

**RIVER ROAD INDEPENDENT SCHOOL DISTRICT
BOARD OF EDUCATION
AMARILLO, TEXAS**

Subject:2016 Tax Rate Adoption

Date: Monday, August 8, 2016

Presented By: Andy Nies
Assistant Superintendent

Related Page(s): 3

ACTION

Background Information:

On June 30, 2016 the Board of Trustees held the required public hearing for the discussion of the proposed budget for 2015-2016 and the proposed tax rate for 2016. At that same meeting the board adopted the budget, but because the school district had not received certified values from the Chief Appraiser of the Potter-Randall Appraisal District, the Board did not adopt the tax rate that evening.

The official certified values were received from the Appraisal District on July 18, 2016. The total taxable value for 2016 is \$260,256,546 which is \$1,857,696 lower than the certified values for 2015.

Presentation/Purpose

This is the presentation of a BOARD RESOLUTION setting of the property tax rates for the 2016 tax year. These property taxes will fund the M&O and the I&S budgets that the board approved in June.

I request that the Board adopts the 2016 Maintenance & Operations tax rate (\$1.09) and the Interest and Sinking Fund tax rate (\$0.26). These are the same tax rates that the Board adopted for 2015.

Board Action Required:

"I move that the property tax rates for the 2016 property tax year for River Road ISD be set by the adoption of:

<i>An M&O tax rate of:</i>	<i><u>\$1.0900</u> per \$100 of value</i>
<i>An I&S tax rate of:</i>	<i><u>\$0.2600</u> per \$100 of value</i>
<i>For a total combined tax rate of:</i>	<i><u>\$1.3500</u> per \$100 of value</i>

I further move that we adopt the attached resolution."

NOTICE OF PUBLIC MEETING TO DISCUSS PROPOSED TAX RATE

The RIVER ROAD INDEPENDENT SCHOOL DISTRICT
(name of school district)

will hold a public meeting at 6:00 P.M. ON MONDAY, AUGUST 8TH, 2016
(time, date, year)

in THE BOARD ROOM AT THE ADMINISTRATION OFFICE LOCATED AT 9500 U S HIGHWAY 287 NORTH
(name of room, building, physical location)

AMARILLO, TX
(city, state)

The purpose of this meeting is to discuss the school district's tax rate that will be adopted. Public participation in the discussion is invited.

The school district has elected to adopt a tax rate before receiving the certified appraisal roll from the chief appraiser(s) of the appraisal district(s) and before adopting a budget. In accordance with Tax Code Section 26.05(g), the chief appraiser(s) of the appraisal district(s) in which the school district participates has (have) certified to the assessor for the school district an estimate of the taxable value of property in the school district as provided by Tax Code Section 26.01(e). In accordance with Education Code Section 44.004(j), following adoption of the tax rate, the school district will publish notice and hold another public meeting before the school district adopts a budget.

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	\$ <u>1.0900</u>	/\$100	(Proposed rate for maintenance and operations)
School Debt Service Tax			
Approved by Local Voters	\$ <u>0.2600</u>	/\$100	(Proposed rate to pay bonded indebtedness)

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

	Preceding Tax Year	Current Tax Year*
Total appraised value** of all property	\$ <u>393,718,652</u>	\$ <u>390,777,978</u>
Total appraised value** of new property***	\$ <u>2,791,495</u>	\$ <u>1,323,894</u>
Total taxable value**** of all property	\$ <u>262,114,242</u>	\$ <u>260,256,546</u>
Total taxable value**** of new property****	\$ <u>1,610,001</u>	\$ <u>1,192,474</u>

* All values identified are based on estimate(s) of taxable value received pursuant to Tax Code Section 26.01(e).
 ** "Appraised value" is the amount shown on the appraisal roll and defined by Tax Code Section 1.04(8).
 *** "New property" is defined by Tax Code Section 26.012(17).
 **** "Taxable value" is defined by Tax Code Section 1.04(10).

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness* \$ 16,170,000

* 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	\$ <u>1.09000</u>	\$ <u>0.26000</u>	* \$ <u>1.35000</u>	\$ <u>2,768</u>	\$ <u>6,453</u>
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$ <u>1.05718</u>	\$ <u>0.27994</u>	* \$ <u>1.33712</u>	\$ <u>2,901</u>	\$ <u>6,565</u>
Proposed Rate	\$ <u>1.09000</u>	\$ <u>0.26000</u>	* \$ <u>1.35000</u>	\$ <u>2,932</u>	\$ <u>6,683</u>

* 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	\$ <u>94,095</u>	\$ <u>96,969</u>
Average Taxable Value of Residences	\$ <u>69,095</u>	\$ <u>71,969</u>
Last Year's Rate Versus Proposed Rate per \$100 Value	\$ <u>1.3500</u>	\$ <u>1.3500</u>
Taxes Due on Average Residence	\$ <u>932.78</u>	\$ <u>971.58</u>
Increase (Decrease) in Taxes		\$ <u>38.80</u>

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 1.3501.

(the school district rollback rate determined under Section 26.08, Tax Code)

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

of 1.3501.

(the school district rollback rate)

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)	\$ <u>2,331,571</u>
Interest & Sinking Fund Balance(s)	\$ <u>1,356,867</u>