

RESOLUTION OF THE KELLER ISD BOARD OF TRUSTEES

WHEREAS, the Keller ISD Board of Trustees is committed to conducting the work of the District in a fiscally responsible way and taxing only to the extent necessary to adequately fund the District; and,

WHEREAS, Texas school districts tax rates are broken up into two separate rates – an Interest and Sinking (I&S) rate that funds the payment of debt from bonds that are used to build and maintain school buildings, and Maintenance and Operations (M&O) rate that funds everything else including programming, teacher salaries, and utilities; and,

WHEREAS, Keller ISD is currently funded in the bottom quartile of all school districts in the state of Texas; and,

WHEREAS, the M&O rate is currently capped at \$1.04 per \$100 property valuation, but can be raised to \$1.17 with the community's approval through a tax ratification election; and,

WHEREAS, if the community passes a tax ratification election, Keller ISD could raise the M&O rate by \$0.13, but would also be in position to lower the I&S rate by \$0.14 due to higher valuations and fiscally responsible refinancing over the years; and,

WHEREAS, this exchange of pennies while raising the M&O tax rate would lower the overall tax rate, while providing Keller ISD with \$19 million in additional net operating revenue.

NOW, THEREFORE, be it resolved that:

The Board of Trustees of Keller ISD will endeavor to act in a fiscally responsible manner and work diligently to be good stewards of tax payer funds; and

The Board of Trustees of Keller ISD believes the voters of Keller ISD should be allowed to vote on whether a penny swap and drop is in the best interest of the District; and

The Board of Trustees of Keller ISD will reduce the I&S rate thereby lowering the overall tax rate if the voters approve the tax ratification election to increase the M&O rate; and

The Board of Trustees of Keller ISD will continue to work to reduce the overall tax rate when it is able to do so while maintaining the high standards of excellence expected in Keller ISD.

ADOPTED THIS 11th DAY OF JUNE, 2018.

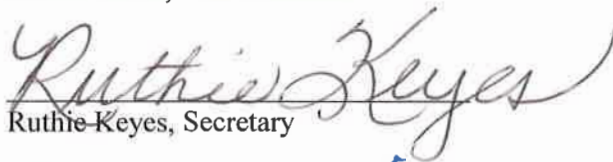
KELLER INDEPENDENT SCHOOL DISTRICT

By: (Not in Attendance)

Cindy Lotton, President



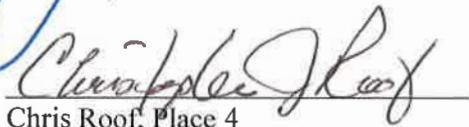
Karina Davis, Vice President



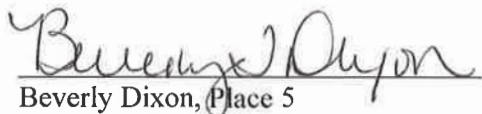
Ruthie Keyes, Secretary



Jim Stitt, Place 1



Chris Roof, Place 4



Beverly Dixon, Place 5

Brad Schofield, Place 7

Statement from Board President Cindy Lotton who could not be in attendance at the June 11, 2018, Regular Meeting:

“I am sorry I cannot be in attendance this evening but I am recovering from a medical procedure performed at the end of last week.

“I have been on the Board for about 12 years and have watched the District’s finances become more and more constrained because of the antiquated funding formulas of the state. Keller ISD is funded in the bottom quartile of the state, but we’re performing in the top 20 percent.

“I wish that I could be in attendance this evening to personally speak in favor of the adoption of the tax rate and what I hope will then be the calling of the tax ratification election. The administration has brought us an option that will allow us to drop the overall tax rate while increasing our M&O budget that will net the District \$19 million. I see no down side to this plan. I am personally committed to continuing to lower the tax rate as we are able to do so. I am also just as committed to doing everything we can to maintain the incredible educational quality Keller ISD is known for. This Swap and Drop plan accomplishes both of those goals.

“If I were with you tonight, I’d be voting in favor of both the recommended tax rate and for calling the Tax Ratification Election. I will end by expressing my appreciation for allowing my support of this matter to be heard in my absence.”