

Denison ISD Long Range Planning Committee Meeting #9



MEETING #9 November 8, 2022

Denison ISD Mission Statement



To ensure quality learning for all students... So that upon graduation, they will be prepared to assume the roles and responsibilities of productive adult citizens in our society.

We believe our students are unique and valuable individuals capable of higher levels of learning.

We believe every employee of the district has the responsibility to provide and support quality learning experiences for student success.

We believe public education provides the opportunities and experiences that enrich lives and are essential to the success of our community and country.

Welcome - Questions and Recap

Ms. Kelly Spiegel
Scott Middle School

Mr. George Hatfield
*Previous DISD Assistant
Superintendent of Schools*



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

Approved Master Plan Principles – Page 1



- City / development - Keep the historic and distinctive nature of Denison in the forefront of all decision making and planning processes while developing a proactive strategy and plan to stay ahead of growth and developments as they progress
- Growth- Planning for growth in Denison ISD is always cognizant of the city and school district history and culture ensuring our plans engage our history
- Framework - Denison ISD will develop stand-alone Pre-K centers to address the specific and special educational needs of these young students and will utilize Houston campus as the first district Pre-K center
- Framework - Denison ISD will develop separate centers for the DAEP and Choice programs

Approved Master Plan Principles – Page 2



- Framework - Denison ISD will continue to utilize the 5/6th and 7/8th grade campus model with all current and future schools in this model having 1,200 student functional capacity
- Framework – Denison ISD will develop equity in offerings and opportunities across all DISD campuses thru the equitable framework for district growth
- Framework – Denison ISD will develop all future elementary schools to have a capacity of 600 students

Previous Decisions Recap



- Expand Terrell ES to have 600 students
- Expand Lamar ES to have 600 students
- Convert Houston to Pre-K – Still to be determined - Scope of project
- Build New 5/6 grade center on site to be determined
- Convert existing B McDaniel to Administration / Multi-purpose facility
- DAEP to move to location in new B McDaniel Administration / Multi-purpose facility
- Choice program to move to Peabody school (Current Administration)
- Vacate / Sell Pathways building
- Minimal scope renovations at Scott for "back classrooms" and shop building
- High School – TBD
- Stadium – TBD
- Service Center – TBD

Denison ISD Financial Presentation



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

Denison Independent School District

Preliminary Bond Election
Analysis | May 2023 Election

Long Range Planning Committee Meeting
November 8, 2022



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Markets

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Overview of Outstanding Debt

Section 1



Capital
Markets



Overview of Outstanding Debt

Denison ISD Bond Election History and Refundings

Recent Bond Election History

Election Date	For / Against	Passed	Authorization Amount	Projected Tax Rate	Proj Tax Rate Inc.	Bond Series	Issue Amount	Delivery Date	Actual Max Tax Rate
11/05/2019	For 1,658 (54.6%) Against 1,380 (45.4%)	YES	\$20,850,000	\$0.3480	\$0.0190	UTSB, Ser 2020	\$20,850,000	02/27/2020	\$0.3292
05/14/2011	For 2,175 (52.2%) Against 1,988 (47.8%)	YES	\$79,750,000	\$0.2960	\$0.1960	UTSB, Ser 2013 UTSB, Ser 2011	\$9,500,000 \$70,250,000	09/17/2013 09/15/2011	\$0.3112 \$0.2982

Recent Refunding Transactions/Cash Redemptions

Bond Series/Cash Redemption	Delivery Date	Par Amount	Gross Savings	NPV Savings	NPV Savings %
Cash Redemption Series 2013	08/15/2023	\$ 1,590,000	\$ 2,272,669	\$ 682,669	42.935%
UL Tax Ref Bds Taxable Ser 2020	02/27/2020	58,645,000	15,720,461	12,038,408	19.246%
UL Tax Ref Bds Ser 2017	07/11/2017	8,630,000	1,178,547	1,095,830	12.647%



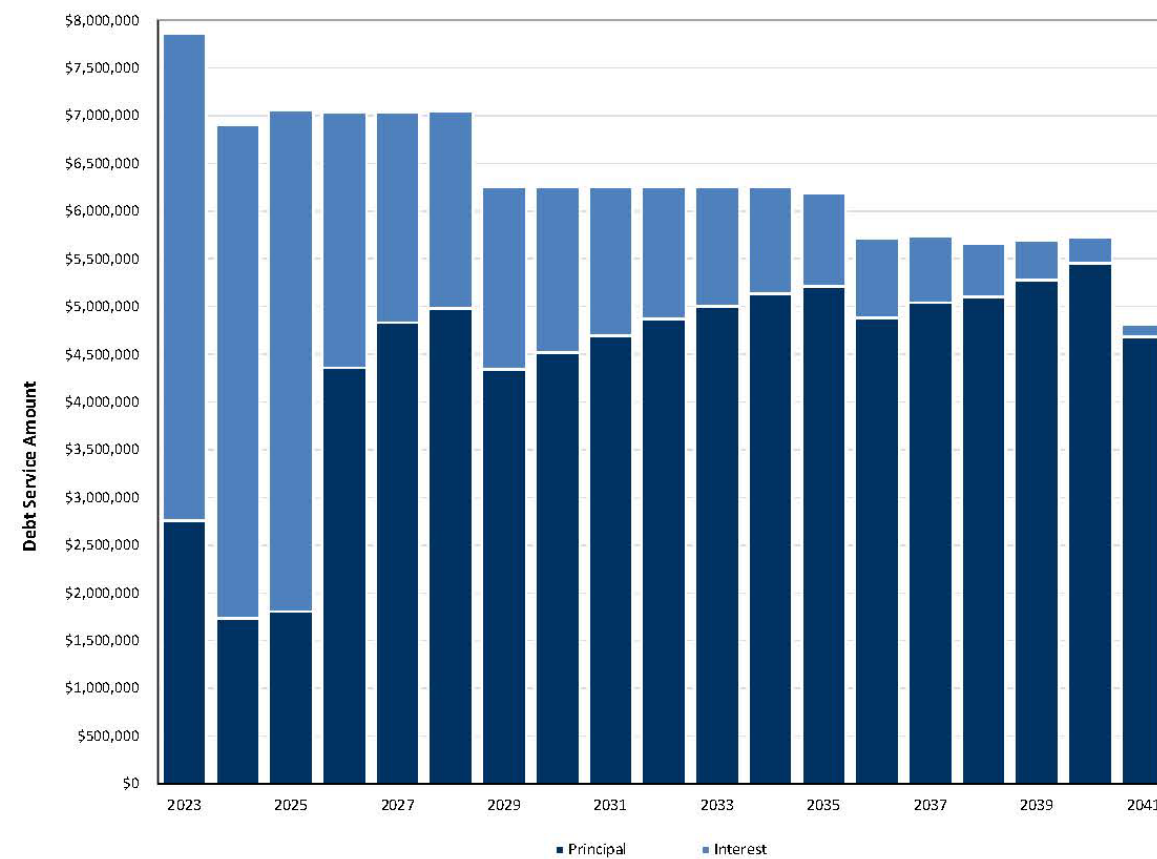
Overview of Outstanding Debt

Outstanding Debt Profile

Outstanding Debt Profile

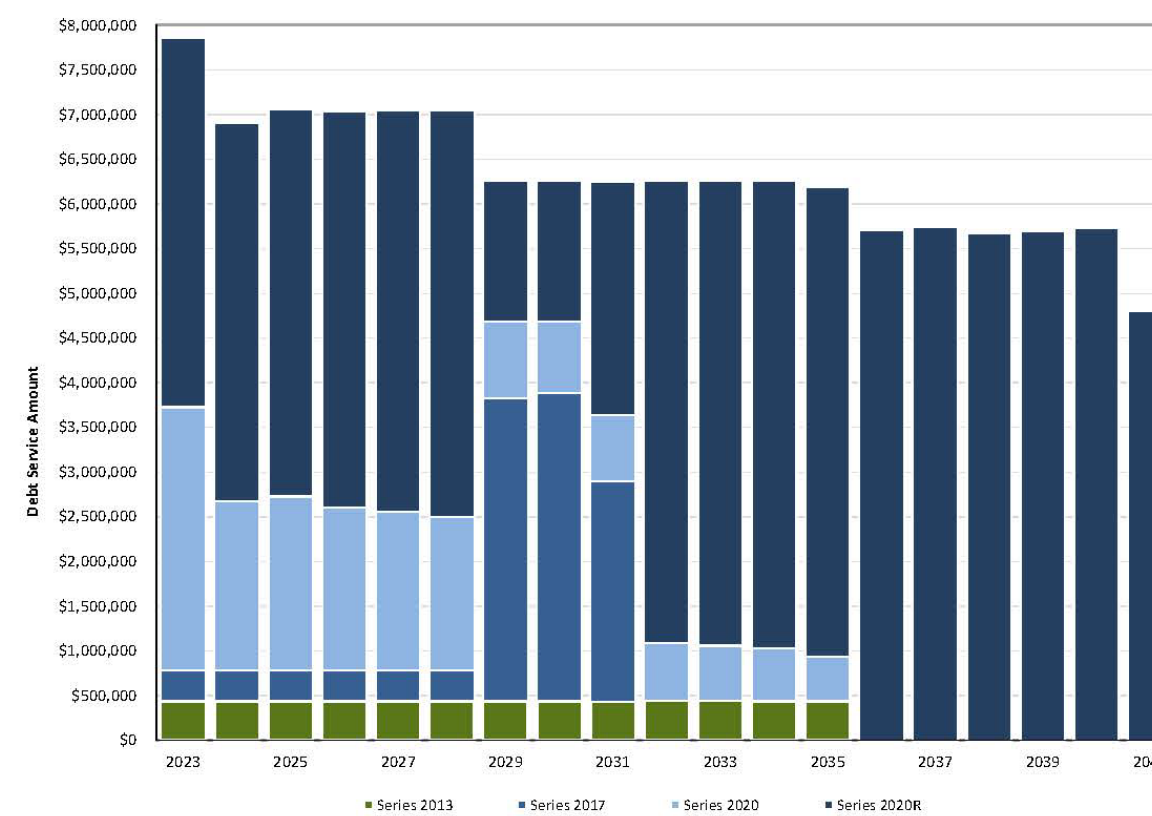
Issue	Issued Par Amount	Outstanding Par Amount	Coupon Range Callable Bonds	First Call Date	Final Maturity	Structure	Use of Proceeds
U/L Tax Sch Bldg Bds Ser 2013	\$9,410,000	\$4,360,000	3.500% - 4.500%	08/01/2023	08/01/2035	Fixed Rate	School Building
U/L Tax Ref Bds Ser 2017	8,630,000	8,630,000	4.000%	08/01/2027	08/01/2031	Fixed Rate	Refunding
U/L Tax Sch Bldg Bds Ser 2020	17,655,000	13,550,000	3.500% - 4.500%	08/01/2030	08/01/2035	Fixed Rate	School Building
U/L Tax Ref Bds Txbl Ser 2020	58,645,000	58,120,000	4.000%	08/01/2030	08/01/2041	Fixed Rate	Refunding
Total	\$94,340,000	\$84,660,000					

Debt Service by Principal and Interest



Note: Debt service payments reflect payments from September 1 through August 31.

Debt Service by Series



Note: Debt service payments reflect payments from September 1 through August 31.



Overview of Outstanding Debt

Credit Ratings | Moody's and S&P

- Denison ISD has carried ratings from both Moody's Investors Service ("Moody's") and S&P Global Ratings ("S&P") on various historical bond issuances.
- Currently, the outstanding bonds of the District only carry ratings from S&P and all series carry both underlying ratings as well as Texas Permanent School Fund Guarantee ("PSF") enhanced ratings.
- In 2021, Moody's upgraded the District's underlying rating, largely based on the taxable assessed valuation of the District.
- The District's "Aa2" / "A+" ratings are considered strong underlying ratings.

	Moody's	S&P	Fitch	
Highest Quality (Lowest default risk)	Aaa	AAA	AAA	← PSF
High Grade / High Quality	Aa1	AA+	AA+	
	Aa2	AA	AA	←
	Aa3	AA-	AA-	
Upper Medium Grade	A1	A+	A+	←
	A2	A	A	
	A3	A-	A-	
Minimum Investment Grade	Baa1	BBB+	BBB+	
	Baa2	BBB	BBB	
	Baa3	BBB-	BBB-	
Speculative Grade	Ba (1,2,3)	BB (+,-)	BB (+,-)	
	B (1, 2, 3)	B (+,-)	B (+,-)	
Highly Speculative Grade	Caa1	CCC (+/-)	CCC (+/-)	
	Caa2	CC	CC	
	Caa3	C	C	
Imminent default or in default	Ca or C	Ca or C	SD or D	



Overview of Outstanding Debt

Credit Ratings | Moody's and S&P

Moody's – Summary Rating Rationale

- On April 8, 2021, Moody's Investors Service has assigned as "Aa2" issuer rating to Denison Independent School District, Texas. The issuer rating reflects the district's ability to repay debt and debt-like obligations without consideration of any pledge, security, or structural features. Concurrently, Moody's has upgraded the underlying rating on the district's general obligation unlimited tax (GOULT) debt to Aa2 from A1, affecting \$4.8 million in Moody's rated GOULT debt.
- The Aa2 issuer rating reflects the district's strong operating liquidity and reserves coupled with manageable long-term liabilities and fixed costs, which benefit from strong state support of pension liabilities. The rating also incorporates the district's weak economic profile consisting of well below average resident income and full value per capita which somewhat tempers the positive enrollment trend.
- The district's general obligation unlimited tax bonds were upgraded two notches to Aa2, at the same level as the issuer rating, based on the district's unlimited property tax dedicated to debt service.
- Credit strengths: (1) healthy operating liquidity and reserves as a percentage of operating revenue; (2) manageable long-term liabilities ratio and fixed costs; and (3) positive enrollment trend
- Credit challenges: (1) well below average resident income and full value per capita; and (2) local economy primarily supported by agribusiness and tourism.
- Factors that could lead to an upgrade: (1) material strengthening of economic measures; and (2) acceleration of enrollment growth while maintaining current leverage and fixed costs.
- Factors that could lead to a downgrade: (1) erosion of reserves; (2) trend of enrollment loss; and (3) increase in long-term liabilities or fixed costs.

S&P – Summary Rating Rationale

- On January 27, 2020, S&P Global Ratings assigned its 'AAA' long-term rating and 'A+' underlying rating to Denison Independent School District (ISD), Texas' Series 2020 Unlimited Tax School Building Bonds, and Series 2020 Unlimited Tax School Refunding Bonds. At the same time, S&P Global Ratings affirmed its 'A+' rating on the district's general obligation (GO) debt outstanding. The outlook is stable.
- The 'AAA' long-term rating reflects our view of the district's eligibility for the Texas Permanent School Fund (PSF) bond guarantee program, which provides the security of a permanent fund of assets that the district can use to meet debt service on bonds guaranteed by the program.
- The District has continued to bolster its very strong available fund balance, with operating surpluses in each of the past four audited fiscal years, driven by increasing state aid and enrollment, as well as robust tax base growth. Apart from an anticipated \$2.5 million-\$3 million drawdown of reserves in fiscal 2020 for capital expenditures, we expect the District will continue to maintain a very strong available fund balance over the next two-to-three years. District officials expect the tax base to continue to grow at a robust rate over the next two years, having increased on average by 10.4% over the past four years, driven by residential growth, which in turn is spurring retail and food-service growth. While continued tax base growth may help to reduce the District's debt burden, we expect that its debt burden will remain moderate-to-moderately high over the two-year outlook period due to the slower-than-average amortization rate.
- The 'A+' underlying rating reflects our view of the District's:
 - Growing tax base, with strong market value per capita;
 - Adequate income indicators; and
 - Very strong available fund balance.
- Offsetting these credit strengths are the District's moderately high-to-high overall net debt burden and slow amortization rate.

Current Market Review

Section 2



Capital
Markets



Current Market Review

Economic Update

U.S. Economic Overview (as of 10/31/2022)

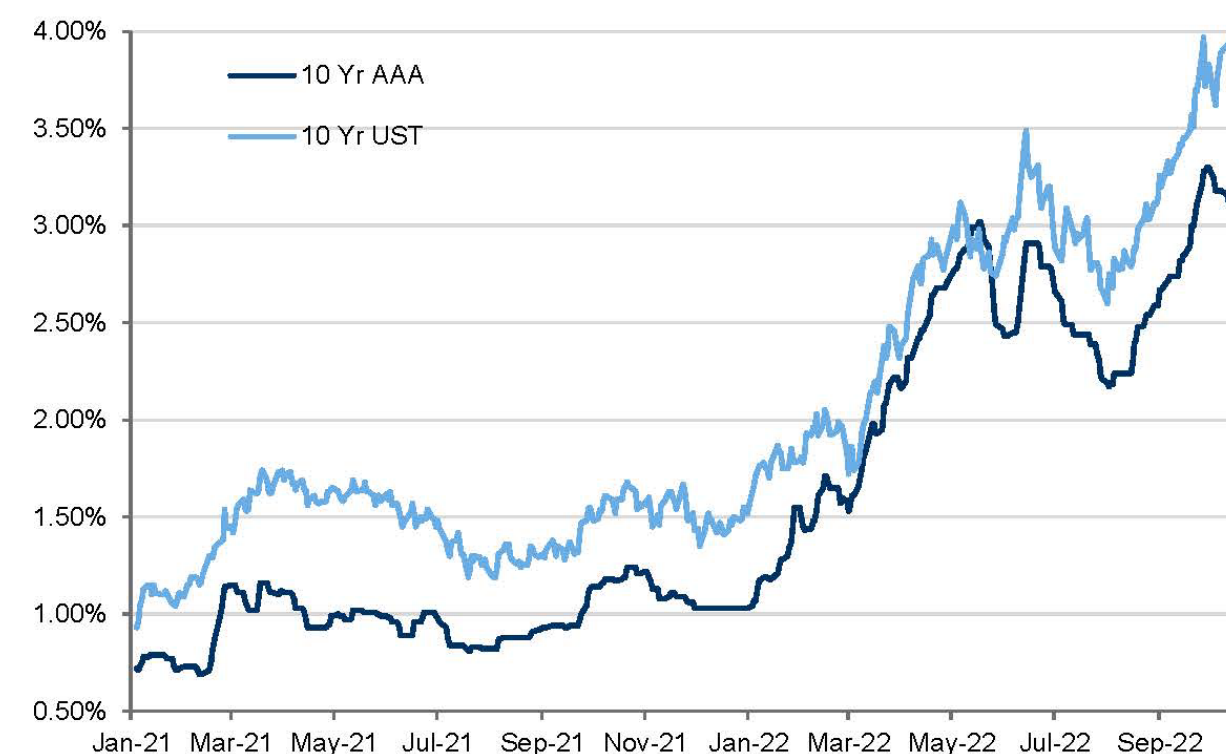
- US equities posted a mixed performance last week, with the DJIA climbing 1.2% as the S&P and Nasdaq tumbled 1.6% and 3.1%, respectively
- Inflationary pressures mounted in September, with CPI and PPI rising at a faster pace than expected.
- Persistently-high inflation and a strong labor market are driving expectations that the Fed will continue aggressive rate hikes.
- Fed funds futures are fully pricing in a 75bp hike in November, followed by even odds of a 50 or 75bp hike in December.
- The MMD index ended the week modestly tighter through the serial range and unchanged on the long end, out-performing Treasuries.
- Municipal outflows totaled \$2.26bn last week, marking the tenth consecutive week of negative flows; YTD outflows stand at \$64.3bn.

RBC Economic Outlook and Interest Rate Forecasts⁽¹⁾

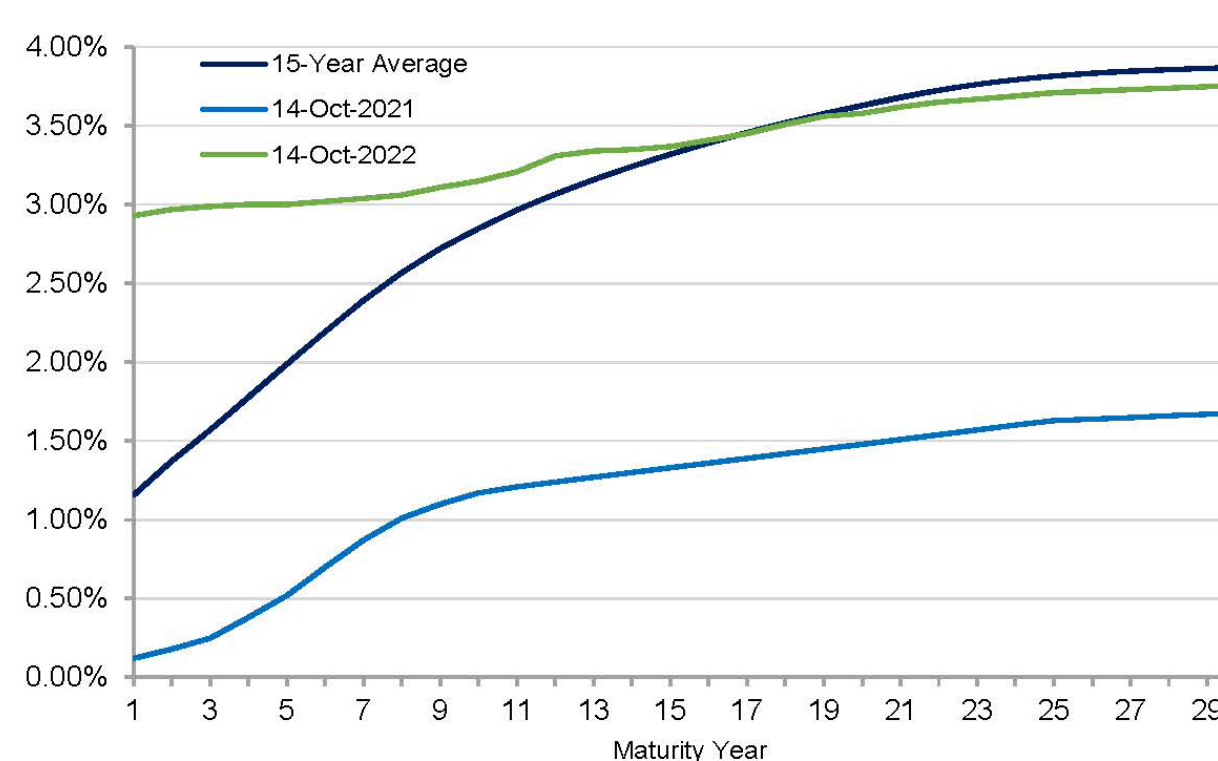
	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23
Real GDP (QoQ)	0.30	(0.80)	(1.50)	0.00	0.50
Core Inflation (YoY)	6.70	4.80	2.60	1.80	1.90
Fed Funds*	4.38	4.63	4.63	4.38	4.13
2-Year Notes	4.15	3.95	3.55	3.05	2.55
5-Year Notes	3.90	3.65	3.30	2.95	2.60
10-Year Notes	3.60	3.35	3.15	2.95	2.75
30-Year Bonds	3.60	3.40	3.25	3.10	2.90

(1) RBC Rate and Economic Forecast as of October 12, 2022.
*Top of 25 basis point range.

Tax-Exempt and Taxable Yield Trends: January 1, 2021 - Present



Today's MMD Yield Curve in Context



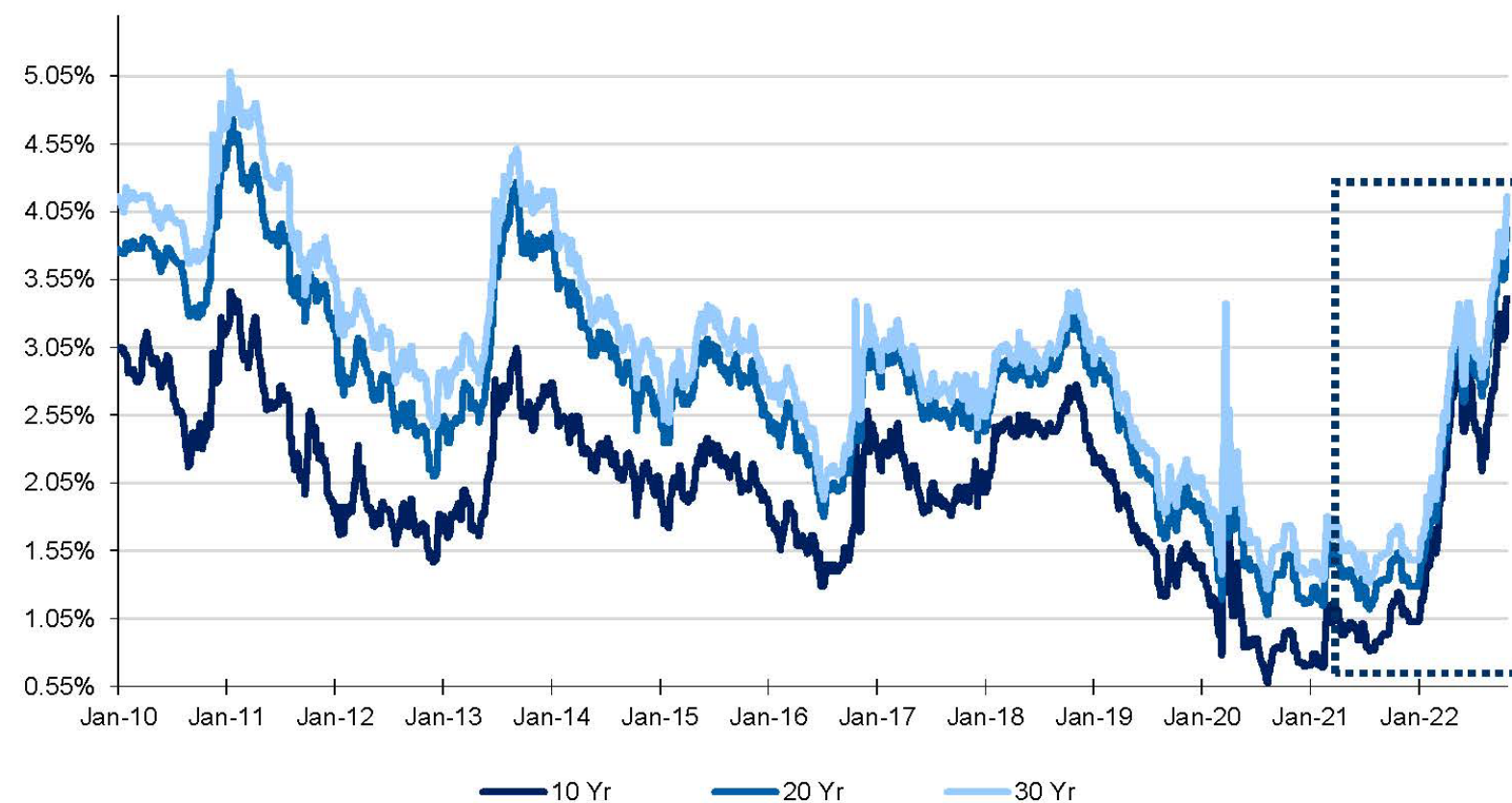


Current Market Review

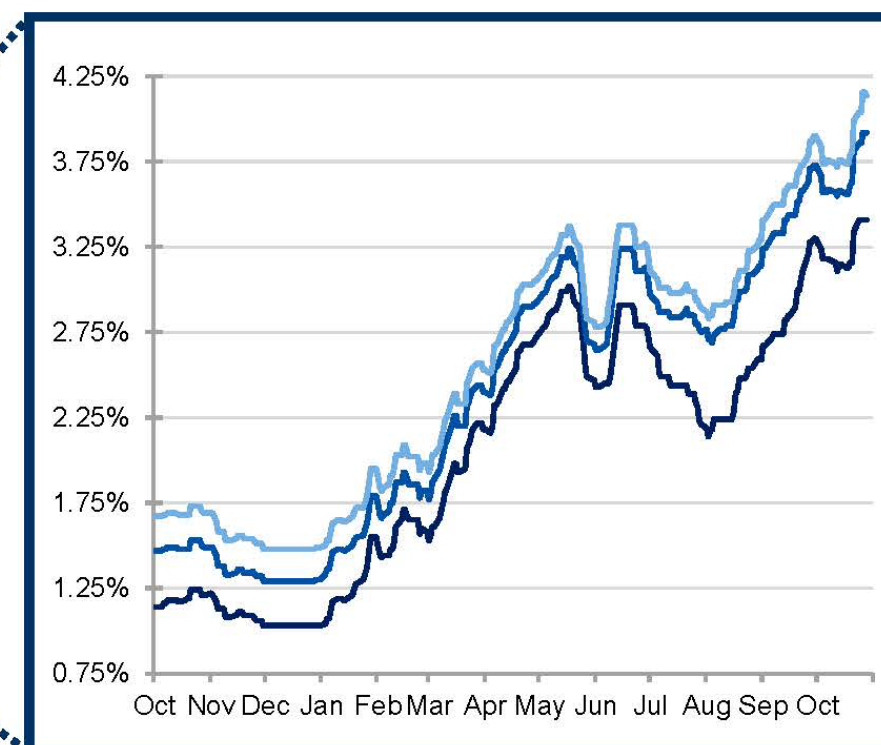
"AAA" Municipal Market Data

- After closing at 3.99% the previous week, the 30-year "AAA" MMD increased 15 bps from October 21 – October 28, closing at the current rate of 4.14%.

"AAA" MMD January 1, 2010 to Present



Shift in "AAA" MMD Since October 2021



January 1, 2010 to Present

	10-Year	20-Year	30-Year
Maximum	3.460%	4.890%	5.080%
Minimum	0.580%	1.080%	1.270%
Current	3.410%	3.920%	4.140%

Shift in 30-year "AAA" MMD

	2015	2016	2017	2018	2019	2020	2021
	-0.01%	0.27%	-0.51%	0.47%	-0.93%	-0.70%	0.10%

October 1, 2021 to Present

	10 Yr	20 Yr	30 Yr
Maximum	3.410%	3.920%	4.160%
Minimum	1.030%	1.290%	1.480%
Average	2.081%	2.409%	2.568%

Source: TM3, Thomson Reuters
10, 20, and 30 year "AAA" MMD shown to represent different average lives of municipal transactions
Rates as of October 28, 2022



Current Market Review

BBI 20 Index and Municipal Fund Flows

Bond Buyer 20 GO Bond Index Since 1961

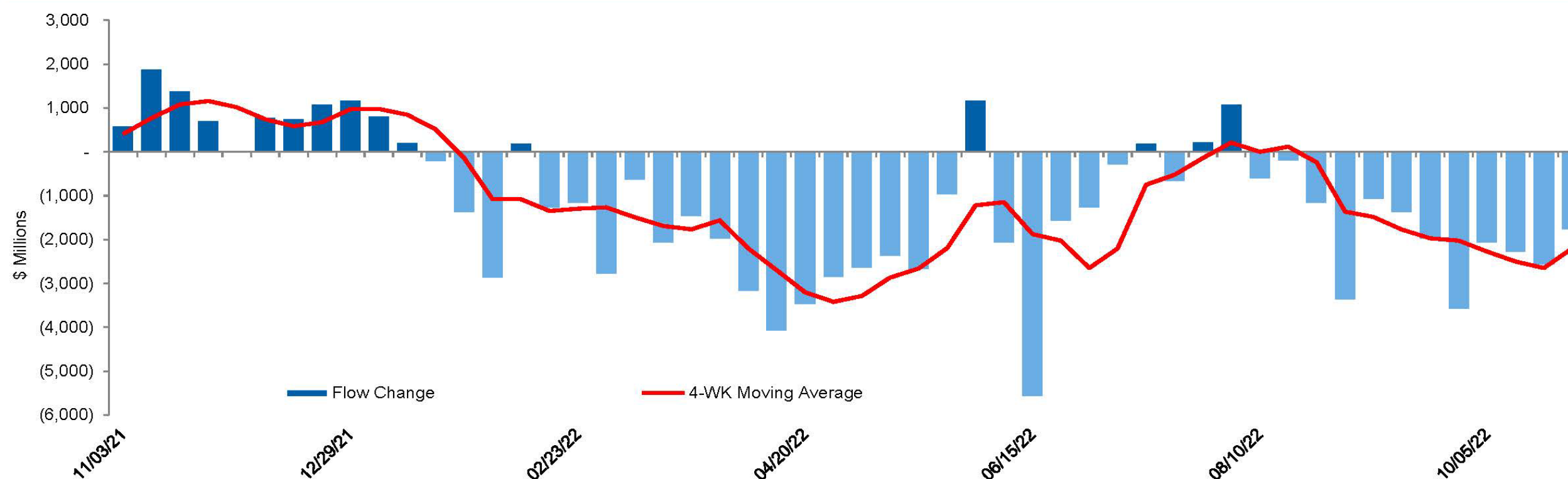


% of Time in Each Range Since 1961

Yield Range		
Less than 3.50%	14.33%	<div style="width: 14.33%;"></div>
3.50% - 4.00%	10.80%	<div style="width: 10.80%;"></div>
4.01% - 4.50%	10.95%	<div style="width: 10.95%;"></div>
4.51% - 5.00%	9.37%	<div style="width: 9.37%;"></div>
5.01% - 5.50%	13.06%	<div style="width: 13.06%;"></div>
5.51% - 6.00%	9.09%	<div style="width: 9.09%;"></div>
6.01% - 6.50%	7.04%	<div style="width: 7.04%;"></div>
6.51% - 7.00%	6.42%	<div style="width: 6.42%;"></div>
7.01% - 7.50%	5.80%	<div style="width: 5.80%;"></div>
7.51% - 8.00%	3.41%	<div style="width: 3.41%;"></div>
Greater than 8.00%	9.71%	<div style="width: 9.71%;"></div>
Total	100.00%	

Today's 4.16% level is lower than 72.91% of historical rates since January 1961.

Lipper Municipal Fund Flows



Source: Lipper; as of October 26, 2022.



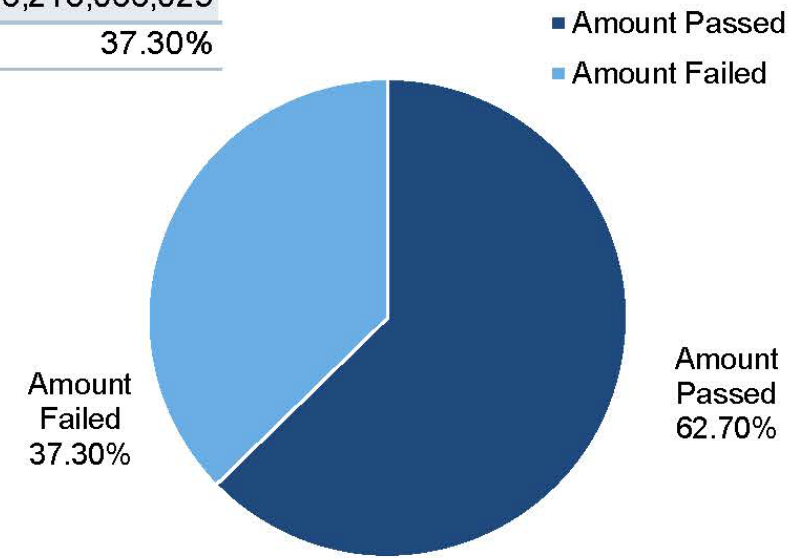
Current Market Review

Recent Texas School District Bond Election Results

Election	No. of ISD Propositions	No. of ISD Propositions Passed	Total Par Amount Requested	Par Amount Passed	Par Amount Failed	Pass % by No. ⁽¹⁾	Pass % by Par ⁽²⁾
November 2017	62	44	\$8,208,375,291	\$7,378,790,000	\$829,585,291	70.97%	89.89%
May 2018	63	44	5,261,674,862	4,444,304,862	817,370,000	69.84%	84.47%
November 2018	56	47	5,756,073,607	5,550,099,307	205,974,300	83.93%	96.42%
May 2019	69	55	8,505,425,000	6,190,575,000	2,314,850,000	79.71%	72.78%
November 2019	64	47	6,973,634,000	5,519,390,000	1,454,244,000	73.44%	79.15%
May 2020 ⁽³⁾	4	4	282,195,000	282,195,000	-	100.00%	100.00%
November 2020	74	45	9,048,567,500	7,517,055,864	1,531,511,636	60.81%	83.07%
May 2021	114	93	7,099,124,045	6,545,408,761	553,715,284	81.58%	92.20%
November 2021	111	51	8,696,954,035	5,254,999,397	3,441,954,638	45.95%	60.42%
May 2022	204	103	16,668,742,315	10,450,676,290	6,218,066,025	50.49%	62.70%
Total	821	533	\$76,500,765,655	\$59,133,494,481	\$17,367,271,174	64.92%	77.30%

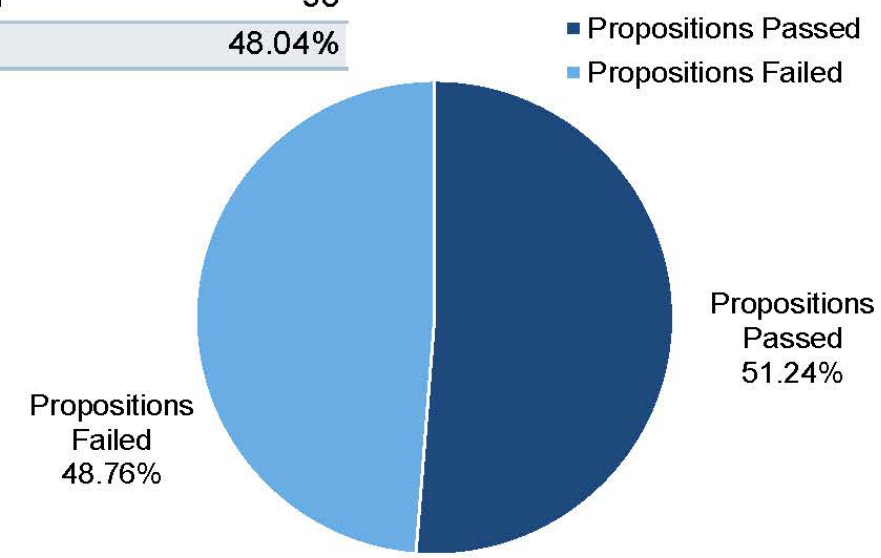
May 2022 Results by Dollar Amount

Election Amount	\$16,668,742,315
Amount Passed	\$10,450,676,290
Percentage Passed	62.70%
Amount Failed	\$6,218,066,025
Percentage Failed	37.30%



May 2022 Results by Propositions

Propositions Called	204
Propositions Passed	103
Percentage Passed	50.49%
Propositions Failed	98
Percentage Failed	48.04%



(1) Election counted as passed if at least a portion of the election is passed.

(2) Par amount passed as compared to par amount requested.

(3) Pursuant to Gov. Abbott's March 18, 2020 proclamation, entities could postpone scheduled May 2020 bond elections to a later date.

Source: Municipal Advisory Council of Texas, Strategic Partnerships Inc., district websites and various other sources.



Current Market Review

Preliminary November 2022 Texas School District Called Bond Elections

Issuer	Amount	Issuer	Amount	Issuer	Amount
Angleton ISD	\$196,250,000	Fort Stockton ISD	\$100,000,000	Point Isabel ISD	\$29,000,000
Anna ISD	873,735,000	Greenville ISD	136,500,000	Quinlan ISD	25,000,000
Austin ISD	2,439,000,000	Gregory-Portland ISD	242,590,926	Rankin ISD	123,000,000
Bellevue ISD	750,000	Gruver ISD	29,000,000	Reagan County ISD	70,000,000
Birdville ISD	359,776,090	Judson ISD	345,299,900	Red Oak ISD	94,000,000
Blackwell CISD	14,900,000	Kaufman ISD	89,900,000	Rio Vista ISD	12,000,000
Bonham ISD	60,000,000	Kenedy CCSD	1,500,000	San Elizario ISD	24,500,000
Brenham ISD	136,000,000	Lake Travis ISD	703,000,000	Sands CISD	85,000,000
Brock ISD	64,600,000	Lamar ISD	1,716,506,501	Seguin ISD	138,500,000
Brownsboro ISD	24,000,000	Leonard ISD	39,500,000	Sheldon ISD	247,700,000
Callisburg ISD	18,600,000	Little Elm ISD	289,500,000	Splendora ISD	225,000,000
Canutillo ISD	264,100,000	Lockhart ISD	71,000,000	Spring ISD	850,000,000
Cedar Hill ISD	217,800,000	Magnolia ISD	232,000,000	Stanton ISD	12,000,000
Cleveland ISD	115,000,000	Marfa ISD	57,000,000	Stephenville ISD	39,980,000
Coahoma ISD	10,060,000	Marion ISD	50,000,000	Sulphur Springs ISD	81,500,000
Columbia-Brazoria ISD	79,000,000	Marlin ISD	32,000,000	Taylor ISD	82,470,000
Corpus Christi ISD	220,000,000	Martin's Mill ISD	12,000,000	Terrell ISD	115,000,000
Corrigan-Camden ISD	25,165,900	McCamey ISD	71,811,709	Texarkana ISD	189,000,000
Coupland ISD	56,000,000	McDade ISD	25,000,000	Texas City ISD	158,600,000
Crawford ISD	10,000,000	Newton ISD	26,500,000	Trenton ISD	58,000,000
Crockett County CCSD	30,000,000	Paint Rock ISD	6,900,000	Tuloso-Midway ISD	98,500,000
Dripping Springs ISD	481,135,000	Paradise ISD	58,500,000	Waelder ISD	13,745,000
East Central ISD	240,000,000	Pflugerville ISD	367,604,000	Waller ISD	368,125,100
Era ISD	13,900,000	Pittsburg ISD	88,350,000	Wills Point ISD	40,000,000
Ferris ISD	23,500,000	Plano ISD	1,495,638,000	Winona ISD	23,500,000
				Total	\$15,464,993,126

Source: Municipal Advisory Council of Texas, Strategic Partnerships Inc. and District websites. Subject to change, as of October 31, 2022.



Current Market Review

Texas PSF | Guarantee Capacity at September 30, 2022

PSF Guarantee Capacity – As of September 30, 2022		
Description		Program Total
Maximum Allowable For Guarantee under Federal Law ⁽¹⁾		\$ 117,318,653,038 ⁽¹⁾
Maximum Allowable For Guarantee under State Law ⁽¹⁾		\$ 149,198,013,958 ⁽¹⁾
Reserve of 5% of the Maximum Allowable for Guarantee ⁽²⁾	(B) ⁽³⁾	\$ 5,865,932,652 ⁽²⁾
Guarantee Capacity at September 2022	(A) ⁽³⁾	\$ 117,318,653,038
Amount Guaranteed as of September 30, 2022		
School District Bonds	(C) ⁽³⁾	\$ (100,926,139,929)
Charter District Refunding Bonds (< 50% of charter capacity)	(C) ⁽³⁾	\$ (779,193,460)
Charter District Non-Refunding Bonds	(C) ⁽³⁾	\$ (3,060,497,540)
New Guarantees in Process		
School District Bonds	(D) ⁽³⁾	\$ (2,374,214,991)
Charter District Refunding Bonds (< 50% of charter capacity)	(D) ⁽³⁾	\$ -
Charter District Non-Refunding Bonds	(D) ⁽³⁾	\$ (30,000,000)
Approved September 30, 2022		
School District Bonds	(E) ⁽³⁾	\$ (632,000,000)
Charter District Refunding Bonds (< 50% of charter capacity)	(E) ⁽³⁾	\$ -
Charter District Non-Refunding Bonds	(E) ⁽³⁾	\$ (130,000,000)
PROJETED AVAILABLE CAPACITY at September 30, 2022		\$ 3,520,674,466.10 ⁽³⁾

⁽¹⁾ for State law purpose, the General Land Office (GLO) managed assets are included in the Fund. Based on a private letter ruling (the "2005 IRS letter") received on March 31, 2005, the GLO managed assets may be included in Fund values for the purpose of calculating the capacity of the program. Beginning in FY2006, the Agency has included, and for future years the Agency expects to include, GLO managed assets in its reporting of the Market Value and Book Value of the Fund. On December 16, 2009, the Agency received IRS Notice 201-5 and based on the Notice, calculated the Maximum Allowable for Guarantee to be 5 times the cost value of the Fund on that day (\$117,318,653,038). The limit of the guarantee utilized here is based on the State Capacity Limit determined on the basis of the cost value of the Fund multiplied by the capacity multiplier determined annually by the SBOE, but to exceed a multiplier of five. On February 2, 2018, the SBOA voted to set the capacity multiplier at 3.50, effective April 29, 2018. At September 30, 2022, the Market Value and the Book Value of total Fund assets were \$50,901,206,498 and \$42,628,003,988, respectively.

⁽²⁾ Per SBOE regulations, codified in Texas Administrative Code Title 19, Par 2, Chapter 33.65, the SBOE shall establish an amount of capacity to be helped in reserve of no less than 5.0% of the fund's capacity.

⁽³⁾ Projected Available Capacity is calculated as Guarantee Capacity (A) less Reserve of 5% (B) less Amount Guaranteed (C) less New Guarantee in Process (D) less bonds Approved (E).

Preliminary Bond Capacity Analysis

Section 3

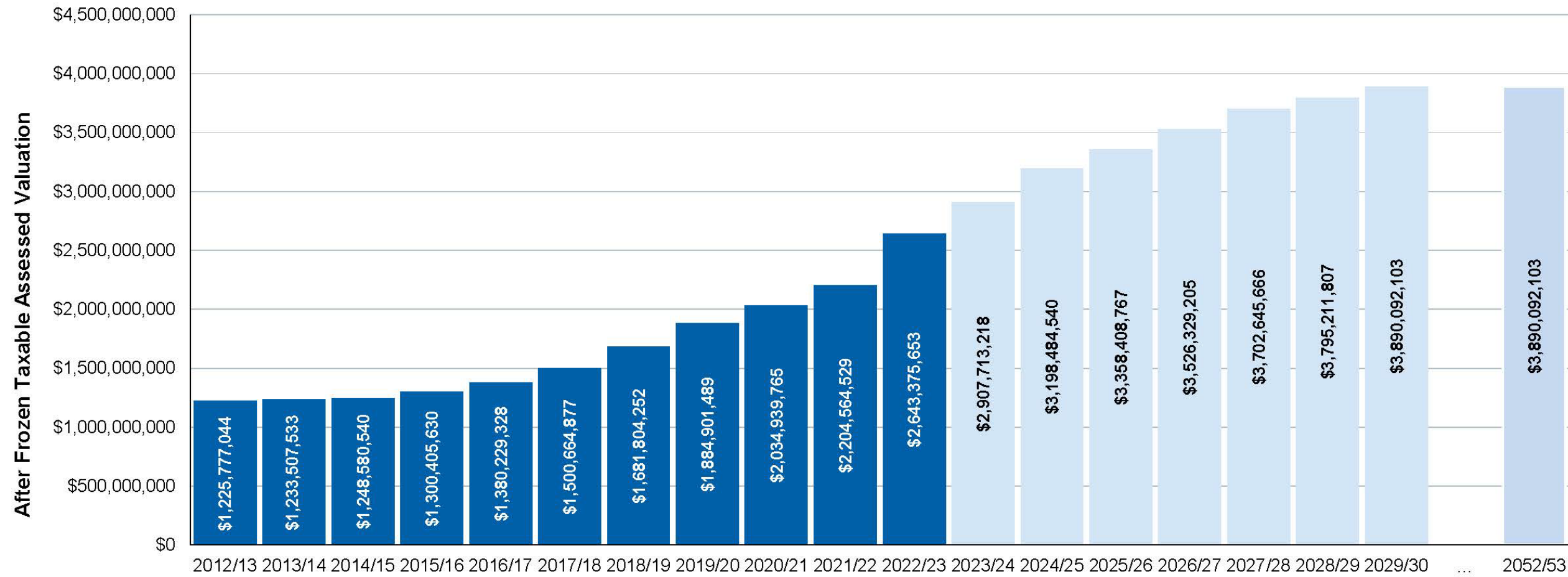


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Preliminary Bond Capacity Analysis

Historical and Projected Net Taxable Assessed Valuation Growth



Fiscal Year	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
After Frozen TAV	\$1,233,507,533	\$1,248,580,540	\$1,300,405,630	\$1,380,229,328	\$1,500,664,877	\$1,681,804,252	\$1,884,901,489	\$2,034,939,765	\$2,204,564,529	\$2,643,375,653
Percentage Change	0.63%	1.22%	4.15%	6.14%	8.73%	12.07%	12.08%	7.96%	8.34%	19.90%
Dollar Change	\$7,730,489	\$15,073,007	\$51,825,090	\$79,823,698	\$120,435,549	\$181,139,375	\$203,097,237	\$150,038,276	\$169,624,764	\$438,811,124

Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
After Frozen TAV	\$2,907,713,218	\$3,198,484,540	\$3,358,408,767	\$3,526,329,205	\$3,702,645,666	\$3,795,211,807	\$3,890,092,103
Percentage Change	10.00%	10.00%	5.00%	5.00%	5.00%	2.50%	2.50%
Dollar Change	\$264,337,565	\$290,771,322	\$159,924,227	\$167,920,438	\$176,316,460	\$92,566,142	\$94,880,295

Historical Average Annual Increase	2013/14 - 2022/23 (10-Years)	2018/19 - 2022/23 (5-Years)	2020/21 - 2022/23 (3-Years)	Projected Average Annual Increase	2023/24 - 2029/30 (7-Years)
	8.12%	12.07%	12.07%		5.71%
	\$141,759,861	\$228,542,155	\$252,824,721		\$178,102,350



Preliminary Bond Capacity Analysis

Financing Scenarios | Summary of Assumptions

We present the following two bond election scenarios for the District's consideration:

Financing Scenario 1:

Issue **\$100,000,000** of unlimited tax bonds in in one installment, utilizing a 30-year amortization, structured to produce a projected maximum tax rate of **\$0.3692 (tax rate increase of \$0.0400)** with targeted future step downs in the I&S tax rate at pre-determined intervals in the future to provide for future bonding capacity.

Financing Scenario 2:

Issue **\$130,000,000** of unlimited tax bonds in in one installment, utilizing a 30-year amortization, structured to produce a projected maximum tax rate of **\$0.4100 (tax rate increase of \$0.0808)** with targeted step downs in the I&S tax rate and pre-determined intervals in the future to provide for future bonding capacity.

The projected costs of the new bond plan are based upon the assumptions detailed below:

- Assumes a bond election is held in May 2023 and the bonds are sold in August 2023.
- Assumes a tax collection rate of 97.5%.
- Assumes current market interest rates plus 100 basis points (1.00%). *(Subject to change.)*
- Assumes the District's 2022/23 certified gross taxable assessed valuation ("TAV") is \$3,075,699,654. Assumes TAV will grow by 10% for 2 years, 5% for 3 years, 2.5% for 2 years and remain constant thereafter.
- Assumes the District's 2022/23 certified net taxable assessed valuation ("Net TAV") is \$2,643,375,653. Assumes Net TAV will grow commensurate with TAV by 10% for 2 years, 5% for 3 years, 2.5% for 2 years and remain constant thereafter.
- Assumes the District receives \$760,000 in 2022/23 for the I&S portion of its frozen levy revenues and that amount remains constant thereafter.
- Assumes the District's Interest and Sinking Fund tax rate for fiscal year 2022/23 is \$0.3292. Any increase is based off this amount and will take place in fiscal year 2023/24.
- Assumes the bonds will not receive Existing Debt Allotment ("EDA") funding or Instructional Facilities Allotment ("IFA") funding due to the District's wealth per student level.

Please note that the above scenarios are preliminary and the projected results are subject to change as interest rates fluctuate, more structuring dialogue takes place with District administration and Bond/Tax Counsel have a chance to thoroughly review the financing plan and do a full tax analysis on any contemplated issuance. Bond/Tax Counsel will need to review the useful life of any assets being financed (especially technology improvements) against the average life of the proposed bond issue. This analysis does not contemplate the average life of the assets being financed and as such, the ultimate tax rate impact and debt service associated with the new financing may be different than what is shown herein.



Preliminary Bond Capacity Analysis

Financing Scenarios | Summary of Assumptions and Summary of Findings

The projected costs of the new bond plan are based upon the assumptions detailed below:

- Assumes the bonds are sold based on the District's underlying ratings of "Aa2" / "A+" given the current limited capacity of the PSF guarantee. *(We are monitoring the condition of the PSF and will certainly apply for the guarantee if such enhancement is available in the summer of 2023.)*
- Assumes all bonds are sold as fixed rate with 10-year optional redemption provisions.
- The District must be able to demonstrate at the time of issuance of new bonds that it can levy an Interest & Sinking Fund tax rate of no more than \$0.50 for all Bonds issued after September 1, 1992, based upon its current taxable assessed valuation. Note the District's current year EDA, IFA and the Subchapter B portion of its Tier I funds may be used to comply with this test, if such funding is received. For purposes of calculating the 50-cent test, the District must use the step rate associated with any variable rate debt, if variable rate is part of the debt portfolio. Based on the two scenarios presented, we project that the District will be able to pass the 50-cent test for scenario without any pledge of Tier I revenue. *(Subject to change.)*
- Once a bond election is approved by voters, the District may issue up to the amount of authorized bonds, but is not legally obligated to do so. The capacity to issue those authorized bonds is dictated by future growth and the District's ability to service the debt with a targeted maximum I&S tax rate. Any new bond authorization could be issued in more than one installment if TAV growth does not materialize as projected or could be issued and result in a higher or lower tax rate than the projected maximum tax rate in the bond scenarios.

Summary of Findings

	Scenario 1	Scenario 2	Tax Increase on Taxable Home Value of \$285,000 ¹ (Market Value of \$325,000)	
Amount of Bond Proceeds to the District	\$100,000,000	\$130,000,000	Annual Tax Increase Per Homeowner	\$114.00 \$230.28
			Monthly Tax Increase Per Homeowner	\$9.50 \$19.19
Amortization Period	30 Years	30 Years	Tax Increase on Taxable Home Value of \$235,000¹ (Market Value of \$275,000)	
Current I&S Fund Tax Rate	\$0.3292	\$0.3292	Annual Tax Increase Per Homeowner	\$94.00 \$189.88
I&S Fund Tax Rate Increase - 2023/24	\$0.0400	\$0.0808	Monthly Tax Increase Per Homeowner	\$7.83 \$15.82
Maximum I&S Fund Tax Rate	\$0.3692	\$0.4100	Tax Increase on Taxable Home Value of \$225,000¹ (Market Value of \$185,000)	
Outstanding Unlimited Tax Debt Service	\$120,030,461	\$120,030,461	Annual Tax Increase Per Homeowner	\$74.00 \$149.48
Plus: Projected New Bond Debt Service	230,216,338	303,673,765	Monthly Tax Increase Per Homeowner	\$6.17 \$12.46
Less: Capitalized Interest	(625,000)	(1,740,000)		
Less: Fund Balance Usage	(1,101,000)	(1,600,000)		
Less: Projected Frozen Levy Revenues	(23,560,000)	(23,560,000)		
Total Net Projected Outstanding Debt Service	\$324,960,799	\$396,804,226		

¹ Net of \$40,000 Residential Homestead Exemption.

Note | Based on the Zonda Demographic Report (fall 2022) the average value for an existing home in DISD is \$220,293 and the average value for new homes is \$290,209.



Preliminary Bond Capacity Analysis

Financing Scenario 1 | \$100,000,000

MAY 2023 ELECTION (\$100MM Scenario) | Net TAV (After Frozen) Assumed to Grow 10.0% in 2023/24 and 2024/25, 5.0% in 2025/26 - 2027/28, 2.5% in 2028/29 - 2029/30 and Remain Constant Thereafter; Assumes No IFA or EDA Assistance on Outstanding Debt or Future Debt; Assumes Frozen Levy Revenues of \$760K per year, Assumes \$100K in Hold Harmless State Funding for Homestead Exemption changes through 2041; Assumes 97.5% Tax Collection Rate; Assumes Use of Debt Service Fund Balance and Capitalized Interest if necessary.

Fiscal Year Ending	Total Existing Outstanding Debt Service	Plus: FY2023 Cash Redemption Ser 2013	Less: DS Savings from Cash Ser 2013	Plus: Ser 2023 Aug-23 \$100,000,000 @5.840%	Total Projected Outstanding Debt Service	Less: Frozen Levy Revenues	Less: ASAHE State Funding	Less: Capitalized Interest	Less: Other Available Revenues*	Net Combined Debt Service	After Frozen Taxable Assessed Valuation	TAV %	Tax Rate		Tier I Funds Analysis	
													Tax Rate Existing Debt Service	Projected Tax Rate Combined Debt Service	Tier I Funds Needed For 50-Cent Debt Service ^(A)	Tier I Funds Needed For 50-Cent Debt Service ^(B)
2022	\$7,645,123				\$7,645,123	(\$760,000)	(\$137,000)	\$0	\$0	\$6,748,123	\$2,204,564,529	8.34%	\$0.3292		0	0
2023	7,863,323	\$1,490,000	(\$60,631)		9,292,692	(760,000)	(214,000)	0	0	8,318,692	\$2,643,375,653	19.90%	0.3292		0	0
2024	6,909,548	0	(60,631)	\$5,700,638	12,549,555	(760,000)	(200,000)	(625,000)	(498,000)	10,466,555	2,907,713,218	10.00%		\$0.3692	0	0
2025	7,062,173	0	(60,631)	5,976,300	12,977,842	(760,000)	(100,000)	0	(603,000)	11,514,842	3,198,484,540	10.00%		0.3692	0	0
2026	7,038,448	0	(60,631)	5,968,600	12,946,417	(760,000)	(100,000)	0	0	12,086,417	3,358,408,767	5.00%		0.3691	0	0
2027	7,043,652	0	(60,631)	6,571,200	13,554,221	(760,000)	(100,000)	0	0	12,694,221	3,526,329,205	5.00%		0.3692	0	0
2028	7,046,002	0	(60,631)	7,202,500	14,187,871	(760,000)	(100,000)	0	0	13,327,871	3,702,645,666	5.00%		0.3692	0	0
2029	6,255,576	0	(60,631)	6,698,600	12,893,545	(760,000)	(100,000)	0	0	12,033,545	3,795,211,807	2.50%		0.3252	0	0
2030	6,255,769	0	(60,631)	7,000,200	13,195,337	(760,000)	(100,000)	0	0	12,335,337	3,890,092,103	2.50%		0.3252	0	0
2031	6,253,092	0	(335,631)	7,275,500	13,192,961	(760,000)	(100,000)	0	0	12,332,961	3,890,092,103	0.00%		0.3252	0	0
2032	6,255,997	0	(439,631)	7,379,800	13,196,165	(760,000)	(100,000)	0	0	12,336,165	3,890,092,103	0.00%		0.3252	0	0
2033	6,255,334	0	(439,031)	7,377,100	13,193,403	(760,000)	(100,000)	0	0	12,333,403	3,890,092,103	0.00%		0.3252	0	0
2034	6,254,484	0	(437,325)	7,378,100	13,195,259	(760,000)	(100,000)	0	0	12,335,259	3,890,092,103	0.00%		0.3252	0	0
2035	6,187,616	0	0	7,007,200	13,194,816	(760,000)	(100,000)	0	0	12,334,816	3,890,092,103	0.00%		0.3252	0	0
2036	5,712,565	0	0	5,951,300	11,663,865	(760,000)	(100,000)	0	0	10,803,865	3,890,092,103	0.00%		0.2848	0	0
2037	5,739,048	0	0	5,922,400	11,661,448	(760,000)	(100,000)	0	0	10,801,448	3,890,092,103	0.00%		0.2848	0	0
2038	5,666,154	0	0	5,992,300	11,658,454	(760,000)	(100,000)	0	0	10,798,454	3,890,092,103	0.00%		0.2847	0	0
2039	5,696,481	0	0	5,970,000	11,666,481	(760,000)	(100,000)	0	0	10,806,481	3,890,092,103	0.00%		0.2849	0	0
2040	5,727,157	0	0	5,930,600	11,657,757	(760,000)	(100,000)	0	0	10,797,757	3,890,092,103	0.00%		0.2847	0	0
2041	4,808,045	0	0	6,855,000	11,663,045	(760,000)	(100,000)	0	0	10,803,045	3,890,092,103	0.00%		0.2848	0	0
2042	0	0	0	9,830,300	9,830,300	(760,000)	0	0	0	9,070,300	3,890,092,103	0.00%		0.2391	0	0
2043	0	0	0	9,829,900	9,829,900	(760,000)	0	0	0	9,069,900	3,890,092,103	0.00%		0.2391	0	0
2044	0	0	0	9,831,200	9,831,200	(760,000)	0	0	0	9,071,200	3,890,092,103	0.00%		0.2392	0	0
2045	0	0	0	9,833,000	9,833,000	(760,000)	0	0	0	9,073,000	3,890,092,103	0.00%		0.2392	0	0
2046	0	0	0	9,829,100	9,829,100	(760,000)	0	0	0	9,069,100	3,890,092,103	0.00%		0.2391	0	0
2047	0	0	0	9,833,600	9,833,600	(760,000)	0	0	0	9,073,600	3,890,092,103	0.00%		0.2392	0	0
2048	0	0	0	8,844,700	8,844,700	(760,000)	0	0	0	8,084,700	3,890,092,103	0.00%		0.2132	0	0
2049	0	0	0	8,845,600	8,845,600	(760,000)	0	0	0	8,085,600	3,890,092,103	0.00%		0.2132	0	0
2050	0	0	0	8,844,000	8,844,000	(760,000)	0	0	0	8,084,000	3,890,092,103	0.00%		0.2131	0	0
2051	0	0	0	8,843,700	8,843,700	(760,000)	0	0	0	8,083,700	3,890,092,103	0.00%		0.2131	0	0
2052	0	0	0	8,848,200	8,848,200	(760,000)	0	0	0	8,088,200	3,890,092,103	0.00%		0.2132	0	0
2053	0	0	0	8,845,700	8,845,700	(760,000)	0	0	0	8,085,700	3,890,092,103	0.00%		0.2132	0	0
Total	\$120,030,461	\$1,490,000	(\$2,136,669)	\$230,216,338	\$349,600,131	(\$23,560,000)	(\$2,114,000)	(\$625,000)	(\$1,101,000)	\$322,200,131						

* Other Available Revenue includes revenues from delinquent taxes, penalties and interest and draws from the debt service fund balance.

^(A) Based upon the District's taxable assessed valuation in fiscal year 2022/23.

^(B) Based upon the District's annual projected taxable assessed valuation in each respective fiscal year.



Preliminary Bond Capacity Analysis

Financing Scenario 2 | \$130,000,000

MAY 2023 ELECTION (\$130MM Scenario) | Net TAV (After Frozen) Assumed to Grow 10.0% in 2023/24 and 2024/25, 5.0% in 2025/26 - 2027/28, 2.5% in 2028/29 - 2029/30 and Remain Constant Thereafter; Assumes No IFA or EDA Assistance on Outstanding Debt or Future Debt; Assumes Frozen Levy Revenues of \$760K per year, Assumes \$100K in Hold Harmless State Funding for Homestead Exemption changes through 2041; Assumes 97.5% Tax Collection Rate; Assumes Use of Debt Service Fund Balance and Capitalized Interest if necessary.

Fiscal Year Ending	Total Existing Outstanding Debt Service	Plus: FY2023 Cash Redemption Ser 2013	Less: DS Savings from Cash Redemption Ser 2013	Plus: Ser 2023 Aug-23 \$130,000,000 @5.844%	Total Projected Outstanding Debt Service	Less: Frozen Levy Revenues	Less: ASAHE State Funding	Less: Capitalized Interest	Less: Other Available Revenues*	Net Combined Debt Service	After Frozen Taxable Assessed Valuation	TAV %	Tax Rate		Tier I Funds Analysis	
													Tax Rate Existing Debt Service	Projected Tax Rate Combined Debt Service	Tier I Funds Needed For 50-Cent Debt Service ^(A)	Tier I Funds Needed For 50-Cent Debt Service ^(B)
2022	\$7,645,123				\$7,645,123	(\$760,000)	(\$137,000)	\$0	\$0	\$6,748,123	\$2,204,564,529	8.34%	\$0.3292		0	0
2023	7,863,323	\$1,490,000	(\$60,631)		9,292,692	(760,000)	(214,000)	0	0	8,318,692	\$2,643,375,653	19.90%	0.3292		0	0
2024	6,909,548	0	(60,631)	\$7,474,465	14,323,382	(760,000)	(200,000)	(1,740,000)	0	11,623,382	2,907,713,218	10.00%	\$0.4100		0	0
2025	7,062,173	0	(60,631)	7,776,900	14,778,442	(760,000)	(100,000)	0	(1,130,000)	12,788,442	3,198,484,540	10.00%	0.4101		0	0
2026	7,038,448	0	(60,631)	7,776,900	14,754,717	(760,000)	(100,000)	0	(470,000)	13,424,717	3,358,408,767	5.00%	0.4100		0	0
2027	7,043,652	0	(60,631)	7,971,900	14,954,921	(760,000)	(100,000)	0	0	14,094,921	3,526,329,205	5.00%	0.4100		0	0
2028	7,046,002	0	(60,631)	8,675,200	15,660,571	(760,000)	(100,000)	0	0	14,800,571	3,702,645,666	5.00%	0.4100		0	0
2029	6,255,576	0	(60,631)	8,725,600	14,920,545	(760,000)	(100,000)	0	0	14,060,545	3,795,211,807	2.50%	0.3800		0	0
2030	6,255,769	0	(60,631)	9,079,700	15,274,837	(760,000)	(100,000)	0	0	14,414,837	3,890,092,103	2.50%	0.3801		0	0
2031	6,253,092	0	(335,631)	9,353,900	15,271,361	(760,000)	(100,000)	0	0	14,411,361	3,890,092,103	0.00%	0.3800		0	0
2032	6,255,997	0	(439,631)	9,456,500	15,272,865	(760,000)	(100,000)	0	0	14,412,865	3,890,092,103	0.00%	0.3800		0	0
2033	6,255,334	0	(439,031)	9,456,500	15,272,803	(760,000)	(100,000)	0	0	14,412,803	3,890,092,103	0.00%	0.3800		0	0
2034	6,254,484	0	(437,325)	9,459,300	15,276,459	(760,000)	(100,000)	0	0	14,416,459	3,890,092,103	0.00%	0.3801		0	0
2035	6,187,616	0	0	9,084,300	15,271,916	(760,000)	(100,000)	0	0	14,411,916	3,890,092,103	0.00%	0.3800		0	0
2036	5,712,565	0	0	8,423,700	14,136,265	(760,000)	(100,000)	0	0	13,276,265	3,890,092,103	0.00%	0.3500		0	0
2037	5,739,048	0	0	8,395,500	14,134,548	(760,000)	(100,000)	0	0	13,274,548	3,890,092,103	0.00%	0.3500		0	0
2038	5,666,154	0	0	8,468,700	14,134,854	(760,000)	(100,000)	0	0	13,274,854	3,890,092,103	0.00%	0.3500		0	0
2039	5,696,481	0	0	8,437,000	14,133,481	(760,000)	(100,000)	0	0	13,273,481	3,890,092,103	0.00%	0.3500		0	0
2040	5,727,157	0	0	8,406,100	14,133,257	(760,000)	(100,000)	0	0	13,273,257	3,890,092,103	0.00%	0.3500		0	0
2041	4,808,045	0	0	9,330,700	14,138,745	(760,000)	(100,000)	0	0	13,278,745	3,890,092,103	0.00%	0.3501		0	0
2042	0	0	0	13,273,200	13,273,200	(760,000)	0	0	0	12,513,200	3,890,092,103	0.00%	0.3299		0	0
2043	0	0	0	13,273,800	13,273,800	(760,000)	0	0	0	12,513,800	3,890,092,103	0.00%	0.3299		0	0
2044	0	0	0	13,274,200	13,274,200	(760,000)	0	0	0	12,514,200	3,890,092,103	0.00%	0.3299		0	0
2045	0	0	0	13,277,900	13,277,900	(760,000)	0	0	0	12,517,900	3,890,092,103	0.00%	0.3300		0	0
2046	0	0	0	13,273,100	13,273,100	(760,000)	0	0	0	12,513,100	3,890,092,103	0.00%	0.3299		0	0
2047	0	0	0	13,273,600	13,273,600	(760,000)	0	0	0	12,513,600	3,890,092,103	0.00%	0.3299		0	0
2048	0	0	0	11,377,300	11,377,300	(760,000)	0	0	0	10,617,300	3,890,092,103	0.00%	0.2799		0	0
2049	0	0	0	11,381,100	11,381,100	(760,000)	0	0	0	10,621,100	3,890,092,103	0.00%	0.2800		0	0
2050	0	0	0	11,380,800	11,380,800	(760,000)	0	0	0	10,620,800	3,890,092,103	0.00%	0.2800		0	0
2051	0	0	0	11,374,900	11,374,900	(760,000)	0	0	0	10,614,900	3,890,092,103	0.00%	0.2799		0	0
2052	0	0	0	11,381,900	11,381,900	(760,000)	0	0	0	10,621,900	3,890,092,103	0.00%	0.2801		0	0
2053	0	0	0	11,379,100	11,379,100	(760,000)	0	0	0	10,619,100	3,890,092,103	0.00%	0.2800		0	0
Total	\$120,030,461	\$1,490,000	(\$2,136,669)	\$303,673,765	\$423,057,557	(\$23,560,000)	(\$2,114,000)	(\$1,740,000)	(\$1,600,000)	\$394,043,557						

* Other Available Revenue includes revenues from delinquent taxes, penalties and interest and draws from the debt service fund balance.

^(A) Based upon the District's taxable assessed valuation in fiscal year 2022/23.

^(B) Based upon the District's annual projected taxable assessed valuation in each respective fiscal year.

Preliminary Bond Election Timetable

Section 4



Capital
Markets



Preliminary Bond Election Timetable

2023 Bond Election Dates

2023																											
January							February							March							April						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7				1	2	3	4				1	2	3	4							1
8	9	10	11	12	13	14	5	6	7	8	9	10	11	5	6	7	8	9	10	11	2	3	4	5	6	7	8
15	16	17	18	19	20	21	12	13	14	15	16	17	18	12	13	14	15	16	17	18	9	10	11	12	13	14	15
22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22	23	24	25	16	17	18	19	20	21	22
29	30	31					26	27	28					26	27	28	29	30	31		23	24	25	26	27	28	29
																					30						
May							June							July							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6					1	2	3							1			1	2	3	4	5
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29	27	28	29	30	31		
														30	31												
September							October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2	1	2	3	4	5	6	7				1	2	3	4						1	2
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
																					31						

	Last Day to Call Election
	Early Voting Period
	Uniform Election Dates
	Earliest Date to Canvas Returns

Note: The calendar above represents our understanding of the Election code for the subject year. Consult legal counsel for final decisions.



Preliminary Bond Election Timetable

Bond Election Date Requirements

Date	Action	Responsibility
At Least 78 Days Prior to a May or November Election	School Board Meeting - Board Calls the Bond Election	District, Municipal Advisor, Bond Counsel
30 Days Prior to Election	Publish Election Order (No later than 10 days prior to election and no earlier than 30 days prior to election)	District, Bond Counsel
21 Days Prior to Election	Post Election Order at Administration Building (No later than 21 days prior to election)	District, Bond Counsel
12 Days Prior to a May Election <u>or</u> 17 Days Prior to a November Election	Early Voting Period (Ends 4 days prior to election)	District, Bond Counsel
Uniform Election Date	Bond Election	District, Bond Counsel
3-11 Days After a May or November Election	School Board Meeting - Canvass Election and Declare Results (2 members constitute a quorum for this purpose)	District, Bond Counsel
30 Days Post Canvassing Election	30-Day Contest Period	N/A
45 Days Post Election	Bond Sale (Interest Rates Locked-In)	District, Municipal Advisor, Bond Counsel
75 Days Post Election	Bond Closing (Issuer Receives Bond Proceeds)	District, Municipal Advisor, Bond Counsel

Questions



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

Decision #4 – High School

REVIEW AND DISCUSSION



Long-Range
Planning Committee

DENISON INDEPENDENT SCHOOL DISTRICT

High School



- Current School Capacity – 1,392 students
- District Growth Shows – 571 new HS students in 10 years – Up to 1942 students
- Approved framework – 2,400 students
- High School is nearing functional capacity
- "Empty Chair" not available until August 2025 at earliest
(Upon voter approved bond)
- DISD long range plan needs to address need for capacity at the high school

High School - Long Range Plan Needs



- Additions to High School – Planned for expansion when originally designed for additional classroom space
- Storm Shelter required with additions to existing school
- Additional cafeteria seating space
- Additional "hands on learning" space , shop and lab space
- Additional parking with student growth
- Current and future specialized spaces for career and technology programs



The growth to 1600+

- Cafeteria spaces
- Reclaim classroom spaces with CTE evaluations
- CTE Center
- Athletics evaluation



N Hwy 75

Smokehouse

Denison High School

Denison FFA

EZ Way Auto

91

By 2029 Capacity 1800

1800+ 10 years and on

Current CTE Need

Cafeteria by 2029

DHS Capacity: 1600

**1800+ High School
Athletics Relocation
Beginning/ End only
activity**

**1800+ High School
Building Expansion
(Safety and Security)**



High School



Committee Decision – High School



- **Option 1** –Additional CTE lab space (With parking and shelter) - \$6mm
- **Option 2** – Additional Classrooms (With parking and shelter) - \$17.5mm
- **Option 3** – Additional Cafeteria Space (with parking and shelter) - \$5.5 mm
- **Option 4** – New CTE Center – \$30mm - \$65mm +/-
- Note
 - CTE building addition projected number will adjust, if selected, due to additional programming information needed. Potential estimates included are based upon projects in other districts

Decision #5- Munson Stadium

REVIEW AND DISCUSSION



Long-Range
Planning Committee

DENISON INDEPENDENT SCHOOL DISTRICT




Stadium Needs



- Stadium serves current district needs
- Stadium has no parking options that can be planned for in the future
- Potential future Improvements
 - Renovate visitors side sidewalks and under bleacher walks
 - Provide new seating at visitors' side
 - Provide additional seating for home and visitors
 - Update and add home and visitors side concessions and restrooms




Stadium



-  SEATING
-  FIELD HOUSE ADDITION
-  RESTROOM UNDER BLEACHERS
REPAIR SIDEWALK & AREA UNDER BLEACHERS

Stadium



-  SEATING
-  FIELD HOUSE ADDITION
-  RESTROOM UNDER BLEACHERS
REPAIR SIDEWALK & AREA
UNDER BLEACHERS

Committee Decision – Stadium



- **Option 1** – Place upgrades towards end of 10-year Master Plan - \$0
- **Option 2** – Address visitor side access, sidewalk and potential seating concession and restrooms additions and upgrades- \$2mm - \$10mm
- Note: - Further refinement on scope required for final estimate

Decision #6 – Service Center

REVIEW AND DISCUSSION



Long-Range
Planning Committee

DENISON INDEPENDENT SCHOOL DISTRICT

Committee Decision – Service Center



- **Option 1** – Defer decision towards end of 10-year Master Plan - \$0
- **Option 2** – Build or acquire new service center – TBD

Note

- New facility, recently purchased by DISD, could be a future annex to the service center

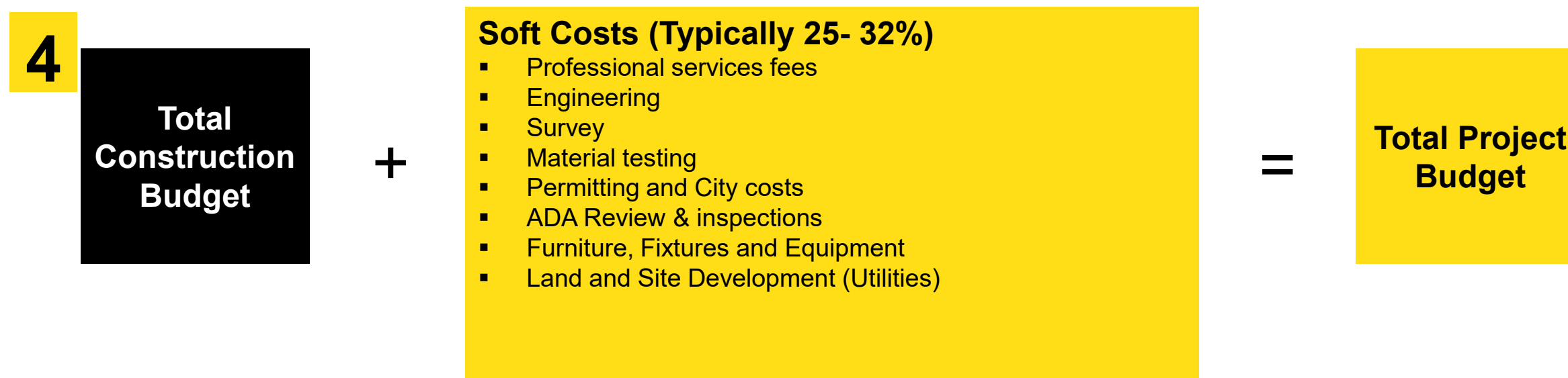
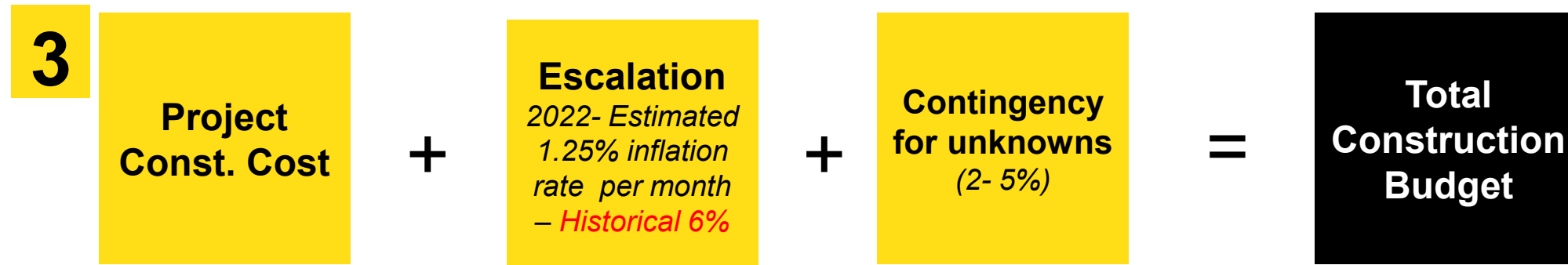
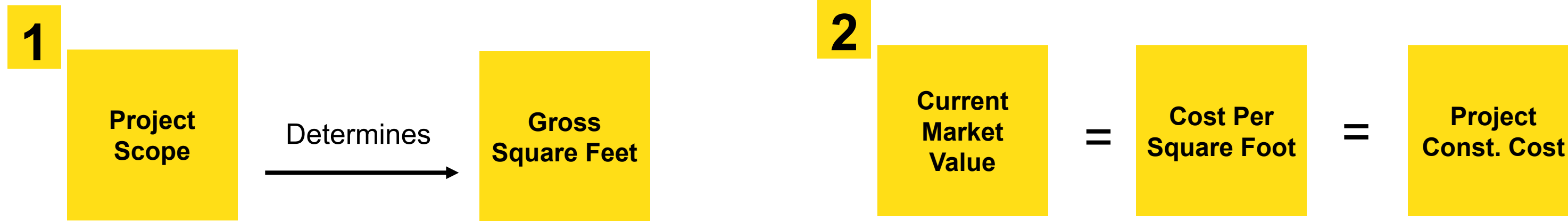
Total Project Costs vs Construction Costs



**Long-Range
Planning Committee**

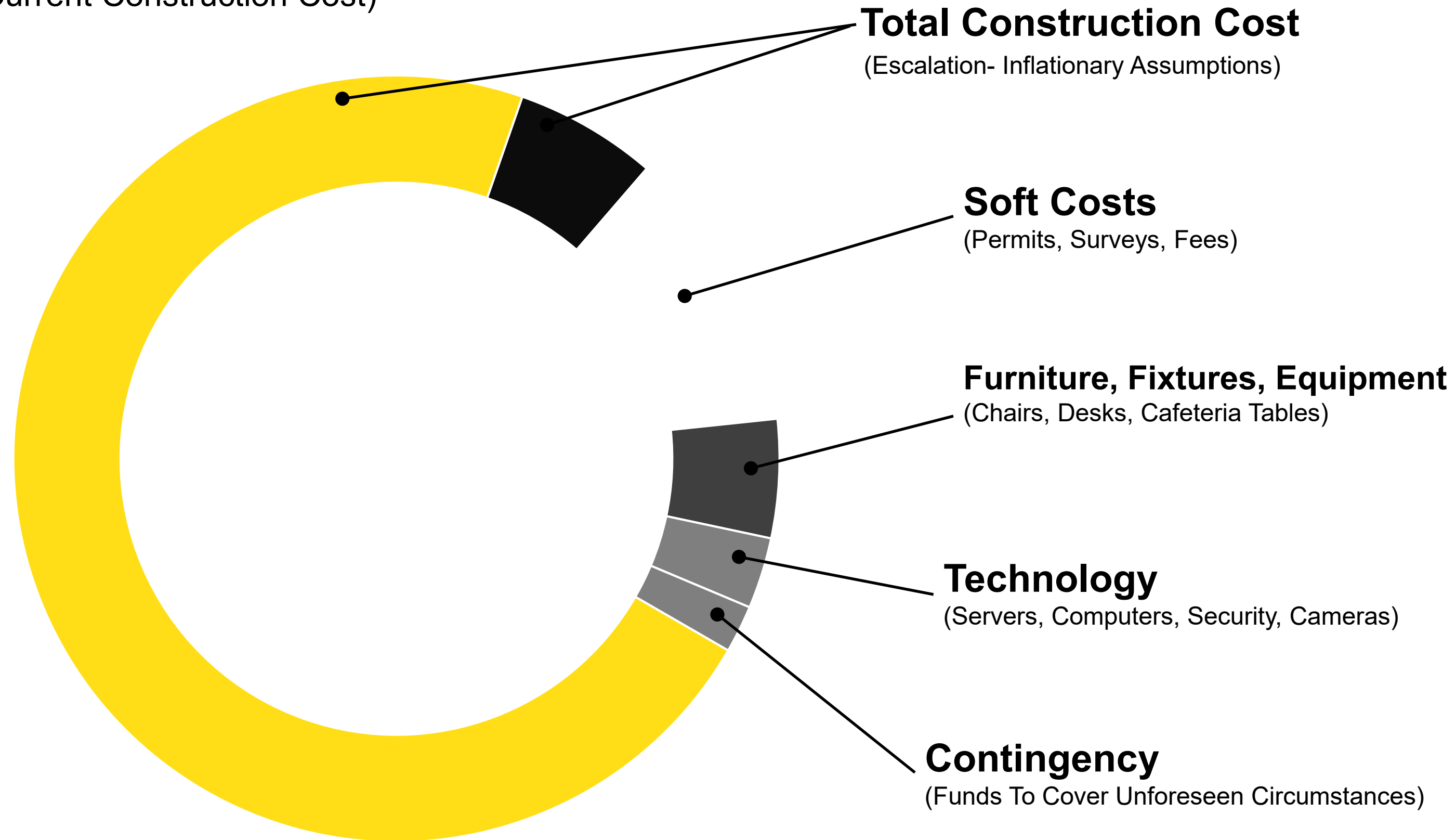
DENISON INDEPENDENT SCHOOL DISTRICT

How To Build a Project Estimate of Probable Cost



Building a Project Budget

(Current Construction Cost)



Materials Costs Data



Producer Price Index March 2022



Product/ Material	1 Month % Change	12 Month % Change	%change since February 2020
Inputs from Construction	2.9%	24.4%	39.1%
Inputs from Non-Residential Construction	2.8%	25%	39.2%
Plumbing Fixtures and Fittings	0.5%	6.8%	9.0%
Fabricated Structural Metal Products	0.4%	36.0%	49.6%
Iron and Steel	1.4%	36.0%	90.1%
Steel Mill Products	-4.9%	42.9%	103.1%
Nonferrous wire and cable	4.4%	26.3%	48.1%

Producer Price Index March 2022



Product/ Material	1 Month % Change	12 Month % Change	%change since February 2020
Softwood Lumber	7.6%	22.9%	136.2%
Concrete Products	0.2%	9.9%	12.8%
Prepared Asphalt, Tar Roofing and Siding Products	1.6%	22.6%	29.2%
Crude Petroleum	7.2%	62.2%	101.7%
Natural Gas	-30.1%	62.9%	201.2%
Unprocessed Energy Materials	-11.2%	58.7%	116.4%

Materials Cost Comparison



	Product/ Material	2013 Costs	2022 Costs	% Increase
	Sheet Rock	\$8.64	\$14.22	65%
	Pine Stud (2"x4")	\$2.96	\$7.98	270%
	Plywood	\$8.79	\$47.69	542%
	Concrete (1 Yard)	\$97.96	\$150.00	53%
	PVC Pipe	\$13.00	\$39.83	306%

Construction Costs Data



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

High School “Bid Projects” Construction Cost

(Note: Red Text is “Non-Corgan” Projects)



School	Bid Date	# Students	Construction cost	Square feet	\$/SF
Denton High School	2022	2,400	\$194,000,000	490,000	\$ 395.92
Frisco Panther Creek High School	2021	2,100	\$109,190,582	389,694	\$ 280.20
West Plains High School	2020	1,200	\$ 76,422,246	278,000	\$ 274.90
Frisco Emerson High School	2019	2,100	\$111,650,680	387,575	\$ 288.08
Tyler Legacy High School	2018	2,600	\$ 96,488,606	507,000	\$ 191.31
Sherman High School	2018	2,600	\$157,000,000	500,000	\$ 314.00
Cleburne High School	2018	2,400	\$105,710,000	600,000	\$ 176.18
Waxahachie High School	2016	2,500	\$102,648,900	478,000	\$ 214.75

Middle School “Bid Projects” Construction Cost

(Note: Red Text is “Non-Corgan” Projects)



School	Bid Date	# Students	Construction cost	Square feet	\$/SF
Thornton Elementary School	2021	900	\$29,908,500	105,000	\$284.84
Argyle Elementary School #3	Jan 2021	800	\$26,888,000	106,000	\$253.66
New McKinney Elementary School	Feb 2022	850	\$30,000,000	105,000	\$285.71
Frisco ISD 5 th /6 th Grade Campus	2021	1,000	\$29,374,000	104,812	\$280.25
Cheek Middle School –Denton ISD	2021	1,000	\$ 59,901,958	175,000	\$342.30
Coppell Middle School West	2017	1,000	\$ 49,978,000	204,167	\$244.79
Rodriguez Middle School – Denton ISD	2016	1,000	\$ 36,000,000	175,000	\$205.71

May 2022

BOND ELECTION DATA



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

May 2022 Bond Program

New Middle School Bond Cost Comparisons – Total Project Costs



School	Bid Date	# Students	Published Costs	Square feet	\$/SF
Amarillo ISD – Austin MS Replacement	2023	1,000	\$ 65,700,000		
New Argyle Middle School #2	2023		\$ 103,500,000		
Bridge City ISD New Middle School	2023	900	\$ 57,700,000		
Fredericksburg ISD New Middle School	2023		\$ 61,200,000		
Greenville ISD New Middle School	2023	1200	\$ 105,100,000		
Humble ISD New Middle School #11	2023		\$ 92,000,000		
Humble ISD – Replacement of Ross Sterling Middle School	2024		\$ 97,600,000		

May 2022 Bond Program

New Middle School Bond Cost Comparisons – Total Project Costs



School	Bid Date	# Students	Published Costs	Square feet	\$/SF
Little Elm ISD New MS #3	2023		\$95,400,000		
Medina Valley ISD New MS	2023		\$64,000,000		
Seymour ISD New MS/HS	2023		\$29,500,000		
Wills Point ISD New JHS	2023		\$71,965,000		
Brenham ISD New JHS	2024	1,450	\$118,253,733	261,000	\$453.08

Recent Bid or Budgeted Projects



School	Bid Date	# Students	Published Construction Costs	Square feet	\$/SF
Rockwall ISD New Middle School #4	May '23		\$68,000,000**	185,000	\$367.56
Arlington ISD Thornton MS(Replace)	Sept '22		\$66,000,000**	170,000	\$388.23
Tyler ISD New Early College HS	May '22	300	\$21,731,000*	61,300	\$354.50
Tyler ISD New Hubbard MS	June '22	1,000	\$57,370,867	170,000	\$337.47
New Bushland High School	May '22	750	\$56,700,000*	179,908	\$315.16
Commerce Middle School	June '22		Bid June 2022		\$380.00
* Awarded June 2022 **Awarded June 2022 with (2) Alternates Base \$56,900,000					

May 2022 Bond Elections

BOND PROJECTS



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

May 2022 Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	Election Results
Amarillo ISD – New Middle School			\$65,700,000		Failed
Argyle ISD – ES #4			\$39,900,000		Passed
Argyle ISD – ES #5			\$44,500,000		Passed
Argyle ISD – MS #2			\$103,000,000		Passed
Aubrey ISD			\$385,000,000		Passed
Bonham ISD			\$53,690,000		Failed
Bridge City ISD – Replacement MS		900	\$57,700,000		Passed

May 2022 Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	Election Results
Bullard ISD – New MS			\$82,000,000		Passed
Community ISD			\$650,000,000		One Prop Passed
Crandall ISD			\$400,000,000		Two Props Passed
Eagle Mountain Saginaw ISD			\$295,000,000		Failed
Ferris ISD			\$79,000,000		Failed
Forney ISD			\$1,294,000,000		Passed
Fredericksburg ISD – New MS			\$61,200,000		Passed

May 2022 Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	Election Results
Greenville ISD – New MS		1400	\$105,100,000		Failed
Greenville ISD – New Pre-K		500	\$31,100,000		Failed
Hays CISD – New ES			\$48,300,000		Passed
Humble ISD – New MS			\$97,600,000		Passed
Joshua ISD			\$97,500,000		Failed
Kaufman ISD			\$79,600,000		Failed
Krum ISD – New ES			\$48,000,000		Passed

May 2022 Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	Election Results
Little Elm ISD – New ES			\$35,500,000		Failed
Longview ISD			\$229,000,000		Failed
Mt. Vernon ISD			\$52,300,000		Failed
Pottsboro ISD – New MS plus other renovations		600	\$62,000,000		Passed
Sulphur Springs ISD			\$93,000,000		Failed
Terrell ISD			\$95,000,000		Failed
Trenton ISD			\$45,500,000		Partial Passed Ag Barn Only

November 2022

BOND PROJECTS



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

November 2022 Called Local Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	\$/SF
Anna ISD			\$873,375,000		
Birdville ISD			\$359,776,000		
Bonham ISD – Recall from May			\$60,000,000		
Brock ISD			\$64,600,000		
Cedar Hill ISD			\$217,800,000		
Greenville ISD – New MS and New Pre-K Only			\$136,000,000		
Kaufman ISD – Recall from May			\$89,900,000		

November 2022 Called Local Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	\$/SF
Leonard ISD			\$39,500,000		
Little Elm ISD – Recall from May			\$289,500,000		
Pittsburg ISD			\$88,350,000		
Plano ISD			\$1,495,638,000		
Red Oak ISD – New 1200 Student MS – Recall			\$94,000,000		
Sulphur Springs ISD – Recall from May			\$81,500,000		
Trenton ISD – Recall from May			\$58,000,000		

November 2022 Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	\$/SF
Angelton ISD – New ES			\$50,000,000		
Angelton ISD – New JHS			\$90,000,000		
Brenham ISD – New JHS			\$111,000,000		
Cleveland ISD – New MS			\$115,000,000		
Corpus Christie ISD – New MS			\$82,000,000		
Dripping Springs ISD – New ES			\$62,900,000		
Dripping Springs ISD – New HS			\$275,350,000		

November 2022 Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	\$/SF
East Central HS – New ES			\$52,000,000		
Lake Travis ISD – New ES			\$50,900,000		
Lake Travis ISD – New HS			\$236,000,000		
Lamar CISD – New MS			\$50,100,000		
Lockhart ISD – New ES Plus			\$71,000,000		
Magnolia ISD – New ES			\$41,000,000		
Magnolia ISD – New MS			\$66,000,000		

Additional Information



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

May 2023 Potential Bond Elections



School	Bid Date	# Students	Published Construction Costs	Square feet	\$/SF
Fort Bend ISD – ES #55			\$46,000,000		
Fort Bend ISD – MS #16			\$82,000,000		
Fort Bend ISD – ES 56 and 57			\$47,000,000		
Fort Bend ISD – New Clements HS			\$222,800,000		

Potential Construction Market Forecast



- Lots of work in the market, contractors can “pick and choose”
- Supply Chain for materials – Some easing, some still backed up but improving
- Competition in Market for resources – Materials, Labor, Inspections, All Resources
- Growth in Texas to continue – Predicted worsening recession may not be as severe in Texas as the rest of the country
- Interest Rates are Rising and will continue to rise – Effecting Costs to Borrow Money
- Recent Inflation news and updated every month
- Fuel Prices continue to be higher than before
- Limited labor pool effects labor wages

RED / GREEN Exercise



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT

Red / Green



Question #1 – Do you feel all district facilities have been analyzed and addressed?

Red / Green



Question #2 –Do you feel the plan so far is easy for the community to understand ?

Red / Green



Question #3 –Do you think the options approved will be embraced by the community ?

Thank you!

NEXT MEETING NOVEMBER 29 AT MAYES ELEMENTARY SCHOOL



**Long-Range
Planning Committee**

DENISON INDEPENDENT SCHOOL DISTRICT