

Pine Tree ISD Bond 2011: Questions/Answers

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BOND BASICS

Q: 1. What is a bond?

A: A school bond election is held so that voters can consider proposed construction and capital improvement projects. Similar to a family's mortgage, school districts issue loans, known as bonds, to pay for capital expenditures. The district pays the debt back long-term, similar to a home mortgage. Like a mortgage, bonds allow the cost of facilities to be paid for over a timeline that approximates the useful life of the facilities.

Bonds are sold by a school district in the public securities markets to raise funds to pay for the costs of construction, renovations and equipment. Most school districts in Texas utilize bonds to finance renovations and new facilities. Districts repay the bonds through revenue generated from a debt service property tax. A district's voters must approve capital improvement bonds issued by a school district.

Q: 2. Can these projects be paid for out of the operating budget or general fund?

A: A school district's general operating expenditures include payroll, utilities, supplies and other costs associated with the ongoing operations of the school district. These are paid with what is called, "Maintenance and Operating" or M & O funds. While districts may be able to address smaller capital items using general operating funds, school districts do not receive enough funding to cover the cost of large construction and/or renovation projects like those proposed in the bond. New buildings, additions and renovations to existing facilities, purchasing land, and equipment for new or existing buildings must be paid from a different account called, "Interest and Sinking" or I & S funds.

Q: 3. What do bond funds pay for?

Under Texas law, bond funds may only be used to pay for non-recurring expenditures for items with a useful life of more than one year, such as new buildings, additions and renovations to existing facilities, purchasing land, and equipment for new or existing buildings. Bond funds CANNOT be used for employee salaries, operating costs such as utility bills, supplies, fuel, and insurance. The Pine Tree Independent School District, like all school districts in Texas, uses its maintenance and operating budget to fund salaries, curriculum and other operating expenses.

HISTORY

Q: 4. What is the bond history for PTISD?

A: Pine Tree ISD's two most recent successful bond elections (2004 for \$45 million and 2006 for \$7 million) not only renovated schools, the bonds also built new ones. One of the oldest school districts in the area, Pine Tree faced a growing need to update aging buildings. Also, to meet the growing and diverse needs, the District had to expand, and in some cases relocate, campuses.

Through careful planning and decision making, the District built a new Primary school (pre-K and Kindergarten,) a new Middle School (grades 5 and 6) and pursued major upgrades at the Elementary, Intermediate, Junior High, and High School which included adding a new two-story wing and a brand new Multi-Purpose Facility.

With the expansions and new campuses the ground work was laid for wireless networking, improved technology and science labs that greatly enhanced academic excellence. With additional funds from the bond, renovations were made to the oldest building which served as the original High School campus and most recently as the Seventh grade campus. The remodeled facility is now home to the ISD Central Administration office complex, Tax Office and Discipline Alternative Campus.

Neighbors in the north corner of Pine Tree appreciate how the district has reutilized historical structures and invested in the development of the Pine Tree area. The City of Longview has cooperated with the necessary expansions and has been a good partner to Pine Tree ISD by instigating improvements to the infrastructure through road improvement projects along Silver Falls Road.

YEAR	AMOUNT	MAJOR PROJECTS
2004	\$45 million	New Middle School campus Major renovations and additions to the High School including a new instructional wing, band hall, cafeteria and tennis courts New Primary School campus
2006	\$7 million	Multi-use Gymnasium Facility built on the high school campus.

Additional information on previous bonds is available at the District web page.

Q: 5. What outcomes were realized with previous bonds?

A: The 2004 and 2006 bonds provided facilities with:

- New instructional settings,
- Increased security/safety measures,
- Decrease in energy consumption,
- School construction started on time, and
- Completed on time and under budget

Q: 6. How is this bond different from the 2010 proposal?

A: PTISD School Board members called a \$19.99 million school bond for May 8, 2010, and the proposition failed 1,097 to 1,085, or 12 votes. When the members of the board reviewed existing needs in the long range facility management plan, they gathered perspectives from a larger circle and demographic makeup of citizens and staff members, a new proposal was created which included changes. Here are the highlights of the changes; more details are listed under the [Description of Proposed Projects](#).

- Add significant technology upgrades;
- Add swimming and diving facility upgrades;
- Add renovation of existing practice facility to better serve the Drill Team/Dance classes.
- Lower the number of seats for the stadium from 7,500 to 6,400;
- Move the location of the stadium from current location to PT Parkway location;
- Remove a project for band practice field lighting and bleachers
- Remove a project for landscaping and sidewalk repair at the High School

DECISION PROCESS

Q: 7. How was this current bond plan determined?

A: The decision to call a bond referendum was made following 1) a review of research provided by professional engineers, 2) many discussions about existing facilities repair and renovation needs and 3) the recommendations of a facility committee comprised of parents and community members.

The PT Board contracted with [Lockwood, Andrews & Newnam, Inc.](#) (LAN) firm to provide preliminary engineering services for a feasibility study of the district's needs. LAN was hired to provide a scope of work for the projects addressing the current stadium and additional projects at the high school. The engineers provided fact-based reports which can be viewed on the district web page, www.ptisd.org/bond2011.

Civil engineer Robert Maly of Maly and Associates also reviewed and provided information regarding preliminary designs with trustees that accounted for an approximately 6,400-seat stadium, competition track and changing facility for players.

Specific contents of the school bond package were developed by a 30-member community bond development committee consisting of parents, local citizens, business leaders and school staff. The committee met over the course of several months, toured and studied the district's current educational facilities and worked to develop a recommendation for a bond election to address PTISD facilities.

The committee completed the following actions prior to bringing a proposal to the Board of Trustees:

- Reviewed the reports provided concerning safety and accessibility of the current Pirate Stadium
- Conducted tours of the current facilities
- Attended various presentations
- Finalized information and prepared a recommendation to the board

Q: 8. How was the facility committee determined?

A: The district formed the committee by asking for volunteers and sending out letters. Half of the members were selected at random from volunteers and half were invited by board members. The committee meetings were open to all members of the community and all meetings were advertised and promoted as open community meetings.

Q: 9. Has the Board chosen a contractor and/or architect?

A: No contractor or architect has been selected. If the bond proposal passes, and the board has the opportunity to consider this, it will be discussed, voted on and documented at an open meeting.

Q: 10. How were the costs determined?

A: Market conditions, economic conditions and project planning/scheduling are a few of the factors which influence construction costs. After extensive scope analysis using internal district expertise along with the consultant firm, the district validates its project cost model using two outside independent firms. ([Click here to read reports](#)).

Q: 11. How were the costs determined?

A: The PT Parkway location – near the existing Pine Tree Middle School and Intermediate School campuses – was a recommendation by the community advisory committee.

Q: 12. What if this Bond does not pass, what are the options?

A: If the bond issue does not pass, tough decisions are in store for the district and the school board will discuss the options during open meetings after the election. For information about all meetings, visit the webpage for agendas, minutes and more. [PTISD School Board Web Page](#).

Q: 13. Are there other plans for Pine Tree ISD to call a bond election?

A: The Board of Trustees for the Pine Tree School District is tasked with meeting the needs of our students. The driving force behind the 2004 and 2006 Bond Package was to provide facilities that serve as effective learning environments for our students. The Board is now offering voters an option to use bond funds to improve additional major capital projects that are presented in the 2011 Bond. If major improvements are addressed with this bond package, the long range facility plan does not include new construction for a number of years. If the voters do not support this option, the Board of Trustees must continue to look for ways to accommodate the District's facility and equipment requirements.

PROPOSED PROJECTS

Q: 14. What is included in the current 2011 bond plan?

The current plan consists of projects in four main categories with additional costs added to the total for contingency and management:

Technology

- Replace the **Technology - Wide Area Network** with business class components and a true core switch. This will provide each campus with a robust wireless infrastructure to support a variety of wireless devices such as laptops, iPads, iPod Touches and computers on all campuses. (Estimated cost **\$610,899.**)
- Provide **Technology – Local Area Network Upgrades** at the High School, Junior High and Intermediate campuses. (Estimated cost **\$1,227,846.**)

Academic Career & Co-Curricular Facilities

- Remodel the classrooms at the high school for the growing **Career and Technology classes** at the high school which includes Media Technology. (Estimated cost **\$272,183.**)
- Remodel and upgrade the existing home economics classroom to serve the **culinary arts program** at the high school. (Estimated cost **\$604,850.**)
- Provide **HS theatre renovations**: lighting, sound, ADA upgrades and interior/foyer upgrades. (Estimated cost **\$920,582.**)
- Provide improved area for **drill team and locker rooms** at the high school. (Estimated cost **\$152,059.**)

Athletic Facilities

- Build a **new Athletic Sports Complex / Stadium** - to include: field house, seating for about 6,400, press box, track and field surfaces and concessions, and land acquisition. (Estimated cost **\$20,379,304.**)
- Build a **new field house for tennis / softball and girls soccer**. (Estimated cost **\$1,299,218.**)
- Add parking spaces near fields for softball, tennis, baseball. (Estimated cost **\$160,878.**)

- Improve Swimming Pool facility ((Estimated cost **\$181,455.**)
- Expand the **football practice fields** to accommodate 2 additional fields. (Estimated cost **\$362,910.**)
- Resurface existing **practice track** (Estimated cost **\$145,164.**)

Renovation of Infrastructure

- Replace the **HAVC (Air units)** on the high school campus. (Estimated cost **\$1,817,550.**)
- Provide the **asbestos abatement and renovation of the 600 building** at the high school. (Estimated cost **\$1,860,104.**)

Q: 15. What does the upgrade for Technology provide?

A: PTISD Director for Technology provided explanations and justifications regarding the scope of work for the wide area network (WAN) and local area network (LAN) upgrades. The projects will allow the district to better manage data traffic, maximize the capacity of available service provider cabling and provide for more effective safety controls that are required when students are using the internet.

Replacement of the **Wide Area Network** would include business class components and a true core switch. This will provide each campus with a robust wireless infrastructure which would enable and support a variety of wireless devices such as laptops, iPads, iPod Touches and computers on all campuses.

Q: 16. What could the district do differently if they were to upgrade technology infrastructure?

A: Administrators and teachers need data to improve instruction. To do this, the infrastructure has to be fast and reliable and provide the type of flexibility seen in a data warehouse that will allow raw data to be cleaned and redistributed in a useful way.

The infrastructure also has to have the bandwidth to deliver rich content, including voice capabilities, and it should provide mobility, filtering, security and scalability to allow for increased usage by all stakeholders.

According to Mike Hall, deputy superintendent of information technology at the Georgia Department of Education, “The large majority of districts across the country don't know what they are missing or what it's like to offer one-to-one opportunities (and do away with textbooks) or provide usable data to all decision-makers in real time.” [Read full article.](#)

To take full advantage of the opportunities mentioned below, schools must have an adequate technology infrastructure to do the following:

Managing information: Today’s data-driven instruction movement has pushed educational technology beyond its former preoccupations with motivation and enrichment. Instructional experts now understand that the success of teaching basic literacy and mathematics depends on the collection, analysis and informed use of robust bodies of data.

Securing data: Keeping test scores and other performance and personal records as digital files offers tremendous advantages: ease of retrieval, speed of information transfer, saving of crucial space and security of records.

Enhancing teaching and learning: Technology and the Web offer access to greater quantities of richer and more varied content than what's available in a hard-copy environment.

Facilitating and transforming communication: Systems that use e-mail as a central function can overcome classroom isolation. Portal solutions, like Web-based intranets, offer related and seamlessly integrated functions including secure e-mail, Web publishing, electronic list servers and threaded discussions.

Offering professional development: When administrators think about Professional Development (PD) and technology, they usually focus on PD in technology use and integration. However, technology also can be used to better deliver and manage PD in literacy, math and other subject areas.

Even when PD content and trainers are available, teachers frequently are not able to attend sessions because they are busy teaching. Today, helpful technologies such as Webinars, asynchronous courseware and online tutorials allow teachers to take PD whenever they have time.

Redefining the instructional environment: Ubiquitous computing will enable students to take advantage of the security and robustness of their school network, which offers fluid movement among individual desktop machines, handheld devices and group activities centered on LCD-projected images.

Tech infrastructure and No Child Left Behind: The white paper *Closing the Equity Gap: Addressing NCLB Compliance with Access Infrastructure Software* by Eduventures points out that the challenge of NCLB can be met in large part by updating technology infrastructure.

Q: 17. Why change the current system?

The current system has caused occasional problems with video streaming and other online learning activities. This project would resolve many of those conflicts restricting total bandwidth capabilities while positioning the district for the foreseeable future.

Q: 18. How long will the technology investment benefit the district?

While technology needs are constantly evolving and predicting the future of technology is very difficult to do, anecdotal evidence suggests a 15 year life span is likely. This is based on the years of service accomplished by the district's current system.

Q: 19. What has been discussed for the Career Technology and Media Technology classes?

A: PTISD Coordinator for Career and Technology explained to the Citizens Advisory Committee and School Board that program enrollment has grown at Pine Tree High School and adapting the program to the current space has revealed a number of issues. Suggestions presented are best described as a gut and remodel that would provide optimal teaching layout, power, data that is better integrated for the classroom, and the need for an additional instructional space.

Q: 20. What is included in the remodel of the existing Home Economics Classroom?

A: Bond funds would renovate a facility (built in 1968) to provide a culinary arts program offering instruction in commercial food preparation, food handling and business aspects of the restaurant industry. PTHS students earned 2011 State Awards in a recent competition. [Read more @ PT News.](#)

As part of the district's ongoing desire to remain competitive in its course offerings, the concept of a culinary arts program is under consideration. The program would offer instruction in commercial food preparation, food handling and business aspects of the restaurant industry. The physical accommodations would include a full-service commercial kitchen. The scope of work would include a gut and remodel of the existing spaces.

Q: 21. Which aspects of the High School Theatre are under consideration?

A: The scope of the work for the theater includes lighting renovations, sound equipment renovations, ADA upgrades and an interior finishing.

Lighting Renovations: The scope of the work for this project includes the installation of a modern stage lighting system. Many of the existing light fixtures will be retained but a new fully addressable lighting controller will be installed as a key piece of this project.

Sound Equipment Renovations: The scope of the work for this project includes the installation of all new sound equipment in the theater. This would include speakers, mixers and amplifiers.

ADA Renovations: This project includes reworking the parking spaces, curb ramps, sidewalks, restrooms and door hardware to comply with the American with Disabilities Act (ADA). Modifications to the seating to bring compliance will also be included.

Interior Finish Renovations: This project includes replacing floor finishes, painting the walls and ceilings and repairing the audio/video booth of the theater.

Q: 22. Where does the district plan on building the new stadium?

A: The new stadium location is proposed for the PT Parkway Property near the existing Pine Tree Middle School and Intermediate School complex off Loop 281. A map showing the exact location may be viewed at the Bond web page, www.ptisd.org/bond2011.

Q: 23. What activities could be scheduled at the new athletic complex/stadium?

A: The athletic complex would be designed to serve students and the community in a variety of ways which could include:

- Football games, camps, league games
- Soccer games, tournaments & camps
- Track and field meets and clinics (UIL regulation)
- Field Days for PK-6th grade
- Community wide guest speakers
- Homecoming activities
- Marching band competitions
- Special Olympics
- Graduation
- Alumni events
- Cheer and Drill Team competitions
- Health and wellness fair
- Awareness walks - i.e. "Relay for Life"
- Concerts and
- Community events.

Q: 24. What will the district do with the existing stadium?

A: The track and field will be preserved as a community space open to the public; the field may serve as an optional practice field for school and community teams. Standard stadium structures will be demolished, but the historical significance will be preserved.

Q: 25. Is the cost of the land included in the bond package?

A: Yes. The district owns a portion of the land, but plans to purchase additional 36.2 acres which is estimated to cost \$935,000. A complete breakdown of all costs for the athletic complex is located on the web page.

Q: 26. What type of scoreboard is proposed?

A: A scoreboard worth approximately \$350,000 is included in conceptual pricing. A complete breakdown of all costs for the athletic complex is located on the web page.

Q: 27. How does the total cost of the Athletic Complex break down?

STADIUM COMPONENT	COST
Erosion Control	\$32,000
Heavy Clearing / Grubbing	\$234,000
Earthwork (Cut & Fill)	\$247,500
Site Utilities	\$233,170
Demolition of Exist. Stadium	\$211,858
Stadium, all components	\$6,347,320
Field House	\$1,998,000
Access & Security Fencing etc.	\$150,000
Access Road	\$252,000
Storm Water Mgmt.	\$125,000
Parking	\$1,430,000
Parking Lot Lighting	\$150,000
Parking Lighting and Adjustment	\$350,000
Pave Grow	\$746,746
Access Road to Stadium	\$660,309
Landscape and irrigation	\$400,000
Pipeline Relocation	\$122,500
Replace existing stadium turf	\$408,000

GC Overhead	\$1,389,840
Design, Mgmt, Testing	\$2,293,236
Contingencies	\$1,528,825
Financing Costs	\$134,000
Land Acquisition	\$935,000
STADIUM TOTAL	\$20,379,304

Q: 28. Is there a drawing, design or photo of the athletic complex that I can see?

A: A preliminary design that accounts for an approximately 6,400-seat stadium, competition track and changing facility for players is available. A [drawing provided by civil engineer Robert Maly of Maly and Associates is on the district web page.](#)

Q: 29. How does the proposed stadium seating compare to other school districts in the area?

A: The proposed stadium for Pine Tree ISD would have an estimated 6,376 seats. In comparison with other schools in our district: Hallsville – 8,300; Tyler – 11,500; Marshall – 9,580; Jacksonville – 7,000; Kilgore – 7,300; Nacogdoches – 8,000; Whitehouse – 7,000; Carthage – 6,000; Spring Hill – 5,844; Gilmer – 6,150; Longview – 9,212. The current Pine Tree stadium holds approximately 5,500. Several events, including homecoming and graduation, find the current capacity inadequate. Other schools host revenue-producing events at their stadium for which Pine Tree is not considered due to lack of seating capacity.

Q: 30. How many parking spaces are included?

A: The number of parking spaces to be provided at an athletic complex site will be based on development requirements of the City of Longview. Available information indicates a requirement of one parking space for every three seats. Therefore, with a conceptual seating capacity of 6,376, the required number of parking spaces would be 2,125. However, the number of seats dedicated to students participating in the band and dance programs could be deducted. Therefore, the proposal assumes a reduction of 500 seats and a total number of parking spaces of 1,959.

Q: 31. What kind of playing surface is planned?

A: Field construction assumes the provision of a field turf (artificial grass) playing surface with a complete field drainage system.

Q: 32. Is a Regulation Track included in the proposal of the Athletic Complex?

A: Yes. A majority of the citizen’s advisory committee agreed that it is important that the District be able to hold regional and regulation High School track meets. It was the opinion of several members

that the facility be comparable in its track and field event offerings to Meyer's Field at UT Austin. Some on the committee argued that the installation of such amenities would make the PTISD Athletic Complex an attraction for multi-state regional meets.

Q: 33. What would the concession facilities include at the Athletic complex?

A: Expectations for concession services by the Citizens Advisory Committee included an overwhelming majority in favor of a concession service operated by student organizations (to include nacho, hot dogs, popcorn, candy and drinks.) The cost assumes areas for warming items and residential appliances only (i.e. refrigerators, small freezers, microwave ovens.)

Q: 34. Would the Field House replace the facilities at the high school campus?

A: The field house will serve only as a game-day facility. The space would include: locker rooms for home and visitors, gang restrooms, team showers, shower drying area, taping room, officials changing room, coaches' office, conference/galley, and equipment storage.

Q: 35. What is included in the plan for the press box?

A: A single-level press box configuration was selected in an effort to balance anticipated cost with desired function. An elevator is required to provide access to the press box area because of ADA rules. The space would include: conference room / galley, announcer room, scouting room, newspaper press, visitors coaches box, scorekeeper room, television/radio room, storage, and restrooms.

Q: 36. Why build a new stadium instead of renovating the existing stadium?

A: Renovation cost of \$13,000,000 can be compared to new construction cost of \$20,045,304. The construction industry's rule of thumb when deciding whether to renovate or build new is: when the cost to renovate exceeds 50 % of new construction, new construction is recommended.

The term "renovation" must be defined to answer this question. Scotty Lewis, Program Manager for LAN- Lockwood, Andrews & Newman, Inc., reports: The approximate cost to renovate the existing stadium in its current location would be approximately \$13 million. Renovation according to LAN would include the replacement of the playing surface and track, new home side bleachers, a new pre-fabricated press box, new concession building, new restrooms, new ticket booths, renovate the existing field house, clean and repair the stadium structure, site accessibility, and required parking.

The cost of this work is equivalent to approximately 65% of the cost of a new facility at a different site. When the cost to renovate exceeds 50 % of new construction, new construction is recommended. The existing stadium structure is approximately 50 years old and is not in compliance with the Americans with Disabilities Act (ADA) or current codes and ordinances. These factors as well as the disruption of student activities were factors in the decision to construct a new facility at another site.

Q: 37. Was the idea of sharing a stadium with other school districts discussed?

A: Yes, the superintendent discussed sharing a stadium with the other two school districts, but it was not a workable solution.

Q: 38. Is it common to include maintenance infrastructure upgrades in a bond?

A: Yes, major maintenance costs are usually included in a bond proposal - when the expense of the repair is high enough to consider long-term financing.

Q: 39. What is involved in the Asbestos Abatement and Renovations for the 600 building and wing at the HS?

A: The project includes replacing the floor and ceiling finishes throughout the 17,000 square foot space. Additional work includes mechanical, electrical, plumbing upgrades to all areas. Some wall demolition and reconstruction is included to fit new programmatic requirements. The presence of asbestos materials makes it costly for the district to perform any modifications without triggering additional abatement requirements.

Q: 40. How long will the projects take to complete?

A: Projects are estimated to take approximately 14 months, however variables exist that may cause delays.

FINANCE & FUNDING

Q: 41. If approved, how will this bond affect my school taxes?

A: Based on the estimated maximum debt service tax rate for the bonds and a one-time sale of all of the bonds, the District’s debt service tax rate is estimated to increase 13.4 cents.

The following table shows the projected tax rate impact on property owners should the bond pass. The amount a property owner can expect to pay depends on both the tax rate and the value of the property.

Home Value	Estimated Monthly Increase
75,000	\$5.05
100,000	\$7.30
150,000	\$11.80
200,000	\$16.30
300,000	\$25.30

Beginning in 2011, a home with a value of \$100,000 would realize an increase of approximately \$7.25 per month in school taxes, after applying a 20% local homestead exemption and \$15,000 state exemption.

The projected monthly tax increase of a home with an appraised value of \$150,000 is estimated to be \$11.72, after state and local exemptions. The 13.4 cents increase will result in: \$11.72 per month, or \$140.64 a year.

EXAMPLE:

Single family home value in Pine Tree:	\$143,000
Less: State exemption:	- \$15,000

Less: 20% Local Option	- \$25,600
Net Taxable Value:	\$102,400

Q: 42. Will the bond issue increase my taxes if I am over 65-years-old or disabled?

A: NO. If you have applied for and received the Age 65 Freeze on your homestead, or if you are disabled, your school taxes will not be raised above their frozen level if the election is successful. After a homeowner turns 65, school taxes are frozen and will not be impacted by any increase in the Pine Tree ISD tax rate. Homeowners must apply for the over-65 or disabled exemption. Anyone who is eligible should call the Gregg Appraisal District at 903-238-8823 and ask for the Exemption Department or go to the appraisal district’s website at www.greggcad.org.

Q: 43. What are QSCBs?

A: Qualified School Construction Bonds, or QSCBs, are part of an economic recovery program. QSCBs are bonds that school districts can use to save money on bond interest payments.

Q: 44. Can QSCBs be used in the financing of the bond program for Pine Tree ISD?

A: Yes, the district has applied for and received an allocation for the QSCB program. Pine Tree is one of approximately 220 Texas school districts that have received this award from the Texas Education Agency (TEA). The district has until July 8, 2011 to use this allocation after which the TEA could reallocate the amount to another district. Information regarding the QSCB program for Texas school districts can be found on the Texas Education Agency website: <http://www.tea.state.tx.us/index2.aspx?id=5443>.

Q: 45. How is the timeline of the QSCB affected by the timeline of the election?

The district's financial advisor anticipates that the district will be able to comply with the requirements of the program in order to take full advantage of the interest cost savings associated with the program. Unless Congress renews these programs, **these benefits will not be available in later years.**

Q: 46. What is the anticipated economic impact of issuing QSCBs versus regular school bonds?

A: QSCB – economic recovery money - provides Pine Tree an incentive to benefit from a reimbursement of all or most of the interest on bonds over a 16-year period. Additionally, the District will earn interest on bond payment deposits. The District's QSCB approval will allow PTISD to issue up to \$7,170,000 (about 24%) of the total bond package as a QSCB. This represents an approximate \$6.4 million benefit for Pine Tree ISD. Unless Congress renews these programs, **these benefits will not be available in later years.**

Q: 47. Why bonds?

A: Bonds for school projects are very similar to a mortgage on a home. To finance construction projects, the district sells bonds to investors who will be paid principal and interest. Payout is limited by law to 40 years. Current projections show bonds from this authorization to be paid off anywhere between six and 30 years, depending on the useful life of the asset being paid for by the bonds.

Q: 48. How does the current economic climate affect the decision to call a Bond Election?

A: The following items were discussed during meetings regarding the economic climate:

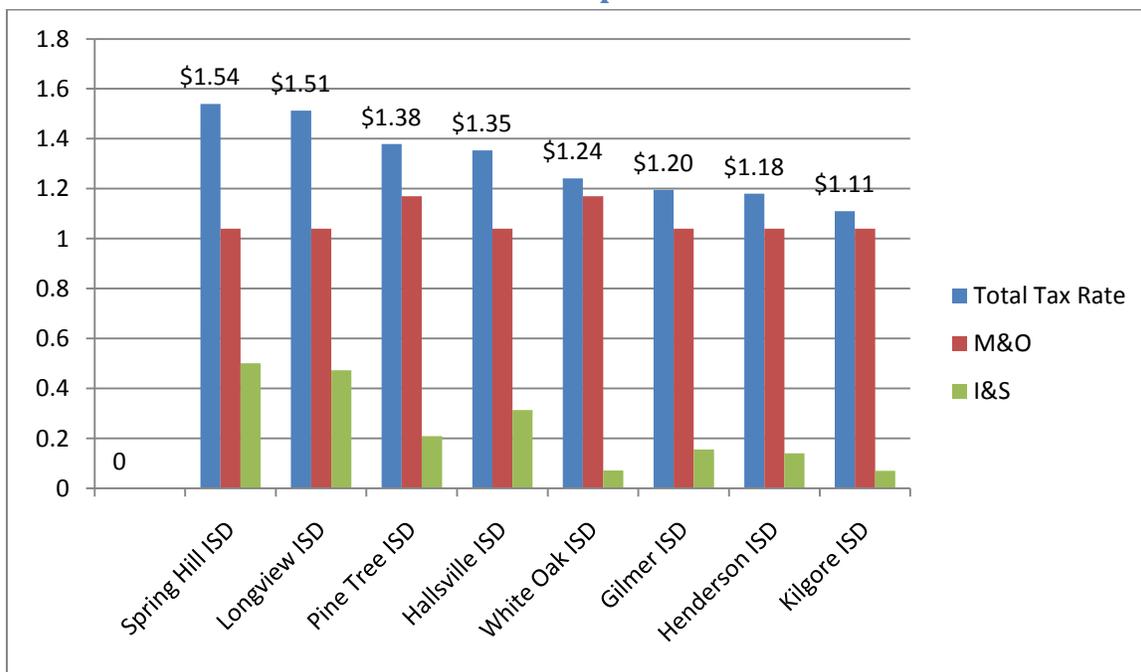
1. Construction costs are generally lower in this type of an economic climate.
2. Interest rates are low right now.
3. QSCB funds are available only if we sell bonds by this July.
4. The state's current budget woes will only affect our M&O pot of money. I&S is a separate pot of money.
5. Regardless of the economic climate, it is the District's mission to provide facilities that will accommodate all learning, co-curricular, and extra-curricular activities.

Q: 49. How will the District save money by issuing QSCB's?

A: The Federal Government will subsidize the interest cost on the bonds. Under current bond market conditions, it is estimated the net interest rate to be paid by PTISD will be 0.88%, compared to a typical school bond rate of 4.0%.

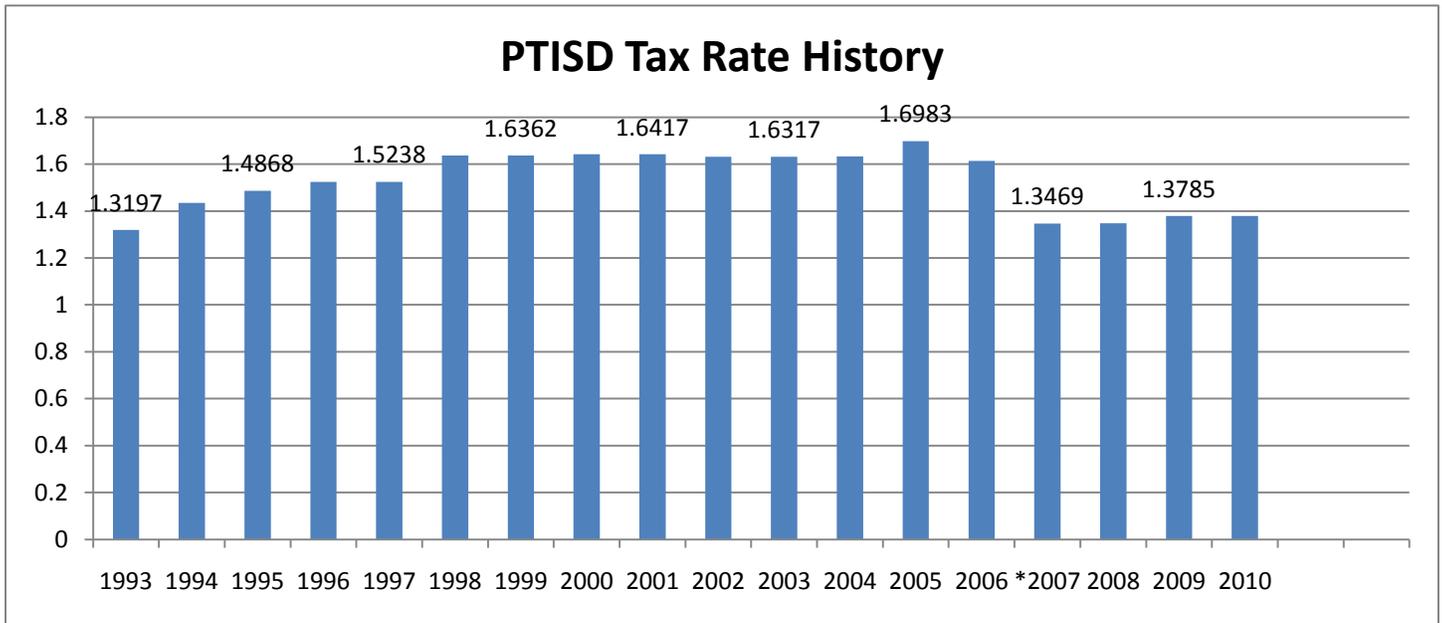
16-Year Regular School Bond @ 4.0%		16-Year QSCB @ 0.88%	
Principal	\$ 7,170,000	Principal	\$ 7,170,000
Interest	2,675,270	Interest	\$ 979,900
Total Cost	\$ 9,845,270	Sinking Fund Earnings	(2,113,440)
		Total Cost	\$ 6,036,460

Q: 50. What does our tax rate for 2010-11 compare to other districts?



District	Total Tax Rate in 2010-2011	M&O	I&S	Homestead Exemption
Spring Hill ISD	\$1.5400	1.0400	.5000	15%
Longview ISD	\$1.5130	1.0400	.4730	none
Pine Tree ISD	\$1.3785	1.1700	.2085	20%
Hallsville ISD	\$1.3530	1.0400	.3130	20%
White Oak ISD	\$1.2408	1.1700	.0708	20%
Gilmer ISD	\$1.1950	1.0400	.1550	none
Henderson ISD	\$1.1800	1.0400	.1400	20%
Kilgore ISD	\$1.1100	1,0400	.0692	20%

Q: 51. What is the history & projection of the tax rate at Pine Tree ISD?



Year	Tax Rate
1993	1.3197
1994	1.4344
1995	1.4868
1996	1.5238
1997	1.5238
1998	1.6362
1999	1.6362
2000	1.6417
2001	1.6417
2002	1.6317
2003	1.6317
2004	1.6328
2005	1.6983
2006	1.6139

*2007	1.3469
2008	1.3485
2009	1.3785
2010	1.3785

**A side note on tax rates: The decision was made in 2006 by the Texas Legislature in the 80th Legislative Session to compress property tax by 33%. The loss in revenue from the reduction was to be made up by the implementation of the "Margins Tax" on Texas Businesses. In a letter sent to Governor Perry dated May 15, 2006 (<http://www.window.state.tx.us/news/60515letter.html>) Texas Comptroller Strayhorn stated that this rate compression would result in a state shortfall of 23 Billion Dollars in five years. The year 2006 plus five years equals the year 2011.*

Q: 52. Where can we look at the PTISD school budget?

A: All school budget information is available on the district’s website at www.ptisd.org –click on *Business* under the *Departments* link.

Q: 53. What ratings or feedback has been provided about PTISD Business Dept.?

A: CREDIT RATING:

Moody’s Investors Service gave Pine Tree an A2 rating in 2007 which according to our financial advisor, Ed Moore of Southwest Securities, is an excellent credit rating for a district our size.

FINANCIAL RATING:

PTISD has received a “Superior” Financial Rating for 6 years from the Texas Education Agency - Financial Integrity Rating System of Texas.

TRANSPARENCY:

Pine Tree ISD has earned a GOLD Leadership Circle Award for their success in implementing financial transparency. All previous bond construction reports are posted online. Postings include the annual budgets, annual financial reports or comprehensive annual financial reports and monthly financial board reports which include check registers. [Read full article.](#)

Q: 54. How much debt does the district currently have?

A: Today, the district has \$47,440,000 (principal) in outstanding debt, which will be paid off in 2027 (16 years).

Q: 55. How long will the district make payments on the proposed bond?

A: The proposed bonds are planned to be amortized over 26 years.

Q: 56. The City of Longview is also proposing a Bond Project; how will that impact taxes if it is passed?

A: According to a report published in the Longview News Journal, “...taxpayers will see a maximum impact of about 1.6 cents on the property tax rate within three years. For a \$100,000 house, the homeowner would pay an extra \$16 in taxes per year, according to Streets Task Force Chairman Dan Droege.”

VOTING

Q: 57. Who is qualified to vote in the PTISD Bond Election?

A: All registered voters within the boundaries of Pine Tree ISD are qualified to vote.

Q: 58. What if I am not registered to vote?

A: The last day to register to vote is Thursday, April 14, 2011. Registration forms may be picked up and returned to the Pine Tree Central Administration Office, 1701 Pine Tree Road.

Q: 59. When is Election Day and where can I vote?

A: Election Day Voting is Saturday, May 14, 2011, 7:00 am – 7:00 pm, All residents may vote at the PTISD Community Center, 1701 Pine Tree Rd.

Q: 60. When and where may I vote early?

A: The Early Voting Schedule is also posted on the PT web page – www.ptisd.org/bond2011.

Monday, May 2, 2011	8:00 am - 5:30 pm	PT Community Center, Central Admin Building 1701 Pine Tree Road (<i>Across from the Stadium</i>)
Monday, May 2, 2011	5pm - 8pm	PT High School, Theatre, 1005 Fairmont
Tuesday, May 3, 2011	8:00 am –5:30 pm	PT Community Center, Central Admin Building 1701 Pine Tree Road (<i>Across from the Stadium</i>)
Tuesday, May 3, 2011	5pm - 8pm	PT Elementary School, 815 Birch Street
Tuesday, May 3, 2011	5pm-8pm	PT High School, Theatre, 1005 Fairmont
Wednesday, May 4, 2011	8:00 am 5:30 pm	PT Community Center, Central Admin Building 1701 Pine Tree Road (<i>Across from the Stadium</i>)
Wednesday, May 4, 2011	7:30 am-9:30 am	PT High School, Theatre, 1001 Fairmont
Wednesday, May 4, 2011	7:30 am-9:30 am	PT Primary School, 1808 Silver Falls Road
Thursday, May 5, 2011	8:00 am –5:30 pm	PT Community Center, Central Admin Building 1701 Pine Tree Road (<i>Across from the Stadium</i>)
Friday, May 6, 2011	8:00 am –8:00 pm	PT Community Center, Central Admin Building 1701 Pine Tree Road (<i>Across from the Stadium</i>)

Monday, May 9, 2011	8:00 am –8:00 pm	PT Community Center, Central Admin Building 1701 Pine Tree Road (<i>Across from the Stadium</i>)
Tuesday, May 10, 2011	8:00 am –8:00 pm	PT Community Center, Central Admin Building 1701 Pine Tree Road (<i>Across from the Stadium</i>)
Tuesday, May 10, 2011	5pm - 8pm	PT Junior High School, 2100 NW Loop 281

TOURS AND INFORMATION

Q: 61. Where do I find more information about the 2011 Bond Election?

A: Visit the district webpage: www.ptisd.org/bond2011 for updates.
Email info@ptisd.org, or call 903-295-5000, and questions will be answered promptly.

Q: 62. When can I hear the facts about this in a meeting or schedule a meeting to discuss the facts of this project?

A: Two public meetings are scheduled for Thursday, April 14th,

- PTHS Library – 12 noon-1pm, and
- PTHS Theatre, 5:30 – 7pm

A brief presentation will be combined with an opportunity to ask questions.

Also, to schedule a tour of the facilities or an information presentation about the May 14th Bond Election for your group or organization, contact Karen Phillips, kphillips@ptisd.org, or call 903-295-5000.