

# 2021 Governing Body Summary\*

## Benchmark 2021 Tax Rates

### Broadus Independent School District

Date: 08/23/2021 10:49 AM

Last Year's Tax Levy\*\*: \$5,927,409

DESCRIPTION OF TAX RATE	TAX RATE PER \$100	THIS YEAR'S TAX LEVY***	ADDITIONAL TAX LEVY
Last Year's Tax Rate	\$1.0093	\$5,192,642	
One Percent \$100 Tax Increase****	\$1.019393	\$5,243,701	\$51,059
One Cent per \$100 Tax Increase****	\$1.0193	\$5,243,231	\$50,589
Voter-Approval Tax Rate	\$1.1036	\$5,669,698	\$477,056
Proposed Tax Rate	\$1.1036	\$5,669,698	\$477,056

\*These figures are provided as estimates of possible outcomes resulting from varying the tax rate. Please be aware that these are only estimates and should not be used alone in making budgetary decisions.

\*\*Calculated using lines 3 and 4 of the No-New-Revenue Tax Rate Worksheet and last year's frozen tax levy on homesteads of the elderly or disabled. Includes all appraisal roll supplements and corrections other than those made under Tax Code Section 25.25(d) (one-fourth and one-third appraisal error correction).

\*\*\*This year's tax levies are calculated using line 20 of the No-New-Revenue Tax Rate Worksheet and this year's frozen tax levy on homesteads of the elderly or disabled.

\*\*\*\*Tax increase compared to last year's tax rate.

\*\*\*\*\*SCHOOL DISTRICTS: The school M&O tax rate limit is the sum of \$0.17 for enrichment and a school district's maximum compressed rate determined by the Texas Education Agency. Please check the TEA website for your Maximum Compressed Rate (MCR). The I&S tax rate is limited by the \$0.50 test to the Attorney General for 'New' debt plus a rate for 'Old' debt. The \$0.50 test is that school districts must demonstrate to the Attorney General's Office their ability to pay the principal and interest on any proposed bonds, as well as all outstanding bonds, from a tax rate not to exceed 50 cents. 'Old' debt is debt authorized to be issued at an election held on or before April 1, 1991, and issued before September 1, 1992. All other debt is 'New' debt. See State Comptroller's Truth-in-Taxation webpage for more information.

**Section 26.05(b) of Property Tax Code**  
**Worksheet for Determination of Steps Required for Adoption of Tax Rate**  
**Broadus Independent School District**

Date: 08/23/2021 10:47 AM

<b>M&amp;O Tax Increase in Current Year</b>	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 8 of the No New Revenue Tax Rate Worksheet.	\$579,696,670
2. Last year's M&O tax rate.	\$1.0093
3. M&O taxes refunded for years preceding tax year 2020.	\$0
4. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3.	\$5,850,878
5. This year's total taxable value. Enter line 20 of the No New Revenue Tax Rate Worksheet.	\$505,891,860
6. This year's proposed M&O tax rate Enter the proposed M&O tax rate approved by the Governing Body.	\$0.9634
7. This year's M&O tax levy. Multiply line 5 times line 6 and divide by 100.	\$4,873,762
8. M&O Tax Increase (Decrease). Subtract line 4 from line 7.	\$-977,116
<b>Comparison of Total Tax Rates</b>	
9. No New Revenue Total Tax Rate.	\$1.1865
10. This year's proposed total tax rate.	\$1.1036
11. This year's rate minus no new revenue rate. Subtract line 9 from line 10.	\$-0.0829
12. Percentage change in total tax rate. Divide Line 11 by line 9.	-6.99%
<b>Comparison of M&amp;O Tax Rates</b>	
13. No New Revenue M&O Tax Rate.	\$1.1325
14. This year's proposed M&O tax rate.	\$0.9634
15. This year's rate minus no new revenue rate. Subtract line 13 from line 14.	\$-0.1691
16. Percentage increase/decrease. Divide line 15 by line 13.	-14.93%
<b>Raised M&amp;O Taxes on a \$100,000 Home</b>	
17. This year's taxable value on a \$100,000 home.	\$963
18. Last year's M&O tax rate.	\$1.0093
19. This year's proposed M&O tax rate.	\$0.9634
20. This year's raised M&O taxes. Subtract line 18 from line 19 and multiply result by line 17. Divide by 100.	\$-0.44
21. Percentage increase/decrease. Divide line 20 by line 18. Divide by 10.	-4.55%

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

The Broadus Independent School District will hold a public meeting at 6:30 PM, August 30, 2021 in Broadus JH/HS Library. 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	\$0.9634/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax	\$0.1402/\$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	-16.33 % decrease
Debt Service	0 0
Total expenditures	-4.56 % 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	\$628,661,640	\$561,056,700
Total appraised value* of new property**	\$5,756,030	\$13,387,240
Total taxable value*** of all property	\$593,340,950	\$522,094,850
Total taxable value*** of new property**	\$5,218,860	\$12,775,170

\*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\* \$9,000,000

\*Outstanding principal.

## Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance &amp; Operations</u>	<u>Interest &amp; Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
Last Year's Rate	\$1.0093	\$0*	\$1.0093	\$11,954	\$477
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$1.1325	\$0.0000*	\$1.1325	\$15,763	\$200
Proposed Rate	\$0.9634	\$0.1402*	\$1.1036	\$15,805	\$226

\*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	\$59,218	\$69,575
Average Taxable Value of Residences	\$28,854	\$34,699
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.0093	\$1.1036
Taxes Due on Average Residence	\$291.22	\$382.94
Increase (Decrease) in Taxes		\$91.72

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 Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.1036. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$1.1036.

## 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)	\$5,108,270
Interest & Sinking Fund Balance(s)	\$0

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.