TAX IMPACT

How much will a $502 Million school bond cost the average taxpayer?

The average home in San Antonio ISD is valued at $80,882. Property owners wouldn't see any tax increases until 2012, beginning with a modest tax increase of $1.58 a month. When the bond payments hit their peak in 2027 the owners of a home valued at $80,882 in San Antonio ISD could see their taxes rise by $9.64 a month or $115.73 a year.[1] Annual taxes are expected to decline after 2027.

Monthly and yearly tax impact of $502 Million Bond for owner of $80,882 home

Year	Annual tax increase	Monthly tax increase
2011	$0	$0
2012	$18.99	$1.58
2013	$51.41	$4.28
2014	$84.93	$7.08
2015	$110.97	$9.25
2016	$111.14	$9.26
2017	$111.25	$9.27
2018	$111.37	$9.28
2019	$111.58	$9.30
2020	$111.79	$9.32
2021	$106.32	$9.42
2022	$114.35	$9.53
2023	$114.53	$9.54
2024	$114.77	$9.56
2025	$115.03	$9.59
2026	$115.35	$9.61
2027	$115.73	$9.64
2028	$38.24	$3.19

How will this bond affect the taxes of residents who are 65 and older?

School taxes are frozen in the year that a taxpayer turns 65 years of age and therefore will not increase as a result of a school bond election. The tax freeze for citizens 65 years and older is provided in Section 11.26 of the Texas Property Tax Code. Homeowners must apply for this exemption and can do so with the Bexar County Appraisal District.

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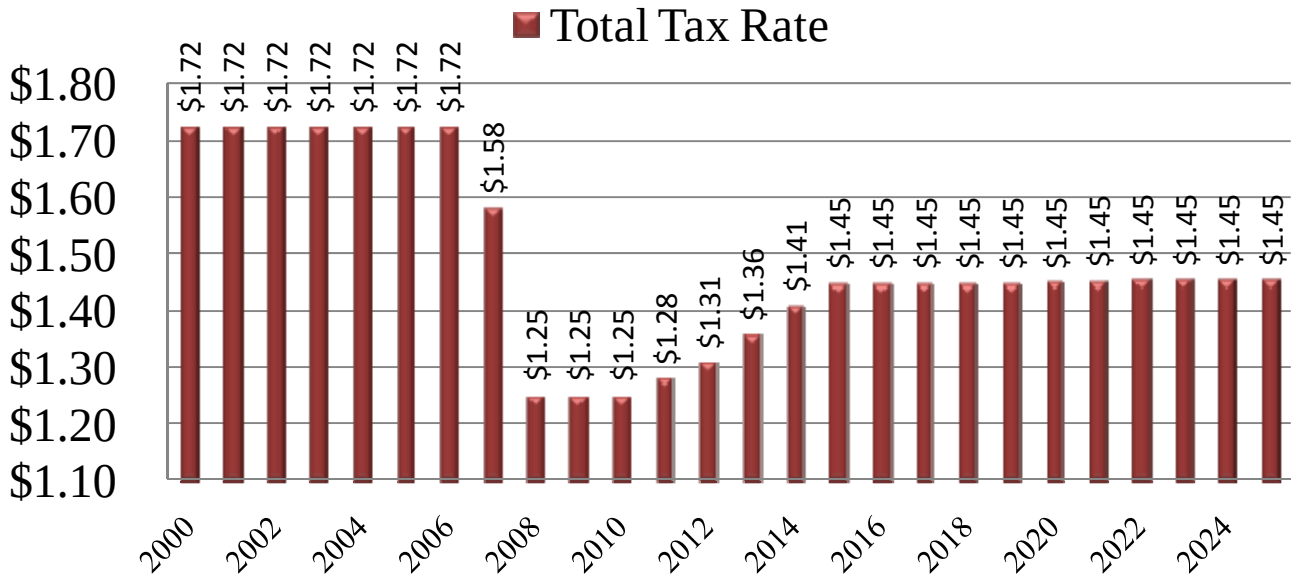
[1] This projection depends on future property values and state assistance, which could drive the tax rate down.

How will this bond affect my taxes? The maximum estimated tax impact for this bond, including State and Federal funding, is 17.6 cents for a total tax rate of $1.45. After the sale of these bonds, the total tax rate will still be lower than it was in 2007.



Note: These figures include state funding which will pay over 31% of the debt service for the district in 2011 as well as low interest on $60M of bonds sold.

The Total School Tax is made up of two distinct parts:

- The Maintenance & Operations Tax, commonly referred to as the M&O tax rate, pays for the daily operation of the District, and
- The Interest & Sinking Tax, commonly called the I&S rate, pays off debts like bonds. These two taxes together make up the Total School Tax.
- Below are the tax rates for various Bexar County districts for 2009-2010

School District	Total Tax Rate	M&O Tax Rate	I&S Tax Rate
Harlandale	$1.48	$1.17	$0.31
Judson	$1.46	$1.04	$0.42
South San Antonio	$1.43	$1.04	$0.39
Edgewood	$1.42	$1.17	$0.25
North East	$1.40	$1.04	$0.36
Southside	$1.37	$1.04	$0.33
Northside	$1.34	$1.04	$0.30
East Central	$1.32	$1.04	$0.28
San Antonio	$1.25	$1.04	$0.21
Southwest	$1.24	$1.04	$0.20
Somerset	$1.23	$1.04	$0.19
Alamo Heights	$1.16	$1.04	$0.12

Impact on SAISD Taxes

Using the highest potential tax rate for the new bonds (in 2027), the table below shows the annual and monthly tax increase for homes at various value levels. The green rows shows the monthly increase in taxes to support the new bond. The yellow row shows the monthly increase for the average value home in SAISD. The difference between the home value and the taxable value is the $15K Homestead exemption.

Bond Scenarios	$502M	$527M
Maintenance & Operations	$ 1.0400	$ 1.0400
Interest and Skinking Fund	$ 0.2388	$ 0.2388
Total Current Tax Rate	$ 1.2788	$ 1.2788
Expected Tax Rate Increase from New Debt	$ 0.1757	$ 0.1864
Total Projected Tax Rate	$ 1.4545	$ 1.4652
$50K Residence (Taxable Value $35,000)	**$ 35,000.00**	**$ 35,000.00**
Current Taxes	$ 447.58	$ 447.58
Increase on Average House	$ 61.48	$ 65.24
Total Taxes on Average House	$ 509.06	$ 512.82
Monthly Increase in Taxes to Support Bond Issue	$ 5.12	$ 5.44
Percentage Increase	13.7%	14.6%
$75K Residence (Taxable Value $60,000)	**$ 60,000.00**	**$ 60,000.00**
Current Taxes	$ 767.28	$ 767.28
Increase on Average House	$ 105.40	$ 111.84
Total Taxes on Average House	$ 872.68	$ 879.12
Monthly Increase in Taxes to Support Bond Issue	$ 8.78	$ 9.32
Percentage Increase	13.7%	14.6%
Average Residence $80,882 (Taxable Value $65,882)	**$ 65,882.00**	**$ 65,882.00**
Current Taxes	$ 842.50	$ 842.50
Increase on Average House	$ 115.73	$ 122.80
Total Taxes on Average House	$ 958.23	$ 965.30
Monthly Increase in Taxes to Support Bond Issue	$ 9.64	$ 10.23
Percentage Increase	13.7%	14.6%
$100K Residence (Taxable Value $85,000)	**$ 85,000.00**	**$ 85,000.00**
Current Taxes	$ 1,086.98	$ 1,086.98
Increase on Average House	$ 149.31	$ 158.44
Total Taxes on Average House	$ 1,236.29	$ 1,245.42
Monthly Increase in Taxes to Support Bond Issue	$ 12.44	$ 13.20
Percentage Increase	13.7%	14.6%
$125K Residence (Taxable Value $110,000)	**$ 110,000.00**	**$ 110,000.00**
Current Taxes	$ 1,406.68	$ 1,406.68
Increase on Average House	$ 193.23	$ 205.03
Total Taxes on Average House	$ 1,599.91	$ 1,611.71
Monthly Increase in Taxes to Support Bond Issue	$ 16.10	$ 17.09
Percentage Increase	13.7%	14.6%
$150K Residence (Taxable Value $135,000)	**$ 135,000.00**	**$ 135,000.00**
Current Taxes	$ 1,726.38	$ 1,726.38
Increase on Average House	$ 237.14	$ 251.63
Total Taxes on Average House	$ 1,963.52	$ 1,978.01
Monthly Increase in Taxes to Support Bond Issue	$ 19.76	$ 20.97
Percentage Increase	13.7%	14.6%

Note: Taxpayers age 65 and Older will have no new taxes

Source: Sterne Agee & SAISD Finance

SAISD Bond Scenario Analysis

Tables calculate the annual and monthly tax increase for new bonds

First Table Shows tax rate increase above rates set this fall to service current debt
Second Table shows tax rate increase above current tax rate
Final column shows the expected total tax rate (including the $1.04 M&O tax rate)

Property tax impact of $502 million bond issue for owner of $80,882 home				
Year	**Annual tax increase**	**Monthly tax increase**	**Required Tax Rate**	**Rate Increase above 2011**
2008			$ 0.2097	
2009			$ 0.2097	
2010	$0	$0	$ 0.2097	
2011	$0	$0	$ 0.2388	
2012	$18.99	$1.58	$ 0.2676	$ 0.0288
2013	$51.41	$4.28	$ 0.3168	$ 0.0780
2014	$84.93	$7.08	$ 0.3677	$ 0.1289
2015	$110.97	$9.25	$ 0.4072	$ 0.1684
2016	$111.14	$9.26	$ 0.4075	$ 0.1687
2017	$111.25	$9.27	$ 0.4077	$ 0.1689
2018	$111.37	$9.28	$ 0.4078	$ 0.1690
2019	$111.58	$9.30	$ 0.4082	$ 0.1694
2020	$111.79	$9.32	$ 0.4085	$ 0.1697
2021	$113.07	$9.42	$ 0.4104	$ 0.1716
2022	$114.35	$9.53	$ 0.4124	$ 0.1736
2023	$114.53	$9.54	$ 0.4126	$ 0.1738
2024	$114.77	$9.56	$ 0.4130	$ 0.1742
2025	$115.03	$9.59	$ 0.4134	$ 0.1746
2026	$115.35	$9.61	$ 0.4139	$ 0.1751
2027	$115.73	$9.64	$ 0.4145	$ 0.1757
2028	$38.24	$3.19	$ 0.2968	$ 0.0580
2029	$38.23	$3.19	$ 0.2968	$ 0.0580
2030	($16.57)	($1.38)	$ 0.2136	$ (0.0252)

Property tax impact of $502 million bond issue for owner of $80,882 home					
Year	**Annual tax increase**	**Monthly tax increase**	**Required Tax Rate**	**Rate Increase above 2010**	**Total Tax Rate**
2008			$ 0.2097		$ 1.2497
2009			$ 0.2097		$ 1.2497
2010	$0	$0	$ 0.2097		$ 1.2497
2011	$0	$0	$ 0.2388		$ 1.2788
2012	$38.16	$3.18	$ 0.2676	$ 0.0579	$ 1.3076
2013	$70.58	$5.88	$ 0.3168	$ 0.1071	$ 1.3568
2014	$104.10	$8.68	$ 0.3677	$ 0.1580	$ 1.4077
2015	$130.14	$10.85	$ 0.4072	$ 0.1975	$ 1.4472
2016	$130.32	$10.86	$ 0.4075	$ 0.1978	$ 1.4475
2017	$130.42	$10.87	$ 0.4077	$ 0.1980	$ 1.4477
2018	$130.54	$10.88	$ 0.4078	$ 0.1981	$ 1.4478
2019	$130.75	$10.90	$ 0.4082	$ 0.1985	$ 1.4482
2020	$130.97	$10.91	$ 0.4085	$ 0.1988	$ 1.4485
2021	$132.24	$11.02	$ 0.4104	$ 0.2007	$ 1.4504
2022	$133.52	$11.13	$ 0.4124	$ 0.2027	$ 1.4524
2023	$133.70	$11.14	$ 0.4126	$ 0.2029	$ 1.4526
2024	$133.94	$11.16	$ 0.4130	$ 0.2033	$ 1.4530
2025	$134.20	$11.18	$ 0.4134	$ 0.2037	$ 1.4534
2026	$134.53	$11.21	$ 0.4139	$ 0.2042	$ 1.4539
2027	$134.90	$11.24	$ 0.4145	$ 0.2048	$ 1.4545
2028	$57.41	$4.78	$ 0.2968	$ 0.0871	$ 1.3368
2029	$57.40	$4.78	$ 0.2968	$ 0.0871	$ 1.3368
2030	$2.60	$0.22	$ 0.2136	$ 0.0039	$ 1.2536

Average Taxable Value 65882 Per Kavoussi
Assumes average home value is taxable value plus $15K homestead exemption
Assumes no change in value for the $80,882 home in the out years, but property values for the district expected to increase
Tax Rates provided by Stern Agee

SAISD Bond Scenario Analysis

Tables calculate the annual and monthly tax increase for new bonds

First Table Shows tax rate increase above rates set this fall to service current debt
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Final column shows the expected total tax rate (including the $1.04 M&O tax rate)

Property tax impact of $527 million bond issue for owner of $80,882 home				
Year	**Annual tax increase**	**Monthly tax increase**	**Required Tax Rate**	**Rate Increase above 2011**
2008			$ 0.2097	
2009			$ 0.2097	
2010	$0	$0	$ 0.2097	
2011	$0	$0	$ 0.2388	
2012	$18.99	$1.58	$ 0.2676	$ 0.0288
2013	$51.41	$4.28	$ 0.3168	$ 0.0780
2014	$87.38	$7.28	$ 0.3714	$ 0.1326
2015	$117.84	$9.82	$ 0.4177	$ 0.1789
2016	$118.01	$9.83	$ 0.4179	$ 0.1791
2017	$118.11	$9.84	$ 0.4181	$ 0.1793
2018	$118.23	$9.85	$ 0.4183	$ 0.1795
2019	$118.44	$9.87	$ 0.4186	$ 0.1798
2020	$118.67	$9.89	$ 0.4189	$ 0.1801
2021	$120.04	$10.00	$ 0.4210	$ 0.1822
2022	$121.41	$10.12	$ 0.4231	$ 0.1843
2023	$121.62	$10.13	$ 0.4234	$ 0.1846
2024	$121.83	$10.15	$ 0.4237	$ 0.1849
2025	$122.10	$10.18	$ 0.4241	$ 0.1853
2026	$122.43	$10.20	$ 0.4246	$ 0.1858
2027	$122.80	$10.23	$ 0.4252	$ 0.1864
2028	$45.30	$3.78	$ 0.3076	$ 0.0688
2029	$45.31	$3.78	$ 0.3076	$ 0.0688
2030	($9.50)	($0.79)	$ 0.2244	$ (0.0144)

Property tax impact of $527 million bond issue for owner of $80,882 home					
Year	**Annual tax increase**	**Monthly tax increase**	**Required Tax Rate**	**Rate Increase above 2010**	**Total Tax Rate**
2008			$ 0.2097		$ 1.2497
2009			$ 0.2097		$ 1.2497
2010	$0	$0	$ 0.2097		$ 1.2497
2011	$0	$0	$ 0.2388		$ 1.2788
2012	$38.16	$3.18	$ 0.2676	$ 0.0579	$ 1.3076
2013	$70.58	$5.88	$ 0.3168	$ 0.1071	$ 1.3568
2014	$106.56	$8.88	$ 0.3714	$ 0.1617	$ 1.4114
2015	$137.01	$11.42	$ 0.4177	$ 0.2080	$ 1.4577
2016	$137.18	$11.43	$ 0.4179	$ 0.2082	$ 1.4579
2017	$137.28	$11.44	$ 0.4181	$ 0.2084	$ 1.4581
2018	$137.41	$11.45	$ 0.4183	$ 0.2086	$ 1.4583
2019	$137.61	$11.47	$ 0.4186	$ 0.2089	$ 1.4586
2020	$137.84	$11.49	$ 0.4189	$ 0.2092	$ 1.4589
2021	$139.21	$11.60	$ 0.4210	$ 0.2113	$ 1.4610
2022	$140.59	$11.72	$ 0.4231	$ 0.2134	$ 1.4631
2023	$140.79	$11.73	$ 0.4234	$ 0.2137	$ 1.4634
2024	$141.01	$11.75	$ 0.4237	$ 0.2140	$ 1.4637
2025	$141.27	$11.77	$ 0.4241	$ 0.2144	$ 1.4641
2026	$141.60	$11.80	$ 0.4246	$ 0.2149	$ 1.4646
2027	$141.97	$11.83	$ 0.4252	$ 0.2155	$ 1.4652
2028	$64.47	$5.37	$ 0.3076	$ 0.0979	$ 1.3476
2029	$64.48	$5.37	$ 0.3076	$ 0.0979	$ 1.3476
2030	$9.67	$0.81	$ 0.2244	$ 0.0147	$ 1.2644

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