

The KISD Board of Trustees met in special session on Thursday, November 9, 2017, at 6:00 p.m. in the cafeteria at East Ward Elementary School.

Members present:

Corbett Lawler, President  
Susan Jones, Secretary  
Shelley Wells  
JoAnn Purser

Members absent:

Minerva Trujillo, Vice President  
Marvin Rainwater  
Carlyle Walton

Also attending:

Dr. John Craft, Superintendent  
Dr. DesMontes Stewart, Deputy Superintendent  
Dr. Robin Champagne, Assistant Superintendent  
Ramona Bellard, Executive Officer  
Diana Kaye, Superintendent's Office  
Manager/Board Clerk

The meeting was called to order at 6:02 p.m., Thursday, November 9, 2017.

An invocation was given by Allen Cloud, committee member. Pledges to the U.S. flag and Texas flag were led by JoAnn Purser.

This evening was the second meeting of the KISD Bond Steering Committee, comprised of a diverse cross-section of the community. The Committee has been charged with assessing and prioritizing the District's current and long-term facility needs and bringing forward recommendations to the KISD Board of Trustees, along with a recommended amount of money to be requested in a possible bond election.

**SPECIAL MEETING  
REGARDING BOND  
STEERING  
COMMITTEE  
DISCUSSION -  
MEETING #2**

Mr. Lawler thanked everyone for serving on the committee, noting that the quality of life in the area reflected their efforts and he looked forward to the outcome of the committee. Dr. Craft stated that quite a bit of information would be presented tonight. He introduced Matt Boles and Derek Honea from RBC Capital Markets who would provide information later in the meeting, and members of the KISD Board of Trustees present.

Dr. Craft reviewed the agenda for this evening's Bond Steering Committee meeting. He stated that the District had conducted a district-wide facilities assessment outlining existing facilities needs and continuously monitors enrollment; these tools would facilitate discussions tonight. Regarding extracurricular activities and the need for another stadium, he noted that instructional facility needs, as well as safety and security, remain the District's primary focus to accommodate future enrollment and maintain equity of existing facilities.

Committee Chairpersons are Bill Kliewer, Brenda Coley and Hal Schiffman. Tonight, Brenda Coley provided a recap of the November 2, 2017 committee meeting.

Megan Bradley, Chief Financial Officer, provided the fundamentals of school finance, reviewing information related to the three sources of a school district's budget: federal funding, state funding, and local funding (generated from property taxes). She also provided a KISD financial overview, including the current KISD tax rate, historical tax rate, information regarding the maintenance & operations and debt service budgets, tax exemptions, and early payment discounts.

Ms. Bradley introduced Matt Boles and Derek Honea, from RBC Capital Markets, noting that the company has been providing financial advice to the District for over 20 years. Tonight, they provided a preliminary bond election analysis, including an overview of the District's outstanding bonded debt, current market review, and preliminary tax rate impact analysis. They provided three financing scenarios in which bond proceeds would yield either \$175 million, \$350 million, or \$500 million. Ms. Bradley noted that state aid for these three scenarios was estimated at 43.5%.

Dr. Craft reviewed potential projects in the District's Strategic Facilities Plan. Those to be funded with Designated Fund Balance included: Ag Science Barn, Elementary School #35, Career Center Expansion, and Middle School #14. Potential new facilities that could be funded with bond proceeds included: High School #6, Elementary Schools #36, #37, #38, and Middle School #15.

Estimated costs are included in the Strategic Facilities Plan that would be posted to the Bond Steering Committee website. Dr. Craft reviewed existing facilities and potential solutions for the aging and inequity of the District's oldest campuses; this would include compliance with the Americans with Disabilities Act along with security issues. Proposing several hypothetical scenarios, he asked the Committee to think about more innovative solutions, such as demolition and consolidation of some of the District's older, underutilized campuses. Renovation and expansion of older campuses was also an option presented, along with demolition and rezoning possibilities for greater efficiency.

Bill Kliewer, Committee Co-Chair, reviewed the objectives of the final portion of the meeting: small and large group discussion. Table groups were asked to deliberate on discussion topics and present their opinions. Tables also submitted their rank-order of the following factors: urgency of need, benefit to students, benefit to community, equity, and alignment with the KISD Mission: Teach so that students learn to their maximum potential. The overall committee's rank-order would be utilized in the next committee meeting to prioritize and analyze potential projects. In large group discussion, committee members posed several questions to explore. Committee members were also reminded that questions could be submitted through the committee website: [www.KilleenISDBSC.org](http://www.KilleenISDBSC.org) in preparation for the next committee meeting on Thursday, November 16, at the KISD Career Center.

There being no further business or discussion, the meeting adjourned at 8:40 p.m.

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President

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Secretary