

# *Grapevine* *Colleyville* *Independent School District*

## **Preliminary Tax Rate Impact Analysis – New Bond Program**

**Tuesday, January 26, 2016**

The Preliminary Tax Rate Impact Analysis is based upon the assumptions summarized herein. To the extent the District's actual results differ from the assumptions herein, the financial impact to the District will correspondingly change.

## □ Scenarios Presented

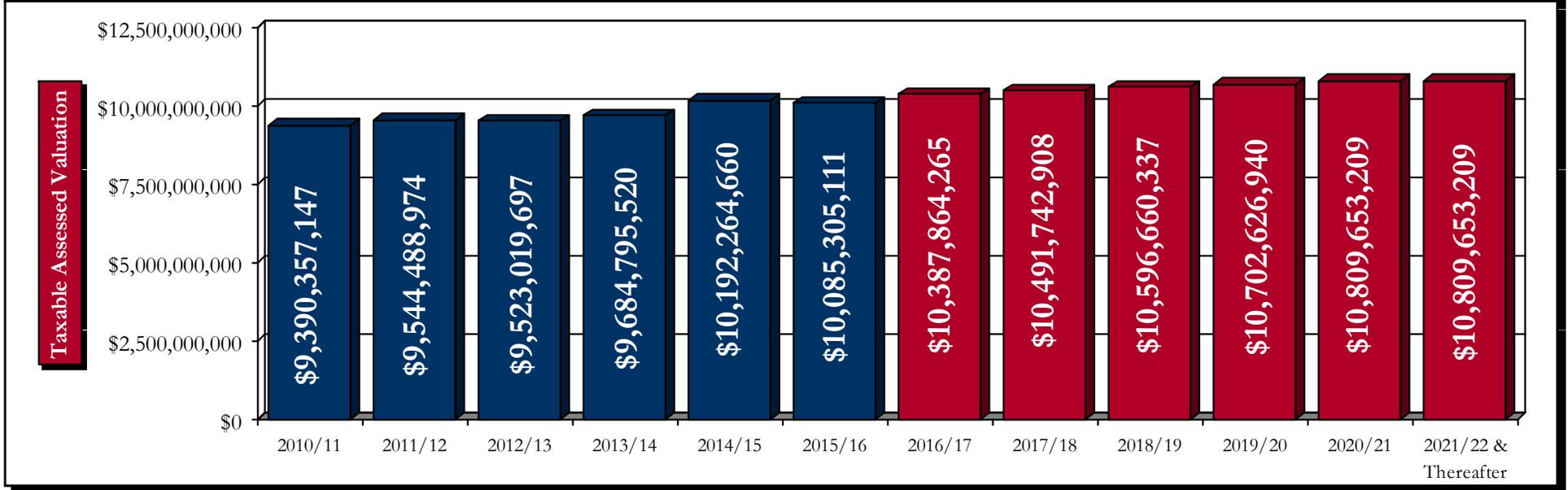
- Scenario 1: \$230.0 Million Bond Program;
- Scenario 2: \$240.0 Million Bond Program; and
- Scenario 3: \$250.0 Million Bond Program.

## □ Assumptions

- The District's I&S tax rate is 28.01 cents in year 2015/16.
- Any I&S tax rate increase associated with the new bond program occurs in year 2016/17.
- The new bond program is sold at an interest rate of 4.50%. Current market rates are approximately 3.75%.
- Bonds are initially structured with periodic principal payments over a 25-year repayment period and are designed to allow the District to prepay the bonds prior to scheduled maturity, as deemed appropriate.
- **Short-Term Projects:** \$15.0 million for technology related projects (computers, infrastructure, etc.) is repaid within 7-years and \$30.0 million for equipment, buses and other short-term assets is repaid within 15-years.
- Tax collection rate of 98.5%.

# Preliminary Tax Rate Impact Analysis (Continued)

## Historical and Assumed Taxable Valuations (Net of Frozen Values and TIRZ Values)

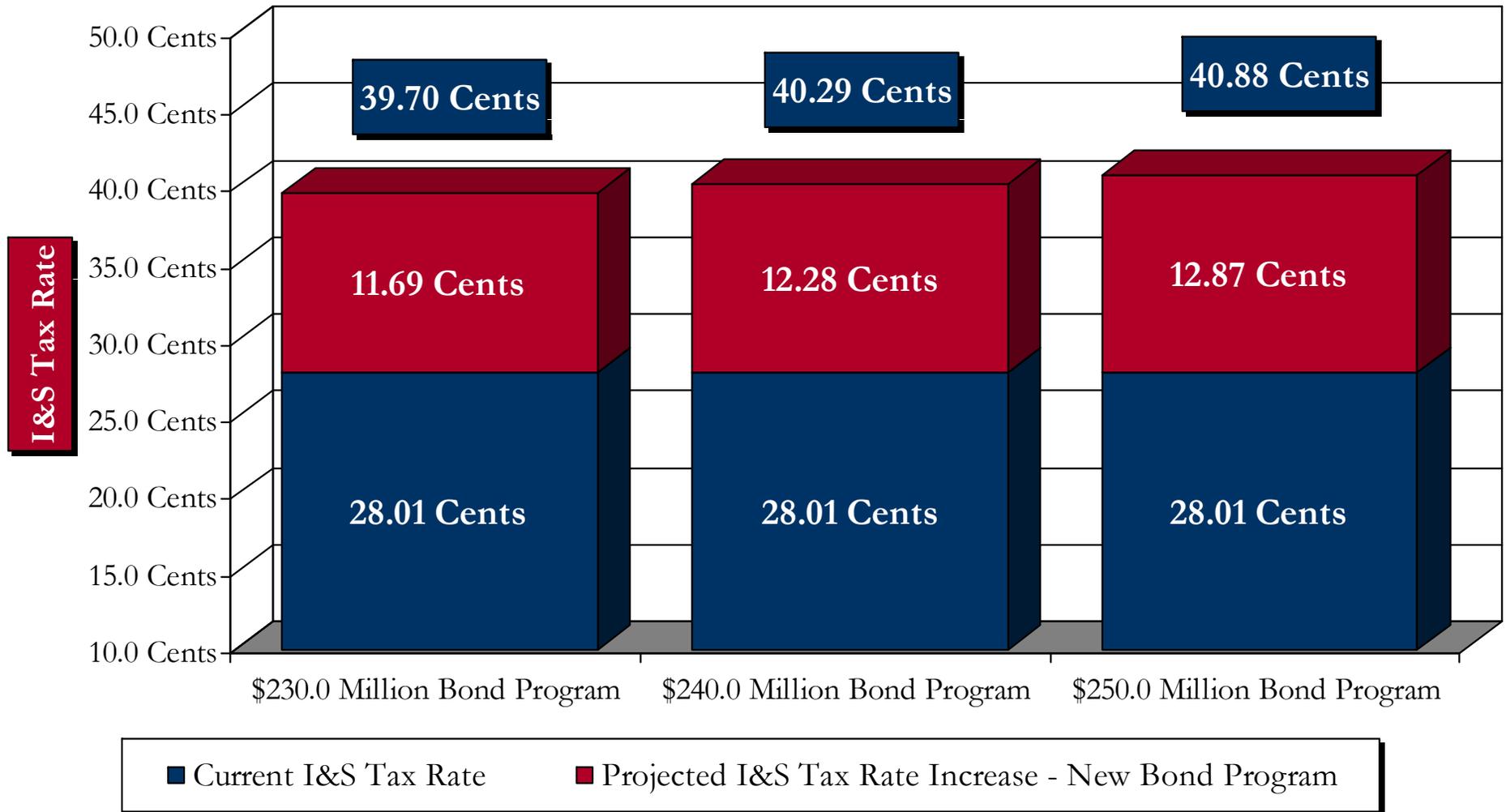


Fiscal Year	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16 <sup>(A)</sup>	Average Annual Increase – Years 2011/12 – 2015/16
Taxable Assessed Valuation	\$9,390,357,147	\$9,544,488,974	\$9,523,019,697	\$9,684,795,520	\$10,192,264,660	\$10,124,143,115	---
Dollar Change	\$ ---	\$154,131,827	(\$21,469,277)	\$161,775,823	\$507,469,140	(\$68,121,545)	\$146,757,194
Percentage Change	---%	1.64%	(0.22%)	1.70%	5.24%	(0.67%)	1.52%

Fiscal Year	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 & Thereafter	Average Annual Increase – Years 2016/17 – 2020/21
Taxable Assessed Valuation	\$10,427,867,408	\$10,532,146,082	\$10,637,467,543	\$10,743,842,218	\$10,851,280,640	\$10,851,280,640	---
Dollar Change	\$303,724,293	\$104,278,674	\$105,321,461	\$106,374,675	\$107,438,422	\$---	\$145,427,505
Percentage Change	3.00%	1.00%	1.00%	1.00%	1.00%	---	1.40%

<sup>(A)</sup> Net of \$167,123,910 increase in the District's State mandated Residential Homestead Exemption as a result of Senate Bill 1.

## Maximum Projected I&S Tax Rate – With New Bond Program



# Preliminary Tax Rate Impact Analysis (Continued)

## Bond Program Alternatives – Projected I&S Tax Increase For Various Taxable Home Values

Taxable Home Value	\$230.0 Million Bond Program		\$240.0 Million Bond Program		\$250.0 Million Bond Program	
	Annual	Monthly	Annual	Monthly	Annual	Monthly
\$200,000	\$233.76	\$19.48	\$245.64	\$20.47	\$257.40	\$21.45
225,000	263.04	21.92	276.36	23.03	289.56	24.13
250,000	292.20	24.35	306.96	25.58	321.72	26.81
275,739	322.32	26.86	338.64	28.22	354.84	29.57
300,000	350.76	29.23	368.40	30.70	386.16	32.18
325,000	379.92	31.66	399.12	33.26	418.32	34.86
350,000	409.20	34.10	429.84	35.82	450.48	37.54
375,000	438.36	36.53	460.56	38.38	482.64	40.22
400,000	467.64	38.97	491.16	40.93	514.80	42.90
425,000	496.80	41.40	521.88	43.49	546.96	45.58
450,000	526.08	43.84	552.60	46.05	579.12	48.26
475,000	555.24	46.27	583.32	48.61	611.28	50.94
500,000	584.52	48.71	614.04	51.17	643.56	53.63

Note: The State Property Tax Code allows for school property taxes on an individual homestead to be “frozen” at the age of 65. If you are 65 years of age or older and you have filed for the “Over 65 Homestead Exemption”, there is a ceiling on the amount of school taxes to be paid – The only exception is if improvements are made to a home. As such, a tax increase from a new bond program cannot increase the applicable tax ceiling of a taxpayer that has qualified for the “Over 65 Homestead Exemption.”

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