

**Spring Branch Independent School District
Agenda Item Information**

Date of Board Meeting: October 27, 2008

Subject: Request for Approval of Resolution Setting Tax Rate

Administrator Responsible:

Name: Karen Wilson

Position: Associate Superintendent, Finance

Purpose of Agenda Item:

Information only Action needed Report

Additional Information and/or Back-Up:

It is recommended that the Board of Trustees approve the attached resolution.

The motion must include the following wording:

"I move that property taxes be increased by the adoption of a tax rate of \$1.3825 per \$100 of assessed valuation in total with the maintenance and operations rate of \$1.09 per \$100 of assessed valuation and the interest and sinking rate of \$0.2925 per \$100 of assessed valuation."

The administration is recommending the tax rates above to provide funding for the 2008-09 Budget approved by the Board of Trustees on May 19, 2008.

The tax rate recommended above is authorized by Article 2784g, Vernon's Texas Civil Statutes and is within the limits specifically approved by voters in this District in an election called for that purpose.

The paragraph that is typed in capital letters and the recorded vote section on the attached resolution and the required wording for the motion have been added as required by SB18.

RESOLUTION NO. _____

**A RESOLUTION IMPOSING PROPERTY TAXES FOR TAX YEAR 2008
FOR THE SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**

Whereas, the laws of the State of Texas require that the Spring Branch Independent School District impose property taxes for the education of the students within the district and in the State of Texas;

Whereas, THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE, the State will reduce its portion of state funding by a similar amount and the district will receive the same amount of combined tax and state funds for operations as it received each year since 2007.

Now, therefore, be it resolved that there is hereby levied and there shall be collected for the use and support of the Spring Branch Independent School District to provide for the local maintenance and support of the general government and for interest and sinking funds for the year 2008, upon all taxable property within the limits of said District, a tax of \$1.3825 on each one hundred dollars (\$100.00) assessed valuation of property, said tax being so levied and apportioned to the specific purposes herein set forth:

- (a) For the maintenance and operation of the District (General Fund), \$1.09 on each one hundred dollars (\$100.00) assessed valuation of property; and
- (b) For the Interest and Sinking Funds, \$0.2925 on each one hundred dollars (\$100.00) assessed valuation of property to be apportioned as follows.

PASSED AND APPROVED this the 27th day of October 2008.

Voting for the Resolution:

Voting against the Resolution:

IN CERTIFICATION THEREOF:

 Susan Kellner
 President, Board of Trustees
 Spring Branch Independent School District

ATTEST:

 Susan Mathews
 Secretary, Board of Trustees
 Spring Branch Independent School District

(District Seal)

BUDGET AND PROPOSED TAX RATE

The Spring Branch Independent School District will hold a public meeting at 7:00 PM, May 19, 2008 in Spring Branch ISD Administration Building, Board Room, 955 Campbell Rd., Houston, Texas 77024. The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$1.090000/\$100 (Proposed rate for maintenance and operations)
School Debt Service Tax	\$0.292500/\$100 (Proposed rate to pay bonded indebtedness)
Approved by Local Voters	

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories:

Maintenance and operations	4.59% increase
Debt service	48.84% increase
Total expenditures	9.70% increase

Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)

	Preceding Tax Year	Current Tax Year
Total appraised value* of all property	\$20,865,655,608	\$21,898,768,144
Total appraised value* of new property**	\$284,214,254	not available
Total taxable value*** of all property	\$16,127,486,464	\$16,926,000,000
Total taxable value*** of new property**	\$256,807,745	not available

* "Appraised value" is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

** "New property" is defined by Section 26.012(17), Tax Code.

*** "Taxable value" is defined by Section 1.04(10), Tax Code.

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness* \$544,013,008

* Outstanding principal.

Comparison of Proposed Rates with Last Year's Rates

	Maintenance & Operations	Interest & Sinking Fund*	Total	Local Revenue Per Student	State Revenue Per Student
Last Year's Rate	\$1.090000	\$0.195000 *	\$1.285000	\$4,832	\$2,411
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$1.098730	\$0.319360 *	\$1.418090	\$5,648	\$2,189
Proposed Rate	\$1.090000	\$0.292500 *	\$1.382500	\$5,603	\$2,505

* The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both.

The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

Comparison of Proposed Levy with Last Year's Levy on Average Residence

	Last Year	This Year
Average Market Value of Residences	\$309,083	\$328,208
Average Taxable Value of Residences	\$232,266	\$247,566
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.285000	\$1.382500
Taxes Due on Average Residence	\$2,984.62	\$3,422.60
Increase (Decrease) in Taxes		\$437.98

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

Notice of Rollback Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.403026. This election will be automatically held if the district adopts a rate in excess of the rollback rate of \$1.403026.

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment:

Maintenance and Operations Fund Balance(s)	\$20,000,000
Interest & Sinking Fund Balance(s)	\$4,848,193

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