



Annual Report of Local Debt Information

Fiscal Year Ended June 30, 2017

Pursuant to Local Government Code, Section 140.008

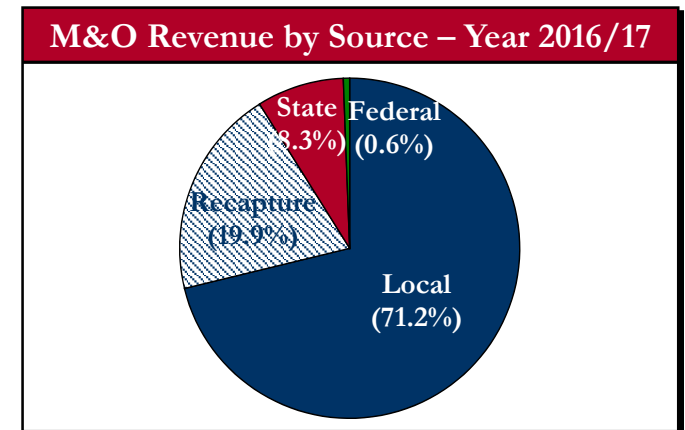
This report was posted on the District's website on December 22, 2017.

- ❑ **Overview:** Grapevine-Colleyville 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 2015/16, the District was assigned a 2016/17 FIRST Rating of “Superior” and the District’s score was 96 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”^(A) 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.”

For comparison purposes, S&P Global Ratings assigns a credit rating of “AA” to the United States of America.

^(A) On July 14, 2017, Moody’s Investors Service upgraded the underlying credit rating of the District from “Aa2” to “Aa1”.

- ❑ **State Funding System – Where Do the District’s Revenues Come From:** Grapevine-Colleyville 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 Tarrant Appraisal District and Dallas 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 2016/17. 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 \$30,665,351 or 19.9% of total operating funds that are paid to the State as a “recapture” payment.



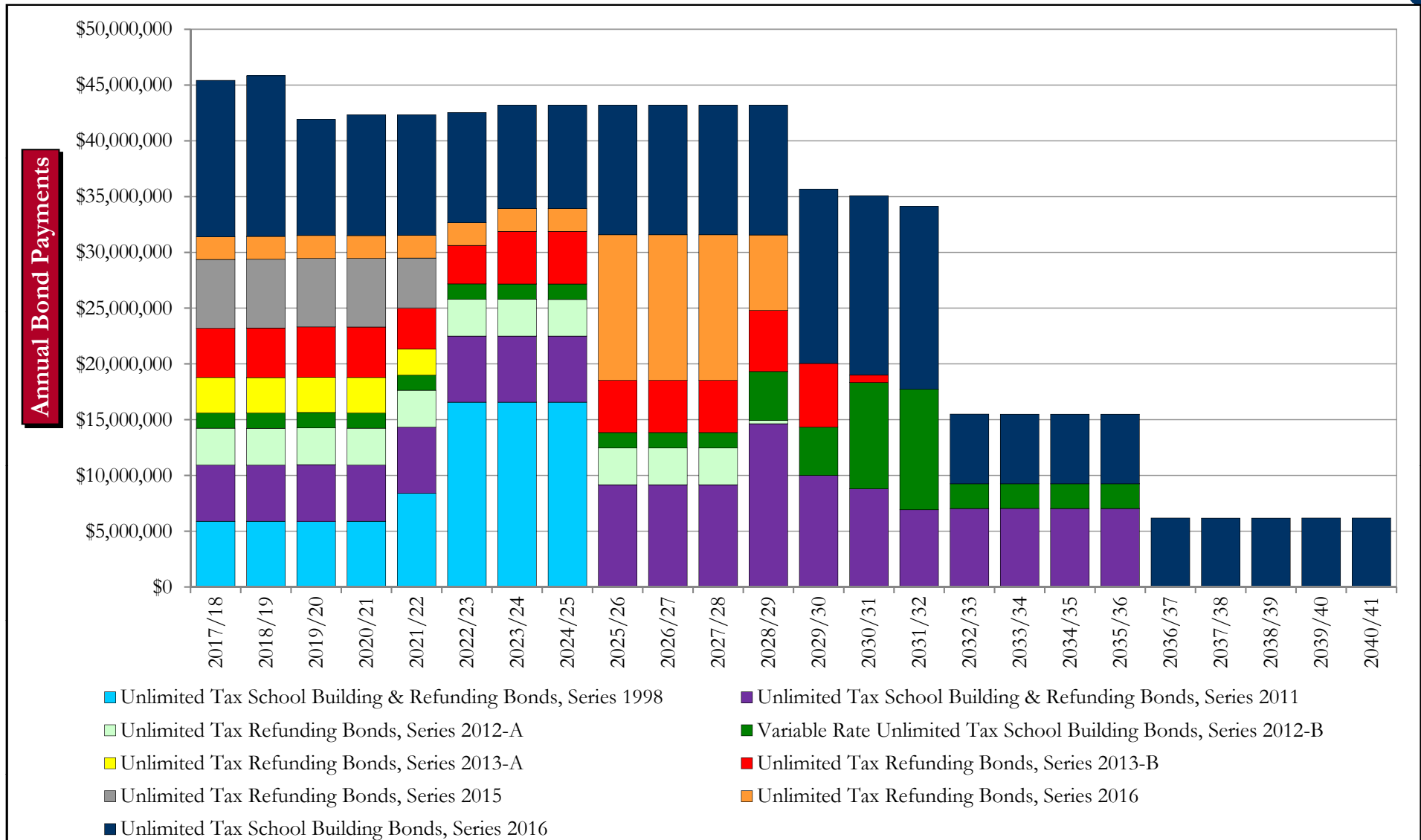
Overview of State Funding System

- **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	Election Amount	Dollar Amount Of Bonds Remaining To Be Issued
September 10, 2005	Building, Renovations & Technology	\$107,910,000	\$0
May 14, 2011	Building, Renovations & Technology	\$124,500,000	\$0
May 7, 2016	Building, Renovations & Technology	\$248,975,000	\$60,320,000
Total Dollar Amount Of Authorized But Unissued Bonds - As of June 30, 2017:			\$60,320,000

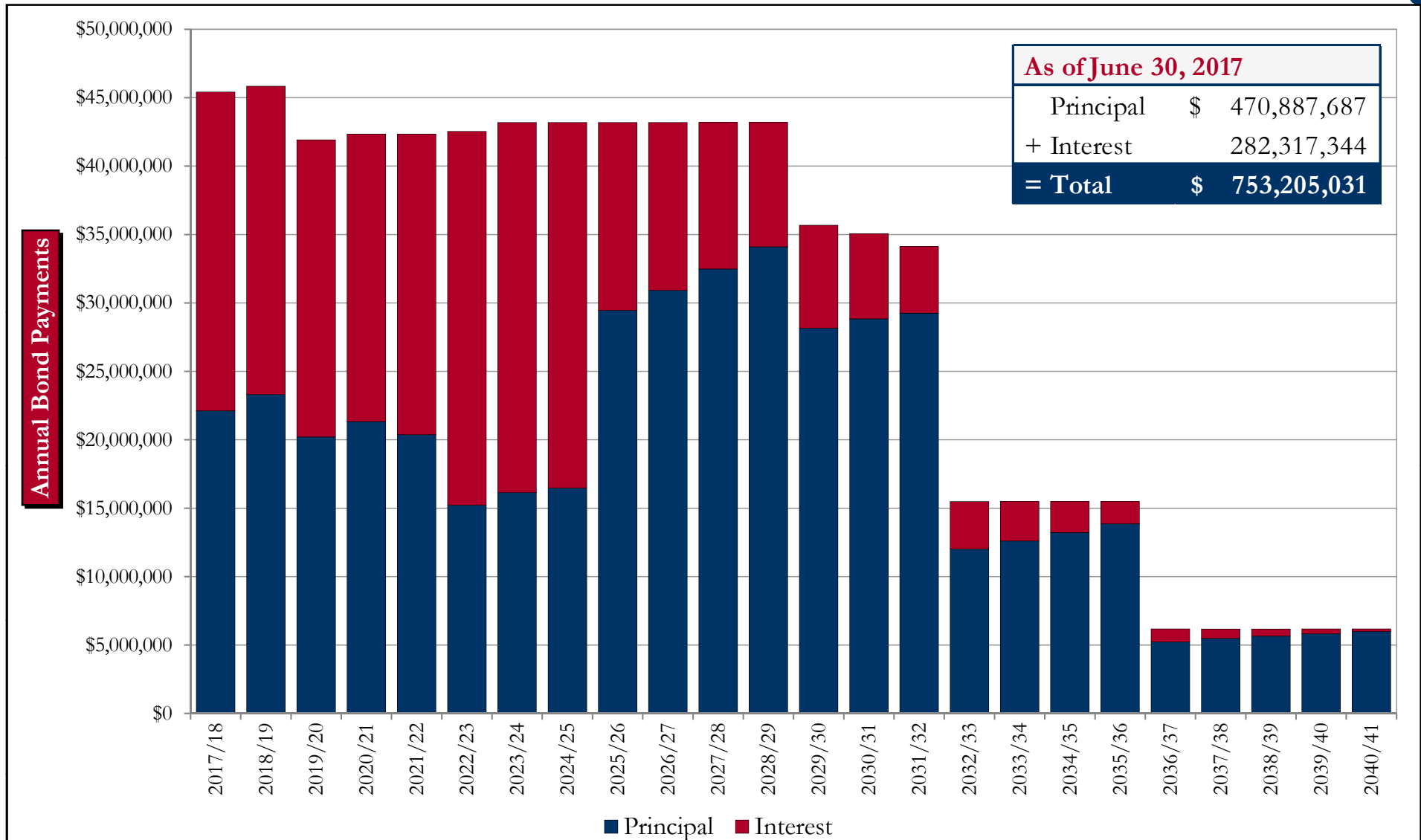
- ✓ As of fiscal year ended June 30, 2017, the District had \$195,969,438 within its Capital Projects Fund for existing/future projects.

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 2017 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 2017 debt payments are not portrayed in the graph above.

Summary of Unlimited Tax Debt Outstanding By Series – As of Fiscal Year Ended June 30, 2017

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 School Building and Refunding Bonds, Series 1998	Capital Improvements & Refunding at a lower interest rate, etc.	\$164,143,333.33	\$26,007,687.12	\$87,575,000.00	\$344.81	\$1,161.06	08/15/2025	\$167,121,517.68	\$167,121,517.68	\$0.00
2	Unlimited Tax School Building and Refunding Bonds, Series 2011	Capital Improvements & Refunding at a lower interest rate, etc.	\$92,000,000.00	\$87,270,000.00	\$143,998,525.00	\$1,157.01	\$1,909.11	08/15/2036	\$101,795,287.23	\$101,795,287.23	\$0.00
3	Unlimited Tax Refunding Bonds, Series 2012-A	Refunding at a lower interest rate, etc.	\$33,835,000.00	\$28,475,000.00	\$38,067,556.25	\$377.52	\$504.69	08/15/2029	\$38,888,974.19	\$38,888,974.19	\$0.00
4	Variable Rate Unlimited Tax School Building Bonds, Series 2012-B	Capital Improvements	\$32,500,000.00	\$32,500,000.00	\$53,492,825.00	\$430.88	\$709.20	08/01/2036	\$34,180,861.42	\$11,994,748.42	\$22,186,113.00
5	Unlimited Tax Refunding Bonds, Series 2013-A	Refunding at a lower interest rate, etc.	\$16,130,000.00	\$15,900,000.00	\$17,876,375.00	\$210.80	\$237.00	08/15/2022	\$18,819,862.78	\$18,819,862.78	\$0.00
6	Unlimited Tax Refunding Bonds, Series 2013-B	Refunding at a lower interest rate, etc.	\$50,110,000.00	\$47,295,000.00	\$63,677,025.00	\$627.03	\$844.22	08/15/2031	\$57,457,955.19	\$57,457,955.19	\$0.00
7	Unlimited Tax Refunding Bonds, Series 2015	Refunding at a lower interest rate, etc.	\$31,830,000.00	\$31,250,000.00	\$34,693,750.00	\$414.31	\$459.96	08/15/2022	\$34,661,574.28	\$34,661,574.28	\$0.00
8	Unlimited Tax Refunding Bonds, Series 2016	Refunding at a lower interest rate, etc.	\$41,765,000.00	\$41,035,000.00	\$63,278,625.00	\$544.04	\$838.94	08/15/2029	\$51,966,206.07	\$51,966,206.07	\$0.00
9	Unlimited Tax School Building Bonds, Series 2016	Capital Improvements	\$161,155,000.00	\$161,155,000.00	\$250,545,350.00	\$2,136.57	\$3,321.69	08/15/2041	\$189,200,190.41	\$18,053,246.41	\$171,146,944.00

Main Office Contact Information:

Physical and Mailing Address:

3051 Ira E. Woods Avenue

Grapevine, Texas 76051

Phone: (817) 251-5200

Fax: (817) 251-5375

For additional information regarding this report, please contact:

Ms. DaiAnn Mooney

Chief Financial Officer

Phone: (817) 251-5580

Email: daiann.mooney@gcisd.net