

SAN FELIPE DEL RIO
Consolidated Independent School District



P.O. DRAWER 428002

DEL RIO, TEXAS 78842-8002

August 20, 2018

To: Board of Trustees

Fr: Carlos Rios, Ed.D.
Superintendent of Schools

Yanakany Valdez
Chief Financial Officer

RE: Consideration to Adopt the 2018-2019 Ordinance setting the M&O Tax Rate at \$1.159800 and the I&S Tax Rate at \$0.119800 for a total tax rate of \$1.279600.

Texas Education Code section 45.002 and CCG (Legal) states, "The Board may levy, assess, and collect annual ad valorem taxes for the maintenance of the District's schools." "The District shall provide to the county assessor-collector for each county in which all or part of the District territory is located the District's adopted tax rate, maintenance and operations rate, debt rate, effective tax rate, effective maintenance and operations rate, and rollback tax rate for posting on the county's internet website."

On August 12, 2018 a public notice was published in the Del Rio News Herald and included a proposed Tax Rate of \$1.279600 (M&O tax rate of \$1.159800 and I&S of \$0.119800). The date of the public hearing was set for August 20, 2018.

Included is Section 26.05 of the Property Tax Code which provides the steps required for adoption of the tax rate and the statements that must be included in the ordinance to adopt the tax rate.

The Board of Trustees and District Administration have structured the Ordinance setting the M&O tax rate and I&S tax rate to be in compliance with tax code and election law. The fate of the tax ratification election will be decided by district voters on November 6, 2018. In accordance with the state's tax election requirements, the proposal on the ballot mentions only raising the tax for the district's M&O. However, district trustees are lowering the I&S tax rate, which will keep the overall property-tax rate at \$1.1598 as outlined below:

- November 12, 2018 – Regular Board Meeting
 - If the tax rate *is ratified* by the voters, the assessor will calculate the tax imposed, enter the amount of tax in the appraisal roll, and submit it to the school board for approval. The Board of Trustees will then approve an Ordinance setting the tax rate at M&O \$1.159800 and I&S \$0.000000 for a total tax rate of \$1.159800.
 - If voters *do not ratify* the adopted tax rate, the board may not adopt a tax rate that exceeds the rollback rate and will then approve an Ordinance setting the tax rate at M&O \$1.040000 and I&S \$0.119800 for a total tax rate of \$1.159800.
 - The issuance of tax notices will be released until after the election in November.

If you have any questions prior to the meeting, please contact Yanakany Valdez at EXT 4005.

Recommendation:

It is the recommendation of the administration that the Board of Trustees approve the 2018-2019 Ordinance setting the M&O Tax Rate at \$1.159800 and the I&S Tax Rate at \$0.119800 for a total tax rate of \$1.279600.

Respectfully submitted,

Carlos Rios

Carlos Rios, Ed.D.
Superintendent of Schools

Yanakany Valdez

Yanakany Valdez
Chief Financial Officer

ORDINANCE SETTING TAX RATE

August 20, 2018

On this date, we the Board of Trustees of the San Felipe Del Rio Consolidated Independent School District, hereby levy or set the tax rate per \$100 valuation for the District for the tax year 2018 - 2019 at a total tax rate of \$1.279600 to be assessed and collected by the duly specified assessor and collector as follows:

\$1.159800 for the purpose of maintenance and operation, and
\$0.119800 for the purpose of payment of principal and interest on debts.

I move that the property tax rate be increased by the adoption of a tax rate of 1.279600, which is effectively a 29.90 percent increase in the tax rate.

This year's levy to fund maintenance and operations expenditures exceeds last year's maintenance and operations tax levy.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.48 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$119.80.

Such taxes are to be assessed and collected by the tax officials designated by the District.

IN CERTIFICATION THEREOF:

Signed: _____

Raymond P. Meza
Board President

August 20, 2018

Date

Attest: _____

Diana Gonzales
Board Secretary

August 20, 2018

Date

Note: The above ordinance must be referred to in the minutes of the meeting of the Board, which will state that the ordinance was in writing and was acted upon by the Board; will state the rate and purpose for which the tax was levied; and will state the action and vote of the Board. A signed copy of the ordinance should be attached to and incorporated into the minutes.

Truth in Taxation Summary

Texas Property Tax Code Section 26.16

County of Val Verde

| Taxing Entity | Adopted Tax Rate | Maintenance & Operations Rate | Debt Rate | Effective Tax Rate | Effective Maintenance & Operations Rate | Rollback Tax Rate |
|--------------------------------|------------------|-------------------------------|-----------|--------------------|---|-------------------|
| SAN FELIPE DEL RIO CISD | | | | | | |
| Tax Year 2018 | 1.279600 | 1.159800 | 0.119800 | 0.985063 | 1.120786 | 1.153772 |
| Tax Year 2017 | 1.159800 | 1.040000 | 0.119800 | 1.142228 | 1.131375 | 1.168879 |
| Tax Year 2016 | 1.159800 | 1.040000 | 0.119800 | 1.087113 | 1.046810 | 1.165858 |
| Tax Year 2015 | 1.160300 | 1.040000 | 0.120300 | 1.080030 | 1.014937 | 1.165868 |
| Tax Year 2014 | 1.167900 | 1.040000 | 0.127900 | 1.139642 | 1.104559 | 1.175801 |

The county is providing this table of property tax rate information as a service to the residents of the county. Each individual taxing unit is responsible for calculating the property tax rates listed in this table pertaining to that taxing unit and providing that information to the county.

The **adopted tax rate** is the tax rate adopted by the governing body of a taxing unit.

The **maintenance and operations rate** is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the following year.

The **debt rate** is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund the unit's debt service for the following year.

The **effective tax rate** is the tax rate that would generate the same amount of revenue in the current tax year as was generated by a taxing unit's adopted tax rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

The **effective maintenance and operations rate** is the tax rate that would generate the same amount of revenue for maintenance and operations in the current tax year as was generated by a taxing unit's maintenance and operations rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.

The **rollback tax rate** is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. In the case of a taxing unit other than a school district, the voters by petition may require that a rollback election be held if the unit adopts a tax rate in excess of the unit's rollback tax rate. In the case of a school district, an election will automatically be held if the district wishes to adopt a tax rate in excess of the district's rollback tax rate.