

Lovejoy Independent School District

Informational Meeting 2003 Capital Plan & Bond Election



March 17, 2003 Lovejoy Elementary School

March 20, 2003 Hart Elementary School

Why is Lovejoy calling a \$61 million bond on April 5, 2003?

- **On February 1, 2003 a consolidation election was held in Lovejoy ISD and Allen ISD. The voters in both districts did not approve consolidation.**
- **On February 11, 2003 the Lovejoy Board of Trustees called for a bond election to be held on April 5, 2003 for \$61 million. If approved the proceeds will be used to build Lovejoy's own high school, middle school and third elementary school.**
- **A letter from the President of the Lovejoy ISD Board of Trustees was mailed on February 28, 2003 to all Lovejoy ISD taxpayers.**
- **The Lovejoy Board of Trustees scheduled informational meetings on March 17, 2003 at 7:30 PM in the Lovejoy Elementary School Gym and March 20, 2003 at 7:30 PM in the Hart Elementary School Cafeteria.**

As a matter of full and fair disclosure, the Board notes the financial estimates and projections described in this document are based on studies that it believes to be sound, unbiased and factual, and that are based upon current State school finance law. However, all projected information is based upon assumptions. Any future financial estimate is subject to changes in the economic and legal environments and other uncertainties that could cause actual results to differ somewhat from those contemplated in the studies, as is true for all public schools in Texas.

Lovejoy Schools

- Schools Structured K-5, 6-8, and 9-12
- One High School to open in 2006-07
- One Middle School to open 2008-09
- Third Elementary School as Enrollment Necessitates
- Start out as 3A, Grow to Large 4A

Lovejoy ISD K-12th Tax Rate

- Currently the tax rate is \$1.60 (\$1.45 for M&O and \$.15 for Debt Service).
- In 2003-2004 the tax rate will be in the \$1.60's.
- The tax rate will begin to rise in 2004-2005.
- With school construction, the tax rate will reach the \$1.90's by 2006-2007.
- The tax rates are projected to remain in the \$1.90's through 2019 (projections based on current school finance law and funding structure).

What could a transition plan look like?

A transition plan would make every effort to provide a smooth, seamless flow from Allen ISD to Lovejoy ISD. If the bond election passes, a high school facility could be ready by fall of 2006.

The first year of operation in 2006-2007, Lovejoy would open with 6th, 7th, 8th, and 9th grades in the new high school. The 9th grade of 2006-07 would be the first senior class to graduate in the spring of 2010.

It is expected that a middle school would open by 2008-09.

The goal of any plan would be to have the least disruption possible for students.

Note: A group of 6th grade parents asked the Board of Trustees to consider looking at the feasibility of giving the current 6th graders the option of being included in the transition plan.

Transition Chart

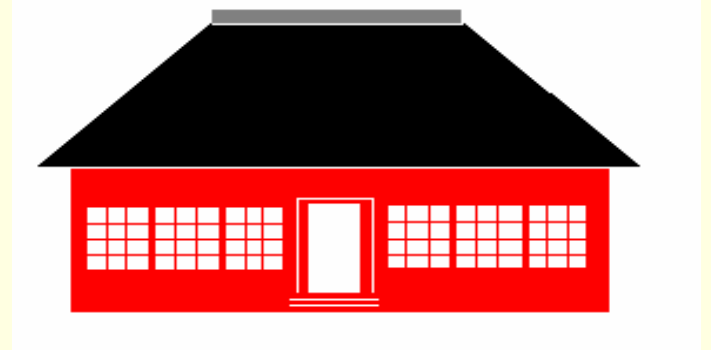
School Year	Grade												
2002 - 2003	k	1	2	3	4	5	6	7	8	9	10	11	12
2003 - 2004	1	2	3	4	5	6	7	8	9	10	11	12	
2004 - 2005	2	3	4	5	6	7	8	9	10	11	12		
2005 - 2006	3	4	5	6	7	8	9	10	11	12			
2006 - 2007	4	5	6	7	8	9	10	11	12				
2007 - 2008	5	6	7	8	9	10	11	12					
2008 - 2009	6	7	8	9	10	11	12						
2009 - 2010	7	8	9	10	11	12							
2010 - 2011	8	9	10	11	12								
2011 - 2012	9	10	11	12									
2012 - 2013	10	11	12										
2013 - 2014	11	12											
2014 - 2015	12												

Students attending LISD Schools

Students remaining in AISD

Students that go to AISD and return to LISD

Note: A group of 6th grade parents asked the Board of Trustees to consider looking at the feasibility of giving the current 6th graders the option of being included in the transition plan.



\$61,000,000 Election

List of Needs

● *High School*

➤ *Approximate Cost - - \$30,000,000*

● *Middle School*

➤ *Approximate Cost - - \$20,000,000*

● *Elementary*

➤ *Approximate Cost - - \$11,000,000*

for the purpose of the construction and equipment of school buildings in the District and the purchase of necessary sites therefor.

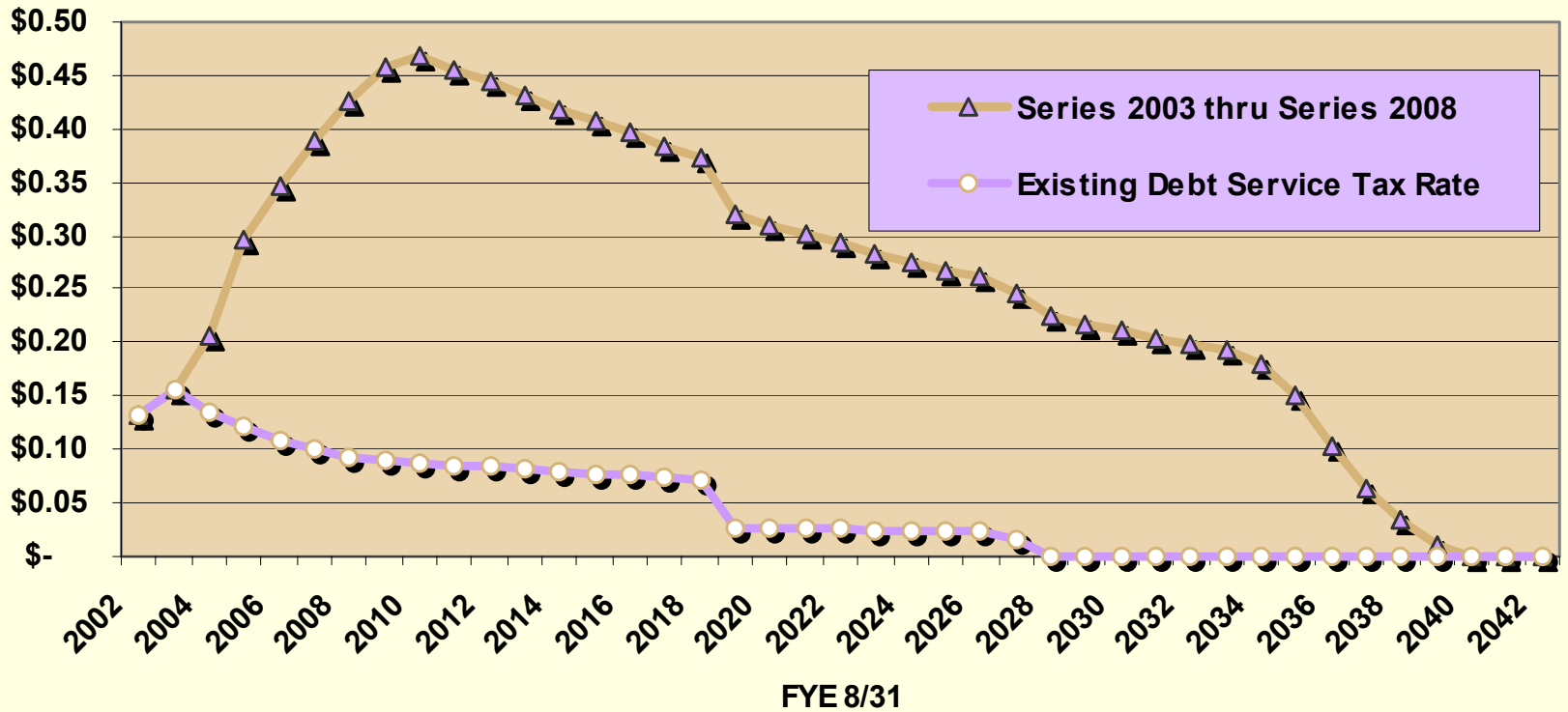
Assumptions

Student and Property Growth			
Year	Tax Value	ADA	WADA
2004	16.00%	4.00%	4.00%
2005	11.00%	4.00%	4.00%
2006	11.00%	4.00%	4.00%
2007	10.00%	4.00%	4.00%
2008	8.00%	4.00%	4.00%
2009	3.00%	3.00%	3.00%
2010	3.00%	3.00%	3.00%
2011	3.00%	3.00%	3.00%
After	3.00%	3.00%	3.00%

Tax Rate Impact

Projected CIP Tax Rate Impact

Debt Service Tax Rate



Tax Rate Impact Summary

Tax Impact Summary:

(8/31) Fiscal Yr.	Net Debt Service After Bond Election	Projected Total I&S Tax Rate	CIP Annual Tax Impact	Cummulative CIP Tax Impact	Monthly Tax Impact on \$100,000 Home Value
2003	1,010,124	0.1554		-	-
2004	1,561,088	0.2071	0.0516	0.0516	4.30
2005	2,479,725	0.2963	0.0893	0.1409	11.74
2006	3,210,848	0.3457	0.0493	0.1902	15.85
2007	3,962,508	0.3878	0.0421	0.2324	19.37
2008	4,693,168	0.4253	0.0375	0.2699	22.49
2009	5,191,733	0.4568	0.0315	0.3014	25.11
2010	5,493,686	0.4693	0.0125	0.3138	26.15



**Property Values Flatten
\$35,000,000 Limit**

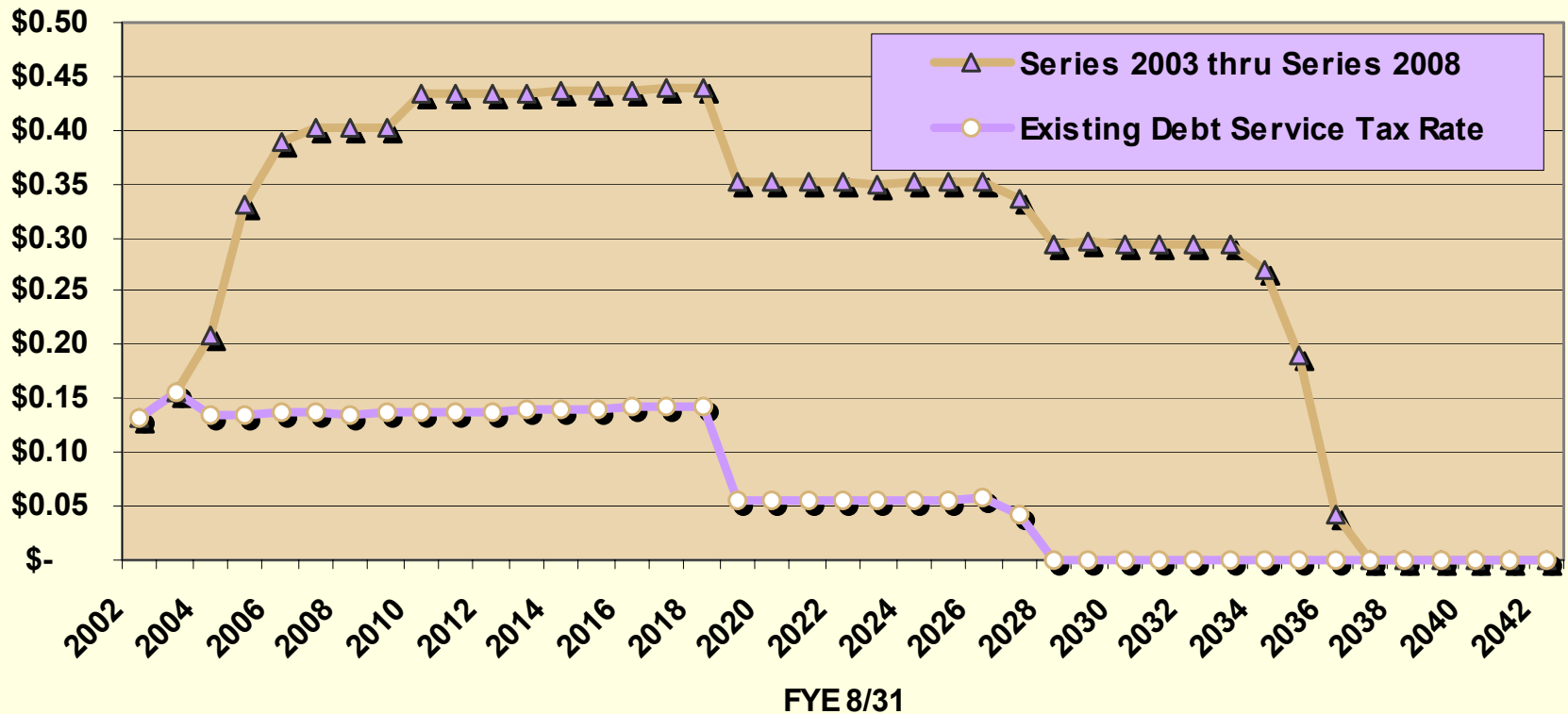
Property Values Flatten - Assumptions

Student and Property Growth			
Year	Tax Value	ADA	WADA
2004	10.00%	4.00%	4.00%
2005	5.00%	4.00%	4.00%
2006	0.00%	4.00%	4.00%
2007	0.00%	4.00%	4.00%
2008	0.00%	4.00%	4.00%
2009	0.00%	3.00%	3.00%
2010	0.00%	3.00%	3.00%
2011	0.00%	3.00%	3.00%
After	0.00%	3.00%	3.00%

Property Values Flatten – Tax Rate Impact

Projected CIP Tax Rate Impact

Debt Service Tax Rate



Property Values Flatten – Tax Rate Impact Summary

Tax Impact Summary:

(8/31) Fiscal Yr.	Net Debt Service After Bond Election (2)	Projected Total I&S Tax Rate	CIP Annual Tax Impact	Cummulative CIP Tax Impact	Monthly Tax Impact on \$100,000 Home Value
2003	1,010,124	0.1554		-	-
2004	1,561,088	0.2089	0.0534	0.0534	4.45
2005	2,479,725	0.3318	0.1229	0.1764	14.70
2006	2,910,848	0.3895	0.0577	0.2340	19.50
2007	2,997,508	0.4011	0.0116	0.2456	20.47
2008	2,997,068	0.4010	(0.0001)	0.2456	20.46
2009	3,001,633	0.4016	0.0006	0.2462	20.52
2010	3,233,986	0.4327	0.0311	0.2773	23.11



Bond Election Calendar of Events

Timeframe

- 1) **Feb. 11** – Board calls bond election
- 2) **Mar. 6** – Last date to register to vote on election
- 3) **Mar. 19** – First Day of Early Voting
- 4) **Apr. 1** – Last Day of Early Voting
- 5) **Apr. 5** – Election Day
- 6) **Apr. 8** – Board Canvasses the Election

Vote

- Early Voting – March 19, 2003 through April 1, 2003 – 8:00 AM to 5:00 PM in the Lovejoy ISD Administration Building
- Election Day – April 5, 2003 – 7:00 AM to 7:00 PM in the Lovejoy Elementary School Gym