



# Disclaimer

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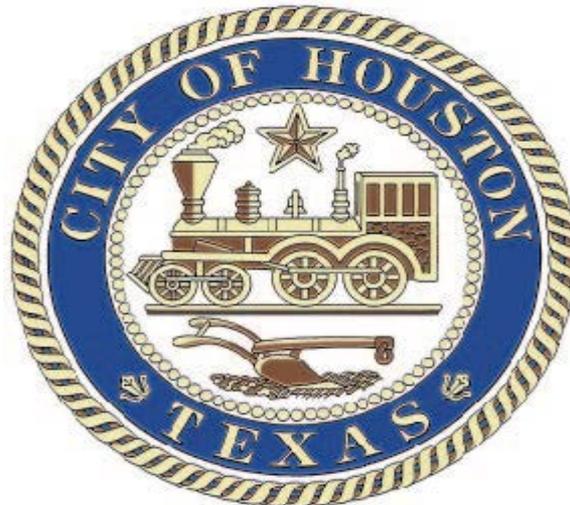
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# 2015 City of Houston Investor Conference

March 9-10, 2015

*Welcome: Annise Parker, Mayor, City of Houston  
Chris Brown, Chief Deputy Controller, City of  
Houston*



# 2015 City of Houston Investor Conference

March 9-10, 2015

## *Infrastructure:*

Chris Brown, Chief Deputy Controller, *Moderator*  
Kelly Dowe, Finance Director, *City of Houston*  
Susan Bandy, CFO, *Combined Utility System*  
Bill Jackson, Budget Officer, *Harris County, Texas*



# Questions?

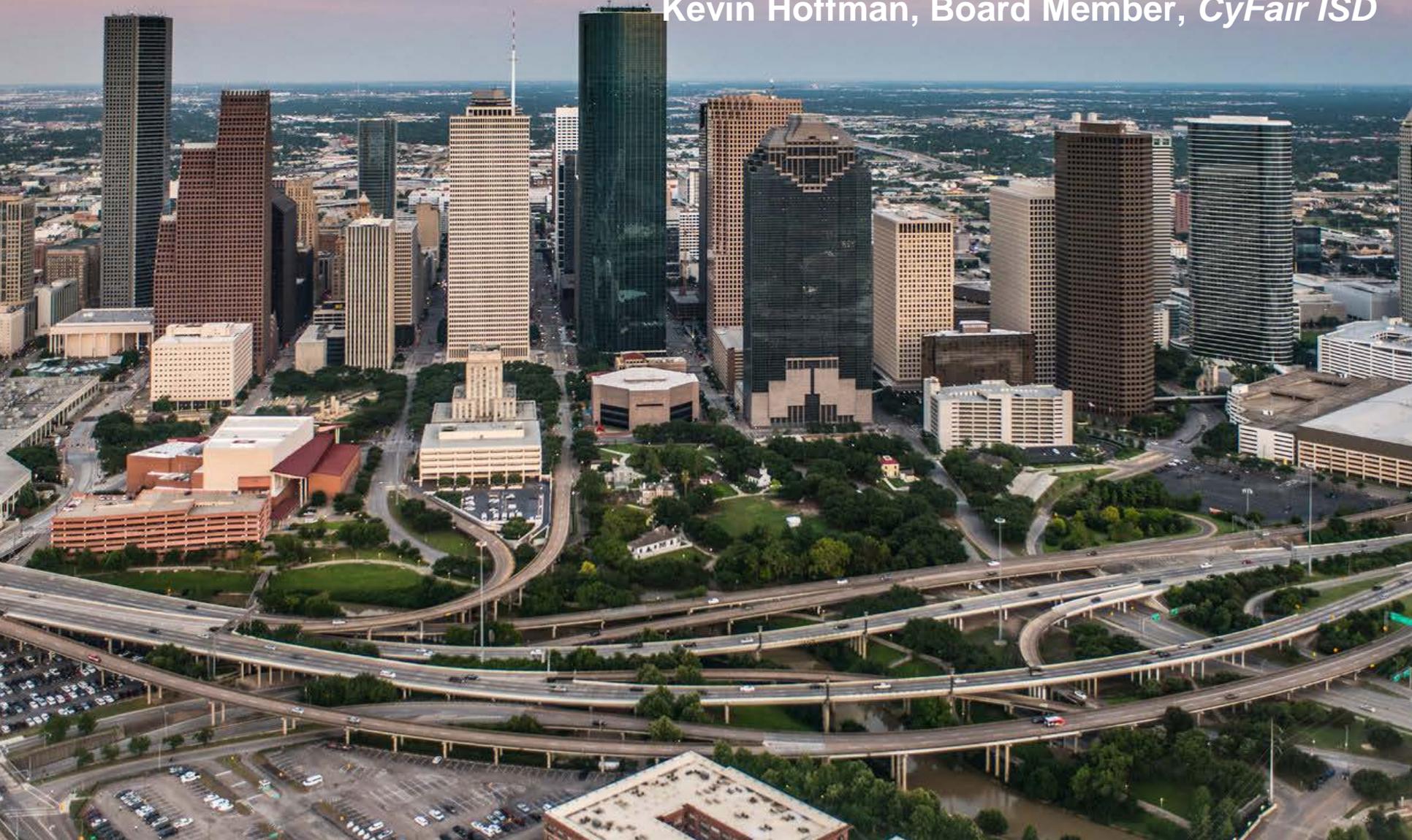


# 2015 City of Houston Investor Conference

March 9-10, 2015

*Education:*

Tom Sage, Partner, *Andrews Kurth*  
Kevin Hoffman, Board Member, *CyFair ISD*





# City of Houston Investor Conference

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March 9-10, 2015

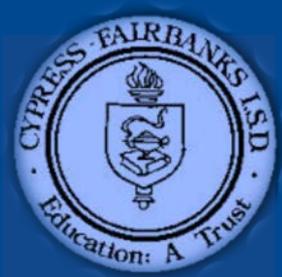




# Cypress-Fairbanks Independent School District

## District Overview

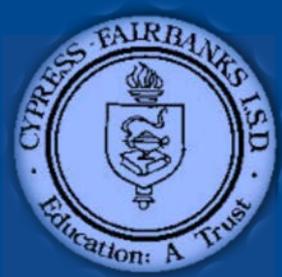
- Cypress-Fairbanks Independent School District is the 3<sup>rd</sup> largest district in Texas, 2<sup>nd</sup> largest in the Gulf Coast Region, and twenty-fourth largest in the nation with over 113,000 students.
- The District encompasses 186 square miles located in Northwest Harris County.
- The total population of the District is estimated to be 557,356.
- District property includes 86 instructional campuses.



# Cypress-Fairbanks Independent School District

## District Overview (con't)

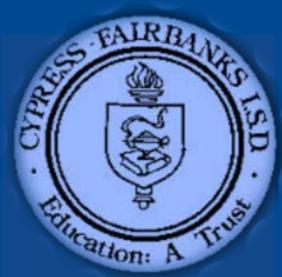
- ❑ Projected enrollment growth of 7,100 additional students over the next 5 years
- ❑ Planned construction of 9 new schools in the next 5 years.
- ❑ Education Resource Group (ERG) ranked Cy-Fair ISD No. 1 in Texas for financial and academic performance in 2012 and 2013.
- ❑ Texas Comptroller awarded Cy-Fair ISD the fifth consecutive highest ranking of Five-Stars in the Financial Accountability System of Texas (FAST).
- ❑ Texas Comptroller recognized Cy-Fair ISD with a “Platinum” Leadership Circle Award for financial transparency.



# Cypress-Fairbanks Independent School District

## Financial Overview

- ❑ The General Fund fiscal 2015 budget reflects appropriations of \$833,513,043.
- ❑ Total General Fund balance at fiscal year-end 2014 was \$280,273,808.
- ❑ Unassigned General Fund balance at fiscal year-end 2014 was \$275,322,894.
- ❑ The Debt Service fund fiscal 2015 budget includes \$150,380,248 in revenues and other sources and appropriations.



# 2007 Bond Program

## \$807,000,000

**Amount of 2007 Bond Authorization that remains to be issued is \$211,190,000**

### 2007 Bond Program Scope

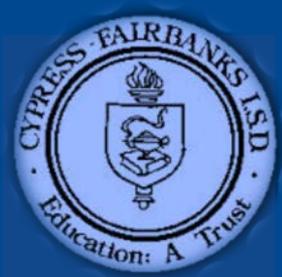
**Projects Remaining to be completed:**

**3 New Elementary Schools**

**2 New High Schools**

**Site Purchases**

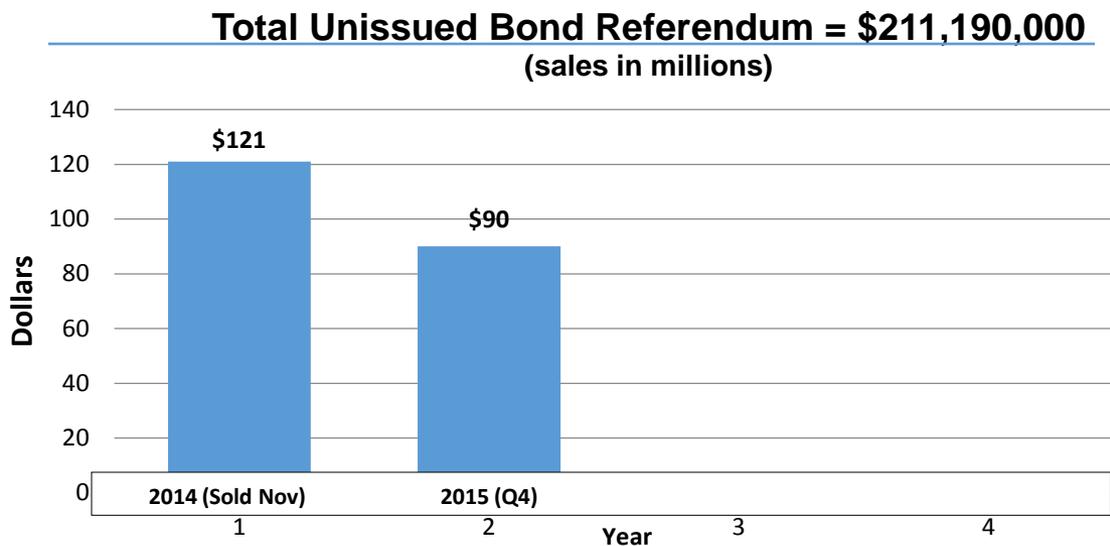
**Total Unissued Authorization: \$211,190,000**

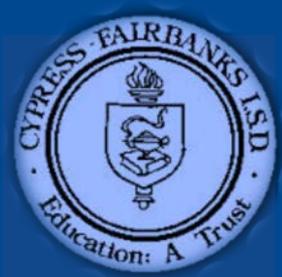


# 2007 Bond Program

## \$807,000,000

- ❑ 2007 Capital Program Unissued Authorization of \$211,190,000 to be sold over the next 2 years
- ❑ Issuance of bonds has been planned for two different bond sales (shown below).
- ❑ Sale dates and amounts are estimated and may change subject to project cash flow needs.



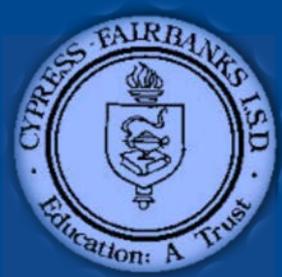


# 2014 Bond Program

## \$1,209,280,000

### 2014 Bond Program Scope

<b>New Schools/Facilities</b>	<b>\$197,638,892</b>
<b>Schools/Facilities Renovations</b>	<b>\$666,673,660</b>
<b>Safety &amp; Security</b>	<b>\$55,343,303</b>
<b>Transportation</b>	<b>\$72,368,091</b>
<b>Technology</b>	<b>\$217,256,054</b>
<b>Total</b>	<b>\$1,209,280,000</b>



# 2014 Bond Program

## \$1,209,280,000

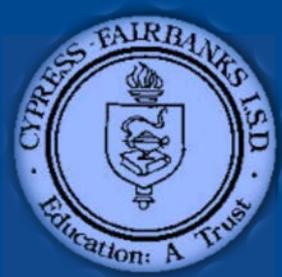
### Tax Rate Model assumptions at time of bond authorization

<b>Maximum Tax Increase (\$/100)</b>	<b>\$0.045</b>
<b>Estimated Interest Rates</b>	<b>5.50% for Series 2014</b> <b>6.00% for Series 2015-2019</b>
<b>Growth in Taxable Value</b>	<b>9.00% 2014-2018</b> <b>7.00% 2019-2021</b> <b>6.00% 2022-2025</b> <b>5.00% thereafter</b>

### Taxable Assessed Value annual increases realized

<b>FY2013</b>	<b>\$3,058,635,016</b>	<b>9.7%</b>
<b>FY2014</b>	<b>\$5,863,683,195</b>	<b>16.9%</b>

Note: FY2014 is the certified taxable value as reported by HCAD on 8/29/2014.

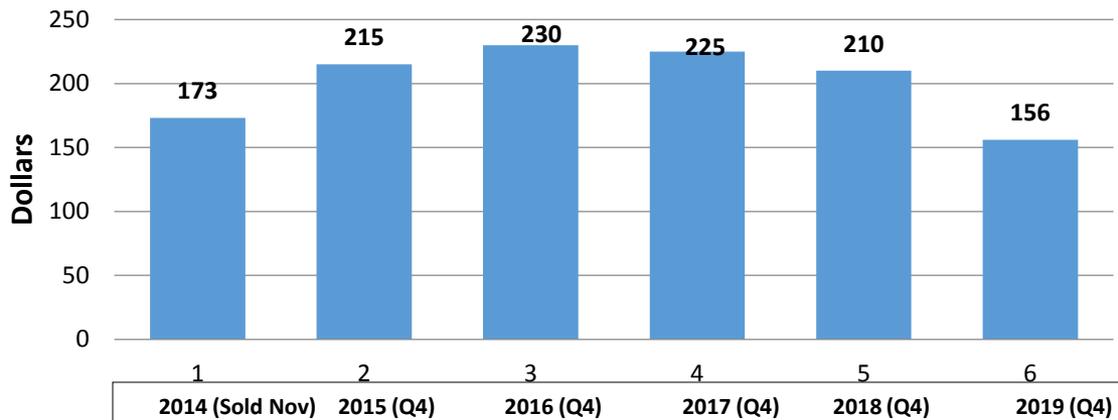


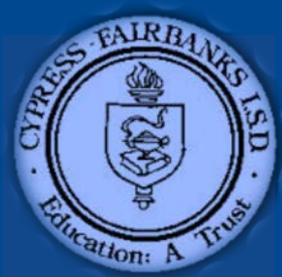
# 2014 Bond Program

## \$1,209,280,000

- ❑ 2014 Capital Program to expend \$1.2 billion over next 6 years.
- ❑ Issuance of bonds has been planned in six different sales (shown below).
- ❑ Sale dates and amounts are estimated and may change subject to project cash flow needs.

Total Bond Referendum = \$1,209,280,000  
(sales in millions)





# Current Debt Statistics

## Bond Ratings

**PSF** **AAA**

**Moody's** **Aa1**

**Standard & Poor's** **AA-**

**Fitch** **AA**

## Outstanding Debt As Of June 30, 2014

**Fixed Rate Bonds** **\$1,738,663,390**

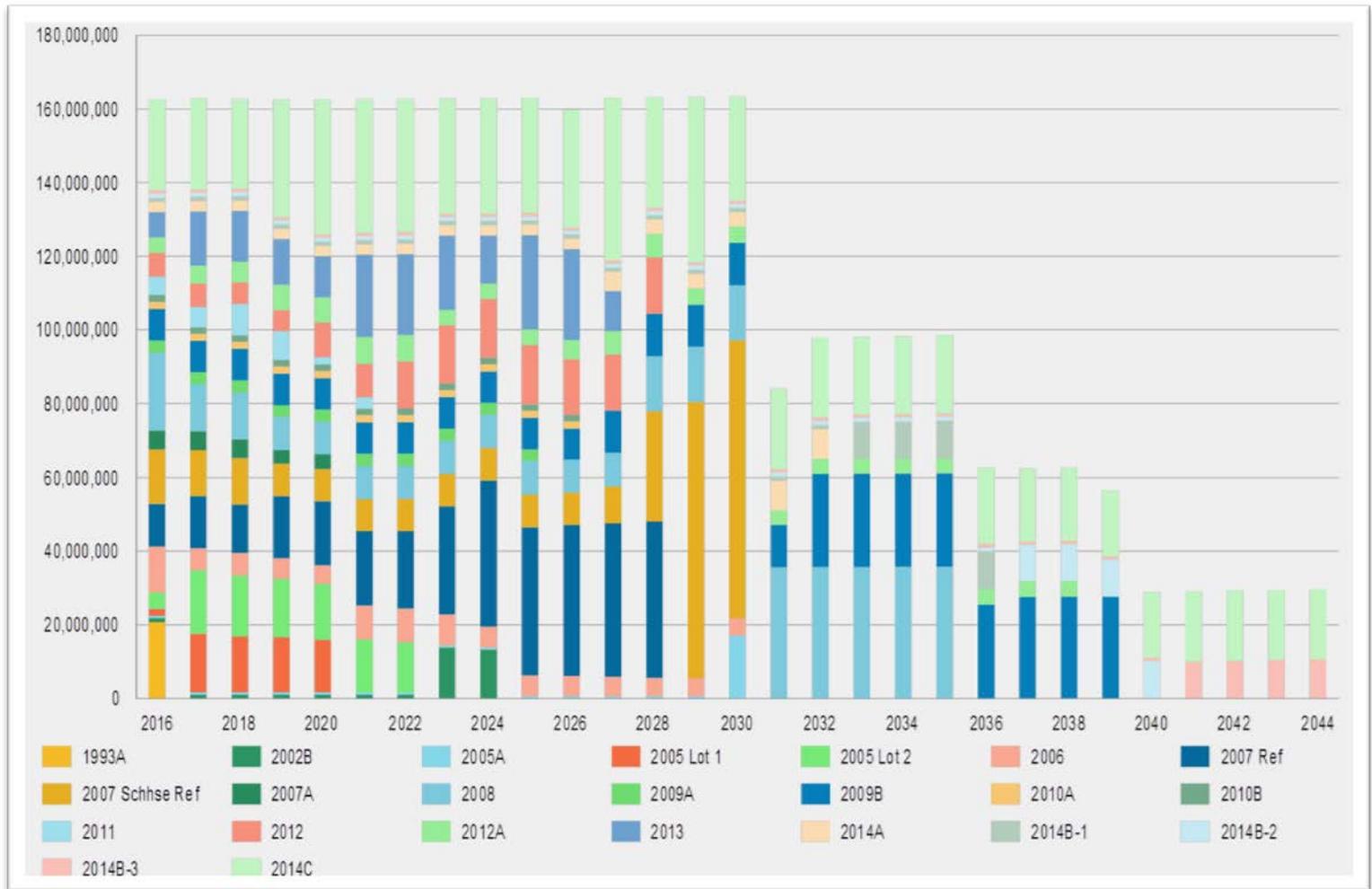
**Variable Rate Bonds** **114,680,000**

**Total General Obligation Debt** **\$1,853,343,390**

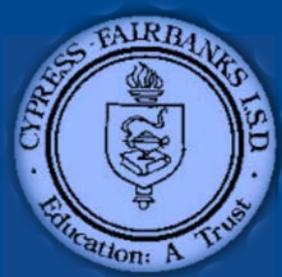


# Debt Service Profile By Series

## As of February 28, 2015

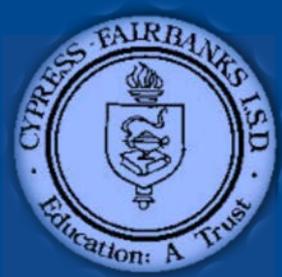


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# General Obligation Debt Per Average Daily Attendance Fiscal Year 2014

District	Principal Amount	ADA	Principal/ADA
Tomball	\$292,665,000	11,164	26,215
Spring Branch	753,785,000	32,474	23,212
Northeast	1,478,675,000	64,308	22,994
Northside	1,982,870,000	95,203	20,828
Conroe	978,090,000	51,830	18,871
Katy	1,192,692,517	64,052	18,621
Spring	600,670,000	33,591	17,882
<b>Cy-Fair</b>	<b>1,853,343,390</b>	<b>104,638</b>	<b>17,712</b>
Dallas	2,573,747,000	146,976	17,511
Klein	753,090,000	45,318	16,618
Humble	573,755,000	36,022	15,928



# General Obligation Debt Per Average Daily Attendance Fiscal Year 2014

District	Principal Amount	ADA	Principal/ADA
Houston	2,452,572,401	191,150	12,831
Ft. Bend	858,781,192	67,597	12,704
Austin	863,050,468	77,980	11,068
Fort Worth	750,799,996	80,358	9,343



# Questions



# 2015 City of Houston Investor Conference

March 9-10, 2015

Tina Peterman, Sr. Vice President, *First Southwest (Moderator)*

Frank Jones, Partner, *Greenberg Traurig, LLP*

Drew Masterson, Managing Director, *First Southwest*

Tom Heidt, Deputy Executive Director, *Port of Houston*

J. Kent Friedman, Chairman of the Board, *Houston Sports Authority*

*Other Financings:*



# Questions?





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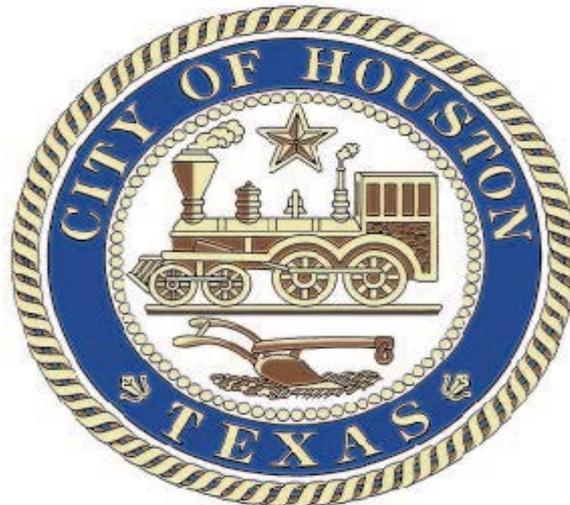
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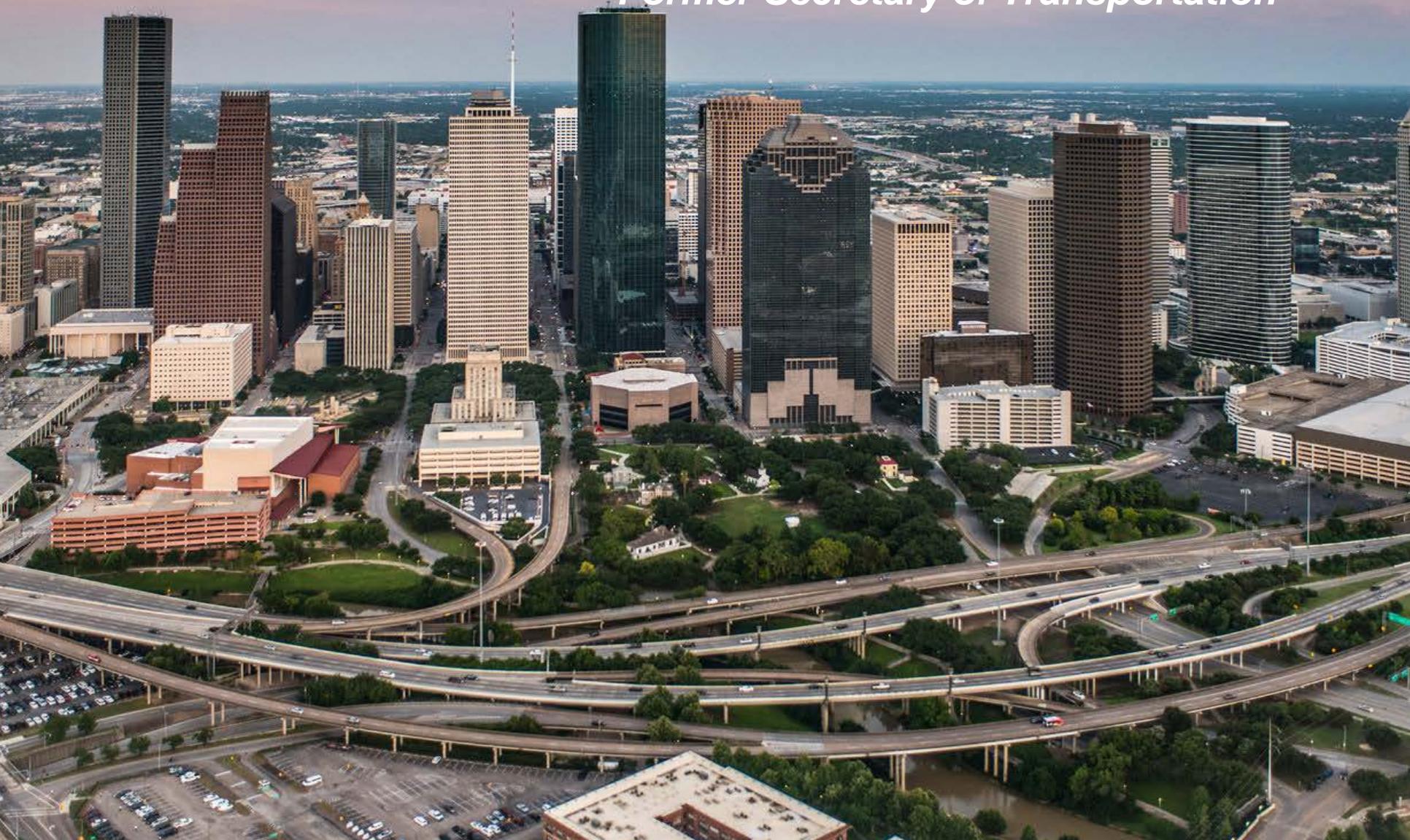
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*Keynote Speaker, Rodney Slater, Partner,  
Former Secretary of Transportation*



# Questions?



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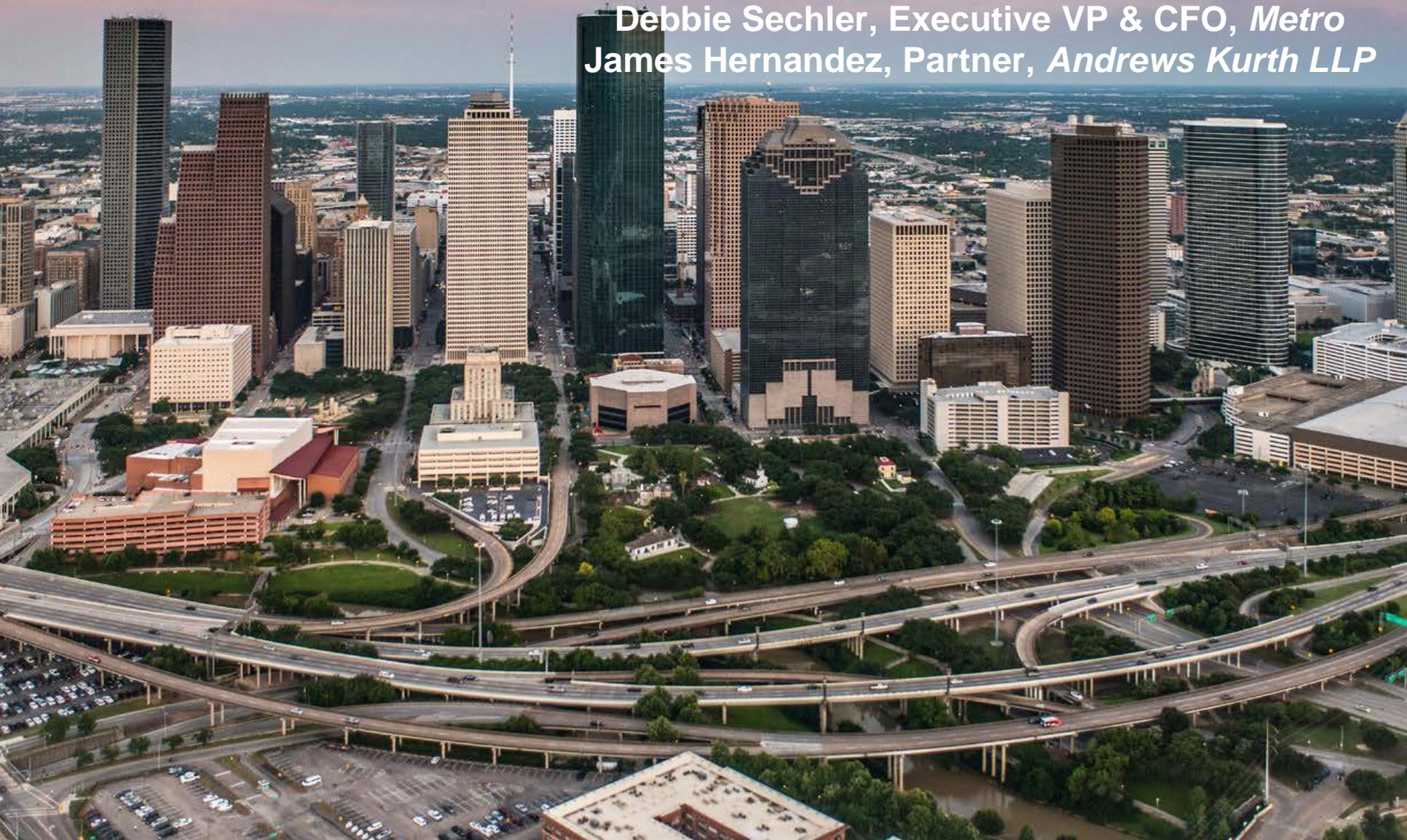
*Transportation:*

Janice Davis, *TKG & Associates, LLC, Moderator*

Matt Townsend, CFO, *Houston Airport System*

Debbie Sechler, Executive VP & CFO, *Metro*

James Hernandez, Partner, *Andrews Kurth LLP*



# Questions?



METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

# Debbie Sechler

Executive VP & CFO



# METRO Overview

- A regional transportation system
- On August 12, 1978, Houston-area voters approved a one-cent sales tax to support METRO operations
- In January 1979, METRO began operations as a local government entity
- Currently over 3,700 employees
- Governed by a 9-member Board of Directors
- Board Approved Broker/Dealers
- Active Small Business Program
- Strong Board/Management relationship

# METRO's Debt Program

- Dedicated sales tax underpins METRO's long term credit ratings
- Commercial paper supported by J.P. Morgan and State Street credit facilities

Total Debt Outstanding (by Lien)			
Lien	Par Outstanding	Moody's	S&P
Sales Tax Bonds	622,200,000	Aa2	AA+
Sales Tax Contractual Obligations	258,060,000	Aa2	AA+
Certificates of Participation	65,310,000	A1	A+
Commercial Paper	183,400,000	P-1	A-1+
<b>Total</b>	<b>\$ 1,128,970,000</b>		

- METRO expects to issue additional Contractual Obligations later in 2015 to finance new buses and may refund/refinance existing debt
- Amount of financing will be based on cash flow needs and market conditions

# METRO's Debt Program

- FY2015-2019 Capital Program budget totals \$1.06 billion
  - METRORail Expansion: \$355 million
  - Capital Improvement Plan: \$702 million
- FY 2015 Capital Program Budget totals \$360 million and includes:
  - METRORail Expansion: \$173 million
    - Green Line/East End Corridor: \$67 million
    - Purple Line/Southeast Corridor: \$58 million
    - Red Line Extension/North Corridor: \$48 million
  - Capital Improvement Plan: \$187 million
    - Buses and Vans: \$80 million
    - State of Good Repair: \$42 million
    - Enhancements/Service Expansion: \$65 million

# Questions?



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March 9-10, 2015

*MCDC Initiative:*

Ronald Green, City Controller, *City of Houston*  
Michael Bartolotta, Managing Director, *First Southwest*  
Barron Wallace, Partner, *Bracewell & Giuliani LLP*  
Neil Thomas, Partner, *Norton Rose Fulbright*



# Questions?





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