



Annual Report of Certain Financial and Local Debt Information

Fiscal Year Ended June 30, 2018

Denotes Required Information Pursuant to Local Government Code, Section 140.008

This report was posted on the District's website on December 20, 2018.



☑ Overview of Certain Financial/Bond Ratings

- ☐ **Overview:** Georgetown Independent School District (the “District”) has been assigned the following independent financial/bond ratings that indicate the relative strength of the District’s financial and debt management:
 - **School Financial Integrity Rating System of Texas (“FIRST”):** Pursuant to Subchapter D, Chapter 39 of the Texas Education Code, the State annually deploys a financial accountability rating system to distinguish the level of a school district’s financial performance based upon certain uniform criteria.
 - ✓ Based on data for year 2016/17, the District was assigned a 2017/18 FIRST Rating of “Superior” and the District’s score was 98 out of a possible 100 points.
 - **Credit Ratings:** The District also maintains independent ratings from certain nationally recognized credit rating agencies, such as Moody’s Investors Service and S&P Global Ratings, that evaluate the District’s financial strength and its ability to pay its existing bonds.
 - ✓ **Moody’s Investors Service:** Assigns a “Aa1” credit rating to the District, defined as “Judged to be of high quality and are subject to very low credit risk.”
 - ✓ **S&P Global Ratings:** Assigns a “AA” credit rating to the District, defined as “Having a very strong capacity to meet its financial commitments. It differs from the highest rating only to a small degree.”



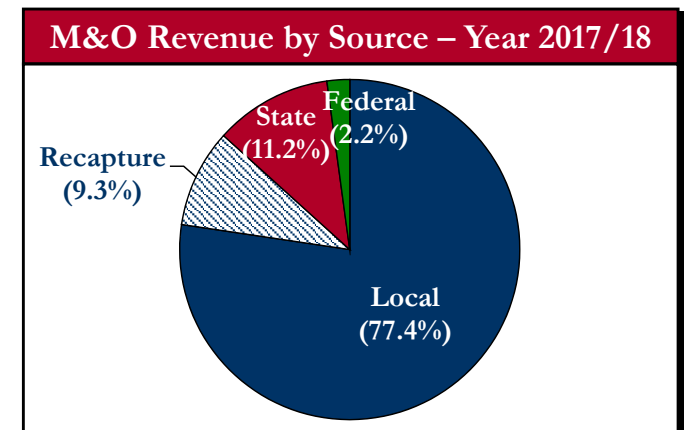
Overview of State Funding System

❑ **State Funding System – Where Do the District’s Revenues Come From:** Georgetown ISD is legally required to operate pursuant to the requirements of the Texas Education Code. In particular, the Texas Education Code determines the District’s ability to generate local tax revenues for maintenance & operation purposes and for the repayment of voter-approved bonds. In this regard, the District annually sets two (2) separate tax rates that are levied upon its certified taxable value that is independently determined by the Williamson Central Appraisal District:

■ **Maintenance & Operations (“M&O”) Tax Rate:** To provide funds for the “day to day” operational expenses of the District, including instructional programs, teacher salaries, instructional supplies, security, student transportation, extracurricular activities, utilities, facility infrastructure/maintenance, etc.

✓ As a Chapter 41 or “Robin Hood” school district, the District’s annual funds for maintenance & operation purposes primarily consist of local M&O taxes, as summarized to the right for year 2017/18. In general, the dollar amount of local M&O revenues retained in the District is determined by the District’s “Equalized Wealth per Student” (i.e. taxable value / weighted average daily attendance) as set by the State. We note that the local sources include tax collections of \$10,602,035 or 9.3% of total operating funds that are paid to the State as a “recapture” payment.

✓ On October 9, 2012, voters approved a tax ratification election to increase the District’s M&O tax rate to \$1.08. Prior to such ratification, the District was limited to a \$1.04 tax rate for maintenance and operations.





☑ Overview of State Funding System

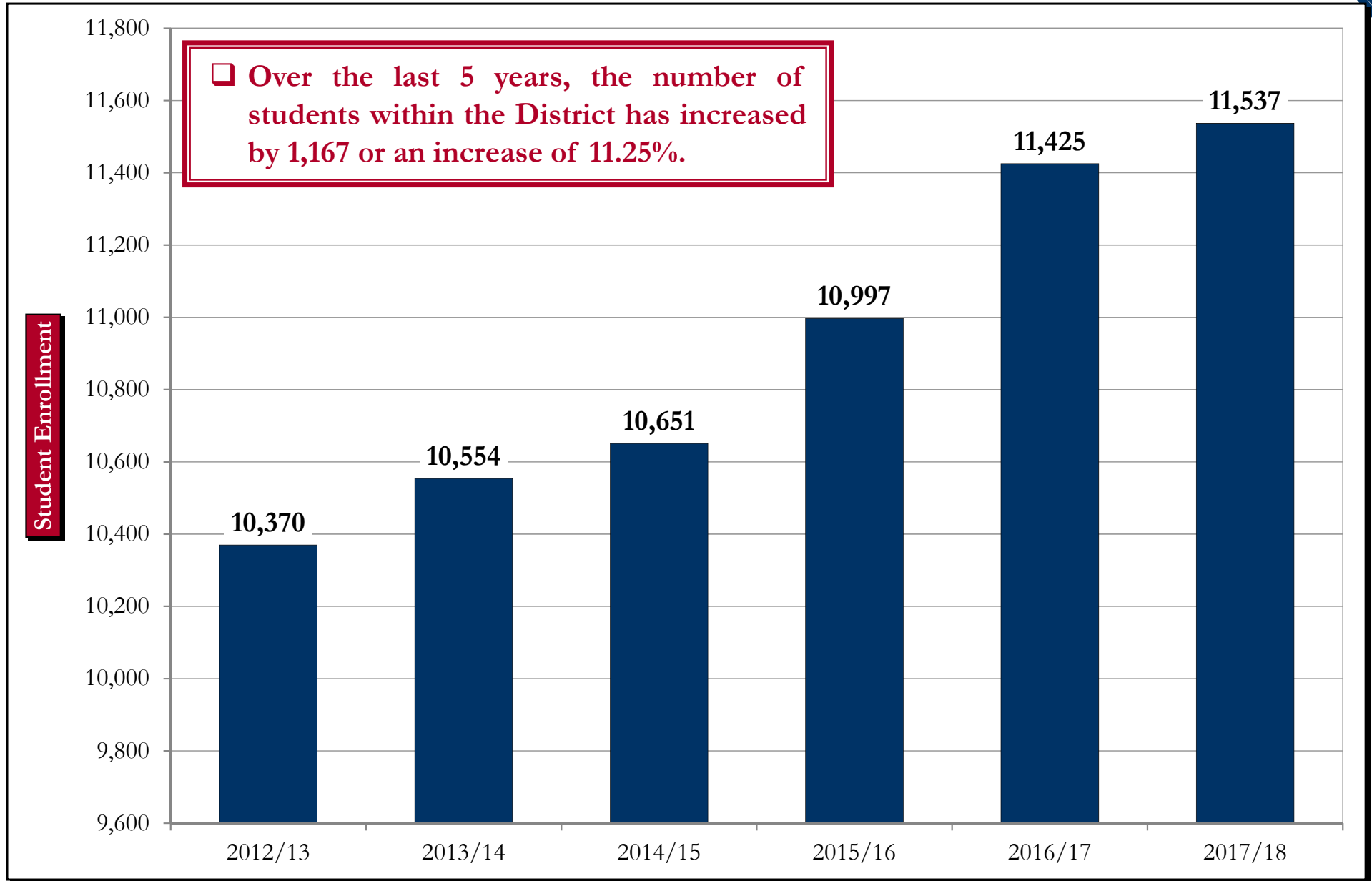
- Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds approved by a majority of voters for capital improvements. The District does not receive any facilities funding from the State for the payment of bonds. The following summarizes the District’s bond programs approved by voters over the last 15 years:

District’s Historical Bond Elections Approved By Voters					
Election Date	Purpose	Student Enrollment	Election Amount	Dollar Amount Remaining To Be Issued -	Dollar Amount Remaining To Be Issued -
				As of June 30, 2018	As of Dec. 1, 2018
November 8, 2005	School Building & Renovations	9,104	\$97,080,000	\$0	\$0
November 2, 2010	School Building	10,470	\$137,300,000	\$0	\$0
November 3, 2015	School Building	10,997	\$160,600,000	\$0	\$0
November 6, 2018	School Building & Technology	11,791	\$150,500,000	\$0	\$150,500,000
Total Dollar Amount Of Authorized But Unissued Bonds:				\$0	\$150,500,000

- ✓ As of fiscal year ended June 30, 2018, the District had \$34,789,230 within its Capital Projects Fund for existing/future projects.
- ✓ On November 6, 2018, voters approved the District’s \$150,500,000 bond program.

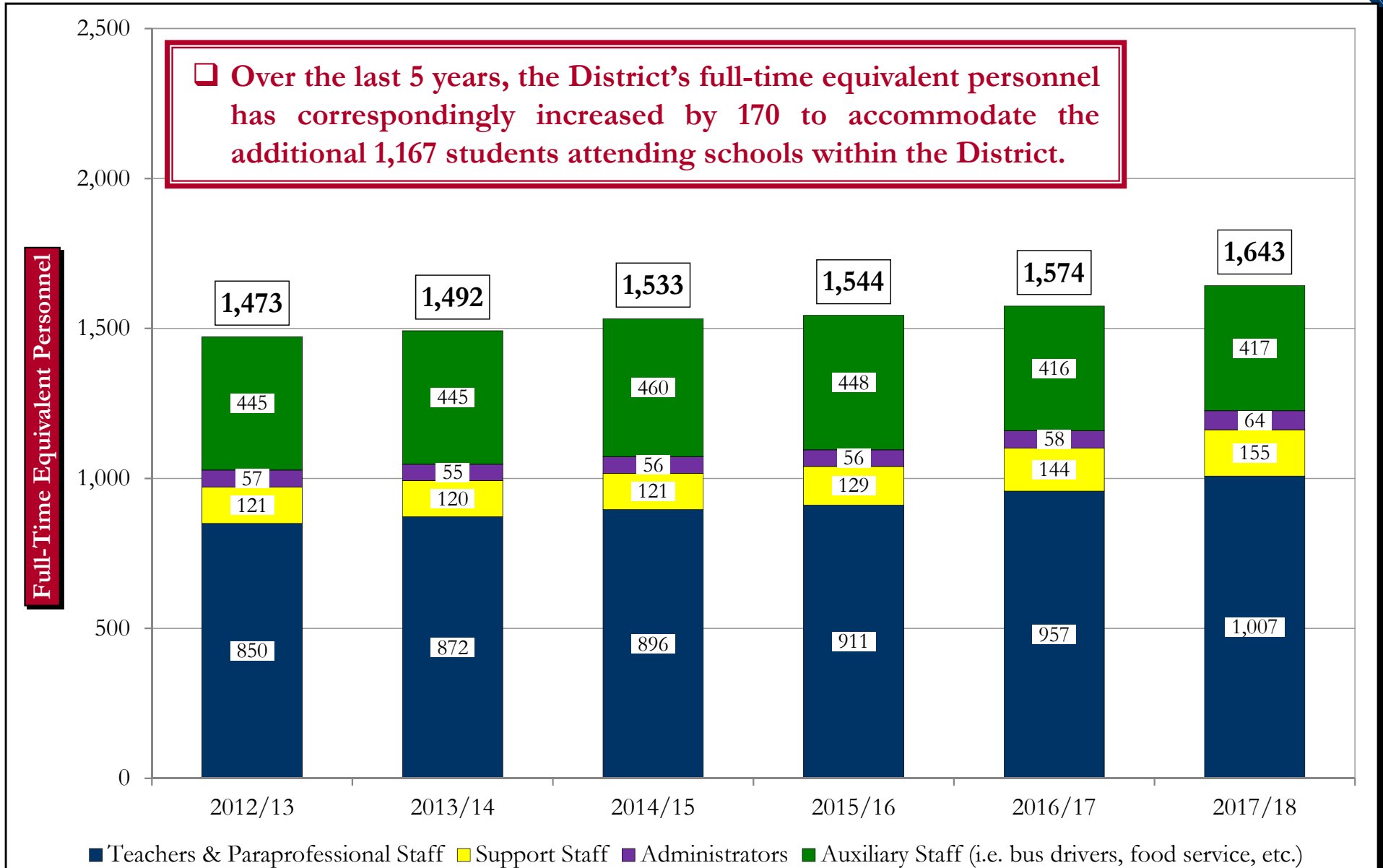


Historical Student Enrollment



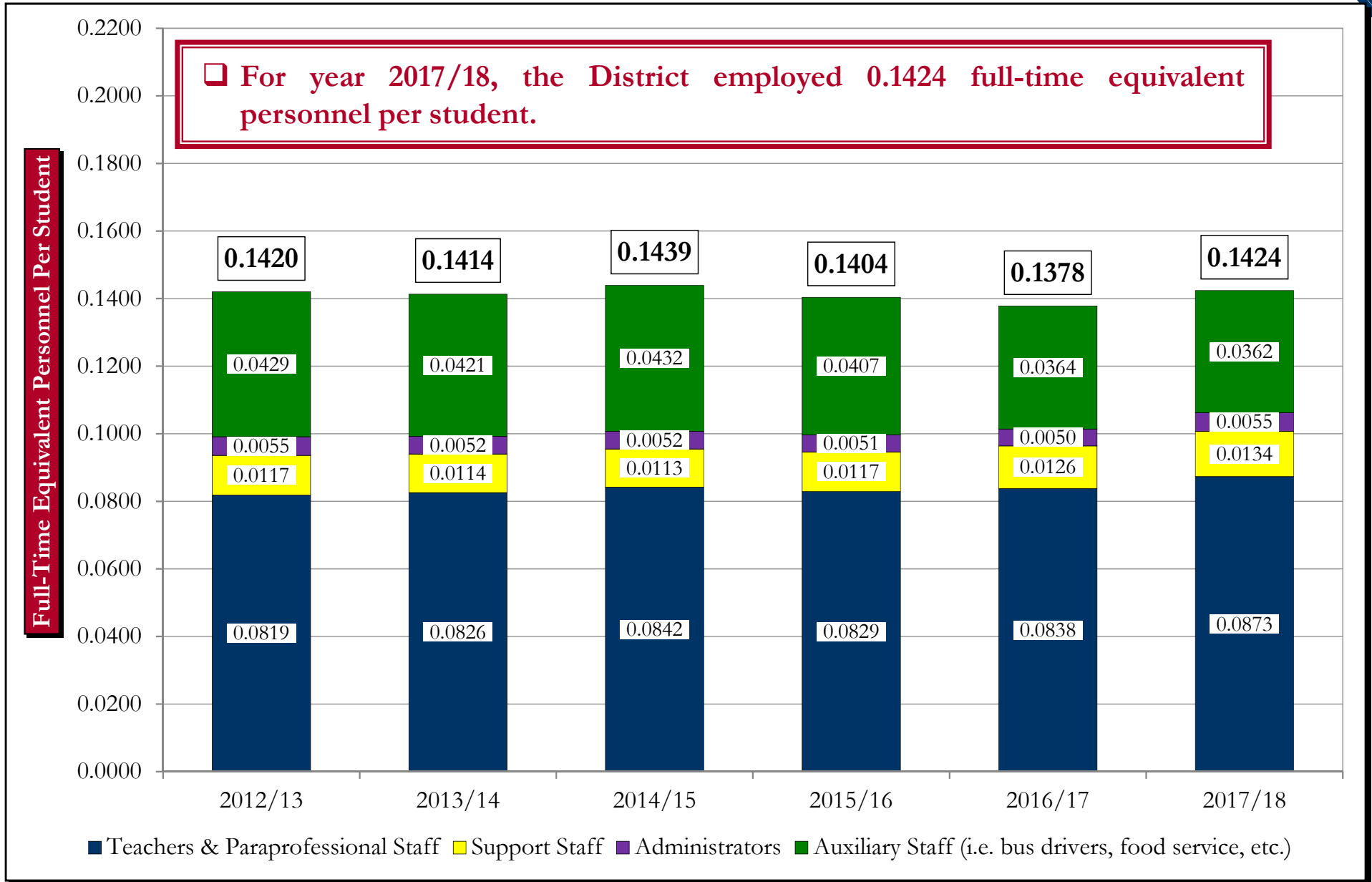


Full-Time Equivalent Personnel



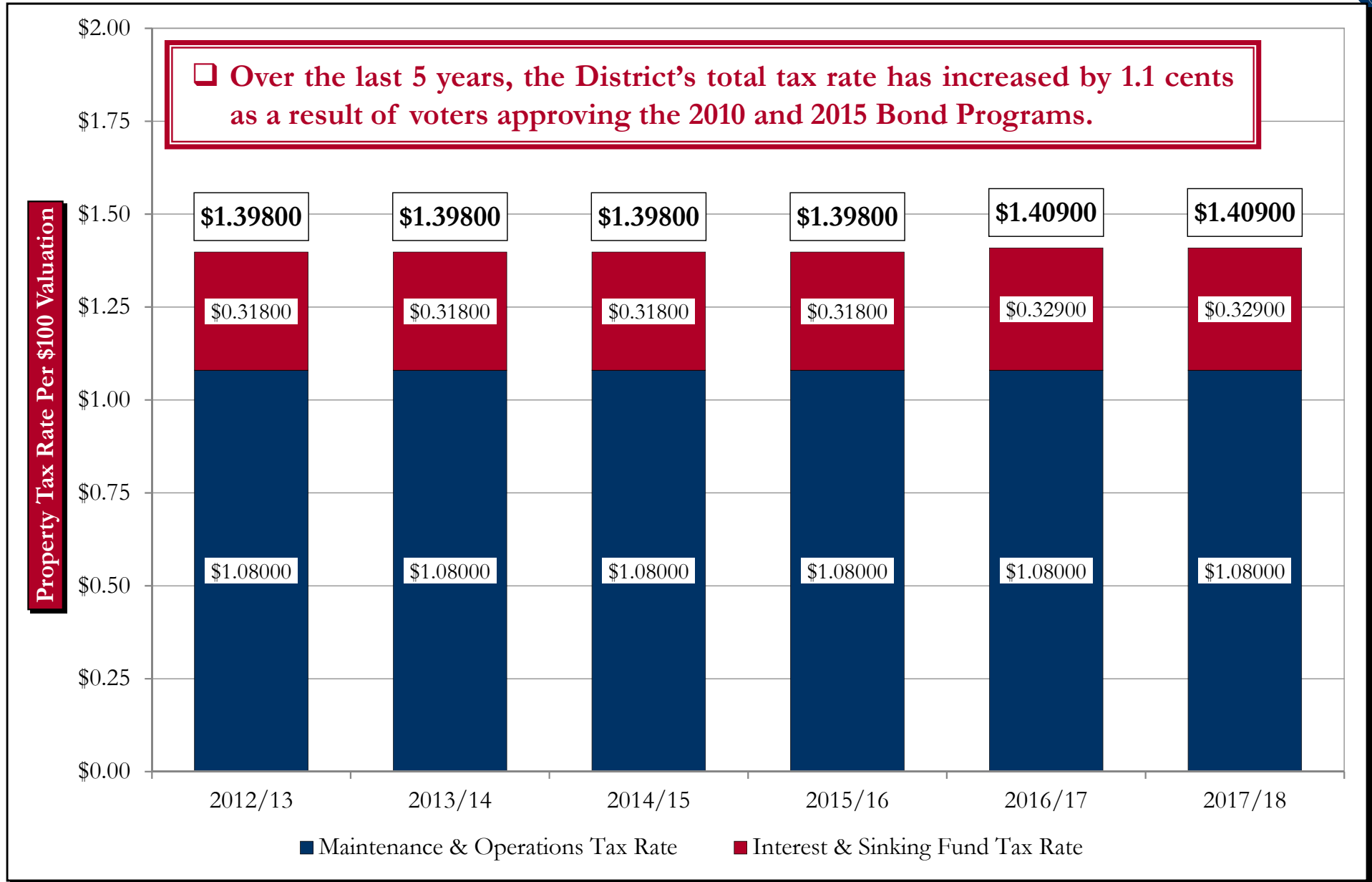


Full-Time Equivalent Personnel Per Student



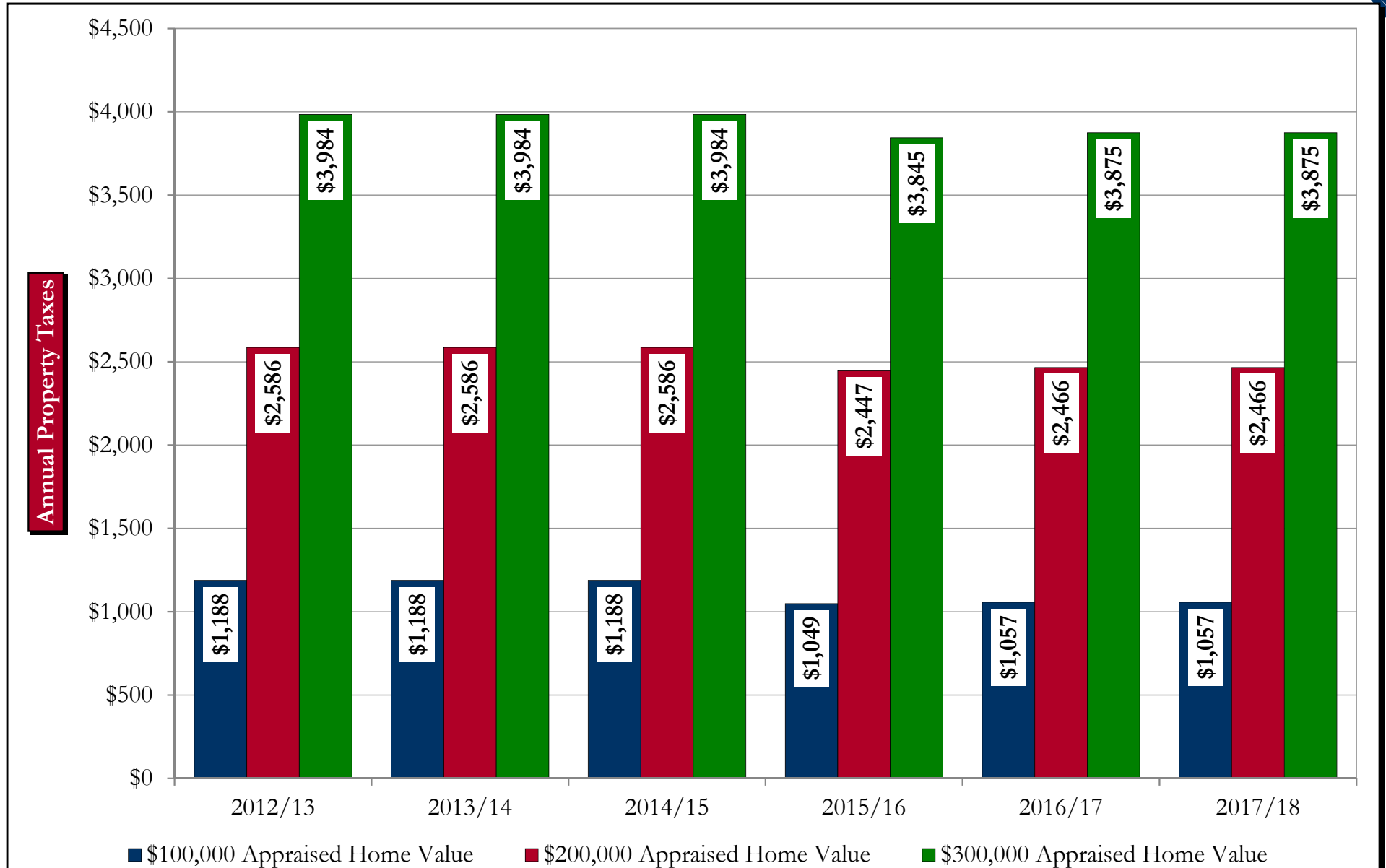


Historical Tax Rates





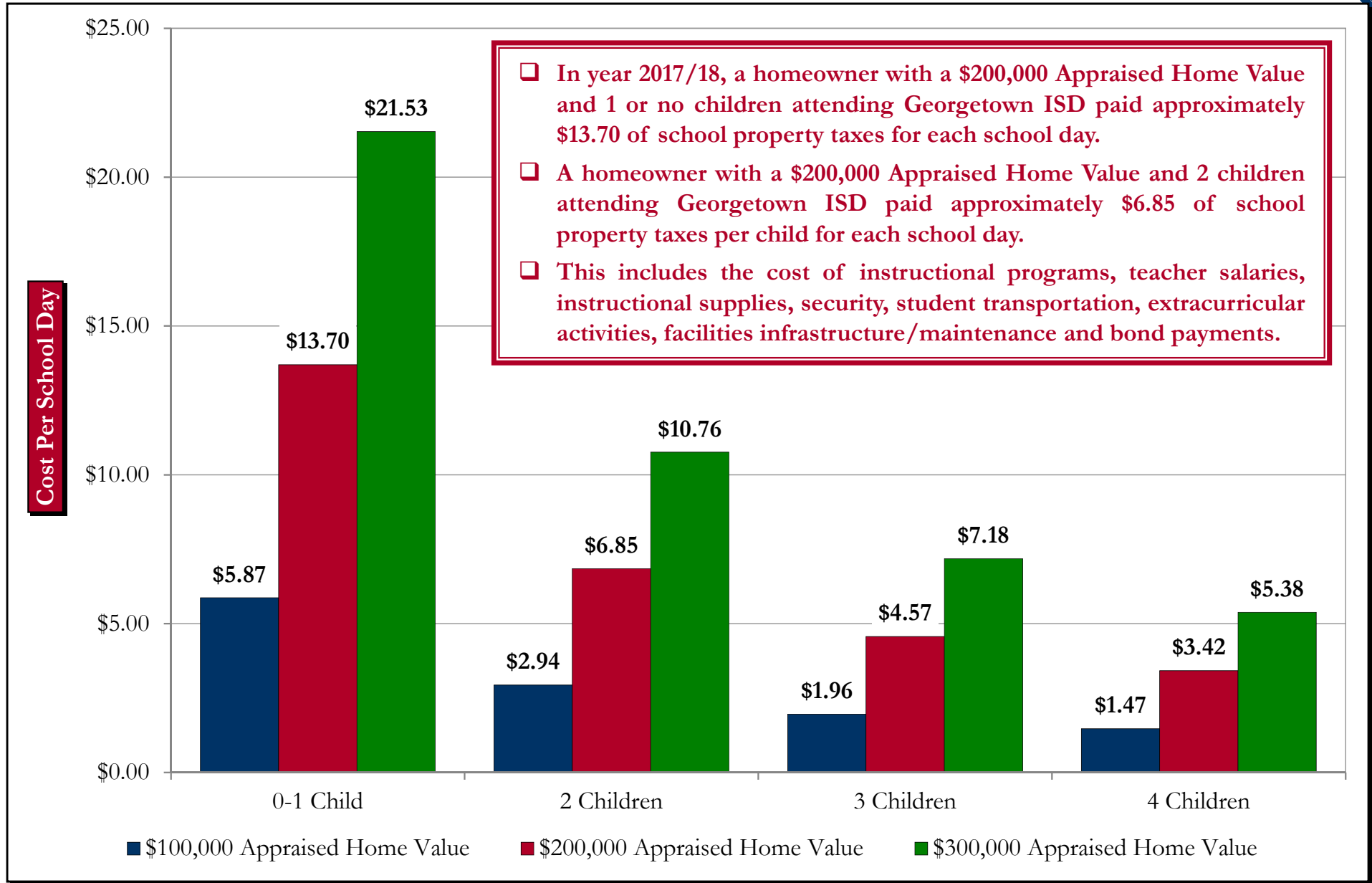
Historical Total Property Taxes For Maintenance and Operations and Voter-Approved Bonds – For Various Appraised Home Values



Note: Taxes are net of the State-mandated residential homestead exemption.



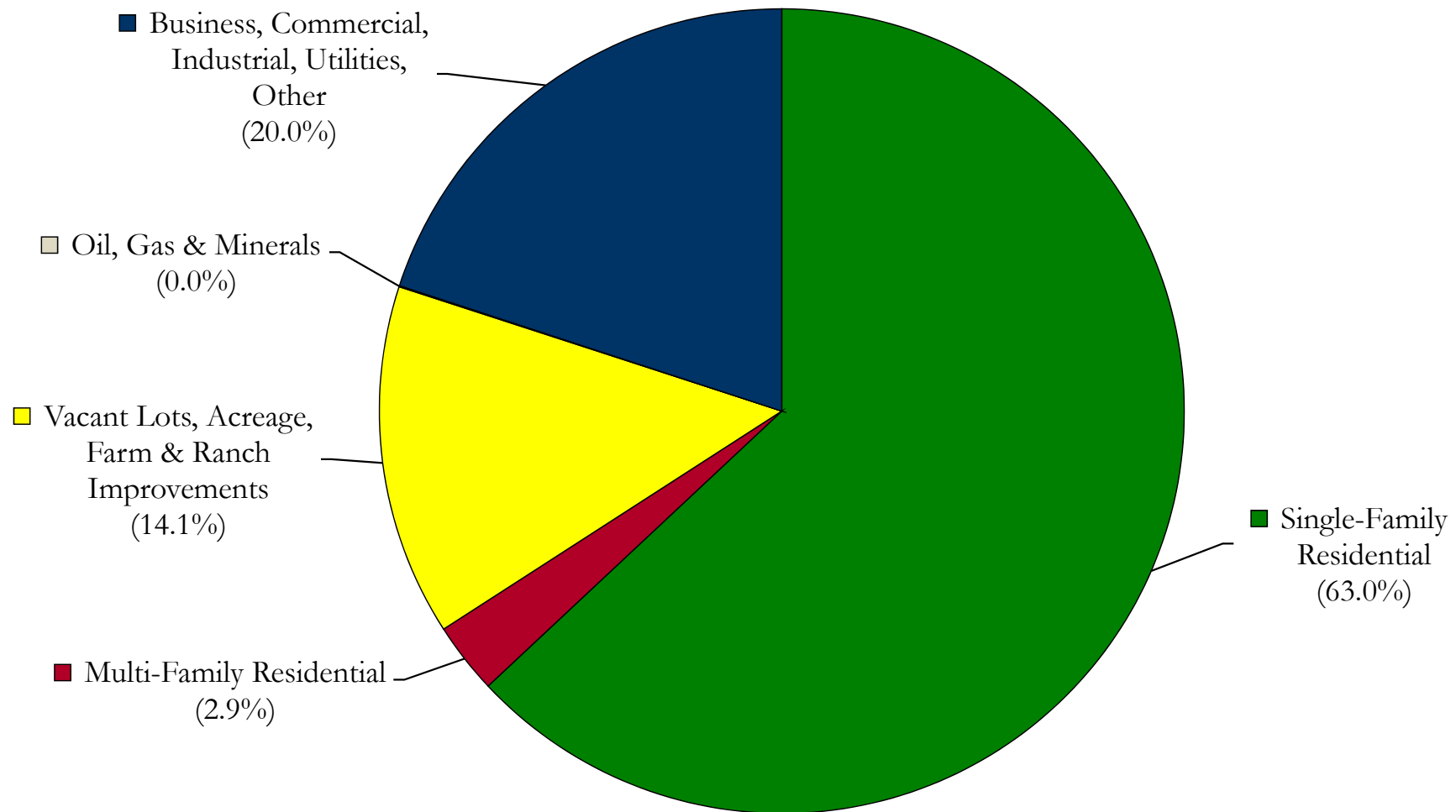
Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2017/18





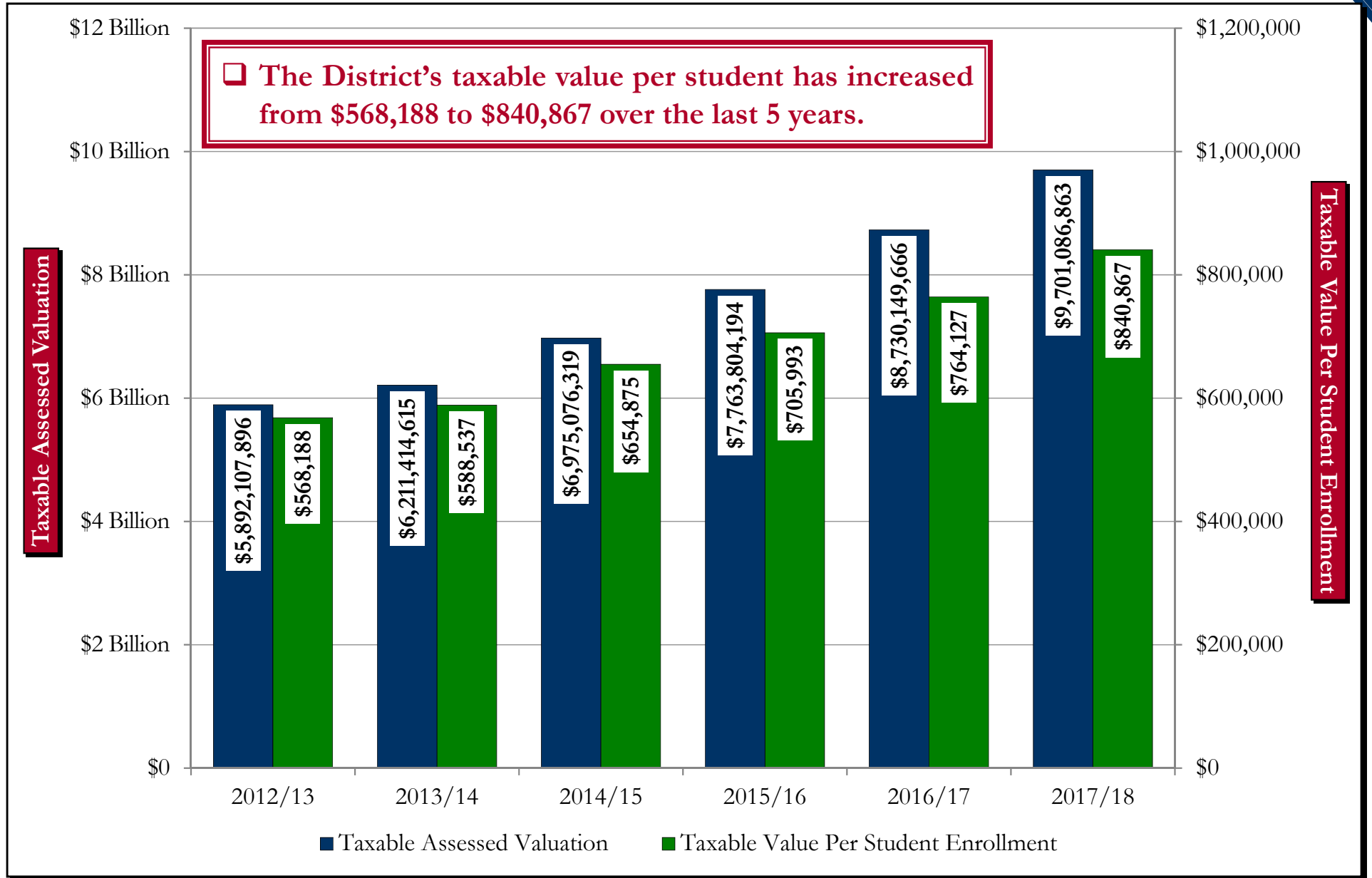
Composition of Total Assessed Valuation – Year 2017/18

For year 2017/18, Single-Family Residential properties comprised 63.0% of the District's total assessed valuation and other property categories comprised 37.0%.





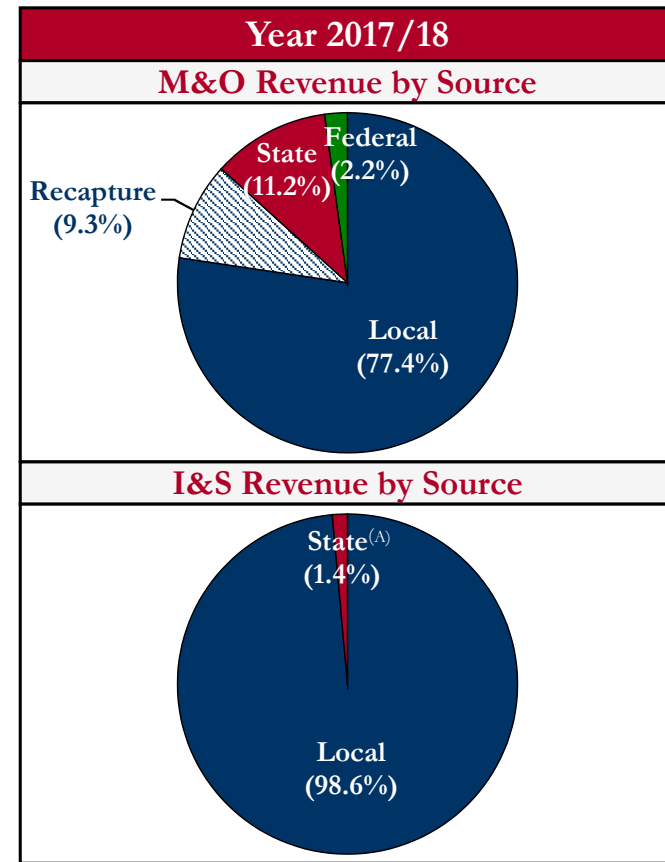
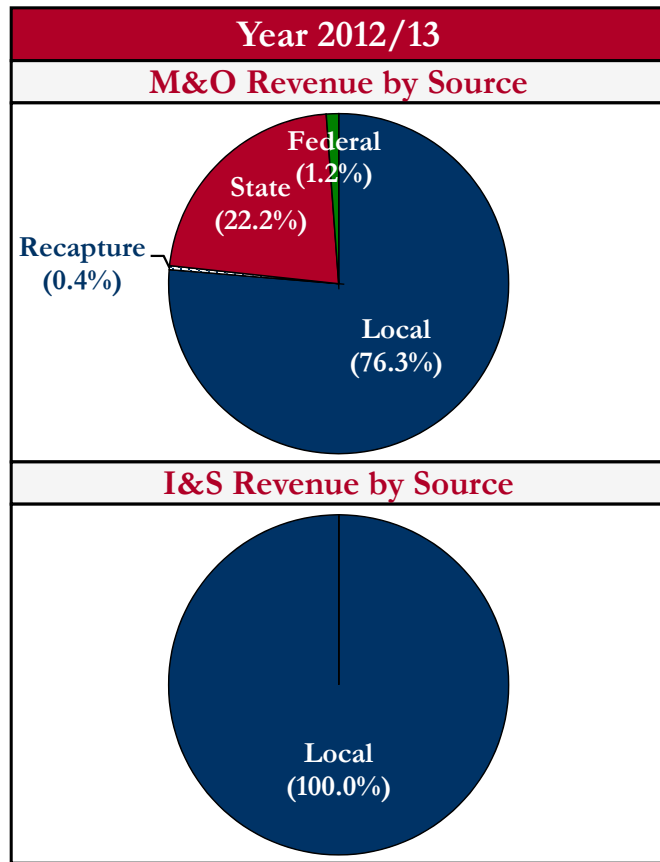
Historical Taxable Assessed Valuation and Taxable Value Per Student Enrollment





General Fund and Debt Service Fund – Revenue By Source

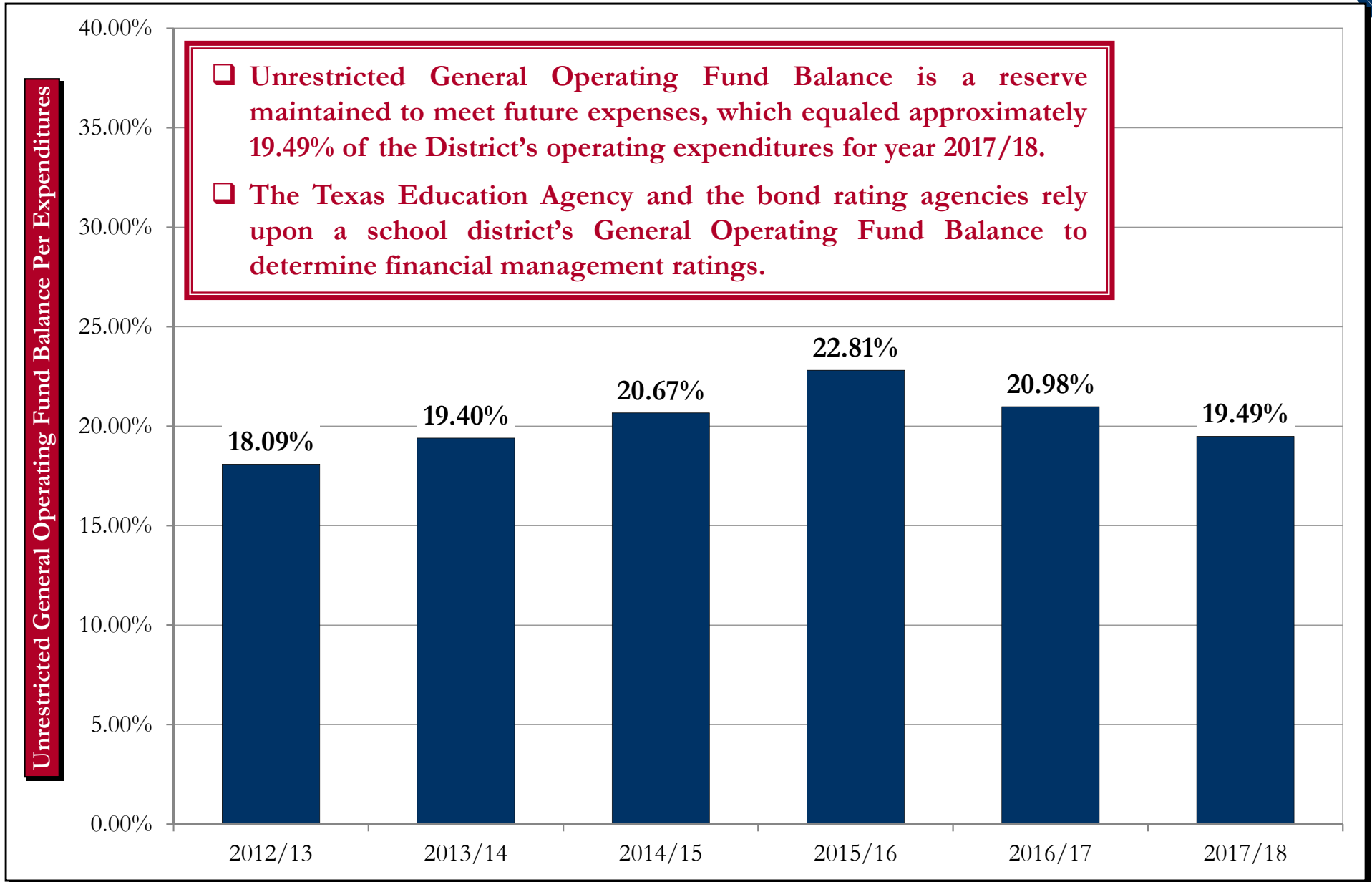
- ❑ The State funding system is structured to provide the District with an “equalized” dollar amount per student. The revenue sources for maintenance and operations and repayment of bonds is summarized below.
- ❑ The District does not receive any facilities funding from the State for the payment of voter-approved bonds.



^(A) Represents payment from State received for lost tax revenues resulting from increase of residential homestead exemption in year 2015/16.

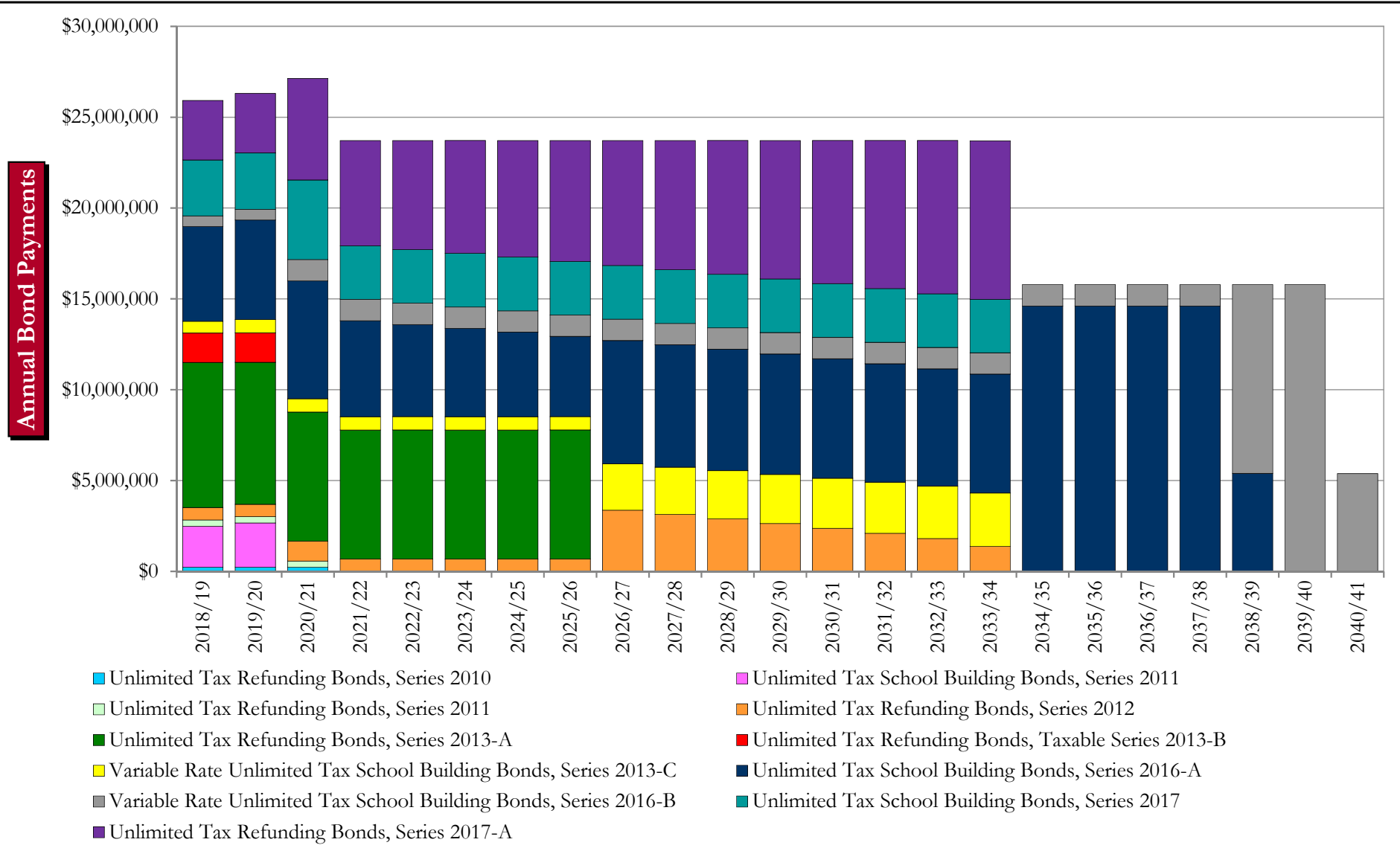


Unrestricted General Operating Fund Balance as a Percentage of General Operating Expenditures





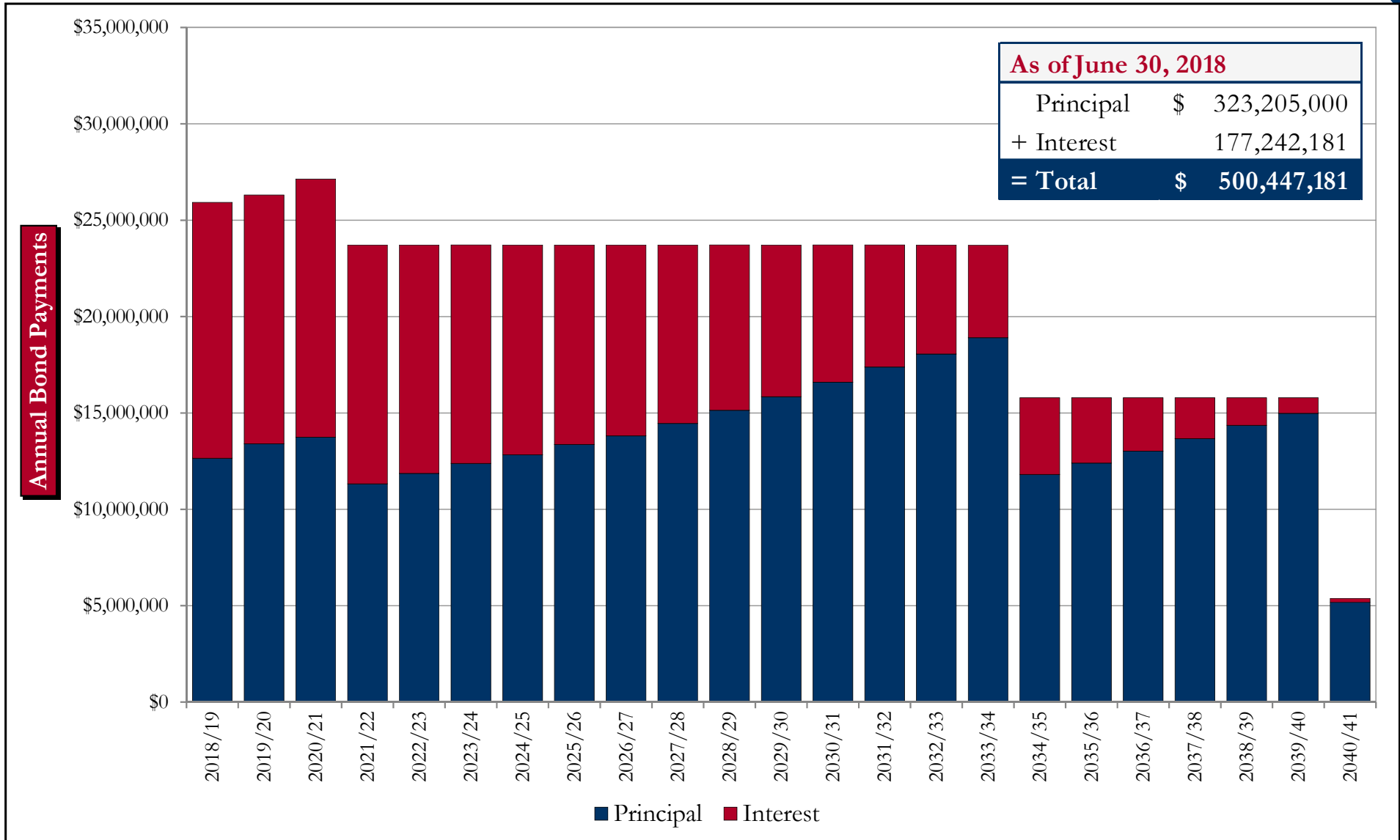
☑ Unlimited Tax Debt Service By Series – Existing Bonds Approved By Voters



Note: Although the District's fiscal year ends on June 30, debt service payments reflect payments from September 1 through August 31 to match the receipt of tax collections and the District's budget. As such, the District's August 2018 debt payments are not portrayed in the graph above.



☑ Unlimited Tax Debt Service By Principal and Interest – Existing Bonds Approved By Voters



Note: Although the District's fiscal year ends on June 30, debt service payments reflect payments from September 1 through August 31 to match the receipt of tax collections and the District's budget. As such, the District's August 2018 debt payments are not portrayed in the graph above.



Savings from District's Recent Bond Refunding and Prepayment Programs to Lower Interest Costs

- Georgetown ISD has implemented 7 bond refunding programs and prepaid \$10 million of existing bonds to reduce the cost of voter-approved bonds – Which have generated more than \$33.6 million of savings for District taxpayers in recent years.

Summary of Interest Cost Savings – Bond Refunding Programs / Prepayment of Bonds			
Issue / Description	Series Refunded / Redeemed	Par Amount Refunded / Redeemed	Total Savings
Unlimited Tax Refunding Bonds, Series 2005	1996	\$ 9,115,000	\$ 800,967
Unlimited Tax Refunding Bonds, Series 2010	2001	1,830,000	137,212
Unlimited Tax Refunding Bonds, Series 2011	2001	2,905,000	363,071
Unlimited Tax Refunding Bonds, Series 2013-A	2006	65,135,000	9,183,385
Unlimited Tax Refunding Bonds, Taxable Series 2013-B	2004	12,665,000	1,099,256
Unlimited Tax Refunding Bonds, Series 2014	2005	7,175,000	386,931
Unlimited Tax Refunding Bonds, Series 2017-A	2011	76,430,000	12,303,413
Total - Bond Refunding Programs at a Lower Interest Rate	---	\$ 175,255,000	\$ 24,274,235
Prepayment of Series 2016-B Bonds - August 2017	2016-B	\$ 10,000,000	\$ 9,337,500
Totals	---	\$ 185,255,000	\$ 33,611,735

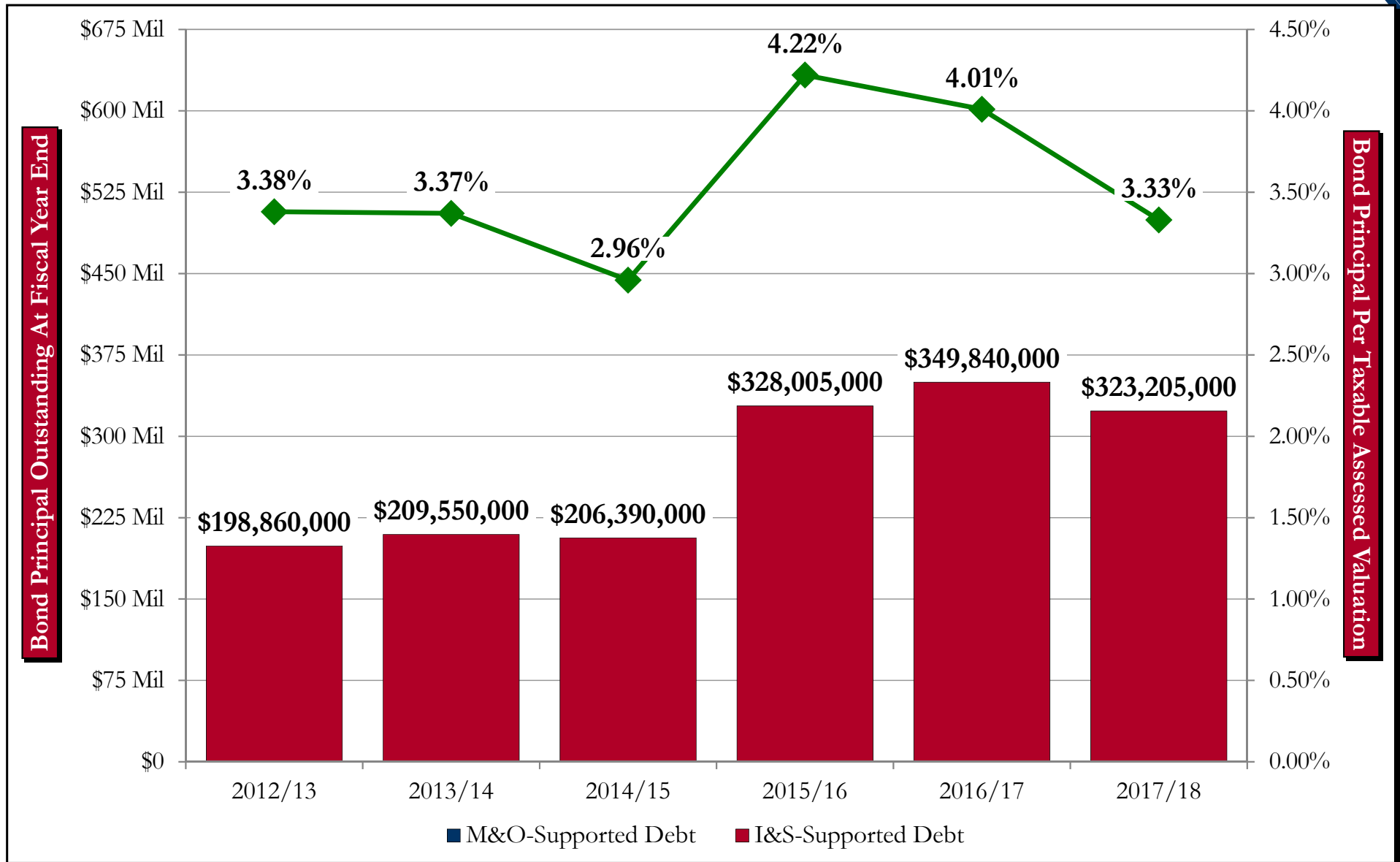


Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended June 30, 2018

No.	Issue Description	Purpose	Original Principal Amount	Outstanding Principal	Total Outstanding Debt Service	Outstanding Principal Per Capita	Outstanding Debt Service Per Capita	Final Maturity Date	Total Proceeds Received	Spent Proceeds	Unspent Proceeds
1	Unlimited Tax Refunding Bonds, Series 2010	Refunding at a lower interest rate, etc.	\$1,830,000.00	\$830,000.00	\$883,087.50	\$11.91	\$12.68	08/15/2021	\$2,001,334.74	\$2,001,334.74	\$0.00
2	Unlimited Tax School Building Bonds, Series 2011	Capital Improvements	\$88,325,000.00	\$6,260,000.00	\$6,656,400.00	\$89.86	\$95.55	08/15/2020	\$90,324,097.57	\$90,324,097.57	\$0.00
3	Unlimited Tax Refunding Bonds, Series 2011	Refunding at a lower interest rate, etc.	\$2,905,000.00	\$1,285,000.00	\$1,364,793.75	\$18.45	\$19.59	08/15/2021	\$3,035,551.45	\$3,035,551.45	\$0.00
4	Unlimited Tax Refunding Bonds, Series 2012	Refunding at a lower interest rate, etc.	\$17,125,000.00	\$16,970,000.00	\$25,679,400.00	\$243.60	\$368.62	08/01/2034	\$19,405,799.70	\$19,405,799.70	\$0.00
5	Unlimited Tax Refunding Bonds, Series 2013-A	Refunding at a lower interest rate, etc.	\$61,195,000.00	\$50,445,000.00	\$59,446,700.00	\$724.12	\$853.33	02/15/2026	\$70,998,281.27	\$70,998,281.27	\$0.00
6	Unlimited Tax Refunding Bonds, Taxable Series 2013-B	Refunding at a lower interest rate, etc.	\$12,555,000.00	\$3,145,000.00	\$3,287,200.00	\$45.15	\$47.19	02/15/2020	\$13,341,633.57	\$13,341,633.57	\$0.00
7	Variable Rate Unlimited Tax School Building Bonds, Series 2013-C	Capital Improvements	\$18,365,000.00	\$18,365,000.00	\$28,018,162.50	\$263.62	\$402.19	08/01/2034	\$19,729,387.92	\$19,729,387.92	\$0.00
8	Unlimited Tax School Building Bonds, Series 2015	Capital Improvements	\$5,000,000.00	\$505,000.00	\$508,787.50	\$7.25	\$7.30	08/15/2018	\$5,090,556.80	\$3,997,666.80	\$1,092,890.00
9	Unlimited Tax School Building Bonds, Series 2016-A	Capital Improvements	\$90,715,000.00	\$89,495,000.00	\$161,348,650.00	\$1,284.67	\$2,316.10	08/15/2039	\$107,889,121.92	\$86,763,603.92	\$21,125,518.00
10	Variable Rate Unlimited Tax School Building Bonds, Series 2016-B	Capital Improvements	\$39,745,000.00	\$29,370,000.00	\$54,172,900.00	\$421.60	\$777.63	08/01/2041	\$40,603,756.39	\$40,603,756.39	\$0.00
11	Unlimited Tax School Building Bonds, Series 2017	Capital Improvements	\$35,005,000.00	\$35,005,000.00	\$50,643,025.00	\$502.48	\$726.96	08/15/2034	\$39,308,877.80	\$29,309,077.80	\$9,999,800.00
12	Unlimited Tax Refunding Bonds, Series 2017-A	Refunding at a lower interest rate, etc.	\$71,530,000.00	\$71,530,000.00	\$108,438,075.00	\$1,026.79	\$1,556.59	08/15/2034	\$84,187,857.47	\$84,187,857.47	\$0.00



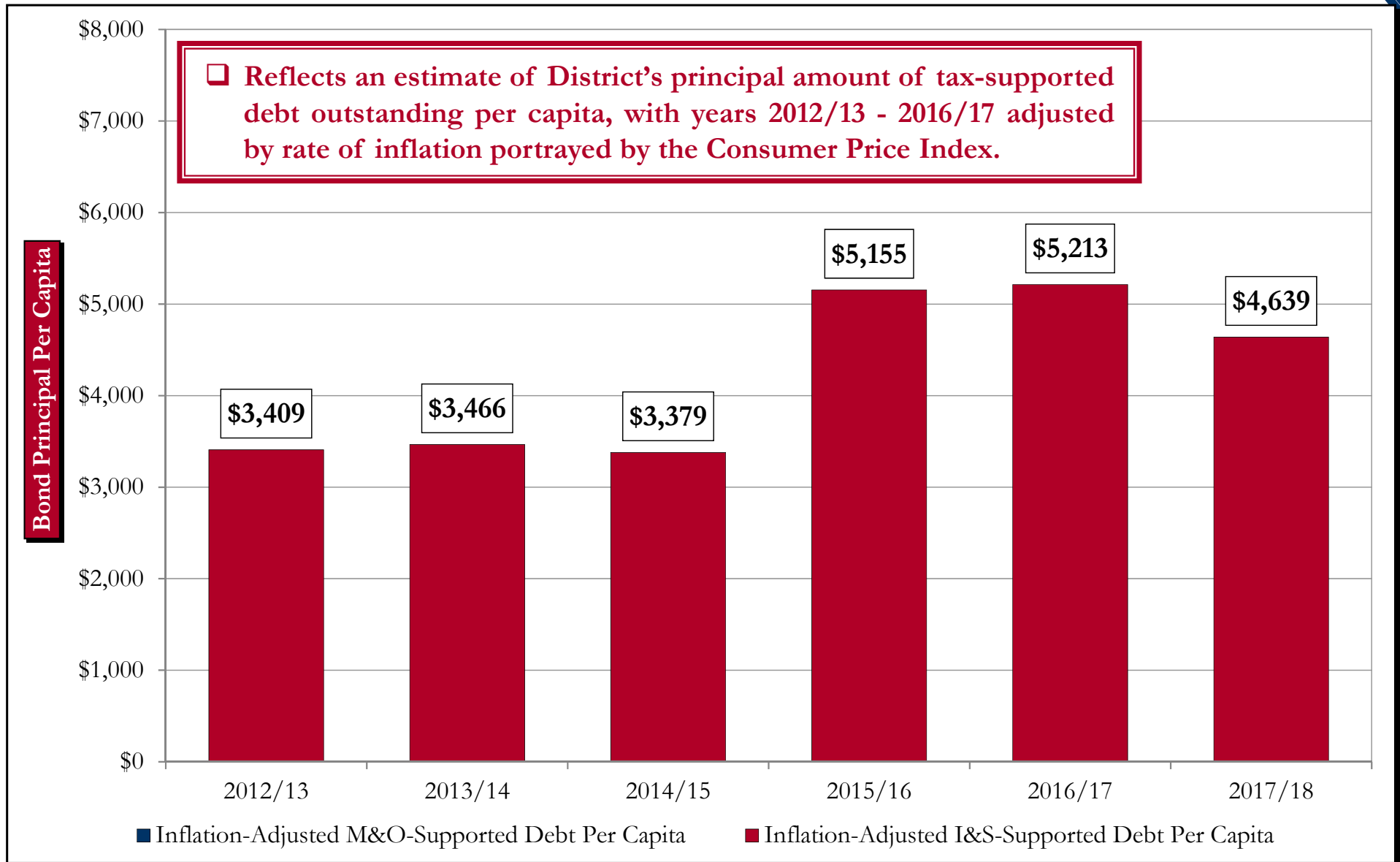
Tax-Supported Debt Obligations At Fiscal Year End and As a Percentage of Taxable Assessed Valuation



Note: The District has no outstanding debt payable from M&O taxes.



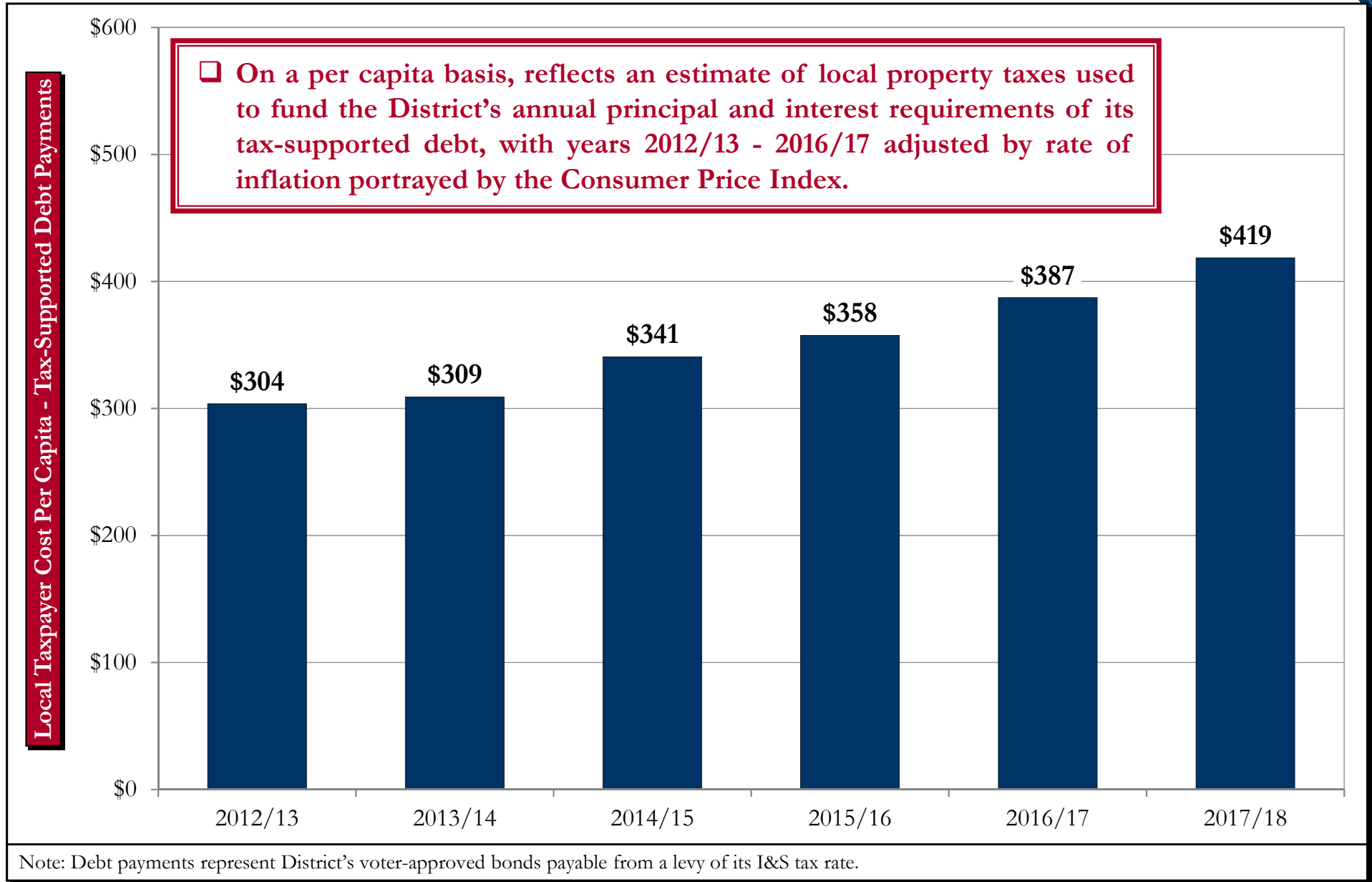
Inflation-Adjusted Tax-Supported Debt Per Capita



Note: The District has no outstanding debt payable from M&O taxes.



Inflation-Adjusted Tax-Supported Debt Cost Per Capita – Principal and Interest In Each of the Last 5 Years





Contact Information and Links to Additional Resources

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Links to Additional Resources:

<https://www.comptroller.texas.gov/transparency/local/debt/isds.php>

http://www.brb.state.tx.us/local_debt_search.aspx