

A RESOLUTION BY THE BOARD OF TRUSTEES OF THE CHINA SPRING INDEPENDENT SCHOOL DISTRICT EVIDENCING AN INTENT TO USE THE PROCEEDS OF ANY VOTER-RATIFIED TAX RATE FOR SALARY INCREASES AND ADDRESSING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Board of Trustees (the *Board*) of the China Spring Independent School District (the *District*) previously published notice of a public hearing regarding its proposed budget and tax rate for the fiscal year beginning July 1, 2022; and

WHEREAS, after conducting the public hearing, the Board adopted a budget for the District's fiscal year but did not adopt a tax rate; and

WHEREAS, the District published a revised notice of a public hearing regarding its consideration of a tax rate that exceeds the voter-approval tax rate as calculated under Section 26.08(n) of the Texas Tax Code, as amended (the *Code*); and

WHEREAS, the District conducted the public hearing on this day in accordance with Section 26.05(d) of the Code and adopted a tax rate that exceeds the District's voter-approval tax rate (the *Adopted Tax Rate*); and

WHEREAS, after having duly adopted a budget and a tax rate, the Board ordered an election to be held in the District on November 8, 2022 (the *Election*) pursuant to Section 26.08(a) of the Code in which registered voters of the District will determine whether to ratify the Adopted Tax Rate; and

WHEREAS, Section 26.08(b) of the Code does not permit the District to alter or amend the ballot language for the Election for the purpose of explaining to voters why the District adopted a tax rate that exceeds the voter-approval tax rate; and

WHEREAS, the District is experiencing employment issues because neighboring school districts are offering higher wages than those the District can offer at this time and remain within a balanced budget; and

WHEREAS, in *Black v. Strength*, 246 S.W. 79, 80 (Tex. 1922), the Texas Supreme Court recognized that the expenditure of funds by political subdivisions is left to the discretion of the governing bodies of those political subdivisions and that the governing bodies may, by official action, "remove uncertainty as to the specific use to be made" of funds that are authorized by the electorate; and

WHEREAS, the Board desires to exercise its authority under *Black v. Strength* and remove any uncertainty regarding the use of funds if the majority of registered voters in the District ratify the Adopted Tax Rate (the *Ratified Tax Rate*); and

WHEREAS, the Board intends to use the funds generated by the Ratified Tax Rate and retained by the District exclusively for employee salaries, wages, and other employment benefits and not for any other purpose; and

WHEREAS, the Board hereby finds and determines that these actions are in the best interests of the residents of the District; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE CHINA SPRING INDEPENDENT SCHOOL DISTRICT THAT:

SECTION 1: The Board reaffirms its determination that calling the Election is in the best interests of the residents of the District.

SECTION 2: That, if a majority of the votes cast in the Election ratify the Adopted Tax Rate for the fiscal year beginning July 1, 2022, then the Ratified Tax Rate will be the District's tax rate without further action of the Board.

SECTION 3: The amount of taxes generated from the Ratified Tax Rate and retained by the District shall be used exclusively for salaries, wages, and other employment benefits for employees for such tax year and not otherwise.

SECTION 4: If the Adopted Tax Rate is not ratified by a majority of the votes cast in the Election, then the tax rate for the fiscal year beginning July 1, 2022 will be the previously published voter-approval tax rate without further action of the Board.

SECTION 5: The recitals contained in the preamble hereof are hereby found to be true; and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 6: All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution, are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 7: This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8: If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 9: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public, and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 10: This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

* * * * *

Adopted August 15, 2022.

CHINA SPRING INDEPENDENT SCHOOL
DISTRICT

Rick Hines
President, Board of Trustees

ATTEST:

Holly Dunham
Secretary, Board of Trustees

(SEAL)