

Superintendent Update

D. John Downs

May 10, 2024

Preliminary FY25 Budget (CSIP Goal Area 1, and Objectives 2.2 and 3.1)

Mr. Hoffman and I continue our work on the FY24 budget. Over the next month, we will finalize calculations across accounts, including updated supply and purchased services budget requests. Our intent is to provide the initial budget document for your review in advance of the June Board meeting.

Career Ladder Plan (CSIP Objective 2.2)

The district's updated Career Ladder plan for FY25 is presented for Board approval. This plan represents a phased approach to implementation of the program. In FY24, all qualified faculty who were eligible to implement Career Ladder were placed on Stage I, if they chose to participate. Stage I teachers who complete and log an additional 50 hours of work within the categories defined in the plan will receive a \$1,500 stipend. This year, the district intends to expand the program to allow eligible teachers to select Stage II participation, if they choose to do so. Stage II participants who complete and log an additional 75 hours of work within the categories defined in the plan will receive a \$3,000 stipend. More details on the program and district plan can be found in the packet.

Potential April 2025 Bond Issue (CSIP Objective 3.1)

At the April meeting, the Board directed me to contact Lorenzo Boyd for an analysis of potential bonding capacity, should the Board elect to run a no-tax-increase bond issue next April. Stifel completed their analysis and determined that the district should be able to bond up to \$6.5 million at that time. Stifel's analysis is attached to this Board report for your review.

Safety Grant (CSIP Objectives 2.1.2 and 3.1)

The district is finalizing coordination for the installation of the camera system expansion approved at last month's meeting. Expansion of the system is the last improvement under our approved grant application. The district will submit the request for reimbursement of expenses to DESE in the coming days. There are still many steps that can be taken to improve campus safety, including the installation of a second set of security doors at main entrances where they are absent, improved fencing in select campus locations, and improvements to some HVAC systems with a focus on air quality. All of these could be considered for a potential bond construction project.

Crosswalk Agreement (CSIP Objectives 2.1.2 and 3.1)

The district has coordinated with the city for the installation of two marked crosswalks on North Street/Ricketts Road. The included map shows the location of the two new crosswalks. The purpose of the crosswalks is to facilitate safe pedestrian travel to campus from the Echo Ridge and Douglas Pointe subdivisions. Costs will be shared with the district paying 60% and the city paying 40% of design, installation, and maintenance.

Football Locker Room (CSIP Objective 3.1)

A Board member has requested continued discussion on the plans for a replacement home football locker room. Because there is no actionable item at this time, I recommend this discussion take place during the Bond Construction, President's Report, or District Reports section of the agenda.

Agreements and MOUs

This month's packet includes several other agreements and memoranda of understanding. These can be found in the consent agenda. All of these simply renew existing programs and relationships. Please let me know if you have any questions about these documents.

May 1, 2024

Mr. John Downs, Superintendent
 Hallsville R-IV School District
 421 E Hwy 124
 Hallsville, MO 65255

Re: Hallsville R-IV School District | New Money Analysis

Dear Mr. Downs:

Based on direction from the District, Stifel has prepared an analysis for the issuance of General Obligation Bonds following a possible bond ballot initiative in April 2025. The District’s legal debt limitation at the time of the election is calculated below.

Estimated Debt Capacity - April 2025	
Assessed Value (2024) ¹	\$ 129,200,697
Debt Limit (at 15%) ²	\$ 19,380,105
Outstanding Debt after March 1, 2025 Payments ³	\$ 13,620,000
Debt Capacity*	\$ 5,760,105
Estimated year-end 2024 Debt Service Fund Balance ^{3,4}	\$ 1,158,210
Debt Capacity Adjusted for Fund Balance*	\$ 6,918,315

* Subject to change based on final certification and fund balance at the time ballot is certified.

¹ Per the District

² Missouri Statutory restriction for general obligation bonds issued by School Districts; 15% of assessed valuation

³ Preliminary, subject to change.

⁴ Fund Balance is per the District as of April 12, 2024, net of District’s September payment.

The following analyses are based on interest rates of 5% for the proposed new money issuance. In addition, Stifel used the following assumptions:

- 2% annual increase to Assessed Valuation in non-reassessment years and 3.0% annual increase to Assessed Valuation in reassessment years
- No change to the District’s current Debt Service Fund tax rate of \$1.110
- 99.93% collection of property taxes based on District’s 5-year average
- Approximately \$13,400 of revenue placed in the debt service fund from State Assessed Railroad and Utility funds based on the District’s five-year average
- Issuance of the Bonds in June 2025, following a successful election in April 2025

The figure shown in the table below is approximate and could change based on changes in the assumptions stated above and future interest rates.

Election	Par Amount
April 2025	\$6,500,000

Tax Year	Debt Year	AV	Growth*	Tax Rate*	Tax Rev @ 99.93%	SARRU	Total Revenue	Existing Debt Service	2025 NM Debt Service	Total Debt Service	Required Levy	Use of Fund Bal	Fund Balance	% of DS
2020	2021	96,986,412	2.81%	1.110										
2021	2022	105,498,349	8.78%	1.110										
2022	2023	113,946,431	8.01%	1.110										
2023	2024	126,667,350	11.16%	1.110									1,158,210	91.6%
2024	2025	129,200,697	2.0%	1.110	1,433,095	13,399	1,446,494	1,195,213	68,611	1,263,824	0.969	182,670	1,340,880	84.8%
2025	2026	133,076,718	3.0%	1.110	1,476,088	13,399	1,489,487	1,197,338	383,500	1,580,838	1.179	(91,351)	1,249,530	77.3%
2026	2027	135,738,252	2.0%	1.110	1,505,610	13,399	1,519,008	1,294,038	322,000	1,616,038	1.182	(97,029)	1,152,501	71.4%
2027	2028	139,810,400	3.0%	1.110	1,550,778	13,399	1,564,177	1,291,988	322,000	1,613,988	1.146	(49,811)	1,102,690	69.9%
2028	2029	142,606,608	2.0%	1.110	1,581,794	13,399	1,595,192	1,119,113	458,500	1,577,613	1.098	17,580	1,120,270	71.0%
2029	2030	146,884,806	3.0%	1.110	1,629,247	13,399	1,642,646	1,120,613	456,375	1,576,988	1.065	65,659	1,185,929	75.1%
2030	2031	149,822,502	2.0%	1.110	1,661,832	13,399	1,675,231	1,121,113	458,875	1,579,988	1.046	95,244	1,281,172	81.3%
2031	2032	154,317,177	3.0%	1.110	1,711,687	13,399	1,725,086	1,120,613	456,000	1,576,613	1.014	148,474	1,429,646	90.7%
2032	2033	157,403,521	2.0%	1.110	1,745,921	13,399	1,759,320	1,119,113	457,750	1,576,863	0.994	182,457	1,612,103	102.0%
2033	2034	162,125,626	3.0%	1.110	1,798,299	13,399	1,811,697	1,116,613	463,875	1,580,488	0.967	231,210	1,843,313	116.8%
2034	2035	165,368,139	2.0%	1.110	1,834,265	13,399	1,847,663	1,109,488	469,250	1,578,738	0.947	268,926	2,112,239	133.6%
2035	2036	170,329,183	3.0%	1.110	1,889,293	13,399	1,902,691	1,121,988	459,250	1,581,238	0.921	321,454	2,433,693	153.9%
2036	2037	173,735,767	2.0%	1.110	1,927,079	13,399	1,940,477	1,131,988	449,250	1,581,238	0.903	359,240	2,792,933	176.9%
2037	2038	178,947,840	3.0%	1.110	1,984,891	13,399	1,998,290	1,115,113	463,625	1,578,738	0.875	419,552	3,212,485	203.7%
2038	2039	182,526,797	2.0%	1.110	2,024,589	13,399	2,037,987	1,285,775	291,500	1,577,275	0.857	460,712	3,673,197	232.3%
2039	2040	188,002,600	3.0%	1.110	2,085,326	13,399	2,098,725	1,288,025	293,375	1,581,400	0.835	517,325	4,190,522	265.7%
2040	2041	191,762,652	2.0%	1.110	2,127,033	13,399	2,140,432	1,287,125	290,125	1,577,250	0.816	563,182	4,753,704	300.9%
2041	2042	197,515,532	3.0%	1.110	2,190,844	13,399	2,204,243	1,287,944	291,750	1,579,694	0.794	624,549	5,378,253	340.4%
2042	2043	201,465,843	2.0%	1.110	2,234,661	13,399	2,248,059		1,580,125	1,580,125	0.778	667,934	6,046,187	383.0%
2043	2044	207,509,818	3.0%	1.110	2,301,701	13,399	2,315,099		1,578,625	1,578,625	0.755	736,474	6,782,661	429.7%
2044	2045	211,660,014	2.0%	1.110	2,347,735	13,399	2,361,133		1,578,500	1,578,500	0.740	782,633	7,565,295	
									21,323,194	11,592,861	32,916,055			

* Stifel is not making a projection as to future Assessed Valuation (AV) growth rates. Growth rate is per instruction from the District.

4/12/2024 Fund Balance per the District	1,490,941
9/1/24 Payment	332,731
<u>Estimated 12/31/24 Balance</u>	<u>1,158,210</u>

Historical Collections		Historical Assessed Valuations			SARRU	
Fiscal Year	% Total Collections	Levy Year	Total AV	Growth	Fiscal Year	Revenue Total
2023	99.19%	2023	126,667,350	11.16%	2023	15,476
2022	99.65%	2022	113,946,431	8.01%	2022	13,844
2021	101.06%	2021	105,498,349	8.78%	2021	13,082
2020	100.43%	2020	96,986,412	2.81%	2020	12,815
2019	99.31%	2019	94,333,026		2019	11,777
<u>Average</u>	<u>99.93%</u>	<u>Average Growth</u>		<u>7.69%</u>	<u>Average</u>	<u>13,399</u>

STIFEL, NICOLAUS & COMPANY, INCORPORATED

We hope you find this information helpful and in the meantime, if you have any questions about this information please feel free to give me a call at (314) 342-8477.

Sincerely,



Lorenzo M. Boyd
Managing Director

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