

Dear SBISD Taxpayers:

Enclosed please find your 2016 Spring Branch ISD tax bill. Unless you are a taxpayer age 65 or older or disabled for whom SBISD property taxes are frozen, your taxes **may be higher** than last year. This is true for most taxpayers, even though the SBISD tax rate has remained the same since 2010.

As in past years, we want to explain what happens to the additional taxes you pay as your property values increase. **It is important to know that not all of your additional taxes paid will remain in SBISD.**

This year, SBISD estimates our taxpayers will write checks totaling an additional **\$29 million** in taxes. At the same time, the district anticipates a recapture (Robin Hood) payment of **\$66 million** this year, or nearly **17 percent of your locally generated tax revenue**. That means a taxpayer who owns a home valued at \$500,000 will pay \$889 in recapture to the State. Recapture dollars go into the State's public education fund, freeing up state dollars for spending elsewhere.

Effectively, the legislature uses your tax dollars to reduce the amount it would otherwise contribute to public education from other sources. Conversely, while local taxpayers will pay **\$305 million** to SBISD this year, SBISD will receive only **\$17.5 million** in State funding.

Yes, you read that correctly – in essence, SBISD will send three times more funds to the state this year (\$66 million) than it will receive in state funding (\$17.5 million).

We feel it is misleading for local taxpayers to write checks to our local school district when **the majority of the funds attributable to value growth actually benefit the bottom line of the State's budget**. Next year, SBISD is forecast to pay **\$91 million in recapture**. That's nearly 22 percent of locally generated revenue, and it's unsustainable.

The Texas Supreme Court ruled earlier this year that while the state's school finance system meets minimum constitutional requirements, it has "immense room for improvement." The Court stated that Texas schoolchildren deserve "transformational, top-to-bottom reforms that amount to more than Band-Aid on top of Band-Aid."

SBISD agrees the Legislature must fix the school finance system, which puts SBISD at a competitive disadvantage relative to surrounding districts. We need reform that reverses the increasing flow of local taxpayer dollars to the State budget.

Our SBISD taxpayers continue to have the second lowest tax burden of any school district in the area. SBISD is one of only nine area districts that offers the 20 percent Local Option Homestead Exemption.

Many of you will ask what you can do. Stay engaged during the upcoming legislative session and follow information we post online at **www.springbranchisd.com**.

Thank you for your support. We will continue to keep you updated about this critical issue.



Sincerely,
Scott R. Muri, Ed.D.
SBISD Superintendent of Schools

How 'Robin Hood' Impacts Spring Branch ISD

Spring Branch ISD is classified as "property-wealthy" and subject to the State's "Robin Hood" (RECAPTURE) law.

This year, SBISD anticipates a Robin Hood payment to the State of \$66 million. That's 17 percent of your locally generated tax revenue.

AN ALARMING TREND

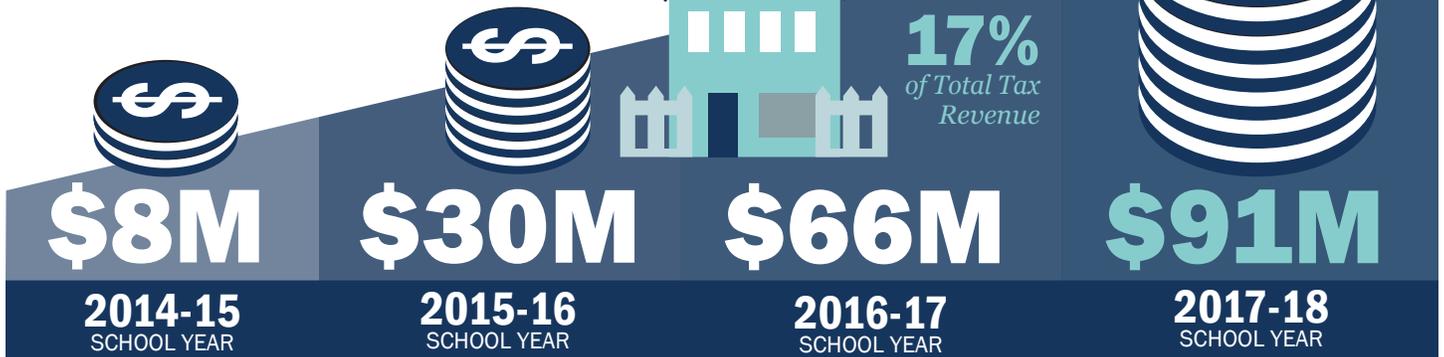
As property values increase annually, Spring Branch ISD's 'Robin Hood' (RECAPTURE) payment increases.

\$200M

Projected Amount Paid in RECAPTURE by SBISD (2014-2018)

SBISD Taxpayers will send **three times more** funds to the State this year (\$66M) than it will receive in State funding (\$17.5M).

17%
of Total Tax Revenue



SBISD by the Numbers:

35,086

Students Served

55.7%

Economically Disadvantaged

34.6%

English Language Learners



How much per student does the State take?

STUDENT

\$1,883

Recapture Dollars per Student

How much per school does the State take?



SCHOOL

\$4.8M

Approx. Impact per High School

\$1.9M

Approx. Impact per Middle School

\$1.2M

Approx. Impact per Elementary