



*Plano Independent School District*  
*2700 W. 15<sup>th</sup> Street, Plano, TX*

Work Session Meeting | **Board of Trustees**

Tuesday, November 17, 2015

5:30 PM



# Work Session Meeting | AGENDA

November 17, 2015

## Plano Independent School District Strategic Plan 2013-18

The five-year revision of the Plano ISD Strategic Plan was adopted by the Board of Trustees on May 7, 2013.

### Vision Statement

Plano ISD schools empower students to be able to adapt to new learning and career opportunities throughout their lives, collaborate with, and contribute to, the global community and to be disciplined and creative in their thinking.

### Mission Statement

The mission of the Plano Independent School District is to provide an excellent education for each student.

### District Goals

Plano ISD has two major ongoing district goals:

- Ensure continued improvement in student learning
- Ensure efficient use of financial resources/budgeting

### 2015-16 District Initiatives

- Better operationalize our Strategic Plan and develop a longitudinal approach to measuring our success
- Identify and evaluate current communication efforts at district and campus levels while researching methods to further engage external and internal audiences
- Development and preparation for implementation of the new teacher appraisal instrument T-TESS
- Focused Learner Supports

## I. CALL TO ORDER - 5:30 P.M.

Meeting will be opened in the Board Room, first floor, Administration Building, 2700 West 15th Street, Plano, Texas, 75075.

## II. CLOSED SESSION - 5:30 P.M.

Closed session will be held in the Board Library Room, second floor, Administration Building, 2700 West 15th Street, Plano, Texas, 75075.

A. **Pursuant to Section 551.074** of the Texas Government Code, deliberation regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

## III. OPEN MEETING - 6:00 P.M.

Meeting will reconvene in open session in the Board Room.

## IV. Texas School Finance Presentation

Informational Only

Presenter: Steve Fortenberry

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## V. Interim Report of Facilities and Technology Task Force

Informational Only

Presenter: Steve Fortenberry

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## VI. Budget Calendar and Goals 2016-17

Informational Only

Presenter: Steve Fortenberry

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## VII. ADJOURNMENT

PUBLIC INPUT IS SCHEDULED AT REGULAR BOARD MEETINGS ONLY. THE NEXT REGULAR MEETING OF THE BOARD IS SCHEDULED FOR DECEMBER 8, 2015.

THIS MEETING WILL EXCLUSIVELY ADDRESS THE POSTED AGENDA ITEM/S. NO OTHER ITEMS WILL BE DISCUSSED.

This agenda (one or more pages) is part of a document attached and entitled NOTICE OF MEETING in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551. The order in which posted agenda items are taken may be changed by a two-thirds vote of the Board members present.

The Plano ISD Administration Building, Board Room, 2700 West 15th Street, Plano, Texas, 75075 is wheelchair accessible. A curb slope entry is available at the front entrance. Board members welcome communication from citizens and are available to speak to school and community groups by contacting Denise Gillespie at (469) 752-8123.

*Plano Independent School District*  
**AGENDA ITEM**

**MEETING DATE:** November 17, 2015  
**INFORMATION ONLY** Texas School Finance Presentation

**INFORMATION SUBMITTED BY:** Steve Fortenberry - (469) 752-8113

**COMMENTS:**

Christy Rhome, Executive Director of the Texas School Coalition, will provide a presentation explaining how school finance operates in Texas.

**BUDGET IMPACT:**

None

**SUPPORTS THE STRATEGIC GOAL(S) OF:**

Student Learning; Community Connectedness; Capacity Development; Data-Informed Decision-Making

**RECOMMENDATION:**

N/A



# Texas School Coalition

Committed to the success of public education for all students in Texas!

[txsc.org](http://txsc.org)

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## School Finance Overview for Plano ISD

November 17, 2015

# Presentation Overview

- ▶ History/background of previous school finance court rulings & actions
- ▶ Overview of the school finance system, including:
  - ❖ School finance formulas
  - ❖ Local property taxes
  - ❖ Recapture



# From the Courthouse to the Capitol

| Court Decision                        | Legislative Response          |
|---------------------------------------|-------------------------------|
| Edgewood I (1989)                     | Senate Bill I (1990)          |
| Edgewood II (1991)                    | Senate Bill 351 (1991)        |
| Edgewood III (1992)                   | Prop. I (failed), SB 7 (1993) |
| Edgewood IV (1995)                    | System found constitutional   |
| West Orange-Cove (2005)               | House Bill I (2006)           |
| TX Taxpayer & Student Fairness (201?) | ????                          |

## After West Orange-Cove...

- ▶ HB 1 in 2006 reduced property tax rates by one-third, and made up for the difference in local revenue through new revised business margins tax
- ▶ New business margins tax has never performed up to projected levels, causing a funding deficit for the Property Tax Relief Fund.



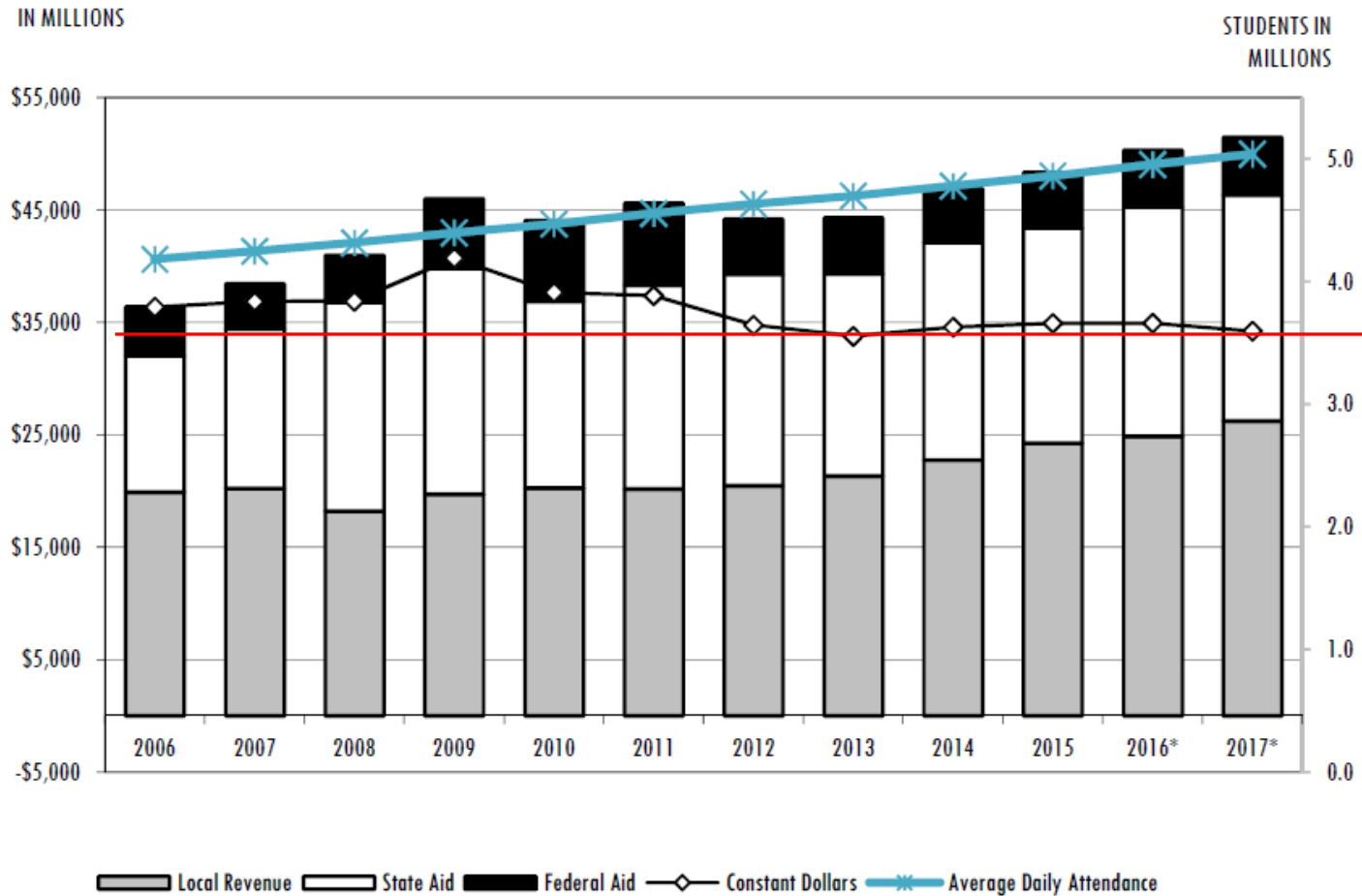
## After West Orange-Cove...

- ▶ In 2009, federal dollars became available and filled the deficit.
- ▶ In 2011, with no federal help, schools absorbed \$5.4 billion in cuts.
- ∞ ▶ In 2013, \$3.4 billion “restored,” followed by \$1.2 billion in 2015 (but not to the same schools that were cut)



# Fiscal Years 2006 to 2017 Pre-K - 12 Public Education Funding Constant Dollars Calculated with Compounded State Population and Inflation Growth

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With the exception of 2013, funding is lower than any other time in the last 10 years in constant dollars.

\* 2016 and 2017 amounts are based on the Conference Committee Report to House Bill 1

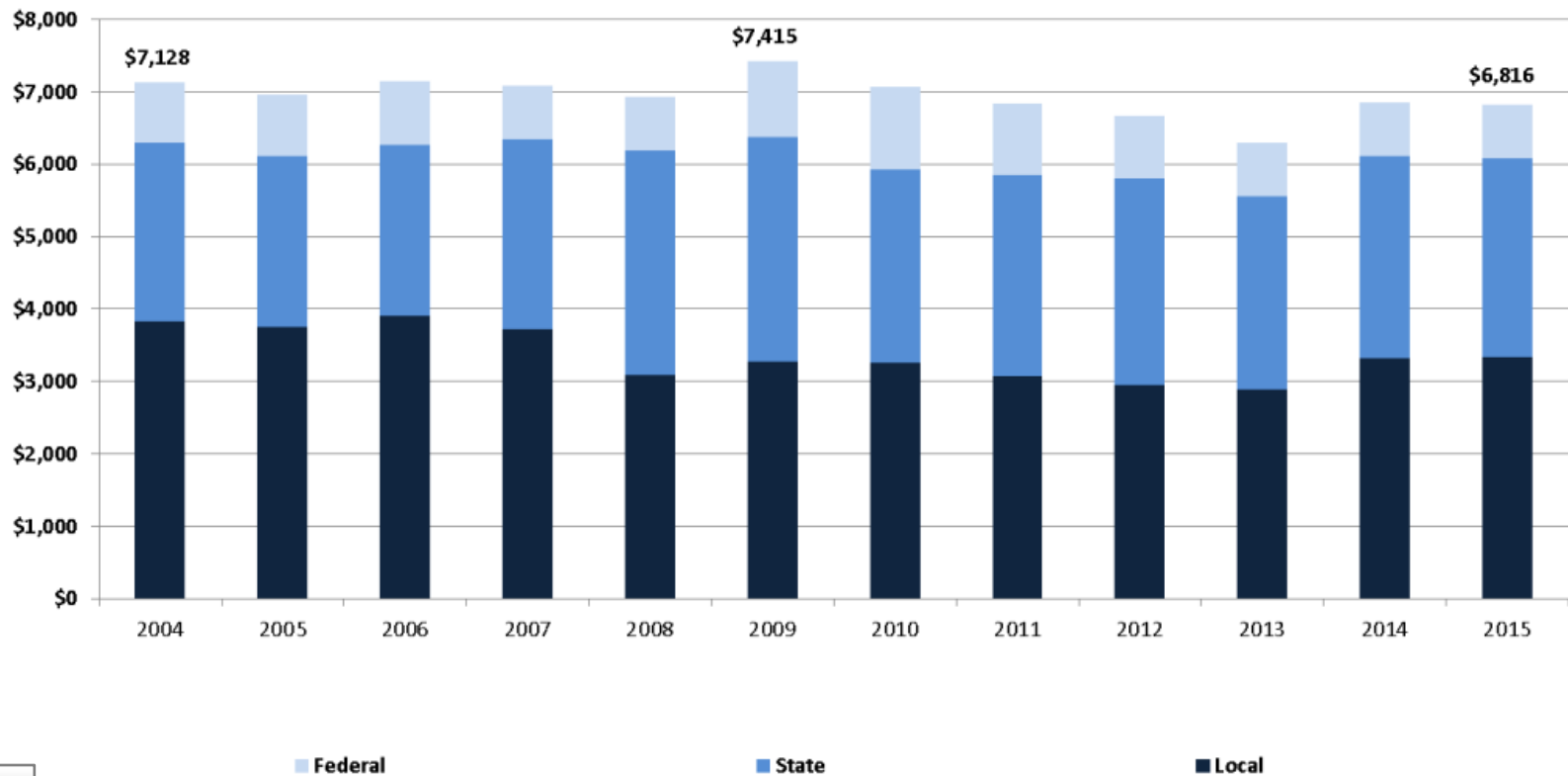


Source: Legislative Budget Board

# Revenue per Student in 2004 Dollars

Figure F-2 Pre-K – 12 Public Education Revenue per Student, in 2004 Dollars

Pre-K through 12 Public Education Revenue per Student



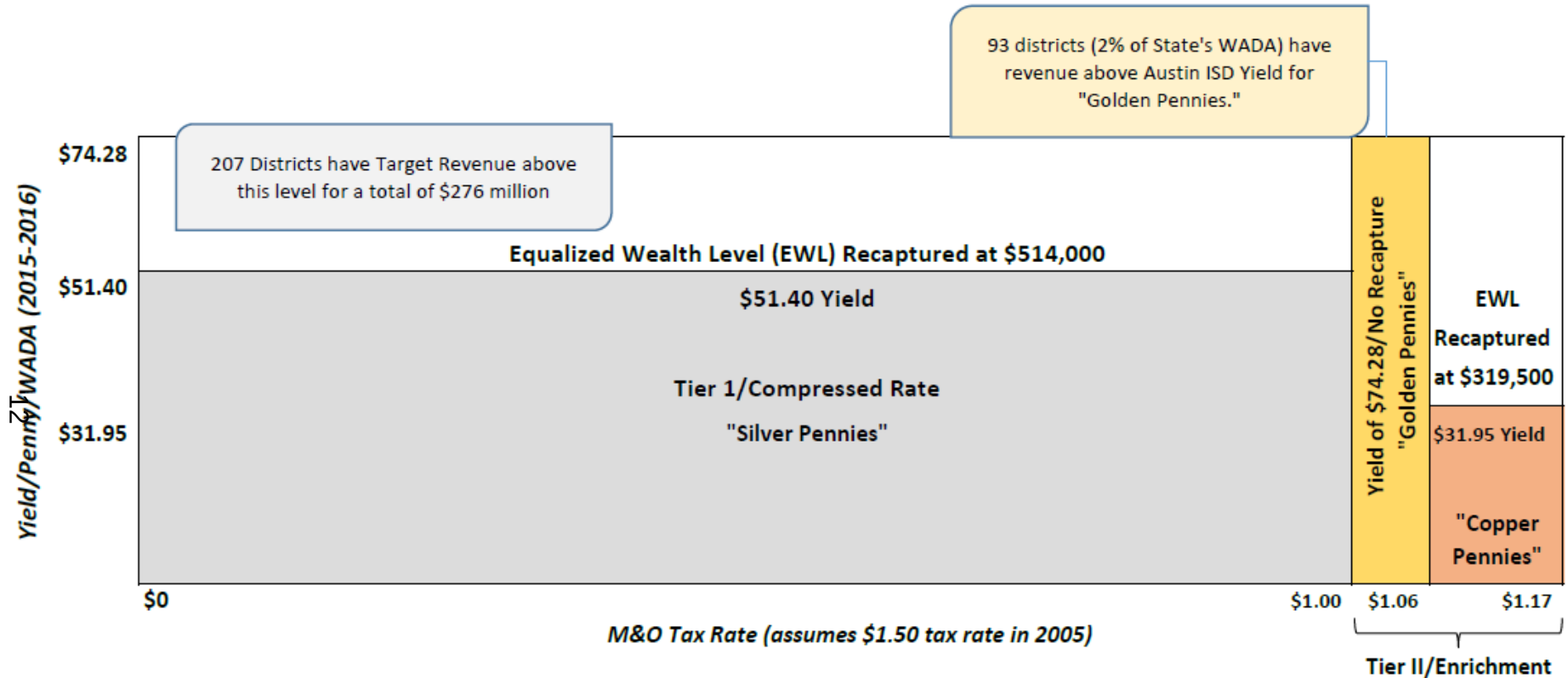
Ex. 6618

# The school finance system is HUGE

- ▶ Annual state aid and local taxes exceed **\$50 billion**
- ▶ Serving over **5.2 million students** in 1,024 school districts (plus 217 charter schools) on over 8,500 campuses
- ▶ It takes large amounts of money to make meaningful change in a system this large
- ▶ The system is as diverse as it is large, which is why school finance formulas are so complex



# FSP Funding for 2015-2016



**Note: Yield x 100 pennies = Basic Allotment**  
**(\$51.40 x 100 = \$5,140)**



# School District Funding: Tier 1

- ▶ Districts receive the **basic allotment** for each student in Average Daily Attendance (ADA) for Tier I formula funding *(adjustment for migrant students and for special education students as well as those participating in certain Career and Technical programs)*
  - ❖ \$5,140 for 2015-16 and 2016-17
  - ❖ Adjusted based on the proportion of the district's compressed tax rate (from 2005) to \$1.00
  - ❖ Adjusted for community characteristics that affect the cost of education
  - ❖ Adjusted for differential salary costs (CEI)
  - ❖ Adjusted for size based on regular program attendance



# School District Funding: ADA vs. WADA

- ▶ **Average Daily Attendance (ADA)**
  - ❖ The sum of attendance for each instructional day, divided by the minimum number of days of instruction.
- ▶ **Weighted Average Daily Attendance (WADA)**
  - ❖ Average daily attendance which has been adjusted for cost differences including student needs and community characteristics. For example, in Plano ISD, 51,510 ADA translates into 63,347 WADA.

## Statewide...

- **5 million enrollment =**
- **4.5 million ADA =**
- **6 million WADA**



# School District Funding: Cost of Education

- ▶ The Cost of Education Index (CEI) is a statutory adjustment to the basic allotment intended to adjust for geographic variations in resource costs beyond the control of school districts
- ▶ Range of the current CEI is from 1.02 to 1.20
- ▶ Derived from a district's characteristics in **1989-1990** on five measures:
  - ❖ Competitive Beginning Average Salary
  - ❖ County Population
  - ❖ Type of District
  - ❖ Percent of Students that are Low-Income
  - ❖ Number of Students



# Cost of Education Index (CEI)

| School District | CEI Index |
|-----------------|-----------|
| Brownsville ISD | 1.19      |
| Houston ISD     | 1.17      |
| Aldine ISD      | 1.16      |
| Alief ISD       | 1.16      |
| Conroe ISD      | 1.16      |
| Cy Fair ISD     | 1.16      |
| Dallas ISD      | 1.16      |
| Fort Bend ISD   | 1.16      |
| Katy ISD        | 1.16      |
| Pasadena ISD    | 1.16      |
| Socorro ISD     | 1.15      |
| Arlington ISD   | 1.14      |
| El Paso ISD     | 1.14      |
| Fort Worth ISD  | 1.14      |
| Garland ISD     | 1.14      |
| Lewisville ISD  | 1.14      |
| San Antonio ISD | 1.14      |
| United ISD      | 1.14      |
| Ysleta ISD      | 1.14      |
| Plano ISD       | 1.13      |
| Round Rock ISD  | 1.12      |
| North East ISD  | 1.11      |
| Austin ISD      | 1.10      |
| Killeen ISD     | 1.10      |

| School District | District CEI |
|-----------------|--------------|
| Plano ISD       | 1.13         |



# School District Funding: Size Adjustments

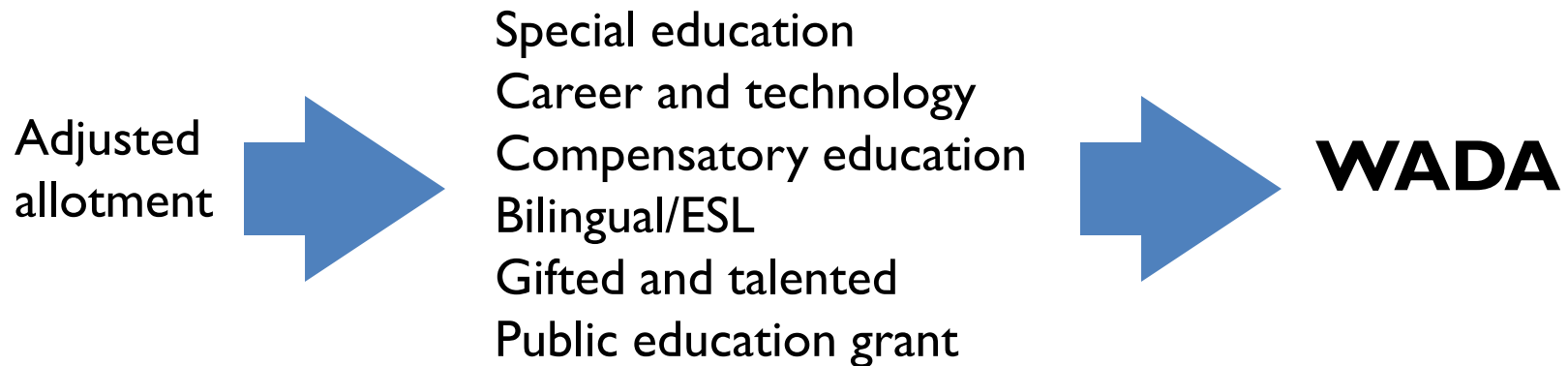
- ▶ 3 formulas used to adjust the Basic Allotment based on district size:
  - ❖ **Small:** Less than 1,600 regular ADA and less than 300 square miles
  - ❖ **Sparse:** Less than 1,600 regular ADA and more than 300 square miles
  - ❖ **Mid-size:** More than 1,600, but less than 5,000 regular ADA

85% of districts receive a size adjustment, but 80% of students in Texas are enrolled in the 15% districts that do not receive such adjustments.



# School District Funding Structure

$$\begin{array}{ccccccc} \text{Basic} & & \text{Cost of} & & \text{Small and mid-size} & & \text{Adjusted} \\ \text{allotment} & \times & \text{education index} & \times & \text{adjustment} & = & \text{allotment} \\ \\ (\$5,140) & + & (\$352 \text{ avg.}) & + & (\$875 \text{ avg., if applicable}) & = & (\$6,367) \end{array}$$



# School District Funding: State Aid Entitlement

Tier I Cost (*WADA + Allotments*)

– Local Share (*Property Tax Collections*)

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Tier I Formula Aid

- ❖ Local share defined as compressed rate applied to prior-year tax base as determined by Comptroller
- ❖ State aid minimum of per capita distribution from Available School Fund (ASF), plus high school allotment, plus New Instructional Facilities Allotment (NIFA)



# School District Funding: Tier II (Enrichment)

- ▶ Golden Pennies: First 6 pennies above compressed rate
  - ❖ Either not subject to recapture; or equalized up to the Austin ISD yield (\$74.25 in 2015-16)
- ▶ Copper pennies: Remaining pennies up to \$1.17 after first six pennies (11 for most)
  - ❖ Access to copper pennies requires approval from voters.
  - ❖ Pennies are either equalized up to \$31.95 yield or for districts with wealth in excess of \$319,500 per WADA, subject to recapture.



# Recapture & Chapter 41

- ▶ Districts with property wealth per student above a certain level are subject to wealth-reduction provisions of **Chapter 41**, also known as Robin Hood.



# Recapture: School District Wealth Levels

- ▶ Wealth is defined in terms of tax base per student (WADA), not absolute dollars
  - ❖ *A penny of tax rate in Houston ISD generates \$10.6 million*
  - ❖ *A penny of tax rate in Divide ISD generates \$5,365*
  - ❖ *At \$1.00 tax rate, Houston ISD produces \$5,827 per ADA*
  - ❖ *At \$1.00 tax rate, Divide ISD produces \$44,277 per ADA*
- ▶ Number of students
  - ❖ More students increase state cost
  - ❖ Fewer students decrease state cost
- ▶ Property values
  - ❖ Higher values save the state general revenue (GR)
  - ❖ Lower values cost the state GR



# How does a district qualify as Chapter 41?

- ❖ If a district has a property wealth level of \$319,500/WADA, they qualify as Chapter 41.
- ❖ If a district has property wealth per WADA that exceeds \$514,000/WADA in 2015-16, then the district will pay recapture on Tier 1.
- ❖ A district can qualify as Chapter 41 but not pay recapture, depending on their tax rate. If they are not taxing above the golden penny level (which are not subject to recapture), then they are not required to pay recapture on pennies of tax effort they don't collect (copper pennies).
- ❖ Districts still qualify as Chapter 41 though because **IF** they had need to raise their tax rate, the district would be subject to recapture.



# Property Values in Collin County

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Chapter 41

| District Name    | WADA   | District Property Value | Wealth/WADA |
|------------------|--------|-------------------------|-------------|
| Plano ISD        | 64,065 | \$36,672,286,398        | \$572,419   |
| Lovejoy ISD      | 4,278  | \$1,738,605,110         | \$406,436   |
| Allen ISD        | 23,625 | \$8,583,860,425         | \$363,346   |
| Frisco ISD       | 55,537 | \$19,670,449,972        | \$354,188   |
| McKinney ISD     | 28,808 | \$9,915,195,452         | \$344,182   |
| Prosper ISD      | 7,637  | \$2,503,585,245         | \$327,843   |
| Celina ISD       | 2,722  | \$721,351,538           | \$264,976   |
| Wylie ISD        | 16,193 | \$3,645,780,844         | \$225,147   |
| Melissa ISD      | 2,551  | \$502,206,554           | \$196,868   |
| Farmersville ISD | 2,030  | \$351,357,952           | \$173,048   |
| Anna ISD         | 3,616  | \$584,456,963           | \$161,621   |

**Recapture  
on both  
Tiers**

Districts w/ property values above \$319,500/WADA are classified as Chapter 41.

However, recapture is only paid on EWL above \$319,500 in Tier II. The EWL in Tier I is \$514,000/WADA in FY15.

*Based on 2014 Certified Property Values*

txsc.org

# Recapture in Collin County

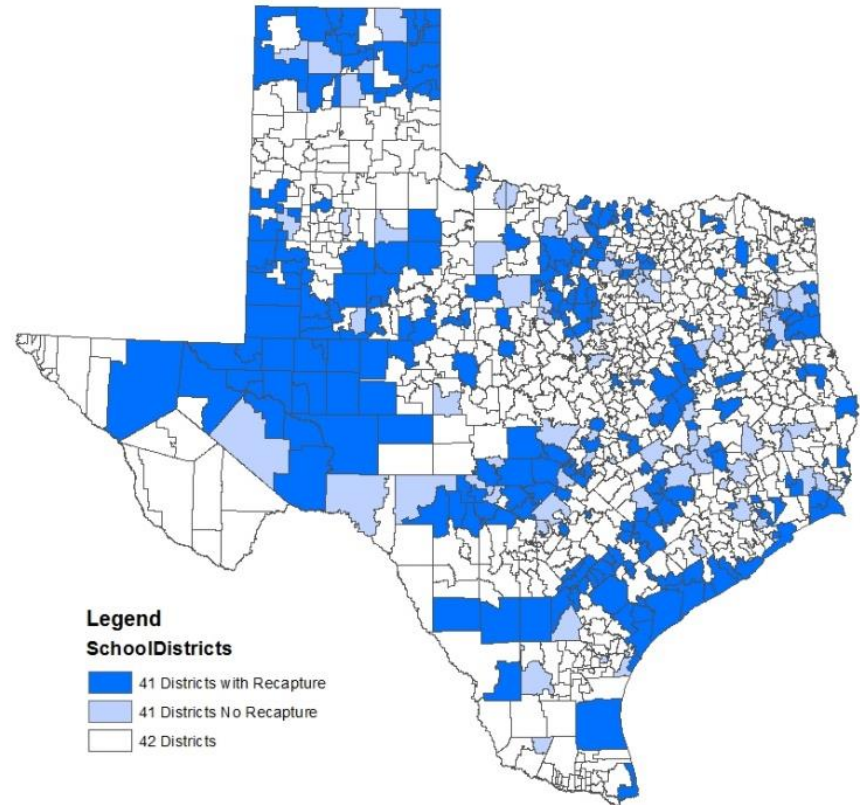
## 2015-2016 Estimated Recapture

| District     | Tier I Recapture | Tier II Recapture | Total Recapture |
|--------------|------------------|-------------------|-----------------|
| Plano ISD    | \$50,883,679     | \$19,081,195      | \$69,964,873    |
| Frisco ISD   | \$0              | \$2,587,694       | \$2,587,694     |
| Allen ISD    | \$0              | \$1,359,240       | \$1,359,240     |
| McKinney ISD | \$0              | \$1,271,734       | \$1,271,734     |
| Lovejoy ISD  | \$0              | \$0               | \$0             |
| Prosper ISD  | \$0              | \$0               | \$0             |



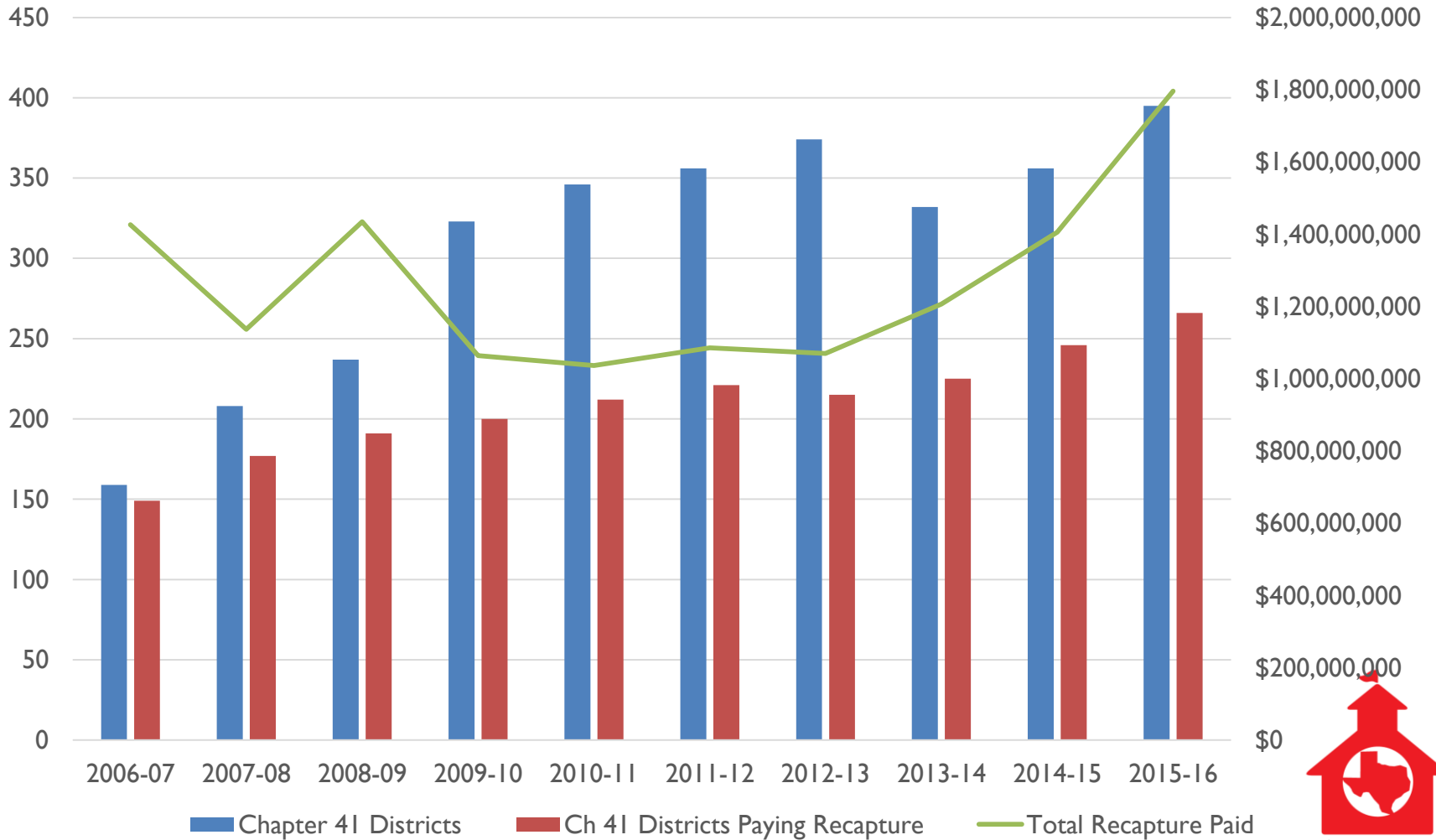
# Chapter 41 Districts

- ▶ In 2015-16, 436 districts qualified as Chapter 41
- ▶ 266 districts are expected to pay recapture
- ▶ Collectively, those districts will pay **\$1.7 billion** this year



# Chapter 41 & Recapture 2006-2016

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# Property Taxes

- ▶ Property tax revenue has climbed 46% over the last 10 years in Texas
- ▶ Schools account for more than half of all property taxes
- ▶ 84th Legislature's solution was to increase homestead exemption from \$15,000 to \$25,000 (at a state cost of \$1.25 billion)



# Property Taxes

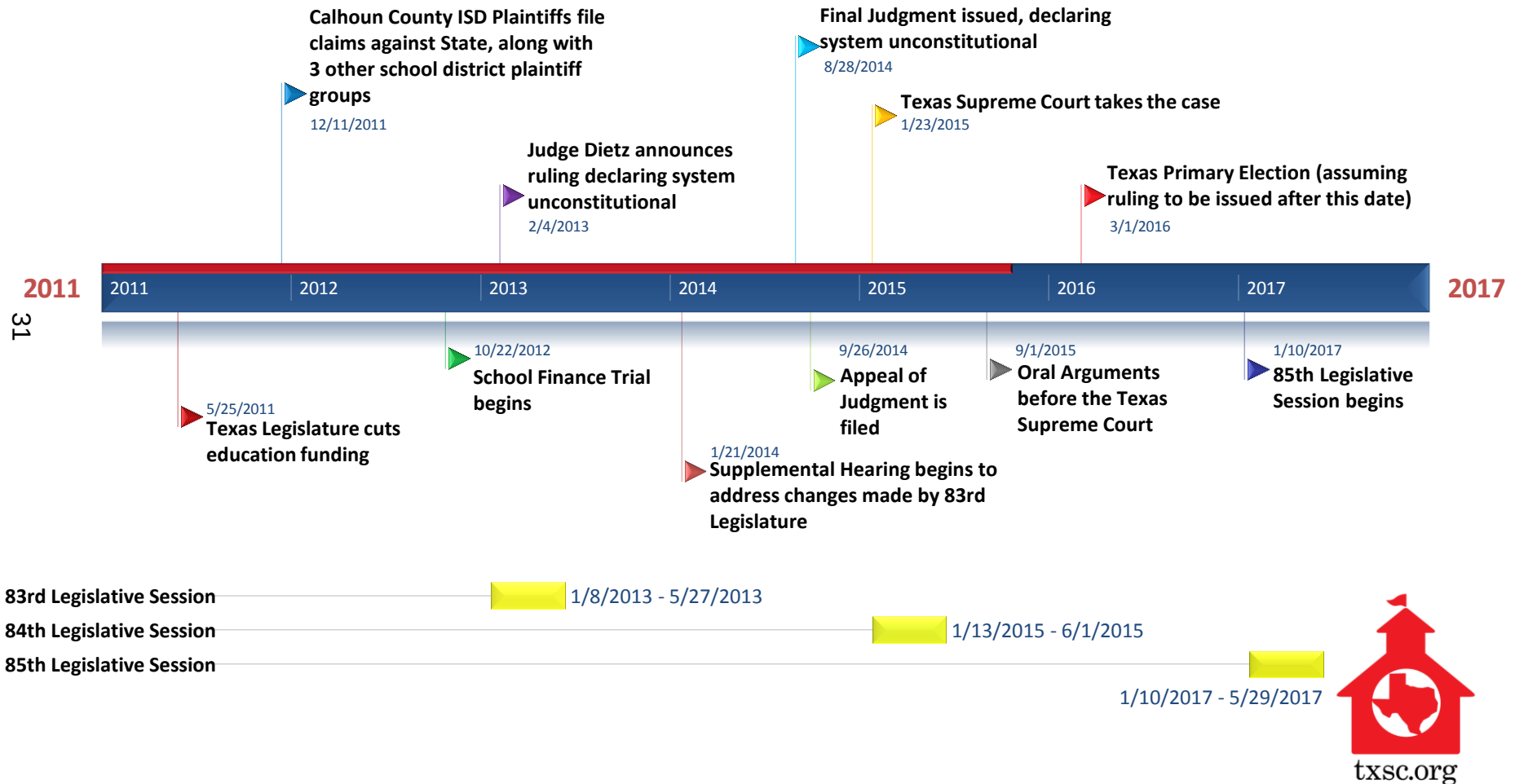
- ▶ Additional State Aid for Homestead Exemption (ASAHE) is intended to make up the difference (hold harmless)
- ▶ Plano ISD is projected to lose \$677 million in taxable property values, which will result in a reduction of recapture



# What's Changed since WOC II?

|                                                         | WOC II<br>(2003-04) | Now<br>(2014-15) |
|---------------------------------------------------------|---------------------|------------------|
| Total Enrollment                                        | 4,328,028           | 5,232,065        |
| % Economically Disadvantaged                            | 53%                 | 60%              |
| Inflation Adjusted Total Per-Student Funding            | \$7,128             | \$6,816          |
| % Meeting Final Standard Exit-Level <b>Math</b> Exam    | 67%                 | 47%              |
| % Meeting Final Standard Exit-Level <b>English</b> Exam | 83%                 | 51%              |

# School Finance Litigation Timeline





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**Christy Rome**  
Executive Director  
Texas School Coalition

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*Plano Independent School District*  
**AGENDA ITEM**

**MEETING DATE:** November 17, 2015  
**INFORMATION ONLY** Interim Report of Facilities and Technology Task Force

**INFORMATION SUBMITTED BY:** Steve Fortenberry - (469) 752-8113

**COMMENTS:**

The Board established the Facilities and Technology Task Force at the August 4, 2015 meeting. Since that time, the Task Force has held six meetings to discuss recommended projects and financing options associated with a potential bond program. The Task Force is at the stage where it will report its preliminary recommendations, solicit board feedback, and then finalize its work.

**BUDGET IMPACT:**

Informational Only.

**SUPPORTS THE STRATEGIC GOAL(S) OF:**

Student Learning; Community Connectedness; Capacity Development; Data-Informed Decision-Making

**RECOMMENDATION:**

N/A

# Facilities and Technology Task Force

*Interim Report to the Board of Trustees*

*November 17, 2015*

# Summary of Meetings

- Six 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

# Recommendations - Projects



# Charges Related to Projects

- Conducting a comprehensive analysis of information related to PISD facilities, including (if necessary) selected on-site reviews of previous and proposed projects.
- Reviewing future enrollment trends and projections.
- Establishing construction, renovation and site acquisition needs.
- Validating cost projections to meet analyzed needs, taking into account inflationary trends.
- Reviewing the District's needs with regard to technology and other identified capital items.



# New Schools and Acquisitions

**\$39,160,000**

- New Elementary School (Contingent on Growth) - \$26,125,000
- Special Education Transition Center - \$3,695,000
- Employee Childcare Center #3 - \$3,340,000
- Property Purchases - \$6,000,000

# Major Renovations/Upgrades/Refurbishments

**\$105,830,000**

- Shepton High School - \$40,000,000
- Robinson Middle School - \$34,830,000
- Elementary School Refurbishments (6) - \$12,000,000
- Middle School Refurbishments (2) - \$8,000,000
- High School Refurbishments (2) - \$11,000,000

# Additions/Modifications/Capital Improvements

**\$135,425,000**

- Safety & Security - \$12,270,000
- Transportation - \$700,000
- FANS - \$32,850,000
- Fine Arts and Academic Facilities - \$25,750,000
- Athletics - \$8,840,000
- Elementary Capacity Additions - \$5,000,000
- Replacement of Portables - \$15,815,000
- Re-roofing Projects - \$28,450,000
- Capital Improvement Projects - \$3,750,000
- Sustainability Projects – \$2,000,000



# Systems and Compliance

**\$63,890,000**

- Carpet and Flooring- \$6,111,687
- Electrical - \$2,885,355
- Energy Management - \$2,638,222
- HVAC Systems - \$35,234,949
- Plumbing - \$5,268,176
- Site Improvements - \$2,566,527
- Pavement, Fire Lanes - \$1,989,899
- Specialties, Equipment - \$1,742,767
- All Other - \$5,452,418



# Technology and Academic Initiatives

**\$80,860,000**

- Technology Replacements - \$56,100,000
- Academic and Technology Initiatives - \$17,835,000
- Academic Services Initiatives - \$6,925,000



# Summary of Projects

|                                              |                           |
|----------------------------------------------|---------------------------|
| New Schools and Acquisitions                 | \$39,160,000              |
| Major Renovations/Upgrades/Refurbishments    | 105,830,000               |
| Additions/Modifications/Capital Improvements | 135,425,000               |
| 4 Systems and Compliance                     | 63,890,000                |
| Technology and Academic Initiatives          | 80,860,000                |
| Total                                        | <hr/> \$425,165,000 <hr/> |



# Recommendations - Financing



# Charges Related to Financing

- Analyzing the District's outstanding debt structure and incorporating proposed new debt in a manner that will have minimal impact on taxpayers.
- 46 ■ Also passed along individual trustee request from August 4<sup>th</sup> meeting expressing a desire that any new debt issued over the life of the program would not exceed debt retired during that same time period.



# Sources of Funding

|                                       |                      |
|---------------------------------------|----------------------|
| New Bond Proposition                  | \$409,145,000        |
| Unsold Portion of 2008 Authorization* | 16,020,000           |
| Total                                 | <u>\$425,165,000</u> |

\*Utilization of remaining 2008 authorization is contingent on consultation with bond counsel.



# Other Project Recommendations- Buses

- Committee discussed purchase of 90 school buses in the amount of \$9,720,000 to maintain the district's 15 year replacement cycle
- Primary discussion was on whether to include – not on need
- Committee's interim recommendation is to exclude and instead consider transferring the operating surplus (\$9,402,745) from the 2014-15 fiscal year into the capital projects fund to provide for this need



# Debt Structure Considerations/Recommendations

- District's current payment schedule provides flexibility
- Looked at traditional approach of level annual payments utilizing the following amortization schedules:
  - Technology – 5 years
  - Buses – 10 years
  - All other – 25 years
- Traditional approach resulted in more debt outstanding at the end of the program than at the beginning
- Looked at more aggressive approach of paying down debt earlier and setting maximum amortization at 20 years
- Task Force is recommending more aggressive approach

# Assumptions Common to Both Options

- Total debt of \$425,165,000 is issued in five equal annual installments from 2016 through 2020
- Interest rates at 10/21/15 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%



# Interest Rate Assumptions

| Year of Issuance | Traditional | Recommended |
|------------------|-------------|-------------|
| 2016             | 4.27        | 3.92        |
| 2017             | 5.26        | 5.05        |
| 2018             | 5.26        | 5.06        |
| 2019             | 5.26        | 4.29        |
| 2020             | 5.26        | 4.27        |

# Comparative Summary of Options

## Payment Information

|                           | Traditional   | Recommended   |
|---------------------------|---------------|---------------|
| Total Payments (New Debt) | \$700,499,723 | \$571,303,997 |
| Final Maturity            | 2045          | 2040          |
| Total Interest            | \$275,334,723 | \$146,138,997 |
| Interest as % of Total    | 39.3%         | 25.6%         |
| Total Payments/Principal  | 1.65          | 1.34          |

### Net Difference in Payments:

|                                 |               |
|---------------------------------|---------------|
| Nominal Dollars                 | \$129,195,726 |
| Discounted to Net Present Value | \$26,349,061  |



# Comparative Summary of Options

## Outstanding Debt Information

|                                               | Traditional    | Recommended    |
|-----------------------------------------------|----------------|----------------|
| Total Bonds Outstanding @5/15/21              | \$819,340,000  | \$768,270,000  |
| - Change from today                           | (\$33,295,313) | (\$84,365,313) |
| - Change from 5/15/16                         | \$37,310,000   | (\$13,760,000) |
| Debt @ 5/15/21 as % of Taxable Property Value | 1.67%          | 1.56%          |



# Comparison of Payment Schedules

(Includes Existing Payments)

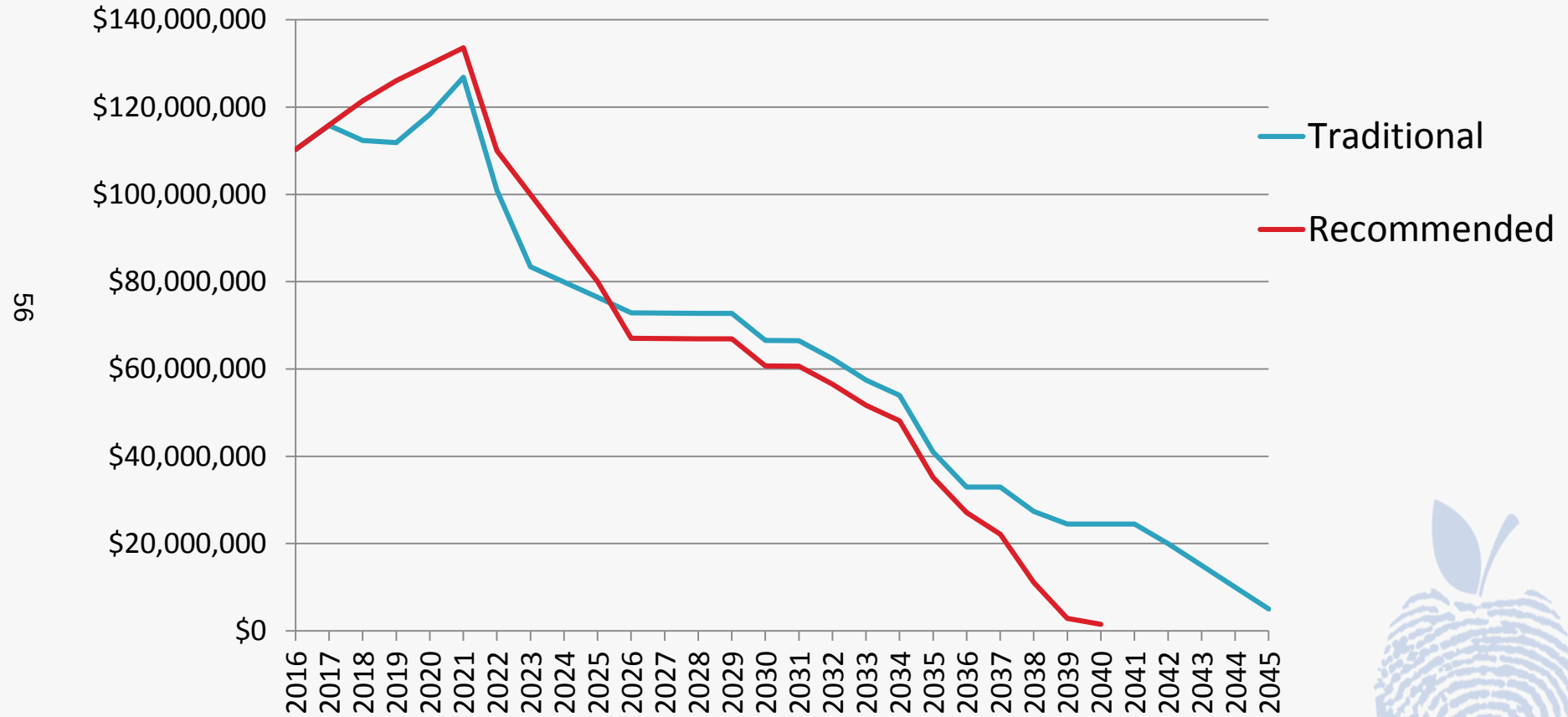
| Year           | Traditional          | Recommended          |
|----------------|----------------------|----------------------|
| <b>Current</b> | <b>\$110,274,643</b> | <b>\$110,274,643</b> |
| 2017           | 115,810,024          | 115,933,794          |
| 2018           | 112,331,933          | 121,430,455          |
| 2019           | 111,851,605          | 126,065,805          |
| 2020           | 118,310,503          | 129,770,725          |
| 2021           | 126,835,396          | 133,613,375          |
| 2022           | 100,899,208          | 109,999,849          |
| 2023           | 83,447,863           | 99,998,380           |
| 2024           | 79,916,244           | 89,999,656           |
| 2025           | 76,407,465           | 80,003,830           |
| 2026           | 72,872,386           | 67,042,045           |
| 2027           | 72,795,233           | 66,970,907           |
| 2028           | 72,743,177           | 66,916,602           |
| 2029           | 72,717,384           | 66,889,840           |
| 2030           | 66,541,546           | 60,724,184           |

# Comparison of Payment Schedules

(Includes Existing Payments)

| Year | Traditional | Recommended |
|------|-------------|-------------|
| 2031 | 66,488,985  | 60,668,857  |
| 2032 | 62,342,735  | 56,521,450  |
| 2033 | 57,477,129  | 51,656,396  |
| 2034 | 53,958,383  | 48,135,012  |
| 2035 | 40,987,813  | 35,166,839  |
| 2036 | 32,924,901  | 27,091,758  |
| 2037 | 32,956,340  | 22,166,675  |
| 2038 | 27,387,040  | 11,099,400  |
| 2039 | 24,485,936  | 2,882,163   |
| 2040 | 24,490,976  | 1,536,113   |
| 2041 | 24,487,673  | -           |
| 2042 | 20,006,953  | -           |
| 2043 | 15,004,144  | -           |
| 2044 | 10,001,138  | -           |
| 2045 | 4,999,725   | -           |

# Annual Payments Comparison



# Comparison of Projected Tax Rates

| Year           | Traditional  | Recommended  |
|----------------|--------------|--------------|
| <b>Current</b> | <b>26.90</b> | <b>26.90</b> |
| 2017           | 26.87        | 26.90        |
| 2018           | 24.86        | 26.90        |
| 2019           | 23.83        | 26.90        |
| 2020           | 24.50        | 26.90        |
| 2021           | 25.52        | 26.90        |
| 2022           | 20.32        | 22.17        |
| 2023           | 16.82        | 20.18        |
| 2024           | 16.10        | 18.15        |
| 2025           | 15.38        | 16.11        |
| 2026           | 14.66        | 13.48        |
| 2027           | 14.65        | 13.46        |
| 2028           | 14.64        | 13.45        |
| 2029           | 14.63        | 13.45        |
| 2030           | 13.40        | 12.21        |

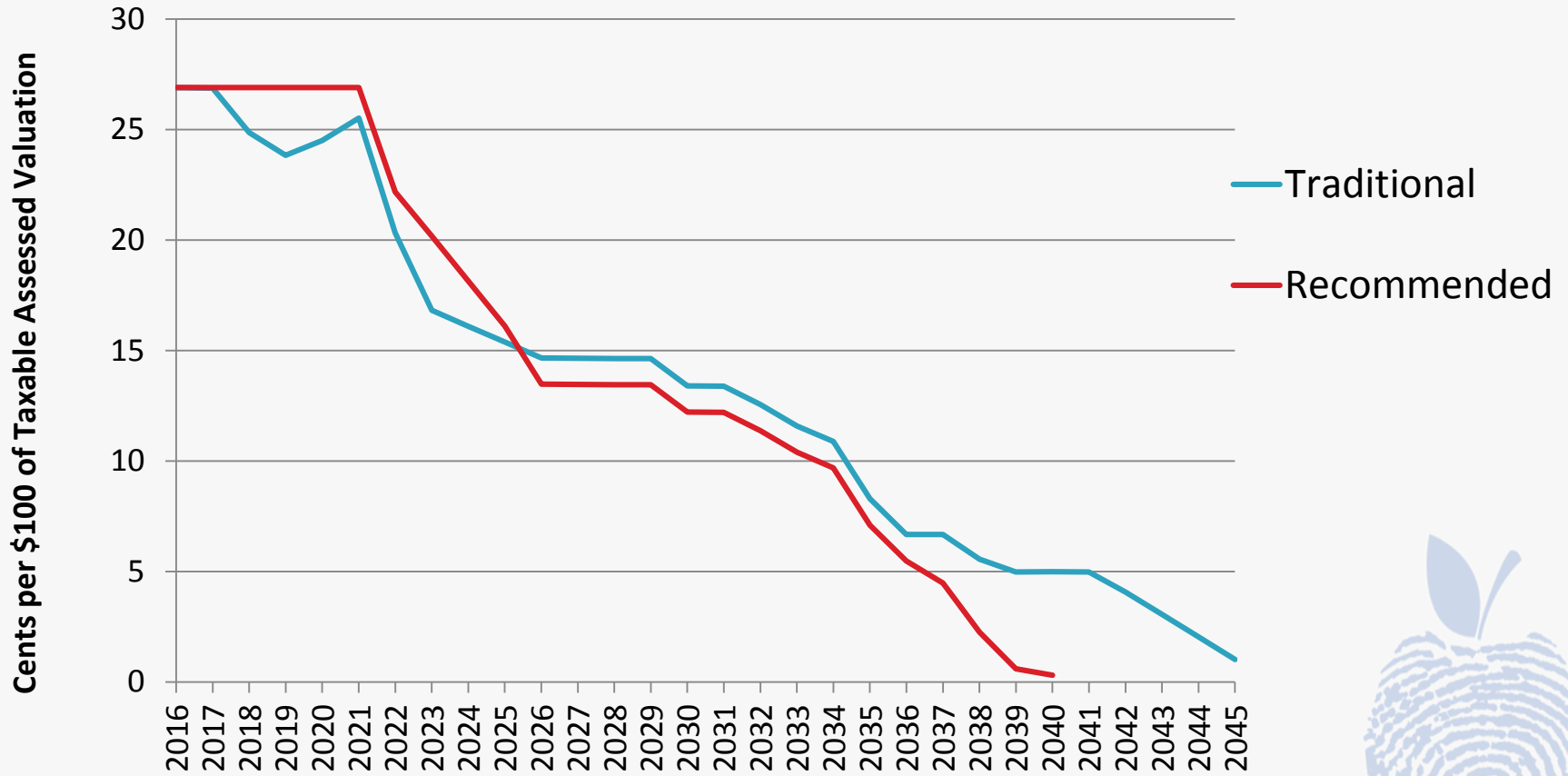


# Comparison of Projected Tax Rates

| Year | Traditional | Recommended |
|------|-------------|-------------|
| 2031 | 13.39       | 12.20       |
| 2032 | 12.56       | 11.37       |
| 2033 | 11.58       | 10.40       |
| 2034 | 10.88       | 9.69        |
| 2035 | 8.29        | 7.10        |
| 2036 | 6.67        | 5.48        |
| 2037 | 6.68        | 4.48        |
| 2038 | 5.56        | 2.25        |
| 2039 | 4.98        | 0.59        |
| 2040 | 4.99        | 0.31        |
| 2041 | 4.98        | -           |
| 2042 | 4.07        | -           |
| 2043 | 3.05        | -           |
| 2044 | 2.04        | -           |
| 2045 | 1.02        | -           |



# Tax Rate Comparison



# Summary of Interim Recommendations

- Recommending a bond program of \$425,165,000 to provide for the district's capital needs over the next five years
- Recommending that the program be financed with a new proposition of \$409,145,000 plus previously authorized debt of \$16,020,000 (contingent on bond counsel approval)
- 8 ■ Recommending excluding buses from the bond program and purchasing from operating surplus instead
- Recommending a more aggressive payment schedule which:
  - Maintains current tax rate for next five years
  - Reduces interest cost compared to traditional method
  - Leaves capacity for future needs in five years
  - Results in lower overall debt level at the end of the five year program



# Next Steps

- December 3<sup>rd</sup> – Task Force meets to discuss feedback from Trustees and plan for public hearing
- December 17<sup>th</sup> – Public Hearing
- January 7<sup>th</sup> – Task Force meets to discuss public input and finalize recommendations
- January 12<sup>th</sup> – Task Force makes final recommendations to Board of Trustees
- February 2<sup>nd</sup> – Board of Trustees considers calling election for May 2016



# Facilities and Technology Task Force

*Interim Report to the Board of Trustees*

*November 17, 2015*

Mark  Excellence

*Plano Independent School District*  
**AGENDA ITEM**

**MEETING DATE:** November 17, 2015  
**INFORMATION ONLY** Budget Calendar and Goals 2016-17

**INFORMATION SUBMITTED BY:** Steve Fortenberry - (469) 752-8113

**COMMENTS:**

A budget calendar and goals related to the 2016-17 budget will be presented and discussed.

**BUDGET IMPACT:**

N/A

**SUPPORTS THE STRATEGIC GOAL(S) OF:**

Student Learning; Community Connectedness; Capacity Development; Data-Informed Decision-Making

**RECOMMENDATION:**

Information Only.

# Plano ISD Board Meeting



**November 17, 2015**

**2016-17 Budget Calendar  
and Goals**



# Board Budget Calendar

|                  |                                                                                                 |
|------------------|-------------------------------------------------------------------------------------------------|
| <b>November</b>  | <b>Calendar, Goals</b>                                                                          |
| <b>January</b>   | <b>Assumptions, Preliminary Estimates</b>                                                       |
| <b>February</b>  | <b>Peer Review, Texas Education Performance Reporting Comparisons, Trends</b>                   |
| <b>March</b>     | <b>Compensation Review, Staffing</b>                                                            |
| <b>April</b>     | <b>Departmental Budgets, Debt Service, FANS, Capital Projects</b>                               |
| <b>May</b>       | <b>Budget Summary, Adoption of Compensation Plan, Authorize Advertisement of Public Hearing</b> |
| <b>June</b>      | <b>Public Hearing, Adopt Budget</b>                                                             |
| <b>September</b> | <b>Adopt Tax Rate</b>                                                                           |

# Budget Goals For 2016-17

- **Balanced Budget**

- **Maintain Teacher Staffing Ratios**

- **Enhance Employee Compensation**

- **Continue Focus on Efficiencies**

- **Strategically Target Additional Resources to High Needs Campuses**

# Plano ISD Board Meeting



**November 17, 2015**

**2016-17 Budget Calendar  
and Goals**

