

Called Meeting
Tuesday, February 7, 2023 6:00 PM

Dr. Jim Vaszauskas Center for the Performing
Arts
1110 W. Debbie Lane
Mansfield, TX 76063

Agenda

1. **Call to Order**
2. **Roll Call**
3. **Closed Session**
 - 3.1. Adjourn to closed session pursuant to Texas Government Code Section 551.074, Personnel, to deliberate 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, 551.071, Consultation with the Board's attorney; 551.072, real property; and 551.076 to conduct deliberations regarding security devices or security audits.
4. **Reconvene**
 - 4.1. Reconvene to Public
5. **Meeting Opening**
 - 5.1. Prayer
 - 5.2. Pledges
6. **Public Comments**
 - 6.1. The correct procedure for addressing the Board during Public Comments is as follows: Each speaker should address the Board from the podium microphone and state his or her name before speaking. All speakers will be limited to three minutes to make comments regarding items on the agenda, unless modified by the Board president based on Board Policy BED (LOCAL). Copies of presentations should be made available to all trustees and the Superintendent. Board policy prohibits the discussion of complaints against district employees during an open forum.
7. **Work Session**
 - 7.1. Debt Service Fund Information and Update -- Jeff Robert
 - 7.2. Board Self-Evaluation/Team of 8 Training -- Holly Teague
8. **Adjourn**
 - 8.1. Adjourn



Contact

Jeff Robert

717 N. Harwood St.

Suite 3400

Dallas, Texas 75201

214.953.8744

jeff.robert@hilltopsecurities.com



Debt Information & Update

February 7, 2023

Mansfield Independent School District

Presentation Topics

Historical Information	Page 1
Existing Bonded Indebtedness	Page 2
Debt Profile	Page 3
Bond Refundings (2010-2020)	Page 4
Historical Tax Exempt Interest Rates – BBI 20 Index	Page 5
POTENTIAL New Legislation	Page 6

Mansfield ISD

Historical Information

	1	2	3	4	5	6	7	8	9	10	11	
Fiscal Year	Tax Base History		Enrollment History		Bond Elections & Issuance				Tax Rate History			Year
	Tax Base	Growth Rate	Enrollment	Growth Rate	Bond Elections	Voter Turnout	For% / Against%	New \$\$\$ Issued	M&O Tax Rate	I&S Tax Rate	Total Tax Rate	
1996	\$ 1,701,751,515		10,202		\$ 67,700,000	N/A	N/A	\$ 30,000,000	\$ 1.1469	\$ 0.3310	\$ 1.4779	1996
1997	\$ 1,908,449,937	12.15%	10,925	7.09%				\$ 37,700,000	\$ 1.1951	\$ 0.3949	\$ 1.5900	1997
1998	\$ 1,959,991,717	2.70%	11,601	6.19%					\$ 1.2468	\$ 0.4753	\$ 1.7221	1998
1999	\$ 2,184,713,417	11.47%	12,363	6.57%	\$ 80,000,000	2,378	77.8%/22.2%	\$ 9,995,000	\$ 1.2862	\$ 0.4358	\$ 1.7220	1999
2000	\$ 2,518,479,785	15.28%	13,423	8.57%				\$ 26,000,000	\$ 1.3190	\$ 0.3930	\$ 1.7120	2000
2001	\$ 2,973,741,285	18.08%	14,888	10.91%	\$ 180,500,000	2,796	74.5%/25.5%	\$ 99,005,000	\$ 1.3430	\$ 0.3440	\$ 1.6870	2001
2002	\$ 3,520,513,536	18.39%	16,866	13.29%	\$ 25,000,000	1,668	63.2%/38.8%	\$ 80,000,000	\$ 1.3430	\$ 0.3284	\$ 1.6714	2002
2003	\$ 4,197,906,445	19.24%	19,100	13.25%	\$ 226,100,000	3,406	73.6%/26.4%	\$ 70,500,000	\$ 1.3670	\$ 0.3150	\$ 1.6820	2003
2004	\$ 4,629,862,528	10.29%	20,967	9.77%				\$ 80,000,000	\$ 1.3670	\$ 0.3150	\$ 1.6820	2004
2005	\$ 5,403,399,519	16.71%	22,981	9.61%				\$ 80,000,000	\$ 1.3770	\$ 0.3400	\$ 1.7170	2005
2006	\$ 6,186,735,311	14.50%	25,617	11.47%	\$ 241,455,000	3,602	52.5%/47.5%	\$ 100,000,000	\$ 1.4070	\$ 0.3650	\$ 1.7720	2006
2007	\$ 6,664,503,281	7.72%	27,940	9.07%				\$ 75,000,000	\$ 1.2875	\$ 0.4000	\$ 1.6875	2007
2008	\$ 7,831,495,869	17.51%	29,615	5.99%				\$ 80,000,000	\$ 1.0400	\$ 0.4100	\$ 1.4500	2008
2009	\$ 8,569,215,648	9.42%	30,699	3.66%					\$ 1.0400	\$ 0.4100	\$ 1.4500	2009
2010	\$ 8,952,290,682	4.47%	31,662	3.14%				\$ 52,555,000	\$ 1.0400	\$ 0.4100	\$ 1.4500	2010
2011	\$ 9,078,887,432	1.41%	32,251	1.86%	\$ 198,530,000	5,331	55.1%/44.9%		\$ 1.0400	\$ 0.4560	\$ 1.4960	2011
2012	\$ 9,413,258,283	3.68%	32,564	0.97%				\$ 50,000,000	\$ 1.0400	\$ 0.4560	\$ 1.4960	2012
2013	\$ 9,427,555,875	0.15%	32,879	0.97%				\$ 50,000,000	\$ 1.0400	\$ 0.5000	\$ 1.5400	2013
2014	\$ 9,515,940,082	0.94%	32,789	-0.27%				\$ 50,000,000	\$ 1.0400	\$ 0.4871	\$ 1.5271	2014
2015	\$ 10,290,546,251	8.14%	32,959	0.52%				\$ 48,530,000	\$ 1.0400	\$ 0.4871	\$ 1.5271	2015
2016	\$ 10,711,144,951	4.09%	33,168	0.63%					\$ 1.0400	\$ 0.4700	\$ 1.5100	2016
2017	\$ 11,532,862,219	7.67%	34,309	3.44%	\$ 275,000,000	7,727	65.1%/34.9%	\$ 50,000,000	\$ 1.0400	\$ 0.4700	\$ 1.5100	2017
2018	\$ 12,664,638,262	9.81%	35,054	2.17%					\$ 1.0400	\$ 0.5000	\$ 1.5400	2018
2019	\$ 13,804,138,953	9.00%	35,289	0.67%				\$ 225,000,000	\$ 1.0400	\$ 0.5000	\$ 1.5400	2019
2020	\$ 15,133,979,601	9.63%	35,771	1.37%					\$ 0.9700	\$ 0.4900	\$ 1.4600	2020
2021	\$ 16,182,517,548	6.93%	35,158	-1.71%					\$ 0.9564	\$ 0.4900	\$ 1.4464	2021
2022	\$ 17,286,381,033	6.82%	35,533	1.07%					\$ 1.0583	\$ 0.3600	\$ 1.4183	2022
2023	\$ 19,220,640,182	11.19%	35,726	0.54%					\$ 0.9746	\$ 0.3600	\$ 1.3346	2023
					<u>\$ 1,294,285,000</u>			<u>\$ 1,294,285,000</u>				

MISD's Current Total Tax Rate is the lowest it has been since fiscal year ending 1993

SOURCE: Municipal Advisory Council and Final Official Statements from past bond transactions.

Existing Bonded Indebtedness

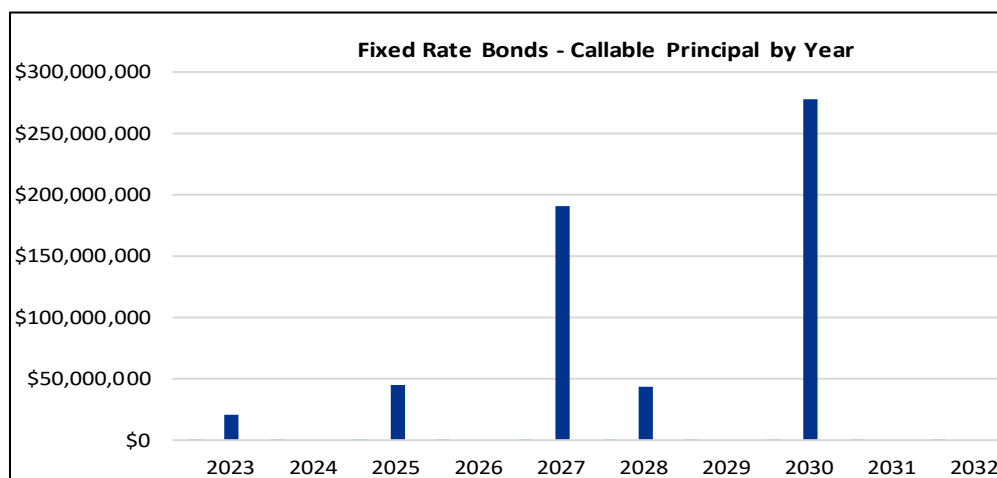
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
<u>CYE</u> <u>31-Dec</u>	<u>Principal</u>	<u>Principal</u> <u>Redeemed*</u>	<u>Interest</u>	<u>Interest</u> <u>Redeemed*</u>	<u>Total P&I</u>
2023	\$ 30,220,000	\$ 9,745,000	\$ 30,945,882	\$ (194,900)	\$ 70,715,982
2024	22,389,839	(1,795,000)	39,605,228	(353,900)	59,846,167
2025	34,005,000	(1,870,000)	28,495,329	(280,600)	60,349,729
2026	35,735,000	(1,950,000)	26,913,104	(204,200)	60,493,904
2027	38,620,000	(2,025,000)	25,112,554	(124,700)	61,582,854
2028	39,415,000	(2,105,000)	23,210,104	(42,100)	60,478,004
2029	40,480,000		21,260,854		61,740,854
2030	43,590,000		19,192,979		62,782,979
2031	45,205,000		17,579,543		62,784,543
2032	38,790,000		16,541,416		55,331,416
2033	31,655,000		15,561,033		47,216,033
2034	22,215,000		14,659,809		36,874,809
2035	23,485,000		13,765,553		37,250,553
2036	23,350,000		13,026,071		36,376,071
2037	24,620,000		12,302,144		36,922,144
2038	25,950,000		11,523,636		37,473,636
2039	27,375,000		10,660,824		38,035,824
2040	28,865,000		9,738,812		38,603,812
2041	30,390,000		8,786,643		39,176,643
2042	31,995,000		7,768,757		39,763,757
2043	34,435,000		6,563,133		40,998,133
2044	36,030,000		5,380,117		41,410,117
2045	31,310,000		4,189,047		35,499,047
2046	23,575,000		3,084,050		26,659,050
2047	24,910,000		2,012,475		26,922,475
2048	21,440,000		1,011,250		22,451,250
2049	14,015,000		280,300		14,295,300
	<u>\$ 824,064,839</u>	<u>\$ -</u>	<u>\$ 389,170,650</u>	<u>\$ (1,200,400)</u>	<u>\$ 1,212,035,088</u>

* - MISD Board approved Order to redeem \$9,745,000 from Series 2012B on 2/15/23.

Debt Profile – *Fitch: AA+; Moody's: Aa2; S&P: AA+*

Series	Original Principal	Outstanding Principal	Use of Proceeds	Coupon Type	Call Date	Callable Principal
2002	\$79,789,984	\$305,000	Sch Bld + Ref	Fixed	Anytime	305,000
2011	9,500,000	3,880,000	Refunding	Fixed	Anytime	3,880,000
2012	50,000,000	43,455,000	School Building	Fixed	8/1/2030	43,455,000
2012B	30,460,000	10,365,000	Refunding	Fixed	Anytime	10,365,000
2013A	63,255,000	4,425,000	Refunding	Fixed	N/A	0
2013B	86,170,000	5,580,000	Refunding	Fixed	N/A	0
2013C	21,855,000	4,730,000	Txbl Refunding	Fixed	2/15/2023	3,215,000
2014	59,445,000	3,630,000	Refunding	Fixed	N/A	0
2015	78,355,000	785,000	Refunding	Fixed	N/A	0
2015A	45,275,000	44,580,000	Refunding	Fixed	2/15/2025	44,580,000
2016	32,760,000	21,760,000	Refunding	Fixed	N/A	0
2017	43,985,000	39,285,000	School Building	Fixed	2/15/2027	39,285,000
2017	26,445,000	25,630,000	Refunding	Fixed	2/15/2027	1,740,000
2019	47,295,000	46,295,000	School Building	Fixed	Anytime	2,925,000
2019					2/15/2028	43,370,000
2019A	155,820,000	152,050,000	School Building	Fixed	2/15/2027	149,925,000
2019B	53,820,000	26,580,000	Refunding	Fixed	N/A	0
2020	399,484,828	390,729,839	Txbl Refunding	Fixed	2/15/2030	234,255,000
Total		\$824,064,839				\$577,300,000

Year	Callable Principal
2023	\$ 20,690,000
2024	-
2025	44,580,000
2026	-
2027	190,950,000
2028	43,370,000
2029	-
2030	277,710,000
2031	-
2032	-
Total	\$ 577,300,000

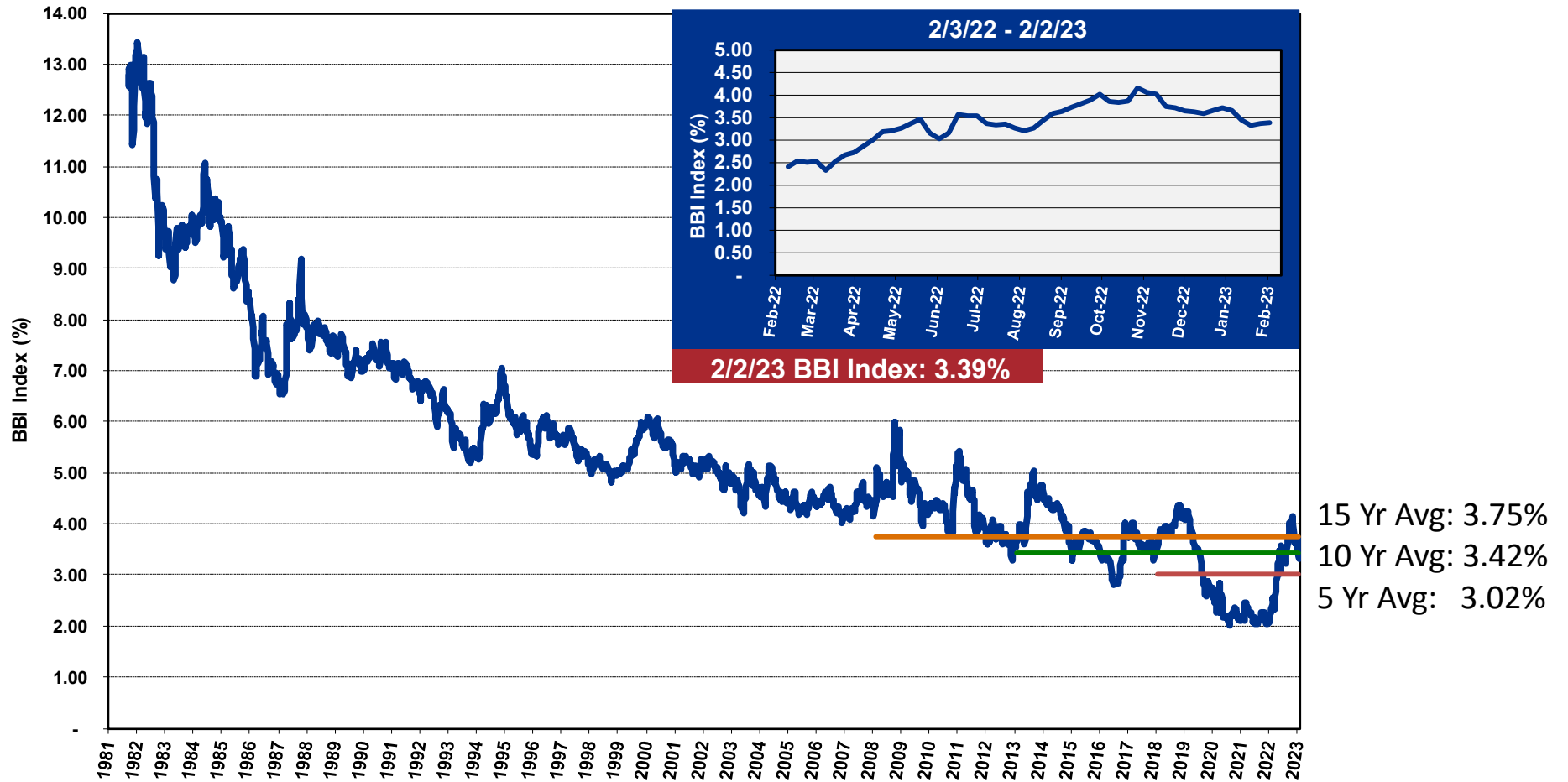


Bond Refundings Recap/History (2010 – 2020)

Refunding Bond Series	Debt Service Savings
Series 2010	\$ 5,566,204
Series 2011	\$ 107,459
Series 2012	\$ 23,666,094
Series 2012A	\$ 6,466,252
Series 2012B	\$ 6,105,307
Series 2013A	\$ 9,338,849
Series 2013B	\$ 9,804,681
Series 2013C	\$ 2,098,075
Series 2014	\$ 958,298
Series 2015	\$ 11,522,177
Series 2015A	\$ 4,563,399
Series 2016	\$ 6,580,577
Series 2017	\$ 2,772,605
Series 2019B	\$ 6,535,300
Txbl Ser 2020	\$ 54,933,817
TOTAL	<u>\$ 150,999,094</u>

Historical Tax Exempt Interest Rates – Bond Buyer 20 Yr Index

Bond Buyer 20 Year GO Index
September 1981 - February 2, 2023



Bond Buyer 20 Year GO Index is a weekly index estimating the composite yield on 20 general obligation bonds rated "A" or better.

This graph depicts historical interest rates. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, the supply and demand of short term securities, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of changes in such factors individually or in any combination could materially affect the relationships and effective interest rates. These results should be viewed with these potential changes in mind as well as the understanding that there may be interruptions in the short term market or no market may exist at all.

\$30,000 Homestead Exemption Increase

Increase in State Mandatory Homestead Exemption from \$40,000 to \$70,000 is included in SB1 which has been filed.

From 2022 Tarrant CAD Certified Detail: MISD has 34,068 Homes
34,068 x \$30,000 = \$1,022,040,000 POTENTIAL Reduction In Tax Base

Would likely receive 'hold-harmless' from State for existing bonds

Bond Election Dates

There has been discussion of requiring a supermajority (60% or 67%) in order for May ISD Bond Elections to pass; November would require simple majority

Revaluation Cap

There has been discussion of lowering the annual homestead revaluation cap from 10% to 5% or 3%