

## Dallas Independent School District Debt Administration

The Texas Education Code (TEC) authorizes the district to issue negotiable coupon bonds to construct, acquire, or equip school buildings; to purchase necessary sites; or to acquire or refinance property financed under a contract entered into under the Public Property Finance Act. The district is further authorized to levy and assess annual ad valorem taxes sufficient to pay the principal and interest on the bonds as they become due.

Local policy gives the general superintendent or his designee the management oversight responsibility for the debt service operation of the district. In this capacity, the Superintendent of Schools recommends all proposed bond sales to the board for its approval. All bond elections are held in accordance with statutory requirements, and bonds are sold as authorized by the qualified voters of the district on a competitive basis under the direction of a fiscal agent selected by the board.

The ratio of net bonded debt to assessed valuation of all property in the district is restricted to 10%, in accordance with TEA recommendations. At current debt levels, the district demonstrates commendable compliance with state restrictions by reporting a 2.10% ratio of bonded debt to assessed property valuation.

The District's long-term debt includes general obligation bonds, maintenance tax notes, commercial paper and provisions for workers' compensation liability. Bond premiums and deferred losses on refundings are amortized using the effective interest method.

**General Obligation Bonds.** These bonds are secured by ad valorem taxes levied against all taxable property and serviced by the Debt Service Fund with an apportionment of the ad valorem tax levy. Interest rates on the bonds range from 0.00% to 8.00% and are due through 2036. The total outstanding principal amount as of June 30, 2019 was \$2,547,735,000.

**Maintenance Tax Notes.** On December 1, 2013, the District issued \$143,340,000 in Limited Maintenance Tax Qualified School Construction Bonds. The Maintenance Tax Notes are paid from the General Fund. The amount outstanding for Maintenance Tax Notes as of June 30, 2019 was \$143,340,000.

\$42,283,021 is reserved in 2013 Qualified School Construction Bonds Fund to pay the 2013 Limited Maintenance Tax Qualified School Construction Bonds (QSCB) due in 2033. The District expects to annually transfer \$7,167,000 from General Fund to 2013 Qualified School Construction Bonds Fund to provide for the future QSCB principal amount due of \$143,340,000.

The \$75MM 2015 Multi-Modal Limited Maintenance Tax Notes were remarketed in August 2018 and refunded in February of 2019 by the 2019 Unlimited Tax Refunding Bonds.

**Debt Issuance.** In February 2019, the District issued \$75,000,000 in Unlimited Tax Refunding Bonds, Series 2019. The District sold the bonds with a premium. Proceeds were used to refund \$75,000,000 in Multi-Modal Limited Maintenance Tax Notes. Principal is due every February 15 until February 15, 2034. The bonds are serviced by the Debt Service fund.

## Dallas Independent School District Total Debt Service Payment Schedule

FISCAL YEAR	(528/529) General Obligations	(199) Maint Tax Notes	Budget Year GRAND TOTAL
2019/2020	\$210,839,618	\$7,237,237	\$218,076,854
2020/2021	209,556,003	7,237,237	216,793,239
2021/2022	215,631,043	7,237,237	222,868,279
2022/2023	220,904,925	7,237,237	228,142,162
2023/2024	231,245,000	7,237,237	238,482,237
2024/2025	253,004,510	7,237,237	260,241,747
2025/2026	236,739,403	7,237,237	243,976,639
2026/2027	218,788,628	7,237,237	226,025,864
2027/2028	242,553,073	7,237,237	249,790,309
2028/2029	233,615,123	7,237,237	240,852,359
2029/2030	266,321,203	7,237,237	273,558,439
2030/2031	257,934,503	7,237,237	265,171,739
2031/2032	263,733,960	7,237,237	270,971,197
2032/2033	247,628,450	7,237,237	254,865,687
2033/2034	243,489,083	146,958,618	390,447,701
2034/2035	264,389,393	-	264,389,393
2035/2036	31,284,650	-	31,284,650
	<b>\$3,847,658,563</b>	<b>\$248,279,931</b>	<b>\$4,095,938,493</b>