



Annual Report of Certain Financial and Local Debt Information

Fiscal Year Ended June 30, 2022

Denotes Required Information Pursuant to Local Government Code, Section 140.008

This report was posted on the District's website on December 16, 2022.



☑ Overview of Certain Financial/Bond Ratings

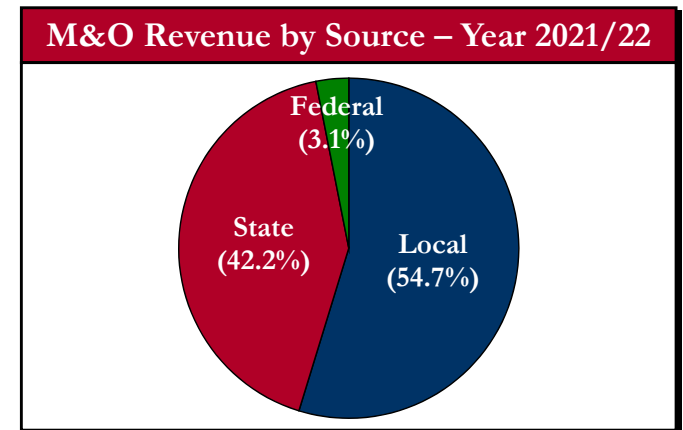
- ☐ **Overview:** Hutto Independent School District (the “District”) has been assigned the following independent financial/bond ratings that indicate the relative strength of the District’s financial and debt management:
 - **School Financial Integrity Rating System of Texas (“FIRST”):** Pursuant to 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 2020/21, the District was assigned a 2021/22 FIRST Rating of “Superior Achievement” and the District’s score was 96 out of a possible 100 points.
 - **Credit Ratings:** The District also maintains independent ratings from certain nationally recognized credit rating agencies, such as Moody’s Investors Service and S&P Global Ratings, that evaluate the District’s financial strength and its ability to pay its existing bonds.
 - ✓ **Moody’s Investors Service:** Assigns a “Aa3” credit rating to the District, defined as “Judged to be of high quality and are subject to very low credit risk.”
 - ✓ **S&P Global Ratings:** Assigns a “AA-”^(A) 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.”

^(A) On May 23, 2022, S&P Global Ratings upgraded the underlying credit rating of the District from “A+” to “AA-”.



Overview of State Funding System

- ❑ **State Funding System – Where Do the District’s Revenues Come From:** Hutto ISD is legally required to operate pursuant to the requirements of the Texas Education Code. In particular, the Texas Education Code determines 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 Williamson 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 2021/22, the District’s sources for M&O revenues are summarized to the right.
 - ✓ On September 1, 2012, voters approved a tax ratification election to increase the District’s M&O tax rate to \$1.17. Prior to such ratification, the District was limited to a \$1.04 tax rate for maintenance and operations. Beginning in year 2019/20, the District’s M&O tax rate became subject to compression pursuant to House Bill 3 that was enacted during the 2019 legislative session.





☑ Overview of State Funding System

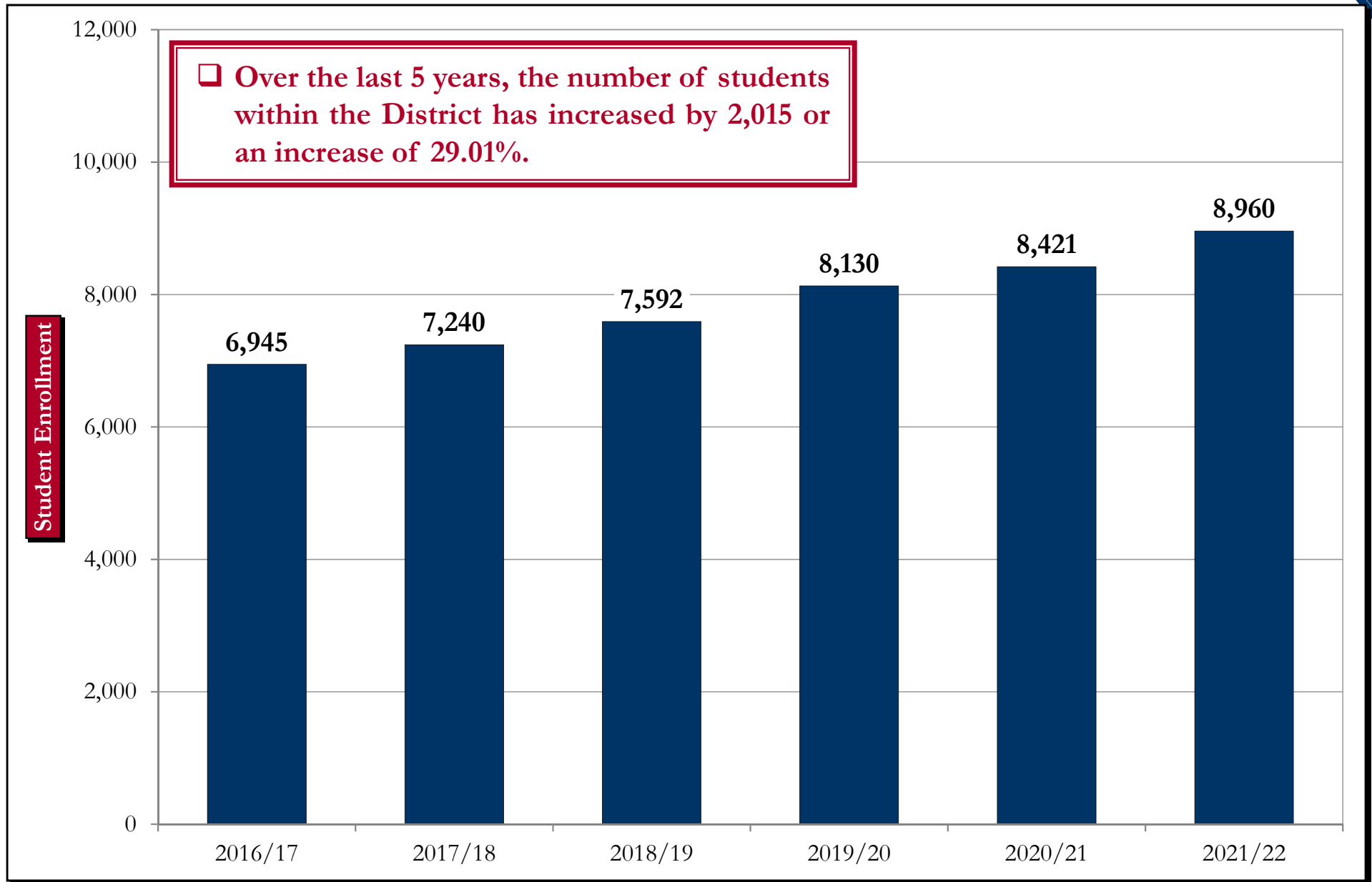
- Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds approved by a majority of voters for capital improvements. The District does not receive any facilities funding from the State for the payment of bonds. The following summarizes the District’s bond programs approved by voters over the last 21 years:

District’s Historical Bond Elections Approved By Voters				
Election Date	Purpose	Student Enrollment	Election Amount	Dollar Amount Of Bonds Remaining To Be Issued
March 31, 2001	School Building	1,232	\$10,150,000	\$0
May 3, 2003	School Building	1,640	\$13,000,000	\$0
March 5, 2005	School Building & Renovations	2,463	\$53,250,000	\$0
November 7, 2006	School Building & Refunding	3,706	\$87,750,000	\$0
May 10, 2008	School Building	4,350	\$128,500,000	\$0
May 4, 2019	School Building	7,592	\$194,400,000	\$0
Total Dollar Amount Of Authorized But Unissued Bonds - As of June 30, 2022:				\$0

- ✓ As of fiscal year ended June 30, 2022, the District had \$113,031,046 within its Capital Projects Fund for existing/future projects.

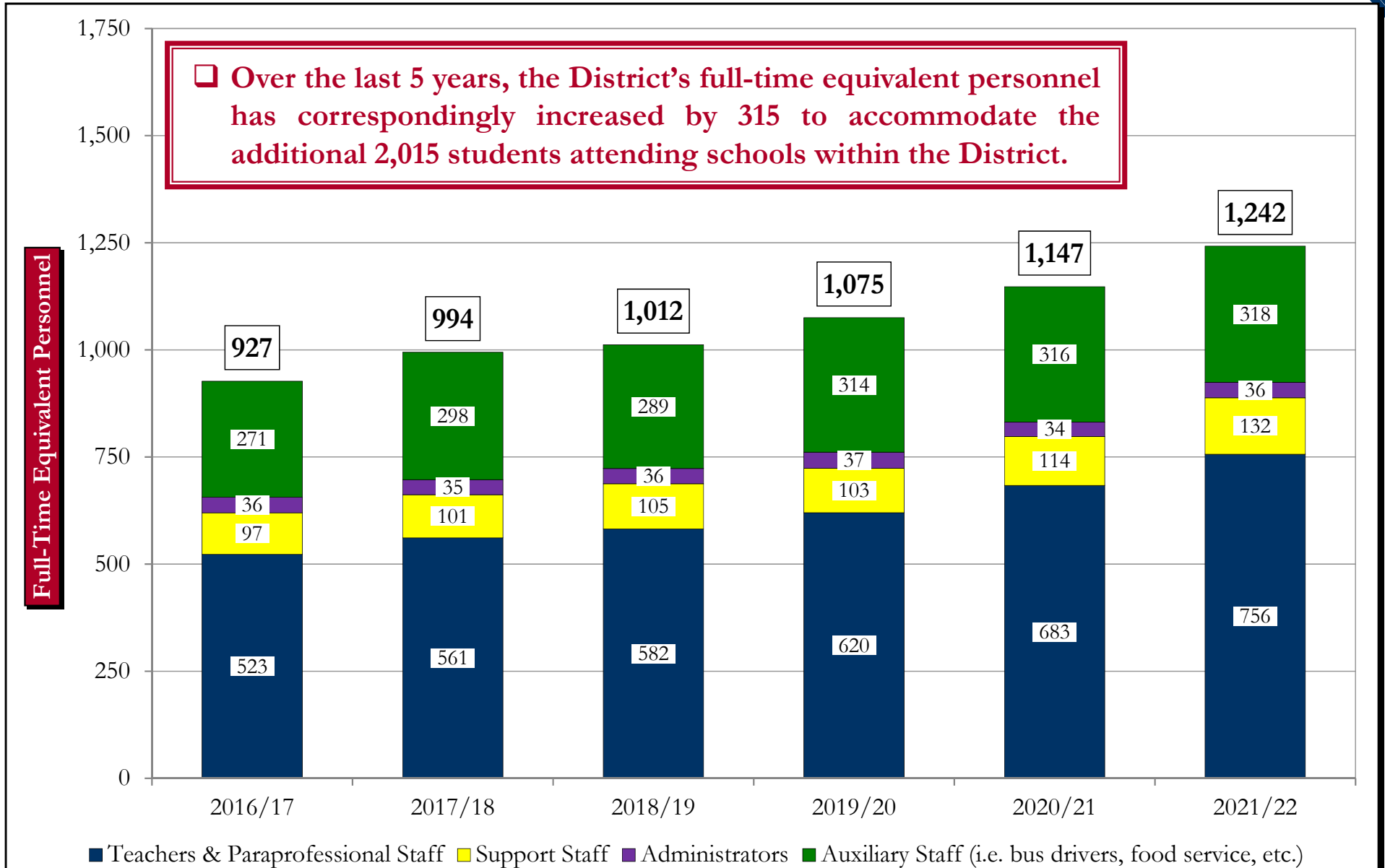


Historical Student Enrollment



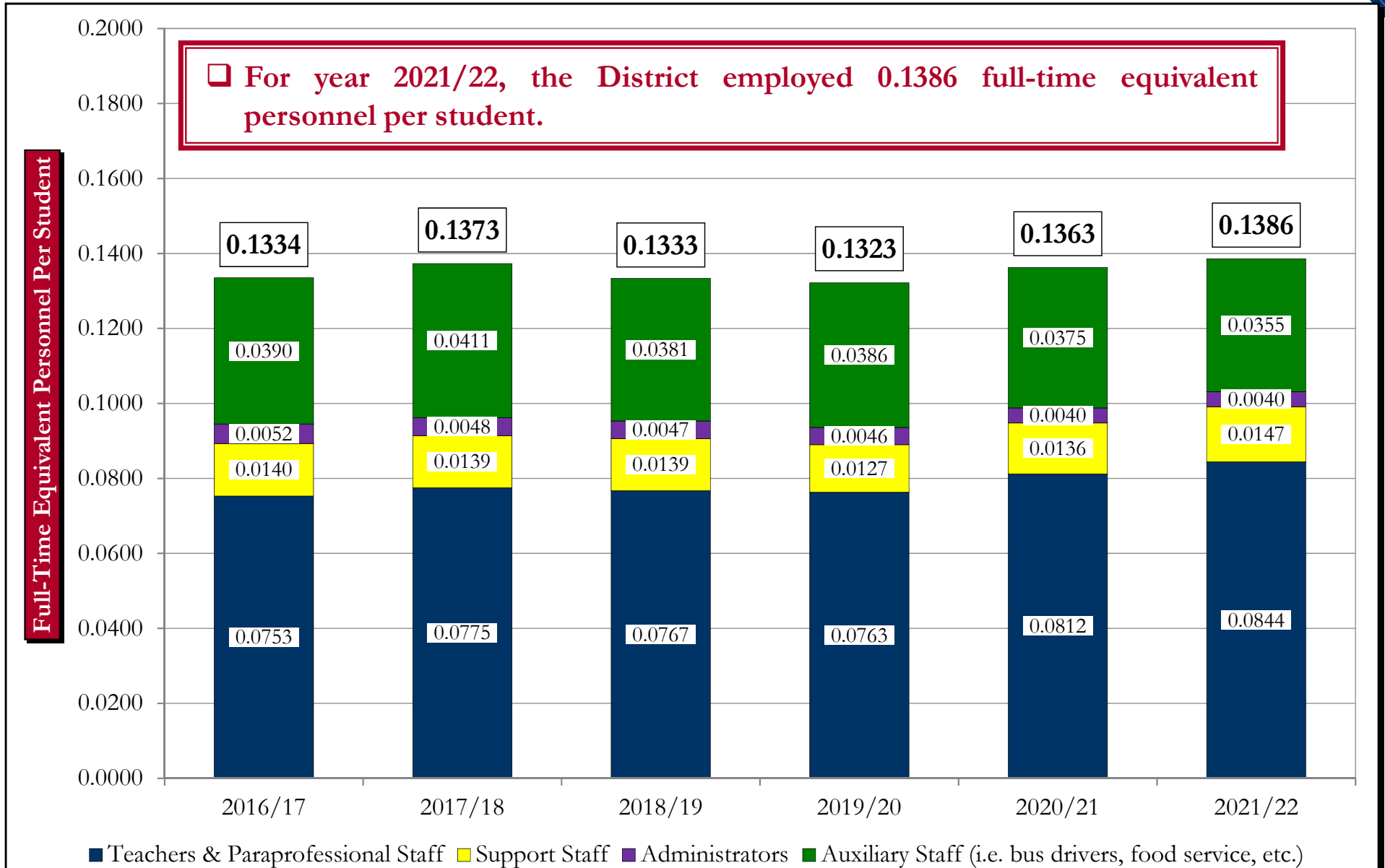


Full-Time Equivalent Personnel



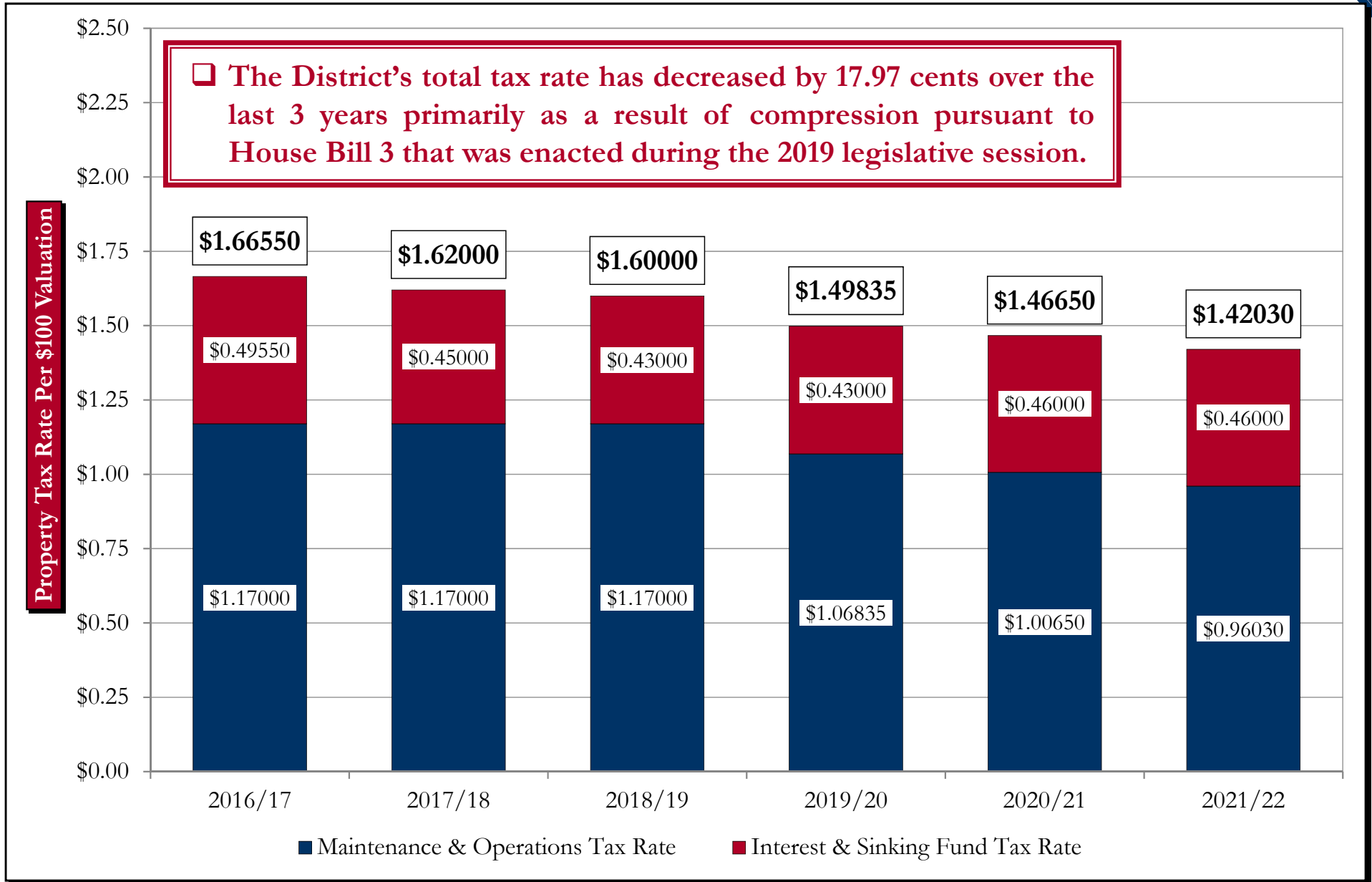


Full-Time Equivalent Personnel Per Student



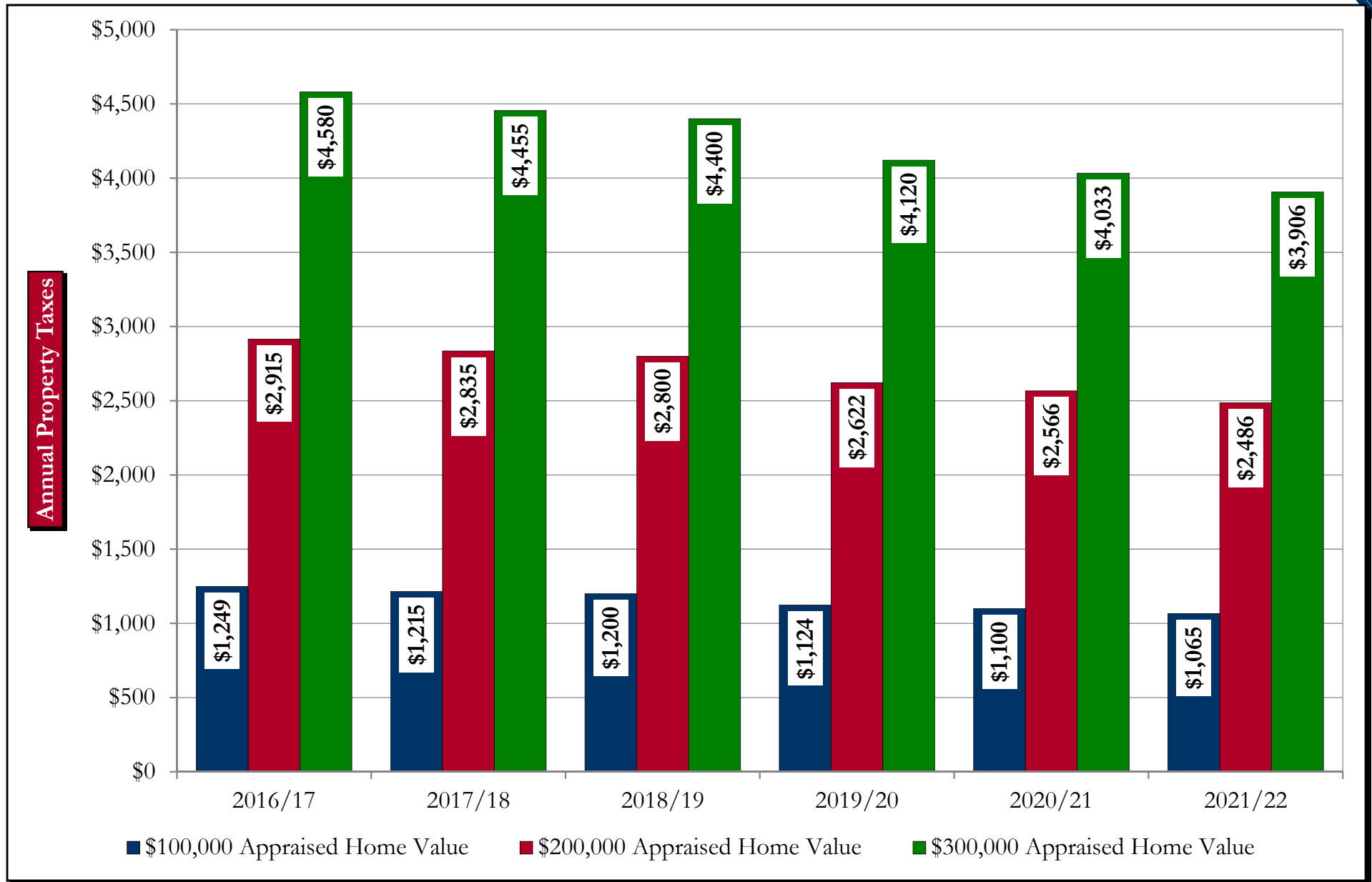


Historical Tax Rates





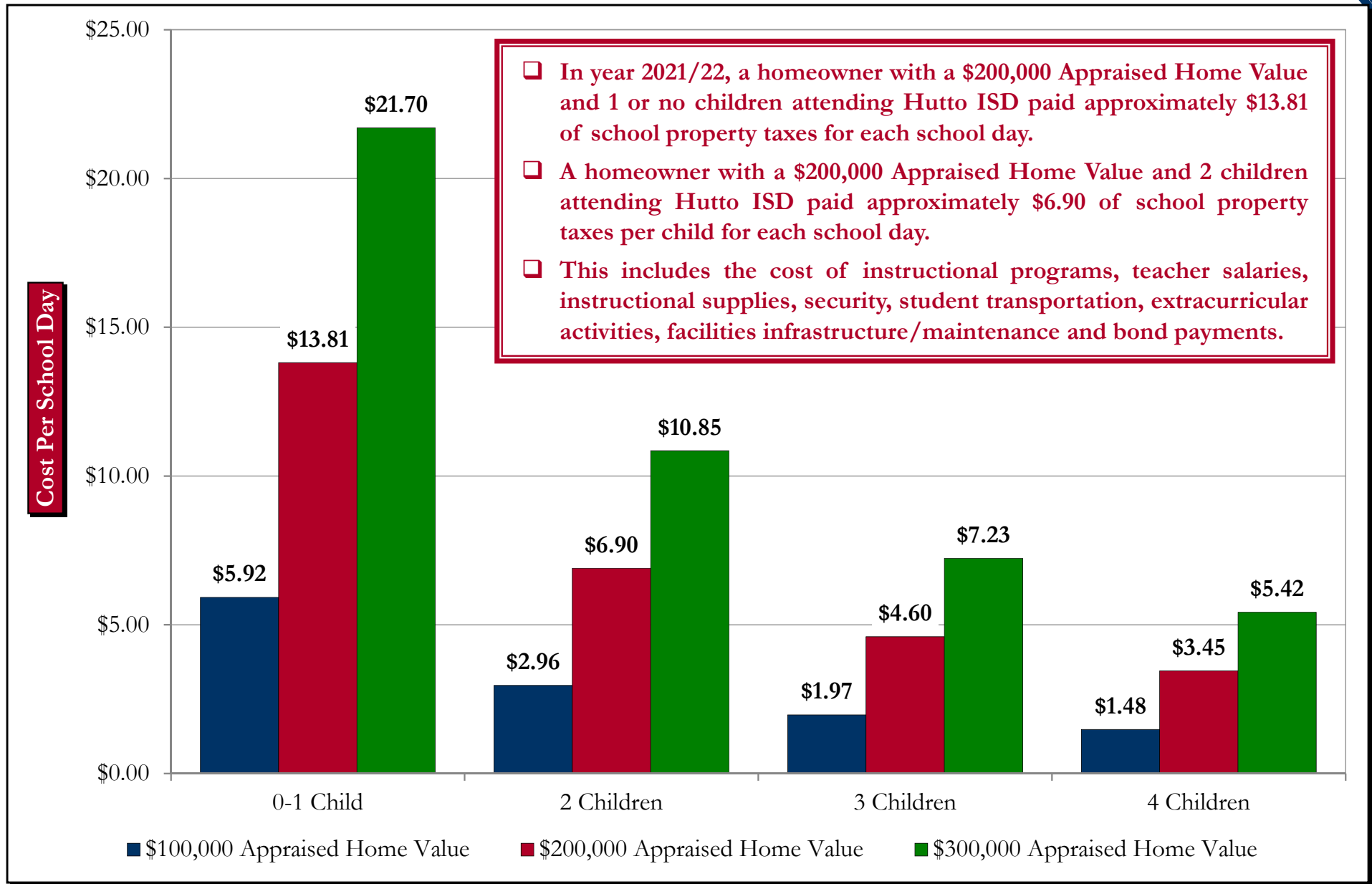
Historical Total Property Taxes For Maintenance and Operations and Voter-Approved Bonds – For Various Appraised Home Values



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



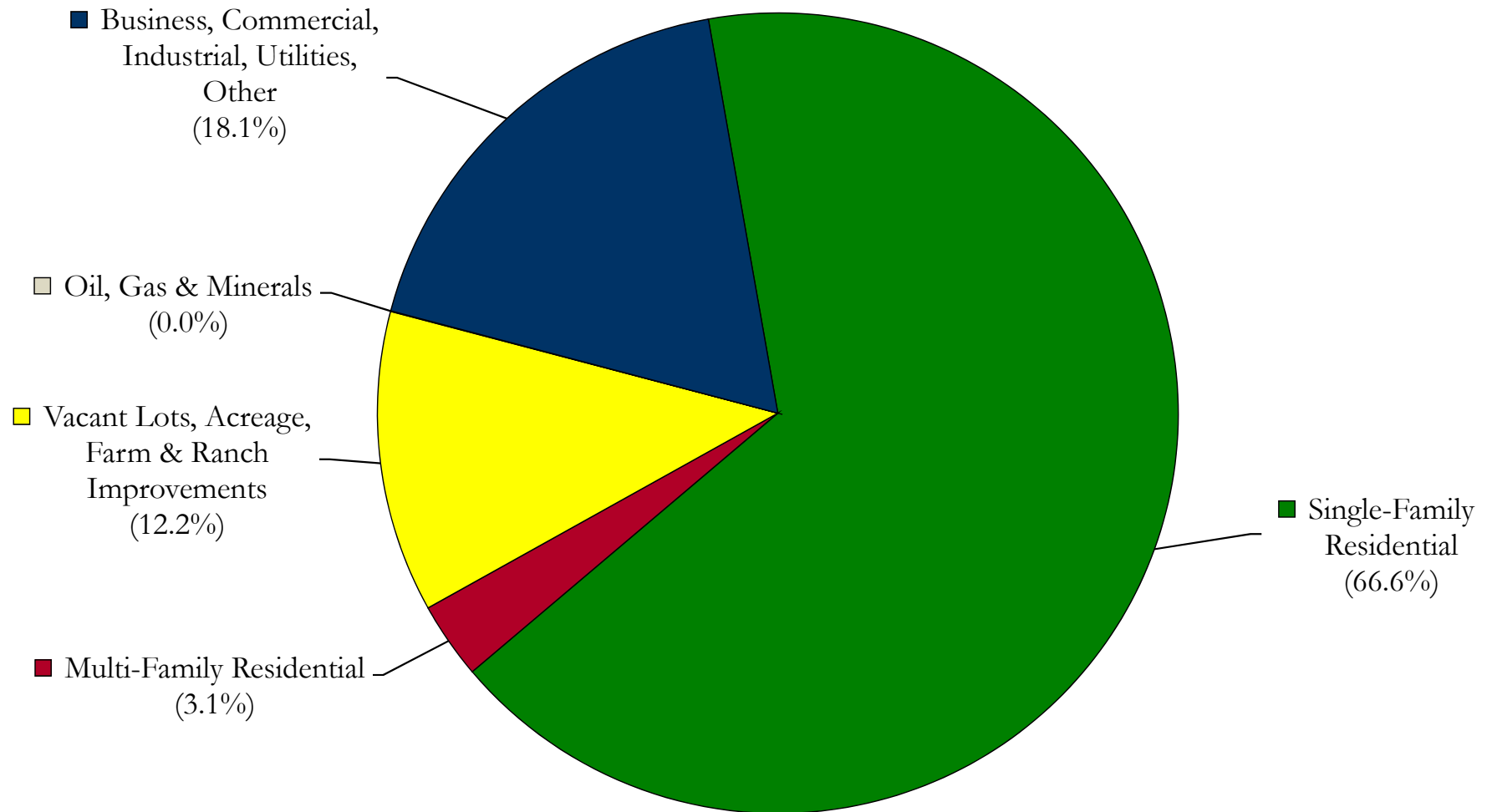
Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2021/22





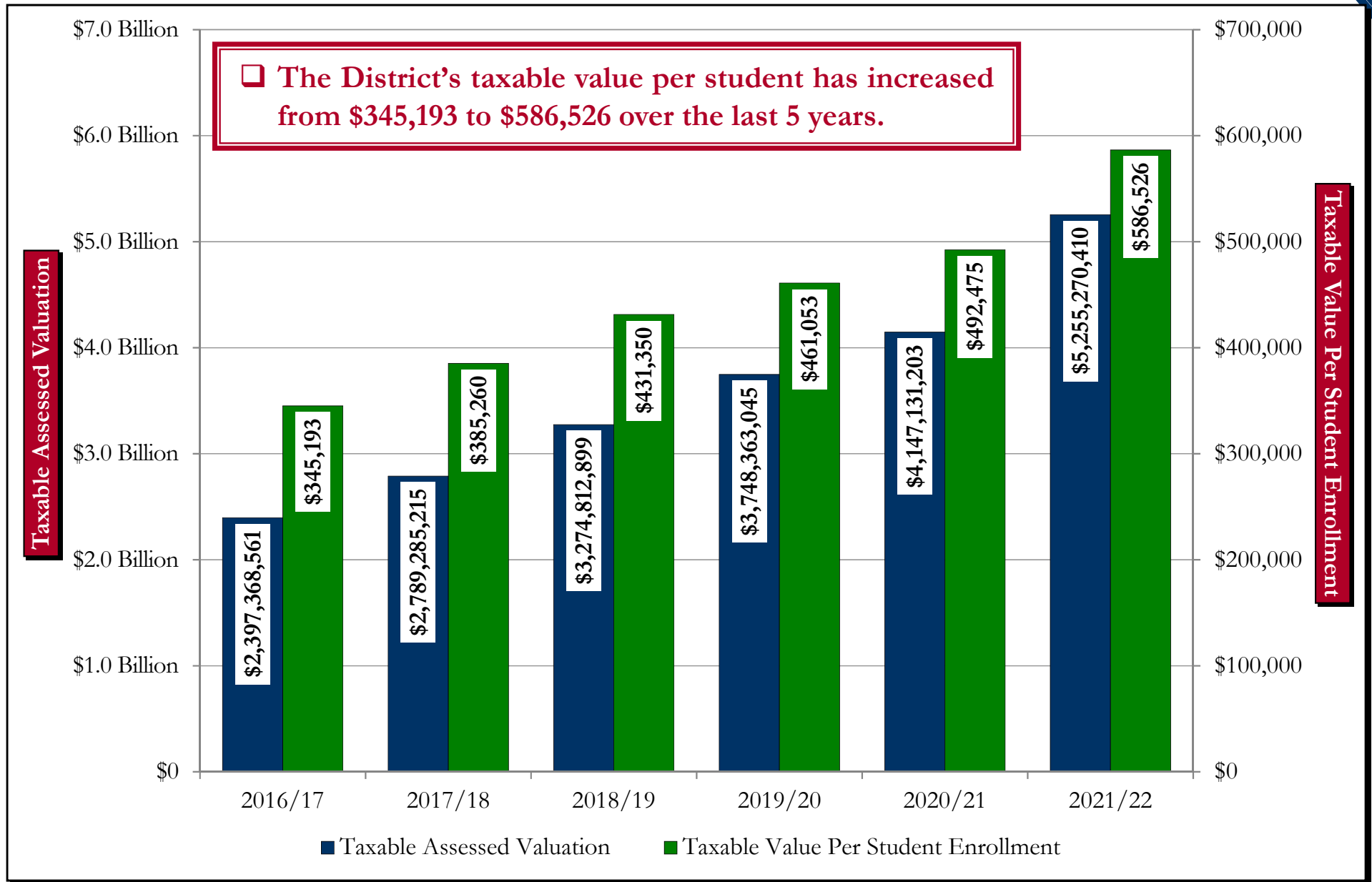
Composition of Total Assessed Valuation – Year 2021/22

For year 2021/22, Single-Family Residential properties comprised 66.6% of the District's total assessed valuation and other property categories comprised 33.4%.





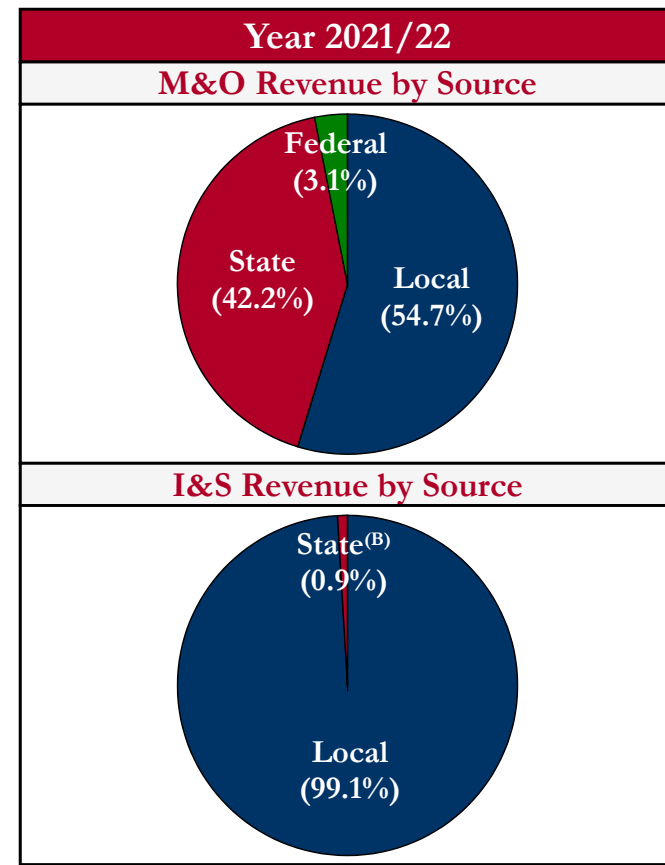
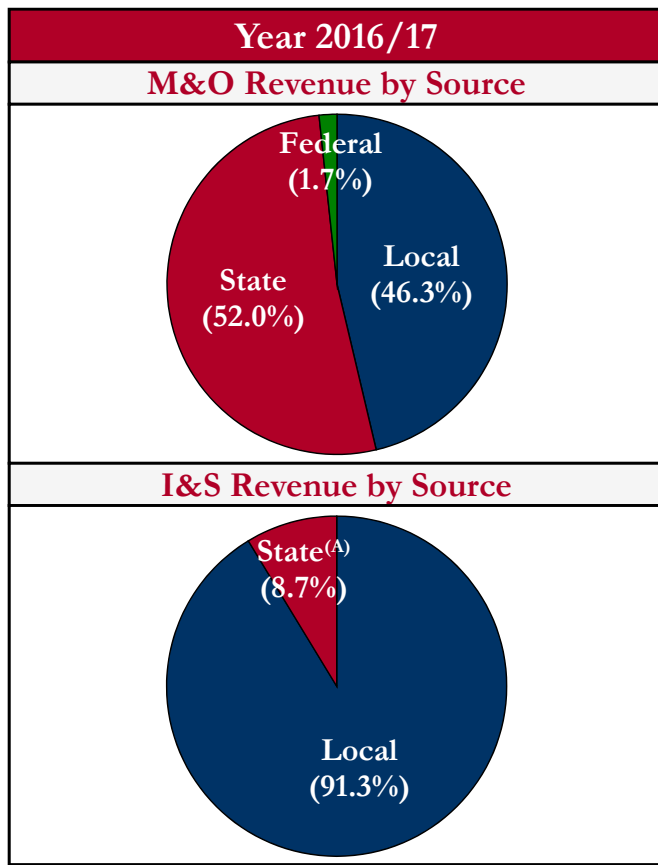
Historical Taxable Assessed Valuation and Taxable Value Per Student Enrollment





General Fund and Debt Service Fund – Revenue By Source

- ❑ The State funding system is structured to provide the District with an “equalized” dollar amount per student. The revenue sources for maintenance and operations and repayment of bonds is summarized below.
- ❑ For year 2021/22, the District did not receive any facilities funding from the State for the payment of voter-approved bonds.

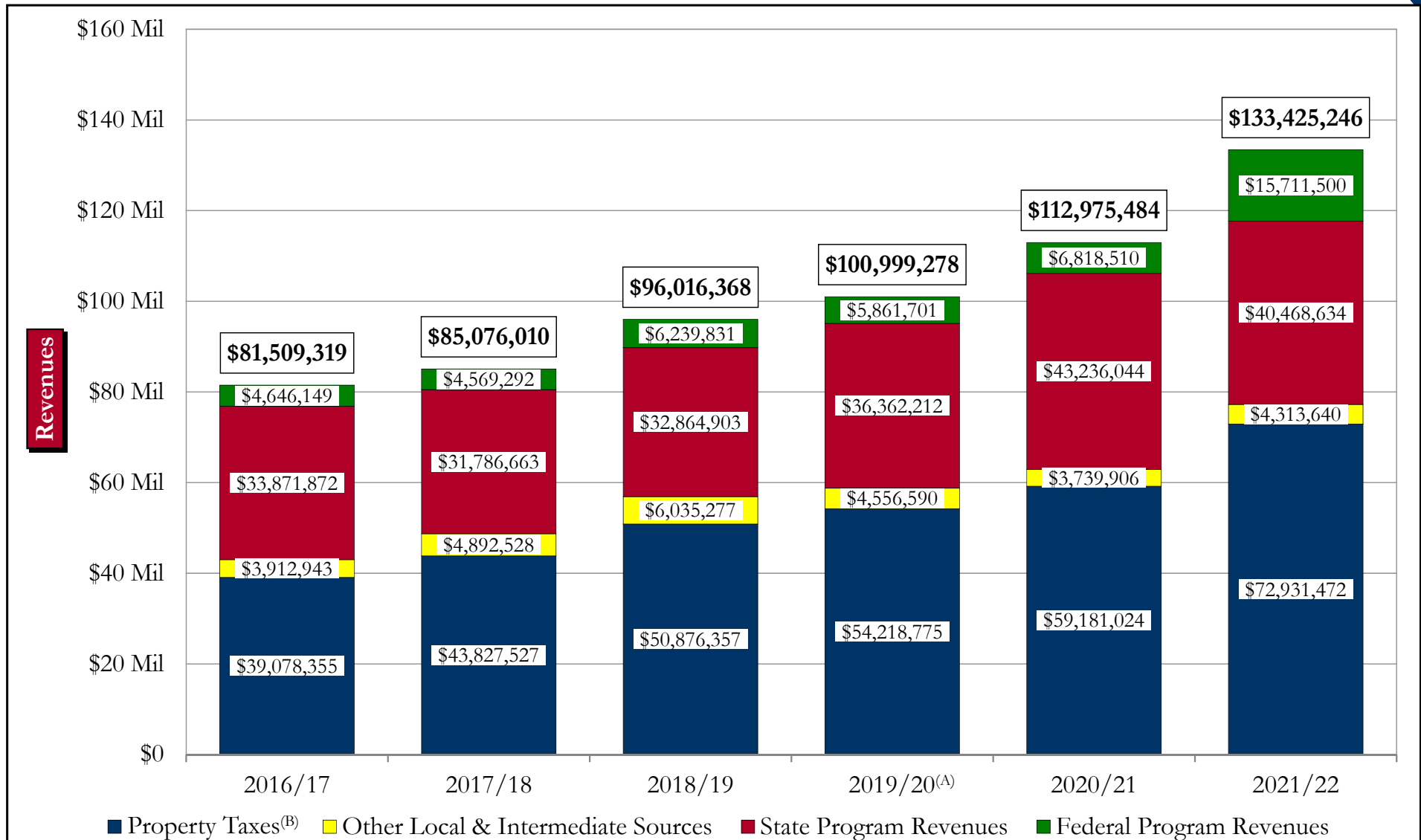


^(A) Includes payment from State received for lost tax revenues resulting from increase of residential homestead exemption in year 2015/16.

^(B) Represents 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

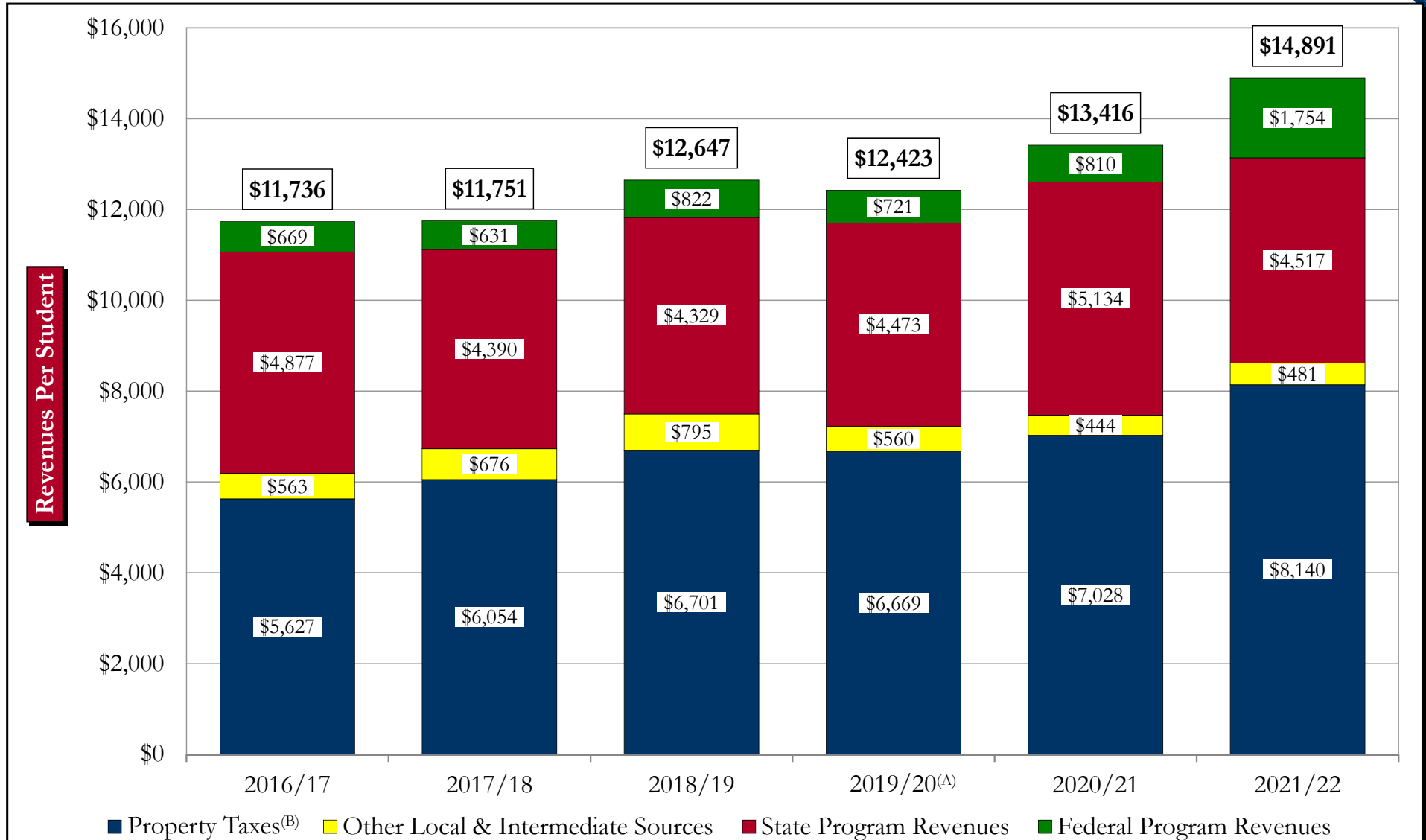


(A) For 10-month time period of September 1, 2019 - June 30, 2020. Reflects initial year of District's change in fiscal year.

(B) Includes maintenance and operation expenses and bond payments of voter-approved bonds.



Total Revenues (All Governmental Funds*) Per Student

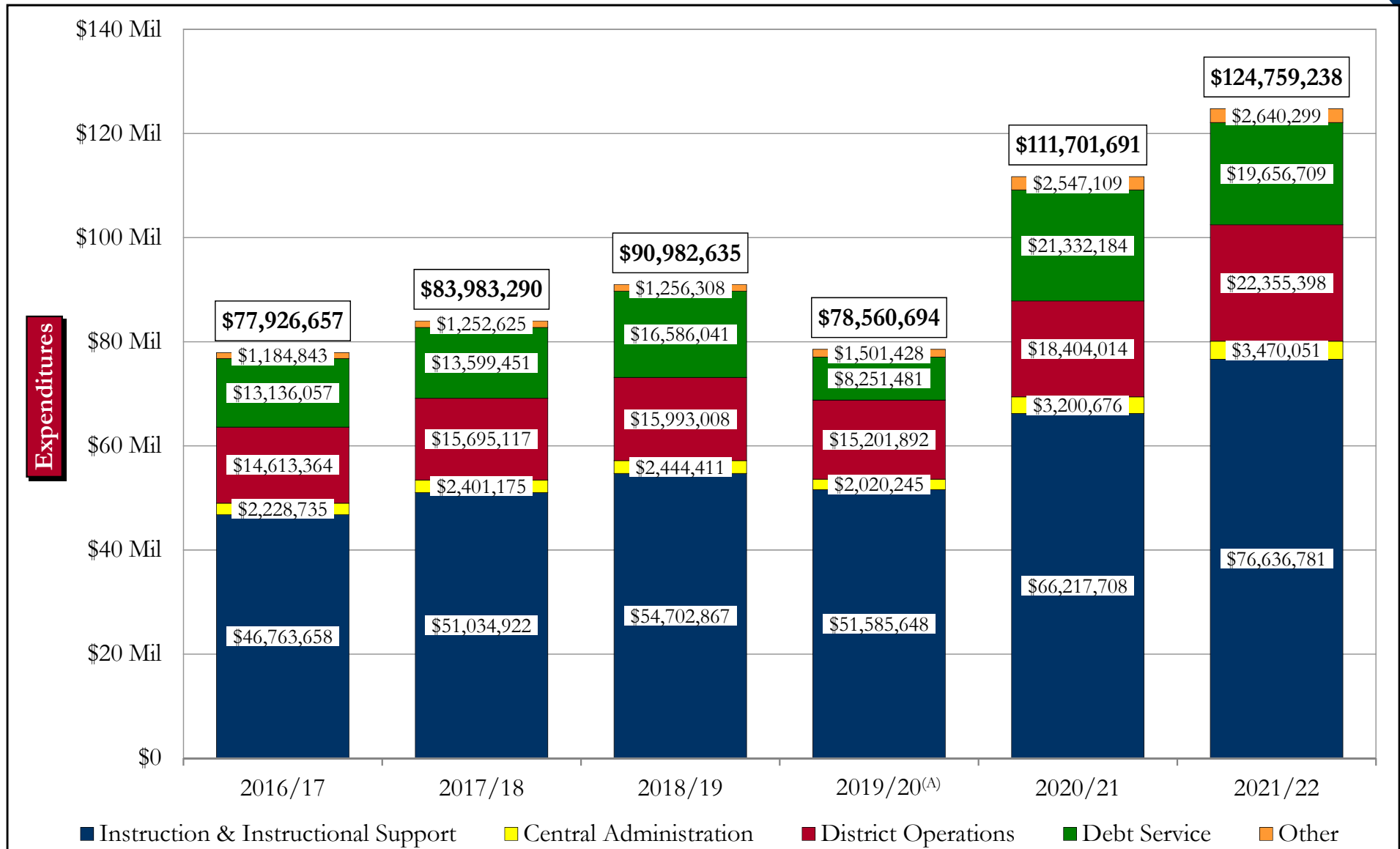


^(A) For 10-month time period of September 1, 2019 - June 30, 2020. Reflects initial year of District's change in fiscal year.

^(B) Includes maintenance and operation expenses and bond payments of voter-approved bonds.



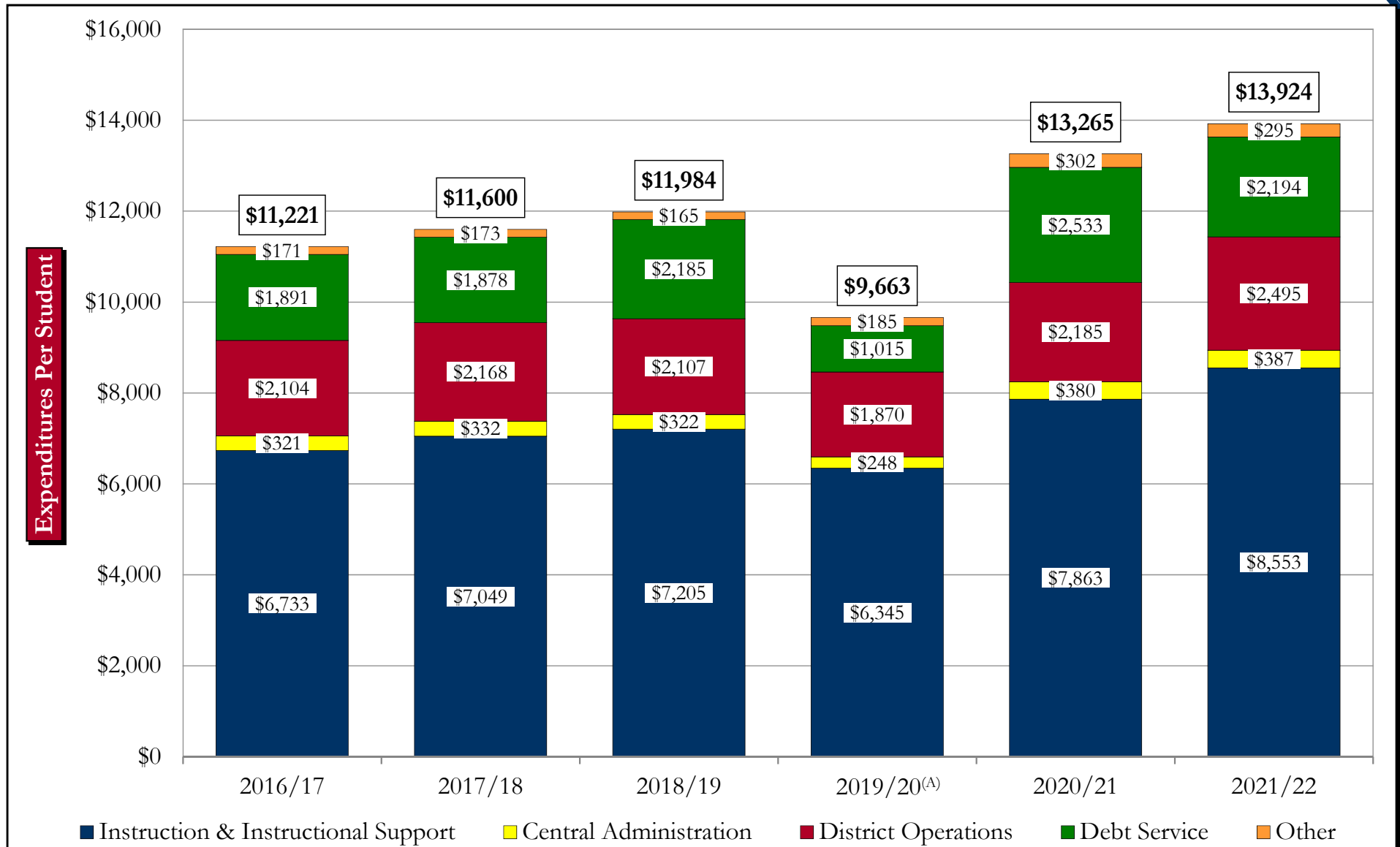
Total Expenditures (All Governmental Funds*) By Source



^(A) For 10-month time period of September 1, 2019 - June 30, 2020. Reflects initial year of District's change in fiscal year.



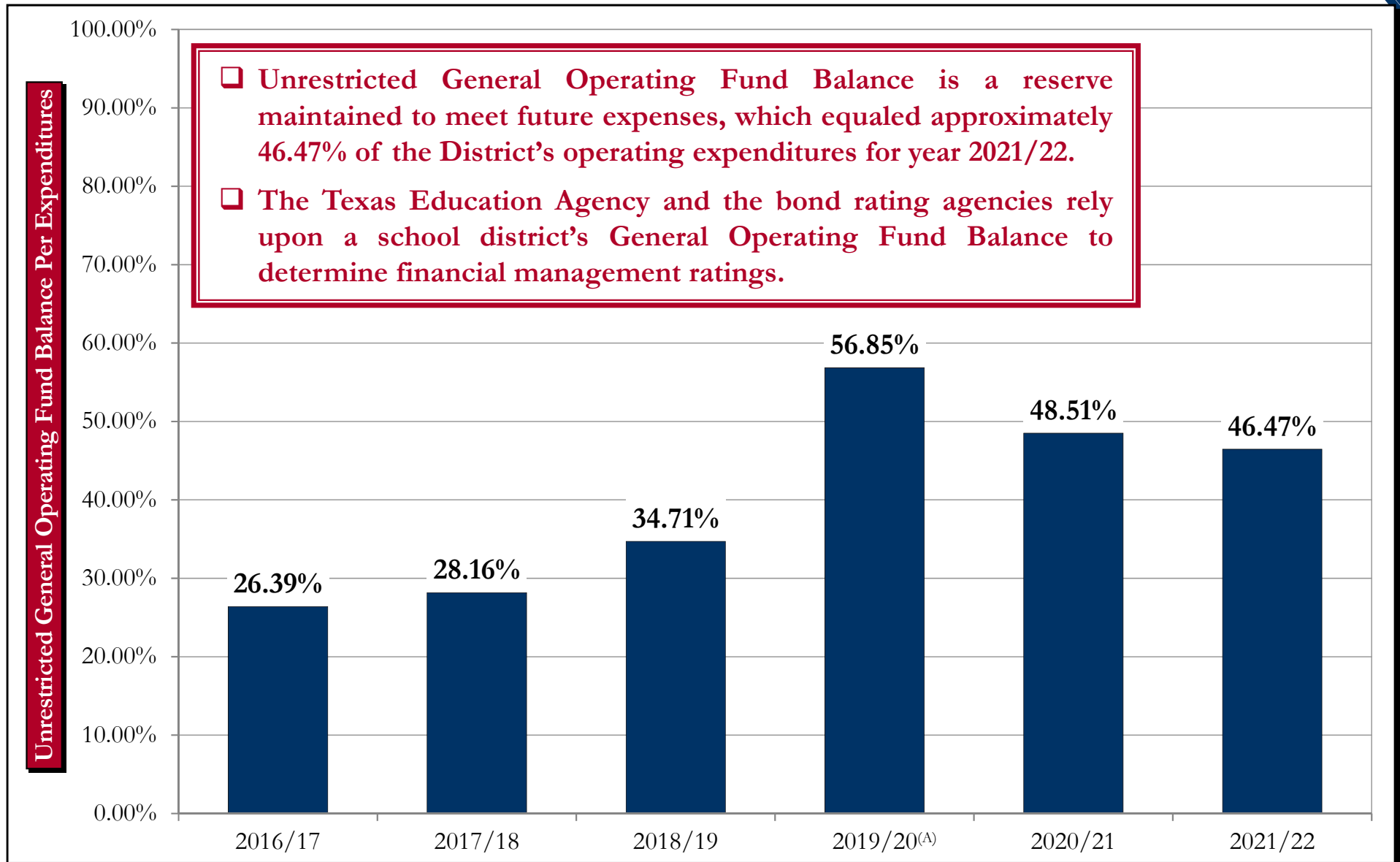
Total Expenditures (All Governmental Funds*) Per Student



^(A) For 10-month time period of September 1, 2019 - June 30, 2020. Reflects initial year of District's change in fiscal year.



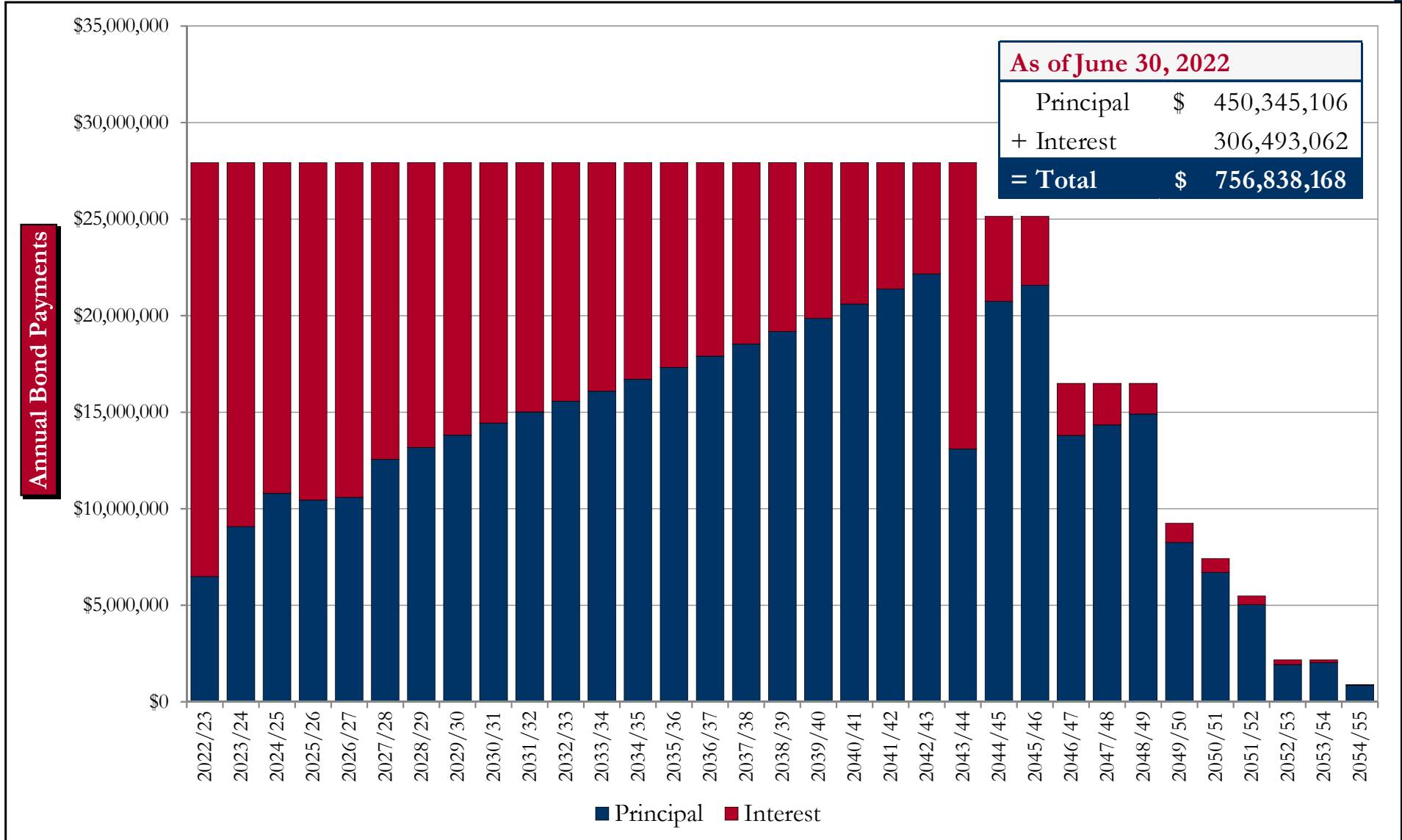
Unrestricted General Operating Fund Balance as a Percentage of General Operating Expenditures



^(A) For 10-month time period of September 1, 2019 - June 30, 2020. Reflects initial year of District's change in fiscal year.



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



Note: Although the District's fiscal year ends on June 30, debt service payments reflect payments from September 1 through August 31 to match the receipt of tax collections and the District's budget. As such, the District's August 2022 debt payments are not portrayed in the graph above.



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

- ❑ Hutto ISD has implemented 10 bond refunding programs to reduce the cost of voter-approved bonds – Which have generated more than \$57.4 million of savings for District taxpayers in recent years.

Summary of Interest Cost Savings – Bond Refunding Programs

Issue	Series Refunded	Principal Amount Refunded	Total Savings
Unlimited Tax School Building & Refunding Bonds, Series 2007A	2001	\$ 8,850,000	\$ 707,653
Unlimited Tax Refunding Bonds, Series 2012B	2002, 2003, 2005, 2006B	13,920,000	1,849,990
Unlimited Tax Refunding Bonds, Series 2013	2003, 2005, 2006B	44,850,000	9,945,431
Unlimited Tax Refunding Bonds, Series 2014A	2004, 2006B, 2007C	7,300,000	1,167,493
Unlimited Tax Refunding Bonds, Series 2014B	2006A	2,075,000	268,112
Unlimited Tax Refunding Bonds, Series 2015A	2007A, 2007C, 2009	79,691,098	17,773,917
Unlimited Tax Refunding Bonds, Series 2016	2007A	7,941,979	2,893,903
Unlimited Tax Refunding Bonds, Series 2021A	2012B	11,155,000	1,908,775
Unlimited Tax Refunding Bonds, Series 2021B	2012A	10,607,833	9,297,688
Unlimited Tax Refunding Bonds, Taxable Series 2021D	2013, 2014A, 2015A	49,345,000	11,631,290
Totals	---	\$ 235,735,910	\$ 57,444,252



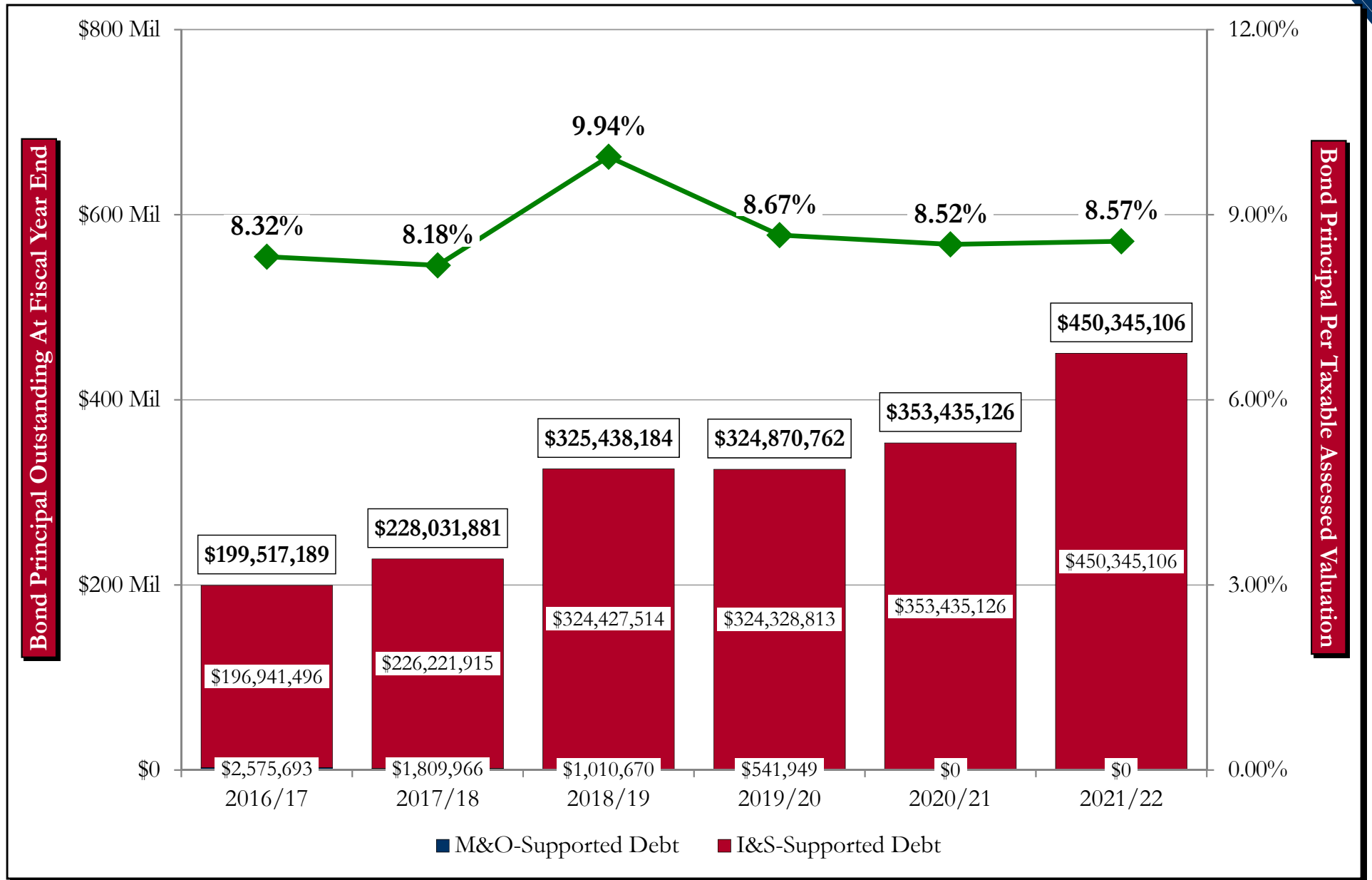
☑ Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended June 30, 2022

- ☐ 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 School Building and Refunding Bonds, Series 1997	Capital Improvements & Refunding at a lower interest rate, etc.	\$11,481,837.90	\$134,553.25	\$2,470,000.00	\$3.59	\$65.89	02/01/2024	\$13,068,751.97	\$13,068,751.97	\$0.00
2	Unlimited Tax Refunding Bonds, Series 2012A	Refunding at a lower interest rate, etc.	\$10,650,213.00	\$42,379.75	\$9,925,000.00	\$1.13	\$264.74	08/01/2044	\$13,309,653.12	\$13,309,653.12	\$0.00
3	Unlimited Tax Refunding Bonds, Series 2013	Refunding at a lower interest rate, etc.	\$44,850,000.00	\$33,470,000.00	\$51,542,887.51	\$892.80	\$1,374.88	08/01/2040	\$48,838,402.66	\$48,838,402.66	\$0.00
4	Unlimited Tax Refunding Bonds, Series 2014A	Refunding at a lower interest rate, etc.	\$7,300,000.00	\$265,000.00	\$285,025.00	\$7.07	\$7.60	08/01/2026	\$7,566,717.10	\$7,566,717.10	\$0.00
5	Unlimited Tax Refunding Bonds, Series 2014B	Refunding at a lower interest rate, etc.	\$2,020,000.00	\$1,065,000.00	\$1,155,737.50	\$28.41	\$30.83	08/01/2026	\$2,134,989.05	\$2,134,989.05	\$0.00
6	Variable Rate Unlimited Tax School Building Bonds, Series 2015	Capital Improvements	\$25,000,000.00	\$23,700,000.00	\$53,589,875.00	\$632.19	\$1,429.48	02/01/2055	\$26,835,148.06	\$26,835,148.06	\$0.00
7	Unlimited Tax Refunding Bonds, Series 2015A	Refunding at a lower interest rate, etc.	\$79,690,850.05	\$44,363,172.55	\$71,349,596.99	\$1,183.37	\$1,903.21	08/01/2043	\$101,151,171.33	\$101,151,171.33	\$0.00
8	Unlimited Tax Refunding Bonds, Series 2016	Refunding at a lower interest rate, etc.	\$7,941,978.75	\$7,605,000.00	\$12,112,025.00	\$202.86	\$323.08	08/01/2043	\$9,266,506.78	\$9,266,506.78	\$0.00
9	Unlimited Tax School Building Bonds, Series 2017	Capital Improvements	\$9,545,000.00	\$9,080,000.00	\$13,639,468.75	\$242.20	\$363.83	08/01/2046	\$9,881,759.09	\$9,881,759.09	\$0.00
10	Unlimited Tax School Building Bonds, Series 2018	Capital Improvements	\$29,830,000.00	\$29,830,000.00	\$51,323,628.33	\$795.70	\$1,369.03	08/01/2048	\$32,495,089.65	\$32,495,089.65	\$0.00
11	Unlimited Tax School Building Bonds, Series 2018A	Capital Improvements	\$54,315,000.00	\$54,315,000.00	\$100,352,575.00	\$1,448.82	\$2,676.85	08/01/2049	\$59,809,322.13	\$59,809,322.13	\$0.00
12	Unlimited Tax School Building Bonds, Series 2019	Capital Improvements	\$45,095,000.00	\$45,095,000.00	\$72,368,050.00	\$1,202.89	\$1,930.38	08/01/2049	\$51,048,370.36	\$51,048,370.36	\$0.00
13	Unlimited Tax School Building Bonds, Series 2020	Capital Improvements	\$33,615,000.00	\$33,615,000.00	\$49,572,675.00	\$896.66	\$1,322.33	08/01/2050	\$37,720,070.25	\$27,338,457.31	\$10,381,612.94
14	Unlimited Tax Refunding Bonds, Series 2021A	Refunding at a lower interest rate, etc.	\$9,435,000.00	\$9,315,000.00	\$12,224,500.00	\$248.47	\$326.08	08/01/2034	\$11,446,886.99	\$11,446,886.99	\$0.00
15	Unlimited Tax Refunding Bonds, Series 2021B	Refunding at a lower interest rate, etc.	\$10,530,000.00	\$10,345,000.00	\$20,454,300.00	\$275.95	\$545.61	08/01/2046	\$12,534,861.97	\$12,534,861.97	\$0.00
16	Unlimited Tax School Building Bonds, Series 2021C	Capital Improvements	\$43,870,000.00	\$43,870,000.00	\$62,699,162.50	\$1,170.21	\$1,672.47	08/01/2051	\$47,615,846.83	\$2,692,398.48	\$44,923,448.35
17	Unlimited Tax Refunding Bonds, Taxable Series 2021D	Refunding at a lower interest rate, etc.	\$49,345,000.00	\$49,345,000.00	\$72,748,018.75	\$1,316.25	\$1,940.52	08/01/2043	\$56,251,888.64	\$56,251,888.64	\$0.00
18	Unlimited Tax School Building Bonds, Series 2022	Capital Improvements	\$54,890,000.00	\$54,890,000.00	\$99,025,642.50	\$1,464.16	\$2,641.46	08/01/2052	\$58,817,091.33	\$232,091.33	\$58,585,000.00

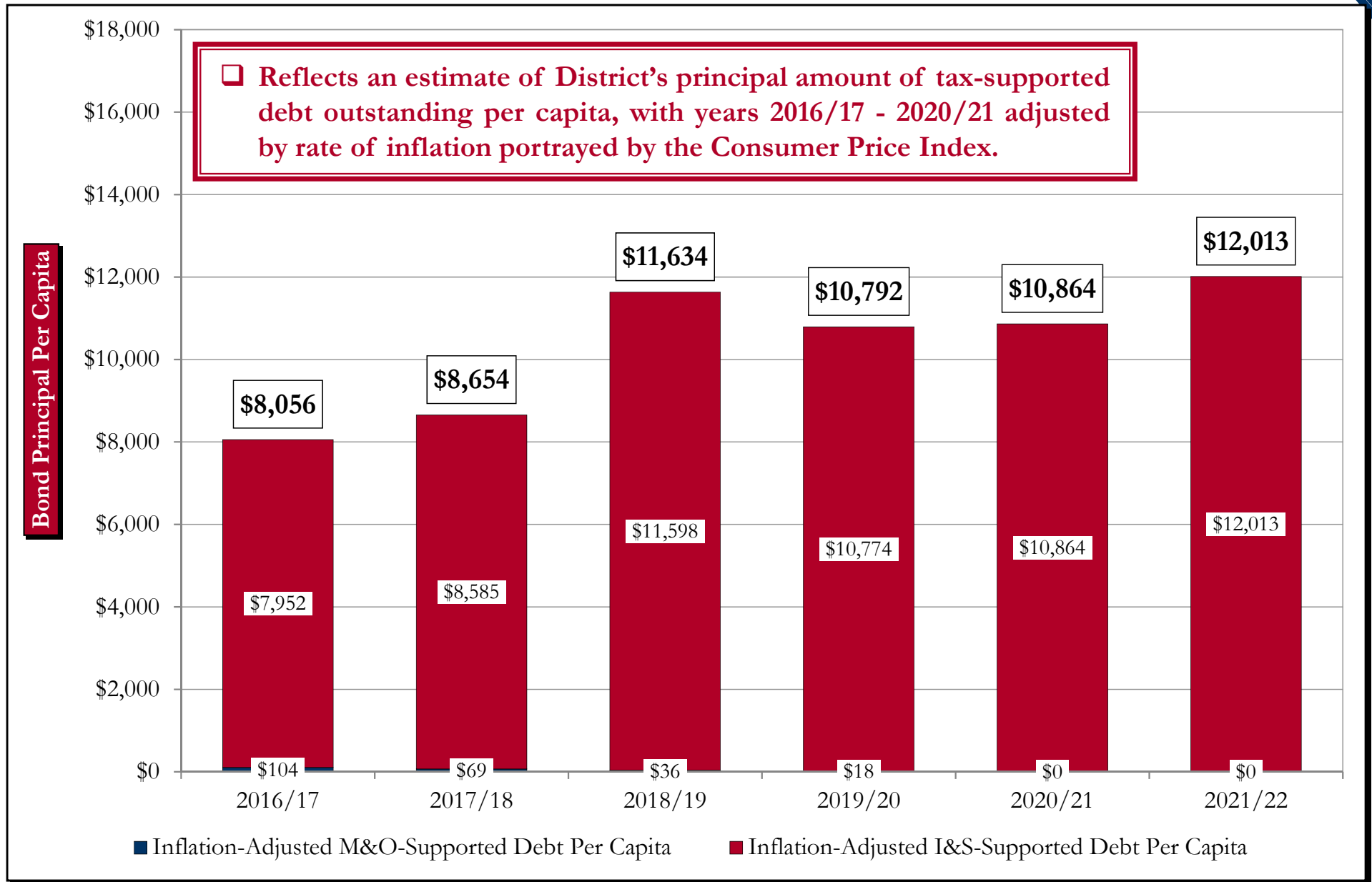


Tax-Supported Debt Obligations At Fiscal Year End and As a Percentage of Taxable Assessed Valuation



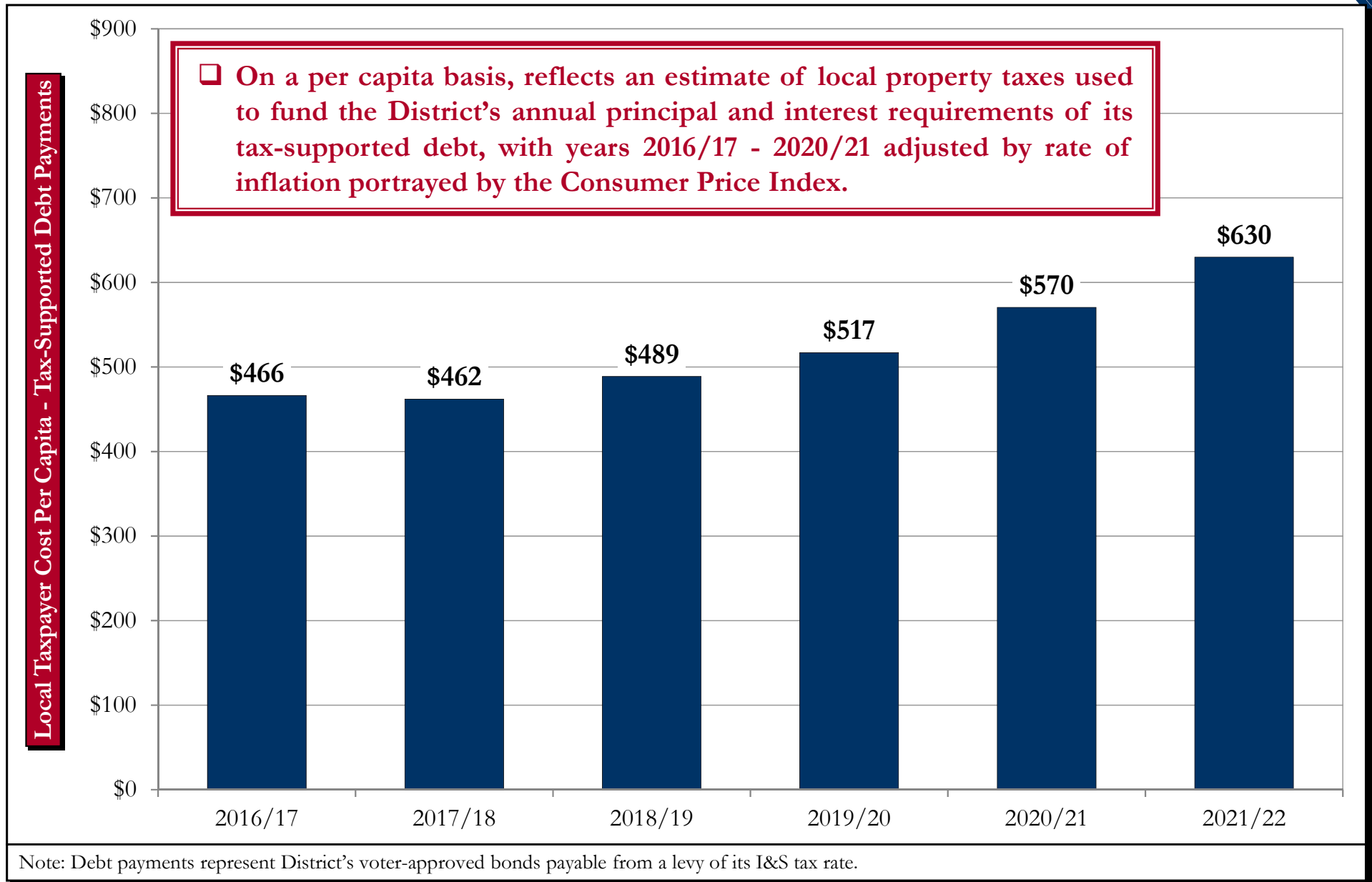


Inflation-Adjusted Tax-Supported Debt Per Capita





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

Main Office Contact Information:

Physical and Mailing Address:

200 College Street
Hutto, Texas 78634

Phone: (512) 759-3771

Fax: (512) 759-4797

For additional information regarding this report, please contact:

Mr. Glenn Graham

Chief Financial Officer

Phone: (512) 759-3771 Ext. 5178

Email: glenn.graham@huttoisd.net

Links to Additional Resources:

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

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