LAKE TRAVIS ISD BOARD OF TRUSTEES
ORDER CALLING A BOND ELECTION
NOVEMBER 8, 2022
## LONG RANGE FACILITIES PLANNING COMMITTEE

<table>
<thead>
<tr>
<th>Aaliya Maknojiya</th>
<th>David Destefano</th>
<th>Linnea Falk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amber King</td>
<td>Eilsey Hull</td>
<td>Lisa Johnson</td>
</tr>
<tr>
<td>Amy Beckstead</td>
<td>Evalene Murphy</td>
<td>Melanie Cravey</td>
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<tr>
<td>Amy Hanken</td>
<td>Frank West</td>
<td>Melissa Williamson</td>
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<tr>
<td>Ashley Cellio</td>
<td>Freda Collier</td>
<td>Michelle D Smallwood</td>
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<tr>
<td>Becky King</td>
<td>Hanna Contreras</td>
<td>Mike Dalhauser</td>
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<tr>
<td>Brad Bailey</td>
<td>Jace Arnold</td>
<td>Monica Hall Porter</td>
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<tr>
<td>Brent Allison</td>
<td>Janet Rockett Graham</td>
<td>Natasha Jackson</td>
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<tr>
<td>Brian Prehn</td>
<td>Jared Black</td>
<td>Olivia Watson</td>
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<td>Carrie Grant</td>
<td>Jenny Wright</td>
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<tr>
<td>Charles Aguillon</td>
<td>Jessica Walker</td>
<td>Pam Sanchez</td>
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<tr>
<td>Charlie Trentacosti</td>
<td>Jim Cummings</td>
<td>Robert Winovitch</td>
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<tr>
<td>Chip Holt</td>
<td>Jim Schwendinger</td>
<td>Stefani Allen</td>
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<td>Chris Woehl</td>
<td>Kate Lennox</td>
<td>Tracy Mendez</td>
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<tr>
<td>Christy Casey-Moore</td>
<td>Kayla Hrapchak</td>
<td>Trisha Moulinet</td>
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<tr>
<td>Colby Nichols</td>
<td>Kirk Rasmussen</td>
<td>Wes Jones</td>
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<tr>
<td>Dana Rieder</td>
<td>Kori Wydman</td>
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</table>

**Table Facilitators:** Betsy Russell, Debbie Garinger, Hank Carter, Keegan Luedecke, Kim Kellner, Marco Alvarado
COMMITTEE RECOMMENDATIONS

New High School - $236,430,617
New Elementary School #8 - $50,917,526
New Elementary School #9 - $55,517,521
Lake Travis High School Additions and Upgrades - $84,732,969
Campus and District Renovations and Improvements - $166,409,289
Facilities Condition Assessment Projects - $38,746,968
Technology - $55,245,110
Land - $15,000,000
Total - $703,000,000
Demographic Student Projections

Moderate Growth Scenario

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment</td>
<td>11,898</td>
<td>12,406</td>
<td>12,796</td>
<td>13,176</td>
<td>13,596</td>
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<tr>
<td>% Growth</td>
<td>4.87%</td>
<td>4.27%</td>
<td>3.14%</td>
<td>2.97%</td>
<td>3.19%</td>
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<tr>
<td>Growth</td>
<td>553</td>
<td>508</td>
<td>390</td>
<td>380</td>
<td>420</td>
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</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2031</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment</td>
<td>14,028</td>
<td>14,549</td>
<td>15,032</td>
<td>15,441</td>
<td>15,769</td>
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<tr>
<td>% Growth</td>
<td>3.18%</td>
<td>3.71%</td>
<td>3.32%</td>
<td>2.72%</td>
<td>2.12%</td>
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<tr>
<td>Growth</td>
<td>432</td>
<td>521</td>
<td>483</td>
<td>409</td>
<td>328</td>
</tr>
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</table>

- Student projections are based assumptions that include housing prices and inventory, preserved land and conservation easements, and current housing development expansions.
Demographic Student Projections

Moderate Growth Scenario

<table>
<thead>
<tr>
<th>Build-Out Enrollment</th>
<th>Elementary</th>
<th>Middle School</th>
<th>High School</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7,938</td>
<td>4,313</td>
<td>5,532</td>
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</table>

- Next bond cycle includes the potential need of 2 elementary schools to open in 2030 and 2031 and 1 middle school to open in 2031 to meet growth projections to “Build-Out” along with technology device replacement.

- Bond needs beyond 2031 include facilities maintenance and improvements, technology upgrades and device replacement, buses and district-wide equipment replacement.
# Outstanding Debt

## Estimated Maximum Principal Outstanding Following November 2022 Election

<table>
<thead>
<tr>
<th>Calculation of Max Principal Amount Outstanding</th>
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<tbody>
<tr>
<td>Principal Outstanding as of 8/31/2022</td>
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<tr>
<td>Less: Principal Amount Due on 2/15/2023</td>
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<tr>
<td>Less: Additional Principal Payment on 2/15/2023</td>
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<tr>
<td>Plus First Issuance of Nov 2022 Bond (Early Spring 2023)</td>
</tr>
<tr>
<td>Max Principal Outstanding End of Fiscal 2023</td>
</tr>
</tbody>
</table>

<p>| |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Less Principal Due on 2/15/2024</td>
</tr>
<tr>
<td>Plus: Second Issuance of Nov 2022 Bond (Early Spring 2024)</td>
</tr>
<tr>
<td>Max Principal Outstanding End of Fiscal 2024</td>
</tr>
</tbody>
</table>
Future Bond Authorization

Possible Future Bond Election
Bond capacity of $375 million with no increase in tax rate

Summary of Assumptions -
● District’s I&S Tax Rate is maintained at $0.3275 dedicated for bond debt service payments.
● Bonds issued following a November 2022 election, are issued in two equal installments in 2023 and 2024.
● Tax collection rate of 98.5%.
● Interest rate equal to approx. 150 bps (1.50%) over current market rates for bonds issued in 2023. Bond issued thereafter are assumed to be an additional 25 bps (0.25%) more. We are in a rising rate environment with the Fed planning more interest rate increases over the remainder of 2022. If bonds were issued today, we would expect an All In Interest Rate of approximately 3.75%. For Bonds issued in 2027 election we have assumed a rate of 5.50%.
● LTISD maintains 20% optional local homestead exemption.
● Bonds are amortized over 30 year period. State law allows up to 40 years.
● LTISD continues making additional principal redemption payments if and when capacity if available.
● Assumes Net of Frozen TAV for fiscal year 2022/23 is $16.251 Billion according to TCAD.
● We have assumed tax base growth as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>TAV Growth</th>
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<tr>
<td>2023</td>
<td>26.36%</td>
</tr>
<tr>
<td>2024</td>
<td>10.00%</td>
</tr>
<tr>
<td>2025</td>
<td>8.00%</td>
</tr>
<tr>
<td>2026</td>
<td>8.00%</td>
</tr>
<tr>
<td>2027</td>
<td>8.00%</td>
</tr>
<tr>
<td>2028</td>
<td>8.00%</td>
</tr>
<tr>
<td>2029</td>
<td>8.00%</td>
</tr>
<tr>
<td>2030 thereof</td>
<td>1.00%</td>
</tr>
</tbody>
</table>
**Bond Proposition Language**

**Proposition** - The summary of the measure that appears on the ballot.

**Old Rule for School Districts** - Education Code § 45.001 allowed one measure/proposition for:

- the construction, acquisition, and equipment of school buildings in the district
- the purchase of the necessary sites for school buildings
- the purchase of new school buses (including the purchase or retrofitting of school buses with emergency, safety, or security equipment)

**2019 New Rule for School Districts** - Education Code § 45.003(g) requires a separate measure/proposition for six specific types of projects.

- stadium with seating > 1000
- natatorium
- recreational facility “other than a gym, playground, or play area”
- performing arts facility
- teacher housing
- technology other than “school security” or “integral to the construction”

Note: none of these terms are defined by statute.
2019 New Rule for School Districts

- Education Code § 45.003(b-1) adds an additional sentence to the ballot proposition.

“THIS IS A PROPERTY TAX INCREASE.”

- In a letter dated December 27, 2019 to all bond counsels, the Texas Attorney General said this statement cannot be modified.
- Bonds are supported by the Interest & Sinking (I&S) fund portion of the tax rate.
- The I&S tax rate is not being increased by the proposed 2022 bond propositions.
- The approval of the 2022 bond election will increase the amount of authorized debt the district can issue.
Bond Proposition Language

**Proposition Generally** - Required Elements

- Ballots printed to allow voting “for” or “against” “The issuance of bonds”
- Amount to be authorized
- Taxes sufficient to pay the principal and interest will be imposed
- Case law: Dacus v. Parker, 466 S.W.3d 820 (Tex. 2015)
  - “Chief features,” showing its “character and purpose”
  - “Formal and sure”
  - Capture the measure’s “essence”

The Board of Trustees still has discretion to craft appropriate language and to place multiple propositions in the order of its choice.
Historical Tax Rates

**Tax Rate Compression**

Maintenance & Operation (M&O) tax rate $1.04 until successful TRE in 2017 and 2021

M&O tax rate increased 2 cents with I&S tax rate decrease of 2 cents in 2017 and 2021

M&O tax rate decrease (HB3) in 2019 of 7 cents with continued decreases in 2020, 2021 and 2022

*Total tax rate decrease of 19.54 cents since 2018*
## Tax Impact to Taxpayers

<table>
<thead>
<tr>
<th>Description</th>
<th>Tax 1</th>
<th>Tax 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Appraised Market Value of a Home*</td>
<td>$ 800,000</td>
<td>$ 800,000</td>
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<tr>
<td>Board Approved Local Option Homestead</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exemption of 20% (maximum allowed by law)</td>
<td>-</td>
<td>(160,000)</td>
</tr>
<tr>
<td><strong>Taxable Value</strong></td>
<td>800,000</td>
<td>640,000</td>
</tr>
<tr>
<td>State Homestead Exemption for ISD</td>
<td>(40,000)</td>
<td>(40,000)</td>
</tr>
<tr>
<td><strong>Adjusted Taxable Value</strong></td>
<td>$ 760,000</td>
<td>$ 600,000</td>
</tr>
<tr>
<td>Maintenance &amp; Operations Rate</td>
<td>$ 0.8846</td>
<td>$ 0.8846</td>
</tr>
<tr>
<td>Interest &amp; Sinking Rate</td>
<td>0.3275</td>
<td>0.3275</td>
</tr>
<tr>
<td><strong>Total LTISD Property Tax Rate</strong></td>
<td>$ 1.2121</td>
<td>$ 1.2121</td>
</tr>
<tr>
<td>Property Taxes Due</td>
<td>$ 9,212</td>
<td>$ 7,273</td>
</tr>
<tr>
<td>Difference in Taxes</td>
<td>$ (1,939)</td>
<td></td>
</tr>
</tbody>
</table>

*If existing property, reflects 10% value cap of prior year net appraised value.*
Exemption Impact to Funding

Changes in Funding without 20% LOHE

- $27 million in local tax revenue
- District retains $1.7 million in M&O and $7.3 million in I&S funding
- $18 million is paid to the State in Recapture
Bond Propositions

**Proposition A**

THE ISSUANCE OF **$548,410,330** OF BONDS BY THE LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT FOR SCHOOL FACILITIES, THE NECESSARY SITES FOR SCHOOL FACILITIES, AND NEW SCHOOL BUSES, AND THE LEVYING OF A TAX IN PAYMENT THEREOF. THIS IS A PROPERTY TAX INCREASE.

- Elementary School #8 – $50,077,526
- Elementary School #9 – $54,677,521
- High School #2 – $176,125,620
- Bee Cave ES – $5,655,857
- Lakeway ES – $5,838,214
- Lake Pointe ES – $5,309,113
- Lake Travis ES – $5,194,029
- Rough Hollow ES – $1,314,165
- Serene Hills ES – $6,104,937
- West Cypress Hills ES – $2,388,456
- Bee Cave MS – $1,993,270
- Hudson Bend MS – $7,192,314
- Lake Travis MS – $3,715,078
- Lake Travis HS & PAC – $74,647,297
- Lake Travis HS Annex – $1,669,547
- Lake Travis HS Ag Bldg – $4,896,643
- Lake Travis HS Comp Arena – $43,963,156
- District Facilities – $53,527,587
- District Transportation – $9,620,000
- Land and Development – $15,000,000
- Closing, Admin Costs, Conting. – $19,500,000
Bond Propositions

Proposition A Project Details

- **Elementary shade structures** – Engineered foundations and structure, design, plan review and permitting, site plan, impervious cover and rainwater detention analysis, steel materials and metal roof for longevity. Input from campus administrators and staff.

- **Special programs required improvements** – Additional classroom space, classroom infrastructure, restrooms and storage. Input from C&I and Special Services staff.

- **District wide door hardware replacement** – Original door hardware replaced with thumb latch locking mechanism hardware and installation to update Bee Cave ES and Lakeway ES. The cost includes approximately 278 units.

- **Science classrooms (6)** – New classroom addition to accommodate growth at LTHS over the next five years. Science classrooms are larger square footage than a typical classroom and require materials storage, refrigerator, built-in cabinets, gas and electric lines for burners. Input from campus administrators and staff.

- **Millwork** – Replacement of plastic laminate cabinets that are chipped or falling apart that were installed when the school was built. Campuses include Bee Cave ES, Lake Pointe ES, Lake Travis ES and Lake Travis HS Men’s Field House.
Bond Propositions

Proposition A Project Details

- **PAC and Black Box architectural finishes and renovations** – Architectural finishes to include seating, wall and ceiling finishes, lighting in the PAC, PAC workshop, Black Box theater and Recital Hall. This is the first major renovation to these spaces since initial construction in 1999 and 2006. PAC had minor finishes, lights, rigging and sound system upgrade completed previously. Input from Fine Arts staff.

- **PAC Lobby architectural finishes and renovations** – Architectural finishes to include flooring, wall and ceiling finishes and lighting. First major renovation since initial construction in 1999 to modernize the lobby area.

- **New competition arena** – New arena to provide a competition space for men’s and women’s basketball and volleyball, provide seating for 2,500 to accommodate the growth in students, staff and guests since the original gym was built in 1985. The arena will also allow for higher level tournament competitions at LTHS. Pricing provided by an architect firm with a similar local project. Input from campus and Athletics staff.

- **Administration building addition** – New 5,300 sq. ft. two story addition located behind the existing building to accommodate the growth of the district. Includes 10 offices, 2 restrooms and a meeting room.
Bond Propositions

Proposition A Project Details

- **Educational Development Center addition** – New 8,220 sq. ft. one story addition to the current building to accommodate growth of C&I and Special Services staff and to replace square footage of temporary portables.

- **New Maintenance and Food & Nutrition Services building** – New building to accommodate the growth in staff and storage needs through the build-out of the District and to move Maintenance off the LTHS campus to the more centrally located Transportation and Distribution site. The Maintenance building is planned for 33,875 sq. ft. which is double the current size. The Food & Nutrition Services building is approximately 5,643 sq. ft. and would allow for the receiving and storage of products to be distributed to campuses. The cost of the facility includes site planning, architectural and engineering design, plan review, permitting, construction, roadway to the site and parking.

- **Facility Condition Assessment** – The assessment was conducted by ALPHA Facilities Solutions, LLC in 2016 over an eight month period by a group of Inspectors, Engineers and Project Managers that routinely conduct assessments of U.S. Government facilities including military and educational facilities. The assessment covered approximately 1.8 million square feet and included lifecycle analysis over the span of 15 years (2031) for each district facility.
Bond Propositions

Proposition B

THE ISSUANCE OF $60,790,110 OF BONDS BY THE LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT FOR SCHOOL TECHNOLOGY IMPROVEMENTS AND THE LEVYING OF A TAX IN PAYMENT THEREOF. THIS IS A PROPERTY TAX INCREASE.

- Elementary School #8 – $840,000
- Elementary School #9 – $840,000
- High School #2 – $3,865,000
- Bee Cave ES – $540,200
- Lakeway ES – $483,893
- Lake Pointe ES – $388,649
- Lake Travis ES – $1,648,450
- Rough Hollow ES – $528,781
- Serene Hills ES – $1,623,177
- West Cypress Hills ES – $580,191
- Bee Cave MS – $2,653,975
- Hudson Bend MS – $2,474,358
- Lake Travis MS – $1,075,794
- Lake Travis HS – $2,809,402
- District Facilities – $40,438,240

Technology items include staff and student devices, improvements to existing facilities in cabling, wireless, cameras, access controls, classroom and campus AV, network, telecommunications and classroom and campus AV for new campuses.
Bond Propositions

Proposition C

THE ISSUANCE OF $93,799,560 OF BONDS BY THE LAKE TRAVIS INDEPENDENT SCHOOL DISTRICT FOR SCHOOL STADIUM FACILITIES AND THE LEVYING OF A TAX IN PAYMENT THEREOF. THIS IS A PROPERTY TAX INCREASE.

- **High School #2 – $56,440,000**
  - Football stadium, track, concession stands, restrooms and parking
  - Field house with locker and weight rooms
  - Baseball and softball fields and tennis courts, concession stands, restrooms

- **Hudson Bend MS – $2,161,500**
  - Athletic turf and track surface replacement
  - Stadium sound system
  - Boys and girls additional PE space (1,500 sf)
  - Additional field events

- **Lake Travis MS – $600,000**
  - Athletic turf replacement

- **Lake Travis HS – $34,598,060**
  - Baseball and softball turf installation
  - Baseball concession stand and pressbox
  - Stadium renovations, additional seating, press box, classrooms, offices
  - Women’s field house addition, HVAC and architectural finishes
  - Renovate restrooms at athletic fields
  - Men’s field house addition and millwork
  - Outdoor golf hitting bays and putting green
  - LED lighting replacement at all sports fields
  - New fencing and seating at track stadium
Bond Propositions

Proposition C Project Details

- **Baseball concession stand** – Build a larger concession stand with porch area and new restrooms (1,500 sq.ft.) to accommodate the growth of the high school since they were built in 1988, enlarge and renovate the baseball press box. Input from campus and Athletics staff.

- **Women’s field house addition** – New 12,500 sq. ft. two story addition to accommodate growth of current women’s athletic programs and would include space for PE and offices. Input from Athletics staff.
### Projects included in Propositions

<table>
<thead>
<tr>
<th>School</th>
<th>Project Details</th>
<th>Cost</th>
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</thead>
<tbody>
<tr>
<td><strong>Elementary School #8</strong></td>
<td>Campus technology – $2,700,000</td>
<td></td>
</tr>
<tr>
<td><strong>Elementary School #9</strong></td>
<td>Campus technology – $2,700,000</td>
<td></td>
</tr>
<tr>
<td><strong>High School #2</strong></td>
<td>Campus technology – $11,639,277</td>
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<tr>
<td><strong>Bee Cave ES</strong></td>
<td>Upgrade secure entry – $156,800</td>
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<td></td>
<td>Campus technology – $540,200</td>
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<tr>
<td><strong>Lakeway ES</strong></td>
<td>Upgrade secure entry – $252,000</td>
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<tr>
<td></td>
<td>Safety fencing/stairs front parking lot – $76,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Campus technology – $483,893</td>
<td></td>
</tr>
<tr>
<td><strong>Lake Pointe ES</strong></td>
<td>Painted crosswalk &amp; lights – $20,020</td>
<td></td>
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<tr>
<td></td>
<td>Campus technology – $388,649</td>
<td></td>
</tr>
<tr>
<td><strong>Lake Travis ES</strong></td>
<td>Campus technology – $1,648,450</td>
<td></td>
</tr>
<tr>
<td><strong>Rough Hollow ES</strong></td>
<td>Campus technology – $528,781</td>
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<tr>
<td><strong>Serene Hills ES</strong></td>
<td>Upgrade secure entry – $268,800</td>
<td></td>
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<tr>
<td></td>
<td>Campus technology – $1,623,177</td>
<td></td>
</tr>
<tr>
<td><strong>West Cypress Hills ES</strong></td>
<td>Upgrade secure entry – $252,000</td>
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<td></td>
<td>Campus technology – $580,191</td>
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Safety and Security Projects

Projects included in Propositions (continued)

- Bee Cave MS
  - Add window blinds in offices – $15,600
  - Crosswalk at Vail Divide – $14,353
  - Campus technology – $2,653,975
- Hudson Bend MS
  - Upgrade secure entry – $252,000
  - Fencing/blocks on Gen Williamson Dr – $33,000
  - Campus technology – $2,474,358
- Lake Travis MS
  - Campus technology – $1,075,794
- Lake Travis HS
  - Lane, parking and pedestrian safety improvements to Cavalier Drive – $5,146,744
- Lake Travis HS (continued)
  - Fire and access road at northwest corner of property – $4,288,803
  - Campus technology – $2,809,402
  - LED lighting, roof replacement and parking lot paving – $12,570,659
- LTHS Athletics
  - LED lighting at all sports fields – $1,685,000
- LTHS Annex
  - Additional secure entry – $252,000
- District Facilities
  - District wide door hardware replacement – $500,000
  - District wide technology – $39,980,532

Total 2022 Bond Safety and Security Projects – $97,610,458
Questions?