

RIVER ROAD INDEPENDENT SCHOOL DISTRICT  
BOARD OF EDUCATION  
AMARILLO, TEXAS

**Date:** Monday, August 5, 2013

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**Subject:** Public Hearing about  
Budget & Tax Rate

**Presented By:** Mike Hodgson,  
Business Manager

**ACTION**

**BACKGROUND INFORMATION:**

As part of the Budget process, the school district must hold a public meeting about the budget and the tax rate. Notice of this meeting was published in the Amarillo Globe-News on Friday, July 26. A copy of the published notice is attached. The notice was also placed on the school district's web site.

A public hearing was previously held on June 24 to discuss the budget and the tax rate and the budget was formally adopted at that meeting. A second public hearing is being held to specifically discuss the tax rate for the school district because certified values of taxable property have now been received from the appraisal district that were not available in June.

The tax rate that was advertised is \$1.09 for the Maintenance & Operation Fund and \$0.31 for the Debt Service Fund.

The purpose of this hearing is to allow the public to comment on the proposed budget and tax rate.

**BOARD ACTION REQUESTED:**

To open the public hearing, to solicit public comment, and to close the public hearing.

# NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The River Road Independent School District will hold a public meeting at 7:30 AM, August 5, 2013 in the Board Room of the Administration Building / Middle School, 9500 US 287 N. 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.

<b>Maintenance Tax</b>	\$	1.09000 / \$100 (Proposed rate for maintenance and operations)
<b>School Debt Service Tax</b>		
<b>Approved by Local Voters</b>	\$	0.31000 / \$100 (Proposed rate to pay bonded indebtedness)

### 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 operation	9.49	%	increase	or	_____	%	decrease
Debt service	3.55	%	increase	or	_____	%	decrease
Total expenditures	8.78	%	increase	or	_____	%	decrease

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

	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>
Total appraised value* of all property	\$ 361,781,791	\$ 362,901,316
Total appraised value* of all new property**	\$ 5,677,229	\$ 2,447,315
Total taxable value*** of all property	\$ 252,103,280	\$ 253,288,628
Total taxable value*** of new property***	\$ 2,969,821	\$ 1,279,532

\* "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\* \$ 14,670,527.40  
 \* Outstanding principle

	<u>Comparison of Proposed Rates with Last Year's Rates</u>			<u>Local Revenue</u>	<u>State Revenue</u>
	<u>Maintenance &amp; Operations</u>	<u>Interest &amp; Sinking Fund*</u>	<u>Total</u>	<u>Per Student</u>	<u>Per Student</u>
<b>Last Year's Rate</b>	\$ 1.04000	\$ 0.31000 *	\$ 1.35000	\$ 2,344	\$ 5,806
<b>Rate to Maintain Same Level of Maintenance &amp; Operations Revenue &amp; Pay Debt Service</b>	\$ 1.04244	\$ 0.29712 *	\$ 1.33956	\$ 2,348	\$ 6,084
<b>Proposed Rate</b>	\$ 1.09000	\$ 0.31000 *	\$ 1.40000	\$ 2,418	\$ 6,091

\* 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

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$ 105,316	\$ 89,686
Average Taxable Value of Residences	\$ 90,316	\$ 74,686
Last Year's Rate Versus Proposed Rate per \$100 Value	\$ 1.35000	\$ 1.40000
Taxes Due on Average Residence	\$ 1,219.27	\$ 1,045.60
Increase (Decrease) in Taxes		\$ (173.66)

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 1.35000. This election will be automatically held if the district adopts a rate in excess of the rollback rate of 1.35000.

### 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)	\$ 3,644,130
Interest & Sinking Fund Balance(s)	\$ 401,591