

A Tax Rate Election...

The Cost of Maintaining Excellence in CISD



CISD Legacy of Academic Distinction

- ❖ U.S. News & World Report
 - ❖ Top 500 best high schools in the nation out of 21,500 schools
- ❖ 20 National Merit Finalists
- ❖ SAT & ACT composite scores > state and nation
- ❖ 13 “Exemplary” campuses and 1 “Recognized” campus. “Exemplary” district by the Texas Education Agency (TEA)
- ❖ 10 Gold Performance Acknowledgements by TEA
- ❖ Advanced Placement - 78% ≥ 3

CISD Legacy of Financial Distinction

- ❖ Superior Achievement – (FIRST)
 - ❖ Highest Rating of the Financial Integrity Rating System of Texas – Eight Years in a Row
- ❖ Credit Ratings AA+ Fitch, AA Standard & Poor's
 - ❖ Only 40 districts out of over 1,000 districts in Texas rank at or above these ratings

Texas School Funding Issues

- ❖ HB 1 froze school district revenues at the 2005-2006 level with no inflationary factors
- ❖ 2009 legislature provided minimal relief giving districts an extra \$120 per student (also required mandated raises)
- ❖ No financial relief anticipated from the State in the 2011 Legislative session

CISD Funding Issues

- ❖ The only new revenue the district receives is through growth in student enrollment or through tax rate increases
- ❖ 2008-2009 \$1.44M of General Operating Fund Balance was consumed
- ❖ 2009-2010 budgeted deficit is \$3.8M

Communication History of Potential TRE

- Key Communicators Breakfast
- The Discussion
- Express
- Supt's Scoop
- Web site
- Newspaper Articles



TRE

Budget Cuts 2008-2010

- ❖ 37.57 Positions eliminated (Approx \$2.4M reduction)
 - ❖ 15 positions at Coppell High School
 - ❖ 1 Assistant Principal at CHS
 - ❖ 3 positions at Middle Schools
 - ❖ 9 positions at the Elementary campuses
 - ❖ 9.57 other positions, includes 3 central administrators
- ❖ Shifted \$400,000 qualifying expenditures to Bond
- ❖ Cost reductions from non-instructional areas (\$1.2M)

Add'l. Budget Cuts 2010-2011

- ❖ Reduce 12 positions at middle schools (4 at each middle school) by restructuring instructional day (\$660,000)
- ❖ 6 positions at Coppell High School (\$330,000)
- ❖ 5 other positions, including 1 central administrator (\$291,000)



Grand Total Reductions 2008 to 2011

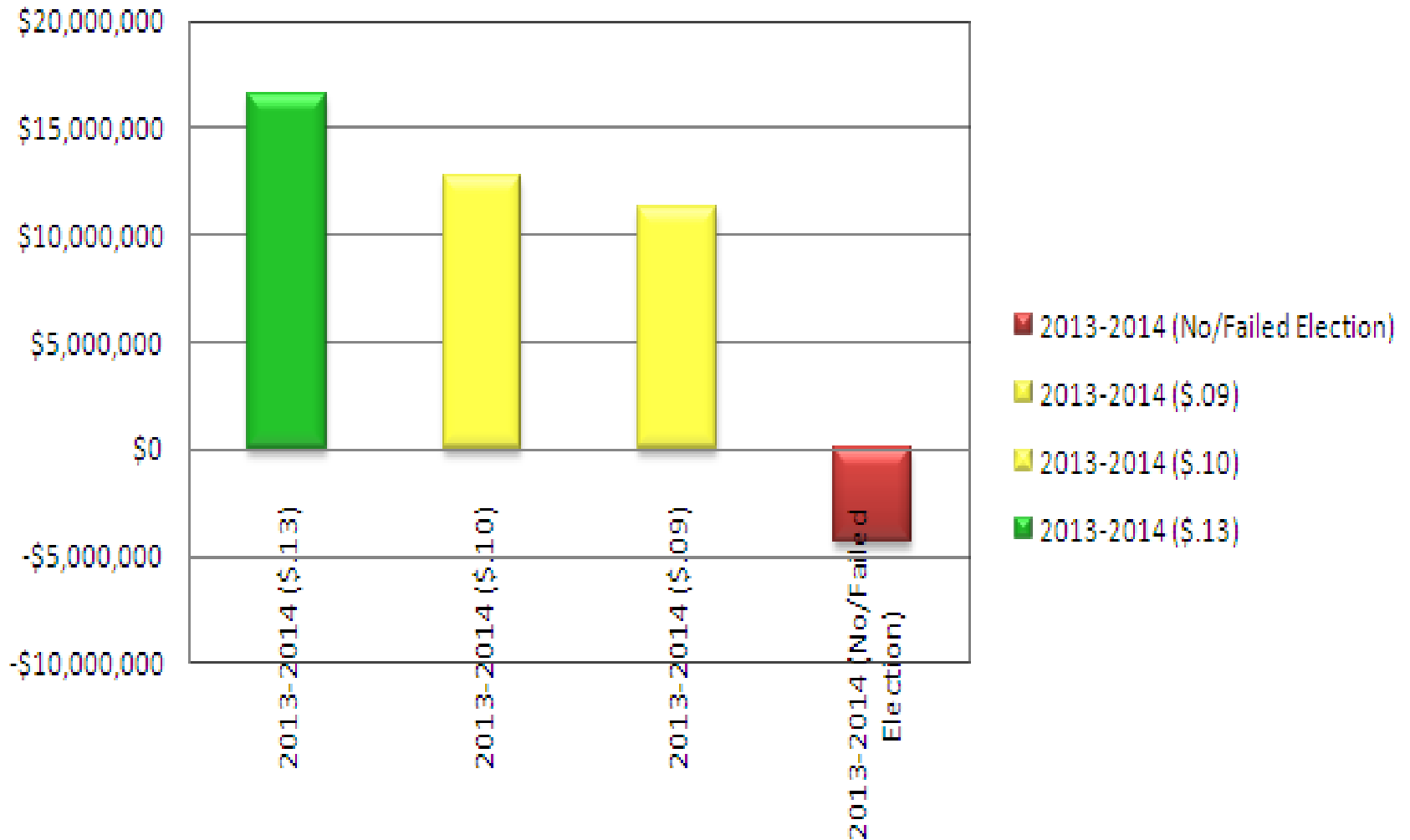
\$4.6M

Net of New Tech High Teacher Transfers from CHS (\$660,000)

Healthy Fund Balance is Essential

- ❖ Fund balance is the district's savings account
 - ❖ Cover cost of operations without borrowing (Sept. – Dec.) Minimum needed is \$17M
 - ❖ Flexibility in uncertain financial times
 - ❖ Ability to cover unexpected cost
 - ❖ Key factor in credit rating
- ❖ District must remain financially healthy to maintain excellent credit & FIRST ratings

Projected Ending Fund Balance



Two Tax Rates

Maintenance and
Operations Fund (M&O)



Interest and
Sinking Fund (I&S)



Tax Rate Election Sept. 2010

- ❖ Tax Rate Ratification Election (Rollback)
 - ❖ \$.13 pennies
 - ❖ \$.01 above \$1.06 generates between \$345,000 and \$360,000 (net of recapture)
 - ❖ \$.13 will generate \$5.28M net of recapture

What Will a TRE Cost Me?

- ❖ \$276,000 Home Taxable Value

- ❖ \$.13 \$339 Annually (\$28 monthly)

- ❖ Over – 65 homestead exemption

- ❖ No impact to school property taxes for senior citizens



Total School Taxes on \$276,000 Home

<u>Year</u>	<u>Total Tax Rate</u>	<u>Total Taxes</u> *
2005-06	\$1.729	\$4,513
2006-07	\$1.599	\$4,173
2007-08	\$1.269	\$3,312
2008-09	\$1.279	\$3,338
2009-10	\$1.2834	\$3,349
2010-11 (w/ 13 cent TRE)	\$1.4242	\$3,717**

* Includes Deduction for \$15,000 Homestead Exemption

** Debt Tax Rate of \$.2542

**Tax Rate Comparison
2010-2011**

District	M & O	Debt	Total
Highland Park ISD	\$1.0125	\$0.1025	\$1.1150
Garland ISD	1.0400	0.2133	1.2533
Coppell ISD (current)	1.0400	0.2434	1.2834
Grapevine Colleyville ISD	1.0400	0.2500	1.2900
Richardson ISD	1.0400	0.3000	1.3400
Carrollton Farmers Branch ISD	1.0400	0.3069	1.3469
Plano ISD	1.0400	0.3134	1.3534
Southlake Carroll ISD	1.0400	0.3750	1.4150
Duncanville ISD	1.0400	0.3780	1.4180
Frisco ISD	1.0000	0.4200	1.4200
Mesquite ISD	1.0400	0.3800	1.4200
Coppell ISD w/\$.13 election	1.1700	0.2542	1.4242
Lewisville ISD	1.0600	0.3687	1.4287
Irving ISD	1.0400	0.4250	1.4650
Rockwall ISD	1.0400	0.4300	1.4700
McKinney ID	1.0400	0.4880	1.5280
Allen ISD	1.0400	0.5000	1.5400
Wylie ISD	1.1700	0.4700	1.6400
Lake Dallas ISD	1.1700	0.5000	1.6700

The above tax rates are either proposed or have been adopted for 2010-2011.

TRE Fails



- ❖ Larger class sizes
- ❖ Restructure high school instructional day
- ❖ Impacts future raises
- ❖ Fewer extra and co-curricular courses
- ❖ Reduce/Eliminate non-mandated courses (art, athletics, literacy, music, etc.)

Next Steps

❖ Tax Rate Election Timing

❖ Election was called on June 21st during regular Board Meeting

❖ September 11, 2010 Election Day



Tax Rate Rollback Election
September 11, 2010
OFFICIAL BALLOT

COPPELL I.S.D. TAX RATE ROLLBACK ELECTION

Proposition

Approving the ad valorem tax rate of \$1.4242 per \$100 valuation in Coppell Independent School District for the current year, a rate that is \$0.13 higher per \$100 valuation than the school district rollback tax rate.



FOR



AGAINST

