

Certification of Appraisal Roll, Collection Rate, And Rollback Tax Rates

September 11, 2018

SUMMARY:

This item requests approval of the certified appraisal roll, the collection rate, and confirmation of the District's rollback tax rate.

PREVIOUS BOARD ACTION:

This item is routinely acted upon each year. For the 2017-2018 school year, this item was approved at the September 26, 2017 board meeting. The 2018-2019 contract with Denton County was approved on July 24, 2018.

BACKGROUND INFORMATION:

The Board reviewed preliminary values for the 2018-2019 school year as part of its budget presentations. These preliminary values are subject to change after the appraisal district conducts its appraisal review board hearings. The certified values were due to entities by July 25, 2018. The appraisal roll, as presented by the Denton Central Appraisal District, must then be approved by the Board of Trustees.

The certified collection rate is used in the tax rate calculations. The District routinely recommends a 100% collection rate since overall collections generally range around this figure. A district may not certify a collection rate greater than 100%.

The District must authorize someone to calculate and certify the District's rollback tax rate. For the past few years, this has been the Denton County Tax Assessor/Collector. Provision for this function was included in the tax collection contract with the county that was approved by the Board and signed on July 24, 2018.

SIGNIFICANT ISSUES:

The certified appraisal roll freeze adjusted taxable value for the 2018-2019 school year is \$15,603,467,084. The appraisal roll under review freeze adjusted taxable value is \$515,536,257 for a total of \$16,119,003,341. This represents a 11.01% increase or an increase of \$1,598,078,097 in value for the upcoming year.

FISCAL IMPLICATIONS:

Approval of the appraisal roll will allow the District to begin its process of taxation by having an official roll upon which it can levy taxes.

The M & O portion of the rollback tax rate allows school districts to add four cents to the lesser of the current year's compressed operating tax rate or the effective M & O rate to generate operating funds. School districts may also add any additional cents approved by voters during a 2006 or later rollback election. District voters approved an additional two cents with a Tax Ratification Election on September 9, 2017. The debt service rate portion is the tax rate necessary to pay the school's debt payments in the coming year. The 2018 rollback rate is \$1.54.

The notice of public meeting to discuss budget and proposed tax rate was published timely prior to the approval of the budget. The notice does not require a second publication unless the tax rate will be set to exceed the amounts published. The rates that were published are the proposed rates of \$1.06 for M & O and \$.48 for Debt Service.

SUPERINTENDENT'S RECOMMENDATION:

Approve the 2018 Certified Appraisal Roll, tax collection rate at 100%, and confirm the rollback tax rate of \$1.54.

STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Assistant Superintendent of Administrative Services
Jennifer Stewart, Director of Budget

ATTACHMENT:

- Letters of Approval and Certification
- Certification of 2018 Roll
- Order Approving Appraisal Records For 2018
- Order Approving 2017 and Prior Year Supplemental Roll
- Certification of 2018 and Prior Year Supplemental Roll
- 2018 Certified Totals
- 2018 Effective and Rollback Tax Rate Worksheets
- Notice of Public Meeting to Discuss Budget and Proposed Tax Rate

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Comments: _____

Signature of Divisional Leader: _____

Comments: _____

Signature of Superintendent: _____

Comments: _____