

Proposed Tax Rates & Bond Refunding

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AGENDA

- Tax Rates Recap
 - Bond Refunding
 - Next Steps
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Goose Creek Proposed Tax Rates

TAX RATE CHANGE YEAR-OVER-YEAR			
	2024-2025	Proposed 2025-2026	Change
M&O Tax Rate	\$0.7475	\$0.7450	(\$0.0025)
I&S Tax Rate	\$0.3250	\$0.3250	\$0.0000
Total Tax Rate	\$1.0725	\$1.0700	(\$0.0025)



Tax Rate History

Tax Year	School Yr	M & O	I & S	TOTAL
2018	2018-19	\$ 1.170000	\$ 0.261890	\$ 1.431890
2019	2019-20	\$ 1.068350	\$ 0.285930	\$ 1.354280
2020	2020-21	\$ 1.043600	\$ 0.297500	\$ 1.341100
2021	2021-22	\$ 1.043600	\$ 0.325000	\$ 1.368600
2022	2022-23	\$ 0.956700	\$ 0.325000	\$ 1.281700
2023	2023-24	\$ 0.757500	\$ 0.325000	\$ 1.082500
2024	2024-25	\$ 0.747500	\$ 0.325000	\$ 1.072500
2025	2025-26	\$ 0.745000	\$ 0.325000	\$ 1.070000
Total 8 Year 27% Rate Decrease				\$0.361890



Proposed Maintenance & Operations Tax Rate

The proposed M&O tax rate is slightly lower than last year's tax rate of \$0.7475:

Proposed M&O Tax Rate (VATR)	\$0.7450
No New Revenue M&O Tax Rate (NNR)	\$0.7229

VATR \$0.7450 > NNR \$0.7229*
(a difference of \$0.0221)

***Requires supermajority vote of 5 out of 7 board members**



Proposed Maintenance & Operations Tax Rate

VATR \$0.7450 > NNR \$0.7229

- **Section 26.05(b) of the Property Tax Code**
 - Requires **supermajority** vote of 5 out of 7 total board members. This means that there must be 5 yeas, or the motion fails (regardless of members present, voting members, or abstentions)
 - If the motion does not receive 5 yeas (if only 4 trustees present, etc.), a special meeting must be called to vote on the tax rate again.
 - Should the board not adopt a tax rate by the November 3rd deadline, the tax rate will be the lower of the no-new-revenue tax rate (\$0.7229) or the preceding year's adopted tax rate (\$0.7475). Adopting \$0.7229 would **increase the budget deficit by \$3.5 million.**



Bond Refunding

- Refunding Unlimited Tax School Building and Refunding Bonds, Series 2015 and Unlimited Tax Refunding Bonds, Series 2016A at a lower interest rate:

Summary of Estimated Refunding Results		
Par Amount of Refunded Bonds	\$	25,820,000
Interest Rate on Refunded Bonds		4.62%
"All-In" True Interest Cost on Refunding Bonds		2.79%
Total Debt Service Savings	\$	1,287,875



Bond Refunding

- Refunding Unlimited Tax Refunding Bonds, Series 2016B at a lower interest rate:

Summary of Estimated Refunding Results		
Par Amount of Refunded Bonds	\$	9,405,000
Interest Rate on Refunded Bonds		5.00%
"All-In" True Interest Cost on Refunding Bonds		3.17%
Total Debt Service Savings	\$	370,875



Next Steps

Action Items:

- Consideration of approval of proposed tax rate \$1.07, lowering tax rate over 36 cents since 2018
- Consideration of approval of Financial Advisory Services Agreement with BOK Financial Securities, Inc. (Mr. Josh McLaughlin)
- Consideration of approval of (2) bond refundings, **saving the district total future interest costs of \$1,658,750**





QUESTIONS?

