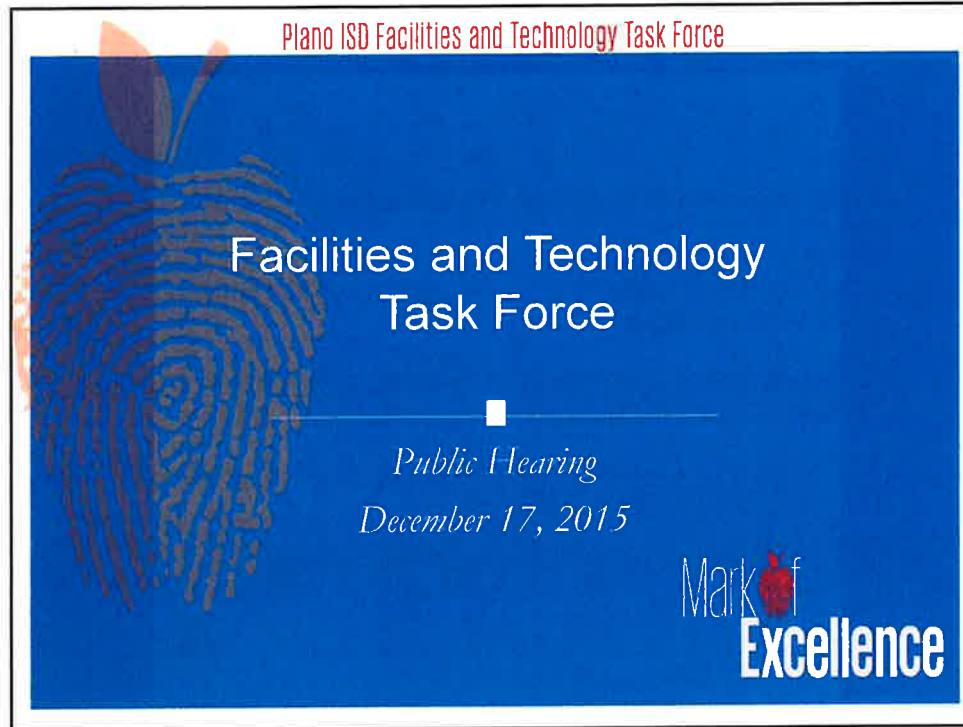




2016 Bond Task Force Committee Members

Rebecca Egelston Caso, Chair

Matthew Arend	Annika Little	Corie Rubenstein
Earnest Burke	Bill McLaughlin	Doug Shockey
Rick Cinclair	Dr. Raj Menon	Karen Stanton
Rodney Davenport	Pat Miner	Ryan Steele
Ken Gagliano	Fred Moses	Rose Taper
Bob Garrey	Amy Nelson	John Teiber
Jeff Harrison	Dr. Doug Otto	Al Valente
Jim Hirsch	Alex Plotkin	Janet Weissman
Ken Hutchenrider	Rev. Patrick Price	
Marshall Jackson	Julie Richard	



Scope

- Construction of new facilities to accommodate growth.
- Repair and renovation of schools to enable them to operate more efficiently and to allow the delivery of the current instructional program.
- Repair and/or replacement of major building systems and equipment that is unreliable and costly to operate.
- Additions to existing facilities to accommodate increased enrollment or programmatic needs.
- Technology needs to address current programs, replacement schedules and future programmatic issues.



Summary of Meetings (September 3, 2015 to Present)

- Seven meetings held:
 - Organizational/Orientation
 - New Schools and Acquisitions
 - Major Renovations/Upgrades/Refurbishments
 - Additions/Modifications/Capital Improvements
 - Systems & Compliance and Technology & New Academic Initiatives
 - Discussion of Interim Report
 - Discussion of Feedback from Board of Trustees



Why Consider a Bond Election Now?

- Longest time lapse since 1923-51
- 2008 Election planned to cover 4 years, but was extended due to:
 - Economic downturn
 - State budget cuts
 - TRE Strategy



Past Bond Elections

August 1923	April 1970	February 1996
November 1951	September 1972	September 1997
December 1958	October 1974	February 1999
November 1960	October 1977	September 2000
January 1963	October 1979	August 2003
April 1964	September 1984	August 2004
March 1965	October 1990	May 2008
May 1967	March 1993	May 2016???
April 1969	February 1994	



How Did TRE Impact Bond Program?

- Fall of 2013, greatest need was for operating funds.
- Voters approved a 13¢ increase in operating tax rate.
- To lessen taxpayer impact, reduced debt tax rate by 5¢.
 - ▣ Debt tax rate has fallen an additional 1.4¢ since TRE passed.
- Pledged to delay next bond election and use any operating surplus for additional capital projects in the interim.
- Transferred \$45.0 million from operating funds to date.
- Only meant to be a bridge, not a long term capital needs funding source.



Potential Items Under Consideration



New Schools and Acquisitions \$129,000,000

- New Elementary School
- Special Education Transition Center
- Employee Childcare Center #3
- Early Childhood Center #4
- Centralized Fine Arts Venue
- Property Purchases



Major Renovations/Upgrades/Refurbishments \$105,830,000

- Shepton High School
- Robinson Middle School
- Elementary School Refurbishments (6)
- Middle School Refurbishments (2)
- High School Refurbishments (2)



Additions/Modifications/Capital Improvements

\$140,545,000

- Safety & Security
- Transportation
- FANS
- Fine Arts and Academic Facilities
- Athletics
- Elementary Capacity Additions
- Permanent Classrooms to Replace Portables
- Re-roofing Projects
- Capital Improvement Projects
- Sustainability Projects



Systems and Compliance

\$63,890,000

- Carpet and Flooring
- Electrical
- Energy Management
- HVAC Systems
- Plumbing
- Site Improvements
- Pavement, Fire Lanes
- Specialties, Equipment
- Other



Technology and Academic Initiatives \$80,860,000

- Technology Replacements
- Academic and Technology Initiatives
- Academic Services Initiatives



Summary of Projects

New Schools and Acquisitions	\$129,000,000
Major Renovations/Upgrades/Refurbishments	105,830,000
Additions/Modifications/Capital Improvements	140,545,000
Systems and Compliance	63,890,000
Technology and Academic Initiatives	80,860,000
Total	\$520,125,000



Tax Rate and Debt Implications



Historical Strategy

- **Level annual payments based on the following amortization schedule:**
 - Technology – 5 years
 - Buses – 10 years
 - All Other – 25 years
- **Some tweaking of payments to manage payments and tax rate**
- **Ratings from Moody's and Standard & Poor's Rating Services are AAA and AA+, highest for any Texas School District**

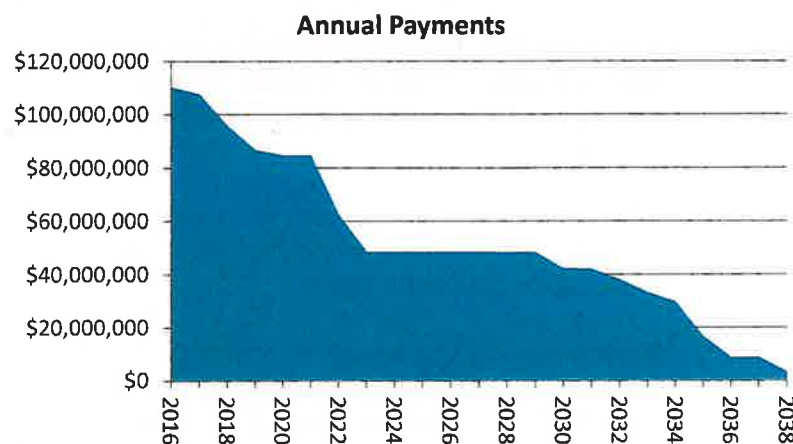


Existing Debt Information

- Total Outstanding Debt - \$852,635,313
- Final Maturity - 2038
- Debt as % of Net Taxable Property Value - 2.06%
- Total Payments Remaining - \$1,191,254,755



Current Payment Schedule



Current Tax Rates Collin County Schools

District	M & O	I & S	Total
Prosper	1.1700	0.5000	1.6700
McKinney	1.1700	0.5000	1.6700
Anna	1.1700	0.5000	1.6700
Melissa	1.1700	0.5000	1.6700
Celina	1.1400	0.5000	1.6400
Wylie	1.1700	0.4700	1.6400
Community	1.1700	0.4550	1.6250
Princeton	1.1700	0.4500	1.6200
Allen	1.1400	0.4700	1.6100
Blue Ridge	1.1569	0.4146	1.5715
Lovejoy	1.0600	0.5000	1.5600
Frisco	1.0400	0.4200	1.4600
Plano	1.1700	0.2690	1.4390
Farmersville	1.1700	0.2600	1.4295



Three Potential Financing Models

- **Model 1 – Historical Strategy of level annual payments with maximum term of 25 years. Results in decrease in tax rate in years 2 through 5 of program.**
- **Model 2 – Maintaining current tax rate for next 5 years, accelerating principal payments, reducing maximum term to 20 years.**
- **Model 3 – Increasing tax rate for next 5 years, greater acceleration of principal payments, maximum term of 20 years, all for purpose of retiring more debt than is being issued.**

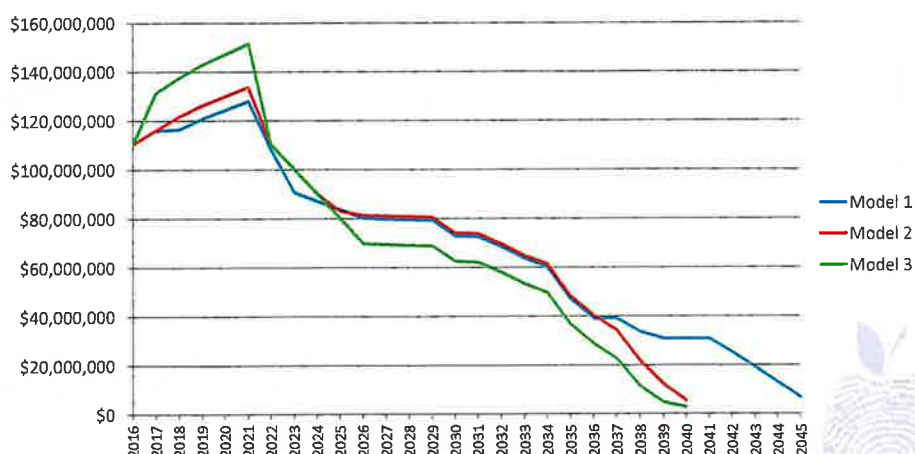


Assumptions Common to All Options

- Total debt of \$520,125,000 issued from 2016 - 2020
- Interest rates at 11/24/15 market plus 0.75% for first sale, then adjusted upwards for future sales
- Tax base growth (2015 was 6.93%, 2014 was 6.67%)
 - 2016/17 - 5%
 - 2017/18 - 5%
 - 2018/19 - 4%
 - 2019/20 - 3%
 - 2020/21 - 3%



Annual Payments Comparison

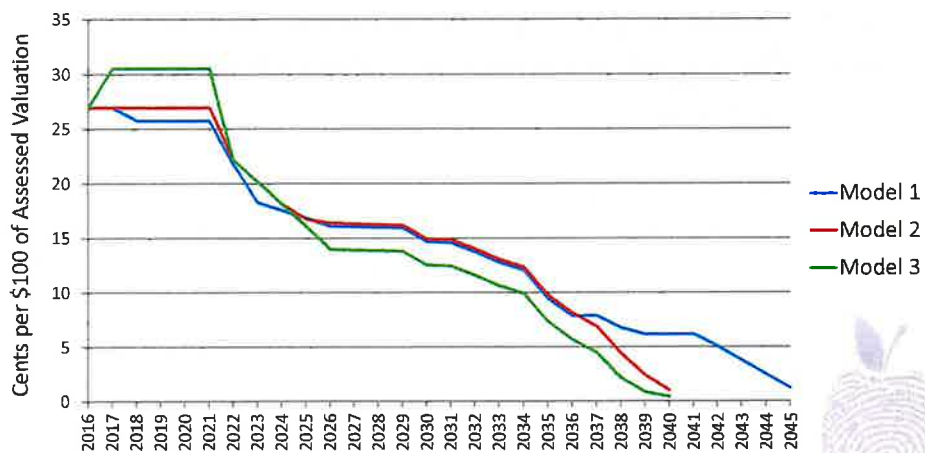


Comparison of Projected Tax Rates

Year	Model 1	Model 2	Model 3
Current	26.90	26.90	26.90
2017	26.90	26.90	30.52
2018	25.75	26.90	30.52
2019	25.75	26.90	30.52
2020	25.75	26.90	30.52
2021	25.74	26.90	30.52
2022	21.77	22.17	22.17
2023	18.27	20.18	20.18
2024	17.55	18.15	18.15
2025	16.83	16.72	16.11
2026	16.11	16.38	13.98
2027	16.05	16.31	13.92
2028	15.99	16.25	13.86
2029	15.94	16.20	13.80
2030	14.65	14.92	12.52



Tax Rate Comparison



Comparative Summary of Options Payment Information

	Model 1	Model 2	Model 3
Total Payments (New Debt)	\$859,839,845	\$756,407,118	\$674,448,227
Final Maturity	2045	2040	2040
Total Interest	\$339,714,845	\$236,282,118	\$154,323,227



Comparative Summary of Options Outstanding Debt Information

	Model 1	Model 2	Model 3
Outstanding Debt Today	\$852,635,313	\$852,635,313	\$852,635,313
Outstanding Debt Election Day	\$782,030,000	\$782,030,000	\$782,030,000
Outstanding Debt End of Program	\$905,555,000	\$877,925,000	\$781,980,000
Debt @ End of Program as a % of Net Taxable Property Value	1.79%	1.74%	1.55%



Next Steps

- January 7th – Task Force meets to discuss public input and finalize recommendations
- January 12th – Task Force makes final recommendations to Board of Trustees
- January 19th – Board of Trustees meets to discuss and make preliminary decisions on final recommendations of Task Force
- February 2nd – Board of Trustees considers calling election for May 7, 2016



Public Input

Public Comment Cards will be accepted throughout tonight's meeting. Cards are not transferrable to another party/speaker. Speakers will have time to share input with the task force. Groups of five or more addressing the same topic are asked to appoint one speaker on their behalf. Audience members are asked to be respectful listeners in order to maintain a productive meeting environment.

You may provide input to the task force in one of three ways:

- (1) Fill out and submit a Public Comment Card and ask to speak.
- (2) Fill out a Public Comment Card with your input and check "I do not wish to speak" and your written feedback will be submitted to the committee.
- (3) Submit your comments to AskPISD@pisd.edu.

Presentations from tonight's meeting and additional information regarding the Facilities and Technology Task Force can be found online at www.pisd.edu/2016Bond



Plano ISD Facilities and Technology Task Force



Facilities and Technology Task Force

Public Hearing
December 17, 2015

Mark of
Excellence