



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: August 17, 2015

AGENDA ITEM: 2015-2016 Budget Update

PRESENTER: Earl Husfeld

ALIGNS TO BOARD GOAL(S): Financial/Facilities – The District shall exhibit excellence in financial and facility planning, management, and stewardship.

BACKGROUND INFORMATION:

- Per Section 44.002 of the Texas Education Code, “the Superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the District for the following fiscal year”.
- The budget must be prepared according to generally accepted accounting principles, rules adopted by the State Board of Education, and adopted policies of the Board of Trustees.
- Budgets for the General Fund, the Child Nutrition Fund, and the Debt Service Fund must be included in the official district budget and must be adopted by August 31st.

ADMINISTRATIVE CONSIDERATIONS:

- The District’s 2015-2016 budget development process is progressing on schedule. Based on discussions during the August 3rd budget workshop, an updated 2015-2016 Budget Development Calendar is included for your review.
- Also included for your review is a comparison of 2014-2015 tax rates for area school districts and a historical look at the District’s tax rate changes and the impact to homeowners.
- A memorandum letter, prepared by BOSC, Inc., is also included that summarizes the results of the 2015 Bond Program sale that occurred on August 4th.
- In order to give you the most up-to-date information possible, a handout containing updated budget assumptions and related information will be distributed at the board meeting.

FISCAL NOTE:

None

ADMINISTRATIVE RECOMMENDATION:

None – Informational Report



ALEDO INDEPENDENT SCHOOL DISTRICT 2015-2016 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
Phase 1 - District Planning and Needs Assessment		
September 2014 - May 2015	Monitor Student Average Daily Attendance (ADA) at the End of Each Six Week Period. Monitor Ad Valorem Tax Collection Percentage at Each Month End.	Chief Financial Officer (CFO)
January 2015	Present 2015-2016 Budget Development Calendar to Superintendent for Comments and/or Changes	Superintendent and CFO
January 2015	Discuss with Principals Student Enrollment and Campus Staffing Projections	Deputy Superintendent
January 19, 2015	Present Budget Development Calendar/Process to School Board	Superintendent and CFO
January 21, 2015	Present Budget Development Calendar/Process to Administrative Staff	Superintendent and CFO
February 2015	Refine/Finalize Student Enrollment and Campus Staffing Projections	Deputy Superintendent
February 2015	Departments Submit Additional Staffing Requests, if any	Directors and Executive Directors
February 2015	Meetings with Principals, Directors, Executive Directors, and Others to Discuss Budget Instructions/Budget Worksheets	CFO
March 2, 2015	Finalized Staffing Projections/Requests Due to Business Office	Deputy Superintendent and CFO
Phase 2 - Campus/Department Planning and Needs Assessments		
March 16, 2015	Regular Board Meeting - Budget Update - Present Additional Staffing Requests, if any, to Board of Trustees	Board of Trustees, Superintendent, Deputy Superintendent, and CFO
April 15-25, 2015	Receive Chapter 41 Preliminary Notification Announcement	Texas Education Agency
April 20, 2015	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
May 1-15, 2015	Preliminary Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
May 15, 2015	Due Date for Requested Budgets to be Entered into TxEIS	Principals, Directors, Executive Directors, and Others
Phase 3 - Near Final District Planning		
May 15-18, 2015	Update Revenue Projections Based on Preliminary Property Tax Roll Valuations Received	CFO
May 15-31, 2015	Administrative Review of Campus/Department Requested Budgets	Superintendent and CFO
May 18, 2015	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO



ALED0 INDEPENDENT SCHOOL DISTRICT 2015-2016 BUDGET DEVELOPMENT CALENDAR



Date	Action	Performed By
June 5-25, 2015	Receive Student Average Daily Attendance (ADA) numbers for 2014-2015 school year	PEIMS Office
June 15, 2015	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
June 26-30, 2015	Update Revenue Projections and Their Effect on Budget and Any Other Budget Changes	CFO
Phase 4 - Finalized District Planning and Decisions		
July 15-25, 2015	Receive Chapter 41 Official Notification Announcement	Texas Education Agency
July 20, 2015	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
July 25, 2015	Certified Property Tax Roll Valuations Received	Parker County Appraisal District and Tarrant Appraisal District
July 26-31, 2015	Calculate Effective Tax Rate, Finalize Revenue Projections, and Their Effect on Budget and Any Other Budget Changes	Parker County Appraisal District, Tarrant Appraisal District, CFO, and Superintendent's Cabinet
August 3, 2015	Budget Workshop	Board of Trustees, Superintendent, and CFO
August 17, 2015	Regular Board Meeting - Budget Update	Board of Trustees, Superintendent, and CFO
August 21, 2015	Publish in Newspaper Notice of Public Meeting to Discuss 2015-2016 District Budget and Proposed Tax Rate (Published 10 to 30 days before public meeting.)	CFO
Week of August 24, 2015	Budget Workshop	Board of Trustees, Superintendent, and CFO
August 31, 2015	Called Board Meeting; Official Public Meeting on Budget and Proposed Tax Rate; Board Meeting to Adopt the Budget	Board of Trustees, Superintendent, and CFO
September 2015	Called Board Meeting; Official Public Meeting of School Board to Set Tax Rate; Board Meeting to Adopt Tax Rate	Board of Trustees, Superintendent, and CFO

**Aledo Independent School District
2015-2016 General Fund Budget
Projections/Assumptions
August 17, 2015**

1. Projected student enrollment – 5,180, an increase of 143 students (2.8%) from the Fall 2014 PEIMS submission.
2. Projected average daily attendance - 4,921.
3. 2015 certified taxable values have been received from the Parker and Tarrant Appraisal Districts. These certified taxable values increased \$241.7 million or 9.12% over the 2014 certified values.
4. Current year tax collections based on a projected 98.5% collection rate.
5. Department budgets have been maintained at 2014-2015 levels.
6. The following additional staff positions approved during the March board meeting at a projected cost of approximately \$448,500:
 - 3 elementary school teachers
 - 1 elementary school special education teacher
 - 1 elementary school special education instructional aide
 - 1 Career Technology Education/Elective teacher for Aledo Middle School
 - 1 Career Technology Education teacher for Aledo High School
 - 1 assistant principal for Vandagriff Elementary/McAnally Intermediate
 - 1 science specialist
7. The last of three staff computer lease payments of \$116,641 is included.
8. Second year of state requirement for the District to contribute 1.5% of adjusted TRS eligible salaries to TRS (approximately \$350,000).
9. The District's total tax rate has not changed since the 2008-2009 fiscal year, a period of seven years.
10. Elimination of the one-time funding transition assistance to school districts for the 1.5% employer contribution to TRS (approximately \$330,000).
11. The Texas Education Agency is still in the process of finalizing all of the methods that will be utilized to implement the actions taken during the recent legislative session. Additionally, some data elements will most likely not be available until after August 31, 2015. Therefore, the best information available is being used to finalize revenue projections.

2014-2015 Tax Rate Comparison
Area School Districts
Sorted by 2014-2015 Total Rate then Alpha

No.	School District	County	2014-2015 Total Rate	2013-2014 Total Rate	2014-2015 vs 2013-2014	2014-2015 vs 2013-2014
					Total Rate	Total Rate
					\$ Incr (Decr)	% Incr (Decr)
1	Lake Worth	Tarrant	1.670000	1.670000	0.000000	0.00
2	Millsap	Parker	1.665000	1.665000	0.000000	0.00
3	Crowley	Tarrant	1.650000	1.670000	(0.020000)	(1.20)
4	Brock	Parker	1.550000	1.490000	0.060000	4.03
5	Burleson	Johnson	1.540000	1.540000	0.000000	0.00
6	Eagle Mountain-Saginaw	Tarrant	1.540000	1.540000	0.000000	0.00
7	Keller	Tarrant	1.540000	1.540000	0.000000	0.00
8	White Settlement	Tarrant	1.540000	1.540000	0.000000	0.00
9	Mansfield	Tarrant	1.527100	1.527100	0.000000	0.00
10	Kennedale	Tarrant	1.514717	1.492068	0.022649	1.52
11	Everman	Tarrant	1.510000	1.490000	0.020000	1.34
12	Northwest	Tarrant	1.452500	1.452500	0.000000	0.00
13	Birdville	Tarrant	1.435000	1.435000	0.000000	0.00
14	Springtown	Parker	1.429000	1.459100	(0.030100)	(2.06)
15	Aledo	Parker	1.425200	1.425200	0.000000	0.00
16	Joshua	Johnson	1.420000	1.490000	(0.070000)	(4.70)
17	Mineral Wells	Parker	1.409070	1.296438	0.112632	8.69
18	Carroll	Tarrant	1.400000	1.400000	0.000000	0.00
19	Peaster	Parker	1.400000	1.352800	0.047200	3.49
20	Castleberry	Tarrant	1.399700	1.415500	(0.015800)	(1.12)
21	Poolville	Parker	1.383500	1.393000	(0.009500)	(0.68)
22	Weatherford	Parker	1.380000	1.390000	(0.010000)	(0.72)
23	Hurst-Euless-Bedford	Tarrant	1.375000	1.387500	(0.012500)	(0.90)
24	Cleburne	Johnson	1.366600	1.236600	0.130000	10.51
25	Arlington	Tarrant	1.348110	1.292170	0.055940	4.33
26	Fort Worth	Tarrant	1.322000	1.322000	0.000000	0.00
27	Grapevine-Colleyville	Tarrant	1.320100	1.320100	0.000000	0.00
28	Granbury	Hood	1.265000	1.145000	0.120000	10.48
29	Azle	Tarrant	1.203000	1.190000	0.013000	1.09

Highest	1.670000	1.670000	0.130000	10.51
Lowest	1.203000	1.145000	(0.070000)	(4.70)
Average	1.447607	1.433347	0.014259	1.18

Sources: Appraisal District Website/County Website/As Reported by District Representative

2014-2015 Tax Rate Comparison
Area School Districts
Sorted by 2014-2015 M & O Rate then Alpha

No.	School District	County	2014-2015 M & O Rate	2013-2014 M & O Rate	2014-2015 vs 2013-2014	2014-2015 vs 2013-2014
					M & O Rate \$ Incr (Decr)	M & O Rate % Incr (Decr)

1	Aledo	Parker	1.170000	1.170000	0.000000	0.00
2	Brock	Parker	1.170000	1.170000	0.000000	0.00
3	Castleberry	Tarrant	1.170000	1.170000	0.000000	0.00
4	Cleburne	Johnson	1.170000	1.040000	0.130000	12.50
5	Crowley	Tarrant	1.170000	1.170000	0.000000	0.00
6	Eagle Mountain-Saginaw	Tarrant	1.170000	1.170000	0.000000	0.00
7	Everman	Tarrant	1.170000	1.170000	0.000000	0.00
8	Kennedale	Tarrant	1.170000	1.170000	0.000000	0.00
9	Lake Worth	Tarrant	1.170000	1.170000	0.000000	0.00
10	Millsap	Parker	1.170000	1.170000	0.000000	0.00
11	Poolville	Parker	1.170000	1.170000	0.000000	0.00
12	Weatherford	Parker	1.170000	1.170000	0.000000	0.00
13	Joshua	Johnson	1.100000	1.170000	(0.070000)	(5.98)
14	Mineral Wells	Parker	1.040050	1.040050	0.000000	0.00
15	Arlington	Tarrant	1.040000	1.040000	0.000000	0.00
16	Azle	Tarrant	1.040000	1.040000	0.000000	0.00
17	Birdville	Tarrant	1.040000	1.040000	0.000000	0.00
18	Burleson	Johnson	1.040000	1.040000	0.000000	0.00
19	Carroll	Tarrant	1.040000	1.040000	0.000000	0.00
20	Fort Worth	Tarrant	1.040000	1.040000	0.000000	0.00
21	Granbury	Hood	1.040000	1.040000	0.000000	0.00
22	Grapevine-Colleyville	Tarrant	1.040000	1.040000	0.000000	0.00
23	Hurst-Euless-Bedford	Tarrant	1.040000	1.040000	0.000000	0.00
24	Keller	Tarrant	1.040000	1.040000	0.000000	0.00
25	Mansfield	Tarrant	1.040000	1.040000	0.000000	0.00
26	Northwest	Tarrant	1.040000	1.040000	0.000000	0.00
27	Peaster	Parker	1.040000	1.040000	0.000000	0.00
28	Springtown	Parker	1.040000	1.040000	0.000000	0.00
29	White Settlement	Tarrant	1.040000	1.040000	0.000000	0.00

Highest	1.170000	1.170000	0.130000	12.50
Lowest	1.040000	1.040000	(0.070000)	(5.98)
Average	1.095864	1.093795	0.002069	0.22

Sources: Appraisal District Website/County Website/As Reported by District Representative

2014-2015 Tax Rate Comparison
Area School Districts
Sorted by 2014-2015 I & S Rate then Alpha

No.	School District	County	2014-2015 I & S Rate	2013-2014 I & S Rate	2014-2015 vs 2013-2014	2014-2015 vs 2013-2014
					I & S Rate	I & S Rate
					\$ Incr (Decr)	% Incr (Decr)
1	Burleson	Johnson	0.500000	0.500000	0.000000	0.00
2	Keller	Tarrant	0.500000	0.500000	0.000000	0.00
3	Lake Worth	Tarrant	0.500000	0.500000	0.000000	0.00
4	White Settlement	Tarrant	0.500000	0.500000	0.000000	0.00
5	Millsap	Parker	0.495000	0.495000	0.000000	0.00
6	Mansfield	Tarrant	0.487100	0.487100	0.000000	0.00
7	Crowley	Tarrant	0.480000	0.500000	(0.020000)	(4.00)
8	Northwest	Tarrant	0.412500	0.412500	0.000000	0.00
9	Birdville	Tarrant	0.395000	0.395000	0.000000	0.00
10	Springtown	Parker	0.389000	0.419100	(0.030100)	(7.18)
11	Brock	Parker	0.380000	0.320000	0.060000	18.75
12	Eagle Mountain-Saginaw	Tarrant	0.370000	0.370000	0.000000	0.00
13	Mineral Wells	Parker	0.369020	0.256388	0.112632	43.93
14	Carroll	Tarrant	0.360000	0.360000	0.000000	0.00
15	Peaster	Parker	0.360000	0.312800	0.047200	15.09
16	Kennedale	Tarrant	0.344717	0.322068	0.022649	7.03
17	Everman	Tarrant	0.340000	0.320000	0.020000	6.25
18	Hurst-Euless-Bedford	Tarrant	0.335000	0.347500	(0.012500)	(3.60)
19	Joshua	Johnson	0.320000	0.320000	0.000000	0.00
20	Arlington	Tarrant	0.308110	0.252170	0.055940	22.18
21	Fort Worth	Tarrant	0.282000	0.282000	0.000000	0.00
22	Grapevine-Colleyville	Tarrant	0.280100	0.280100	0.000000	0.00
23	Aledo	Parker	0.255200	0.255200	0.000000	0.00
24	Castleberry	Tarrant	0.229700	0.245500	(0.015800)	(6.44)
25	Granbury	Hood	0.225000	0.105000	0.120000	114.29
26	Poolville	Parker	0.213500	0.223000	(0.009500)	(4.26)
27	Weatherford	Parker	0.210000	0.220000	(0.010000)	(4.55)
28	Cleburne	Johnson	0.196600	0.196600	0.000000	0.00
29	Azle	Tarrant	0.163000	0.150000	0.013000	8.67

Highest	0.500000	0.500000	0.120000	114.29
Lowest	0.163000	0.105000	(0.030100)	(7.18)
Average	0.351743	0.339553	0.012190	7.11

Sources: Appraisal District Website/County Website/As Reported by District Representative



Aledo Independent School District
Tax Rate Changes - Impact to Homeowner



	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Tax Rate										
General Operating (Maintenance & Operations - M & O)	\$ 1.5000	\$ 1.3700	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.1700	\$ 1.1700	\$ 1.1700	\$ 1.1700	\$ 1.1700
Debt Service (Interst & Sinking - I & S)	\$ 0.2599	\$ 0.2983	\$ 0.3500	\$ 0.3852	\$ 0.3852	\$ 0.2552	\$ 0.2552	\$ 0.2552	\$ 0.2552	\$ 0.2552
Total Tax Rate	\$ 1.7599	\$ 1.6683	\$ 1.3900	\$ 1.4252	\$ 1.4252	\$ 1.4252	\$ 1.4252	\$ 1.4252	\$ 1.4252	\$ 1.4252
\$100, 000 Home Value (after \$15,000 Homestead Exemption)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
General Operating (Maintenance & Operations - M & O)	\$ 1,500	\$ 1,370	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170	\$ 1,170
Debt Service (Interst & Sinking - I & S)	\$ 260	\$ 298	\$ 350	\$ 385	\$ 385	\$ 255	\$ 255	\$ 255	\$ 255	\$ 255
Total Tax Rate	\$ 1,760	\$ 1,668	\$ 1,390	\$ 1,425	\$ 1,425	\$ 1,425	\$ 1,425	\$ 1,425	\$ 1,425	\$ 1,425
Annual Increase/(Decrease)		\$ (92)	\$ (278)	\$ 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Monthly Increase/(Decrease)		\$ (8)	\$ (23)	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Average Home Value (after \$15,000 Homestead Exemption)	\$ 186,341	\$ 193,249	\$ 210,360	\$ 223,928	\$ 242,532	\$ 246,956	\$ 245,281	\$ 233,671	\$ 236,389	\$ 238,093
General Operating (Maintenance & Operations - M & O)	\$ 2,795	\$ 2,648	\$ 2,188	\$ 2,329	\$ 2,522	\$ 2,889	\$ 2,870	\$ 2,734	\$ 2,766	\$ 2,786
Debt Service (Interst & Sinking - I & S)	\$ 484	\$ 576	\$ 736	\$ 863	\$ 934	\$ 630	\$ 626	\$ 596	\$ 603	\$ 608
Total Tax Rate	\$ 3,279	\$ 3,224	\$ 2,924	\$ 3,191	\$ 3,457	\$ 3,520	\$ 3,496	\$ 3,330	\$ 3,369	\$ 3,393
Annual Increase/(Decrease)		\$ (55)	\$ (300)	\$ 267	\$ 265	\$ 63	\$ (24)	\$ (165)	\$ 39	\$ 24
Monthly Increase/(Decrease)		\$ (5)	\$ (25)	\$ 22	\$ 22	\$ 5	\$ (2)	\$ (14)	\$ 3	\$ 2
Cumulative Annual Increase/(Decrease)		\$ (55)	\$ (355)	\$ (88)	\$ 177	\$ 240	\$ 216	\$ 51	\$ 90	\$ 114

**Aledo ISD
General Fund
Historical /Budget Analysis
August 17, 2015**

<u>Description</u>	<u>2008-2009 Audited</u>	<u>2009-2010 Audit</u>	<u>2010-2011 Audit</u>	<u>2011-2012 Audit</u>	<u>2012-2013 Audit</u>	<u>2013-2014 Audit</u>	<u>2014-2015 Budget</u>
Revenues:							
Local Revenues	\$ 25,881,382	\$ 27,315,144	\$ 31,060,781	\$ 29,326,234	\$ 29,817,005	\$ 30,323,609	\$ 31,370,326
State Revenues	<u>7,369,744</u>	<u>5,577,564</u>	<u>6,059,999</u>	<u>8,363,701</u>	<u>5,113,834</u>	<u>6,775,639</u>	<u>6,938,895</u>
Total Revenues	<u>33,251,126</u>	<u>32,892,708</u>	<u>37,120,780</u>	<u>37,689,935</u>	<u>34,930,839</u>	<u>37,099,248</u>	<u>38,309,221</u>
Expenditures:							
All Expenditures Other Than Chapter 41	(33,971,883)	(32,432,750)	(31,128,866)	(31,655,491)	(33,933,783)	(36,716,054)	(38,036,654)
Chapter 41 Payment to State	<u>-</u>	<u>-</u>	<u>(1,531,297)</u>	<u>(3,216,254)</u>	<u>(844,580)</u>	<u>(740,207)</u>	<u>(825,000)</u>
Total Expenditures	<u>(33,971,883)</u>	<u>(32,432,750)</u>	<u>(32,660,163)</u>	<u>(34,871,745)</u>	<u>(34,778,363)</u>	<u>(37,456,261)</u>	<u>(38,861,654)</u>
Other Sources/Transfer In	191,073	85,276	81,687	59,521	224,089	43,371	31,900
Other Uses/Transfers Out	<u>-</u>	<u>-</u>	<u>(8,959)</u>	<u>(21,316)</u>	<u>-</u>	<u>(2,925,000)</u>	<u>(3,035,525)</u>
Net Change in Fund Balance	(529,684)	545,234	4,533,345	2,856,395	376,565	(3,238,642)	(3,556,058)
Fund Balance, September 1	<u>12,307,472</u>	<u>11,777,788</u>	<u>12,323,022</u>	<u>16,856,367</u>	<u>19,712,762</u>	<u>20,089,327</u>	<u>16,850,685</u>
Fund Balance, August 31	<u>\$ 11,777,788</u>	<u>\$ 12,323,022</u>	<u>\$ 16,856,367</u>	<u>\$ 19,712,762</u>	<u>\$ 20,089,327</u>	<u>\$ 16,850,685</u>	<u>\$ 13,294,627</u>
Fund Balance Percent of Expenditures	<u>34.67%</u>	<u>38.00%</u>	<u>51.61%</u>	<u>56.53%</u>	<u>57.76%</u>	<u>44.99%</u>	<u>34.21%</u>
General Fund Tax Rate	<u>\$1.0400</u>	<u>\$1.0400</u>	<u>\$1.1700</u>	<u>\$1.1700</u>	<u>\$1.1700</u>	<u>\$1.1700</u>	<u>\$1.1700</u>

Note: Tax Ratification Election (TRE) was passed on August 28, 2010, resulting in the increase to the General Fund tax rate in 2010-2011.



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August 4, 2015

Mr. Earl Husfeld
Chief Financial Officer
Aledo Independent School District
1008 Bailey Ranch Road
Aledo, Texas 76008

Re: Final Results – \$53.2 Million 2015 Bond Program

Dear Mr. Husfeld:

Introduction

On July 20, 2015, Aledo Independent School District's (the "District") Board of Trustees adopted a "Parameters Bond Order" approving the sale of \$53,200,000 Unlimited Tax School Building Bonds, Series 2015-A (the "Series 2015-A Bonds") from the 2015 Bond Program, as long as certain parameters were met. This memorandum summarizes the results of the 2015 Bond Program.

Comparison of Financing Plan Results – 2015 Bond Program

Based upon prevailing favorable municipal market conditions, Aledo ISD successfully marketed its Series 2015-A Bonds at a true interest rate of 3.73% on Tuesday, August 4, 2015. The District's actual interest rate is 1.27% below the 5.00% interest rate used to formulate the projected cost to taxpayers and 0.35% below the interest rate communicated to the Board of Trustees during the July 20, 2015 meeting. The following compares the original financing plan presented and the updated financing plan based upon the actual sale results of the 2015 Bond Program. **Based upon favorable market conditions and the interest rates achieved, the District's actual bond payments are \$16,106,205 less than originally communicated to taxpayers!**

Summary of Financing Plan – 2015 Bond Program			
Description	Voter Education Material	Actual Financing Plan (8-4-15)	Difference
Dollar Amount Deposited to Construction Fund – 2015 Bond Program	\$ 53,200,000	\$ 53,200,000	---
Dollar Amount Structured for Short-Term Projects – 2015 Bond Program	\$ 11,920,000	\$ 14,685,000	(\$ 2,765,000)
Projected Interest Rate – 2015 Bond Program	5.00%	3.73%	1.27%
Projected Total Bond Payments – 2015 Bond Program	\$ 101,917,875	\$ 85,811,670	\$ 16,106,205
Maximum I&S Tax Rate	44.52 Cents	43.70 Cents	0.82 Cents
Final Maturity – 2015 Bond Program – 30-Years	2045	2045	---

The proceeds of the Series 2015-A Bonds (totaling \$53,200,000) are scheduled to be delivered to the District's Construction Fund on Thursday, August 20, 2015. In addition, by selling the Series 2015-A Bonds prior to September 1, 2015, the District has qualified the bonds to be "held harmless" from the proposed increase in the residential homestead exemption – A potential \$1,550,000 benefit for taxpayers.

Summary of Independent Bond Ratings

As is customary when bonds are sold, the District's creditworthiness was independently reviewed by two nationally recognized rating agencies: Fitch Ratings and Standard & Poor's Ratings Services. In particular, the rating agencies analyzed various financial, debt, economic and management factors related to the District's operations, including its ability to repay its bonds. Based upon their independent review, Aledo ISD's ratings of "AA" and "AA-" from Fitch Ratings and Standard & Poor's Ratings Services, respectively, were affirmed. To put the District's bond ratings into perspective, the District's rating in the "AA" category is defined by the rating agencies as "the District has a very strong capacity to meet its financial commitments." The rating agencies cited the following reasons for the District's bond ratings:

- Continued demonstration of prudent and conservative financial management practices as evidenced by the District's history of strong financial performances, solid financial position and healthy general fund balance levels;
- Ongoing enrollment growth and District's proven ability to effectively manage associated growth challenges;
- Growth and diversification of District's tax base; and
- Very strong wealth levels of residents and District's proximity to the broad Dallas-Fort Worth economy.

Closing

Congratulations on the successful implementation of the District's 2015 Bond Program and the favorable interest rates obtained for the District's taxpayers. Should any questions arise or additional information is preferred, please do not hesitate to contact us. We thank you for the opportunity to be of service to the District and hope you are pleased with the results. Hope all is well!

Sincerely,



William J. Gumber
Managing Director



Joshua M. McLaughlin
Managing Director