



Annual Report of Local Debt Information

Fiscal Year Ended August 31, 2023

Pursuant to Local Government Code, Section 140.008

This report was posted on the District's website on February 23, 2024.



Overview of Certain Financial/Bond Ratings

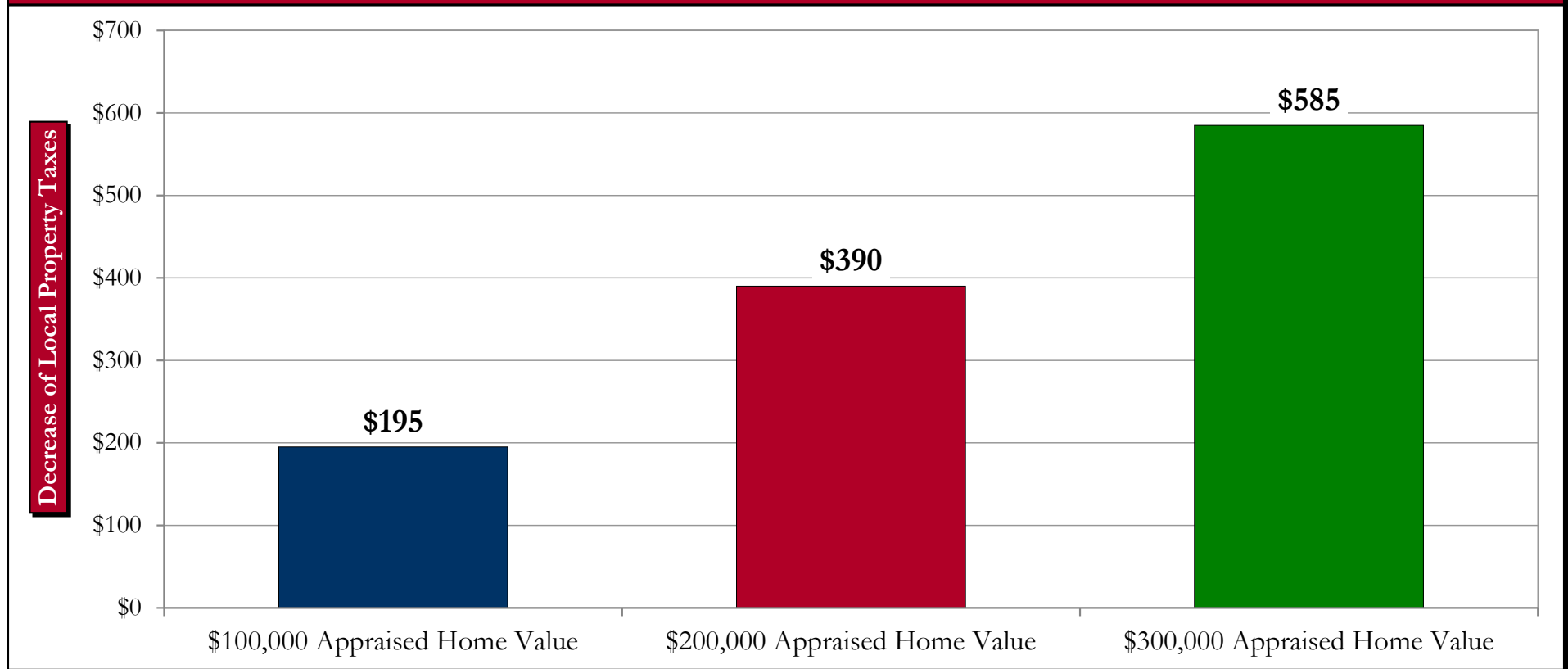
- ❑ **Overview:** Glen Rose Independent School District (the “District”) has been assigned the following independent financial/bond ratings that indicate the relative strength of the District’s financial and debt management:
 - **School Financial Integrity Rating System of Texas (“FIRST”):** Pursuant 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 2021/22, the District was assigned a 2022/23 FIRST Rating of “Superior Achievement” 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 S&P Global Ratings, that evaluate the District’s financial strength and its ability to pay its existing bonds.
 - ✓ **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 20% Optional Residential Homestead Exemption Provided By District

- ❑ **Local Option, Additional Homestead Exemption:** Unlike many Texas school districts, the District has approved an additional residential homestead exemption equal to 20% of the assessed value. In this regard, the residential homestead exemption lowers the taxable value of a taxpayer's home for purposes of levying the District's tax rate.
- ❑ The following summarizes the estimated benefit that accrued to residential homeowners in year 2022/23.

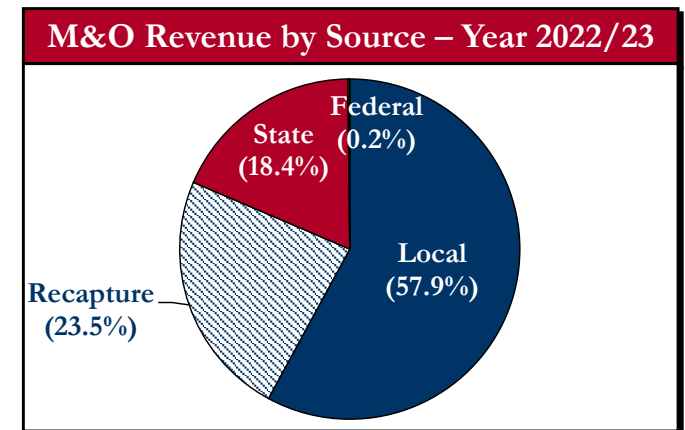
20% Optional Residential Homestead Exemption – Estimated Decrease of Local Property Taxes – Year 2022/23





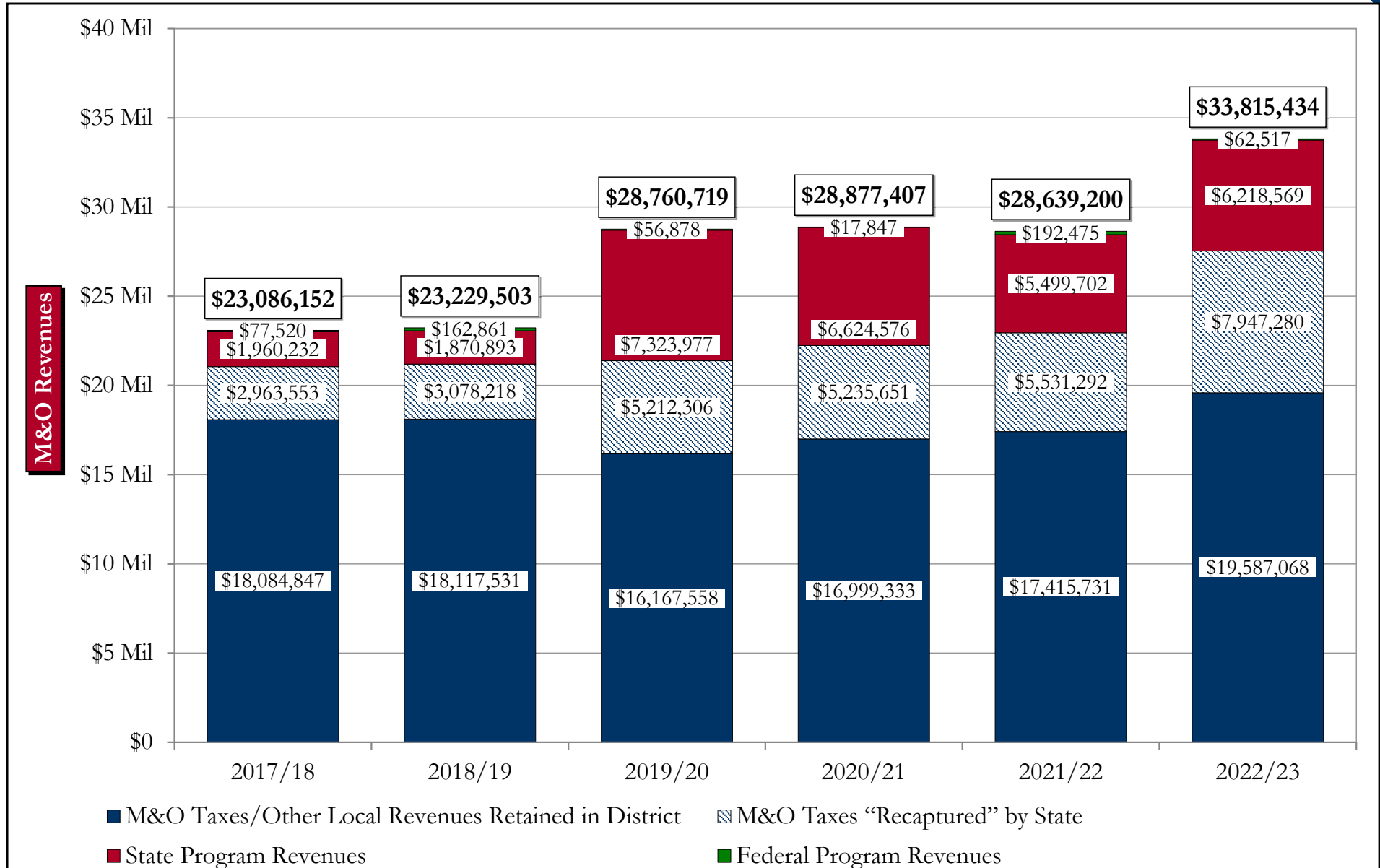
Overview of State Funding System

- ❑ **State Funding System – Where Do the District’s Revenues Come From:** Glen Rose 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 Somervell Central Appraisal District and Hood 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 49 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 2022/23. 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 \$7,947,280 or 23.5% of total operating funds that are paid to the State as a “recapture” payment.
 - ✓ Beginning in year 2020/21, the District’s M&O tax rate became subject to compression pursuant to House Bill 3 that was enacted during the 2019 legislative session.





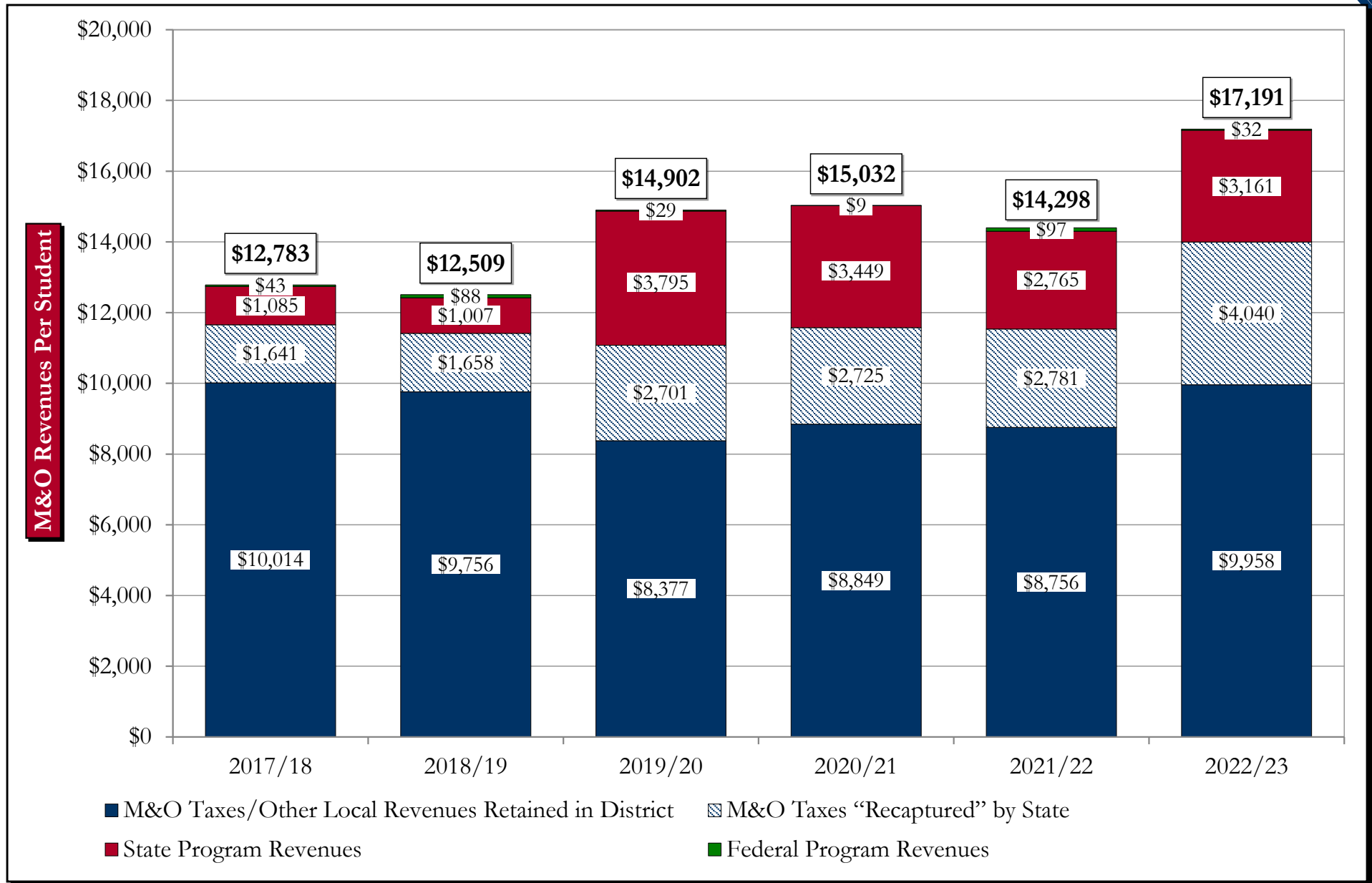
Historical M&O Revenues By Source



Source: District's Audited Financial Statements and District records.



Historical M&O Revenues Per Student





Overview of State Funding System

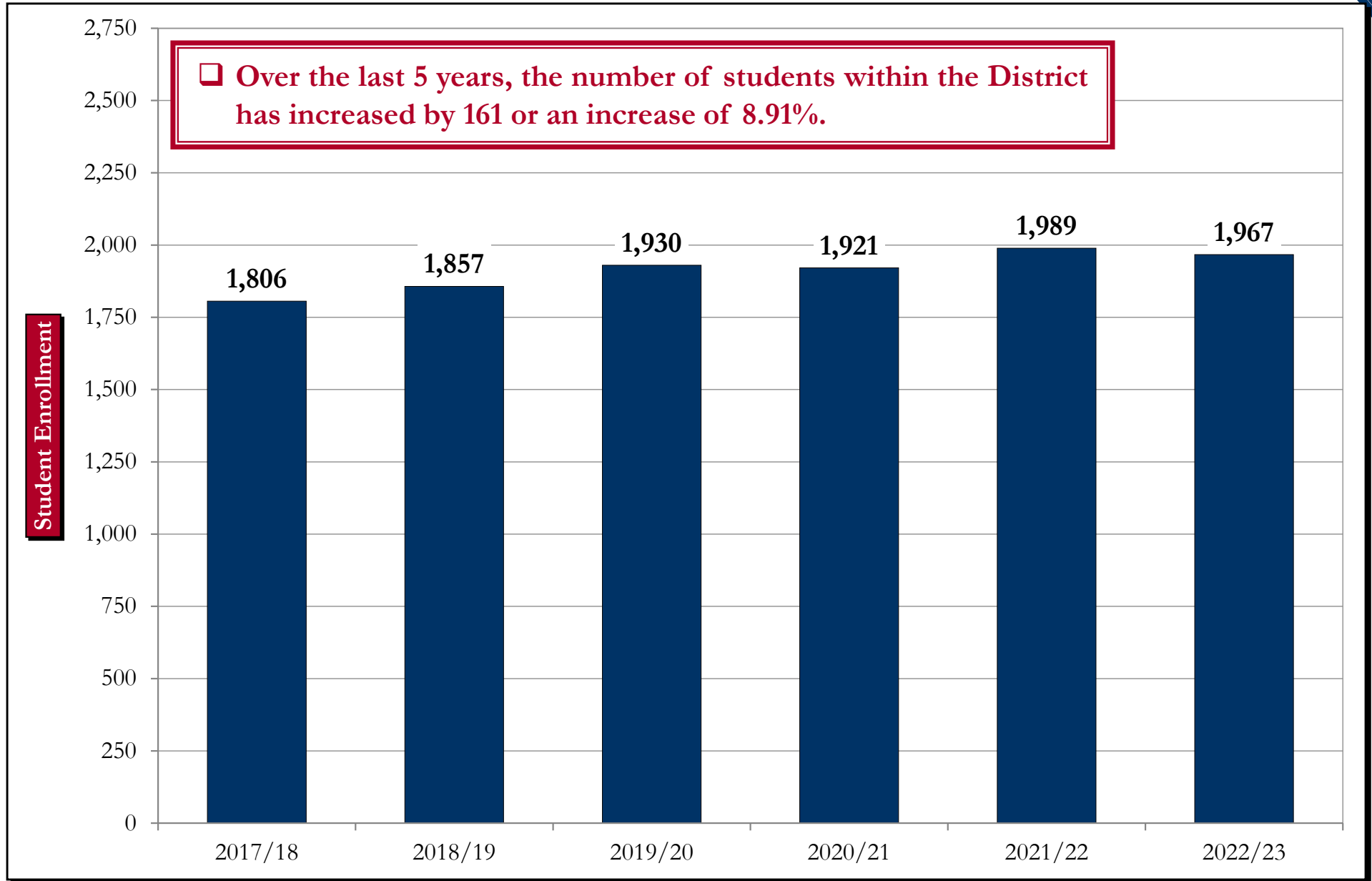
- **Interest & Sinking Fund (“I&S”) Tax Rate:** To provide funds to pay the principal and interest on bonds approved by a majority of voters for capital improvements. The District does not receive any facilities funding from the State for the payment of bonds. The following summarizes the District’s 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 Of Bonds Remaining To Be Issued |
| May 8, 2010 | School Building | 1,656 | \$19,995,000 | \$0 |
| May 6, 2023 | School Building | 1,967 | \$31,000,000 | \$0 |
| Total Dollar Amount Of Authorized But Unissued Bonds - As of August 31, 2023: | | | | \$0 |

- ✓ As of fiscal year ended August 31, 2023, the District had \$40,562,135 within its Capital Projects Fund for existing/future projects.

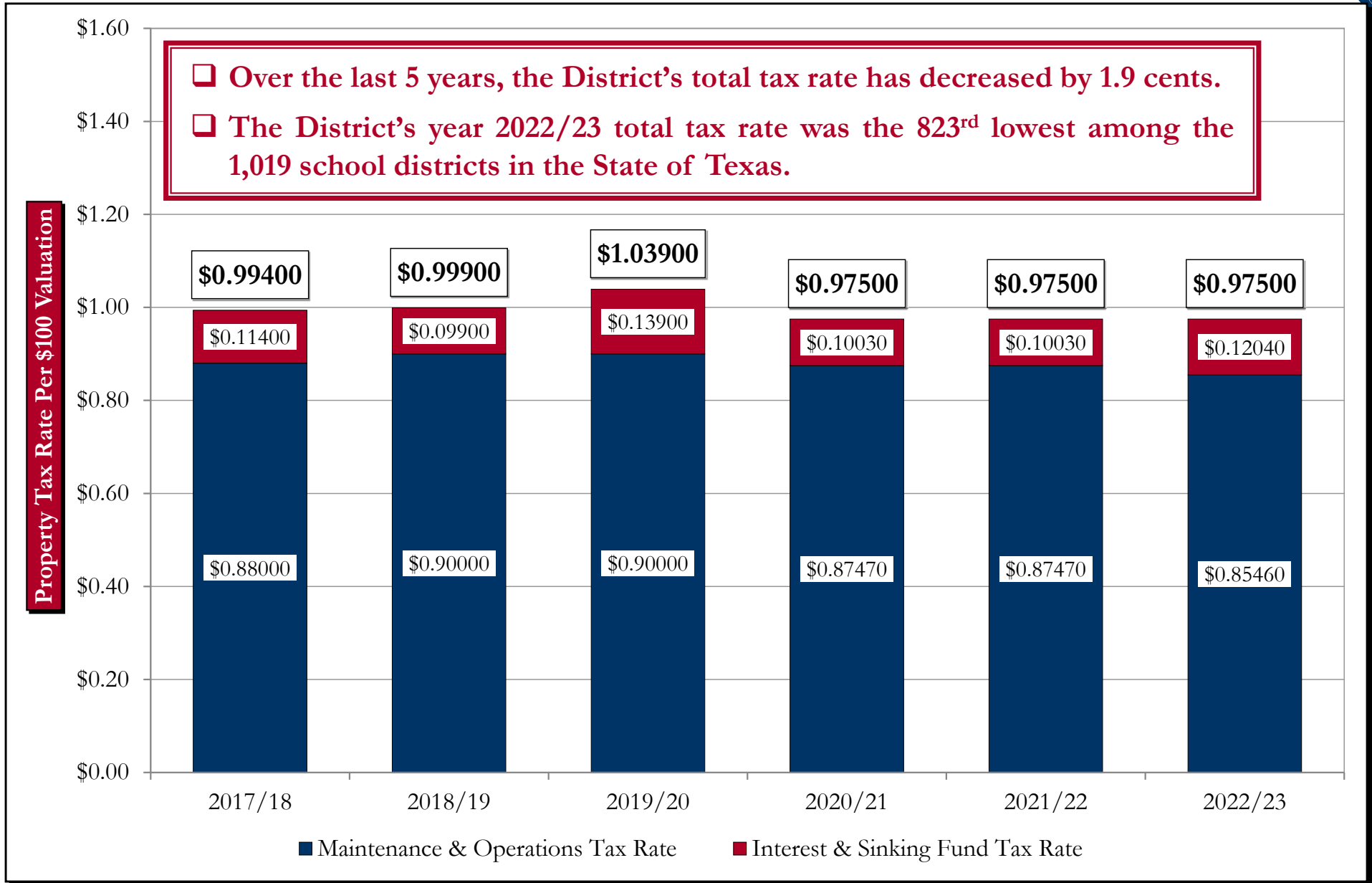


Historical Student Enrollment



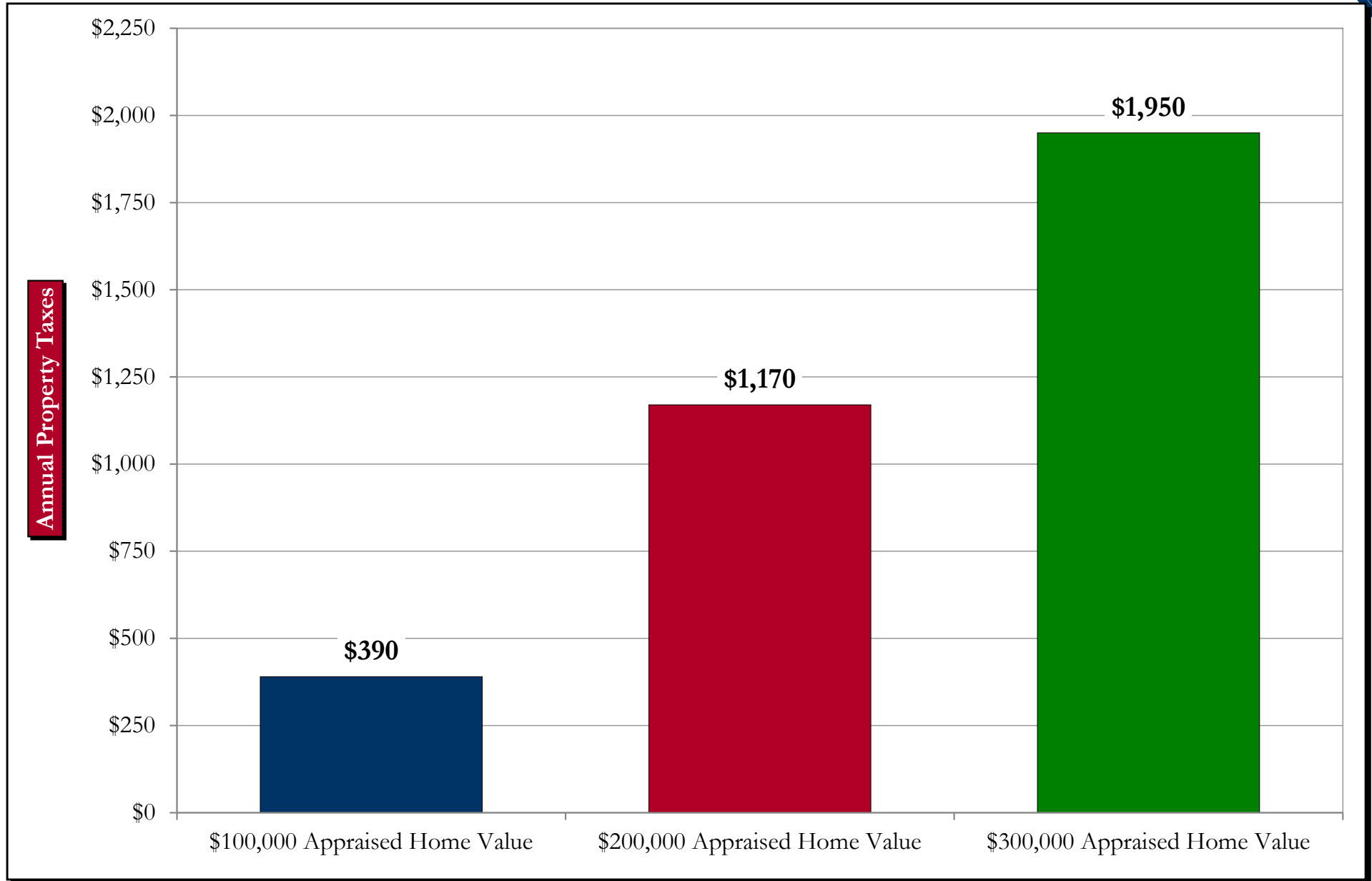


Historical Tax Rates





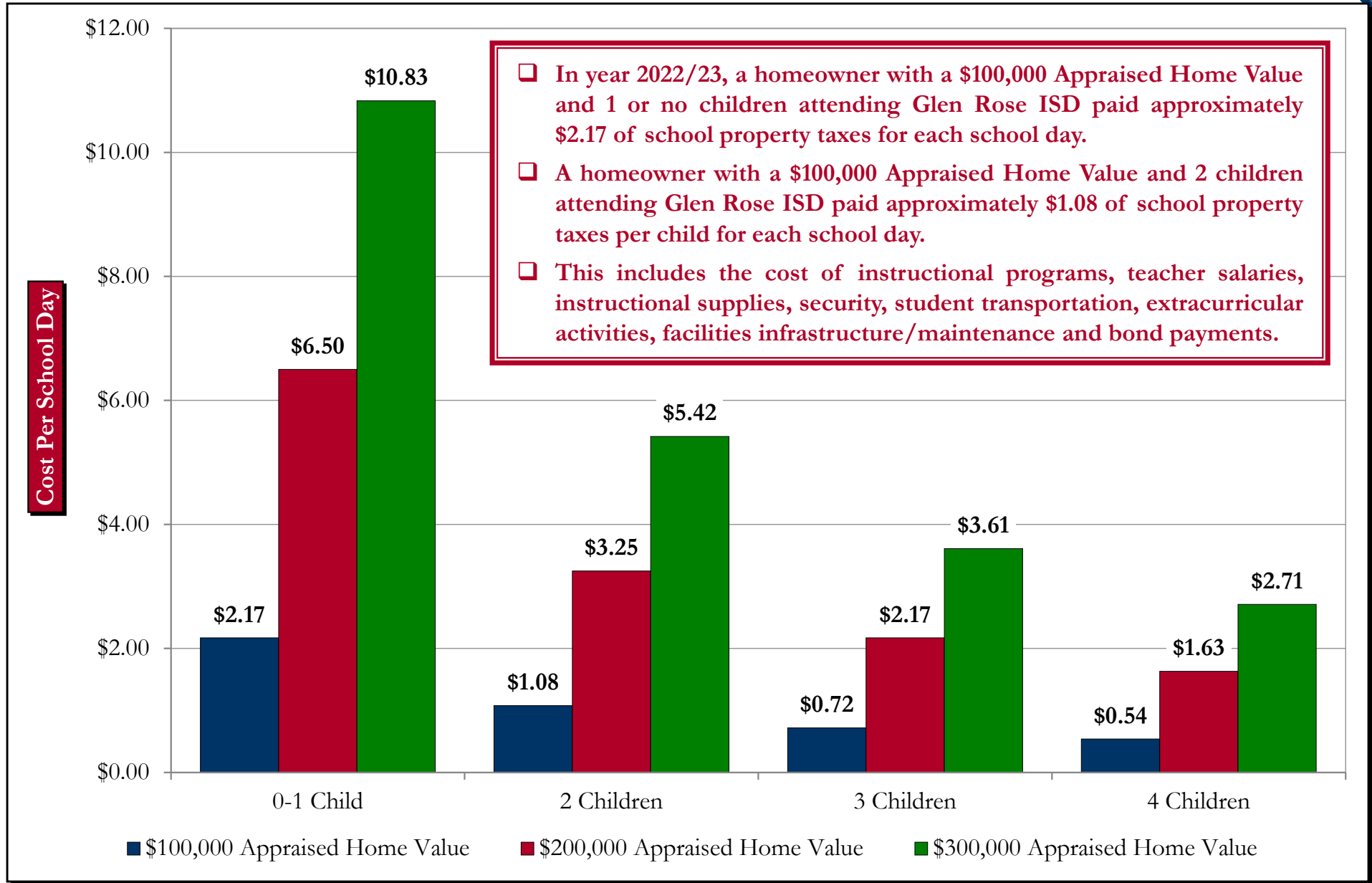
Total Property Taxes For Maintenance and Operations and Voter-Approved Bonds – Year 2022/23



Note: Taxes are net of the \$40,000 State-mandated residential homestead exemption and a 20% local option, additional homestead exemption.



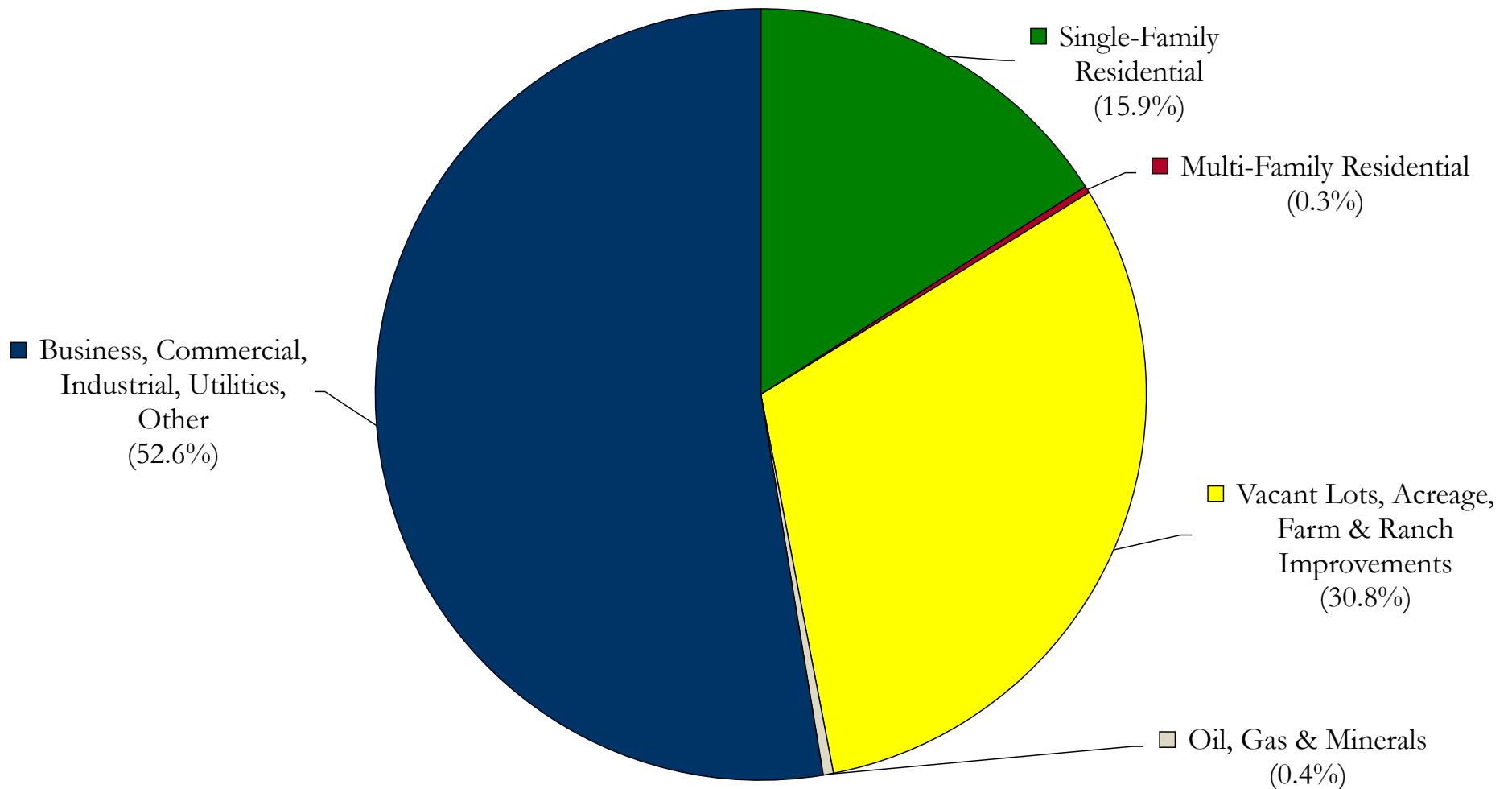
Summary of Property Tax Cost Per School Day – For Various Appraised Home Values – Year 2022/23





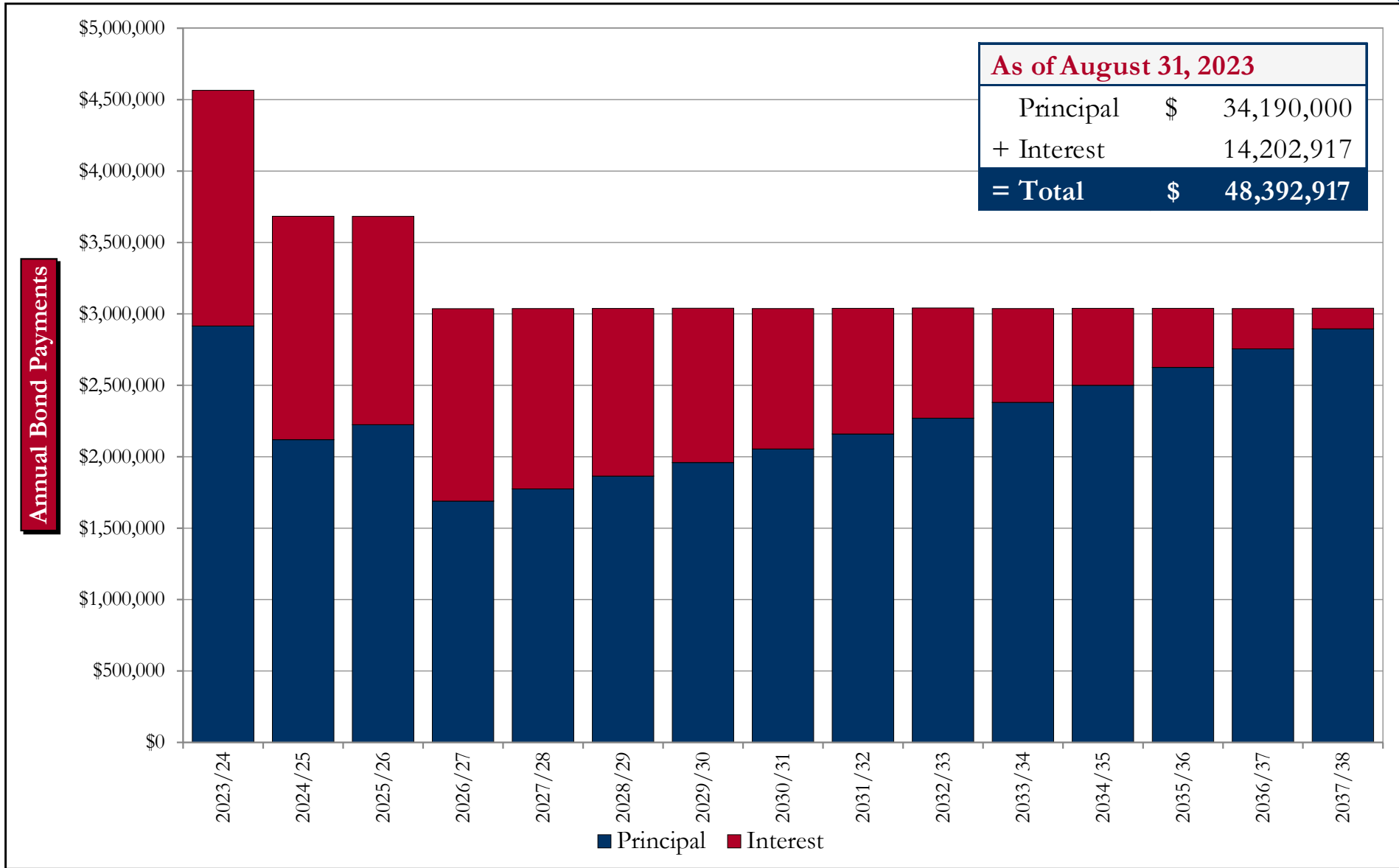
Composition of Total Assessed Valuation – Year 2022/23

For year 2022/23, Single-Family Residential properties comprised 15.9% of the District's total assessed valuation and other property categories comprised 84.1%.





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



Note: Debt service payments reflect payments from September 1 through August 31. Does not include any federal subsidies.



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

- Glen Rose ISD has implemented 2 bond refunding programs and prepaid \$1.955 million of existing bonds to reduce the cost of voter-approved bonds – Which have generated more than \$1.8 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 2010 | 2003, 2006, 2007 | \$ 11,265,000 | \$ 579,503 |
| Unlimited Tax Refunding Bonds, Series 2020 | 2010-A, 2010-B | 12,440,000 | 926,030 |
| Total - Bond Refunding Programs at a Lower Interest Rate | --- | \$ 23,705,000 | \$ 1,505,533 |
| Prepayment of Series 2003 Bonds - August 2009 | 2003 | \$ 700,000 | \$ 48,300 |
| Prepayment of Series 2006 Bonds - August 2010 | 2006 | 455,000 | 112,613 |
| Prepayment of Series 2010-A Bonds - February 2020 | 2010-A | 800,000 | 175,500 |
| Total - Prepayment of Bonds Prior to Scheduled Maturity | --- | \$ 1,955,000 | \$ 336,413 |
| Totals | --- | \$ 25,660,000 | \$ 1,841,946 |



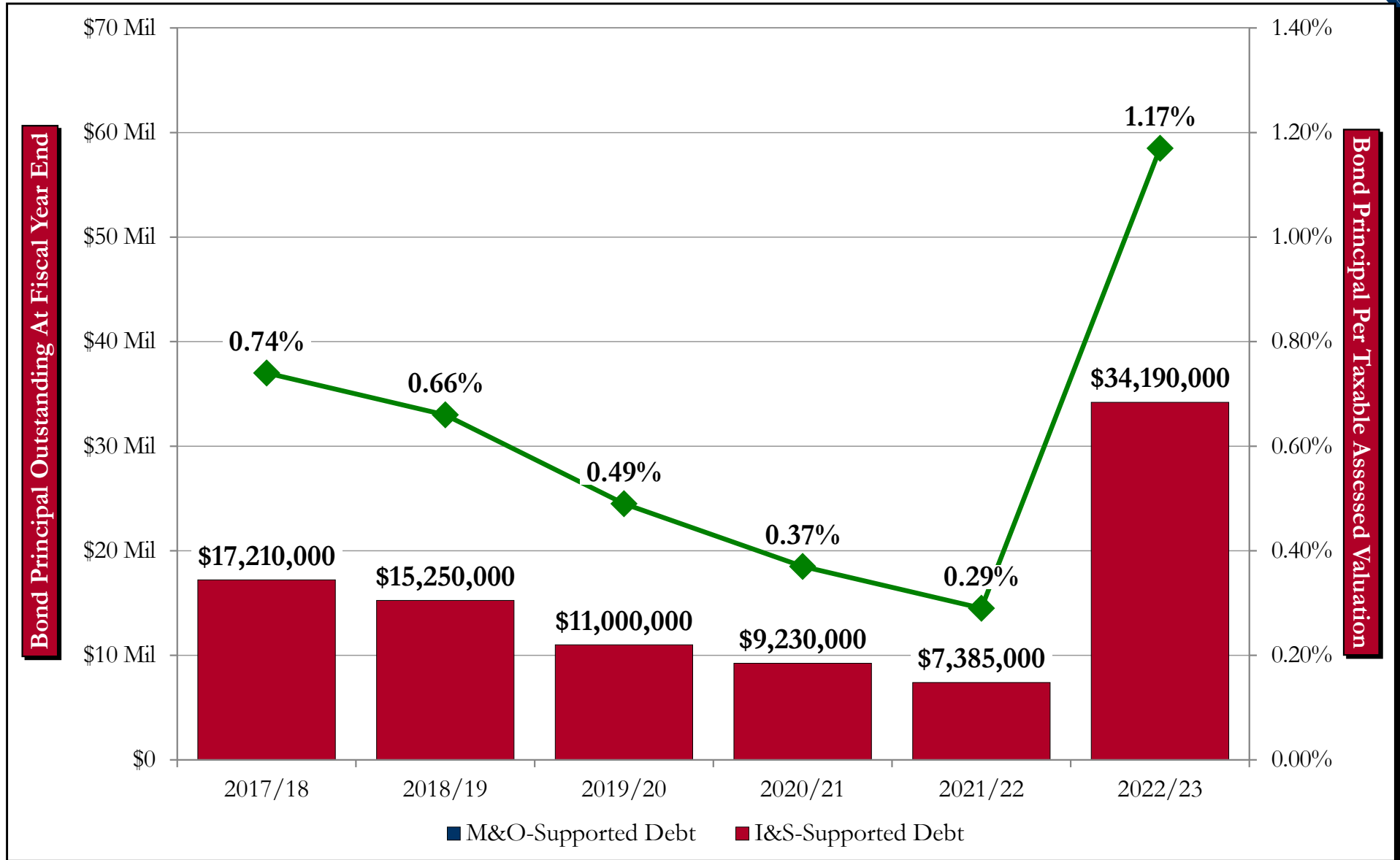
Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended August 31, 2023

- ❑ The following debt obligations are payable from ad valorem taxes (i.e. I&S taxes) levied annually against all taxable property located within the District, without legal limit as to rate or amount.

| 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 2020 | Refunding at a lower interest rate, etc. | \$11,105,000.00 | \$5,470,000.00 | \$5,987,500.00 | \$583.09 | \$638.26 | 08/15/2026 | \$12,761,871.55 | \$12,761,871.55 | \$0.00 |
| 2 | Unlimited Tax School Building Bonds, Series 2023 | Capital Improvements | \$28,720,000.00 | \$28,720,000.00 | \$42,405,416.67 | \$3,061.51 | \$4,520.35 | 08/15/2038 | \$31,147,867.32 | \$0.00 | \$31,147,867.32 |



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.



Contact Information

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