

HAYS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES

Date: June 29, 2026

Agenda Item: N.5

Board Goal: Finance

Subject: Consideration and possible adoption of an Order authorizing the issuance of Hays Consolidated Independent School District Unlimited Tax Bonds, in one or more series; levying a tax and providing for the security and payment thereof; authorizing a pricing officer to approve the award of the sale thereof in accordance with specified parameters; declaring official intent to reimburse certain costs; and enacting other provisions related thereto

Administrator Responsible/Position: Deborah Ottmers, Chief Financial Officer

A. Purpose of Agenda Item:

Action needed

Information only

Receive input

B. Authority for This Action:

Local Policy

Law or Rule

N/A

C. Goal or Need Addressed:

Sale and delivery to fund the 2025 bond

D. Summary:

Previous board action relating to this item: N/A

Future action anticipated: N/A

Background information – The administration has worked with Robert Traylor of RBC to establish the financing plan for the May 2025 voter approved 2025 Bond. Based on market conditions, the administration believes it is in the best interest of the District to issue Tax School Building Bonds up to the remaining amount of authorized but unissued amounts in Proposition A and B totaling \$482,555,269.

Mr. Jerry Kyle and team with Orrick, Herrington & Sutcliffe LLP has developed a bond order that includes the parameters communicated to the public during the 2025 Bond Election (attached).

Additionally, it has been determined that refunding of a portion of the District's Unlimited Tax Refunding Bonds, Series 2016, up to the maximum amount of \$34,340,000 will produce a positive gross debt service savings in addition to providing future bonding capacity. The bond order above includes this refunding sale.

In August, the district will sell as much as possible of the remaining 2025 bonds outstanding. The amount will fluctuate based on the certified property values and the expected bond interest rate. Additionally, since the state made some changes in the debt service tax rate laws, in order to manage the debt service interest rate and to keep it at the current .4877, the district will need to refund some of the callable unlimited tax debt series 2016 in order to have adequate debt service payments on the 26/27 bond payment schedule to support the .4877 cents debt service/I&S tax rate. We can no longer just pay down debt to be able to keep the tax rate stable. For additional information regarding the callable unlimited tax debt series 2016, see the attached document.

E. Comments Received:

Cabinet

DLT

FBOC

Teacher Org. Reps.

Other:

F. Administrative Recommendation:

The administration recommends the board approve the order authorizing issuance, sale and delivery of the Hays CISD school building bonds as presented.

G. Fiscal Impact and Cost: Amount to issue during August 2026

Bond 2025 **Other:**

Total Authorized 2025 Bond: up to \$482,555,269 and Refund Unlimited Tax Debt Series 2016 up to \$34,340,000

H. Monitoring and Reporting Time Line:

Person responsible for evaluating this decision or action: Deborah Ottmers, Chief Financial Officer

Evaluation method and time line: Bond legal and financial specialists assist with bond sales in the fall of 2026.

Next report to the board: Staff will update the Board as the process develops.

I. Suggested Motion:

I move that the Hays CISD Board of Trustees adopt the order authorizing the issuance of Hays Consolidated Independent School District Unlimited Tax School Building Bonds, as presented.