

SURVIVING

& Thriving

IN A

Fast-Growth School District

Today's Presenters

Dr. Randy Reid
Keller ISD Superintendent
Chair of the Fast Growth School Coalition

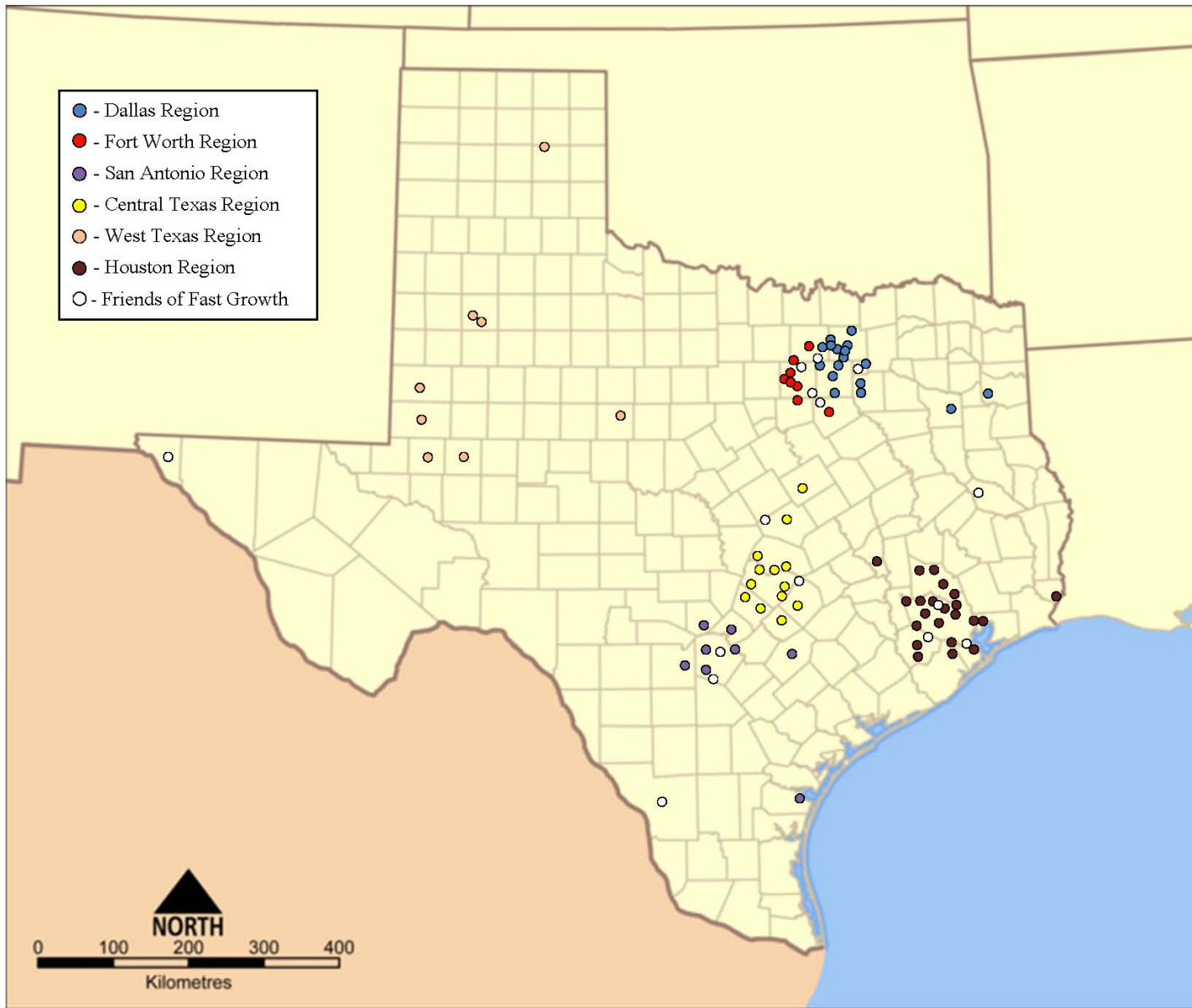
Mr. Tom Jackson, CPA
Cypress Fairbanks ISD Board Trustee

Mr. Johnny W. Hill, CPA
Lake Travis ISD Assistant Superintendent of Finance

For documents, go to www.FastGrowthTexas.org
Advocacy >>> Interest Areas

About Fast Growth School Districts

- 76 districts are currently considered fast growth
 - Enrollment of at least 2,500 students in the previous year; and
 - Enrollment growth over the previous five years of at least 10%; or
 - A net increase of 3,500 or more students over the previous five years
- Over 70% of student enrollment growth is in fast growth districts
- 25% of all EDA funds and 10% of all IFA funds are distributed to FG districts
- Average I&S rate for FG districts is \$0.31 (\$0.24 for non-FG)
- 42.5% of all debt is in FG districts

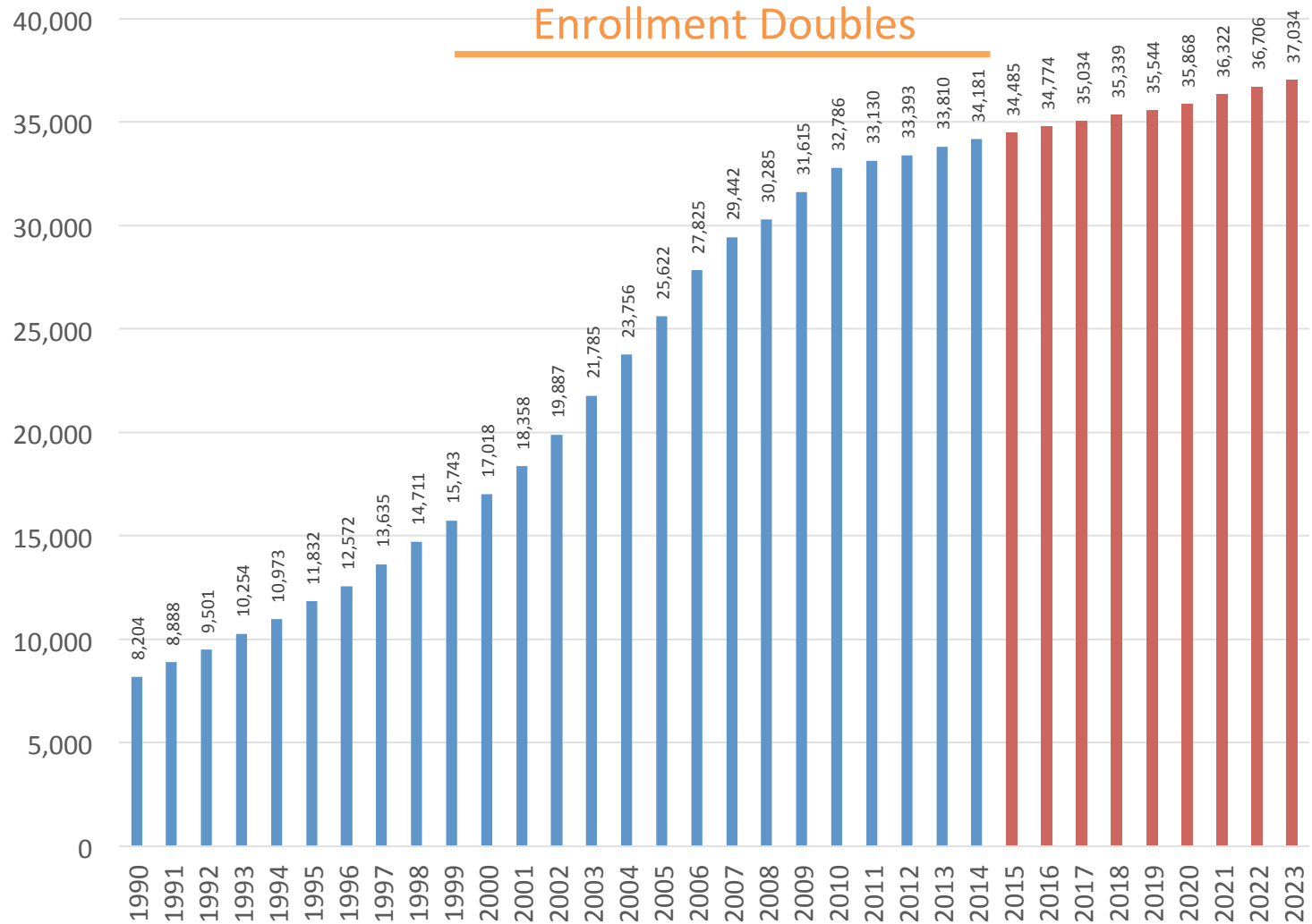


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FGSC Legislative Issues in 2015

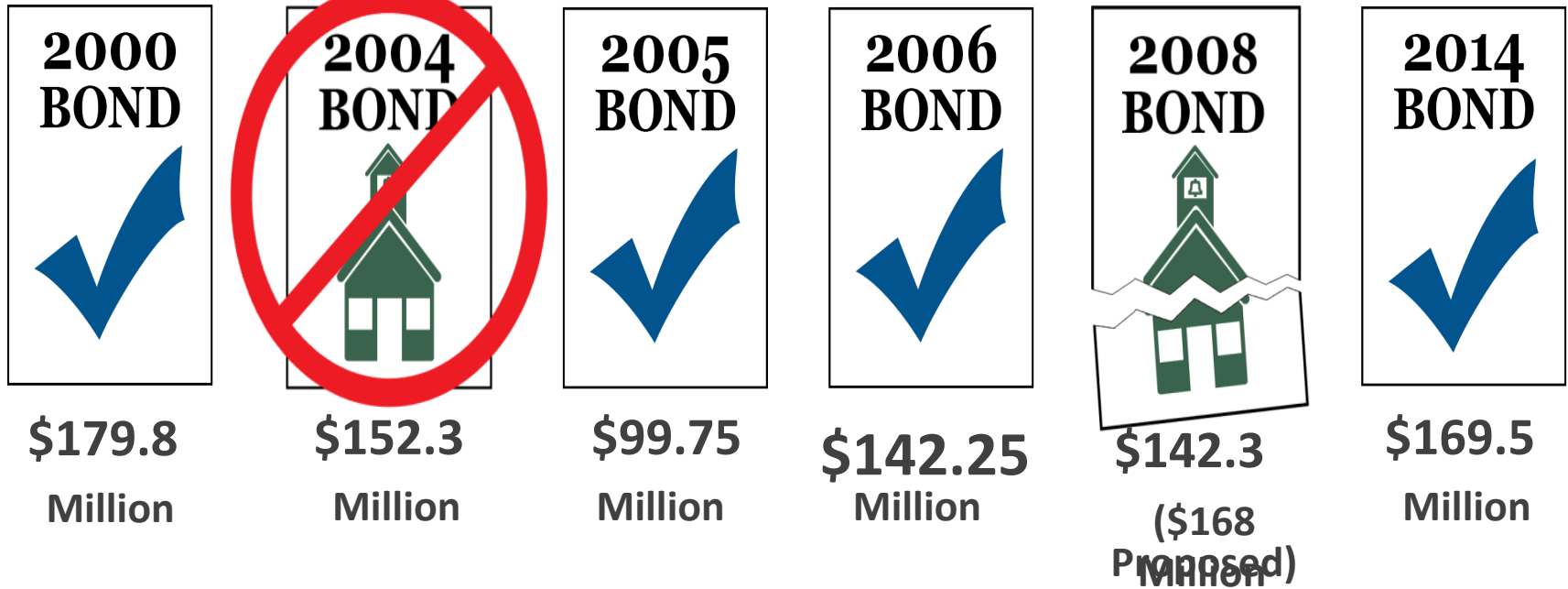
- Restoration of the New Instructional Facilities Allotment (NIFA)
- Modify or eliminate the 50-cent debt test
- Increase Existing Debt Allotment and Instructional Facilities Allotment for rapidly growing schools
- Work with legislators to craft reasonable Capital Appreciation Bond (CAB) legislation
- Monitor legislation regarding increased transparency
- Monitor legislation regarding increased ballot language

Keller ISD: A Growing District



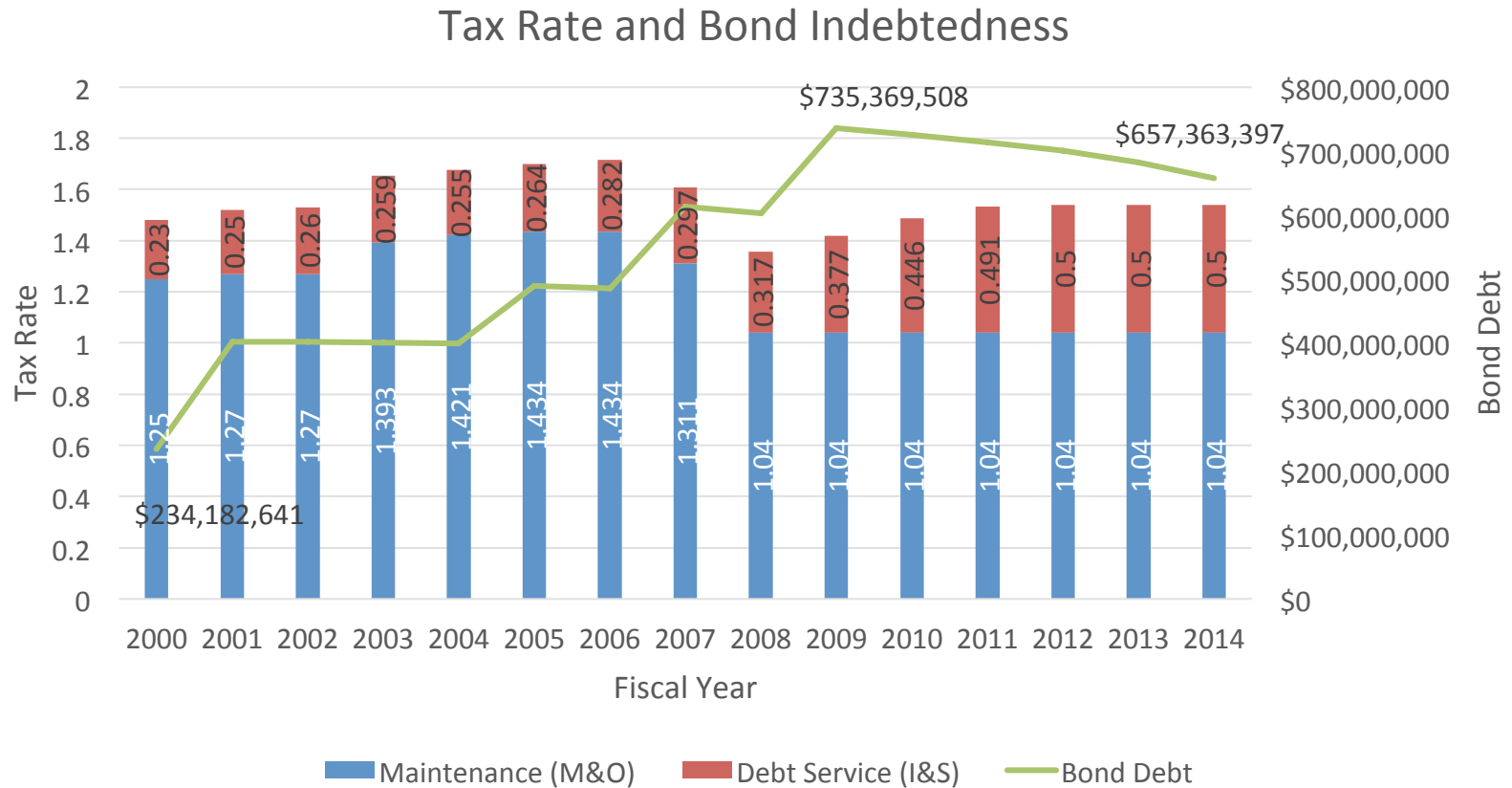
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Keller ISD: Bond History

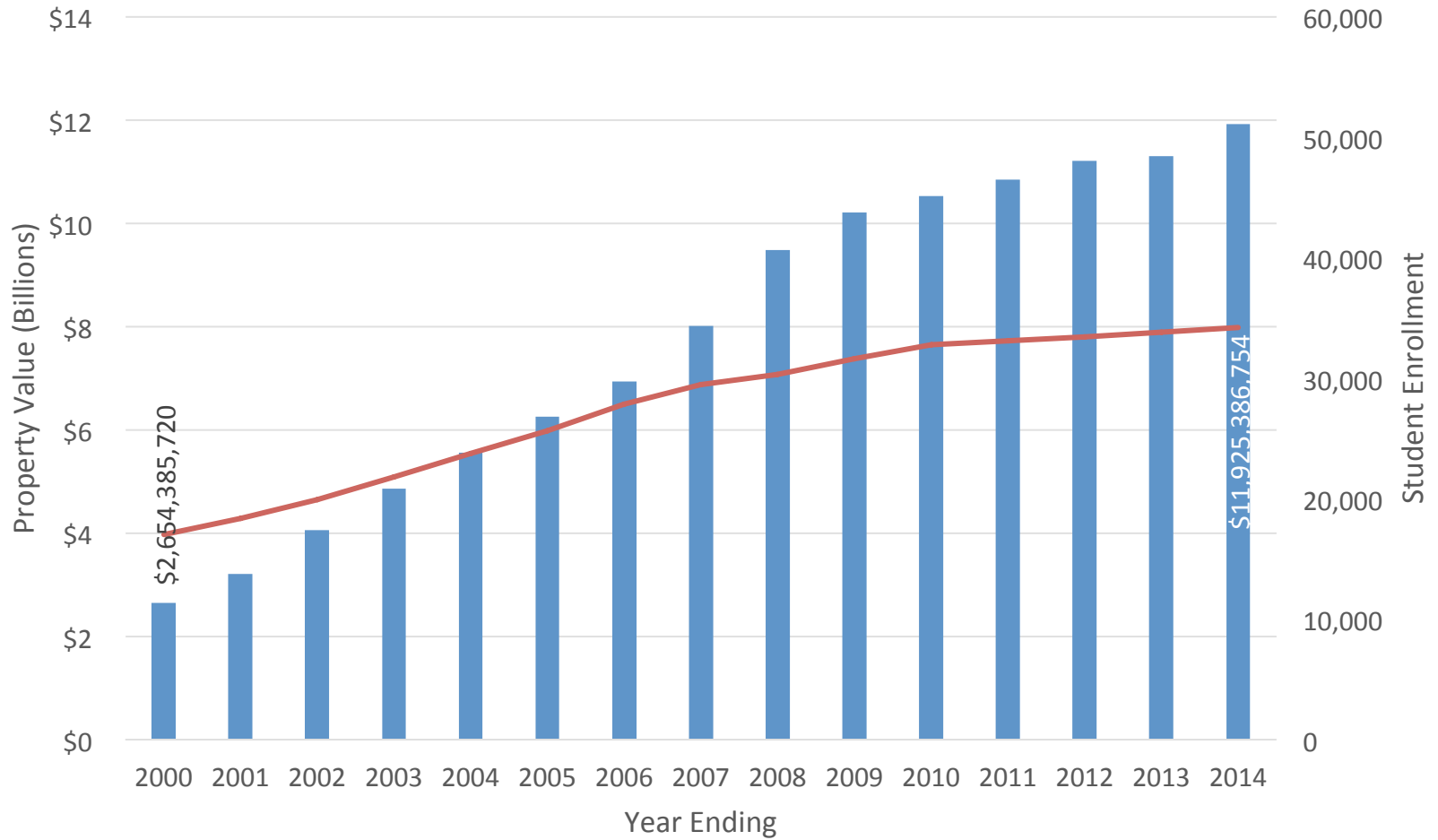


- ▶ 25 New Campuses Added
- ▶ Tax Ratification Election to raise Operating Rate \$.13 Failed in 2011

Finances: Doing More with Less



Property Valuation



■ Taxable Assessed Property Value — Student Enrollment

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Continuing Challenges

- Low Funding
- Competition
- Aging Facilities



Know Your Numbers

Comparison of Debt per Enrollment For the Fiscal Year Ended 2014

District	Principal Debt	Enrollment	10-Year Enrollment Growth			Debt per Enrollment
			Number	Rank (1)	%	
1 Tomball	366,490,000	12,444	4,059	48	32.62%	29,451
2 LaPorte	192,380,000	7,605	(86)	166	(-1.13%)	25,297
3 Crosby	123,239,263	5,199	940	116	18.08%	23,704
4 Clear Creek	857,880,000	39,808	7,102	30	17.84%	21,550
5 Lewisville	1,128,501,010	52,698	8,883	22	16.86%	21,414
6 Spring Branch	753,785,000	35,218	2,298	79	6.53%	21,403
7 North East	1,448,848,775	67,986	11,978	10	17.62%	21,311
8 Sheldon	161,765,240	7,745	3,222	63	41.60%	20,886
9 Goose Creek	445,048,683	22,228	3,096	67	13.93%	20,022
10 Deer Park	257,065,000	12,968	1,221	109	9.42%	19,823
11 Northside	1,982,870,000	101,549	30,242	3	29.78%	19,526
12 Conroe	978,090,000	54,808	15,765	6	28.76%	17,846
13 Katy	1,194,692,484	67,015	25,325	4	37.79%	17,827
14 Plano	922,505,466	54,551	2,978	69	5.46%	16,911
15 Cy-Fair	1,853,343,390	111,173	36,443	1	32.78%	16,671
24 Houston	2,408,692,795	210,716	(441)	172	(-0.21%)	11,431

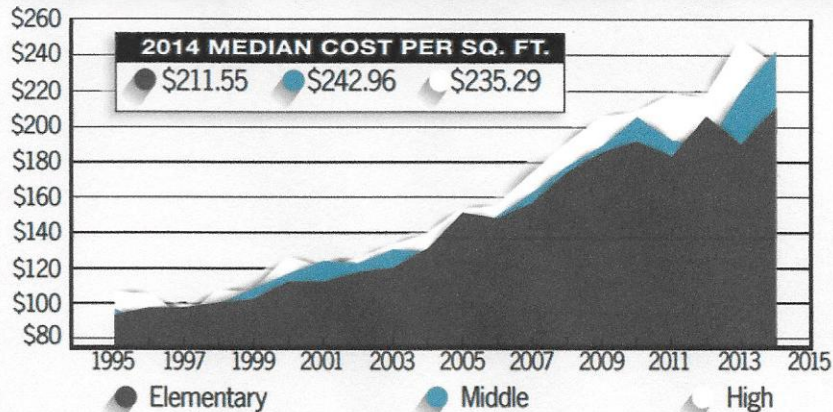
What is the hidden cost to
Fast Growth Districts?

The Ravages of Inflation
Per Sq. Foot &
Per Student

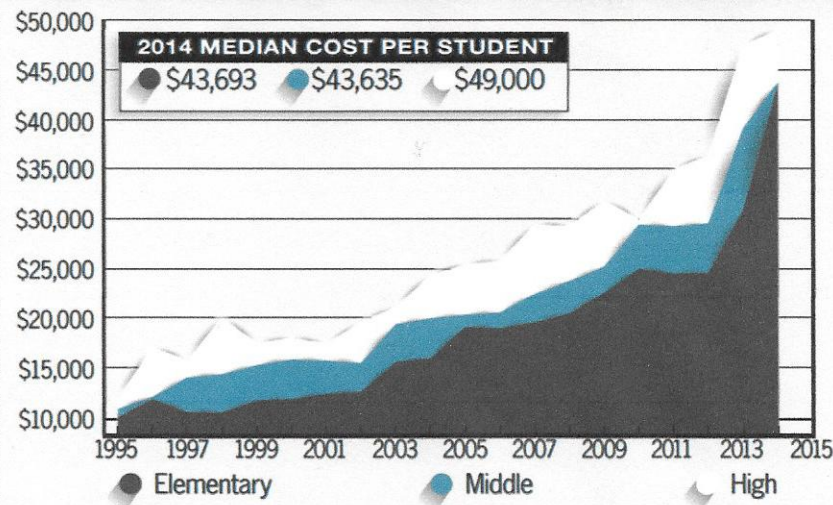
Over
20 Years
240% & 400%

Over
10 Years
170% & 180%

GRAPH A: MEDIAN COST PER SQ. FT., 1995-2014



GRAPH B: MEDIAN COST PER STUDENT, 1995-2014



Source: Annual School Construction 2015

Caution: Averages & Approximations!

Know your Alphabet

- Internal Financial Answer
 - Hard Cap of \$0.50 for I & S
 - CABs or Capital Appreciation Bonds
- External Financial Answer
 - NIFA/IFA
 - IFA priority on property poor districts
 - EDA
 - Tax rate equalization, \$35/penny

Storm Clouds Gathering

Population Growth Rank For Texas

Percentage Population Change

Fourth

% & Absolute Population
Increase Under the Age of 18

Fourth & First

Net Domestic Migration to States

First


Birth Rates

Fourth

Source: Texas Comptroller
Fiscal Notes

2015 Construction Inflation Houston Area

- Masonry: **Up 35%**
- Concrete Costs: **Up 18%**
- Overall construction:
Up 18%
- Masonry Construction:
Up 35%
- \$14 Billion Projects

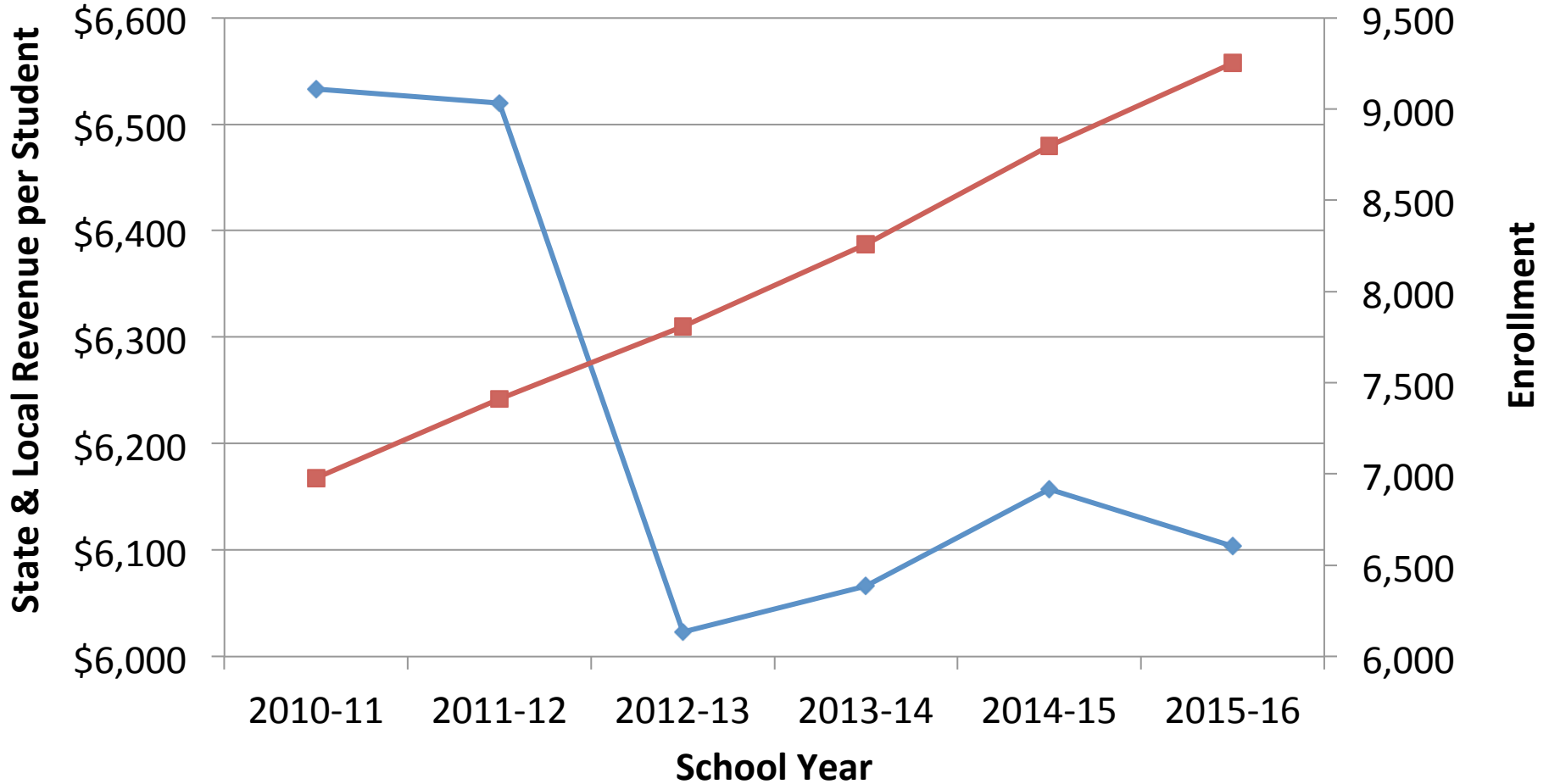


**Franchise Taxes
being reduced
Property Taxes
Being
curbed**

Source: PBK Architects
Survey

Lake Travis ISD

Revenue vs. Enrollment



◆ Revenue ■ Enrollment

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How the Legislature Works

- The Texas Legislature is a bicameral legislature that meets regularly in each odd-numbered year.
- There are 150 members of the Texas House of Representatives and 31 members of the Texas Senate.
- The Legislature works through a committee process to pass legislation.
- Committee members are selected by the presiding officer of each chamber-the Speaker of the House and the Lieutenant Governor, who oversees the Senate.

How the Bill Process Works

- Once a legislator files a bill, it is sent to the appropriate committee for a hearing.
- The committee assignment is determined by the subject matter of the bill.
- Each committee holds hearings on its assigned bills.
- In most cases, school board members will testify during the public testimony portion of these hearings.

What Happens During a Committee Hearing (aka: the long wait)

- Once you arrive at a committee hearing to testify, you will be required to sign a witness affirmation form stating:
 - your name;
 - your school district and/or your organization
 - your contact information
 - the bill or issue on which you are testifying; and,
 - whether you support, oppose or wish to remain neutral
- When the hearing begins, the committee chair will announce the bill number being considered and will begin calling witnesses who have signed up to testify on the bill.

Tips for Preparing Testimony

- Begin your comments by thanking the committee.
- Limit your comments to between three to five minutes, or the time limit imposed by the chair.
- Develop a concise message.
- Do not read straight from your notes.
- Get the facts straight.
- Avoid repetition.
- Make eye contact.
- Be honest and helpful.
- Avoid confrontation but offer clarification as needed.
- Dress conservatively.

Now is the time to engage your community and legislators!

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