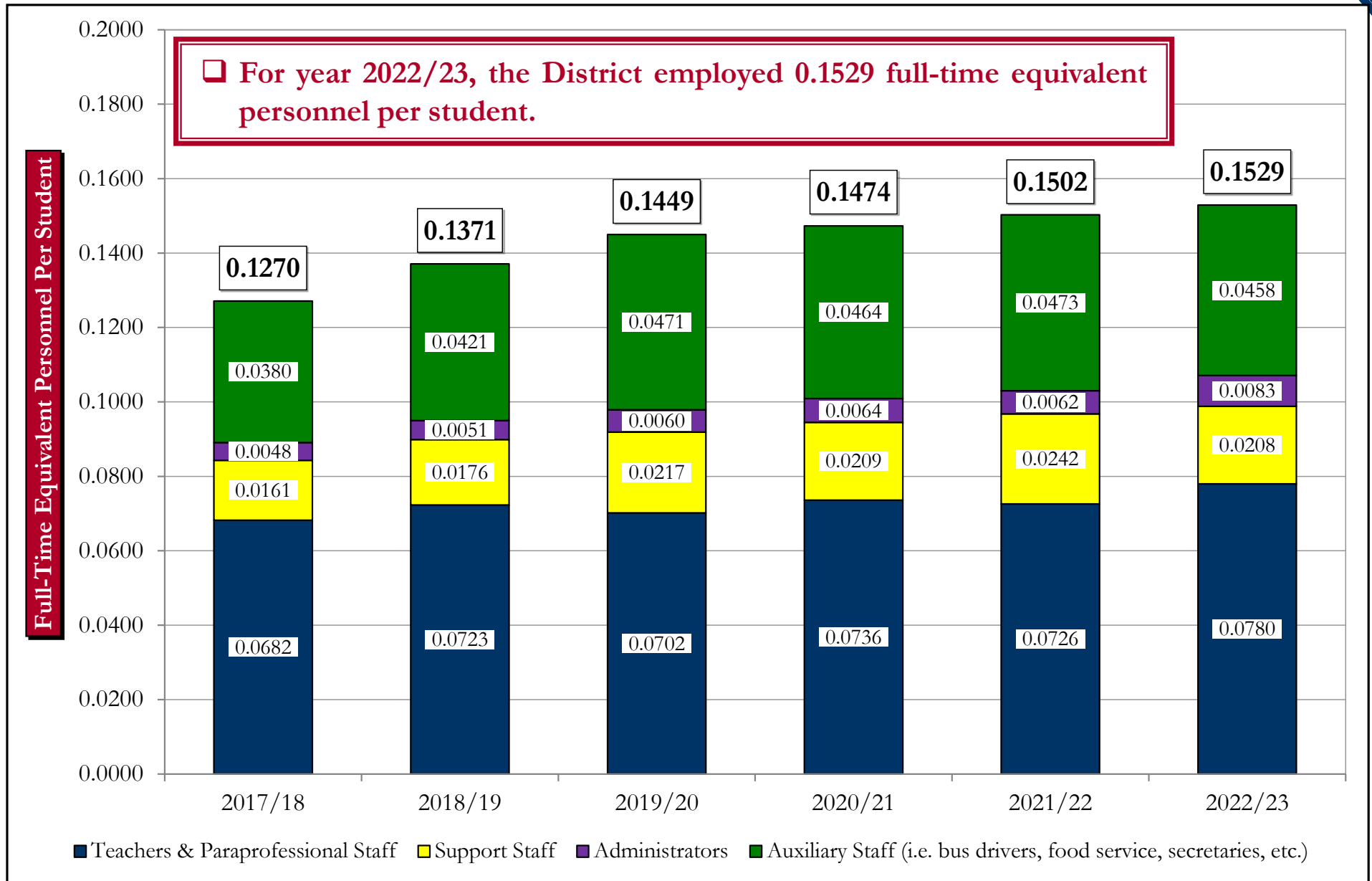


Full-Time Equivalent Personnel



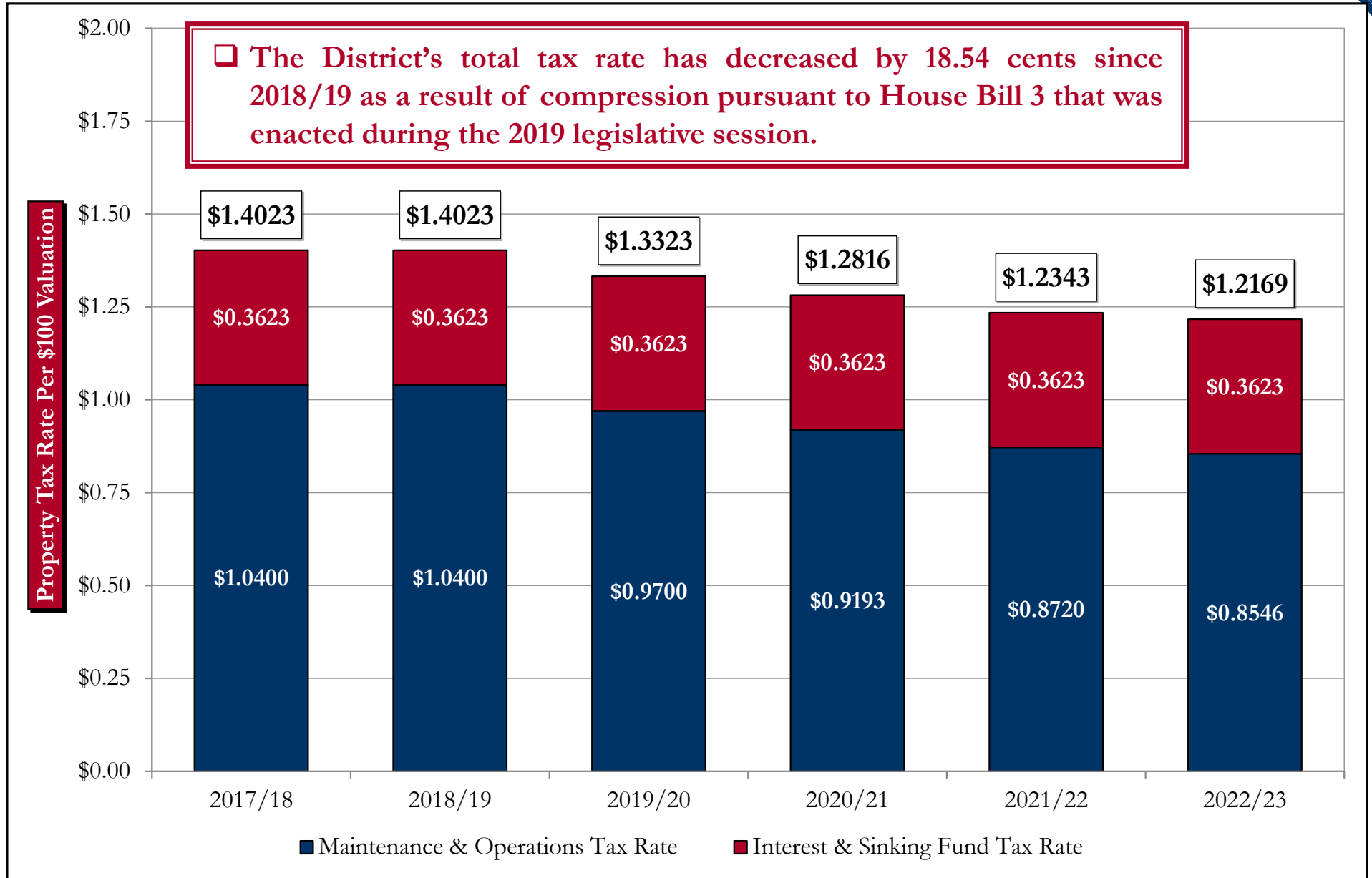


Full-Time Equivalent Personnel Per Student



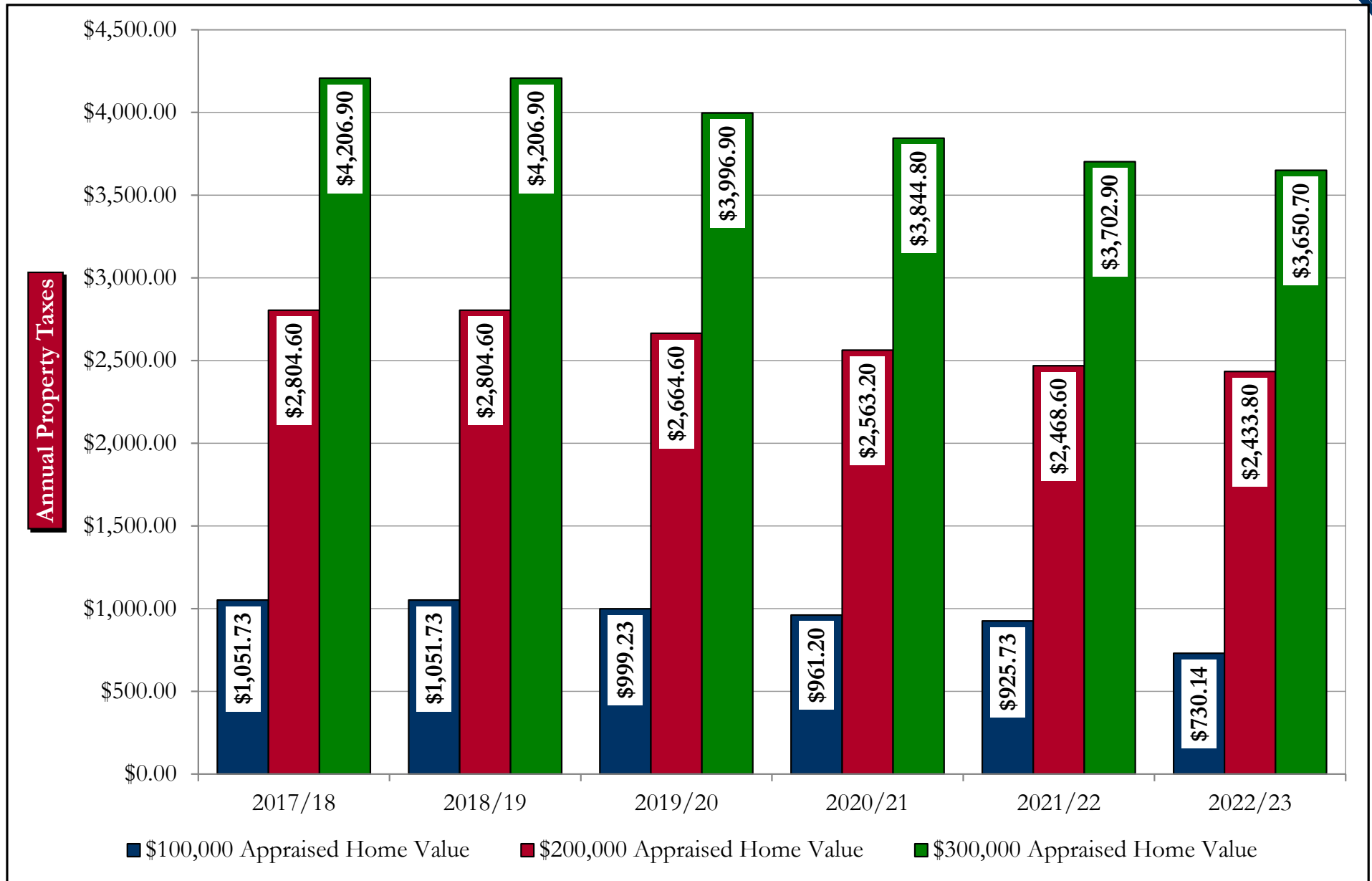


Historical Tax Rates





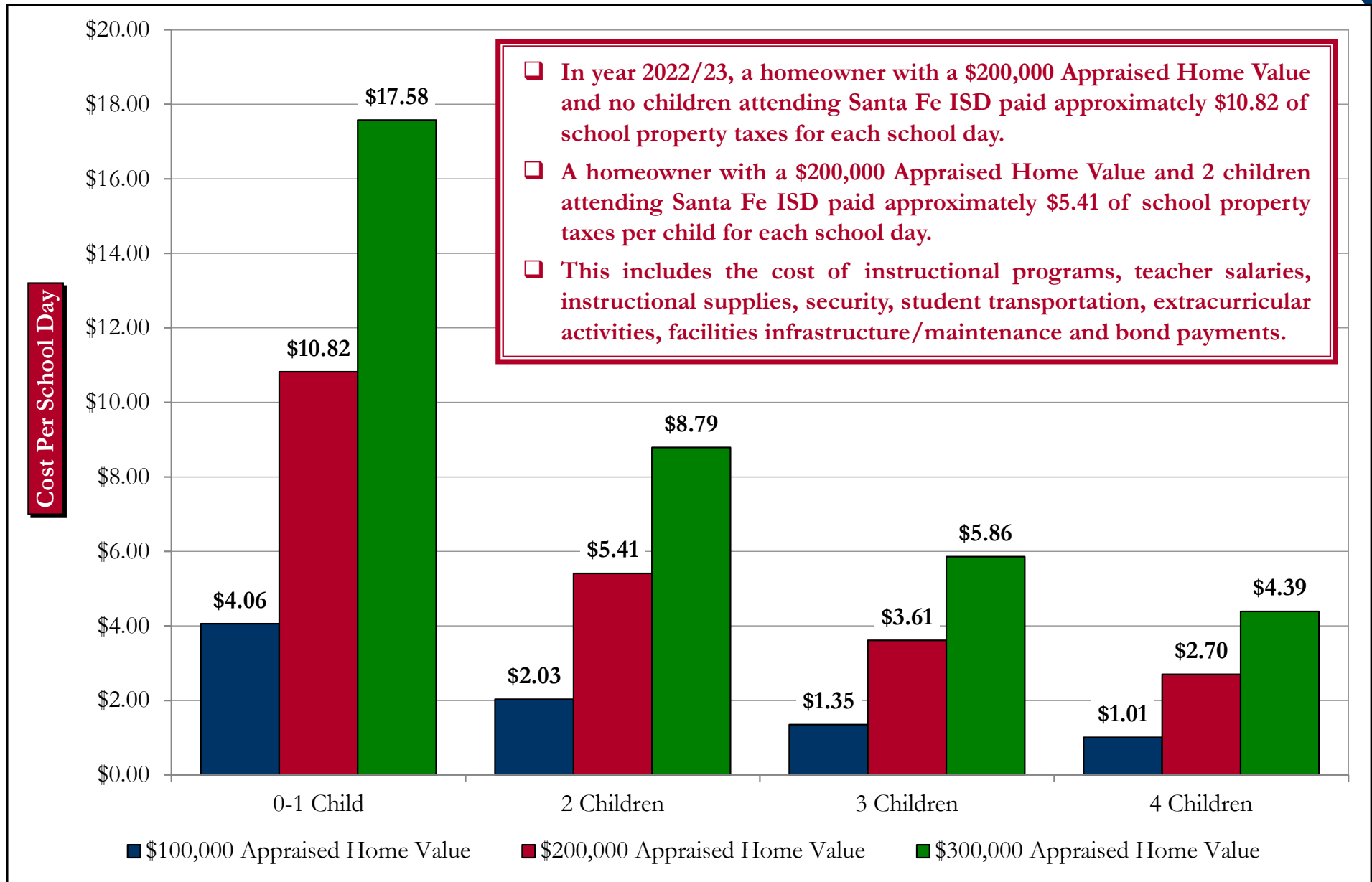
Historical Total Property Taxes For Maintenance and Operations and Voter-Approved Bonds – For Various Appraised Home Values



Note: Taxes are net of the State-mandated residential homestead exemption.



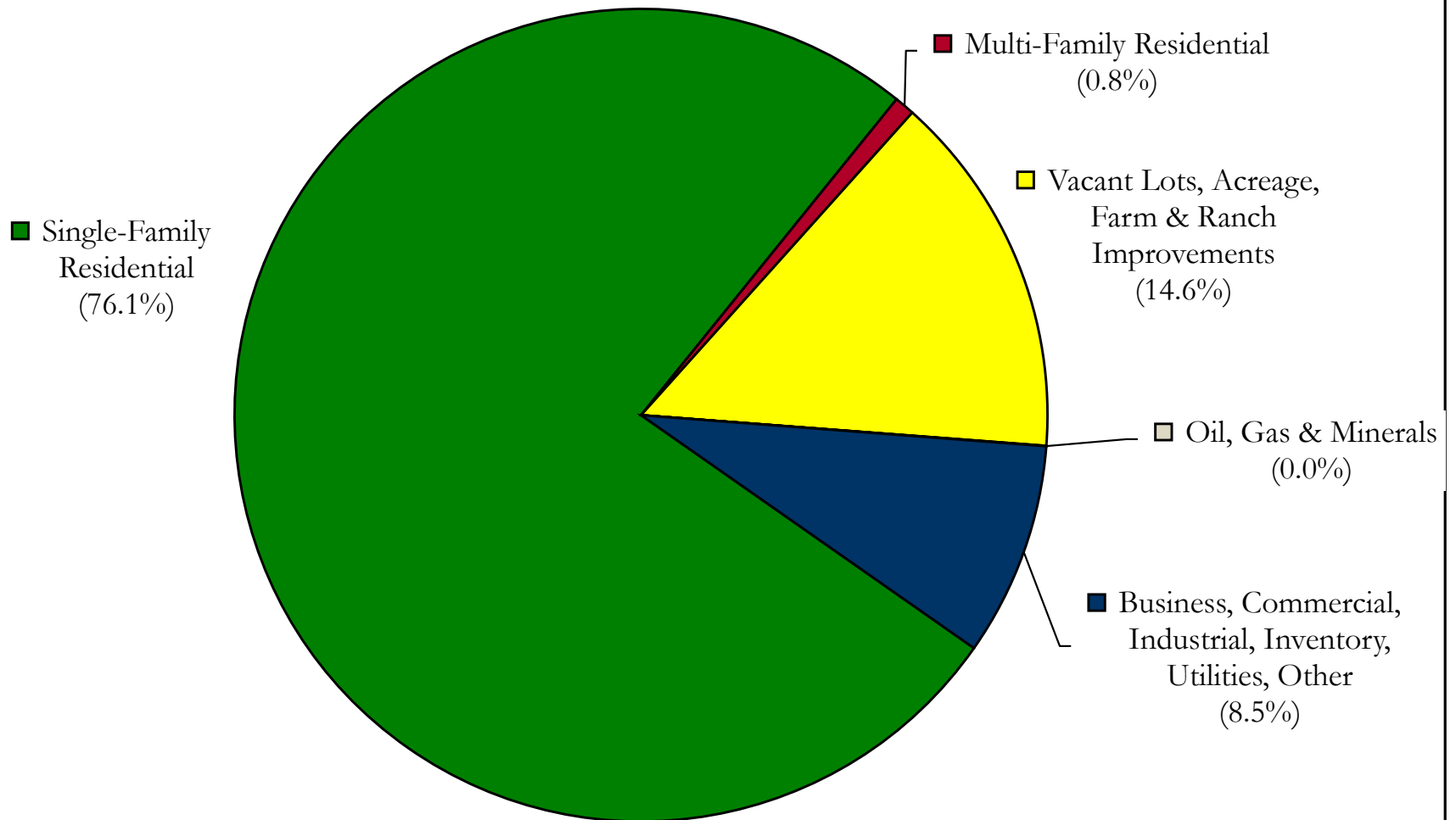
Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2022/23





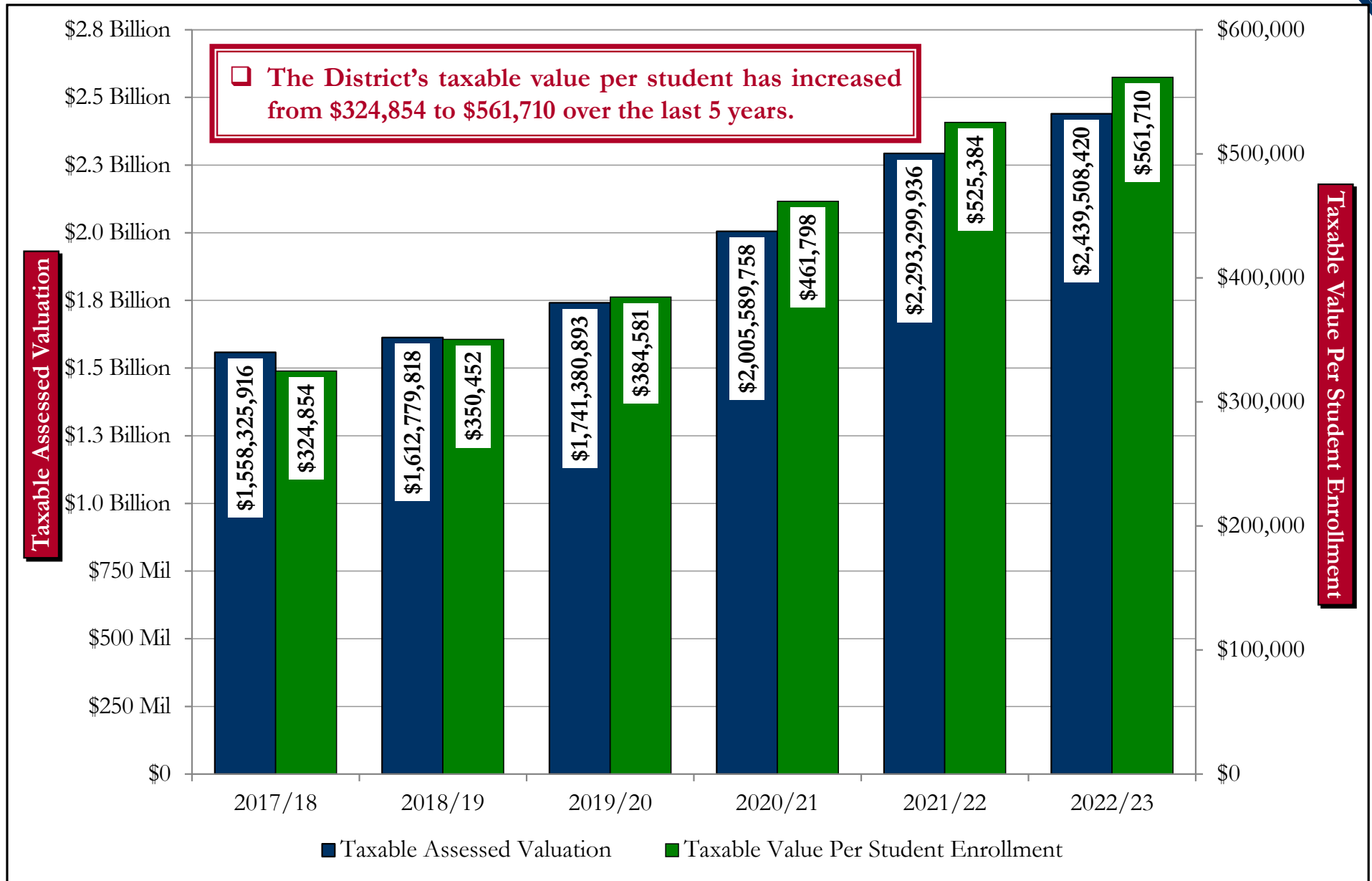
Composition of Total Assessed Valuation – Year 2022/23

For year 2022/23, Single-Family Residential properties comprised 76.1% of the District's total assessed valuation and other property categories comprised 23.9%.





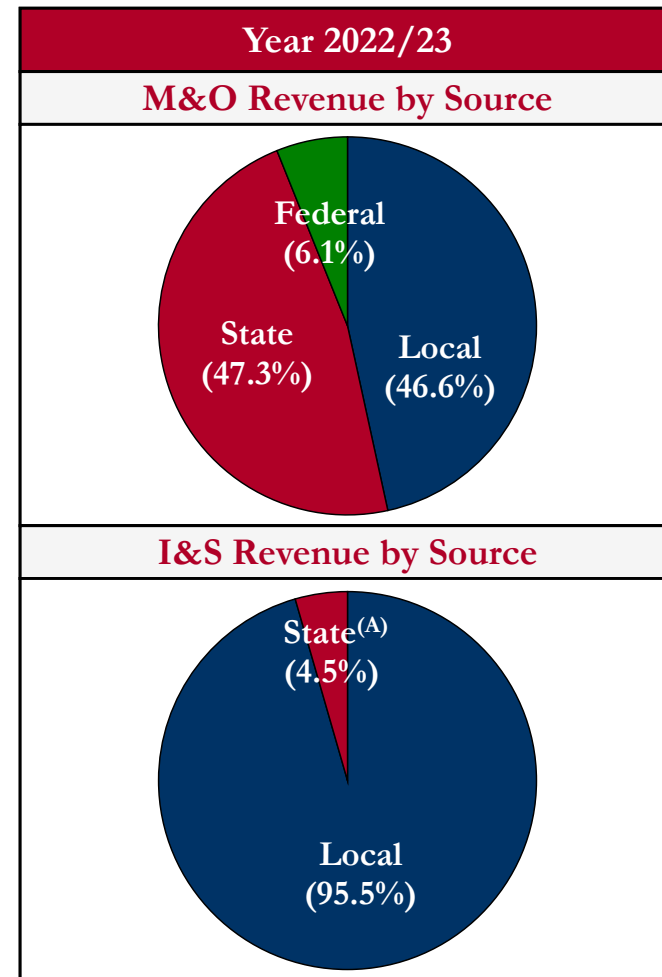
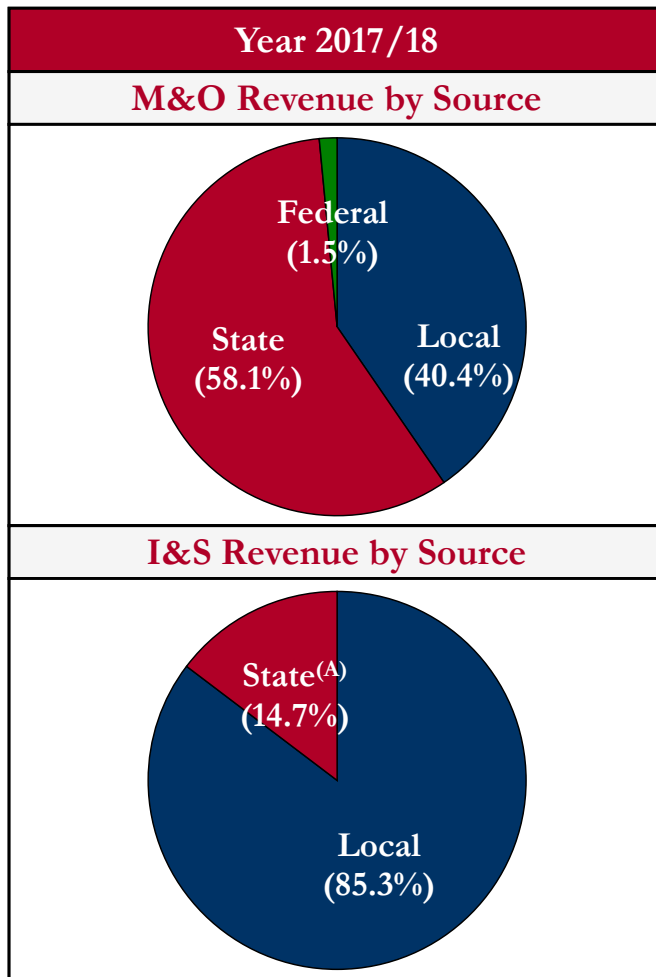
Historical Taxable Assessed Valuation and Taxable Value Per Student Enrollment





General Fund and Debt Service Fund – Revenue By Source

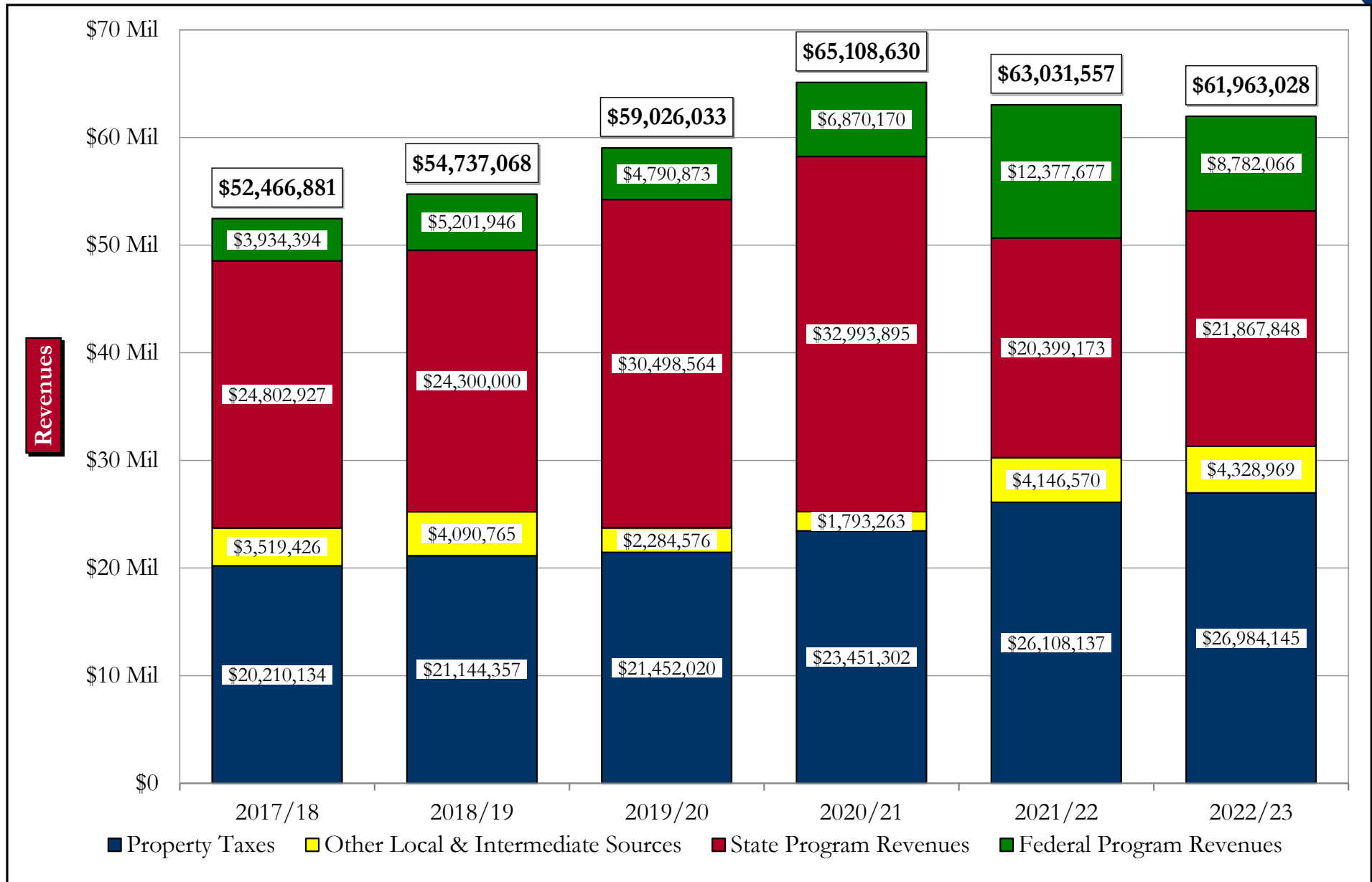
- Given the State funding system is structured to provide the District with an “equalized” dollar amount per student, the increase of the District’s taxable value per student has reduced the percentage of M&O revenues received from the State from 63.6% to 45.3% over the last 5 years.



^(A) Includes payment from State received for lost tax revenues resulting from increase of residential homestead exemption in year 2015/16.



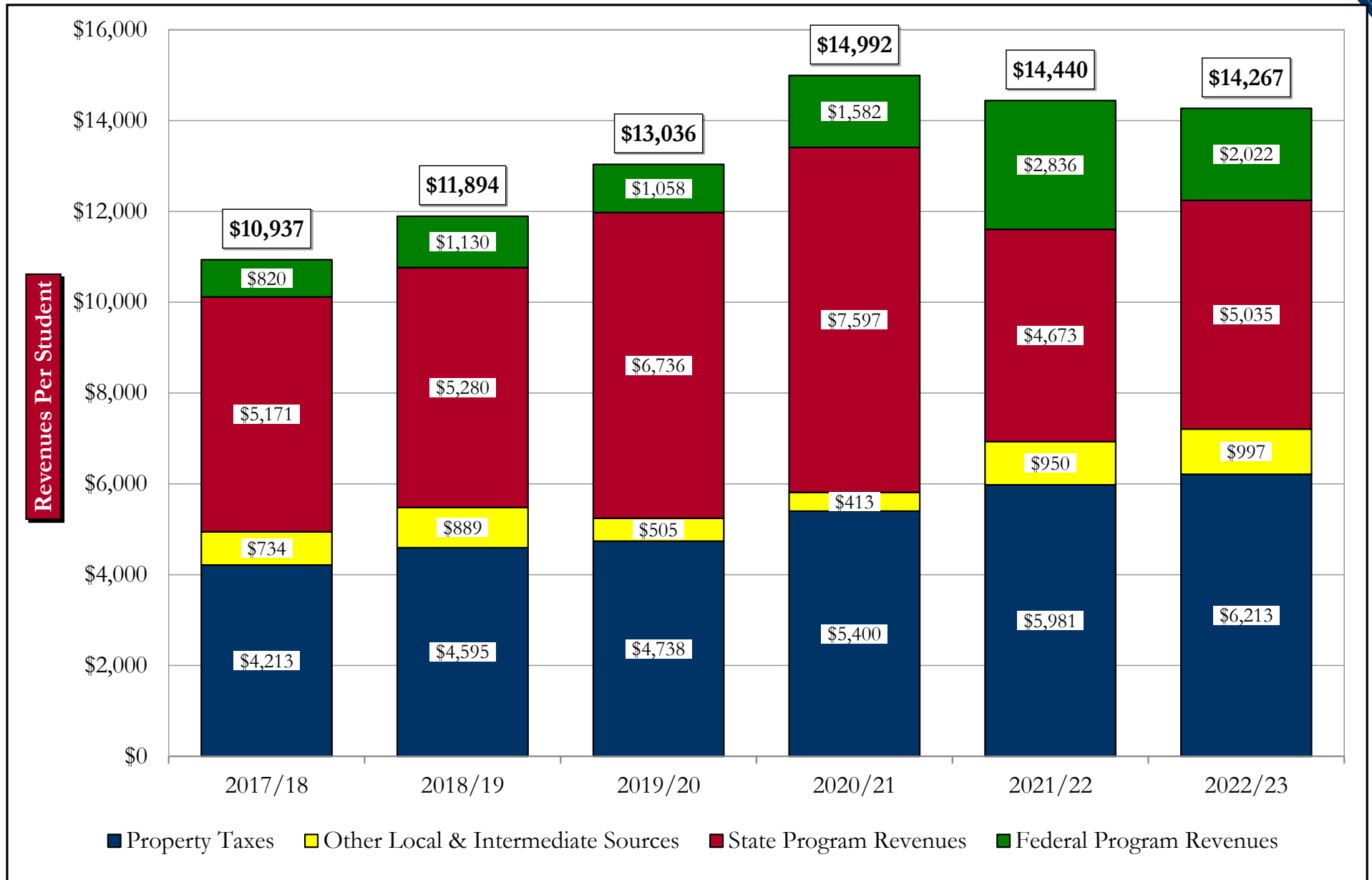
Total Revenues (All Governmental Funds*) By Source



*Excludes Capital Projects Fund. Source: District's Audited Financial Statements and District records.



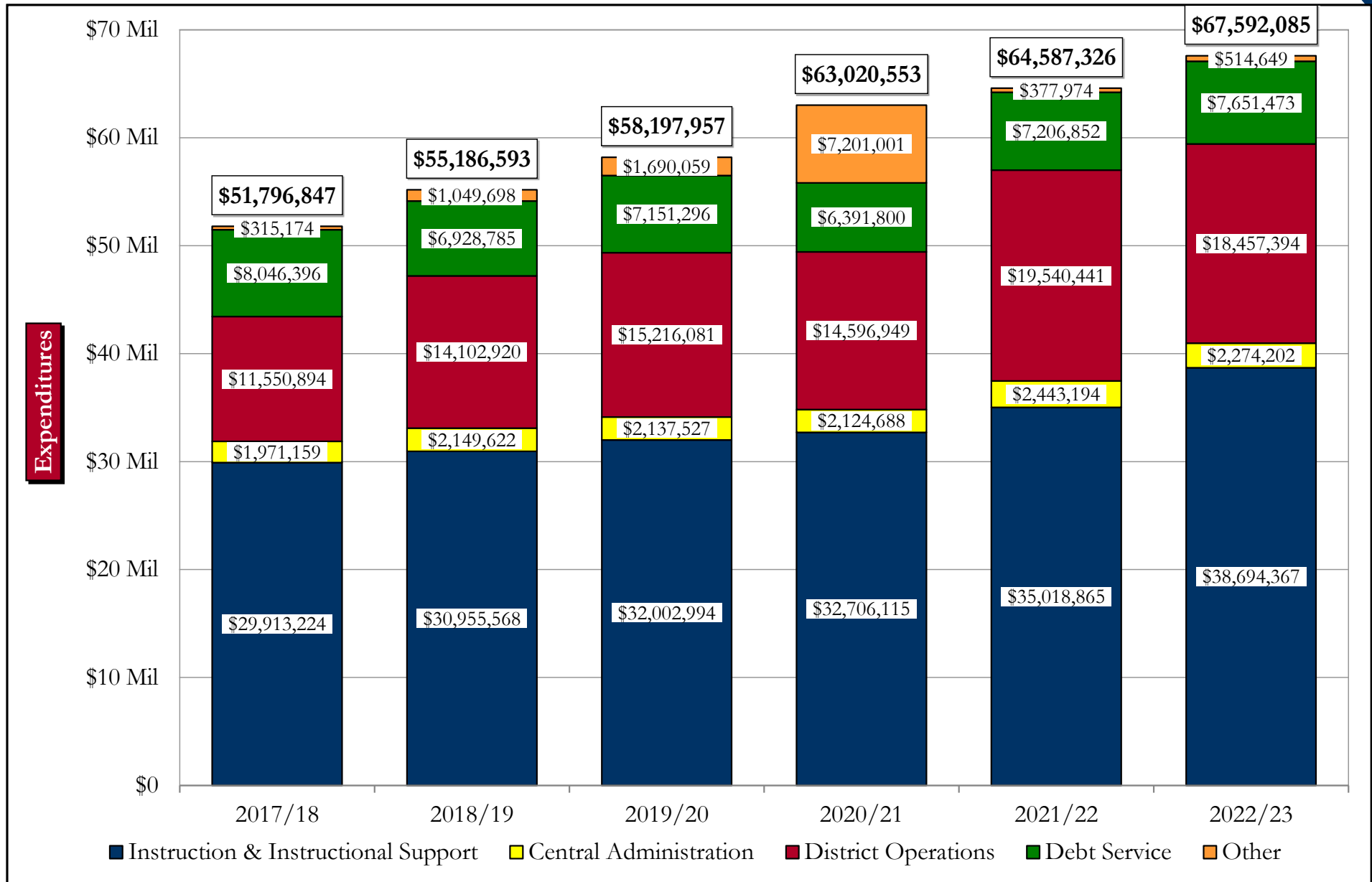
Total Revenues (All Governmental Funds*) Per Student



*Excludes Capital Projects Fund. Source: District's Audited Financial Statements, Texas Education Agency - PEIMS and District records.



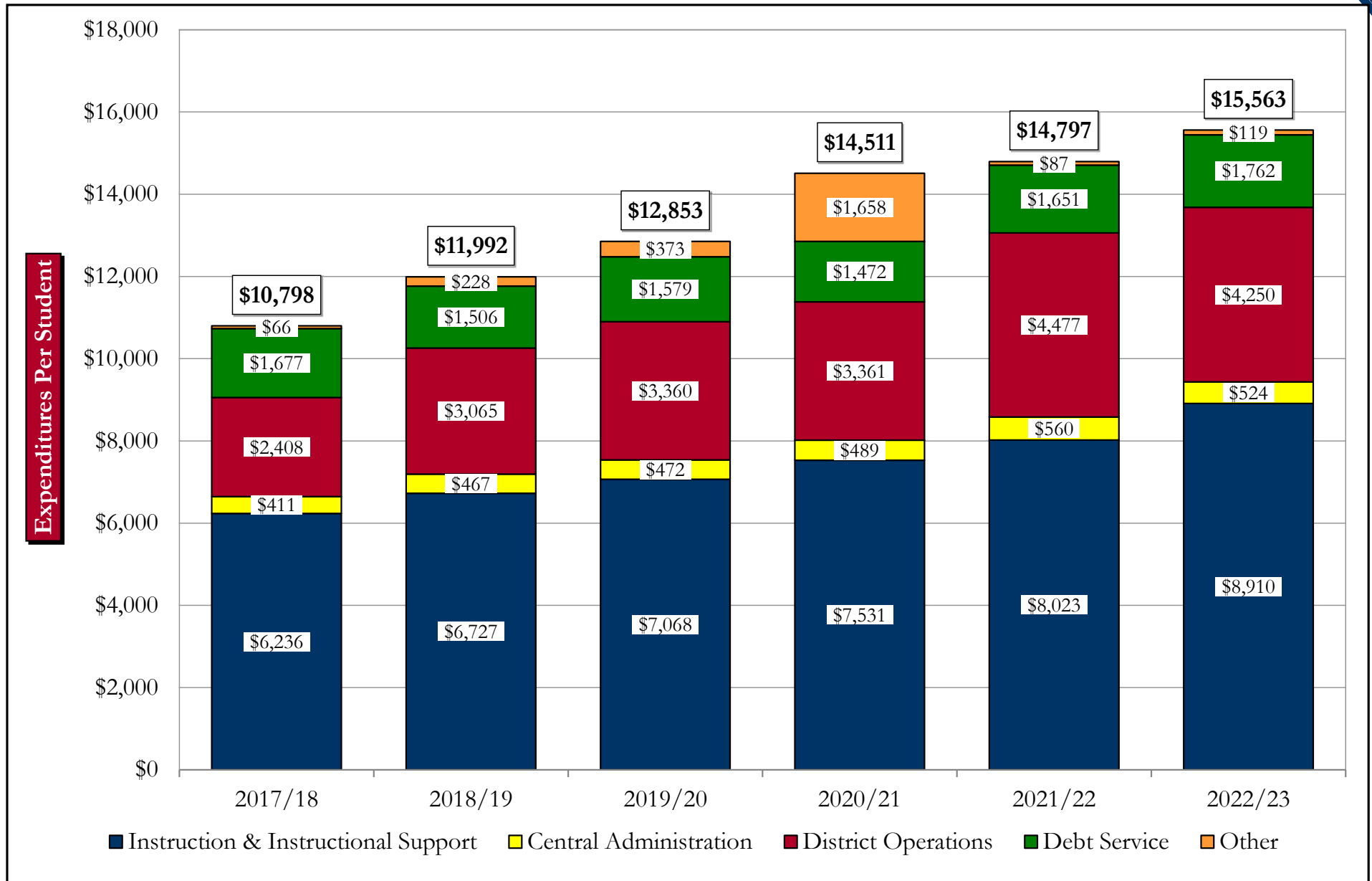
Total Expenditures (All Governmental Funds*) By Source



*Excludes Capital Projects Fund. Source: District's Audited Financial Statements and District records.



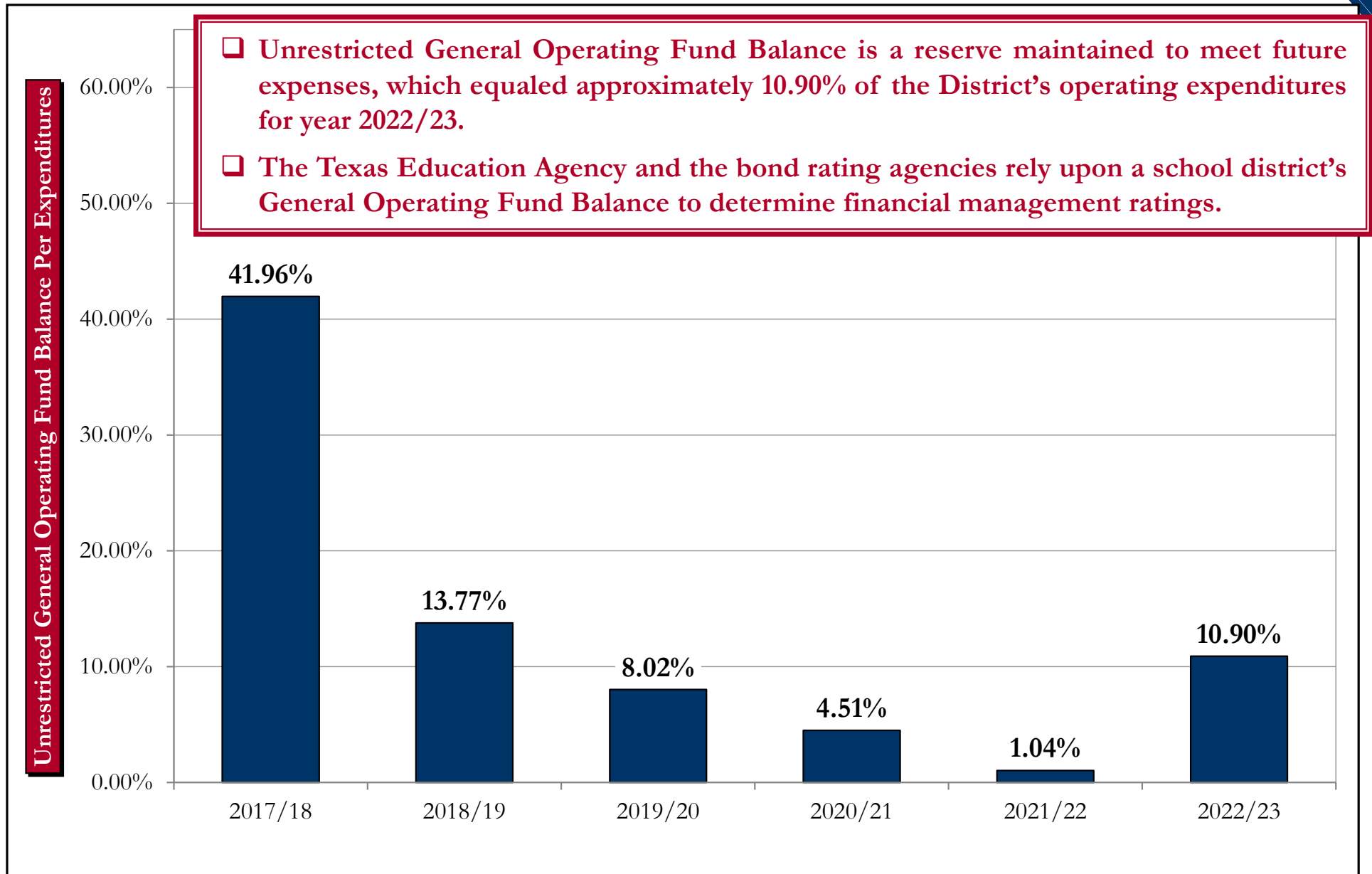
Total Expenditures (All Governmental Funds*) Per Student



*Excludes Capital Projects Fund. Source: District's Audited Financial Statements, Texas Education Agency - PEIMS and District records.

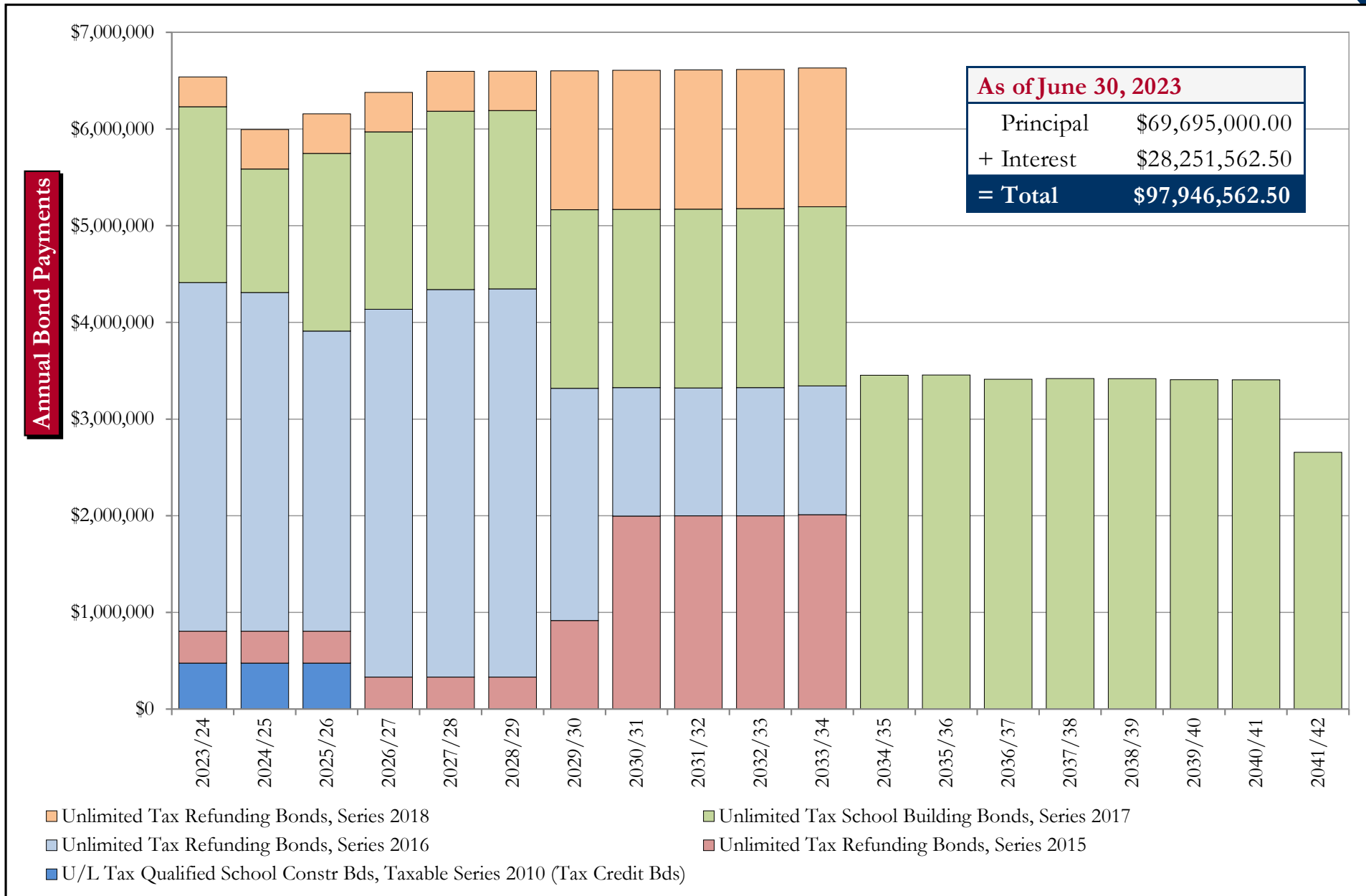


Unrestricted General Operating Fund Balance as a Percentage of General Operating Expenditures





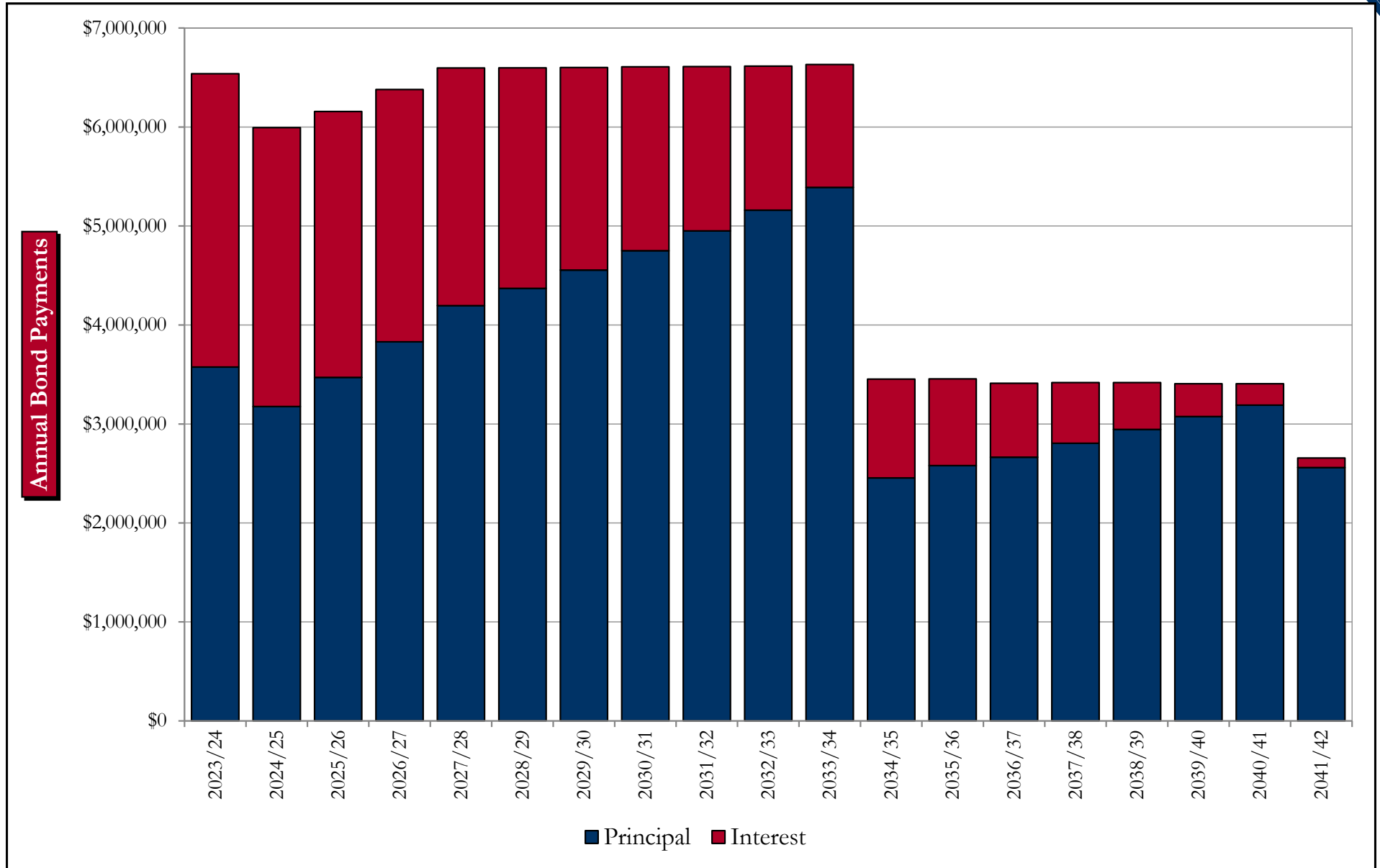
☑ Unlimited Tax Debt Service By Series – Existing Bonds Approved By Voters



Source: District's Audited Financial Statements and District records – As of June 30, 2023.



✔ Unlimited Tax Debt Service By Principal and Interest – Existing Bonds Approved By Voters





Savings from District's Recent Bond Refunding Programs to Lower Interest Costs

- Santa Fe ISD has implemented 6 refunding programs and prepaid \$2,075,000 of existing obligations to reduce the cost of voter-approved bonds – which have generated more than \$10.479 million of savings for District taxpayers in recent years.

Summary of Interest Cost Savings – Bond Refunding Programs / Prepayment of Bonds			
Issue	Series Refunded/Pre-Paid	Principal Amount Refunded	Total Savings
Prepayment of Series 2017 Bonds	2017	\$ 750,000	\$ 573,619
Prepayment of Series 2016 Bonds	2016	605,000	36,671
Prepayment of Series 2015 Maintenance Tax Notes	2015 MTN	720,000	102,875
Unlimited Tax Refunding Bonds, Series 2018	2010A & 2011	8,780,000	642,517
Unlimited Tax Refunding Bonds, Series 2016	2009, 2010A & 2011	37,040,000	6,031,775
Unlimited Tax Refunding Bonds, Series 2015	2009	7,945,000	1,178,844
Unlimited Tax Refunding Bonds, Series 2012	2005	8,210,000	821,428
Unlimited Tax Refunding Bonds, Series 2010B	1997	2,420,000	270,626
Unlimited Tax Refunding Bonds, Series 2005	1997	13,850,000	821,159
Totals	---	\$ 80,320,000	\$ 10,479,514



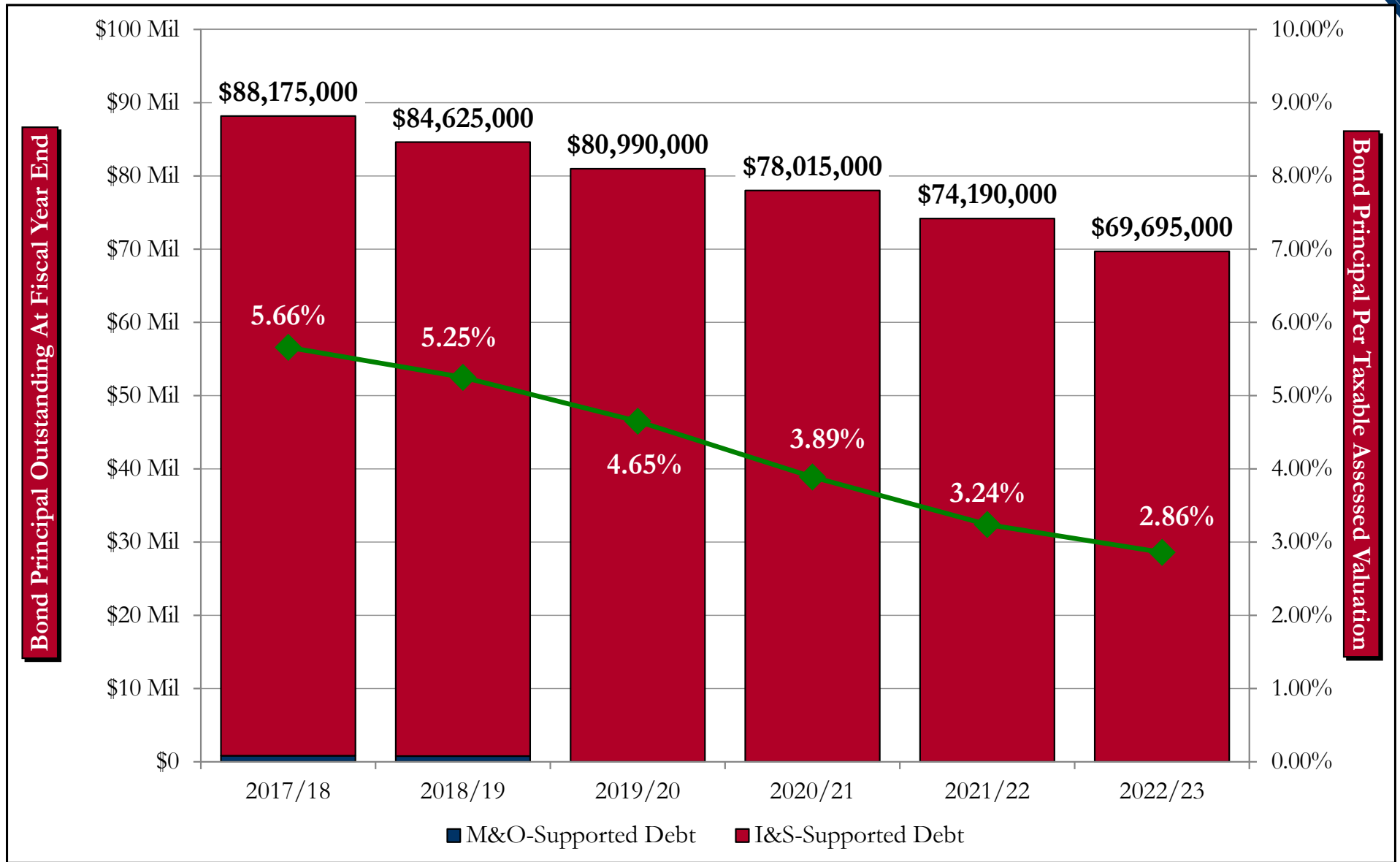
☑ Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended June 30, 2023

☐ The following debt obligations are payable from ad valorem taxes (i.e. I&S taxes) levied annually against all taxable property located within the District, without legal limit as to rate or amount.

No.	Issue Description	Purpose	Original Principal Amount	Outstanding Principal	Total Outstanding Debt Service	Outstanding Principal Per Capita	Outstanding Debt Service Per Capita	Final Maturity Date	Total Proceeds Received	Spent Proceeds	Unspent Proceeds
1	Unlimited Tax Qualified School Construction Bonds, Taxable Series 2010 (Tax Credit Bonds)	Capital Improvements	\$7,100,000.00	\$1,425,000.00	\$1,425,000.00	\$49.98	\$49.98	02/15/2026	\$6,986,490.00	\$6,986,490.00	\$0.00
2	Unlimited Tax Refunding Bonds, Series 2015	Refunding at a lower interest rate, etc.	\$7,780,000.00	\$7,780,000.00	\$10,903,450.00	\$272.88	\$382.43	02/15/2034	\$8,850,806.84	\$8,850,806.84	\$0.00
3	Unlimited Tax Refunding Bonds, Series 2016	Refunding at a lower interest rate, etc.	\$33,730,000.00	\$24,535,000.00	\$29,752,150.00	\$860.55	\$1,043.53	02/15/2034	\$39,683,592.78	\$39,683,592.78	\$0.00
4	Unlimited Tax School Building Bonds, Series 2017	Capital Improvements	\$32,985,000.00	\$28,850,000.00	\$46,325,212.50	\$1,011.89	\$1,624.82	02/15/2042	\$35,285,404.25	\$35,285,404.25	\$0.00
5	Unlimited Tax Refunding Bonds, Series 2018	Refunding at a lower interest rate, etc.	\$8,520,000.00	\$7,105,000.00	\$9,540,750.00	\$249.20	\$334.63	02/15/2034	\$8,941,290.90	\$8,941,290.90	\$0.00



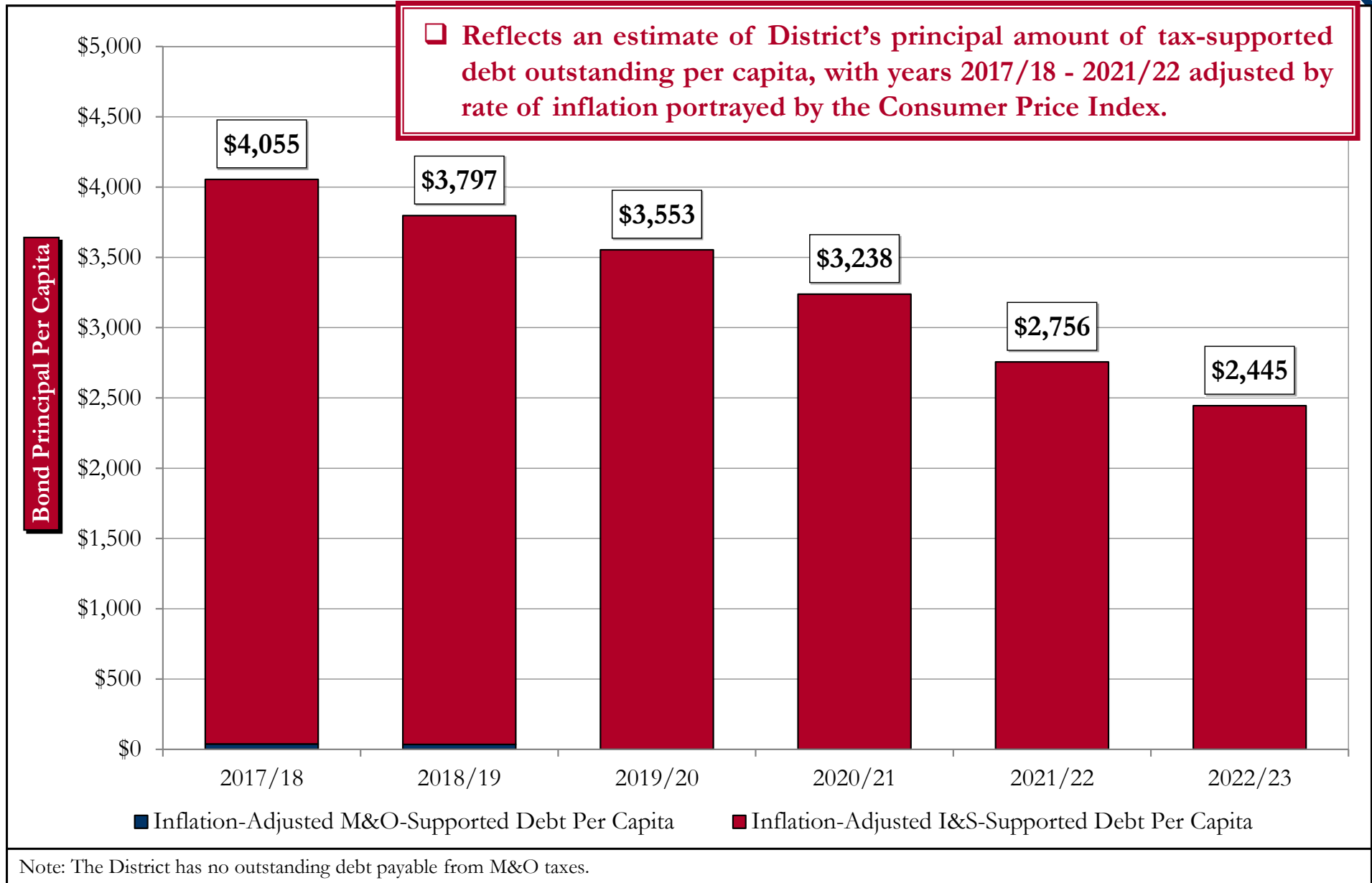
Tax-Supported Debt Obligations At Fiscal Year End and As a Percentage of Taxable Assessed Valuation



Note: The District has no outstanding debt payable from M&O taxes.

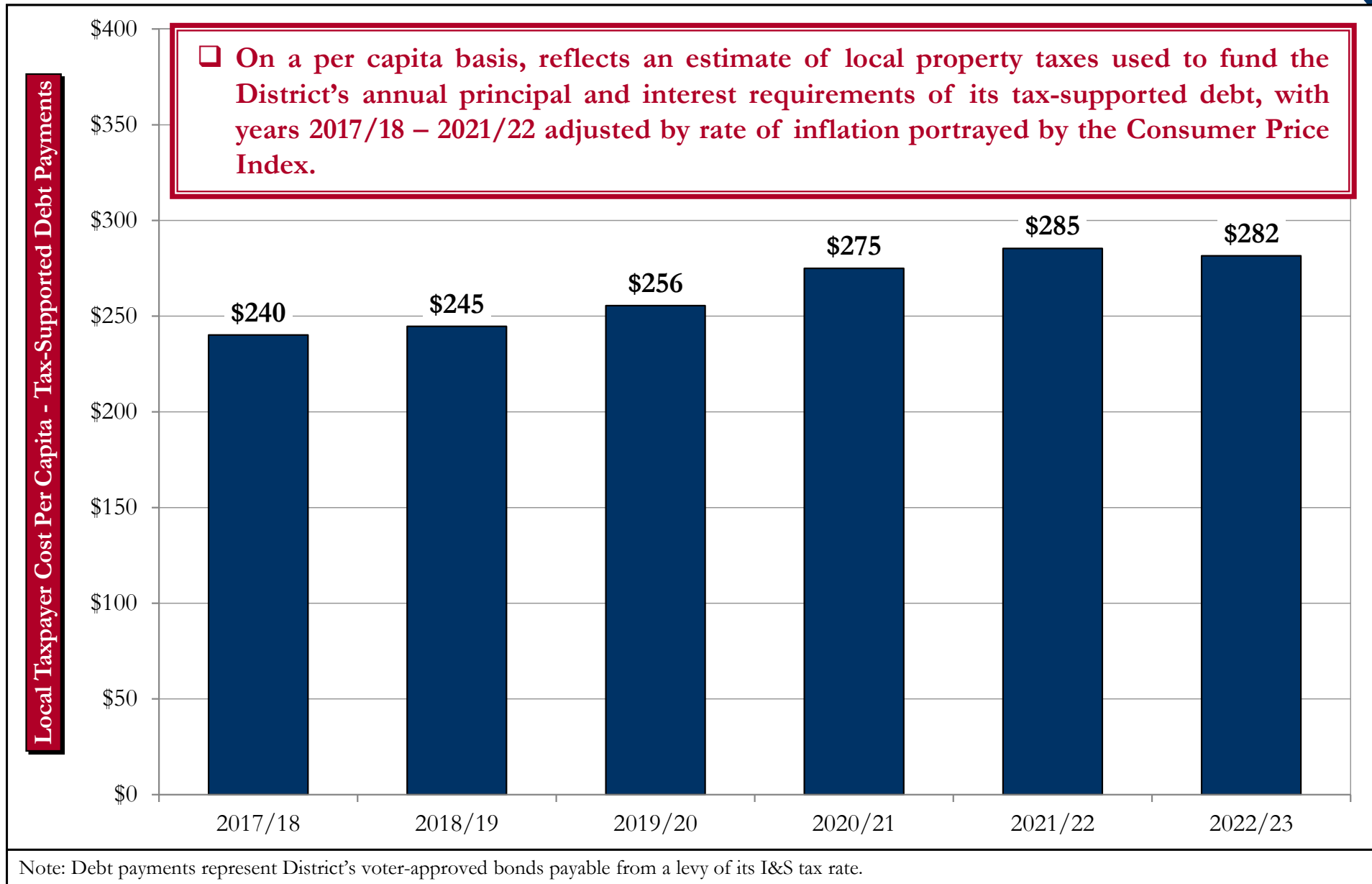


Inflation-Adjusted Tax-Supported Debt Per Capita





Inflation-Adjusted Tax-Supported Debt Cost Per Capita – Principal and Interest In Each of the Last 5 Years





Contact Information and Links to Additional Resources

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Links to Additional Resources:

<https://www.comptroller.texas.gov/transparency/local/debt/isds.php>

http://www.brb.state.tx.us/local_debt_search.aspx