

**WACO INDEPENDENT SCHOOL DISTRICT
SPECIAL MEETING
WISD Conference Center
115 S 5th Street
Waco, Texas 76701**

Thursday, August 12, 2021 - 6:30 PM

A Special Meeting of the Board of Trustees of Waco Independent School District will be held August 12, 2021, beginning at 6:30 PM in the WISD Conference Center, 115 S 5th Street, Waco, Texas.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice/agenda.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

AGENDA

1. **Call to Order**
2. **Closed Session (TEXAS GOVERNMENT CODE, SUBCHAPTERS D AND E)**
 - A. CONSULTATION WITH ATTORNEY - 551.071
 - B. PERSONNEL MATTERS - 551.074
3. **Reconvene in Open Session**
4. **Audience for Guests**
5. **Review and Discuss the G. W. Carver Middle School Fire**
Presenter: Dr. Susan Kincannon
6. **Review and Discuss the TASB Risk Management Fund Coverage for the G. W. Carver Middle School Fire**
Presenter: Troy Winslow, Division Director for Claims Administration with the Texas Association of School Boards Risk Management Fund
7. **Consider, Discuss and Take Appropriate Action Regarding the Designation of an Emergency for G. W. Carver Middle School, Authorize the Superintendent to Procure Goods and Services Pursuant to Education Code Section 44.031 (h), and Approve Budget Amendment in Advance of Pending Insurance Recovery**
Presenter: Sheryl Davis
8. **Consider, Discuss and Take Appropriate Action on a Resolution Authorizing the Reimbursement of Certain Expenditures Incurred in the Replacement of G. W. Carver Middle School from Future Tax Exempt Debt Obligations**
Presenter: Sheryl Davis
9. **Consider, Discuss and Take Appropriate Action Regarding the Project Delivery Method for the Replacement of G. W. Carver Middle School and Authorize the Superintendent to Issue a Request for Proposals and/or Qualifications and Bring the Recommendation Rankings Back to the Board for Approval**

- Presenter:** Dr. Susan Kincannon
10. **Consider, Discuss and Take Appropriate Action Regarding the Superintendent's Recommendation for a November 2021 Bond Election**
Presenter: Dr. Susan Kincannon, Dusty Traylor, RBC Capital Markets, Jarrod Sterzinger, O'Connell Robertson Architects, and Anna Clark Martinez, Community Advisory Committee
 11. **Consider, Discuss and Take Appropriate Action Regarding an Order by the Board of Trustees of the Waco Independent School District Calling a Bond Election to be Held within Said District on November 2, 2021; Making Provisions for the Conduct and the Giving of Notice of the Election; and Containing Other Provisions Relating Thereto**
Presenter: Robert Collins, Bracewell LLP
 12. **Consider, Discuss and Take Appropriate Action Regarding the Selection of a Construction Manager At-Risk (CMR) for the Waco High School Replacement Project**
Presenter: Dr. Susan Kincannon
 13. **Consider, Discuss and Take Appropriate Action Regarding the Hiring of a Construction Auditor for the Waco High School Replacement Project**
Presenter: Dr. Susan Kincannon
 14. **Consider, Discuss and Take Appropriate Action Regarding Process for Filling the Vacancy for Trustee District 5**
Presenter: Angela Tekell
 15. **Review and Discuss the Texas Education Agency's COVID-19 Protocols for Public Health and Remote Conferencing**
Presenter: Dr. Susan Kincannon
 16. **Presentation and Discussion of the Proposed Budget and Tax Rate for the 2021-2022 Fiscal Year**
Presenter: Sheryl Davis
 17. **Consider, Discuss, and Take Appropriate Action Regarding the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate for the 2021-2022 Fiscal Year, Setting the Proposed Tax Rate and the Date, Time, and Place for the Public Meeting**
Presenter: Sheryl Davis
 18. **Announcements**
 19. **Adjournment**

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: Susan Kincannon

RE: Review and Discuss the G.W. Carver Middle School Fire

=====

Background Information

In the early morning hours on July 27, 2021, a fire engulfed the G.W. Carver Middle School campus. Beginning immediately, Waco ISD and Transformation Waco have been partnering to ensure a smooth start for students on August 23 for the first day of school. (Under the performance contract with Transformation Waco to operate Carver, Waco ISD is responsible for providing the physical space where instruction takes place, and Transformation Waco is responsible for what happens day to day inside that space.) With that in mind, some of the actions that have been taken to date include:

- Waco ISD Administration and Transformation Waco met to make the decision to move the Carver students to Indian Spring Middle School – each campus will maintain their campus code and name, teachers may partner for co-teaching opportunities and to efficiently use space.
- Waco ISD Administration and Transformation Waco met with architects from O’Connell Robertson to discuss ways to use available space in the Indian Spring library to create classrooms, identify strategies for branding to incorporate both campuses, and to evaluate cafeteria seating options.
- Waco ISD has ordered two new double portable have been ordered and will be in place for the first day of school.
- Transformation Waco conducted a parent meeting on Thursday, August 5, to discuss the logistics for the move to Indian Spring Middle School.
- Waco ISD has worked closely with the Waco Fire Department and the Texas Association of School Board’s Risk Management Fund regarding the investigation of the fire and on insurance claim.

Fiscal Implications

To be Determined

Administrative Recommendation(s):

Discussion Only

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: Susan Kincannon

RE: Review and Discuss the TASB Risk Management Fund Coverage for the G.W. Carver Middle School Fire

=====

Background Information

Troy Winslow, Division Director for Claims Administration with the Texas Association of School Boards Risk Management Fund, will provide the Board of Trustees with an overview of the District's insurance coverage regarding the July 27, 2021, fire at G.W. Carver Middle School.

Fiscal Implications

To Be Determined

Administrative Recommendation(s):

Discussion Only

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: Dr. Kincannon

RE: Consider, Discuss, and Take Appropriate Action Regarding the Designation of an Emergency for G. W. Carver Middle School, Authorize the Superintendent to Procure Goods and Services Pursuant to Education Code Section 44.031 (h), and Approve Budget Amendment in Advance of Pending Insurance Recovery

=====

Background Information:

On Tuesday, July 27th, fire destroyed much of G. W. Carver Middle School. As a result its students will attend classes at Indian Spring Middle School when the school year begins on August 23rd.

In such cases, the Texas Education Code Section 44.031(h) provides that:

If school equipment or a part of a school facility or personal property is destroyed or severely damaged or, as a result of an unforeseen catastrophe or emergency, undergoes major operational or structural failure, and the board of trustees determines that the delay posed by the methods provided for in this section would prevent or substantially impair the conduct of classes or other essential school activities, then contracts for the replacement or repair of the equipment or the part of the school facility may be made by methods other than those required by this section.

This allows for the purchases of goods and services to be made outside of the regular procurement process.

The administration is seeking approval from the Board to grant the Superintendent the authority to procure, negotiate, and execute contracts for goods and services that are necessary to mitigate, prevent, restore, and repair damage caused to Waco ISD equipment, personal property, and facilities; protect the safety of Waco Independent School District students and staff; and provide for the conduct of classes and essential school activities.

To the extent that the Superintendent takes any action (whether pursuant to this approval or otherwise) to address or in response to the G.W. Carver fire emergency that requires or may require Board action, approval and/or ratification, the Board shall consider any such actions (taken by the Superintendent) at its first Regular Board meeting (following any such action) for which notice may be timely given under the Texas Open Meetings Act (Chapter 551 of the Texas Government Code).

Additionally, the administration is requesting approval to amend revenue in advance of pending insurance recovery to place budget to purchase goods and services required to mitigate damages and support the relocation of G. W. Carver Middle School.

Fiscal Implications:

The amendment would increase budgeted expenditures by \$952,000. The increase would be offset by an insurance recovery revenue. There would be no impact on the fund balance.

Administrative Recommendation(s):

The administration recommends that the Board of Trustees authorize the Superintendent to procure goods and services, pursuant to Education Code Section 44.031(h), that are necessary to mitigate, prevent, restore, and repair damages, protect students and staff, and provide for the conduct of classes and essential school activities, as a result of the fire damage at G. W. Carver Middle School, and approve an amendment to place budget required to facilitate procurement, as presented.

**WACO INDEPENDENT SCHOOL DISTRICT
AMENDMENT BUDGET FORM**

AMENDMENT # 064

CAMPUS OR DEPARTMENT: _____

DATE: _____

BUDGET CODE							DESCRIPTION	A	B	C	D
FUND	FNC	OBJ	SO	ORG	PRG	LOPT		CURRENT APPROPRIATION	CURRENT ACCOUNT BALANCE	REQUESTED INCREASE (DECREASE)	AMENDED APPROPRIATION
199	11	6399	60	048	99	435	Instruction - Supplies & Materials	-	-	260,000	260,000
199	23	6399	60	048	99	435	School Leadership - Supplies & Materials	-	-	39,000	39,000
199	35	6399	60	048	99	435	Food Services - Supplies & Materials	-	-	131,000	131,000
199	36	6399	60	048	99	435	Extracurricular - Supplies & Materials	-	-	60,000	60,000
199	51	6247	50	048	99	435	Plant Maintenance - Contracted Repairs	-	(30,200.00)	230,000	230,000
199	81	6629	50	048	99	435	Facilities Acquisition - Building	-	(168,080.00)	232,000	232,000
199	00	5745	00	000	00	435	Insurance Recovery	-	-	(952,000)	(952,000)

REASON FOR REQUEST: Amend in revenue in advance of pending insurance recovery to place budget to purchase goods and services required to mitigate damages and support the relocation of G. W. Carver Middle School.

BUDGET ADMINISTRATOR /

Budget Coordinator


Assistant Superintendent of Finance

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: S. Davis

RE: Consider, Discuss and Take Appropriate Action on Resolution Authorizing the Reimbursement of Certain Expenditures Incurred in the Replacement of G. W. Carver Middle School from Future Tax Exempt Debt Obligations

=====

Background Information:

In conjunction with the development of a strategic facility master plan and a planned bond election, the Board of Trustees previously adopted a resolution to provide reimbursement of up to \$5,000,000 of certain costs incurred with respect to the acquisition, construction, reconstruction or renovation of District facilities.

Subsequent to that action, a fire destroyed much of G. W. Carver Middle School. While this campus was to be included for replacement in the proposed bond election, the inability to hold school on that site has resulted in an acceleration of the design, construction, and equipping of a new G. W. Carver Middle School. Again, certain costs may be incurred with respect to that construction and the District may wish to reimburse its General Fund for all costs that have been or will be paid subsequent to the date that is 60 days prior to August 12, 2021.

A resolution expressing this intent is attached. The resolution provides for the reimbursement of these certain costs of up to \$3,000,000.

Fiscal Implications:

To be determined.

Administrative Recommendation(s):

The Administration recommends that the Board of Trustees approve the resolution authorizing the reimbursement of costs that have been or will be paid subsequent to the date that is 60 days prior to August 12, 2021, as outlined in the attached resolution.

REIMBURSEMENT RESOLUTION EXPRESSING INTENT TO
FINANCE EXPENDITURES TO BE INCURRED

WHEREAS, Waco Independent School District (the “District”) is a political subdivision of the State of Texas authorized to finance its activities by issuing obligations; and

WHEREAS, the District will make, or has made not more than 60 days prior to the date hereof, payments with respect to the acquisition, construction, reconstruction or renovation of the projects listed on **Exhibit A** attached hereto (collectively, the “Financed Project”); and

WHEREAS, the District has concluded that it does not currently desire to issue obligations to finance the costs associated with the Financed Project; and

WHEREAS, the District desires to reimburse itself for the costs associated with the Financed Project from the proceeds of obligations to be issued subsequent to the date hereof; and

WHEREAS, the District reasonably expects to issue obligations to reimburse itself for the costs associated with the Financed Project

NOW, THEREFORE, be it resolved that:

Section 1. The District reasonably expects to reimburse itself for costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof and that are to be paid in connection with the acquisition, construction, reconstruction or renovation of the Financed Project from the proceeds of obligations to be issued subsequent to the date hereof.

Section 2. The District reasonably expects that the maximum principal amount of obligations issued to reimburse the District for the costs associated with the Financed Project will be \$5,000,000.

ADOPTED THIS 12th DAY OF AUGUST, 2021.

WACO INDEPENDENT SCHOOL DISTRICT

By: _____
President, Board of Trustees

EXHIBIT A

DESCRIPTION OF PROJECT

<u>Purpose/Project</u>	<u>Amount</u>
Designing, constructing and equipping a new G. W. Carver Middle School	\$3,000,000

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: S. Smith/A. Villanueva

RE: Consider, Discuss, and Take Appropriate Action Regarding the Project Delivery Method for the Replacement of G. W. Carver Middle School and Authorize the Superintendent to Issue a Request for Proposals and/or Qualifications and Bring the Recommendation Rankings Back to the Board of Trustees for Approval

=====

Background Information:

On July 27th, fire destroyed much of G. W. Carver Middle School. The campus was to be included in a recommendation for replacement through an upcoming bond election. The extensive damage to the school will necessitate advancing the design and subsequent construction of the planned project.

The architecture firm of O’Connell Robertson has been engaged to develop a facilities master plan and design a number of projects including the replacement of Waco High School. The administration will also recommend the firm for the design of G. W. Carver Middle School. Approval of an amendment to the O’Connell Robertson contract for this service will come at a later date.

Prior to soliciting proposals or bids for construction, a construction delivery method must be selected. The administration is recommending the construction manager-at-risk (CMR) method for the G. W. Carver Middle School Replacement project.

A construction manager-at-risk is intended to assume the risk for construction at the contracted price in the same manner as a general contractor; but also provides consultation to the school district regarding construction during and after the design of the facility. A CMR would provide preconstruction services, including cost estimating, scheduling, constructability reviews and value engineering. This early involvement can help create savings and can accommodate a faster construction schedule. In addition, a CMR is financially responsible for the cost and schedule and that level of accountability should result in fewer change orders and claims over the life of the project.

Upon Board approval of the delivery method for this project, the District shall prepare and issue a request for proposals or qualifications, as appropriate, according to Board policy. A committee, consisting of District administrators and architect representation, will review the proposals and return to the Board with the recommendation rankings.

Fiscal Implications:

N/A

Administrative Recommendation(s):

The Administration recommends that the Board of Trustees approve the selection of construction manager at-risk as the construction delivery method for the G. W. Carver Middle School Replacement project, and authorize the Superintendent to issue a request for proposals and/or qualifications, as appropriate for the project, select a committee to evaluate and rank the proposals, and bring the recommendation rankings back to the Board for approval, as presented.



Waco Independent School District
August Board Meeting
Delivery Methods
08.12.2021

Construction Delivery Methods for ISDs

The legally prescribed procedure for building a project.

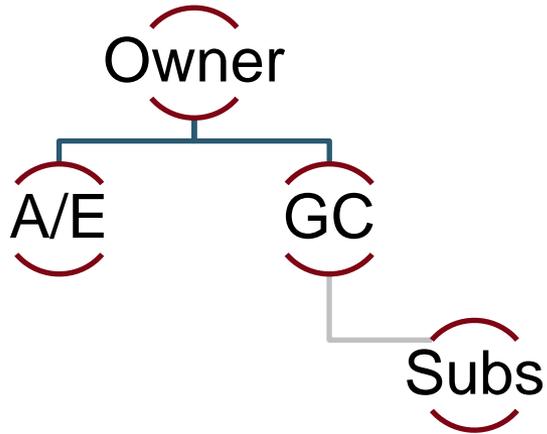
1. Competitive Bidding
(selection based on low bid)
2. Job Order Contracting
(minor repairs or alterations)
3. Construction Manager - Agent
4. Design Build
5. Competitive Sealed Proposals
6. Construction Manager - At Risk

Texas Education Code 44.031

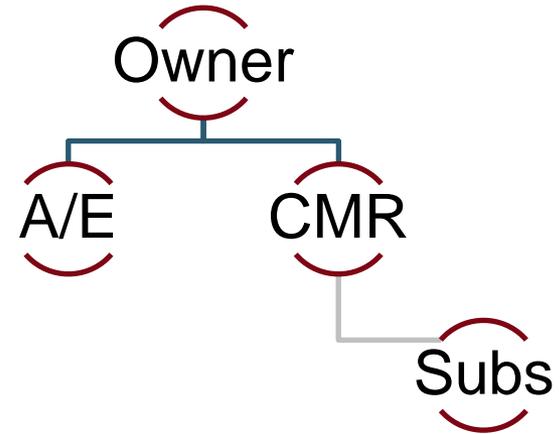
Except as provided by this subchapter, all school district contracts...valued at \$50,000 or more in the aggregate for each 12-month period shall be made by the method, of the following methods, that provides the best value for the district:

(5) a method provided by Chapter 2269, Government Code, for construction services; [...]

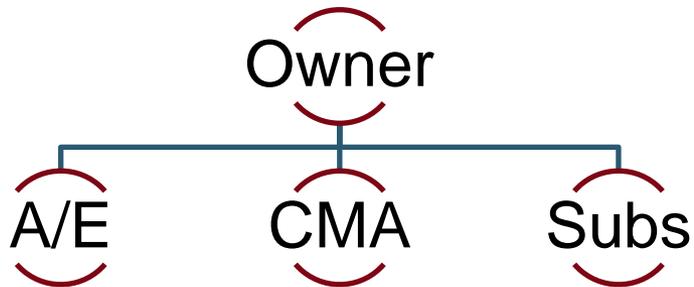
Competitive Bid or Competitive Sealed Proposal



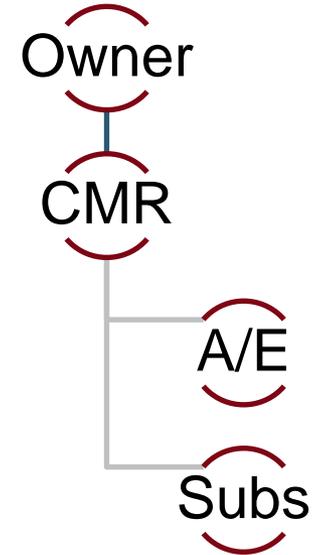
Construction Manager – At Risk



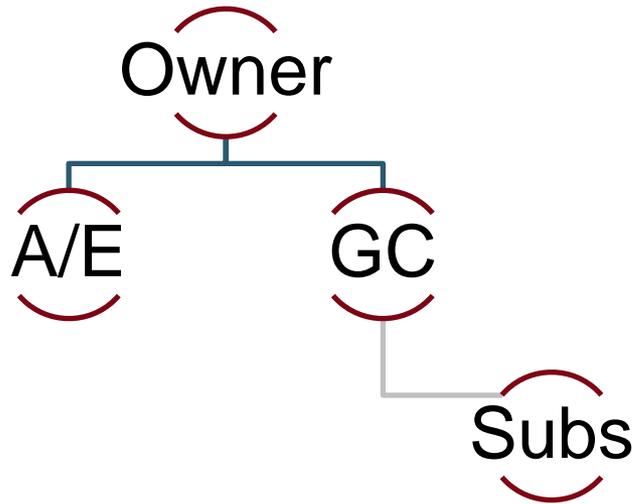
Construction Manager - Agent



Design / Build

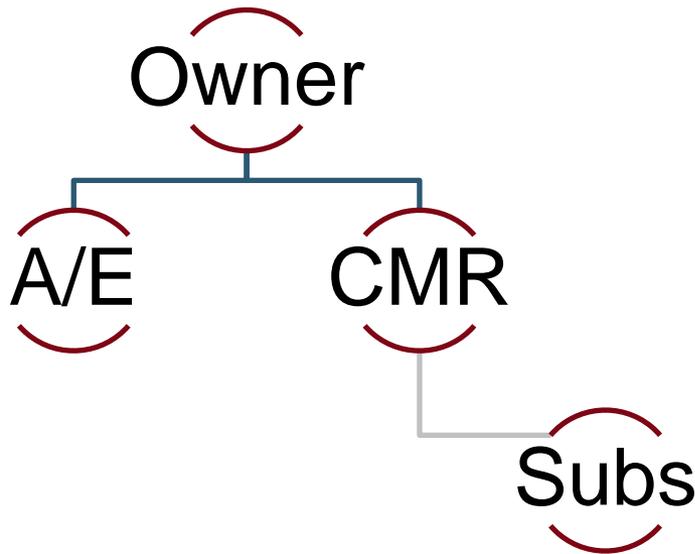


Competitive Sealed Proposal



- Owner hires Architect
- Architect designs project
- Owner bids to multiple GC's
- GC submits bid/price, also responds to an RFP with other information/qualifications
- GC selection is based on low price *and other information submitted*
- GC holds subcontracts and builds project

Construction Manager at Risk (CMR)



- Owner hires Architect and CMR
- Architect Designs Project while CMR provides preconstruction services, input
- CMR bids to Trade Subcontractors, owner input
- **CMR holds subcontracts and builds project**
- **CMR is selected based on *qualifications***
- **Pre-construction services from CMR include cost estimating, scheduling, constructability reviews, and value engineering**

Contracting Methods – Pros + Cons

Competitive Sealed Proposal

Pros:

- Pricing part of process is transparent and understood (same as competitive Bidding)
- **Predetermined “weight” given to qualifications criteria** established by District

Cons:

- No contractor input during design
- Can be adversarial on scope issues
- **Slower delivery** method from start to finish
- Tendency for more change orders

Construction Manager at Risk (CMR)

Pros:

- Can accommodate **faster schedule with multiple bid packages**
- Design reviews, constructability input can help create savings
- Input on schedule and phasing during design and bidding
- **CMR is financially responsible for cost and schedule**
- Fewer change orders and claims

Cons:

- Requires a GC capable of acting as CMR
- Possible perception of less transparency

Waco Independent School District

Board of Trustees Meeting Agenda Item

Date: August 12, 2021

Contact Person: Dr. Susan Kincannon

RE: Consider, Discuss and Take Appropriate Action Regarding the Superintendent's Recommendation for a November 2021 Bond Election

=====

Background Information:

There are significant differences in the condition and educational suitability of Waco ISD's school buildings. For example, University High is a modern campus designed for contemporary programs that opened in 2011. Meanwhile, Waco High, which opened in 1961, has classrooms that are small by today's standards, limited space for small-group instruction and collaboration, and a projected \$75 million in maintenance costs for the next 15 years.

Beginning in January, a Community Advisory Committee made up of about 60 parents, educators and other community members held a series of eight meetings to study the District's facilities needs. The Committee toured campuses, reviewed the findings of a comprehensive facilities assessment conducted by outside experts, studied demographic projections, and discussed their priorities for students and how facilities play into them. Ultimately, the Community Advisory Committee recommended the following projects prioritized in the following order:

- Replace Waco High with a new building in the same location,
- Replace G.W. Carver Middle with a new building in the same location large enough to also serve students zoned to attend Indian Spring Middle,
- Replace Tennyson Middle with a new building in the same location, and
- Replace Kendrick Elementary with a new building in the same location large enough to serve many of the students zoned to attend Alta Vista Elementary and renovate South Waco Elementary to serve the remaining students zoned to Alta Vista Elementary.

Recommended Bond Projects

I am recommending that the Board call a bond election to fund the projects prioritized by the Community Advisory Committee: a new Waco High, a new G.W. Carver Middle, a new Tennyson Middle, a new Kendrick Elementary, and a renovated South Waco Elementary.

Education has changed since the four facilities that would be replaced with new buildings were built in the 1950s and 1960s. Moreover, some students in Waco ISD have comfortable, modern schools while others attend old schools with leaky roofs, inadequate heating and cooling systems, and other problems. Every student in Waco ISD should have a comfortable, modern learning environment regardless of their zip code, and this recommendation would create equity among all of our secondary campuses while starting to address the needs of our elementary campuses.

Recommended Project Phasing

Given the significance of replacing Waco High with a new building in the same location, the District has already started working with architects on a potential schematic design for the campus. This will allow voters to have more information about the project before they vote, and it will also expedite the timeline for opening the new facility. If the Board calls a bond election for November and voters approve issuing bonds to fund the construction of a new Waco High, construction could begin next summer with the first phase of a new campus opening in August 2024.

While replacing G.W. Carver Middle with a new campus in the same location has been a priority for some time, last month's fire increased the sense of urgency for the project. Tonight, the Board is being asked to consider taking actions to initiate the process of designing and building a new G.W. Carver Middle. This would allow construction to begin on a timeline similar Waco High, and a new campus could potentially open in time for the start of the 2023-2024 school year.

Based on these considerations and the advice of the District's architects, the projects would be phased as follows:

- Construction of a new Waco High starting in 2022 with the first phase of the new campus opening in 2024 and a second phase in 2025,
- Construction of a new G.W. Carver Middle starting in 2022 with the campus opening in 2023,
- Construction of a new Tennyson Middle starting in 2023 with the campus opening in 2024,
- Construction of a new Kendrick Elementary starting in 2024 with campus opening in 2025, and
- Renovations at South Waco Elementary starting in 2023 and being completed in 2024.

Recommended Bond Amount

Collectively, the District's architects estimate the total cost of these projects on the timeline above at \$367.1 million. (Moving up the construction of each new middle school by a year compared to a timeline previously reviewed by the Board reduced the total cost by \$9 million.)

However, the District will receive an insurance payment stemming from the fire at G.W. Carver Middle. While their work is ongoing, the Texas Association of School Boards Risk Management Fund has preliminarily estimated that the replacement value for G.W. Carver Middle at \$17 million. The District Administration believes that this figure is low and will advocate for a higher amount.

For the purpose of a potential bond election, however, I recommend asking voters to approve issuing and selling bonds in the principal amount of \$355 million (or \$12.1 million less than the total project cost). This should position the District to complete the recommended projects even in the unlikely event that the final replacement value for G.W. Carver Middle is lower than the preliminary estimate.

Recommended Bond Election Date

In addition to the sense of urgency created by the fire at G.W. Carver Middle, the facilities that would be replaced all have significant maintenance needs. With that in mind, I recommend placing the bond proposal before voters at the next available opportunity and calling a bond election for November 2, 2021.

Fiscal Implications:

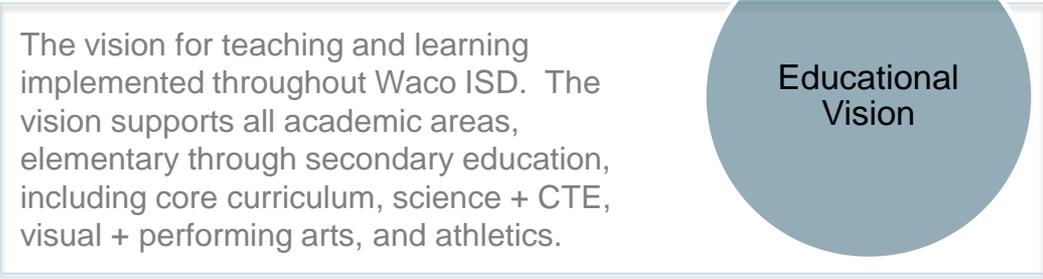
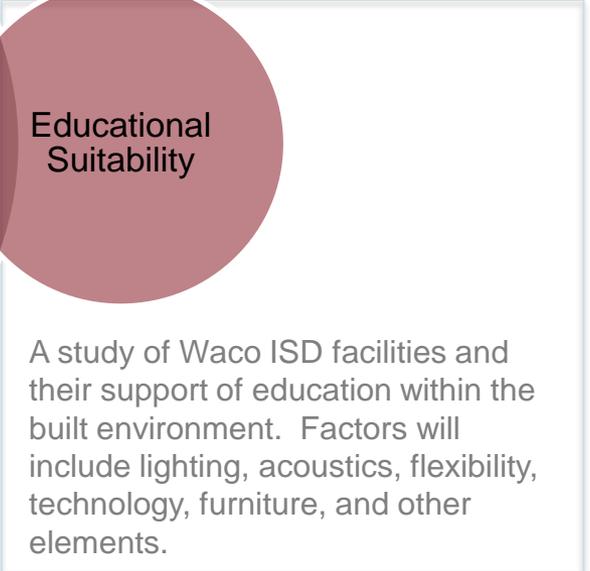
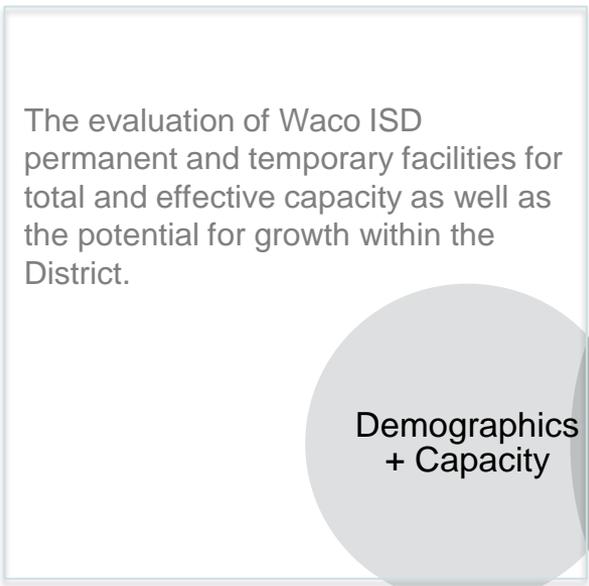
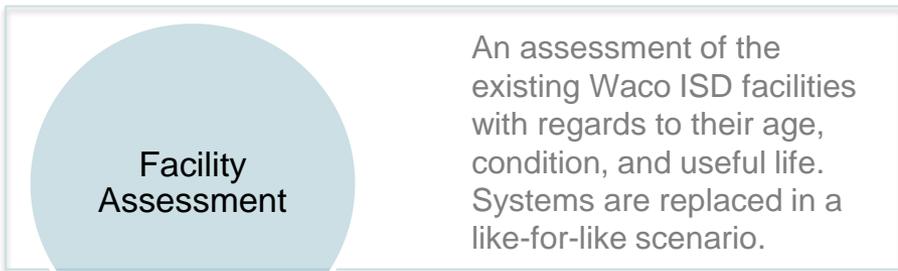
Issuing and selling bonds in the principal amount of \$355 million is projected to increase the District's interest and sinking tax rate by \$0.1001 per \$100 of assessed valuation starting in Fiscal Year 2023, which is an increase of approximately \$9.80 per month for the average homeowner in Waco ISD.

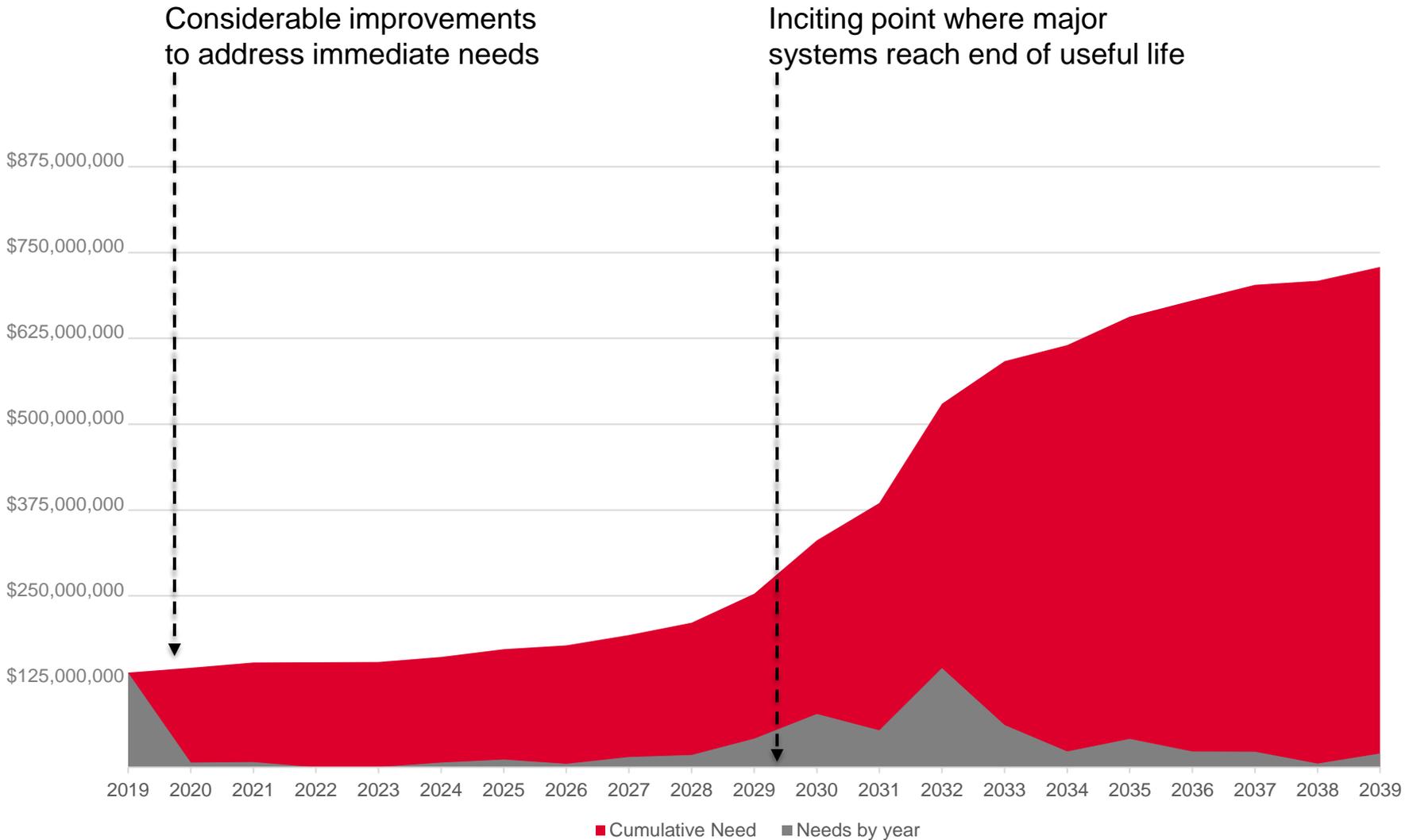
Administration Recommendation:

Call a bond election for November 2, 2021, seeking voter authorization to issue and sell bonds in the principal amount of \$355 million to fund the construction of a new Waco High, a new G.W. Carver Middle, a new Tennyson Middle and a new Kendrick Elementary as well as the renovation of South Waco Elementary.



Waco Independent School District
August Board Meeting
Facilities Master Plan and
Bond Program
08.12.2021





Facility Conditions Assessment



FCA + Educational Suitability




Waco Independent School District

Fall 2020 Demographic Update

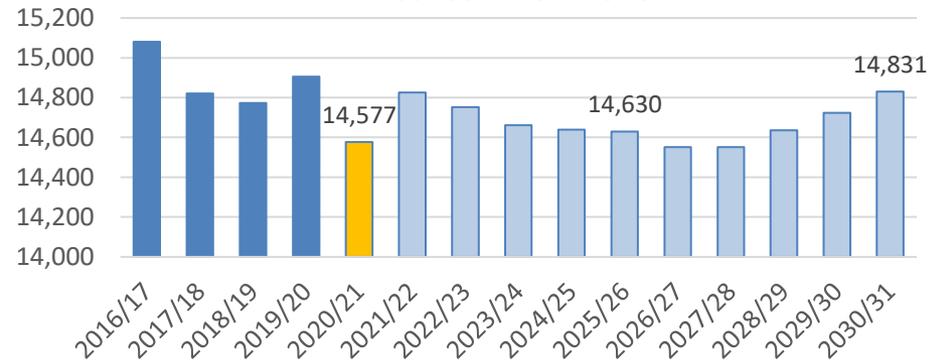


TEMPLETON DEMOGRAPHICS
hanleywood | metrostudy

Report analyzed:

- Annual enrollment changes, including impact of Covid-19
- Local economic activity – unemployment, job growth/decline
- Waco ISD housing market activity – sales, new developments
- TEA transfer reports - into / out of WISD, and within WISD
- Birth rate analysis
- 10-year enrollment forecast

District Enrollment



Demographics

ELEMENTARY SCHOOLS	Capacity	Enrollment
Alta Vista	580	478
Bell's Hill	1,090	737
Brook Avenue	500	375
Cedar Ridge	650	514
Crestview	750	471
Dean Highland	870	635
JH Hines	720	455
Kendrick	500	518
Mountainview	520	399
Parkdale	570	625
Provident Heights	520	363
South Waco	820	480
West Avenue	490	293
Hillcrest PDS Magnet	440	441
Lake Air Montessori	920	748
Elementary Totals	9,940	7,532

MIDDLE SCHOOLS	Capacity	Enrollment
Cesar Chavez	1,060	919
Carver	940	465
Indian Spring	930	524
Tennyson	790	942
Middle School Totals	3,720	2,837

HIGH SCHOOLS	Capacity	Enrollment
University	2,150	1,896
Waco High School	2,480	2,132
High School Totals	4,630	4,028

HIGH SCHOOL SUPPORT	Capacity	Enrollment
Brazos High School	370	146
Wiley Opportunity Center	420	11
GWAHCA	380	<i>Included in home campus</i>
GWAMA	510	
HS Support Totals	1,680	157

Capacity vs. Enrollment



21st Century Learning Environments

Waco ISD

Facilities Master Plan Guiding Principles

1. Create facilities throughout Waco ISD in support of the District's vision for academic excellence.

- Student pride and attraction
- Teacher retention
- Individualized + Personal Learning
- 21st Century Learning
- Welcoming + Sustainable Environments

2. Ensure equity across primary and secondary campuses for academic and co-curricular programs

- Work for All Students
- Support Athletics + PFA Spaces
- CTE Support
- Special Education Support
- Provide centralized modern libraries
- Technology Support

3. Maintain and protect the community's investment in facilities while improving operational efficiency.

- Address Facility Needs
- Safe and healthy environments
- Minimize operational costs while maximizing student opportunity

Replacement WHS

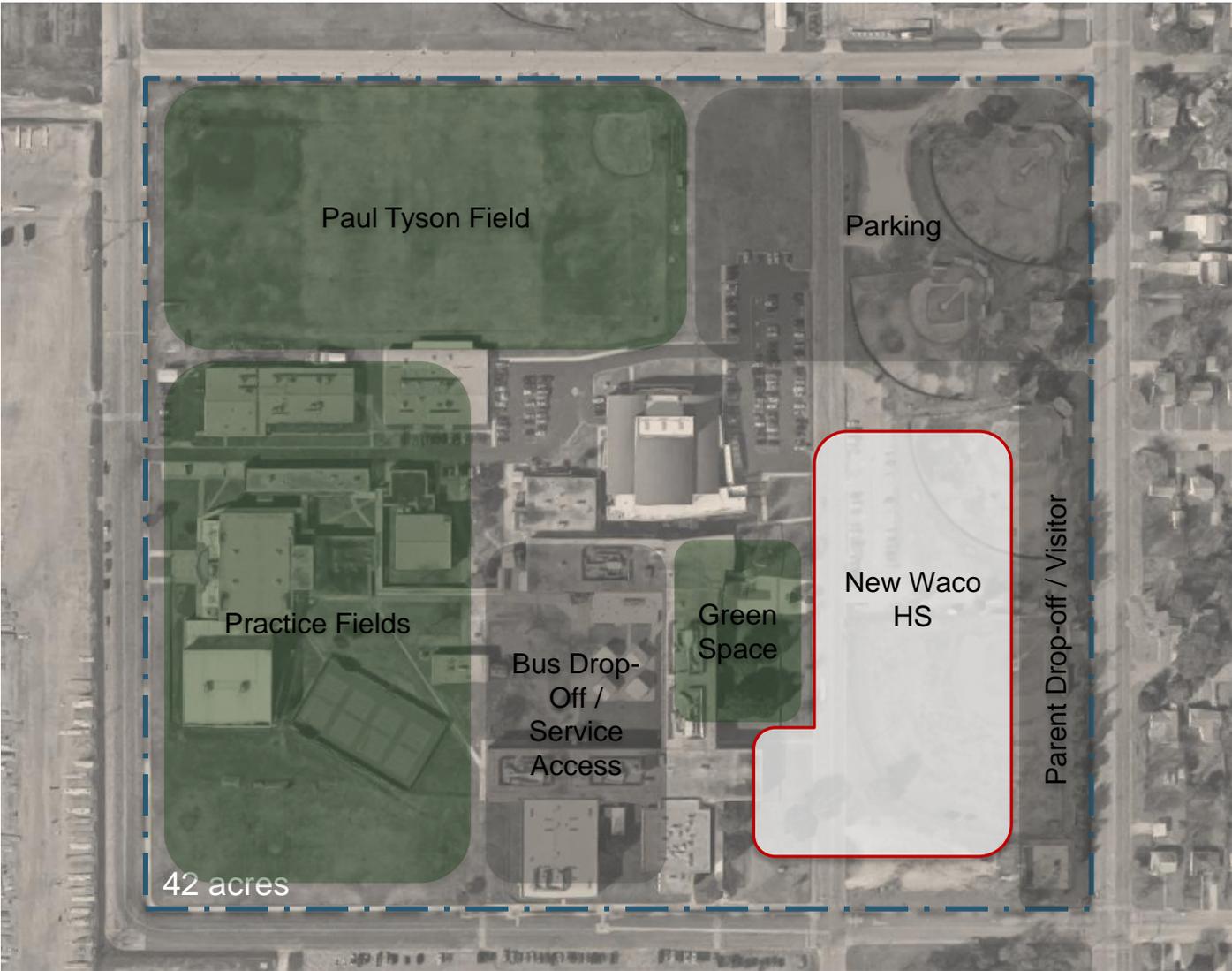
Replacement facility across entire WISD property with facility conditions assessment improvements for existing auditorium

370,000 sf new facility
2,150 capacity

Grades 9th to 12th

Total Project Cost
\$157.1M

3+ years of phased construction



97% support

Waco HS Replacement



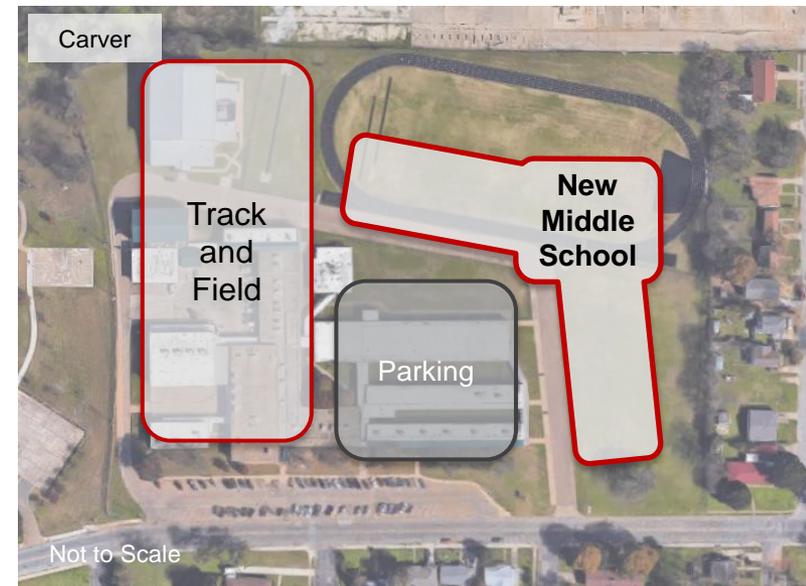
Consolidate Carver & Indian Spring, New Tennyson

New 184,000 sf / 1,060 Student Middle School
Constructed on the Existing Carver Campus.

New 184,000 sf / 1,060 Student Middle School
Constructed on the Existing Tennyson Campus

Total Project Costs \$59.3M

Two independent phases of construction:
15 months + 18 months



81%
support

Middle Schools Projects

Minor to Moderate Need

- West Avenue
 - Provident Heights
 - Brook Avenue
 - Dean Highland
 - JH Hines
 - Bell's Hill
 - Lake Air Montessori
- Maintain existing campuses through FCA + ESA needs

4,190 Student Capacity

Moderate to Significant Need

- Crestview
 - Alta Vista
 - Parkdale
 - Cedar Ridge
 - Mountainview
 - South Waco
 - Kendrick
 - Hillcrest PDS
- New and/or Renovated Elementary Schools over time

3,750 Student Minimum Capacity

Long Term Vision

- Address Schools with the highest need
- Provide additional educational support staff + increase operational efficiencies
- Align campuses and capacity to demographers projected 10-year need over multiple bond programs

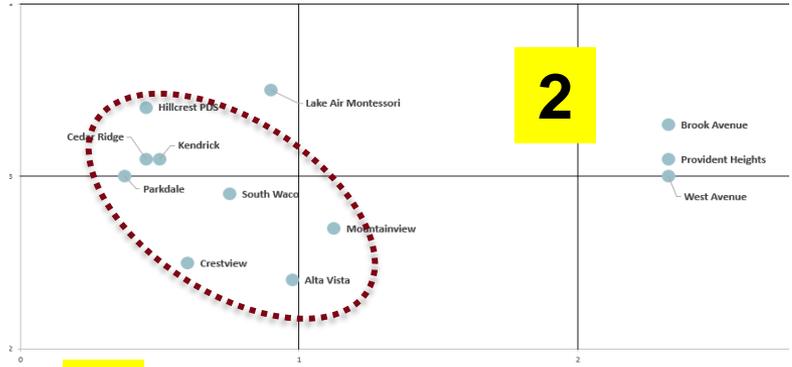
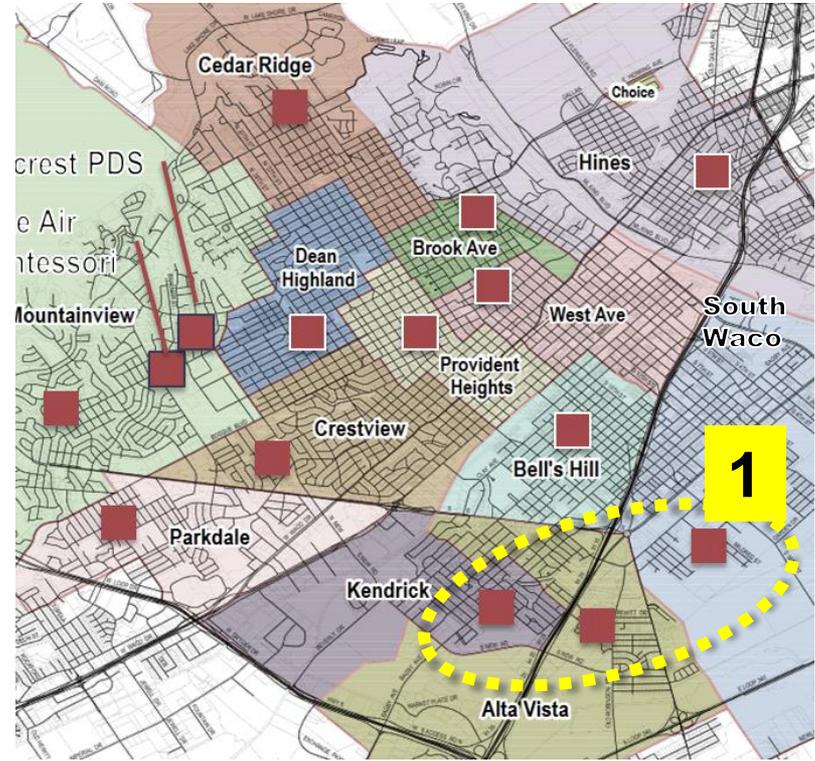
83%
support

Facility Master Plan

33

Facilities Master Plan – Immediate Priority

1. Alta Vista ES, Kendrick ES, and South Waco ES are close in proximity
2. Low facility conditions assessment (FCA) + educational suitability (ESA) scores
3. Enrollment is mis-aligned: either
 - a. Under permanent capacity
 - b. Using portables to meet enrollment



Campus	Capacity	ENROLLMENT PROJECTIONS											
		2019/20	Fall 2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Alta Vista Elementary	580	501	478	503	513	498	499	496	492	489	482	481	490
Kendrick Elementary	500	524	518	518	514	524	525	519	519	521	528	530	541
South Waco Elementary	820	544	480	505	520	524	530	533	538	543	545	555	564

83% support

Proposed Immediate Priority

Consolidate Carver & Indian Spring, New Tennyson

New 86,000 sf / 750 Student Elementary School
Constructed on the Existing Kendrick Campus.

Renovation and additions to the Existing South Waco
Campus

Total Project Costs \$150.7M

Two independent phases of construction:
15 months + 15 months



83%
support

Elementary Schools Projects



Immediate Priorities

- Waco High School
- Middle School Replacement for Carver and Indian Spring
- Middle School Replacement for Tennyson
- New Elementary for Alta Vista / Kendrick + Additions / Renovations for South Waco



Long Term Priorities

- Continued development of the best opportunities for Waco ISD students from pre-kindergarten to student choice at high school
- Implementation of the long-term vision goals across the portfolio of Waco ISD elementary school campuses.
- District Wide Goals
- Capital Improvement Projects from FCA

Waco ISD Facilities Master Plan

Waco Independent School District

Preliminary Bond Capacity Analysis

November 2021 Bond Election

August 9, 2021

STRICTLY PRIVATE AND CONFIDENTIAL



R. Dustin Traylor
Managing Director

RBC Capital Markets, LLC
303 Pearl Parkway
Suite 220
San Antonio, TX 78215

Tel: (210) 805-1117
Fax: (210) 805-1119

robert.d.traylor@rbccm.com

This presentation was prepared exclusively for the benefit of and internal use by the recipient for the purpose of considering the transaction or transactions contemplated herein. This presentation is confidential and proprietary to RBC Capital Markets, LLC (“RBCCM”) and may not be disclosed, reproduced, distributed or used for any other purpose by the recipient without RBCCM’s express written consent.

By acceptance of these materials, and notwithstanding any other express or implied agreement, arrangement, or understanding to the contrary, RBCCM, its affiliates and the recipient agree that the recipient (and its employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the tax treatment, structure or strategy of the transaction and any fact that may be relevant to understanding such treatment, structure or strategy, and all materials of any kind (including opinions or other tax analyses) that are provided to the recipient relating to such tax treatment, structure, or strategy.

The information and any analyses contained in this presentation are taken from, or based upon, information obtained from the recipient or from publicly available sources, the completeness and accuracy of which has not been independently verified, and cannot be assured by RBCCM. The information and any analyses in these materials reflect prevailing conditions and RBCCM’s views as of this date, all of which are subject to change.

To the extent projections and financial analyses are set forth herein, they may be based on estimated financial performance prepared by or in consultation with the recipient and are intended only to suggest reasonable ranges of results. The printed presentation is incomplete without reference to the oral presentation or other written materials that supplement it.

IRS Circular 230 Disclosure: RBCCM and its affiliates do not provide tax advice and nothing contained herein should be construed as tax advice. Any discussion of U.S. tax matters contained herein (including any attachments) (i) was not intended or written to be used, and cannot be used, by you for the purpose of avoiding tax penalties; and (ii) was written in connection with the promotion or marketing of the matters addressed herein. Accordingly, you should seek advice based upon your particular circumstances from an independent tax advisor.

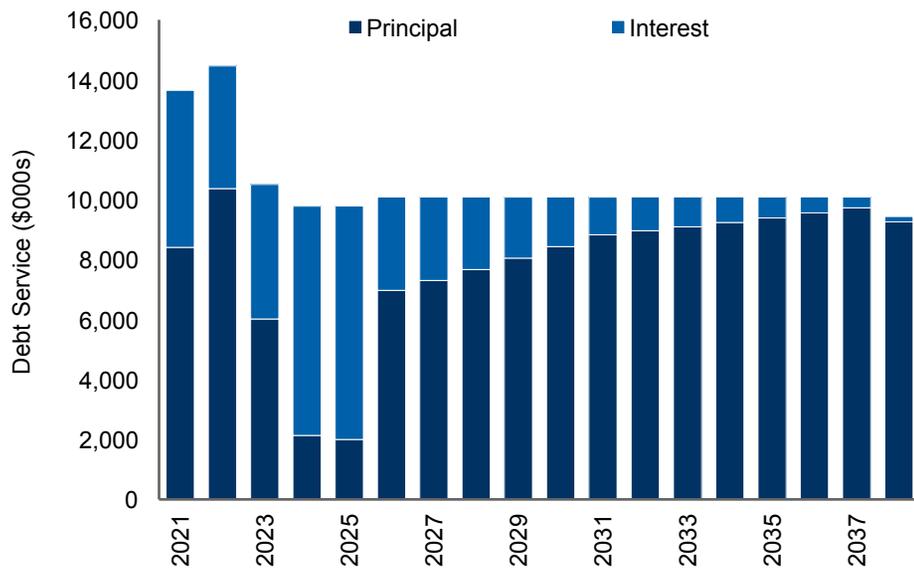
Waco ISD - Debt Profile

Outstanding Debt Profile (“Aa2”)

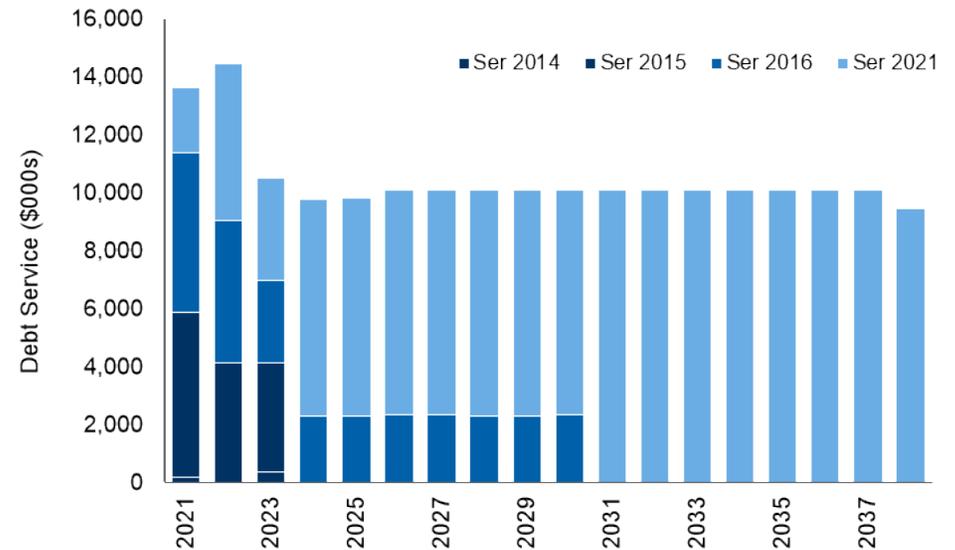
Waco Independent School District - Unlimited Tax Debt Profile

Issue	Issued Par Amount	Outstanding Par Amount	Coupon Range of Callable Bonds	First Call Date	Final Maturity
U/L Tax Ref Bds, Series 2014	\$ 8,470,000	\$ 180,000	N/A	N/A	08/15/2023
U/L Tax Ref Bds, Series 2015	97,985,000	10,915,000	N/A	N/A	08/15/2023
U/L Tax Ref Bds, Series 2016	47,120,000	23,605,000	4.000% - 5.000%	08/15/2026	08/15/2030
U/L Tax Ref Bds, Taxable Series 2021	106,740,000	106,740,000	1.441% - 1.911%	08/15/2030	08/15/2038
Totals	\$ 260,315,000	\$ 141,440,000			

Outstanding Unlimited Tax Debt by Principal & Interest



Outstanding Unlimited Tax Debt by Series

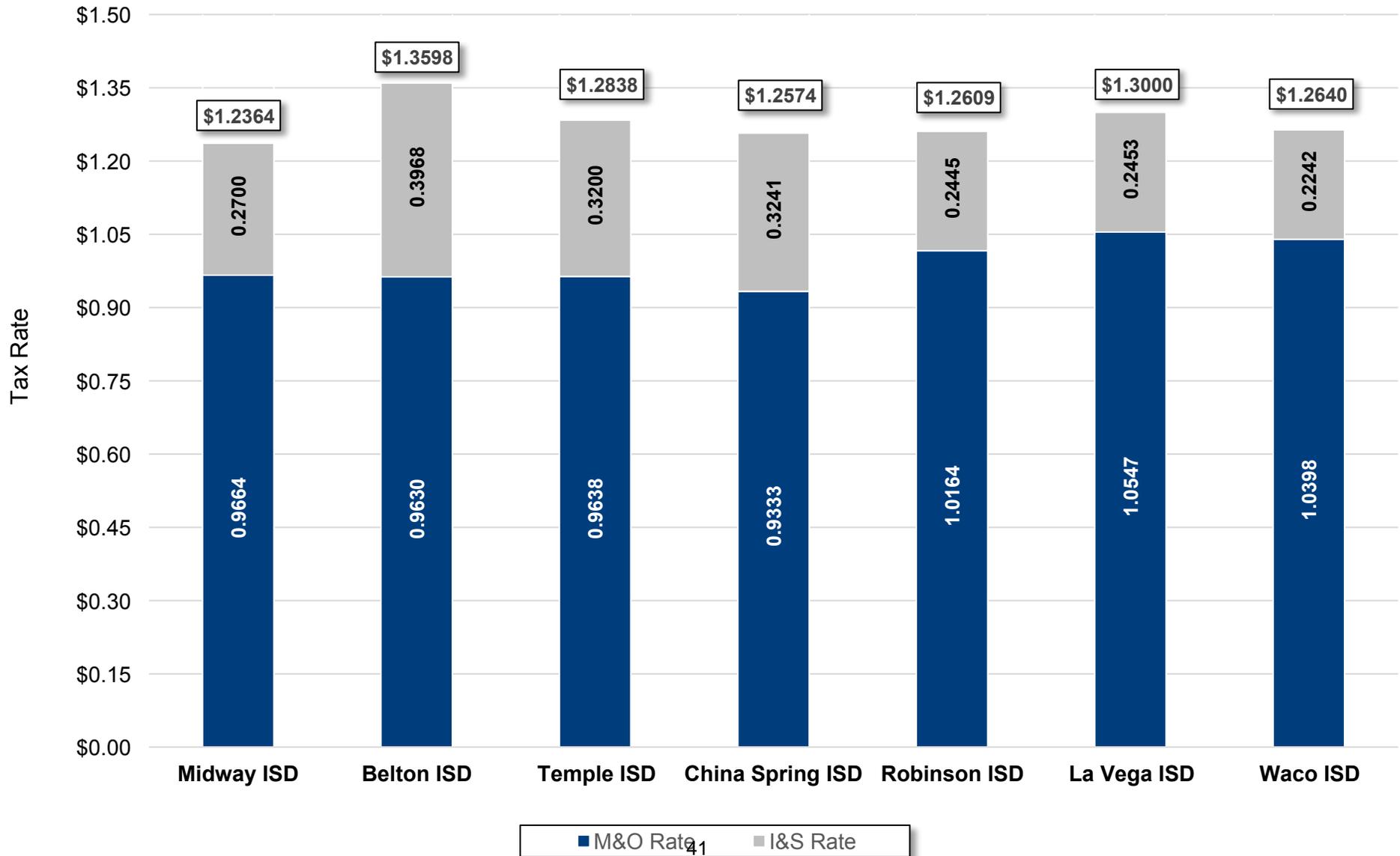


40

Central Texas Area School District Tax Rate



**Central Texas Area
School District Tax Rate Comparison**



Summary of Waco ISD Refundings



 \$9,635,000 Unlimited Tax School Refunding Bonds, Taxable Series 2013 January 2013	 \$8,470,000 Unlimited Tax Refunding Bonds, Series 2014 October 2014	 \$97,985,000 Unlimited Tax Refunding Bonds, Series 2015 April 2015	 \$47,120,000 Unlimited Tax Refunding Bonds, Series 2016 July 2016	 \$106,740,000 Unlimited Tax Refunding Bonds, Taxable Series 2021 February 2021
---	--	--	--	---

						Totals
Par Refunded	\$9,645,000	\$8,470,000	\$97,985,000	\$47,120,000	\$106,740,000	\$269,960,000
Total Savings	\$896,824	\$1,201,304	\$14,503,469	\$8,690,637	\$15,874,341	\$41,166,575
PV Savings	\$848,411	\$1,060,135	\$10,474,680	\$7,023,583	\$13,606,049	\$33,012,858
PV Savings%	8.80%	12.52%	10.70%	13.79%	12.75%	12.23%

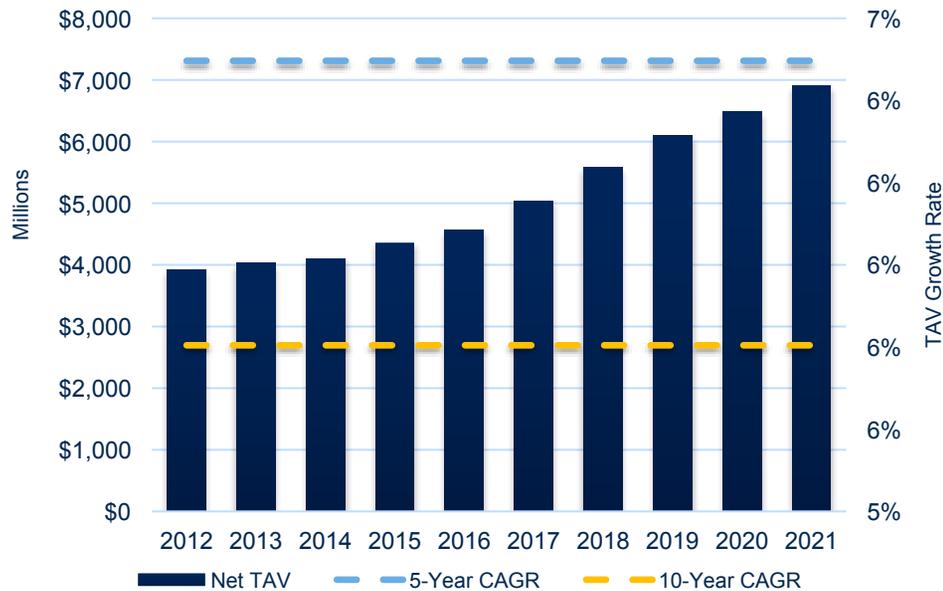
Waco ISD Historical TAV Data

Waco ISD Historical TAV and Tax Rates					
Fiscal Year End	Net TAV ⁽¹⁾	TAV Growth	M&O Tax Rate	I&S Tax Rate	Total Tax Rate
2012	\$3,927,129,118	2.57%	\$1.0400	\$0.3210	\$1.3610
2013	4,037,438,694	2.81%	1.0400	0.3152	1.3552
2014	4,102,860,463	1.62%	1.0400	0.3148	1.3548
2015	4,358,158,220	6.22%	1.0400	0.3132	1.3532
2016	4,570,906,420	4.88%	1.1700	0.2300	1.4000
2017	5,040,017,049	10.26%	1.1700	0.2300	1.4000
2018	5,577,260,071	10.66%	1.1700	0.2400	1.4100
2019	6,092,708,982	9.24%	1.1700	0.2341	1.4041
2020	6,487,696,873	6.48%	1.0684	0.2341	1.3025
2021	6,904,150,107	6.42%	1.0398	0.2242	1.2640
5-Year CAGR		6.50%			
10-Year CAGR		5.80%			

* Compound Annual Growth Rate ("CAGR")

⁽¹⁾ Does not net out frozen values.

Historical TAV



Historical Tax Rates



Preliminary November 2021 Bond Election Tax Rate Impact Analysis

Summary of Assumptions

- The following analysis outlines the District's projected bonding capacity for a possible November 2021 bond election.
- Assumes that the District's current I&S Tax Rate is \$0.2202 per \$100 valuation.
- Assumes Net of Frozen TAV for fiscal year 2022 is \$6,690,897,638 per MCAD.
- Assumes TAV grows 5% in 2022/23, 2023/24, and 2024/25, and remains constant thereafter.
- **Assumes that levy from frozen values for the I&S budget is \$960,000.**
- Assumes a tax collection rate of 98%.
- For the bond scenarios we assumed current market rates plus approximately 115bps to be conservative. Rates are very low right now, and we are talking about possibly issuing these in early 2022 and 2023, so we need to account for the possibility of increasing rates.

Preliminary Projected Bonding Capacity

Scenarios

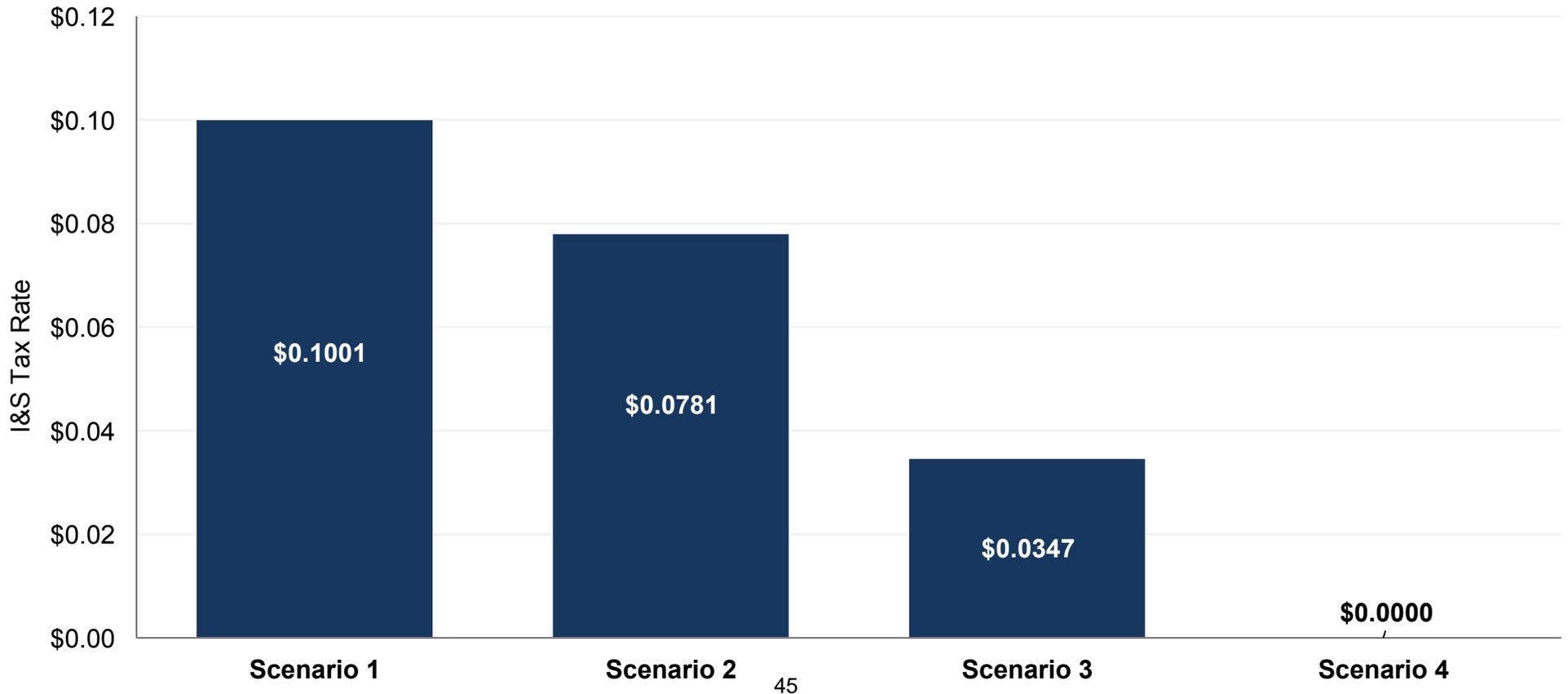
- Scenario 1: \$355,000,000 – \$0.1001 increase
- Scenario 2: \$311,768,000 – \$0.0781 increase
- Scenario 3: \$234,323,000 – \$0.0347 increase
- Scenario 4: \$159,000,000 – No Tax Rate increase

Estimated I&S Tax Rate Impact



Scenarios

- Scenario 1: \$355,000,000 – \$0.1001 increase
- Scenario 2: \$311,768,000 – \$0.0781 increase
- Scenario 3: \$234,323,000 – \$0.0347 increase
- Scenario 4: \$159,000,000 – No Tax Rate increase



Preliminary; subject to change

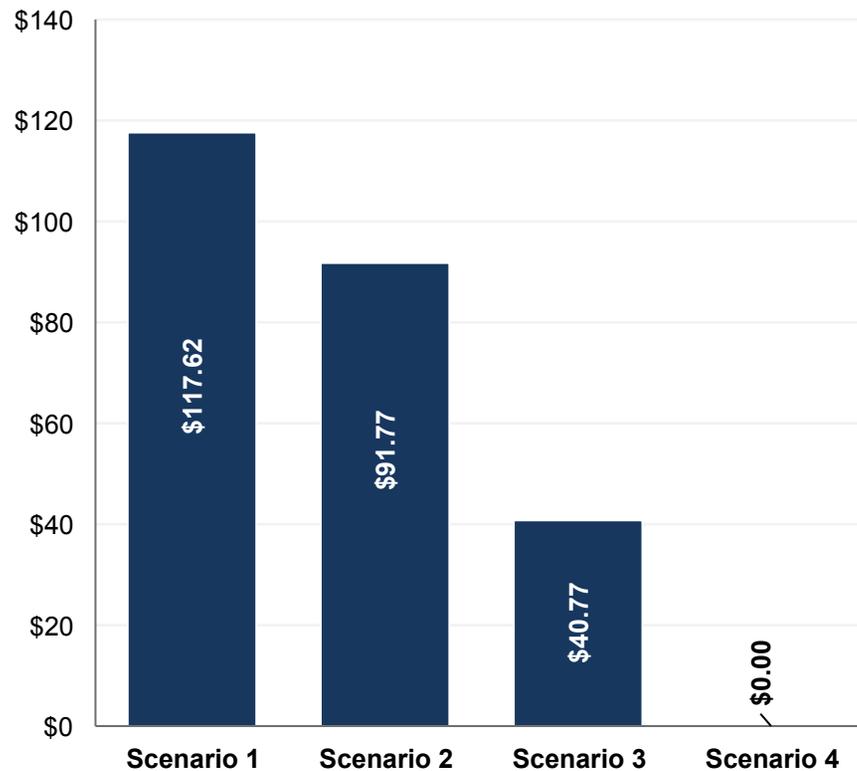
Estimated I&S Tax Rate Annual Impact to Homeowner

\$117,499 Taxable Home Value

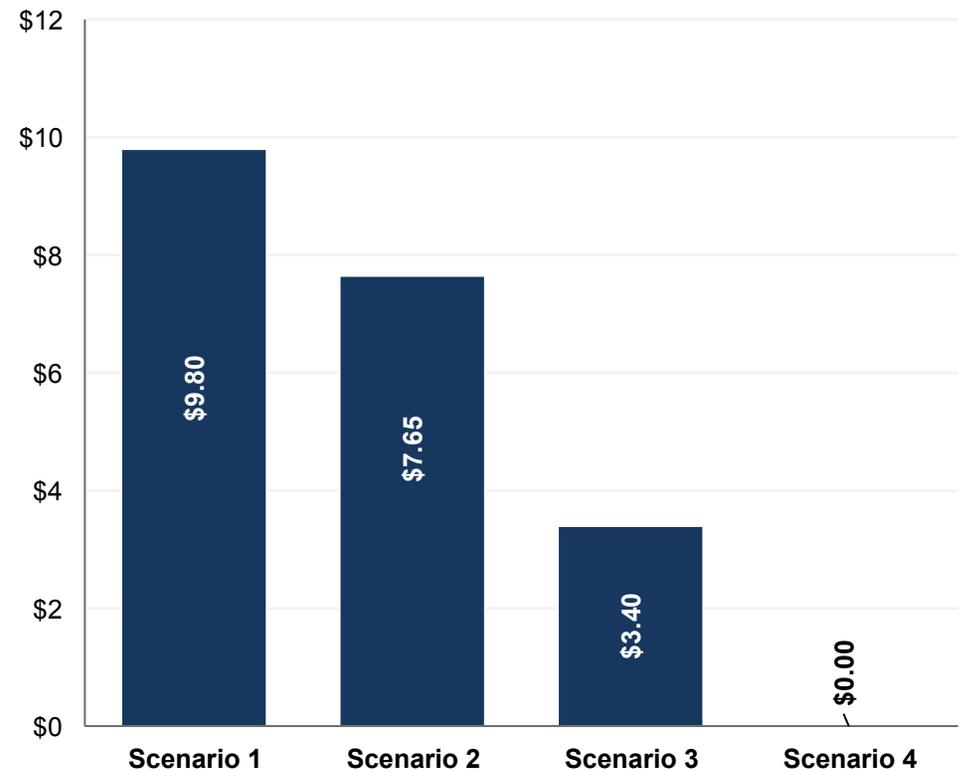
Scenarios

- Scenario 1: \$355,000,000 – \$0.1001 increase
- Scenario 2: \$311,768,000 – \$0.0781 increase
- Scenario 3: \$234,323,000 – \$0.0347 increase
- Scenario 4: \$159,000,000 – No Tax Rate increase

Estimated Annual Impact



Estimated Monthly Impact



46

Preliminary; subject to change



Tax Rate Impact Analysis

Scenario 1: \$355,000,000 – \$0.1001 increase

Waco ISD - I&S Tax Rate Impact Analysis*

1	2	3	4		5	6	7	8	9	10	11
FYE (8/31)	After Frozen Net TAV	Existing I&S Tax Debt Service	\$355,000,000 November 2021 Election			Less: Frozen Levy Revenue	Less: ASAHE Revenue	Less: Other Available Revenue	Total Projected Net Debt Service	Projected I&S Tax Rate	Estimated I&S Tax Rate Increase
			\$235,000,000 2022	\$120,000,000 2023							
2021	\$6,474,558,132	\$ 13,646,914				\$ (900,000)	\$ (312,059)	\$ (45,000)	\$ 12,389,855	0.2242	
2022	6,690,897,638	14,461,517				(960,000)		(45,000)	13,456,517	0.2202	
2023	7,025,442,520	10,508,317	\$ 12,548,125			(960,000)		(45,000)	22,051,442	0.3203	0.1001
2024	7,376,714,646	9,782,567	9,068,375	\$ 5,306,075		(960,000)		(45,000)	23,152,017	0.3203	
2025	7,745,550,378	9,788,067	9,699,500	5,830,600		(960,000)		(45,000)	24,313,167	0.3203	
2026	7,745,550,378	10,089,317	9,604,500	5,620,350		(960,000)		(45,000)	24,309,167	0.3203	
2027	7,745,550,378	10,089,217	9,516,000	5,712,100		(960,000)		(45,000)	24,312,317	0.3203	
2028	7,745,550,378	10,088,967	9,423,750	5,801,100		(960,000)		(45,000)	24,308,817	0.3202	
2029	7,745,550,378	10,085,467	9,328,000	5,902,100		(960,000)		(45,000)	24,310,567	0.3203	
2030	7,745,550,378	10,089,317	9,234,000	5,994,100		(960,000)		(45,000)	24,312,417	0.3203	
2031	7,745,550,378	10,084,817	9,146,750	6,087,100		(960,000)		(45,000)	24,313,667	0.3203	
2032	7,745,550,378	10,092,576	9,061,000	6,170,600		(960,000)		(45,000)	24,319,176	0.3204	
2033	7,745,550,378	10,090,701	9,047,600	6,174,600		(960,000)		(45,000)	24,307,901	0.3202	
2034	7,745,550,378	10,092,819	9,048,000	6,172,000		(960,000)		(45,000)	24,307,819	0.3202	
2035	7,745,550,378	10,088,418	9,046,600	6,180,600		(960,000)		(45,000)	24,310,618	0.3203	
2036	7,745,550,378	10,092,122	9,033,400	6,184,800		(960,000)		(45,000)	24,305,322	0.3202	
2037	7,745,550,378	10,088,034	9,038,800	6,189,600		(960,000)		(45,000)	24,311,434	0.3203	
2038	7,745,550,378	9,436,959	9,542,000	6,334,800		(960,000)		(45,000)	24,308,759	0.3202	
2039	7,745,550,378	-	18,893,000	6,414,600		(960,000)		(45,000)	24,302,600	0.3202	
2040	7,745,550,378	-	18,345,000	6,976,200		(960,000)		(45,000)	24,316,200	0.3203	
2041	7,745,550,378	-	17,918,200	6,980,000		(960,000)		(45,000)	23,893,200	0.3148	
2042	7,745,550,378	-	17,920,200	6,977,200		(960,000)		(45,000)	23,892,400	0.3148	
2043	7,745,550,378	-	17,919,200	6,972,800		(960,000)		(45,000)	23,887,000	0.3147	
2044	7,745,550,378	-	17,919,600	6,976,600		(960,000)		(45,000)	23,891,200	0.3147	
2045	7,745,550,378	-	17,920,600	6,973,000		(960,000)		(45,000)	23,888,600	0.3147	
2046	7,745,550,378	-	17,921,400	6,977,000		(960,000)		(45,000)	23,893,400	0.3148	
2047	7,745,550,378	-	17,921,200	6,978,000		(960,000)		(45,000)	23,894,200	0.3148	
2048	7,745,550,378	-	17,919,200	6,975,800		(960,000)		(45,000)	23,890,000	0.3147	
2049	7,745,550,378	-	17,919,600	6,975,200		(960,000)		(45,000)	23,889,800	0.3147	
2050	7,745,550,378	-	17,921,400	6,975,800		(960,000)		(45,000)	23,892,200	0.3148	
2051	7,745,550,378	-	17,918,600	6,977,200		(960,000)		(45,000)	23,890,800	0.3147	
2052	7,745,550,378	-	17,560,400	6,979,000		(960,000)		(45,000)	23,534,400	0.3100	
2053	7,745,550,378	-	-	6,910,800		(960,000)		(45,000)	5,905,800	0.0778	
Total		\$ 188,696,109	\$ 403,304,000	\$ 193,679,725		\$ (31,620,000)	\$ (312,059)	\$ (1,485,000)	\$ 752,262,775		

*Assumes tax rate based on annual service requirements 9/1-8/31; assumes 98.00% collection rate.

Tax Rate Impact Analysis

Scenario 2: \$311,768,000 – \$0.0781 increase

Waco ISD - I&S Tax Rate Impact Analysis*

1	2	3	4		5	6	7	8	9	10	11
FYE (8/31)	After Frozen Net TAV	Existing I&S Tax Debt Service	\$311.768MM November 2021 Election			Less: Frozen Levy Revenue	Less: ASAHE Revenue	Less: Other Available Revenue	Total Projected Net Debt Service	Projected I&S Tax Rate	Estimated I&S Tax Rate Increase
			\$208MM 2022	\$103.768MM 2023							
2021	\$6,474,558,132	\$ 13,646,914				\$ (900,000)	\$ (312,059)	\$ (45,000)	\$ 12,389,855	0.2242	
2022	6,690,897,638	14,461,517				(900,000)		(45,000)	13,516,517	0.2202	
2023	7,025,442,520	10,508,317	\$ 10,972,138			(900,000)		(45,000)	20,535,454	0.2983	0.0781
2024	7,376,714,646	9,782,567	8,138,750	\$ 4,590,142		(900,000)		(45,000)	21,566,458	0.2983	
2025	7,745,550,378	9,788,067	8,786,725	5,015,550		(900,000)		(45,000)	22,645,342	0.2983	
2026	7,745,550,378	10,089,317	8,685,125	4,811,050		(900,000)		(45,000)	22,640,492	0.2983	
2027	7,745,550,378	10,089,217	8,594,450	4,903,800		(900,000)		(45,000)	22,642,467	0.2983	
2028	7,745,550,378	10,088,967	8,505,125	4,994,300		(900,000)		(45,000)	22,643,392	0.2983	
2029	7,745,550,378	10,085,467	8,411,950	5,092,300		(900,000)		(45,000)	22,644,717	0.2983	
2030	7,745,550,378	10,089,317	8,315,125	5,182,050		(900,000)		(45,000)	22,641,492	0.2983	
2031	7,745,550,378	10,084,817	8,225,450	5,278,550		(900,000)		(45,000)	22,643,817	0.2983	
2032	7,745,550,378	10,092,576	8,137,200	5,361,050		(900,000)		(45,000)	22,645,826	0.2983	
2033	7,745,550,378	10,090,701	8,121,800	5,359,800		(900,000)		(45,000)	22,627,301	0.2981	
2034	7,745,550,378	10,092,819	8,100,200	5,364,800		(900,000)		(45,000)	22,612,819	0.2979	
2035	7,745,550,378	10,088,418	8,067,600	5,361,200		(900,000)		(45,000)	22,572,218	0.2974	
2036	7,745,550,378	10,092,122	8,094,400	5,369,200		(900,000)		(45,000)	22,610,722	0.2979	
2037	7,745,550,378	10,088,034	8,008,200	5,378,200		(900,000)		(45,000)	22,529,434	0.2968	
2038	7,745,550,378	9,436,959	8,378,400	5,523,000		(900,000)		(45,000)	22,393,359	0.2950	
2039	7,745,550,378	-	17,196,800	6,008,000		(900,000)		(45,000)	22,259,800	0.2933	
2040	7,745,550,378	-	17,199,800	6,009,200		(900,000)		(45,000)	22,264,000	0.2933	
2041	7,745,550,378	-	15,415,800	6,010,000		(900,000)		(45,000)	20,480,800	0.2698	
2042	7,745,550,378	-	15,415,600	6,005,200		(900,000)		(45,000)	20,475,800	0.2698	
2043	7,745,550,378	-	15,415,000	6,009,800		(900,000)		(45,000)	20,479,800	0.2698	
2044	7,745,550,378	-	15,413,400	6,008,200		(900,000)		(45,000)	20,476,600	0.2698	
2045	7,745,550,378	-	15,415,200	6,005,400		(900,000)		(45,000)	20,475,600	0.2697	
2046	7,745,550,378	-	15,414,600	6,006,200		(900,000)		(45,000)	20,475,800	0.2698	
2047	7,745,550,378	-	15,416,000	6,005,200		(900,000)		(45,000)	20,476,200	0.2698	
2048	7,745,550,378	-	15,413,600	6,007,200		(900,000)		(45,000)	20,475,800	0.2698	
2049	7,745,550,378	-	15,416,800	6,006,800		(900,000)		(45,000)	20,478,600	0.2698	
2050	7,745,550,378	-	15,414,600	6,008,800		(900,000)		(45,000)	20,478,400	0.2698	
2051	7,745,550,378	-	15,416,400	6,007,800		(900,000)		(45,000)	20,479,200	0.2698	
2052	7,745,550,378	-	15,371,200	6,008,600		(900,000)		(45,000)	20,434,800	0.2692	
2053	7,745,550,378	-	-	5,610,800		(900,000)		(45,000)	4,665,800	0.0615	
Total		\$ 188,696,109	\$ 354,877,438	\$ 167,302,192		\$ (28,700,000)	\$ (312,059)	\$ (1,485,000)	\$ 679,378,680		

*Assumes tax rate based on annual service requirements 9/1-8/31; assumes 98.00% collection rate.

Tax Rate Impact Analysis

Scenario 3: \$234,323,000 – \$0.0347 increase

Waco ISD - I&S Tax Rate Impact Analysis*

1	2	3	4		5	6	7	8	9	10	11
FYE (8/31)	After Frozen Net TAV	Existing I&S Tax Debt Service	\$234.323MM November 2021 Election			Less: Frozen Levy Revenue	Less: ASAHE Revenue	Less: Other Available Revenue	Total Projected Net Debt Service	Projected I&S Tax Rate	Estimated I&S Tax Rate Increase
			\$156.295MM 2022	78.030MM 2023							
2021	\$6,474,558,132	\$ 13,646,914				\$ (900,000)	\$ (312,059)	\$ (45,000)	\$ 12,389,855	0.2242	
2022	6,690,897,638	14,461,517				(900,000)		(45,000)	13,516,517	0.2202	
2023	7,025,442,520	10,508,317	\$ 7,989,654			(900,000)		(45,000)	17,552,971	0.2549	0.0347
2024	7,376,714,646	9,782,567	6,073,300	\$ 3,515,683		(900,000)		(45,000)	18,426,550	0.2549	
2025	7,745,550,378	9,788,067	6,280,300	4,225,050		(900,000)		(45,000)	19,348,417	0.2549	
2026	7,745,550,378	10,089,317	6,180,800	4,023,800		(900,000)		(45,000)	19,348,917	0.2549	
2027	7,745,550,378	10,089,217	6,092,325	4,114,300		(900,000)		(45,000)	19,350,842	0.2549	
2028	7,745,550,378	10,088,967	6,000,550	4,202,300		(900,000)		(45,000)	19,346,817	0.2549	
2029	7,745,550,378	10,085,467	5,908,125	4,302,550		(900,000)		(45,000)	19,351,142	0.2549	
2030	7,745,550,378	10,089,317	5,813,050	4,394,050		(900,000)		(45,000)	19,351,417	0.2549	
2031	7,745,550,378	10,084,817	5,725,450	4,486,800		(900,000)		(45,000)	19,352,067	0.2549	
2032	7,745,550,378	10,092,576	5,638,125	4,565,300		(900,000)		(45,000)	19,351,001	0.2549	
2033	7,745,550,378	10,090,701	5,630,125	4,574,800		(900,000)		(45,000)	19,350,626	0.2549	
2034	7,745,550,378	10,092,819	5,631,125	4,571,600		(900,000)		(45,000)	19,350,544	0.2549	
2035	7,745,550,378	10,088,418	5,620,700	4,584,800		(900,000)		(45,000)	19,348,918	0.2549	
2036	7,745,550,378	10,092,122	5,620,125	4,583,600		(900,000)		(45,000)	19,350,847	0.2549	
2037	7,745,550,378	10,088,034	5,615,125	4,593,400		(900,000)		(45,000)	19,351,559	0.2549	
2038	7,745,550,378	9,436,959	5,621,000	4,738,600		(900,000)		(45,000)	18,851,559	0.2484	
2039	7,745,550,378	-	14,725,400	4,818,600		(900,000)		(45,000)	18,599,000	0.2450	
2040	7,745,550,378	-	14,165,200	3,530,600		(900,000)		(45,000)	16,750,800	0.2207	
2041	7,745,550,378	-	12,262,400	3,534,000		(900,000)		(45,000)	14,851,400	0.1957	
2042	7,745,550,378	-	12,261,000	3,534,000		(900,000)		(45,000)	14,850,000	0.1956	
2043	7,745,550,378	-	12,262,400	3,530,600		(900,000)		(45,000)	14,848,000	0.1956	
2044	7,745,550,378	-	12,261,000	3,533,800		(900,000)		(45,000)	14,849,800	0.1956	
2045	7,745,550,378	-	12,261,400	3,533,200		(900,000)		(45,000)	14,849,600	0.1956	
2046	7,745,550,378	-	12,263,000	3,533,800		(900,000)		(45,000)	14,851,800	0.1957	
2047	7,745,550,378	-	12,260,200	3,530,400		(900,000)		(45,000)	14,845,600	0.1956	
2048	7,745,550,378	-	12,257,600	3,533,000		(900,000)		(45,000)	14,845,600	0.1956	
2049	7,745,550,378	-	12,259,600	3,531,200		(900,000)		(45,000)	14,845,800	0.1956	
2050	7,745,550,378	-	12,260,400	3,535,000		(900,000)		(45,000)	14,850,400	0.1956	
2051	7,745,550,378	-	12,259,400	3,534,000		(900,000)		(45,000)	14,848,400	0.1956	
2052	7,745,550,378	-	12,246,000	3,533,200		(900,000)		(45,000)	14,834,200	0.1954	
2053	7,745,550,378	-	-	3,442,400		(900,000)		(45,000)	2,497,400	0.0329	
Total		\$ 188,696,109	\$ 271,444,879	\$ 119,664,433		\$ (2,700,000)	\$ (312,059)	\$ (1,485,000)	\$ 548,308,363		

*Assumes tax rate based on annual service requirements 9/1-8/31; assumes 98.00% collection rate.

Tax Rate Impact Analysis

Scenario 4: \$159,000,000 – No Tax Rate increase

Waco ISD - I&S Tax Rate Impact Analysis*

1	2	3	4		5	6	7	8	9	10	11
FYE (8/31)	After Frozen Net TAV	Existing I&S Tax Debt Service	\$159,000MM November 2021 Election			Less: Frozen Levy Revenue	Less: ASAHE Revenue	Less: Other Available Revenue	Total Projected Net Debt Service	Projected I&S Tax Rate	Estimated I&S Tax Rate Increase
			109MM 2022	50MM 2023							
2021	\$6,474,558,132	\$ 13,646,914				\$ (900,000)	\$ (312,059)	\$ (45,000)	\$ 12,389,855	0.2242	
2022	6,690,897,638	14,461,517				(900,000)		(45,000)	13,516,517	0.2202	
2023	7,025,442,520	10,508,317	\$ 5,599,800			(900,000)		(45,000)	15,163,117	0.2202	0.0000
2024	7,376,714,646	9,782,567	4,815,125	\$ 2,264,825		(900,000)		(45,000)	15,917,517	0.2202	
2025	7,745,550,378	9,788,067	5,232,800	2,630,100		(900,000)		(45,000)	16,705,967	0.2201	
2026	7,745,550,378	10,089,317	5,138,050	2,426,350		(900,000)		(45,000)	16,708,717	0.2201	
2027	7,745,550,378	10,089,217	5,054,800	2,515,850		(900,000)		(45,000)	16,714,867	0.2202	
2028	7,745,550,378	10,088,967	4,952,550	2,609,350		(900,000)		(45,000)	16,705,867	0.2201	
2029	7,745,550,378	10,085,467	4,857,300	2,706,350		(900,000)		(45,000)	16,704,117	0.2201	
2030	7,745,550,378	10,089,317	4,748,800	2,796,350		(900,000)		(45,000)	16,689,467	0.2199	
2031	7,745,550,378	10,084,817	4,672,800	2,894,350		(900,000)		(45,000)	16,706,967	0.2201	
2032	7,745,550,378	10,092,576	4,582,800	2,974,600		(900,000)		(45,000)	16,704,976	0.2201	
2033	7,745,550,378	10,090,701	4,505,200	3,057,600		(900,000)		(45,000)	16,708,501	0.2201	
2034	7,745,550,378	10,092,819	4,484,000	3,078,800		(900,000)		(45,000)	16,710,619	0.2201	
2035	7,745,550,378	10,088,418	4,477,000	3,086,600		(900,000)		(45,000)	16,707,018	0.2201	
2036	7,745,550,378	10,092,122	4,478,600	3,086,400		(900,000)		(45,000)	16,712,122	0.2202	
2037	7,745,550,378	10,088,034	4,473,400	3,098,400		(900,000)		(45,000)	16,714,834	0.2202	
2038	7,745,550,378	9,436,959	4,996,600	2,392,000		(900,000)		(45,000)	15,880,559	0.2092	
2039	7,745,550,378	-	7,592,000	2,390,800		(900,000)		(45,000)	9,037,800	0.1191	
2040	7,745,550,378	-	7,595,800	2,392,600		(900,000)		(45,000)	9,043,400	0.1191	
2041	7,745,550,378	-	7,592,400	2,392,200		(900,000)		(45,000)	9,039,600	0.1191	
2042	7,745,550,378	-	7,596,800	2,394,600		(900,000)		(45,000)	9,046,400	0.1192	
2043	7,745,550,378	-	7,593,400	2,394,600		(900,000)		(45,000)	9,043,000	0.1191	
2044	7,745,550,378	-	7,592,200	2,392,200		(900,000)		(45,000)	9,039,400	0.1191	
2045	7,745,550,378	-	7,592,800	2,392,400		(900,000)		(45,000)	9,040,200	0.1191	
2046	7,745,550,378	-	7,594,800	2,395,000		(900,000)		(45,000)	9,044,800	0.1192	
2047	7,745,550,378	-	7,592,800	2,394,800		(900,000)		(45,000)	9,042,600	0.1191	
2048	7,745,550,378	-	7,596,600	2,391,800		(900,000)		(45,000)	9,043,400	0.1191	
2049	7,745,550,378	-	7,595,600	2,391,000		(900,000)		(45,000)	9,041,600	0.1191	
2050	7,745,550,378	-	7,594,600	2,392,200		(900,000)		(45,000)	9,041,800	0.1191	
2051	7,745,550,378	-	7,593,200	2,390,200		(900,000)		(45,000)	9,038,400	0.1191	
2052	7,745,550,378	-	6,656,000	2,395,000		(900,000)		(45,000)	8,106,000	0.1068	
2053	7,745,550,378	-	-	2,241,200		(900,000)		(45,000)	1,296,200	0.0171	
Total		\$ 188,696,109	\$ 182,448,625	\$ 77,358,525		\$ (5,700,000)	\$ (312,059)	\$ (1,485,000)	\$ 417,006,200		

*Assumes tax rate based on annual service requirements 9/1-8/31; assumes 98.00% collection rate.

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: Robert Collins

RE: Consider, Discuss, and Take Appropriate Action Regarding an Order by the Board of Trustees of the Waco Independent School District Calling a Bond Election to be Held within Said District on November 2, 2021; Making Provisions for the Conduct and the Giving of Notice of the Election; and Containing Other Provisions Relating Thereto

=====

Background Information:

The Board of Trustees and the administration of the Waco Independent School District have been working with a Community Advisory Committee to develop a long-range facilities master plan for the District. Details of the administration's recommendation will be provided for the Board's deliberation and decision at the August 12th meeting.

The district's bond counsel, Robert Collins of Bracewell LLP, has prepared an order for the Board to consider in calling a bond election for November 2, 2021.

Fiscal Implications:

To be determined. Costs associated with the bond program will come from newly issued unlimited tax school building bonds.

Administrative Recommendation(s):

The administration recommends that the approval of an order by the Board of Trustees of the Waco Independent School District calling a bond election to be held within said District on November 2, 2021; making provisions for the conduct and the giving of notice of the election; and containing other provisions relating thereto.

AN ORDER BY THE BOARD OF TRUSTEES OF WACO INDEPENDENT SCHOOL DISTRICT CALLING A BOND ELECTION TO BE HELD WITHIN THE DISTRICT; MAKING PROVISIONS FOR THE CONDUCT AND THE GIVING OF NOTICE OF THE ELECTION; AND CONTAINING OTHER PROVISIONS RELATING THERETO

WHEREAS, the Board of Trustees (the “Board”) of Waco Independent School District (the “District”) finds that an election should be held to determine whether the Board shall be authorized to issue bonds of the District in the amounts and for the purposes hereinafter set forth; and

WHEREAS, the Board finds and determines that all facilities to be acquired, constructed, renovated, improved or equipped pursuant to Proposition A herein will be used predominantly for required classroom instruction and essential administrative operations for faculty and staff; and

WHEREAS, the Board finds and determines that the meeting at which this Order is considered is open to the public, and that the public notice of the time, place and purpose of the meeting was given, as required by Chapter 551, Texas Government Code, as amended;

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF TRUSTEES OF WACO INDEPENDENT SCHOOL DISTRICT:

Section 1. Findings. The statements contained in the preamble of this Order are true and correct and are hereby adopted as findings of fact and as a part of the operative provisions hereof.

Section 2. Election Ordered; Date; Proposition. A bond election (the “Election”) shall be held in the District on Tuesday, November 2, 2021 (“Election Day”), a uniform election date as established by Section 41.001(a) of the Texas Election Code, as amended (the “Code”). At the Election, the following proposition (the “Proposition”) shall be submitted to the qualified voters of the District in accordance with law:

WACO ISD – PROPOSITION A

Shall the board of trustees of Waco Independent School District be authorized to issue and sell bonds of the District in the principal amount of \$355,000,000 for the purpose of acquiring, constructing, renovating, improving and equipping school buildings of the District, including a new Waco High School, a new G.W. Carver Middle School, a new Tennyson Middle School, a new Kendrick Elementary School, and the purchase of necessary sites for school buildings; and shall there be levied, assessed and collected annually ad valorem taxes on all taxable property in the District sufficient, without limit as to rate or amount, to pay the principal of and interest on said bonds as the same become due and to pay the costs of any credit agreements executed or authorized in

anticipation of, in relation to or in connection with the bonds; said bonds to be issued in one or more series or issues, to mature serially or otherwise not more than 40 years from their date, and to bear interest at such rate or rates not to exceed the limit prescribed by law at the time of issuance, as the board of trustees in its discretion shall determine?

Section 3. Official Ballot. The official ballot for the Election shall be prepared in accordance with the Code so as to permit the electors to vote “FOR” or “AGAINST” the Proposition which shall be set forth on the ballot substantially in the following form:

WACO ISD – PROPOSITION A

- FOR) “THE ISSUANCE OF \$355,000,000 OF SCHOOL BUILDING BONDS FOR ACQUIRING, CONSTRUCTING, RENOVATING,
- AGAINST) IMPROVING AND EQUIPPING SCHOOL BUILDINGS OF THE DISTRICT, INCLUDING A NEW WACO HIGH SCHOOL, A NEW G.W. CARVER MIDDLE SCHOOL, A NEW TENNYSON MIDDLE SCHOOL, A NEW KENDRICK ELEMENTARY SCHOOL, AND THE PURCHASE OF NECESSARY SITES FOR SCHOOL BUILDINGS; AND THE LEVYING OF A TAX SUFFICIENT, WITHOUT LIMIT AS TO RATE OR AMOUNT, TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND TO PAY THE COSTS OF ANY CREDIT AGREEMENTS EXECUTED OR AUTHORIZED IN ANTICIPATION OF, IN RELATION TO OR IN CONNECTION WITH THE BONDS. THIS IS A PROPERTY TAX INCREASE.”

Section 4. Bilingual Election Materials. All notices, instructions, and ballots pertaining to the Election shall be furnished to voters in both English and Spanish and persons capable of acting as translators in both English and Spanish shall be made available to assist Spanish language speaking voters in understanding and participating in the election process.

Section 5. Persons Qualified to Vote. All resident, qualified electors of the District shall be eligible to vote at the Election.

Section 6. Election Precincts, Voting Locations and Voting Hours on Election Day. The polling places for the Election are hereby designated to be those locations identified by the Elections Administrator (as defined herein). Such locations are listed on Exhibit A attached hereto, which is incorporated herein by reference and made a part hereof for all purposes; provided, however, such locations may be changed if so directed by the Elections Administrator without further action of the District. McLennan County or its Elections Administrator is hereby authorized and directed to make such changes in polling locations as may be necessary for the proper conduct of the Election, without further action by the District, and the Superintendent or

the Superintendent's designee is hereby authorized to update Exhibit A to reflect the locations designated by McLennan County or the Elections Administrator, which locations are hereby approved. Each polling place shall be open from 7:00 A.M. to 7:00 P.M. on Election Day.

Section 7. Early Voting Locations Dates and Times. (a) The McLennan County Elections Administrator (the "Elections Administrator") is appointed as the Early Voting Clerk of McLennan County for purposes of this Election (the "Early Voting Clerk"). The early voting places and the addresses for early voting by mail for the Election are hereby designated as set forth in Exhibit B; provided, however, such locations may be changed if so directed by the Elections Administrator without further action of the District. The Elections Administrator is hereby authorized and directed to make such changes in locations as may be necessary for the proper conduct of the Election. The President of the Board or the President's designee is hereby authorized to update Exhibit B to reflect the locations designated by the Elections Administrator, and such locations are hereby approved. The Elections Administrator and/or Early Voting Clerk are hereby authorized to appoint the members of the Early Voting Ballot board and the presiding judges and alternate judges for each polling location in accordance with the requirements of the Code. Each of the presiding judges shall be authorized to approve the necessary election clerks to assist in conducting the Elections.

(b) Early voting by personal appearance shall be conducted on the days and during the hours set forth in Exhibit B, as may be adjusted by the Elections Administrator without further Board action.

(c) Applications for early voting by mail shall be submitted to the Elections Administrator at the locations identified in Exhibit B.

(d) Voting times may be changed if so directed by the Elections Administrator without further action of the District. The Elections Administrator is hereby authorized and directed to make such changes in voting hours as may be necessary for the proper conduct of the Election.

Section 8. Appointment of Election Officers. The Election shall be conducted under the jurisdiction of the McLennan County Elections Office (the "Election Administrator") pursuant to a Joint Election Contract (the "Contract") by and among the District, McLennan County and other participating entities, if any, described in the Contract. The Contract providing for the joint election and the conduct of the Election by the Elections Administrator shall be presented to the Board for consideration and approval. The Superintendent or the Superintendent's designee is authorized to amend or supplement the Contract to the extent required for the Election to be conducted in an efficient and legal manner as determined by the Elections Administrator.

Section 9. Notice of Election. Notice of the Election shall be given by: (i) publishing a substantial copy of this Order, in English and Spanish, one time not earlier than the thirtieth (30th) day nor later than the tenth (10th) day prior to the date set for the Election, in a newspaper published in the District, (ii) posting a copy of this Order and the Voter Information Document (as hereinafter defined), in English and Spanish on the bulletin board used for posting notices of meetings of the Board and in at least three (3) other public places within the boundaries of the

District, not later than the twenty-first (21st) day prior to the date set for the Election and (iii) posting a copy of this Order and the Voter Information Document, in English and Spanish, on the District's website, prominently and together with the notice of the Election, the contents of the Proposition and any sample ballot prepared for the Election, not later than the twenty-first (21st) day prior to the date set for the Election through Election Day. Additionally, on Election Day and during early voting by personal appearance, this Order and the Voter Information Document shall be posted in a prominent location at each polling place. Notice of the Election shall also be provided to the County Clerk and voter registrar of McLennan County not later than the 60th day before the Election Day; which notice the County is hereby authorized and directed to post to its website not later than the twenty-first (21st) day prior to the date set for the Election.

Section 10. Conduct of Election. The Election shall be held in accordance with the Code, except as modified by the Texas Education Code, the Texas Government Code, and the Federal Voting Rights Act of 1965, as amended, including particularly Chapter 272 of the Code pertaining to bilingual requirements.

Section 11. District's Outstanding Debt. As of the effective date of this Order, the District's aggregate principal amount of outstanding of tax-supported debt was \$141,440,000 and the aggregate amount of outstanding interest on such tax-supported debt was \$44,140,609. The District's total ad valorem tax rate for the current fiscal year was \$1.26395, which is comprised of a maintenance and operations tax rate component of \$1.03980 per \$100 of taxable assessed valuation and a debt service tax rate of \$0.22415 per \$100 of assessed valuation. The District's taxable assessed valuation for calendar year 2020, as of the date that the current tax rate was established, was \$6,904,150,107.

Section 12. Issuance of New Debt. The District intends to issue the bonds authorized by the Propositions over a period of years in a manner and in accordance with a schedule to be determined by the Board based upon a number of factors, including, but not limited to, the then current needs of the District, demographic changes, prevailing market conditions, assessed valuations of property in the District and management of the District's short-term and long-term interest rate exposure. Market conditions, demographics and assessed valuations of property vary based upon a number of factors beyond the District's control, and therefore, the District cannot and does not guarantee a particular interest rate or tax rate associated with the bonds authorized by the Propositions. As such, the information contained in this paragraph is provided solely for illustrative purposes and does not establish any limitations or restrictions or create a contract with the voters. The District estimates that, based on the District's current taxable assessed valuation, current market conditions and estimated future growth in the District's taxable assessed valuation, if all of the bonds authorized by the Propositions were issued in accordance with the District's current project finance plan, the maximum interest rate on the bonds is not expected to exceed 3.25%.

Section 13. Voter Information Document. The President of the Board, the Superintendent of the District, or their designee, acting on behalf of the Board, in consultation with the District's attorney and bond counsel, is hereby authorized and directed to provide with respect to the Proposition, a voter information document, in the form prescribed by Section 1251.052(b), Texas Government Code (the "Voter Information Document").

The President of the Board, the Superintendent of the District, or their designee, acting on behalf of the Board, is further authorized and directed to post the Voter Information Document in the manner provided under Section 9 of this Order, and additionally on the District's website in an easily accessible manner beginning not later than the twenty-first (21st) day before the date set for the Election and ending on the day after Election Day.

Section 14. Necessary Actions. The President of the Board, the Superintendent of the District, or their designee, acting on behalf of the Board, in consultation with the District's attorney and bond counsel, is hereby authorized and directed to take any and all actions necessary to comply with the provisions of the Code and the Federal Voting Rights Act in carrying out and conducting the Election, whether or not expressly authorized herein, including making changes or additions to polling places or procedures to the extent required or desirable or as may become necessary due to circumstances arising after the date of this Order.

Section 15. Findings, Determinations and Declarations with Respect to School Buildings. The Board hereby finds, determines and declares that the facilities to be acquired, constructed, renovated, improved or equipped as part of Proposition A will be used predominantly for required classroom instruction and essential administrative operations for faculty and staff.

Section 16. Severability. If any provision, section, subsection, sentence, clause or phrase of this Order, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void, invalid, or unenforceable, neither the remaining portions of this Order nor their application to other persons or sets of circumstances shall be affected thereby, it being the intent of the Board in adopting this Order that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, invalidity or unenforceability of any other portion hereof, and all provisions of this Order are declared to be severable for that purpose.

Section 17. Appointment of Election Administrator. The Elections Administrator of McLennan County is hereby appointed Election Administrator for the District and agent for the custodian of voted ballots in the respective jurisdictions.

Section 18. Effective Date.

This Order shall take effect immediately upon its approval.

[Execution Page Follows]

PASSED, APPROVED AND EFFECTIVE on August 12, 2021.

Secretary, Board of Trustees
Waco Independent School District

President, Board of Trustees
Waco Independent School District

[SEAL]

EXHIBIT A

WACO INDEPENDENT SCHOOL DISTRICT

ELECTION DAY POLLING LOCATION AND SCHEDULE

Tuesday, November 2, 2021

7:00 am to 7:00 pm

Axtell School Athletic Meeting Room	312 W. Seley, Axtell
Bellmead Civic Center	3900 Parrish Street, Waco
Bruceville-Eddy ISD Special Events Center	1 Eagle Drive, Eddy
Carver Park Baptist Church	1020 E. Herring Avenue, Waco
Cesar Chavez Middle School	700 S. 15 th Street, Waco
Chalk Bluff Baptist Church	5993 Gholson Road, Waco
China Spring ISD Administration Bldg.	12166 Yankie Road, China Spring
Crawford High School	200 Pirate Drive, Crawford
Dewey Community Center	925 N. 9 th Street, Waco
Fellowship Bible Church	5200 Speegleville Road, McGregor
First Assembly of God Church	6701 Bosque Boulevard, Waco
H. G. Isbill Junior High	305 S. Van Buren Street, McGregor
Heart of Texas Council of Governments	1514 S. New Road, Waco
Hewitt First Baptist Church	301 S. 1 st Street, Hewitt
Hewitt City Hall/Library	200 Patriot Court, Hewitt
Lacy Lakeview Civic Center	505 E. Craven Avenue, Waco
Lake Shore United Methodist Church	3311 Park Lake Drive, Waco
Lorena First Baptist Church	307 E. Center Street, Lorena
Mart Community Center	804 E. Bowie Avenue, Mart
MCC Conference Center	4601 N. 19 th Street, Waco
Moody First United Methodist Church	500 6 th Street, Moody
Riesel Junior High/High School	600 E. Frederick Street, Riesel
Robinson Community Center	106 W. Lyndale Avenue, Robinson
South Waco Library	2737 S. 18 th Street, Waco
Speegleville Baptist Church	469 Speegle Road, Waco
St. Louis Activity Center	2415 Cumberland Avenue, Waco
Tennyson Middle School	6100 Tennyson Drive, Waco
University High School	3201 S. New Road, Waco
Waco Convention Center	100 Washington Avenue, Waco
Waco High School (PAC)	2020 N. 42 nd Street, Waco
Waco Multi-Purpose Community Center	1020 Elm Avenue, Waco
West Community Center	200 Tokio Road, West
Woodway City Hall	922 Estates Drive, Woodway
Woodway First Baptist Church	13000 Woodway Drive, Woodway

EXHIBIT B

WACO INDEPENDENT SCHOOL DISTRICT

EARLY VOTING POLLING LOCATIONS

*McLennan County Elections Administration Office
Records Building
214 North 4th Street, Suite 300
Waco, Texas 76701

Robinson Community Center
106 W. Lyndale Avenue
Robinson, TX 76706

Hewitt City Hall/Library
200 Patriot Court
Hewitt, TX 76643

Waco Multi-Purpose Community Center
1020 Elm Avenue
Waco, TX 76704

First Assembly of God Church
6701 Bosque Boulevard
Waco, TX 76710

*Main Early Voting Location

The dates and times of Early Voting are:

Monday October 18, 2021	8:00 AM - 5:00 PM
Tuesday October 19, 2021	8:00 AM - 5:00 PM
Wednesday October 20, 2021	8:00 AM - 5:00 PM
Thursday October 21, 2021	8:00 AM - 5:00 PM
Friday October 22, 2021	8:00 AM - 5:00 PM
Monday October 25, 2021	8:00 AM - 5:00 PM
Tuesday October 26, 2021	8:00 AM - 5:00 PM
Wednesday October 27, 2021	8:00 AM - 5:00 PM
Thursday October 28, 2021	7:00 AM - 7:00 PM
Friday October 29, 2021	7:00 AM - 7:00 PM

Early Voting by Mail:

Applications for a ballot for early voting by mail shall be mailed to:

Jared Goldsmith
McLennan County Elections Administrator
P.O. Box 2450
Waco, Texas 76703-2450

ballotbymail@co.mclennan.tx.us

Applications for ballot by mail must be received no later than the close of business on October 22, 2021.

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: S. Smith/S. Kincannon

RE: Consider, Discuss and Take Appropriate Action Regarding the Selection of a Construction Manager At-Risk (CMR) for the Waco High School Replacement Project

=====

Background Information:

Request for Bid, RFP # 20-1192, Construction Manager at Risk (CM@R) for the Replacement Waco High School (one-step process), has been issued and opened for the purpose of awarding a Construction Manager-at-Risk Contractor to provide the construction services for this project. The replacement of Waco High School was the top priority of the recommendations made by the Community Advisory Committee. Waco High School was built in 1961 and currently does not meet the needs of today's students.

The District received seven (7) responses for this project from well-qualified firms. The proposals were reviewed by a team consisting of both district and architect representation. In addition to a review of the submitted proposals, interviews were conducted of all submitting firms. Scoring as provided by the evaluation process identified Rogers O'Brien as the recommended contractor for the Waco High School Replacement project. Rogers O'Brien's construction manager at risk fee is 2.1% of the construction budget (\$119M), with preconstruction cost of \$55,000, and general conditions of 4.04%. These figures represent a not to exceed amount of \$7,358,501.

Fiscal Implications:

The cost of preconstruction services will be paid from the general fund and reimbursed from bond proceeds, as provided under the previously approved reimbursing resolution.

Administrative Recommendation(s):

The Administration recommends that the Board of Trustees approve Rogers O'Brien as the Construction Manager-at-Risk for the Waco High School Replacement project, and authorize the superintendent to negotiate and execute a contract, as presented.

Supplier Scoring Summary

21-1192 - Construction Manager at Risk (CM@R) for the Replacement Waco High School

Supplier	Rank	Score	Interview	Total	Proposed Costs	Contractors presence in the Waco area	The Reputation of the Contractor	The Quality of the Contractor's Work	The Extent to Which the Contractor's Services meets the District's needs	Safety Record	Financial Resources and Stability
	100	20	120	30	10	15	10	25	5	5	
Rogers-O'Brien Construction, LLC	1	87.0	20.0	107.0	29	7	12	8	20	5	5
Bartlett Cocke, L.P.	2	88.3	18.0	106.3	25	9	14	9	21	5	5
CORE Construction	3	85.8	18.0	103.8	28	8	12	8	23	3	5
Pogue Construction	4	85.8	17.0	102.8	29	7	11	8	23	3	5
Lee Lewis Construction, Inc.	5	83.8	17.0	100.8	25	7	11	9	23	5	5
Linbeck Group	6	80.3	18.0	98.3	22	9	13	9	21	3	5
WRL General Contractor LLC	7	81.0	14.0	95.0	30	6	11	8	20	1	5

21-1192 Construction Manager-at-Risk
 Bid Tabulation Based Upon Project Budget

**Linbeck -
Mazanec**

At the \$119,000,000 project amount:

	Rogers O'Brien	Pogue	WRL	CORE	Barlett Cocke	Lee Lewis	
CM@R fee percentage	2.100%	1.750%	1.400%	1.650%	2.400%	1.950%	2.650%
CM@R fee amount based upon project amount	\$ 2,499,000	\$ 2,082,500	\$ 1,666,000	\$ 1,963,500	\$ 2,856,000	\$ 2,320,500	\$ 3,153,500
Pre-Construction Services Fee	\$ 55,000	\$ 50,000	\$ 50,000	\$ 75,000	\$ 75,000	\$ 50,000	\$ 120,000
General Conditions fee percentage	4.040%	4.297%	4.460%	4.650%	4.720%	5.190%	5.440%
GC fee based upon project amount	\$ 4,807,600	\$ 5,113,430	\$ 5,307,400	\$ 5,533,500	\$ 5,616,800	\$ 6,176,100	\$ 6,473,600
GC fee not to exceed amount	\$ 4,804,501	\$ 5,113,163	\$ 5,310,000	\$ 5,537,046	\$ 5,615,737	\$ 6,170,494	\$ 6,470,927
Total cost based on GC fee percentage	\$ 7,361,600	\$ 7,245,930	\$ 7,023,400	\$ 7,572,000	\$ 8,547,800	\$ 8,546,600	\$ 9,747,100
Total cost based on GC NTE Amount	\$ 7,358,501	\$ 7,245,663	\$ 7,026,000	\$ 7,575,546	\$ 8,546,737	\$ 8,540,994	\$ 9,744,427

Bid Tabulation -21-1192

Construction Manager at Risk for the Replacement WHS

1	Construction Manager at Risk Fee	
	Supplier	Percentage
	WRL General Contractor LLC	1.4%
	CORE Construction	1.65%
	Pogue Construction	1.75%
	Lee Lewis Construction, Inc.	1.95%
	Rogers-O'Brien Construction, LLC	2.1%
	Bartlett Cocke, L.P.	2.4%
	Linbeck Group (Linbeck Group, LLC)	2.65%

2	Pre-Construction Services Fee	
	Supplier	Price
	Lee Lewis Construction, Inc.	\$50,000.00
	Pogue Construction	\$50,000.00
	WRL General Contractor LLC	\$50,000.00
	Rogers-O'Brien Construction, LLC	\$55,000.00
	Bartlett Cocke, L.P.	\$75,000.00
	CORE Construction	\$75,000.00
	Linbeck Group (Linbeck Group, LLC)	\$120,000.00

3	General Conditions	
	Supplier	Percentage
	Rogers-O'Brien Construction, LLC	4.04%
	Pogue Construction	4.297%
	WRL General Contractor LLC	4.46%
	CORE Construction	4.65%
	Bartlett Cocke, L.P.	4.72%
	Lee Lewis Construction, Inc.	5.19%
	Linbeck Group (Linbeck Group, LLC)	5.44%

4	General Conditions - not to exceed amount	
	Supplier	Price
	Rogers-O'Brien Construction, LLC	\$4,804,501.00
	Pogue Construction	\$5,113,163.00
	WRL General Contractor LLC	\$5,310,000.00
	CORE Construction	\$5,537,046.00
	Bartlett Cocke, L.P.	\$5,615,737.00
	Lee Lewis Construction, Inc.	\$6,170,494.00
	Linbeck Group (Linbeck Group, LLC)	\$6,470,927.00

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: Susan Kincannon

RE: Consider, Discuss and Take Appropriate Action Regarding the Hiring of a Construction Auditor for the Waco High School Replacement Project

=====

Background Information

Professional services are required to be procured in accordance with Chapter 2254, Section 2254.003 of the Texas Government Code. This code states, the entity may not select a provider or professional services or award a contract for the services on the basis of competitive bids, rather it shall make the selection and award on the basis of ‘demonstrated competence and qualifications to perform the services’.

The administration recommends that RL Townsend and Associates be engaged to provide construction audit services for the Waco High School Replacement project. R. L. Townsend and Associates, LLC, is a firm that brings considerable expertise and outstanding qualifications to the task of construction auditing, providing high-quality, cost-effective construction cost control and related contract compliance cost verification services. Information about the firm and its services is attached for your review.

Fiscal Implications

The audit services related to the Waco High School Replacement project will not exceed \$100,000. The cost of these services will be paid from the general fund and reimbursed from bond proceeds as provided under the previously approved reimbursing resolution.

Administrative Recommendation(s):

The administration recommends that the Board of Trustees approve R. L. Townsend and Associates, LLC, for construction auditing services in relation to the Waco High School Replacement project and authorize the superintendent to execute a contract, as presented.

CONSTRUCTION COST CONTROL

INSIDE



PG. 2

Our Independent School District clients in Texas and Focus on best practices

PG. 3

Browse our range of our services

PG. 4

R.L. Townsend & Associates by the numbers

PG. 5

Uncover the R.L. Townsend & Associates cost control process

PG. 6

Meet the leaders

PG. 8

The power of a strong team

R. L. TOWNSEND & ASSOCIATES, LLC

LEADING THE INDUSTRY SINCE 1984.

Our firm has been performing construction cost control and construction cost verification consulting services for owners since 1984. Over the years, our firm has evolved in the specialization of auditing construction projects to higher education institutions.

Our goal is to provide high-quality, cost-effective construction cost control and construction project related contract compliance cost verification services for our owner clients.

Our consulting practice includes pre-contract advisory services, on-going project cost control and related construction cost verification services, and comprehensive construction contract close-out cost control reviews.



OUR CLIENTS

WE DELIVER CONSTRUCTION COST CONTROL SOLUTIONS & AUDIT SERVICES TO SCHOOL DISTRICTS ACROSS TEXAS.

Today, we are in partnership with several school districts across Texas. We have demonstrated expertise related to the unique, key components of projects financed by bond programs and would welcome the opportunity to discuss how we can serve your district's expansion or renovation projects. Our teams understand that school districts often have tight schedules and deadlines for school openings and may request specific reports and/or presentations to school boards and district leadership. For many of these below clients, our audit teams are in partnership with district's internal audit and facilities departments helping to ensure efficient and fair use of funds multiple construction projects across multiple campuses.

Independent School Districts

Arlington

Austin

Belton

Borger

Carrollton-Farmers Branch

Conroe

Dallas

Mansfield

Midway

Plano

Round Rock

Sherman

Spring

Taylor

BEST PRACTICES

HOW R.L. TOWNSEND & ASSOCIATES LEADS THE CONSTRUCTION AUDITING INDUSTRY.

R. L. Townsend & Associates staff members are industry leaders in construction compliance auditing, demonstrated by our wealth of experience and achievements. For example, we:

- Routinely provide informal training information on operational improvements and best practices to clients, regardless of the project scope.
- Develop and maintain best practice contract language, which many of our clients have incorporated into their own construction contracts.
- Developed and continue to enhance a detailed audit process that ensures the project will be observed and audited in its entirety. We are aware of all possible situations where the construction process may deviate from what is allowed in the contract. Our 20-page audit process document is used as a guide by our audit team while verifying all necessary steps have been taken.
- Identify both common and uncommon issues.
- Provide insight across multiple aspects of construction during the life of a project, including contract language, pre-construction, engineering, scheduling, construction materials, and cost controls.
- (1) Gather and utilize information regarding practices of a particular contractor or subcontractor, or (2) a new approach to analyzing an aspect of an audit are two critical benefits of our team-based approach to construction auditing.
- Recognize the use of cloud computing as an integral part of our company. All files are securely stored on a remote server, and can be accessed, edited, and reviewed at anytime from anywhere. This allows

our team-based approach to construction auditing to be efficient and avoid duplication. At the same time, it allows our Executive Project Managers and Senior Construction Auditors to view the progress being made on an audit. It allows contractors to upload data directly to the audit team, decreasing time spent waiting on data.

- Conduct numerous construction cost control presentations at conferences and owner organizations.
- Formulate templates to assist in analyzing labor rates and labor burden, material pricing, and productivity, which some of our clients have incorporated into their own contract administration process.
- Authored the audit section of a book published on CMAR projects titled CM, Fast-Track & GMP, by John Hawkins and Charles Thomsen.

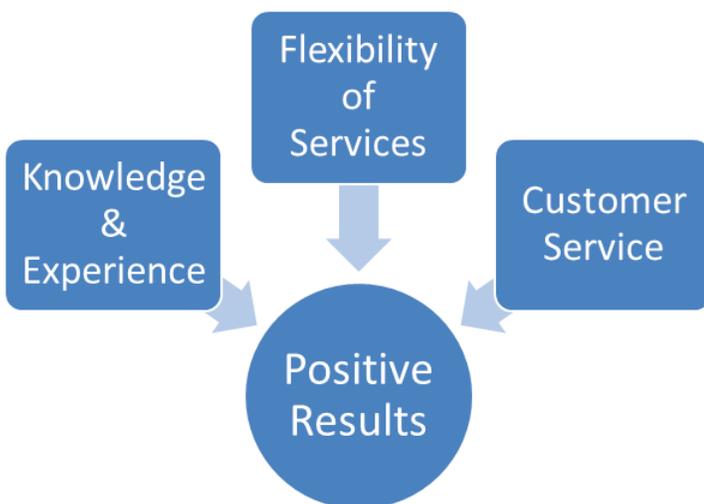
Our team-focused approach allows us to share best practices in construction cost control every day with our clients.

OUR SERVICES

WE WORK ONLY FOR OWNERS. AND WE WORK HARD.

With a team of over 20 professionals, we specialize in construction auditing services. We pride ourselves in building a quality and thorough audit program that is based on every client's unique needs.

- **Advisory Services** – we can provide valuable input regarding contracting strategy.
- **Construction Contract Language** – we work continually with clients to build effective language to enhance construction and engineering agreements.
- **Preconstruction Cost** – we work beside our clients on the preparatory activities that are necessary between the design process and start of construction.
- **Construction Controls** – Ensuring a well-balanced program of contract administration and internal controls to prevent overpayments and overcharges before they happen.
- **Cost Monitoring** – we track and analyze the complexity of costs and understand the relationship of each dollar per the contract.
- **Contract Compliance Cost Verification Reviews** – our team works to thoroughly analyze documents to find overcharges and opportunities for cost avoidance.



BY THE NUMBERS

JUST LIKE YOUR CAMPUS,
R. L. TOWNSEND & ASSOCIATES IS GROWING.

We are currently engaged in controlling construction costs on projects with contract values totaling approximately **\$7 billion**.

The average construction contract value of the projects we are involved with is approximately **\$65 million**.

During the last 3 years, our firm has assisted owners to achieve audit-related cost recovery and/or cost avoidance savings totaling more than **\$42 million**.

The contract values range between approximately **\$1 million - \$750 million**.

Our Senior Auditing Team members hold an average of **27** years of business experience.

Our auditing services are provided for construction projects in over **15** states across the U.S.

Our company has grown to include over **20** professionals.

40% of our client portfolio is construction projects on educational campuses, both higher education & independent school districts.

40% of our client portfolio is construction projects on healthcare campuses.

20% of our client portfolio is construction projects in government or private industries across the United States.





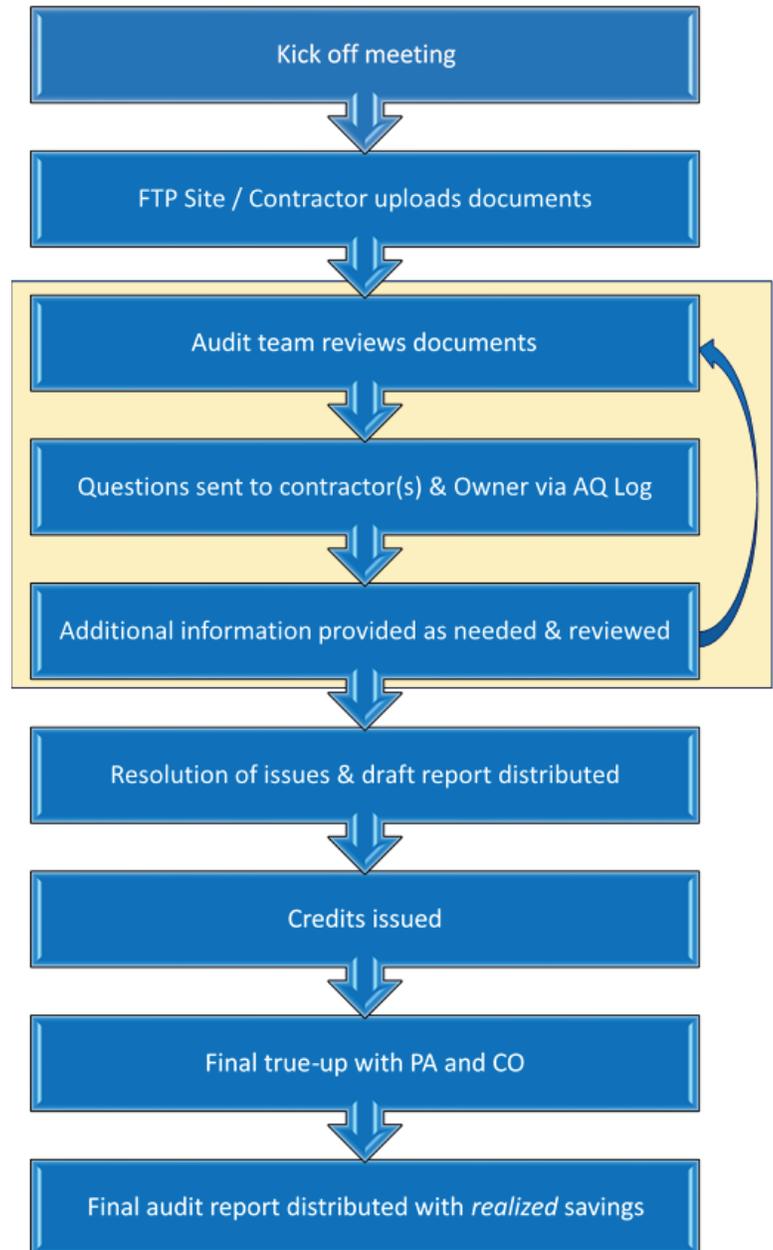
THE AUDIT

WHY OUR CLIENT OWNERS ARE LOYAL AND HOW OUR PROCESS RESULTS IN REALIZED SAVINGS.

If you are challenged in managing the complexity of costs in a construction project, hire our experts to work for you. Our construction audit process offers support until the final payment application and credit is issued.

Our construction audit services usually result in the identification of contract and/or contract administration control enhancements which help our clients enhance the effectiveness of their construction contract management process. Our observations and any related recommendations are communicated to our clients on an as needed basis during our construction audit activity.

After our audit process unveils audit issues and potential savings, we continue to support our owner clients through additional data mining and communications to find true costs and realize savings per the contract.



R. L. Townsend & Associates, LLC

OUR LEADERSHIP

Debbie Townsend, CPA, CIA, CCA, CFE President,
Executive Construction Cost Control Consultant

Debbie Townsend has managed our healthcare and public university construction audits since 2001. In 2012, she became the president and majority owner of the firm and is responsible for the majority of the construction audit engagements currently performed by the firm. Specializing in contract compliance, construction controls, and cost monitoring, she designed a team-based approach to construction auditing that has driven successful results for owners. Debbie leads a variety of construction auditing advisory services for owners as she is frequently invited to share her expertise by conducting workshops on contract language and establishing efficient construction audit processes. Debbie speaks at national conferences on industry trends and collaborative, multi-disciplinary processes for successful construction audits.



Rich Townsend, CPA, CIA, CCA
Executive Construction Cost Control Consultant

Rich Townsend founded R. L. Townsend & Associates in 1984 to perform construction audits for organizations throughout the United States. Since 1985, he has also been active as a seminar leader for professional development training programs for contract auditing and construction cost control. He continues to serve as the engagement manager for construction audit consulting services for higher education, health care, retail, government, and oil & gas organizations.

THE POWER OF A STRONG TEAM

OUR AUDITING TEAMS HAVE THE EXPERIENCE AND CREDENTIALS YOUR PROJECT NEEDS.

R.L. Townsend & Associates is led by President and Executive Project Manager, Debbie Townsend. Our company is structured to provide each project a team of auditing professionals. The graphic below displays the structure of leadership and the positions that comprise a project team. We customized the size of our team to meet the unique needs of our owner's project; thus, a construction auditing team can be comprised of one or more individuals in each of the roles shown below. During the project, we typically identify one individual for primary communications with our owner and contractors to ensure building a strong relationship and efficient dialogue.



OUR TEAM

Following is a brief listing of our professional staff and their construction audit experience for Texas independent school districts. Additional information and complete resumes are available.

<i>Name Role & Licenses/Certifications</i>	<i>Construction Auditing Experience For Independent School Districts in Texas</i>	<i>Relevant Experience</i>
Debbie Townsend Project Executive CPA, CIA, CCA, CFE	Arlington ISD Austin ISD Belton ISD Borger ISD Carrollton-Farmers Branch ISD Conroe ISD Mansfield ISD Midway ISD Plano ISD Round Rock ISD Sherman ISD Spring ISD Taylor ISD	<ul style="list-style-type: none"> • President of RLT since 2012 • 20 Years of executive oversight of healthcare, public education, and university construction audits • Frequently conducts training on construction audit processes • Cal State Fullerton • Joined RLT in 2001
Patricia Farrell-Shear Senior Construction Auditor CCA, PMP (Project Management Professional)	Patricia serves across a broad range of our projects, providing best practice knowledge in higher education campuses, public and private school systems, including ISDs. Austin ISD, Bond Program Projects Round Rock ISD, Multi-campus renovations	<ul style="list-style-type: none"> • Over 25 years in construction, contract, and project management. • Experience in building maintenance and vendor/contractor agreements • Over 12 years in construction auditing • Joined RLT in 2008 • Central CT State University
Chris Iripino Senior Construction Auditor CCA	Austin ISD, Bond Program Carrollton-Farmers Branch, Bond Program Plano ISD, New Fine Arts Center and Williams High School Round Rock ISD, Multi-campus renovations Spring ISD, Bond Program	<ul style="list-style-type: none"> • Over 25 years in facilities design, construction project management, contract control • Over 12 years in construction auditing • Joined RLT in 2007 • University of Illinois, M.S.
Rachel Townsend Smith Senior Construction Auditor CCA PE, Mechanical Engineering	Rachel serves across a several education projects, especially providing expertise with audit findings related to mechanical scope of work and contractors. Carrollton-Farmers Branch ISD, Bond Program	<ul style="list-style-type: none"> • On-site construction verifications • Mechanical Engineer • Expertise in construction cost reviews and contract controls • Baylor University, Mechanical Engineering • M.S. in Accounting in progress
Clay Addison Senior Construction Auditor CCCA, LEEP Certified Construction Contracts Administrator, Accredited Professional in Leadership in Energy & Environmental Design	Conroe ISD, High School and Mechanical Upgrades Spring ISD, Bond Program Projects	<ul style="list-style-type: none"> • Over 30 years of experience in construction management and purchasing. • Joined RLT in 2015. • Clemson University
Trey Walker Senior Construction Auditor CPA, CCA	Austin ISD, Bond Program Projects	<ul style="list-style-type: none"> • Experience auditing projects ranging from \$35M to over \$200M • UT Dallas, M.S. Accounting • Served as Operations Specialist 2nd Class in US Navy • Joined RLT in 2010

Name Role & Licenses/Certifications	Construction Auditing Experience For Independent School Districts in Texas	Relevant Experience
Jonathan Tran Construction Auditor PE, Civil/Construction	Arlington ISD, Sam Houston High School Austin ISD, Bond Program Projects Belton ISD, Charter Oak Elementary and Lake Belton High Schools Spring ISD, Bond Program Projects	<ul style="list-style-type: none"> • On-site construction observations & verifications • Civil Engineer • Project management in concrete design & bracing • Joined RLT in 2015 • University of Houston
Sarah Carraher Construction Auditor CIA, CFE	Austin ISD, Bond Program Projects Spring ISD, Bond Program Projects	<ul style="list-style-type: none"> • Completed the Certified Information Systems Exam • Joined RLT in 2015 • Houston Baptist, B.A. and UT Dallas M.S. in Accounting
Patrick Ferrell Construction Auditor PE, Environmental Engineering	Sherman ISD, Sherman High School	<ul style="list-style-type: none"> • Experience with environmental site inspections, remediation, and regulatory compliance • Joined RLT in 2021 • UT Austin B.S. Geosystems Engineering
Ashley Humphries Construction Auditor	Dallas ISD, Bond Program consulting and audits of multi-campus projects	<ul style="list-style-type: none"> • Speaker at National Association of Construction Auditors Annual Conference • Joined RLT in 2015 • University of North Texas, B.S.
Lanna Bacchus Construction Auditor	Arlington ISD, Multiple schools, Fine Arts & Dual Language Academy, Multi-purpose Activity Center and MAC Austin ISD, Bond Program Projects Belton ISD, Lake Belton High School Conroe ISD, High School Mansfield ISD, Elementary, Intermediate & High School and other projects in Bond Program Plano ISD, New Fine Arts Center Spring ISD, Bond Program Taylor ISD, Bond Program	<ul style="list-style-type: none"> • Significant experience working with school districts on renovations of campus and district facilities. • Joined RLT in 2014 • University of North Texas, B.S. Accounting
Gevonia Brown Construction Auditor	Arlington ISD, Fine Arts & Dual Language Academy Austin ISD, Bond Program Projects Carrollton-Farmers Branch ISD, Bond Program Mansfield ISD, Elementary, Middle, & High School Projects Midway ISD, Elementary, Intermediate & High Schools and CTE & Ag Science Center Spring ISD, Bond Program	<ul style="list-style-type: none"> • Experience on detailed review of subcontractor labor rates, change orders, and pay applications for school districts • Joined RLT in 2016 • Louisiana Tech University, B.S.
Arbelina Medina Construction Auditor	Austin ISD, Bond Program Belton ISD, High School Borger ISD, Middle & High School Renovations Carrollton-Farmers Branch, Bond Program Plano ISD, New Fine Arts Center Round Rock ISD, High School and Multi-campus renovations Sealy ISD Spring ISD, Bond Program	<ul style="list-style-type: none"> • Significant experience on detailed review of subcontractor labor rates, change orders, and pay applications for school districts • Joined RLT in 2016 • UT Dallas, B.S. Accounting

The foundation of our business is the belief that contractors should not unfairly benefit at the expense of our clients from common errors, oversights, or misinterpretations in construction contracts or project billings.

Serving Owner-Clients for Over 35 Years.

For more information:
Debbie Townsend, President
Phone: 972-523-3115
Email: datownsend@rtownsend.com



Primary Office:
5056 Tennyson Parkway, Suite 100
Plano TX 75024

We are a HUB-Certified Business in the State of Texas.

www.rltownsend.com

July 19, 2021

Ms. Sherry Smith
Director of Business Services
Waco ISD
501 Franklin Avenue
Waco, TX 76703

**RE: Construction Audit Services
New Waco High School**

This memo will serve to document our proposal to provide construction audit services for your organization.

Project to Be Audited and Agreed Upon Not-to-Exceed:

Exhibit "A" documents the construction audit related engagement to be performed by R. L. Townsend & Associates, LLC. This form outlines the specifics related to the requested engagement and establishes a **Not-to-Exceed Amount of \$100,000** to be billed for work completed during this engagement.

Invoice Payment Terms:

For work completed, invoices will be submitted periodically as the construction audit services are performed. Payment will be due upon receipt of an approved invoice.

Confidentiality:

All information reviewed during the performance of our audit services will be treated as strictly confidential by R. L. Townsend & Associates, LLC representatives and not disclosed to anyone other than Client representatives on a need to know basis and/or others as directed by authorized representatives of Client.

We appreciate this opportunity to be of service to your organization and look forward to working with you.

Submitted by:
R. L. Townsend & Associates, LLC

Approved by Client:
Waco ISD



Debbie A. Townsend
President

By: _____

Exhibit A
R. L. Townsend & Associates, LLC
Construction Audit Services to Be Provided

Engagement: Construction Audit

Projects: New Waco High School – CMR Contract

Amount to be Audited: Approximately \$120M

Substantial Completion: Late 2025

Audit Objective: Determine that Waco ISD is being billed in accordance with the terms of the contract terms.

Timing of Project: The project will be started as directed by Waco ISD.

Kick off Meeting: Set up a meeting with the contractor & owner representatives to discuss the audit and the process. Items to be discussed include:

- Contract language review and recommendations
- Documentation requested for review & methods of obtaining
- Communications throughout the audit
- Documented log of questions and status
- Draft & Final report process

Methodology:

- All documentation received from the contractor is maintained on our FTP site.
- An audit question log will be maintained on an Excel spreadsheet which is used to document questions and responses from the contractor.
- Documentation such as analysis work sheets, document exhibits, etc. to support conclusions are provided as necessary.
- At the end of the project, the open items on the audit question log will be included in the audit report.
- A draft report is normally reviewed by both the contractor and the owner.
- We will normally assist in the resolution of any audit issues.
- As items are resolved in the report, the report is updated and finalized when the final pay app is processed.
- The final report is issued.

Services Scope of Work to Be Provided:

Construction Contract Language Consulting Services:

1. Review draft construction contract terms and provide recommendations for best practices in contract language.
2. Share knowledge regarding best practices for contract terms.
3. Assist, as requested, in implementing changes for final construction contract and its executive with the owner.

Construction Audit Scope for CMR Project:

1. Read the construction contract agreement to obtain an understanding of the provisions therein
2. Meet with the Contractor to gain a general understanding of how transactions relative to the Project are processed
3. Review the Contractor's method for computation of any construction cost to be reimbursed requiring prior approval by Client, if provided by the contract agreement

General Conditions:

4. Determine whether the contractor's charges for labor and labor burden, materials and equipment are in accordance with the terms of the contract agreement
5. Review to ensure that all specified bonds and insurance are actually purchased by the Contractor for the specified amount as stated in the contract agreement

Subcontracts:

6. Review bid process for selected subcontracts, review leveling of bids and reconcile to subcontract amount.
7. Obtain from the Contractor copies of subcontractor agreements between the Contractor and its respective subcontractors.
8. Review of Subcontractor status reports to determine change order activity by subcontractor.
9. For selected subcontractors, obtain from Contractor copies of the labor rate (and related labor rate breakdowns) provided to the Contractor by the subcontractors. Review the labor rates and burden calculation to determine whether they are in accordance with the contract agreement and whether the rates are reasonable in terms of the job scope and comparable market rates.
10. For subcontractors with a significant amount of equipment in their change orders, obtain from the Contractor and its subcontractors copies of their equipment rental rates to determine whether they are in accordance with the provisions of the contract agreement.
11. For selected subcontractors, review commodity material prices to determine whether they are in accordance with the provisions of the contract agreement and whether the material prices are reasonable in terms of the job scope and comparable market rates.
12. Review the subcontractor's current Schedule of Values and compare to what is billed on the owner payment application.
13. Review of subcontracts for allowances and back charges.

Payment Applications:

14. Review all applications for payment and review the underlying documentation to determine whether amounts are reimbursable and reasonable in accordance with the terms of the contract.
15. Review for any job-owned equipment to ensure that appropriate credit is received for all equipment purchased and charged to the job.

Use of Contingency Funds and Owner Changes:

16. Review a sample of significant change order requests submitted by the Contractor and determine whether amounts are reimbursable in accordance with the terms of the contract.

Exhibit A
R. L. Townsend & Associates, LLC
Construction Audit Services to Be Provided

17. Analyze the Contractor’s accounting for “Allowance” and “Contingency” items and verify that they have been incurred in accordance with the terms of the contract.

Credits:

18. Select a sample of costs incurred by Contractor and determine if there are any credits due from the Contractor related to discounts, rebates, sales of surplus material, dividends, and refunds or any nature and determine whether the credits have been properly applied for the benefit of Client.
19. Review to ensure that credit is received for any applicable sales of scrap or recyclable material.

Final cost reconciliation:

20. Reconcile total project expenditures to ensure discrepancies do not exist between contract billings and the actual payments. Review to ensure that duplicate billings, duplicate payments and/or duplicate scope items are detected in a timely manner.
21. Reconcile the final Contractor’s Application and Certificate for Payment for selected line items to the contractor’s cost reports and Schedule of Construction Costs Incurred to Date as submitted by the Contractor.
22. Review of other areas as deemed appropriate, such as Prevailing Wage Rates, etc.

Process Improvements:

Process improvements identified during the audit will be provided if applicable.

Not-to-Exceed (NTE) Fee Budget for this Engagement:

The Not-to-Exceed amount of \$100,000 has been established to cover R. L. Townsend & Associates, LLC fees for the professional services covered by this Exhibit “A”.

A breakdown of the NTE fee is shown in the following chart:

Classification	Rate	Hours	NTE Fee
Project Executive	\$195.00	50	\$9,750
Senior Construction Auditor	\$150.00	105	\$15,750
Construction Auditor	\$125.00	460	\$57,500
Construction Audit Assistant	\$85.00	200	\$17,000
Total			\$100,000

Changes in Fee and/or Scope:

Increases in the agreed upon Fee Schedule may be requested in order to fulfill the agreed upon scope of services. Changes may be requested for the following:

- Extension of substantial completion date by >90 days
- Significant increases to the GMP value.
- Other circumstances as agreed upon by R. L. Townsend & Waco ISD.

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: Susan Kincannon

RE: Review and Discuss the Texas Education Agency's COVID-19 Protocols for Public Health and Remote Conferencing

=====

Background Information

On Thursday afternoon, August 5, 2021, Commissioner Mike Morath reviewed new COVID-19 protocols for public health with superintendents. In addition, Morath announced and review remote conferencing guidelines for the 2021-2022 school year. The guidance includes the following provisions:

Public Health Guidance

- Districts must notify the local health department if an individual who has been in a school is test-confirmed to have COVID-19.
- Districts must submit a report to the Texas Department of State Health Services regarding any information that a teacher, staff member, student, or visitor is test-confirmed to have COVID-19,
- Districts must allow individuals to wear a mask.
- Districts must exclude students from attending school in person who are actively sick with COVID-19 or who have received a positive test result.
- Parents cannot send a child to school if the child has COVID-19 symptoms or is test-confirmed with COVID-19.
- Districts may provide and/or conduct recurring COVID-19 rapid testing.
- Districts are not required to conduct COVID-19 contact tracing, but must notify parents if they are made aware of a close contact.
- Parents of students who are close contacts may opt to keep their students at home. The CDC's stay-at-home period can end for students experiencing no symptoms on Day 10 or earlier with a negative test.

Remote Conferencing Instruction

- Remote conferencing instruction may be provided for students in regular education if the student is unable to attend due to being positive for COVID-19 or having been identified as a close contact with COVID-19.
- Remote conferencing instruction is available for special education students if the student's ARD committee determines that remote instruction is appropriate.
- The total amount of remote conferencing instruction may not exceed more than 20 instructional days over the entirety of the school year. A waiver must be submitted for an extension of remote conferencing beyond 20 days.
- The student must provide documentation by a licensed physician, and the documentation must include a statement from the physician that the student is to remain confined to their home or to a hospital.

- Instruction must be provided synchronously, which means two way, real-time/live virtual instruction between teachers and students.
- Remote students must not be taught by a teacher who is also teaching in-person students at the same time.
- The individual providing remote conferencing instruction must meet the certification requirements to teach the content area.
- Substitute teachers may provide instruction, as long as they are following local policies for substitute teachers and meet all parent notification requirements.

In response to the guidance provided by TEA, Waco ISD will do the following:

- Encourage the wearing of masks in all district buildings,
- Encourage employees and students to get vaccinated when eligible,
- Conduct contact tracing,
- Notify parents/guardians if their child is considered a close contact for a positive case of COVID-19,
- Notify faculty and staff if they are considered a close contact for a positive case of COVID-19,
- Update the district's COVID-19 Dashboard,
- Continue the use of rapid testing for students and staff,
- Provide assignments to students who are unable to attend school after testing positive for COVID-19 or whose parents/guardians opt for them to quarantine after being identified as a close contact, and
- Monitor the attendance and achievement of students adjusting plans as needed.

Fiscal Implications

For purposes of state funding, students who are in isolation after testing positive or in quarantine after being identified as a close contacts will be counted absent and will not generate funding for the days that they are in isolation or quarantine.

Administrative Recommendation(s):

Discussion Only.

Waco Independent School District

Board of Trustee Meeting Agenda Item

Date: August 12, 2021

Contact Person: Sheryl Davis

RE: Presentation and Discussion of the Proposed Budget and Tax Rate for the 2021-2022 Fiscal Year

=====

Background Information:

On or before a date set by the State Board of Education, the superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the district for the following fiscal year. The budget must be prepared according to generally accepted accounting principles; rules adopted by the State Board of Education; and adopted policies of the board of trustees.

The administration will present information on the proposed budgets for funds included in the official budget as well as three funds for which the District is the fiscal agent. Information will also be presented on the proposed tax rate including a review of the draft notice for publication.

Fiscal Implications:

None

Administrative Recommendations:

Action will be taken in a separate item to approve the proposed tax rate and set the date of the public hearing on the proposed budget and tax rate.

Waco Independent School District

**Official Budget
2021-2022**

	General Fund	Child Nutrition Fund	Debt Service Fund	Memorandum Total
Revenues:				
Local and Intermediate Source Revenue	\$ 75,266,353	427,900	15,949,445	91,643,698
State Program Revenue	85,574,609	-	307,292	85,881,901
Federal Program Revenue	3,908,900	9,141,280	-	13,050,180
Total Revenues	164,749,862	9,569,180	16,256,737	190,575,779
Appropriations:				
Instruction	89,278,274	-	-	89,278,274
Instructional Resources and Media Services	963,609	-	-	963,609
Instructional Staff Development and Curriculum Development	4,526,701	-	-	4,526,701
Instructional Leadership	3,619,018	-	-	3,619,018
School Leadership	10,130,698	-	-	10,130,698
Guidance, Counseling and Evaluation Services	5,451,254	-	-	5,451,254
Social Work Services	897,678	-	-	897,678
Health Services	1,562,518	-	-	1,562,518
Student Transportation	3,789,590	-	-	3,789,590
Food Services	-	10,968,269	-	10,968,269
Extracurricular Activities	5,408,768	-	-	5,408,768
General Administration	6,838,759	-	-	6,838,759
Plant Maintenance and Operations	17,091,637	-	-	17,091,637
Security and Monitoring Services	2,652,597	-	-	2,652,597
Data Processing Services	3,876,226	-	-	3,876,226
Community Services	528,187	-	-	528,187
Debt Service	-	-	16,206,517	16,206,517
Facilities Acquisition and Construction	40,183	-	-	40,183
Payments to Shared Services Arrangement	345,000	-	-	345,000
Payments to Juvenile Justice Alternative Education Program	700,000	-	-	700,000
Payments to Tax Increment Fund	6,533,499	-	1,070,729	7,604,228
Other Intergovernmental Charges	820,288	-	-	820,288
Total Appropriations	165,054,484	10,968,269	17,277,246	193,299,999
Excess (Deficiency) of Estimated Revenues Over Appropriations				
Other Financing Sources/(Uses)	(304,622)	(1,399,089)	(1,020,509)	(2,724,220)
Net Change in Fund Balance	(689,443)	-	-	(689,443)
Fund Balance, beginning of year	(994,065)	(1,399,089)	(1,020,509)	(3,413,663)
Fund Balance, beginning of year	42,072,279	2,758,147	4,816,349	49,646,775
Fund Balance, end of year	41,078,214	1,359,058	3,795,840	46,233,112
Non-spendable Fund Balance	(400,000)	-	-	(400,000)
Restricted Fund Balance:				
Retirement of Long-term Debt	-	-	(3,795,840)	(3,795,840)
National School Lunch and Breakfast Program	-	(1,359,058)	-	(1,359,058)
Other Restricted Fund Balance	-	-	-	-
Committed Funds	(3,000,000)	-	-	(3,000,000)
Unassigned Fund Balance	\$ 37,678,214	-	-	37,678,214

Waco Independent School District
Other Proposed Budgets
2021-2022

	Greater Waco Advanced Health Care Academy	Greater Waco Advanced Manufacturing Academy	McLennan County Challenge Academy	Regional Day School for the Deaf	Memorandum Total
Revenues:					
Local and Intermediate Source Revenue	\$ 1,017,728	1,132,400	831,620	575,560	3,557,308
State Program Revenue	68,487	52,833	86,636	52,179	260,135
Total Revenues	\$ 1,086,215	1,185,233	918,256	627,739	3,817,443
Appropriations:					
Instruction	\$ 914,259	795,737	558,882	911,385	3,180,263
Instructional Staff and Curriculum Development	6,825	2,750	-	78,863	88,438
Instructional Leadership	234,789	148,547	-	-	383,336
School Leadership	-	-	193,046	-	193,046
Guidance, Counseling and Evaluation Svcs	127,272	124,768	70,075	-	322,115
Health Services	-	-	200	-	200
Plant Maintenance and Operations	78,793	145,245	5,877	-	229,915
Payments to Shared Services Arrangement	-	-	90,176	19,397	109,573
Total Appropriations	\$ 1,361,938	1,217,047	918,256	1,009,645	4,506,886
Excess (Deficiency) of Estimated Revenues					
Over Appropriations	\$ (275,723)	(31,814)	-	(381,906)	(689,443)
Other Financing Sources/(Uses)	275,723	31,814	-	381,906	689,443
Net Change in Deferred Revenue	\$ -	-	-	-	-
Deferred Revenue, beginning of year	-	-	72,496	-	72,496
Deferred Revenue, end of year	\$ -	-	72,496	-	72,496



2021 - 2022 Proposed Budgets & Tax Rates

August 12, 2021

Proposed Budgets - Requirements

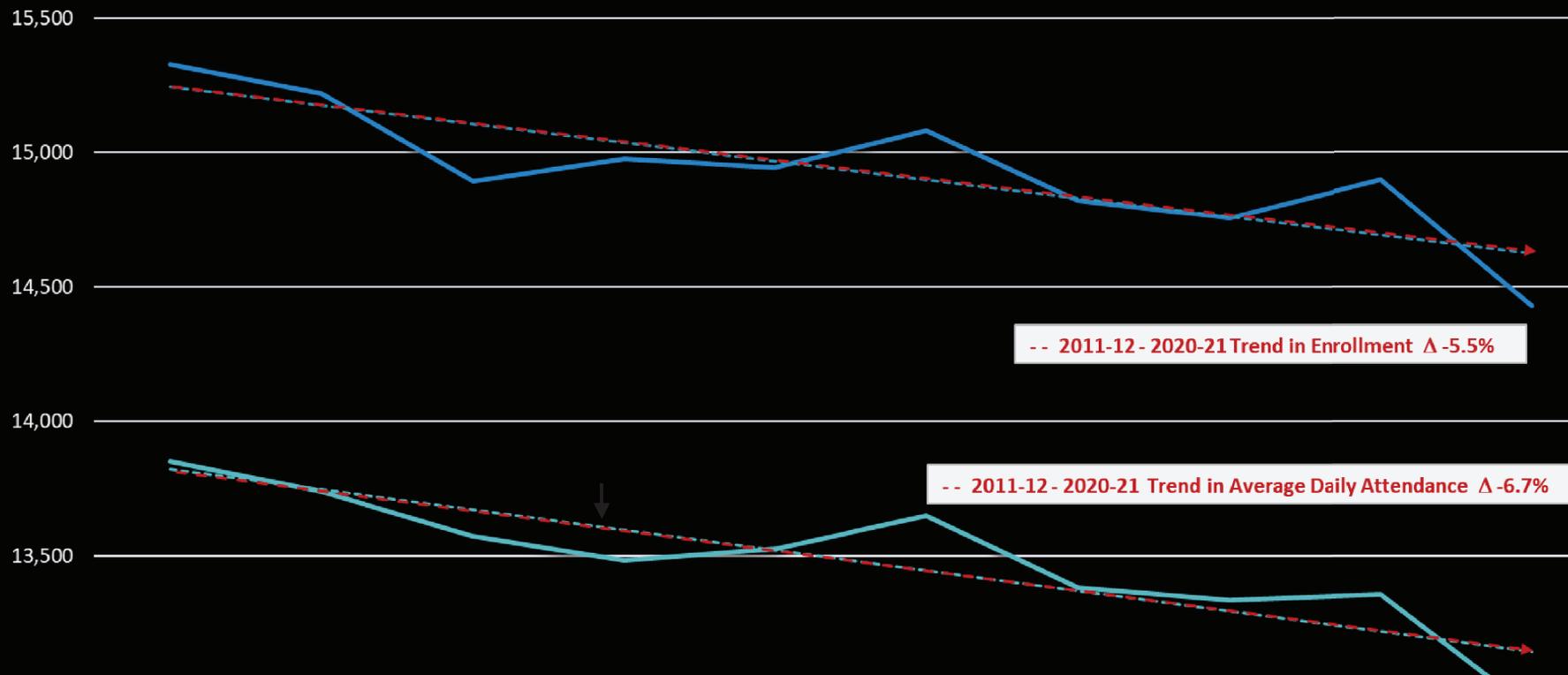
- Budgets included in the “Official Budget” and required to be adopted by the Board of Trustees include:
 - General Fund
 - Child Nutrition Fund
 - Debt Service Fund
- Other budgets approved by the Board include:
 - Greater Waco Advanced Academies
 - McLennan County Challenge Academy (JJAEP)
 - Regional Day School Program for the Deaf
- Budget must be developed in accordance with generally accepted accounting principles (GAAP), i.e., modified accrual basis, revenues are recognized when received and expenditures are recognized when services are rendered or goods received
- For districts with a September 1 through August 31 fiscal year, a proposed budget must be prepared no later than August 20th
- The budget must be adopted by August 31st
- The budget must be adopted prior to the approval of the tax rate

Issues Impacting the Proposed Budget

- Revenue estimates:
 - Continued implementation of HB 3, enacted by the 86th Legislature, further compresses the local maintenance and operations tax rate
 - Setting of I&S tax rate based on 2020 “Certified Estimate” rather than “Certified Value” coupled with settlement of several lawsuits resulted in excess debt service collections for 2020-2021
 - Interest rates remain low, impacting investment income
 - Continued impact of COVID on enrollment is uncertain
 - Indirect cost revenue in general fund will increase due to ESSER funding
- Expenditure appropriations:
 - Special Education funding and resultant expenditures to meet maintenance of effort continued to increase
 - Expenditures to combat “learning loss” will primarily come from federal funds
 - Salary increases averaging 3% with additional funding for identified employees to promote equity and meet market
 - Benefit increases in group health, retirement, and unemployment
 - Increased staffing in security and athletics
 - Upgrade of student information and finance systems

Enrollment & Average Daily Attendance

Ten Year Trend in Enrollment & Average Daily Attendance



	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Enrollment	15,329	15,221	14,894	14,978	14,946	15,081	14,823	14,756	14,899	14,428
Average Daily Attendance	13,852	13,740	13,574	13,484	13,528	13,650	13,381	13,334	13,358	12,926

ADA for Funding Purposes

School Year	Fall PEIMS Enrollment	TEA Summary of Finances Final ADA	Final ADA as Percent of Fall PEIMS	ADA Utilized for Budget Purposes	Variance of Budget to TEA SOF
2011-2012	15,329	13,852	90.4%	13,795	57
2012-2013	15,221	13,740	90.3%	13,804	-64
2013-2014	14,894	13,574	91.1%	13,685	-111
2014-2015	14,978	13,484	90.0%	13,453	31
2015-2016	14,946	13,528	90.5%	13,452	76
2016-2017	15,081	13,649	90.5%	13,455	194
2017-2018	14,823	13,379	90.3%	13,669	-290
2018-2019	14,758	13,334	90.4%	13,301	33
2019-2020	14,796	13,354	90.3%	13,257	97
Adjusted ADA to Recapture ESSER Funding		12,693	<i>Adjustment reduced FSP revenue by \$4,740,886. However, we received \$5,141,998 for a net gain of \$401,112</i>		
2020-2021	14,428	12,308	85.3%	13,241	-933
TEA's Hold Harmless ADA		13,538	<i>Currently appears that hold harmless will be funded through District's ESSER II allocation – no new funding?</i>		
2021-2022	14,783		89.7%	13,261	

Other Student Counts for Funding Purposes

	2019-2020	2020-2021	2021-2022
Bilingual ADA:			
Bilingual Program	2606.952	2610.281	2673.233
Dual Language Immersion Students (1-way or 2-way)	1.566	2.638	1.547
Career & Technology FTEs: (old law)	1301.367	1411.110	
Not in Approved Program of Study (new in 2021-2022)			150.064
Levels 1 & 2 Approved Program of Study (new in 2021-2022)			738.242
Levels 3 & 4 Approved Program of Study (new in 2021-2022)			518.096
Advanced Career & Technology (eliminated in 2021-2022)	312.988	312.988	
Career, College, or Military Readiness	30	30	30
Compensatory Education - Educationally Disadvantaged Students Living in:			
Economically Disadvantaged Census Blocks - Tier 1	705	409	409
Economically Disadvantaged Census Blocks - Tier 2	521	605	605
Economically Disadvantaged Census Blocks - Tier 3	1359	1817	1817
Economically Disadvantaged Census Blocks - Tier 4	4834	4816	4816
Economically Disadvantaged Census Blocks - Tier 5	6038	5761	5237
Homeless Children or Youth (same weight as Tier 5)			524

Other Student Counts for Funding Purposes

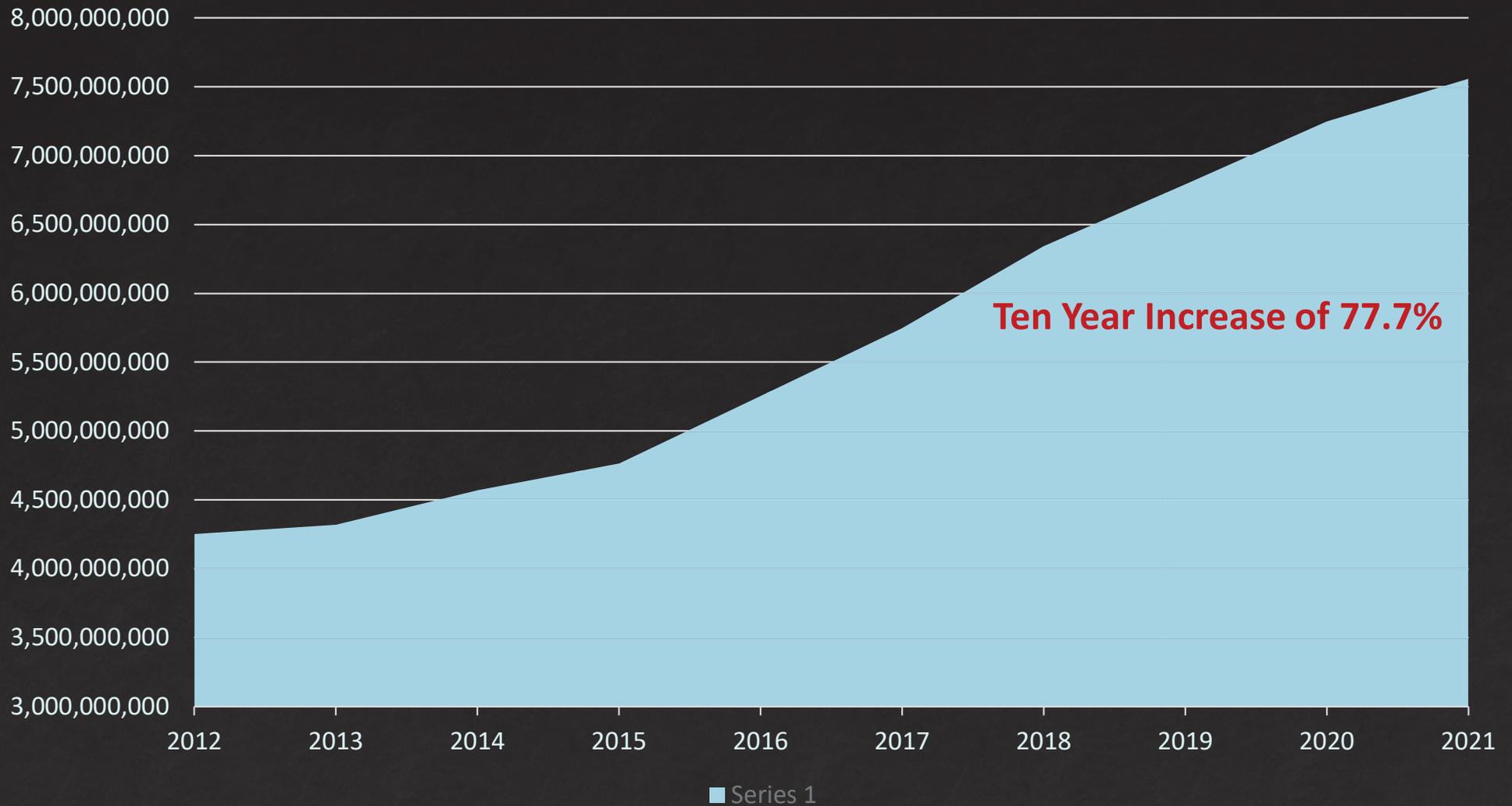
	2019-2020	2020-2021	2021-2022
Dropout Recovery School and Residential Placement Facility ADA	120.518	7.604	107.682
Dyslexia Enrollment	805	821	821
Early Education ADA (grades kindergarten - third)	4908.91	4668.849	4829.347
Gifted & Talented Enrollment (reinstated for 2021-2022)			1251
Pregnant Students FTEs	6.978	4.860	7.366
Special Education Weighted FTEs			
Homebound	0.477	0.614	0.382
Hospital Class	0.038	0.000	0.000
Speech Therapy	23.181	24.164	24.933
Resource Room	179.580	211.318	214.101
Self-contained Mild/Moderate/Severe	105.319	107.913	111.631
Off Home Campus	0.359	0.000	0.000
Vocational Adjustment Class	9.739	8.012	12.890
Residential Care and Treatment	0.763	1.202	0.667
Special Education Mainstream ADA	453.586	499.833	457.323

Property Values & Tax Rates

2021 Certified Property Values

Tax Year	Net Taxable Values		Value Adjustment	Percent Change	
	Preliminary	Certified		Preliminary	Prior Year
2012	4,371,300,129	4,253,591,873	(117,708,256)	-2.69%	2.46%
2013	4,409,057,052	4,318,743,153	(90,313,899)	-2.05%	1.53%
2014	4,640,547,531	4,568,868,812	(71,678,719)	-1.55%	5.79%
2015	5,033,516,985	4,764,656,779	(268,860,206)	-5.34%	4.29%
2016	5,337,750,193	5,251,460,667	(86,289,526)	-1.62%	10.21%
2017	5,952,976,568	5,744,499,011	(208,477,557)	-2.34%	10.71%
2018	6,530,822,722	6,341,596,283	(189,226,439)	-2.90%	9.77%
2019	7,014,667,561	6,789,808,702	(224,858,859)	-3.21%	6.40%
2020 Est.	7,587,072,447	<i>7,179,509,020</i>	<i>(407,563,427)</i>	<i>-5.37%</i>	<i>5.74%</i>
Certified values released on 9/10		7,247,140,447	(339,932,000)	-4.48%	6.74%
2021	7,421,037,502	7,557,152,053	136,114,551	1.83%	4.28%

2012-2021 Certified Property Values



2021 Maintenance & Operations Tax Rate

Description	M&O
District's Adopted M&O Tax Rate for Tax Year 2020	\$ 1.039800/\$100
2020 Appraisal District Certified Taxable Property Values	7,247,140,447
2021 Appraisal District Certified Taxable Property Values	7,557,152,053
Central Appraisal District Value Growth	4.28%
2021 Comptroller Estimated Certified School District Value	6,593,891,814
Prior Year Maximum Compressed Tax Rate (MCR)	0.901500
Local Preliminary Maximum Compressed Tax Rate	0.886100
2021 State Compression Percentage	0.913400
Maximum Compressed Tax Rate (lesser of state or local compression)	0.886100
Golden Pennies (<i>previously voter approved</i>)	0.080000
Copper Pennies (<i>previously voter approved</i>)	0.058300
Total M&O Tax Rate for Tax Year 2021	\$ 1.024400/\$100

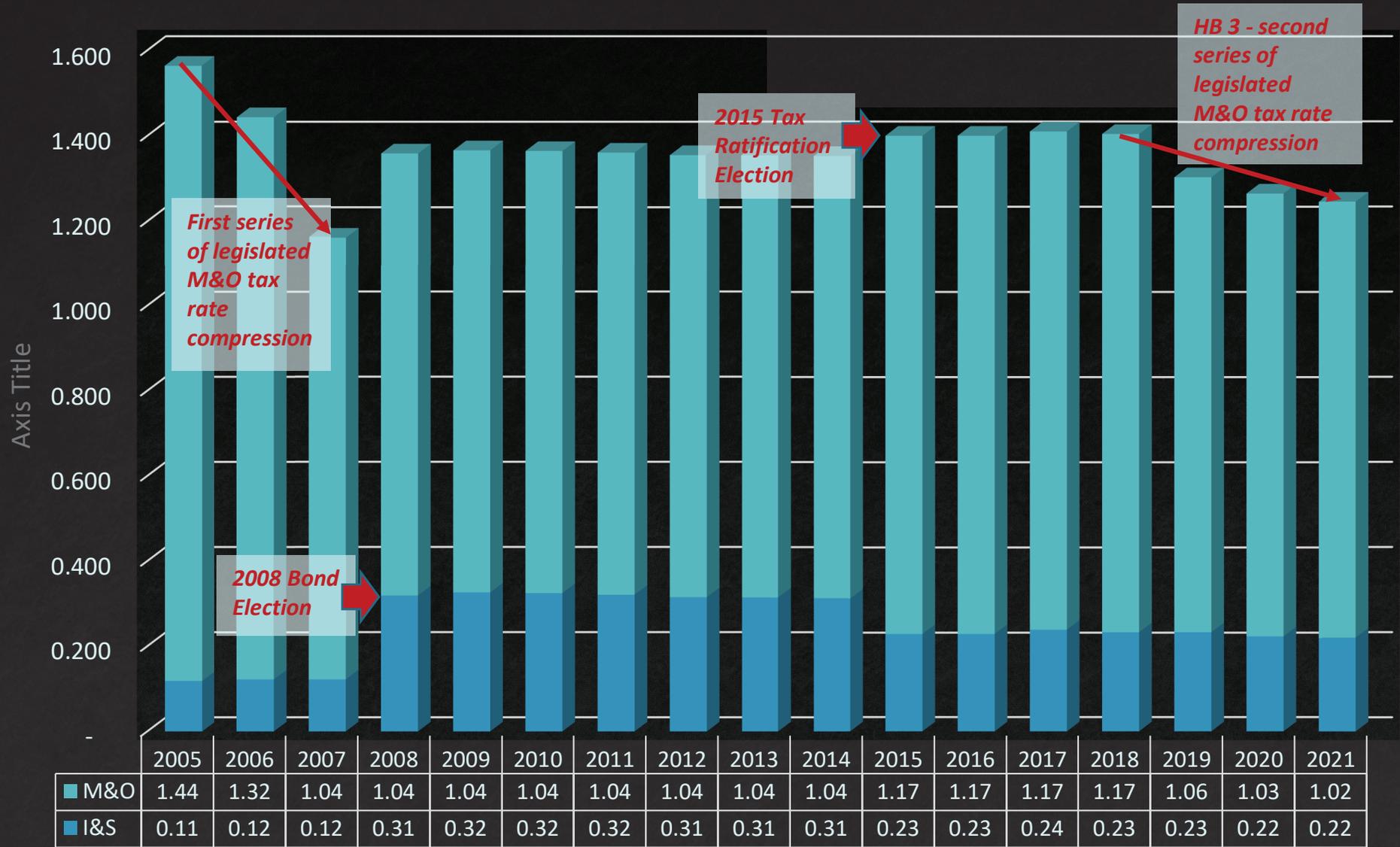
Decrease in M&O tax rate of \$0.0154/\$100

2021 Interest & Sinking Tax Rate

Description	I&S
District's Adopted I&S Tax Rate for Tax Year 2020	\$ 0.224153
Original Debt Service Requirements for Fiscal Year 2021-2022	14,461,517
Add: Escrow to Defease Portion of Unlimited Tax Bonds, Series 2016	1,725,000
Total Debt Service Requirements for Fiscal Year 2021-2022	16,186,517
Less:	(293,900)
Unencumbered Fund Balance	(319,586)
State Aid Received for Paying Principal and Interest	(307,292)
Certified 2020 Excess Debt Collections	(823,606)
Adjusted Debt Service Requirements	14,736,033
2021 Anticipated Collection Rate	100.00%
Total I&S Tax Rate for Tax Year 2021	\$ 0.220240
Total Combined Tax Rate for Tax Year 2020	\$ 1.244640

***Decrease in I&S tax rate of \$0.003929/\$100,
Decrease in total tax rate of \$0.019329/\$100***

Property Tax Rates 2005 to Present



2020-2021 Property Tax Revenue Estimates

Description	Total	M&O	I&S
2021 Estimated Net Taxable Value	\$ 6,690,897,638		
Tax Rate	\$1.244640	\$1.024400	\$0.220240
Estimated Adjusted Levy	\$ 88,175,916	72,573,120	15,602,796
Collection Rate – Certified by Tax Office	100.00%	100.00%	100.00%
Current Tax Collections	\$ 88,175,916	72,573,120	15,602,796
Prior Years' Tax Collections	1,291,518	1,091,518	200,000
Penalties and Interest	868,920	733,920	135,000
Total Tax Collections plus P&I	90,336,354	74,398,558	15,937,796
Less: Collections for TIF	(5,948,606)	(4,895,996)	(1,052,610)
Total Estimated Tax Revenue (Net of TIF)	84,387,748	69,502,562	14,885,186
2020-2021 Projected Tax Revenue (Net of TIF)	79,747,129	65,697,169	14,049,960
Increase in Tax Revenue	4,640,619	3,805,393	835,226

General Fund

General Fund Revenues

Revenue Source	Adopted Budget 2020-2021	Projected Actual 2020-2021	Proposed Budget 2021-2022	Increase / (Decrease) from Adopted Budget	Increase / (Decrease) from Projected Actual
Local Property Tax Revenue	\$ 70,544,708	71,098,118	74,398,577	3,853,869	3,300,459
Services to Other Districts	87,200	29,138	90,176	2,976	61,038
Tuition	177,000	82,874	85,000	(92,000)	2,126
Earnings on Investments	456,000	186,958	194,000	(262,000)	7,042
Athletics and Other Extracurricular Activities	149,000	234,888	221,000	72,000	(13,888)
Other Local Revenues	263,000	88,224	277,600	14,600	189,376
Insurance Recoveries	0	983,181	0	0	(983,181)
State Foundation School Program Revenue	78,983,941	77,611,941	78,313,994	(669,947)	702,053
TRS On-Behalf	6,687,522	6,919,776	7,222,615	535,093	302,839
Other State Revenue	270,000	341,249	38,000	(232,000)	(303,249)
Indirect Cost Recoveries on Federal Programs	848,951	479,433	1,338,400	489,449	858,967
Medicaid Reimbursements (SHARS & MAC)	1,825,000	2,394,871	2,338,000	513,000	(56,871)
Other Federal Program Revenue	240,000	1,110,750	232,500	(7,500)	(878,250)
Total Revenue	160,532,322	161,781,677	164,749,862	4,217,540	2,968,185
Aid to Contract to Operate District Campus	(1,934,967)	(1,985,349)	(1,811,265)	123,702	174,084
Net of Aid to Contract to Operate District Campus	\$ 158,597,355	159,796,328	162,938,597	4,341,242	3,142,269

General Fund Overview

	2019-2020	2020-2021		2021-2022 Proposed Budget	Change from Prior Year Adopted	
	Audited Actual	Adopted Budget	Amended Budget			Projected Actual
Revenues:						
Local and Intermediate Source	\$ 70,497,158	71,676,908	73,100,600	72,923,657	75,266,353	3,589,445
State Programs	83,362,919	85,941,463	85,946,567	84,872,966	85,574,609	(366,854)
Federal Programs	3,572,674	2,913,951	2,913,951	3,985,054	3,908,900	994,949
Total Revenues	157,432,751	160,532,322	161,961,118	161,781,677	164,749,862	4,217,540
Expenditures:						
Instruction and Instructional-Related Services	86,986,479	96,925,309	96,714,412	92,270,213	94,768,584	(2,156,725)
Instructional and School Leadership	13,466,199	13,386,892	14,127,142	14,397,510	13,749,716	362,824
Student Support Services	14,072,272	15,411,885	17,338,371	16,019,459	17,109,808	1,697,923
Administrative Support Services	5,283,286	6,101,158	6,201,342	5,884,777	6,838,759	737,601
Non-Student Based Support Services	23,908,948	21,781,151	27,797,037	24,835,402	23,620,460	1,839,309
Community Services	664,592	698,334	718,682	660,150	528,187	(170,147)
Debt Services	354,513	-	-	-	-	-
Facilities Acquisition and Construction	103,970	-	11,314,290	9,511,822	40,183	40,183
Intergovernmental Charges	8,537,099	10,787,540	10,787,540	8,538,571	8,398,787	(2,388,753)
Total Expenditures	153,377,358	165,092,269	184,998,816	172,117,904	165,054,484	(37,785)
Revenues Over/(Under) Expenditures	4,055,393	(4,559,947)	(23,037,698)	(10,336,227)	(304,622)	4,255,325
Other Financing Sources/(Uses)						
Other Sources	42,315	-	-	93,518	-	-
Other Uses	(655,568)	(664,000)	(664,000)	(365,459)	(689,443)	(25,443)
Revenues and Other Sources Over/(Under) Expenditures and Other Uses	3,442,140	(5,223,947)	(23,701,698)	(10,608,168)	(994,065)	4,229,882
Fund Balance Beginning of the Year	49,238,307	53,479,343	52,680,447	52,680,447	42,072,279	(11,407,064)
Fund Balance End of the Year	52,680,447	48,255,396	28,978,749	42,072,279	41,078,214	(7,177,182)
Nonspendable Fund Balance	(1,179,204)	(400,000)	(533,210)	(533,210)	(400,000)	-
Restricted Fund Balance	(2,123,100)	(1,815,796)	(1,815,796)	(1,325,365)	-	1,815,796
Committed Fund Balance	(3,369,656)	(3,000,000)	(3,000,000)	(3,302,468)	(3,000,000)	-
Unassigned Fund Balance	\$ 46,008,487	43,039,600	23,629,743	36,911,236	37,678,214	(5,361,386)
Unassigned Fund Balance as a Percent of Expenditu	30.0%	26.1%	12.8%	21.4%	22.8%	

Transformation Zone Allocations

Allocation	G.W. Carver Middle School	Indian Spring Middle School	Alta Vista Elementary School	Brook Ave. Elementary School	J.H. Hines Elementary School	Total Transformation Schools
Enrollment	471.000	521.000	498.000	373.000	448.000	2,311.000
Average Daily Attendance (ADA)	434.262	491.496	431.830	329.519	392.672	2,079.779
Total Tier I Allotments	\$4,258,716	4,941,931	4,231,475	3,337,936	4,064,668	20,834,726
Total Tier II Allotments	529,521	614,471	526,134	415,033	505,394	2,590,553
Charter School Facilities Allotment	77,987	88,265	77,550	59,176	70,518	373,496
Total Foundation School Program Revenue	4,866,224	5,644,667	4,835,159	3,812,145	4,640,580	23,798,775
Centralized Zone Special Education Services	(422,212)	(585,211)	(257,356)	(249,260)	(404,265)	(1,918,304)
Operations Management	(194,647)	(225,784)	(193,404)	(152,706)	(185,621)	(952,162)
Total After Reallocations within Zone	4,249,365	4,833,672	4,384,399	3,410,179	4,050,694	20,928,309
Optional Purchased Services	(296,740)	(383,196)	(195,852)	(138,739)	(245,921)	(1,260,448)
Administrative Services	(791,650)	(972,246)	(582,962)	(476,135)	(652,915)	(3,475,908)
Net Foundation School Program Revenue	\$3,160,975	3,478,230	3,605,585	2,795,305	3,151,858	16,191,953

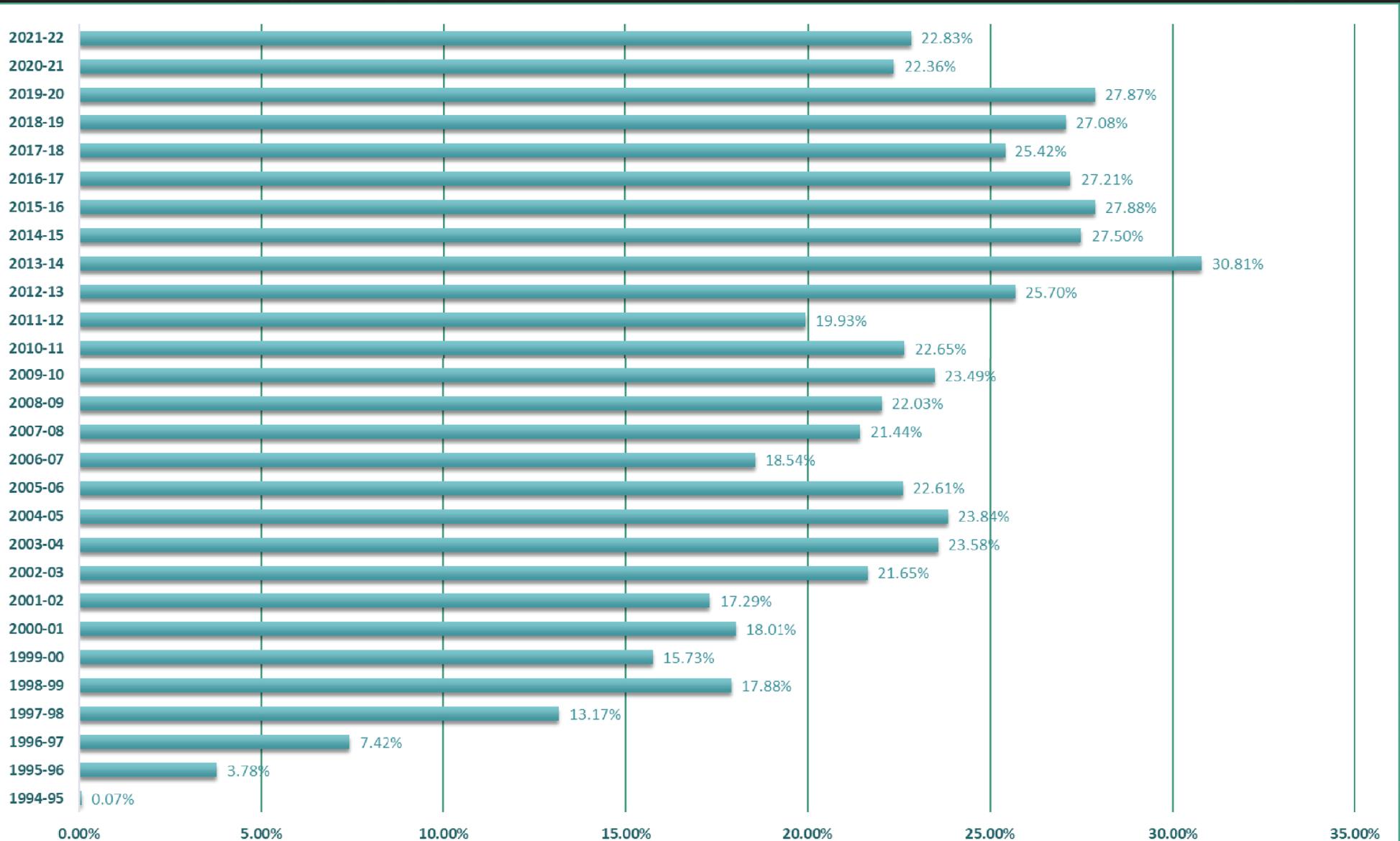
2021-2022 Additional Funding

Recurring cost increases/requirements of existing programs	
Property insurance	\$ 62,500
Technology software	280,424
Utilities	260,134
Special Education increase to meet maintenance of effort	450,843
Salary increases net of salary savings	1,354,397
Employee benefit increases	950,643
Other additional positions:	
Athletics (7)	328,596
Security Guards (6)	203,242
One-time requests for equipment:	
New SIS/ERP System	600,000

2021-2022 Cost of Salary Increase

Budget Group	Base Amount	Raise Amount	Salary Savings	Projected Amount
Administrative	\$ 11,189,983	340,401	-	11,530,384
Auxiliary	9,838,035	284,574	(426,860)	9,695,749
Paraprofessional - Aide	9,859,261	220,736	(367,893)	9,712,104
Paraprofessional - Support	6,367,210	198,738	(132,492)	6,433,456
Professional Support	20,428,864	610,612	(508,843)	20,530,633
Teacher	54,827,048	1,981,050	(782,970)	56,025,128
Total	\$ 112,510,401	3,636,111	(2,219,058)	113,927,454
General Fund	96,883,904	3,275,339	(1,920,942)	98,238,301

General Fund Unassigned Fund Balance



2020-2021 Subsequent Stimulus Funding

Revenue Source	District Share	Distributed
Special Revenue Funds:		
ESSER II – Coronavirus Response & Relief Supplemental Appropriations (CRRSA) Act 2021, enacted December 27, 2020, funds available through September 30, 2022. <i>the calculated 2020-2021 hold harmless amount (\$2,879,566) would come from the ESSER II funding.</i>	\$ 22,111,560	\$ 0
ESSER III – American Rescue Plan (ARP) Act of 2021, enacted March 11, 2021, funds available through September 30, 2023 with a twelve-month extension to September 30, 2024 due to Tydings amendment. <i>Department of Education last week approved Texas' plan so remaining funds should be distributed soon.</i>	49,931,517	33,287,678
Total Subsequent Federal Stimulus Funding	\$ 72,043,077	\$ 33,287,678

ESSER Grants are not subject to supplanting rules and are eligible for the unrestricted indirect cost rate, preliminarily set at 10.75% for the period July 1, 2021 through June 30, 2022

Other Funds Making Up the Official Budget

Child Nutrition Fund

	2019-2020	2020-2021		2021-2022 Proposed Budget	Change from Prior Year Adopted	
	Audited Actual	Adopted Budget	Amended Budget			Projected Actual
Revenues						
Local & intermediate source	\$ 380,402	272,207	276,399	216,073	427,900	155,693
State programs	51,003	52,000	52,000	50,317	-	(52,000)
Federal Programs	8,111,133	6,681,434	6,990,434	6,509,070	9,141,280	2,459,846
Total revenues	8,542,538	7,005,641	7,318,833	6,775,460	9,569,180	2,563,539
Expenditures						
Food service	9,272,048	8,171,868	9,429,997	7,675,498	10,968,269	2,796,401
Total expenditures	9,272,048	8,171,868	9,429,997	7,675,498	10,968,269	2,796,401
Excess (deficiency) of revenues over (under) expenditures	(729,510)	(1,166,227)	(2,111,164)	(900,038)	(1,399,089)	(232,862)
Other financing sources (uses)						
Other financing sources	-	-	-	565,252	-	-
Other financing uses	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	565,252	-	-
Net change in fund balance	(729,510)	(1,166,227)	(2,111,164)	(334,786)	(1,399,089)	(232,862)
Beginning fund balance	3,822,443	1,715,877	3,092,933	3,092,933	2,758,147	1,042,270
Ending fund balance	\$ 3,092,933	549,650	981,769	2,758,147	1,359,058	809,408
Ending fund balance as a percent of expenditures	33.4%	6.7%	10.4%	35.9%	12.4%	

Can only maintain 30% fund balance – need to draw down. Should be getting stimulus funds to make up losses in 2019-2020 of approximately \$800,000 but we are not sure when those funds will be distributed.

Debt Service Fund

	2019-2020	2020-2021			2021-2022	Change from Prior Year Adopted
	Audited Actual	Adopted Budget	Amended Budget	Projected Actual	Proposed Budget	
Revenues						
Local & intermediate source	\$ 15,169,970	15,428,669	15,428,669	15,345,543	15,949,445	520,776
State programs	309,070	-	-	299,168	307,292	307,292
Total revenues	15,479,040	15,428,669	15,428,669	15,644,711	16,256,737	828,068
Expenditures						
Debt service	14,339,967	13,666,000	14,702,833	14,686,390	16,206,517	2,540,517
Intergovernmental charges	1,205,398	1,472,979	1,472,979	1,169,586	1,070,729	(402,250)
Total expenditures	15,545,365	15,138,979	16,175,812	15,855,976	17,277,246	2,138,267
Excess (deficiency) of revenues over (under) expenditures	(66,325)	289,690	(747,143)	(211,265)	(1,020,509)	(1,310,199)
Other financing sources (uses)						
Other financing sources	-	-	124,160,123	124,160,122	-	-
Other financing uses	-	-	(123,123,290)	(123,123,290)	-	-
Total other financing sources (uses)	-	-	1,036,833	1,036,832	-	-
Net change in fund balance	(66,325)	289,690	289,690	825,567	(1,020,509)	(1,310,199)
Beginning fund balance	4,057,107	4,198,086	3,990,782	3,990,782	4,816,349	618,263
Ending fund balance	\$ 3,990,782	4,487,776	4,280,472	4,816,349	3,795,840	(691,936)
Ending fund balance as a percent of expenditures	25.7%	29.6%	26.5%	30.4%	22.0%	

2021-2022 debt service includes a proposed defeasance of \$1.75 million of Unlimited Tax Bonds, Series 2016

Other Funds Adopted by the Board of Trustees

Greater Waco Advanced Academies

	2019-2020	2020-2021		2021-2022 Proposed Budget	Change from Prior Year Adopted	
	Audited Actual	Original Budget	Amended Budget			Projected Actual
Revenues:						
Local and Intermediate Source	\$ 2,109,770	2,425,312	2,705,982	2,686,600	2,150,128	2,425,312
State Programs	112,368	106,579	106,579	119,039	121,320	106,579
Federal Programs	-	-	-	18,367	-	106,579
Total Revenues	2,222,138	2,531,891	2,812,561	2,824,006	2,271,448	2,638,470
Expenditures:						
Instruction and Instructional Related Services	1,789,043	1,899,906	2,146,826	1,994,076	1,719,571	1,899,906
Instructional and School Leadership	300,288	387,060	389,560	403,315	383,336	387,060
Student Support Services	242,322	255,466	240,827	243,489	252,040	255,466
Non-Student Based Support Services	175,618	167,459	213,348	225,925	224,038	167,459
Total Expenditures	2,507,271	2,709,891	2,990,561	2,866,805	2,578,985	2,709,891
Revenues Over/(Under) Expenditures	(285,133)	(178,000)	(178,000)	(42,799)	(307,537)	(71,421)
Other Financing Sources/(Uses)						
Other Sources	285,133	178,000	178,000	42,799	307,537	71,421
Revenues and Other Sources Over/(Under) Expenditures and Other Uses	\$ -	-	-	-	-	-
Beginning Unearned Revenue	-	-	-	-	-	-
Ending Unearned Revenue	\$ -	-	-	-	-	-
Ending Unearned Revenue as a Percent of Expenditu	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

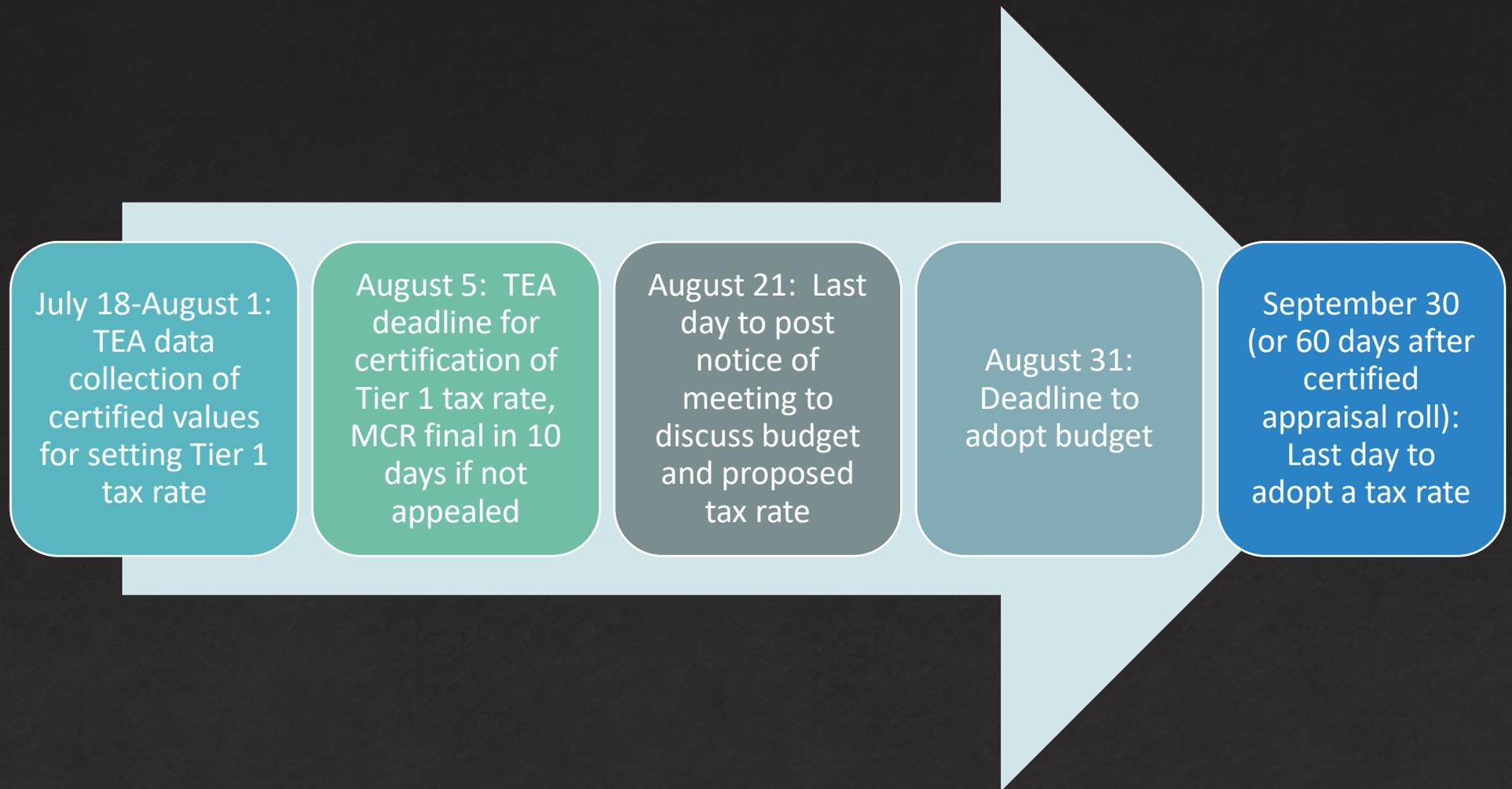
McLennan County Challenge Academy

	2019-2020	2020-2021		2021-2022 Proposed Budget	Change from Prior Year Adopted	
	Audited Actual	Original Budget	Amended Budget			Projected Actual
Revenues:						
Local and Intermediate Source	\$ 743,548	891,497	891,497	677,601	831,620	(59,877)
State Programs	85,239	87,490	87,490	84,346	86,636	(854)
Total Revenues	828,787	978,987	978,987	761,947	918,256	(60,731)
Expenditures:						
Instruction and Instructional Related Services	468,926	597,425	597,425	495,923	558,882	(38,543)
Instructional and School Leadership	203,954	214,610	214,610	191,204	193,046	(21,564)
Student Support Services	67,071	69,152	69,152	69,477	70,275	1,123
Non-Student Based Support Services	4,891	2,860	2,860	5,343	5,877	3,017
Intergovernmental Charges	83,945	94,940	94,940	-	90,176	(4,764)
Total Expenditures	828,787	978,987	978,987	761,947	918,256	(60,731)
Revenues Over/(Under) Expenditures	-	-	-	-	-	-
Other Financing Sources/(Uses)						
Other Sources	-	-	-	-	-	-
Other Uses	-	-	-	-	-	-
Revenues and Other Sources Over/(Under) Expenditures and Other Uses	-	-	-	-	-	-
Beginning Unearned Revenue	281,843	255,118	281,843	72,496	72,496	(182,622)
Ending Unearned Revenue	\$ 281,843	255,118	281,843	72,496	72,496	(182,622)
Ending Unearned Revenue as a Percent of Expenditu	34.0%	26.1%	28.8%	9.5%	7.9%	

Regional Day School for the Deaf

	2019-2020	2020-2021		2021-2022	Change from	
	Audited Actual	Original Budget	Amended Budget			Projected Actual
Revenues:						
Local and Intermediate Source	\$ 705,527	614,000	614,000	580,761	575,560	(38,440)
State Programs	-	46,428	46,428	42,004	52,179	5,751
Total Revenues	705,527	660,428	660,428	622,765	627,739	(32,689)
Expenditures:						
Instruction and Instructional Related Services	1,036,785	1,125,139	1,125,139	843,327	990,248	(134,891)
Instructional and School Leadership	39,177	-	-	-	-	-
Intergovernmental Charges	-	21,289	21,289	15,957	19,397	(1,892)
Total Expenditures	1,075,962	1,146,428	1,146,428	859,284	1,009,645	(136,783)
Revenues Over/(Under) Expenditures	(370,435)	(486,000)	(486,000)	(236,519)	(381,906)	104,094
Other Financing Sources/(Uses)						
Other Sources	370,435	486,000	486,000	236,519	381,906	(104,094)
Other Uses	-	-	-	-	-	-
Revenues and Other Sources Over/(Under) Expenditures and Other Uses	-	-	-	-	-	-
Beginning Unearned Revenue	-	-	-	-	-	-
Ending Unearned Revenue	\$ -	-	-	-	-	-
Ending Unearned Revenue as a Percent of Expenditu	0.0%	0.0%	0.0%	0.0%	0.0%	

2021 Dates for Budget & Tax Rate Adoption



Summary Comparison of the Proposed Budget for the Waco ISD

	2020-2021		2021-2022	
	Enrollment 14,428		Enrollment 14,783	
	Revised Budget*		Proposed Budget	
	Aggregate	Per Pupil	Aggregate	Per Pupil
Instruction				
11 Instruction	\$ 90,447,419	\$ 6,269	\$ 89,278,274	\$ 6,039
12 Instructional Resources, Media Services	\$ 1,220,235	\$ 85	\$ 963,609	\$ 65
13 Curriculum Development & Staff Development	\$ 4,982,598	\$ 345	\$ 4,526,701	\$ 306
93 Arrangements	\$ 378,000	\$ 26	\$ 345,000	\$ 23
95 Payment to Juvenile Justice AEP	\$ 770,000	\$ 53	\$ 700,000	\$ 47
Total Instruction	\$ 97,798,252	\$ 6,778	\$ 95,813,584	\$ 6,481
Instructional Support				
21 Instructional Leadership	\$ 4,353,361	\$ 302	\$ 3,619,018	\$ 245
23 School Leadership	\$ 9,842,192	\$ 682	\$ 10,130,698	\$ 685
Total Instructional Support	\$ 14,195,553	\$ 984	\$ 13,749,716	\$ 930
Student Support				
31 Guidance & Counseling, Evaluation	\$ 5,017,328	\$ 348	\$ 5,451,254	\$ 369
32 Social Work Services	\$ 941,125	\$ 65	\$ 897,678	\$ 61
33 Health Services	\$ 1,725,245	\$ 120	\$ 1,562,518	\$ 106
34 Student Transportation	\$ 4,821,215	\$ 334	\$ 3,789,590	\$ 256
35 Food Services	\$ 9,429,997	\$ 654	\$ 10,968,269	\$ 742
36 Co-curricular/ Extra-curricular Activities	\$ 4,835,290	\$ 335	\$ 5,408,768	\$ 366
Total Student Support	\$ 26,770,200	\$ 1,855	\$ 28,078,077	\$ 1,899
Central Administration				
41 General Administration	\$ 6,201,342	\$ 430	\$ 6,838,759	\$ 463
Total General Administration	\$ 6,201,342	\$ 430	\$ 6,838,759	\$ 463
District Operations				
51 Plant Maintenance & Operations	\$ 22,006,579	\$ 1,525	\$ 17,091,637	\$ 1,156
52 Security and Monitoring	\$ 2,800,447	\$ 194	\$ 2,652,597	\$ 179
53 Data Processing	\$ 2,987,063	\$ 207	\$ 3,876,226	\$ 262
Total District Operations	\$ 27,794,089	\$ 1,926	\$ 23,620,460	\$ 1,598
Ancillary Services				
61 Community Service	\$ 718,682	\$ 50	\$ 528,187	\$ 36
Total Community Services	\$ 718,682	\$ 50	\$ 528,187	\$ 36
Debt Service				
71 Debt Service	\$ 14,702,833	\$ 1,019	\$ 16,206,517	\$ 1,096
Total Debt Services	\$ 14,702,833	\$ 1,019	\$ 16,206,517	\$ 1,096
Capital Outlay				
81 Facilities Acquisition & Construction	\$ 13,136,290	\$ 910	\$ 40,183	\$ 3
Total Capital Outlay	\$ 13,136,290	\$ 910	\$ 40,183	\$ 3
Other				
97 Payments to Tax Increment Funds	\$ 10,278,119	\$ 712	\$ 7,604,228	\$ 514
99 Inter-governmental Charges Not Defined in Other Codes	\$ 834,400	\$ 58	\$ 820,288	\$ 55
Total Other	\$ 11,112,519	\$ 770	\$ 8,424,516	\$ 570
Total	\$ 212,429,760	\$ 14,723	\$ 193,299,999	\$ 13,076
Object Code 6491-Statutorily Required Public Notice	\$ 9,050	\$ 1	\$ 11,500	\$ 1
Object Code 6214-Fees Paid to Organizations or Associations that Advocate on Behalf of the District	\$ 492	\$ -	\$ 2,000	\$ -

*2020-2021 Budget as of August 5, 2021

Waco Independent School District
Board of Trustee Meeting Agenda Item

Date: August 12, 2020

Contact Person: Sheryl Davis

RE: Consider, Discuss and Take Appropriate Action Regarding the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate for the 2021-2022 Fiscal Year, Setting the Proposed Tax Rate and the Date, Time, and Place for the Public Meeting

=====

Background Information:

In accordance with Texas Education Code Section 44.004, NOTICE OF BUDGET AND TAX RATE MEETING; BUDGET ADOPTION, when the budget has been prepared under section 44.002, the president shall call a meeting of the Board of Trustees for the purpose of adopting a budget for the succeeding fiscal year. The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. The president shall provide for the publication of notice of the budget and proposed tax rate meeting in a daily, weekly, or biweekly newspaper published in the district.

Inasmuch as the budget has been prepared as required under Section 44.002, the Board of Trustees should consider the proposed tax rate and set the date, time, and place to invite public discussion on the proposed 2021-2022 budget and the 2021 tax rate to support the proposed budget.

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown on the notice unless the district publishes a revised notice containing the same information and comparisons and holds another public meeting to discuss the revised notice.

A public notice of the date of the meeting will be published in the Waco Tribune between the 30th and 10th day prior to the public meeting. A copy of the notice, to be published, is attached along with the tax rate calculation forms used by the District's designated officer, the Assistant Superintendent of Finance and Operations, to calculate the District's no-new-revenue tax rate and voter-approval tax rate.

Fiscal Implications:

None

Administrative Recommendations:

The administration recommends that the Board of Trustees approve the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate for the 2021-2022 fiscal year, setting the proposed tax rate and the date, time, and place for the public meeting, August 26, 2021 at 6:00 p.m. at the Waco ISD Administration Building.

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The Waco ISD will hold a public meeting at 06:00 PM, August 26, 2021 in Waco ISD Administration Building Conference Center 115 South 5th St Waco, TX 76701. **The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$1.024400/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax	\$0.220240/\$100 (proposed rate to pay bonded indebtedness)
Approved by Local Voters	

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories.

Maintenance and operations	0.02 % increase
Debt Service	14.12 % increase
Total expenditures	1.20 % increase

Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)

	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>
Total appraised value* of all property	\$10,104,770,683	\$10,564,989,345
Total appraised value* of new property**	\$77,058,980	\$93,805,360
Total taxable value*** of all property	\$6,448,220,570	\$6,735,883,560
Total taxable value*** of new property**	\$69,920,419	\$88,810,816

*Appraised value is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

** "New property" is defined by Section 26.012(17), Tax Code.

*** "Taxable value" is defined by Section 1.04(10), Tax Code.

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness* \$133,030,000

*Outstanding principal.

Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance & Operations</u>	<u>Interest & Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
Last Year's Rate	\$1.039800	\$0.224200*	\$1.264000	\$6,186	\$5,684
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$1.031320	\$0.246860*	\$1.278180	\$6,424	\$5,497
Proposed Rate	\$1.024400	\$0.220240*	\$1.244640	\$6,349	\$5,618

*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both.

The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

Comparison of Proposed Levy with Last Year's Levy on Average Residence

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$151,071	\$169,930
Average Taxable Value of Residences	\$117,402	\$130,561
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.264000	\$1.244640
Taxes Due on Average Residence	\$1,483.96	\$1,625.01
Increase (Decrease) in Taxes		\$141.05

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.244640. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$1.244640.

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment.

Maintenance and Operations Fund Balance(s)	\$1,508,198
Interest & Sinking Fund Balance(s)	\$4,700,068

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.

2021 Tax Rate Calculation Worksheet

School Districts without Chapter 313 Agreements

Date: 08/05/2021 11:29 AM

Waco ISD

254-755-9440

School District's Name

Phone (area code and number)

PO Box 27 Waco, TX 76703

<https://www.wacoisd.org>

School District's Address, City, State, ZIP Code

School District's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll or certified estimate of value and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submit the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

This worksheet is for **school districts without Chapter 313 agreements only**. School districts that have a Chapter 313 agreement should use Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School Districts with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form. Use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

All other taxing units should use Comptroller Form 50-856 *Tax Rate Calculation, Taxing Units Other Than School Districts or Water Districts*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The Texas Education Agency (TEA) provides detailed information on and guidance to school districts in calculating their tax rates. Please review and rely on information provided by TEA when completing this worksheet. Additionally, the information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate	
The no-new-revenue (NNR) tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of revenue if applied to the same properties that are taxed in both years (no new taxes). When appraisal values increase, the NNR tax rate should decrease.	
No-New-Revenue Tax Rate Worksheet	Amount/Rate
1. 2020 total taxable value. Enter the amount of 2020 taxable value on the 2020 tax roll today. Include any adjustments since last year's certification; exclude one-fourth and one-third over-appraisal corrections made under Tax Code Section 25.25(d) from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2).	\$6,318,411,817
2. 2020 tax ceilings. Enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled	\$738,940,468
3. Preliminary 2020 adjusted taxable value. Subtract Line 2 from Line 1.	\$5,579,471,349
4. 2020 total adopted tax rate .	\$1.263953/\$100
5. 2020 taxable value lost because court appeals of ARB decisions reduced 2020 appraised value:	
A. Original 2020 ARB Values:	\$192,117,900
B. 2020 values resulting from final court decisions:	\$168,763,918

C. 2020 value loss. Subtract B from A.	\$23,353,982
6. 2020 taxable value subject to an appeal under Chapter 42, as of July 25:	
A. 2020 ARB certified value:	\$845,597,076
B. 2020 disputed value:	\$126,839,561
C. 2020 undisputed value. Subtract B from A.	\$718,757,515
7. 2020 Chapter 42 related adjusted values Add Line 5 and 6.	\$742,111,497
8. 2020 taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$6,321,582,846
9. 2020 taxable value of property in territory the school deannexed after Jan. 1, 2020. Enter the 2020 value of property in deannexed territory.	\$0
10. 2020 taxable value lost because property first qualified for an exemption in 2021. If the school district increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport or goods-in-transit, or temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2021 does not create a new exemption or reduce taxable value.	
A. Absolute exemptions. Use 2020 market value:	\$7,926,810
B. Partial exemptions. 2021 exemption amount or 2021 percentage exemption times 2020 value:	\$12,112,711
C. Value loss. Add A and B.	\$20,039,521
11. 2020 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2021. Use only properties that qualified in 2021 for the first time; do not use properties that qualified in 2020.	
A. 2020 market value:	\$0
B. 2021 productivity or special appraised value:	\$0
C. Value loss. Subtract B from A.	\$0
12. Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$20,039,521
13. Adjusted 2020 taxable value. Subtract Line 12 from Line 8.	\$6,301,543,325
14. Adjusted 2020 total levy. Multiply Line 4 by Line 13 and divide by \$100.	\$79,648,545
15. Taxes refunded for years preceding tax year 2020. Enter the amount of taxes refunded by the district for tax years preceding tax year 2020. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2020. This line applies only to tax years preceding tax year 2020.	\$1,027,418
16. Adjusted 2020 levy with refunds. Add Lines 14 and 15.	\$80,675,963

<p>Note: If the governing body of the school district governs a junior college district in a county with a population of more than two million, subtract the amount of taxes the governing body dedicated to the junior college district in 2020 from the result.</p>	
<p>17. Total 2021 taxable value on the 2021 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 19). These homesteads include homeowners age 65 or older or disabled.</p> <p>A. Certified values only:³</p> <p>B. Pollution control and energy storage exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:</p> <p>C. Total 2021 value. Subtract B from A.</p>	<p>\$7,261,923,785</p> <p>\$-0</p> <p>\$7,261,923,785</p>
<p>18. Total value of properties under protest or not included on certified appraisal roll.</p> <p>A. 2021 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest.</p> <p>B. 2021 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives school districts a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties are also not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value not on the roll.</p> <p>C. Total value under protest or not certified: Add A and B.</p>	<p>\$243,287,047</p> <p>\$0</p> <p>\$243,287,047</p>
<p>19. 2021 tax ceilings Enter 2021 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled.⁴</p>	<p>\$814,313,194</p>
<p>20. 2021 total taxable value. Add Lines 17C and 18C. Subtract Line 19.</p>	<p>\$6,690,897,638</p>
<p>21. Total 2021 taxable value of properties in territory annexed after Jan. 1, 2020. Include both real and personal property. Enter the 2021 value of property in territory annexed by the school district.</p>	<p>\$0</p>
<p>22. Total 2021 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2020. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the school district after Jan. 1, 2020, and be located in a new improvement.</p>	<p>\$88,810,816</p>
<p>23. Total adjustments to the 2021 taxable value. Add Lines 21 and 22.</p>	<p>\$88,810,816</p>

24. Adjusted 2021 taxable value. Subtract Line 23 from Line 20.	\$6,602,086,822
25. 2021 NNR tax rate. Divide Line 16 by Line 24 and multiply by \$100.	\$1.221976/\$100

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(6)

³Tex. Tax Code Section 26.012(6)

⁴Tex. Tax Code Section 26.012(6)(A)(i)

⁵Tex. Tax Code Section 26.012(6)(A)(ii)

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. Most school districts calculate a voter-approval tax rate that is split into three separate rates.

1. **Maximum Compressed Tax Rate (MCR):** A district's maximum compressed tax rate is defined as the tax rate for the current tax year per \$100 of valuation of taxable property at which the district must levy a maintenance and operations tax to receive the full amount of the tier one allotment.
2. **Enrichment Tax Rate (DTR):** A district's enrichment tax rate is defined as any tax effort in excess of the district's MCR and less than \$0.17. The enrichment tax rate is divided into golden pennies and copper pennies. School districts can claim up to 8 golden pennies, not subject to compression, and 9 copper pennies which are subject to compression with any increases in the guaranteed yield.
3. **Debt Rate:** The debt tax rate includes the debt service necessary to pay the school district's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The MCR and DTR added together make up the school district's maintenance and operations (M&O) tax rate. Districts cannot increase the district's M&O tax rate to create a surplus in M&O tax revenue for the purpose of paying the district's debt service.

If a school district adopted a tax rate that exceeded its voter-approval tax rate without holding an election to respond to a disaster in the prior year, as allowed by Tax Code Section 26.042(e), the school district may not consider the amount by which it exceeded its voter-approval tax rate (disaster pennies) in the calculation this year. This adjustment will be made in Section 4 of this worksheet.

A district must complete an efficiency audit before seeking voter approval to adopt a M&O tax rate higher than the calculated M&O tax rate, hold an open meeting to discuss the results of the audit, and post the results of the audit on the district's website 30 days prior to the election. Additionally, a school district located in an area declared a disaster by the governor may adopt a M&O tax rate higher than the calculated M&O tax rate during the two-year period following the date of the *declaration without conducting an efficiency audit*.

Districts should review information from TEA when calculating their voter-approval rate.

Voter-Approval Tax Rate Worksheet	Amount/Rate
26. 2021 maximum compressed tax rate (MCR). TEA will publish compression rates based on district and statewide property value growth. Enter the school districts' maximum compressed rate based on guidance from TEA	\$0.886100/\$100
27. 2021 enrichment tax rate (DTR). Enter the greater of A and B. A. Enter the district's 2020 DTR, minus any required reduction under Education Code Section 48.202(f) B. \$0.05 per \$100 of taxable value.	\$0.138300 \$0.138300
28. 2021 maintenance and operations (M&O) tax rate (TR). Add Lines 26 and 27. Note: M&O tax rate may not exceed the sum of \$0.17 and the product of the state compression percentage multiplied by \$1.00.	\$1.024400/\$100
29. Total 2021 debt to be paid with property tax revenue. Debt means the interest and principal that will be paid on debts that: (1) Are paid by property taxes; (2) Are secured by property taxes; (3) Are scheduled for payment over a period longer than one year; and (4) Are not classified in the school district's budget as M&O expenses. A. Debt includes contractual payments to other school districts that have incurred debt on behalf of this school district, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here:	

Enter debt amount:	\$16,186,517
B. Subtract unencumbered fund amount used to reduce total debt.	\$319,586
C. Subtract state aid received for paying principal and interest on debt for facilities through the existing debt allotment program and/or instructional facilities allotment program.	\$307,292
D. Adjust debt: Subtract B and C from A.	\$15,559,639
30. Certified 2020 excess debt collections. Enter the amount certified by the collector.	\$823,606
31. Adjusted 2021 debt. Subtract line 30 from line 29D.	\$14,736,033
32. 2021 anticipated collection rate. If the anticipated rate in A is lower than actual rates in B, C and D, enter the lowest rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%	100.00%
A. Enter the 2021 anticipated collection rate certified by the collector:	100.00%
B. Enter the 2020 actual collection rate	106.00%
C. Enter the 2019 actual collection rate	96.00%
D. Enter the 2018 actual collection rate	96.00%
33. 2021 debt adjusted for collections. Divide line 31 by line 32. Note: If the governing body of the school district governs a junior college district in a county with a population of more than two million, add the amount of tax the governing body proposes to dedicate to the junior college district in 2021 to the result.	\$14,736,033
34. 2021 total taxable value. Enter amount on line 20 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$6,690,897,638
35. 2021 debt tax rate. Divide line 33 by line 34 and multiply by \$100.	\$0.220240/\$100
36. 2021 voter-approval tax rate. Adds lines 28 and 35. If the school district received distributions from an equalization tax imposed under former Chapter 18, Education Code, add the NNR tax rate as of the date of the county unit system's abolition to the sum of Lines 28 and 35.	\$1.244640/\$100

SECTION 3: Voter-Approval Tax Rate Adjustment for Pollution Control

A school district may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The school district's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The school district must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a school district that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
37. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. The school district shall provide its tax assessor with a copy of the letter. ³⁴	\$0
38. 2021 total taxable value. Enter the amount from line 20 of the No-New-Revenue Tax Rate Worksheet.	\$6,690,897,638
39. Additional rate for pollution control. Divide line 37 by line 38 and multiply by \$100.	\$0/\$100
40. 2021 voter-approval tax rate, adjusted for pollution control. Add line 36 and line 39.	\$1.244640/\$100

SECTION 4: Voter-Approval Tax Rate Adjustment in Year Following Disaster

If a school district adopted a tax rate that exceeded its voter-approval tax rate without holding an election to respond to a disaster in the prior year, as allowed by Tax Code Section 26.042(e), the school district may not consider the amount by which it exceeded its voter-approval tax rate in the calculation this year.³⁵ As such, it must reduce its voter-approval tax rate for the current tax year.

NOTE: This section will not apply to any taxing units in 2021. It is added to implement Senate Bill 1438 (87th Regular Session) and does not apply to a school district that adopted a tax rate without the required election in 2020, as provided for in the recently repealed Tax Code Section 26.08(a-1).

In future tax years, this section will apply to school district in a disaster area that adopts a tax rate greater than its voter-approval tax rate without holding an election in the prior year, as provided for by Tax Code Section 26.042(e).

Prior Year Disaster Adjustment Worksheet	Amount/Rate
41. 2020 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	N/A
42. 2020 voter-approval tax rate. If the school district adopted a tax rate above the 2020 voter-approval tax rate without holding an election due to a disaster, enter the voter-approval tax rate from the prior year's worksheet.	N/A
43. Increase in 2020 tax rate due to disaster (disaster pennies). Subtract Line 42 from Line 41.	N/A
44. 2021 voter-approval tax rate, adjusted for prior year disaster. Subtract Line 43 from one of the following lines (as applicable): Line 36 or Line 40 (school districts with pollution control).	N/A

SECTION 5: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-New-Revenue Tax Rate Enter the 2021 NNR tax rate from Line 25.	\$1.221976
Voter-Approval Tax Rate As applicable, enter the 2021 voter-approval tax rate from Line 36, Line 40 or Line 44. Indicate the line number used: <u>36</u>	\$1.244640

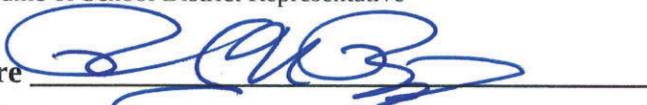
SECTION 6: School District Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the school district. By signing below, you certify that you are the designated officer or employee of the school district and have calculated the tax rates in accordance with requirements in Tax Code and Education Code.³⁵

print here Randy H Riggs

Printed Name of School District Representative

sign here



School District Representative

8.6.21

Date