

**Notice of Special
The Board of Trustees
Granbury ISD
Friday, August 22, 2003
4:30 PM**

A Special of the Board of Trustees of Granbury ISD will be held Friday, August 22, 2003, beginning at 4:30 PM in the Granbury ISD Board Room, 600 West Pearl St., Granbury, TX 76048, W Pearl St, Granbury, TX 76048.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

1. Call to order
2. Budget Workshop
3. Adjourn

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If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

On this notice was faxed or mailed to the news media who have previously requested such notice, posted on the GISD web page at www.granburyisd.org, and an original was posted on an outside door at 3:00 p.m. at the School District Administration Building at 217 N. Jones St., Granbury, Texas.

Superintendent or Designee (For the Board of Trustees)

GRANBURY ISD

Budget Workshop
August 22, 2003

Workshop Objectives

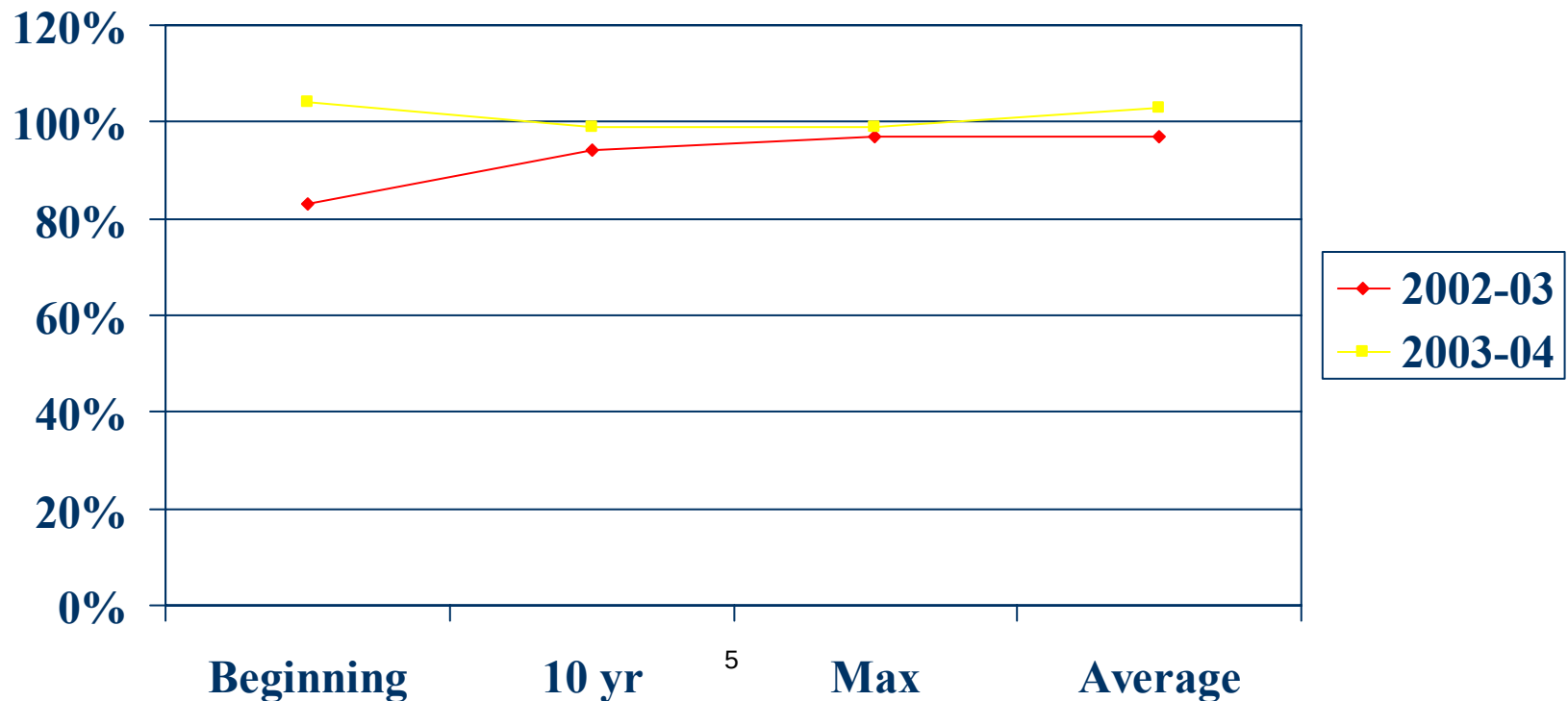
- ◆ Discuss what has been presented thus far and any new occurrences
 - Expenditures (General Operating & Debt Service)
 - Revenues (General Operating & Debt Service)
- ◆ Discuss current decisions impact on future years

General Operating - Expenditures

- ◆ Enhanced Teacher Salary Schedule
 - Beginning Teacher Salary from 83% of the market to 104% of the market
 - Average Salary from 97% of the market to 103% of the market
 - 10 year teacher salary from 94% of the market to 99% of the market
 - Top teacher salaries from 97% of the market to 99% of the market

Teacher Salary Schedule

GISD Compared to Market



General Operating - Expenditures

- ◆ Other salary schedules
 - Minimum, Midpoint & Maximum increased by 2%
 - Mid-point raises 3.3% for all employees

General Operating - Expenditures

- ◆ Enhanced District Health Insurance Contribution
 - State reduced the Supplement – from \$1,000 to \$500 for teachers and from \$1,000 to \$0 for administrators
 - Increased District Contribution to cover current employee only cost (\$295 - \$300)

General Operating - Expenditures

- ◆ Replacement Schedules funded
 - Roof Replacement/repair schedule fully funded
 - Majority of Maintenance Department schedules funded
 - HVAC not completely funded

General Operating - Expenditures

- ◆ Capital Projects Funded
 - Complete funding of Replacement Schedules
 - HVAC, Security Systems
 - Pool Cover Project with City
 - Fire Alarm Systems
 - Structural Engineer Project

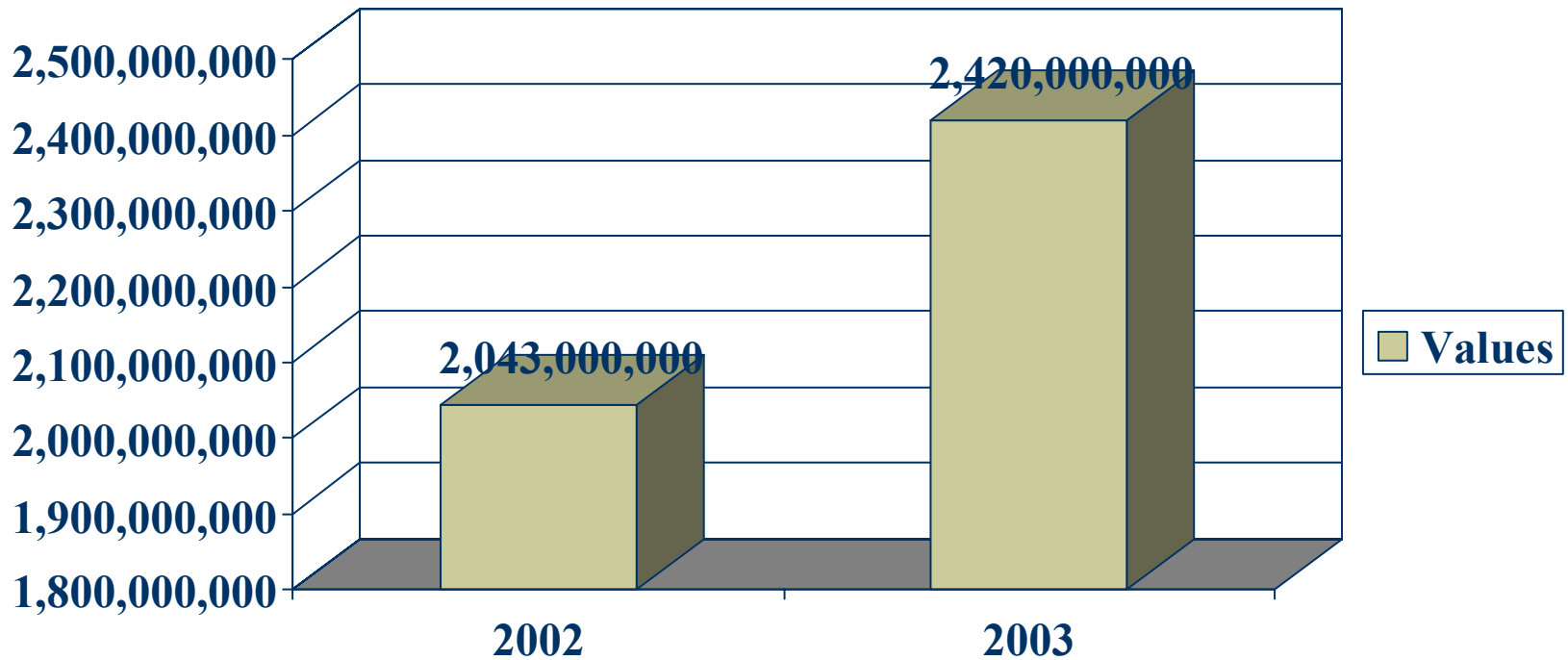
General Operating - Revenue

- ◆ Property Value Certification
- ◆ Tax Rate to support presented budget

Property Values

- ◆ Values used for previous Budget discussions were received from HCAD on July 9, 2003
 - 8% increase over last year
- ◆ July 25, 2003 HCAD certified values higher than July 9, 2003 numbers
 - 18% increase over last year (taxable value 17%)

Property Values



General Operating - Revenue

- ◆ Loss of State Funds
 - \$2,200,000
- ◆ Tax Rate \$1.50
 - Rate to maintain same revenue level as last year was calculated to be \$1.54
 - Can't have M & O rate over \$1.50

General Operating – Projections for Future Years

- ◆ Assumptions
 - 5% Property Value Growth
 - 0% Student Growth
 - 98% Collection Rate
- ◆ Tax rate of \$1.50 is maximum rate
 - Can't go higher next year

General Operating – Projections for Future Years

- ◆ Loss of State funds due to increased property values
 - 2004-05 \$950,000
 - 2005-06 \$1,000,000
- ◆ Increase in Property Tax revenue due to increased values
 - 2004-05 \$1,500,000
 - 2005-06 \$1,600,000

General Operating – Projections for Future Years

- ◆ Increases in revenue and reallocation of capital expenditures from current year will allow for step increases and salary increases each year as well as funding of replacement schedules
 - See spreadsheet

Debt Service - Expenditures

- ◆ Debt Service for GISD was approved by the voters at the time the bond election passed
 - 2003-04 \$5,898,863

Debt Service – Revenue

- ◆ Decrease in State revenue
 - \$700,000
- ◆ Tax Rate \$.20
 - Rate to maintain calculated at \$.26
 - Use of fund balance
 - Total Tax Rate \$1.70
 - \$.03 less than last 3 years

Debt Service – Projections for Next Year

◆ Assumptions

- 2003-04 Tax Rate \$.20
- 2004-05 Tax Rate \$.22
- 5% Property Value Growth
- 99% Collection Rate

Debt Service – Projections for Next Year

- ◆ Loss of State Funds due to increased property values
 - 2004-05 \$400,000
- ◆ Increase in Property Tax Revenue due to increased values
 - 2004-05 \$700,000

Debt Service – Projections for Next Year

- ◆ Net increase in revenue will allow 2004-05 debt service to be paid with a \$.02 tax rate increase
 - Tax rate will have to increase \$.02 to meet the debt service requirements

Conclusion

◆ Proposed Tax Rate

- | | |
|----------------------------|--------|
| ■ Maintenance & Operations | \$1.50 |
| ■ Debt Service | \$.20 |
| ■ Total | \$1.70 |
- \$.03 less than last year
 - \$100,000 homeowner will pay \$25/year less than last year
 - ◆ IF property value did not increase



Questions & Discussion

