

DENTON ISD

DISCUSSION OF CERTIFIED VALUES,
TAX RATE, & CHAPTER 49

August 27, 2024

AGENDA

Timeline

Certified Values

Tax Rate

Chapter 49

TIMELINE OF TAX RATE ADOPTION

July 22, 2024

- Received Certified Values

August 1, 2024

- Deadline to Submit Values to TEA
- Denton ISD Submission – July 25, 2024

August 5, 2024

- Texas Education Agency Assigned Tax Rate for 2024-2025

September 24, 2024

- Board of Trustees Adopt Tax Rate for 2024-2025

CERTIFIED VALUES

SUMMARY OF CERTIFIED VALUES

Total Certified Values
\$30,732,921,616

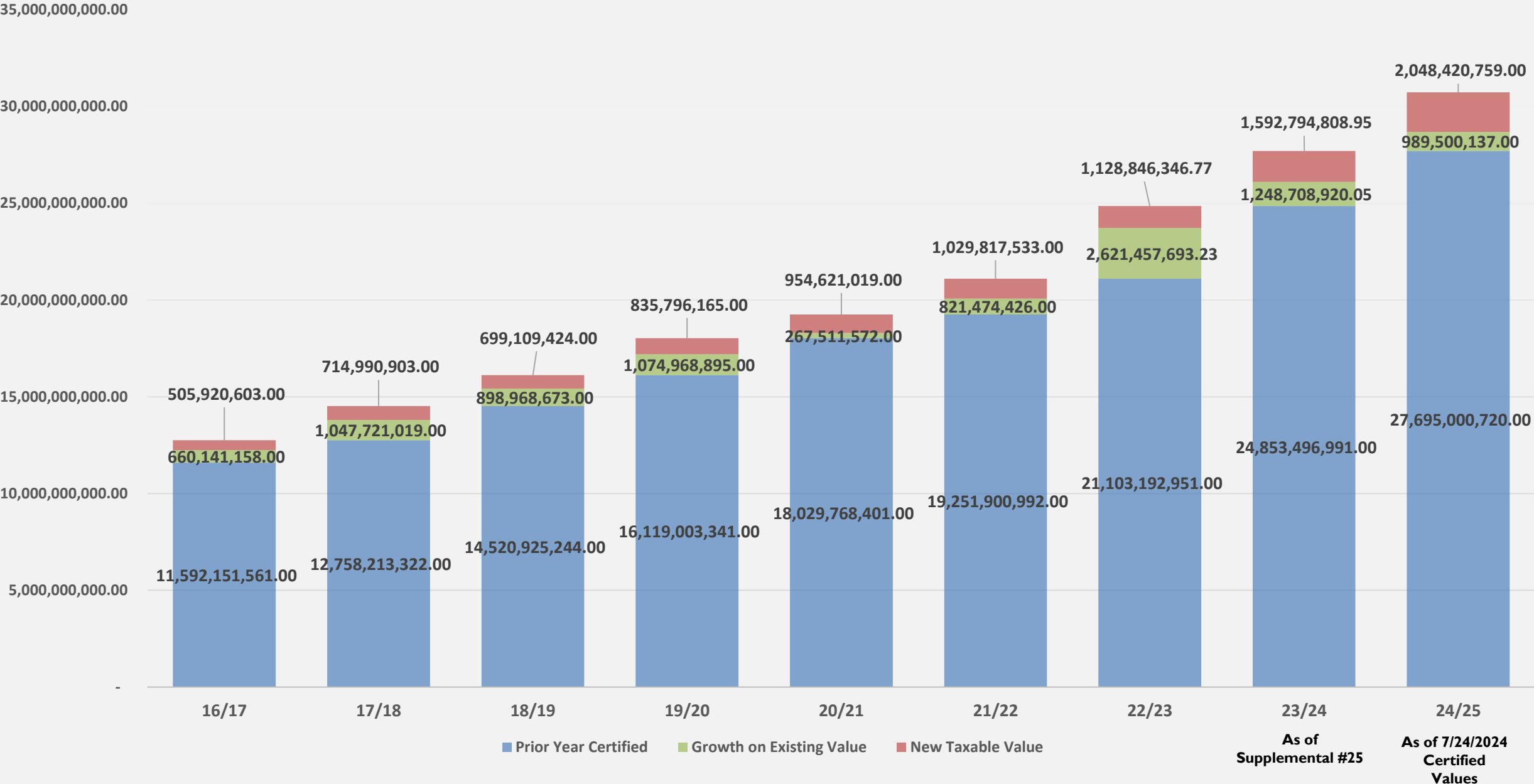
**Base
Taxable
Value**
\$27,695,000,720

**New
Taxable
Value**
\$2,048,420,759

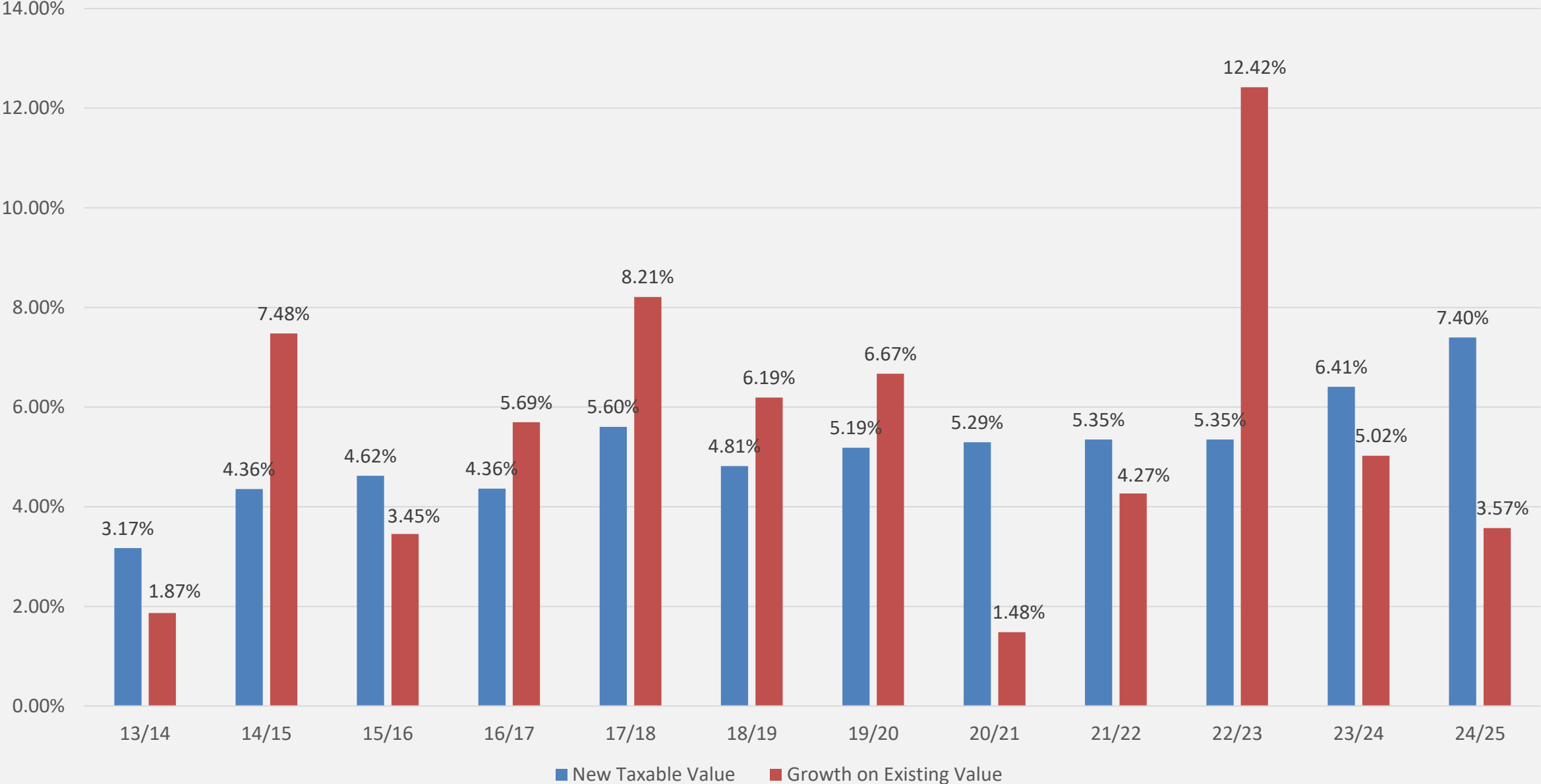
**Value
Growth**
\$989,500,137

% of Value Under Review – 0.69%

DENTON INDEPENDENT SCHOOL DISTRICT PROPERTY VALUE GROWTH OVER PRIOR YEAR CERTIFIED



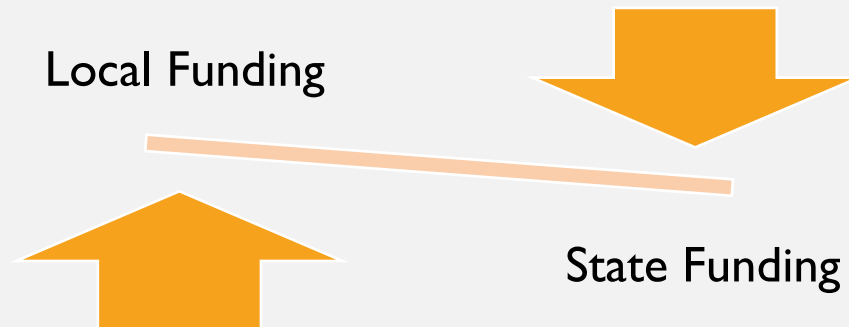
Percentage Growth of New Taxable Value and Existing Value
(Over Prior Year Certified)



PROPERTY VALUE COMPARISON

	Tax Year 2023 Values (2023-2024 Fiscal Year)	2024-2025 Budget	Tax Year 2024 Certified Values (2024-2025 Fiscal Year)
Value	\$27,695,000,720	\$30,464,505,792	\$30,732,921,616
Amount of Increase		\$2,769,505,072	\$3,037,920,896
% Increase		10%	10.97%

Maintenance & Operations – General Fund



MAINTENANCE & OPERATION (M&O) TAX RATE

- TEA assigned a Maximum Compressed Tax Rate (MCR) of \$0.6169 to Denton ISD (Tier 1)
- Tier 2 - \$0.06
- Total M&O Tax Rate - \$0.6769

DEBT
SERVICE
\$0.48

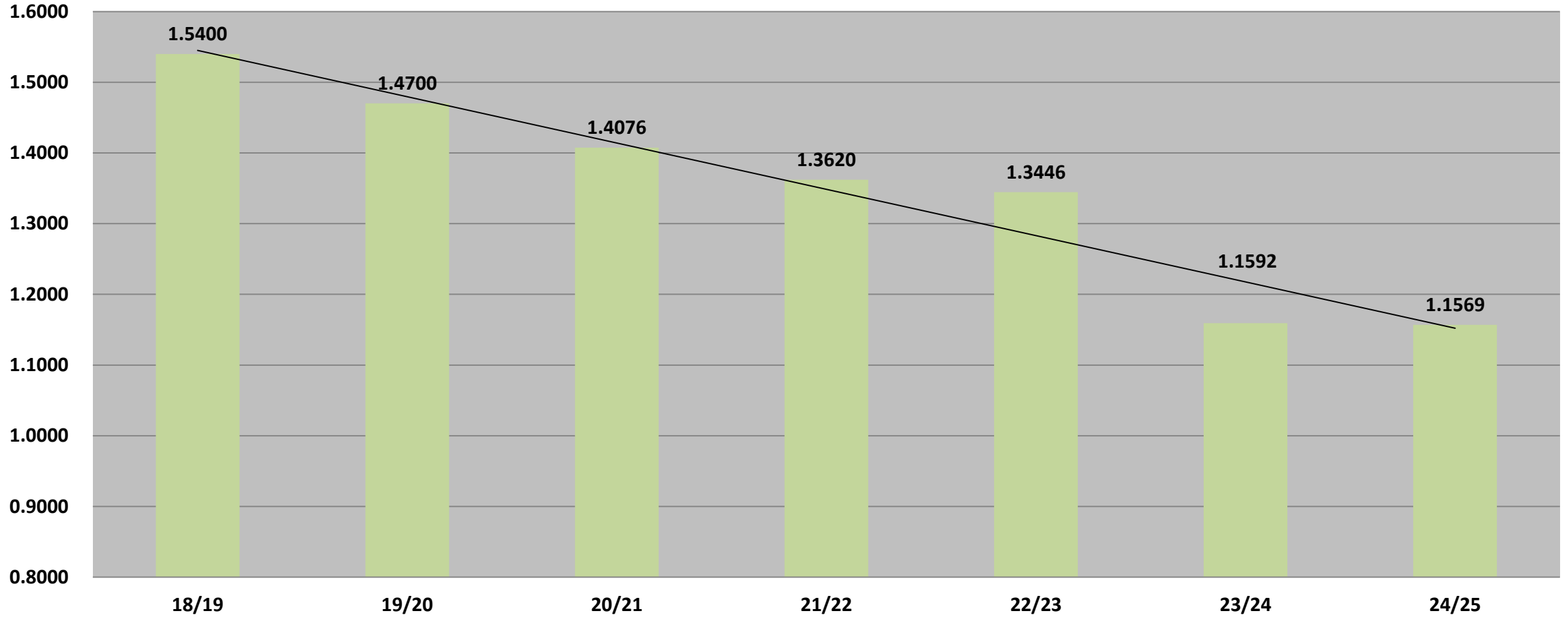
	Adopted Budget @ 10% Growth	Updated Based on Certified Values @ 10.97% Growth	
Property Tax Collections	153,841,328	156,158,573	
Interest Earnings	2,000,000	2,000,000	
Hold Harmless for Homestead Exemption	4,000,000	12,604,388	
Total	159,841,328	170,762,961	10,921,633*

* Opportunity to prepay debt

TAX RATE HISTORY

Budget Year	Maintenance & Operations (Tier 1)	Maintenance & Operations (Tier 2)	Debt Service	Total Tax Rate	Decrease in Tax Rate from Prior Year	Cumulative Decrease over 5 Years
2018-2019	1.00	.06	.48	1.54		
2019-2020	0.93	.06	.48	1.47	(\$0.07)	
2020-2021	0.8676	.06	.48	1.4076	(\$0.0624)	
2021-2022	0.8220	.06	.48	1.3620	(\$0.0456)	
2022-2023	.8046	.06	.48	1.3446	(\$0.0174)	
2023-2024	.6192	.06	.48	1.1592	(\$0.1854)	
2024-2025	.6169	.06	.48	1.1569	(\$0.0023)	(\$0.3831)

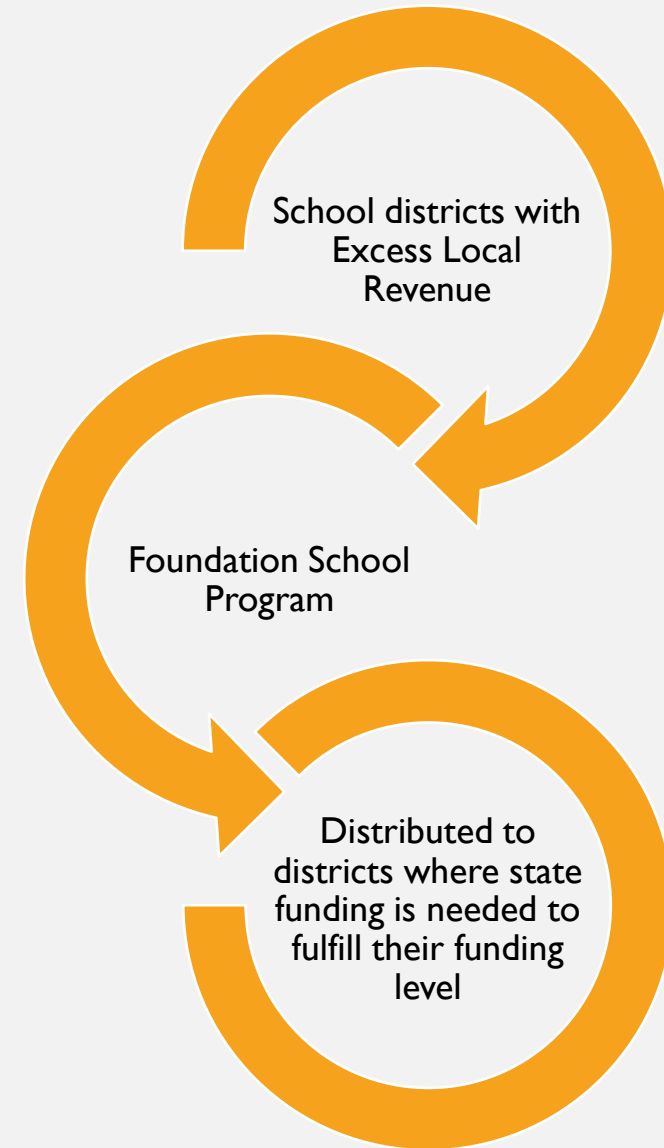
Denton Independent School District History of Total Tax Rate



DISCUSSION OF
CHAPTER 49
(EXCESS LOCAL
REVENUE
OR
RECAPTURE)

WHAT IS EXCESS LOCAL REVENUE?

- Districts with local revenue that exceed the levels in Texas Education Code Chapter 48 are subject to the provisions in Texas Education Code Chapter 49.
- Districts with excess local revenue pay funds into the Foundation School Program for distribution to other districts.
- The funds that are distributed by districts with local revenue in excess of entitlement are **recaptured** by the TEA to assist with the financing of public education for all school districts.



PROCESS OF CHAPTER 49

- Notified annually on July 15th
 - Calculations use an estimated property value increase and an estimated tax rate
 - If there is a possibility that a district could owe recapture at the end of the year, they are notified.
- Denton ISD is projected to owe \$0.

OPTIONS

Consolidation with another district as provided by Subchapter B;

Detachment of territory as provided by Subchapter C;

Purchase of average daily attendance credit as provided by Subchapter D;

Education of nonresident students as provided by Subchapter E; and/or

Tax base consolidation with another district as provided by Subchapter F.

Cannot set tax rate until district selection and agreement are filed with the Texas Education Agency; must be submitted by September 1st

QUESTIONS?