

Hughes Springs

Independent School District



Debt Service Booklet

For Fiscal Year 2023

As of September 1, 2023

HUGHES SPRINGS ISD

Debt Information

As of September 1, 2023

Bonds Payable:

Hughes Springs Independent School District currently has one bond debt obligation. The Unlimited Tax School Building Bonds, Series 2005, were first issued on December 15, 2004 and delivered on January 12, 2005 for the amount of \$3,300,000 and set to mature on August 31, 2029. The original purpose of the Unlimited Tax School Building Bonds of 2005 were to construct a new competition gymnasium and renovate the agricultural science building at Hughes Spring High School, construct a new science building with labs at Hughes Springs Elementary, and construct a new central office building for the Hughes Springs Independent School District. As of February 27, 2014, the district's outstanding bond debt was \$2,353,000. This remaining bond debt was refunded on February 27, 2014 at a purchase price of \$2,483,525.90 (representing \$2,153,000 in principal amount of current interest bonds, \$200,000 in principal amount of Capital Appreciation Bonds, and \$130,525.90 in original issue premium). As a result of the new Unlimited Tax Refunding Bonds, Series 2014, the district lowered the interest rates on the outstanding bonds from 4.5 - 5.25% to 1.0 - 2.95% on the new bonds, netting a savings of \$316,726 for the district over the life of the bonds. As of July 10, 2020, the district's outstanding bond debt was \$1,645,000. This remaining bond debt was refunded on July 10, 2020 at a purchase price of \$1,706,302.85 (representing \$1,645,000 in principal amount of bonds and \$61,302.85 in reoffering premium). As a result of the new Unlimited Tax Refunding Bonds, Series 2020, the district lowered the interest rates on the outstanding bonds from 2.95% to 2.56%, netting a savings of \$51,951 for the district over the life of the bonds. The maturity date of the new Unlimited Tax Refunding Bonds, Series 2020 remained the same, August 15, 2029, and are callable at any time.

Credit Rating:

HSISD's only outstanding bond issue (Series 2020) was a private placement issue, meaning it was sold directly to a bank rather than an open market transaction, there is no outstanding bond rating for the District.

Summary:

Current Debt Obligations: Unlimited Tax Refunding Bonds, Series 2020

Date Issued: July 10, 2020

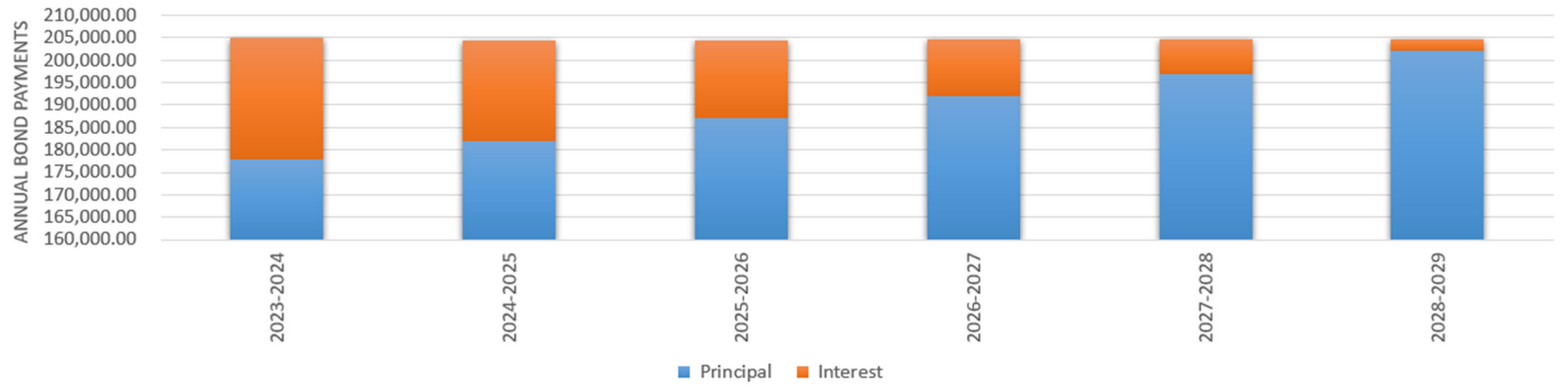
Amount: \$1,706,302.85

Maturity Date: August 15, 2029

Remaining Balance: \$1,138,000

The following page shows how Hughes Springs Independent School District plans to pay the remaining debt on the Unlimited Tax Refunding Bonds, Series 2020. Currently, Hughes Springs ISD does not charge an Interest & Sinking (I&S) tax rate. Current debt obligations are paid by excess maintenance and operations (M&O) funds.

Hughes Springs ISD Outstanding Unlimited Tax Debt Service by Principal and Interest



Hughes Springs ISD
 Outstanding Unlimited Tax Debt Service by Principal and Interest

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2023-2024	178,000.00	26,854.40	204,854.40
2024-2025	182,000.00	22,246.40	204,246.40
2025-2026	187,000.00	17,523.20	204,523.20
2026-2027	192,000.00	12,672.00	204,672.00
2027-2028	197,000.00	7,692.80	204,692.80
2028-2029	202,000.00	2,585.60	204,585.60
Total	\$ 1,138,000.00	\$ 89,574.40	\$ 1,227,574.40

Note: Debt service payments reflect payments from September 1 through August 31.

Hughes Springs ISD
Semi-Annual Unlimited Tax Debt Service by Principal and Interest

Date	Principal	Interest	Debt Service	Annual Debt Service
2/15/2024	178,000.00	14,566.40	192,566.40	
8/15/2024		12,288.00	12,288.00	204,854.40
2/15/2025	182,000.00	12,288.00	194,288.00	
8/15/2025		9,958.40	9,958.40	204,246.40
2/15/2026	187,000.00	9,958.40	196,958.40	
8/15/2026		7,564.80	7,564.80	204,523.20
2/15/2027	192,000.00	7,564.80	199,564.80	
8/15/2027		5,107.20	5,107.20	204,672.00
2/15/2028	197,000.00	5,107.20	202,107.20	
8/15/2028		2,585.60	2,585.60	204,692.80
2/15/2029	202,000.00	2,585.60	204,585.60	
8/15/2029			-	204,585.60
Total	<u>\$ 1,138,000.00</u>	<u>\$ 89,574.40</u>	<u>\$ 1,227,574.40</u>	<u>\$ 1,227,574.40</u>

Note: Debt service payments reflect payments from September 1 through August 31.

Paying Agent Information for Series 2020 Bonds:

Firm Name: Amegy Bank of Texas
1801 Main Street
Houston, TX 77002

Contact: Kristen Billings
Phone: (214) 754-6019
Email: Kristen.billings@amegybank.com

Hughes Springs ISD
Bond Expenditures 2022-2023

<u>Date</u>	<u>Reason</u>	<u>Amount</u>
2/15/2023	Series 2020 Principal Payment	\$173,000.00
2/15/2023	Series 2020 Interest Payment	\$16,780.80
8/15/2023	Series 2020 Interest Payment	\$14,566.40
Total		<u>\$204,347.20</u>

Notes Payable:

Hughes Springs Independent School District currently has no notes payable

Right-To-Use-Leases:

During the 2021-2022 fiscal year, Hughes Springs Independent School District adopted GASB No. 87 Leases and must now account for non-capital leases as debt. The District has several leases for copiers and postage machines. At the beginning of the 2021-2022 year, the outstanding amount of leases payable was \$38,169. During the year, the District added \$35,878 in new leases and retired/paid \$18,260 in lease expense. The lease amount outstanding as of September 1, 2022 was \$55,787. Below is a chart of the debt service requirements for the outstanding leases. No new leases were entered in the 2022-2023 fiscal year.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Lease Payments</u>
2023-2024	11,555.00	738.00	12,293.00
2024-2025	12,349.00	395.00	12,744.00
2025-2026	8,380.00	128.00	8,508.00
2026-2027	708.00	11.00	719.00
2027-2028	60.00	-	60.00
Total	<u>\$ 33,052.00</u>	<u>\$ 1,272.00</u>	<u>\$ 34,324.00</u>