



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: August 27, 2019

AGENDA ITEM: Consider Approval of Adoption of Tax Rate for the 2019-2020 Fiscal Year

PRESENTER: Earl Husfeld, Chief Financial Officer

BACKGROUND INFORMATION:

- After adoption of the fiscal year budget, the Board of Trustees must adopt a tax rate through the adoption of an ordinance, resolution, or order.
- The tax rate consists of two components, Maintenance and Operations (M&O) and Interest and Sinking (I&S).
- The following ordinance provides for the levying and assessing of ad valorem taxes for the Aledo Independent School District for tax year 2019.
- The ordinance establishes a total tax rate of \$1.4933 per one hundred dollars of value, with \$1.0683 being allocated to the General Fund (M&O) and \$0.4250 allocated to the Debt Service Fund (I&S).
- The proposed total tax rate of \$1.4933 is the tax rate needed to fund the 2019-2020 fiscal year budget approved by the Board of Trustees during the meeting this evening.
- The proposed tax rate of \$1.4933 is a decrease of \$0.1017 from the 2018 tax rate of \$1.5950.
- Although the proposed tax rate of \$1.4933 is actually \$0.1017 less than the 2018 tax rate, state law requires that the motion for the adoption of the tax rate states that the 2019 proposed tax rate is a 4.04 percent “increase” in the tax rate. See the wording of the recommendation below.

FISCAL INFORMATION:

The proposed tax rate is the tax rate needed to fund the 2019-2020 fiscal year budget.

ATTACHMENTS:

An Ordinance Levying and Assessing Ad Valorem Taxes for the Aledo Independent School District for the 2019 Tax Year

ADMINISTRATIVE RECOMMENDATION:

The Administration recommends the Board of Trustees move that the property tax rate be increased by the adoption of a tax rate of \$1.4933, which is effectively a 4.04 percent increase in the tax rate and adopt the following ordinance levying and assessing ad valorem taxes for the Aledo Independent School District for the 2019 tax year. This ordinance sets the 2019 total tax rate at \$1.4933 per one hundred dollars of valuation, of which \$1.0683 is allocated to the General Fund and \$0.4250 is allocated to the Debt Service Fund.

**AN ORDINANCE LEVYING AND
ASSESSING AD VALOREM TAXES FOR THE
ALEDO INDEPENDENT SCHOOL DISTRICT
FOR THE 2019 TAX YEAR**

Whereas, the Board of Trustees of the Aledo Independent School District hereby levies and adopts a tax rate on each one hundred dollars (\$100.00) of assessed valuation on all property, real and personal, situated in the Aledo Independent School District for tax year 2019, except such property as may be exempt from taxation by the Constitution and Statues of the State of Texas, and policies of the Aledo Independent School District; and,

Whereas, the Board of Trustees of the Aledo Independent School District has adopted the 2019-2020 fiscal year budget for the General Fund; and,

Whereas, the Board of Trustees of the Aledo Independent School District has also adopted the 2019-2020 fiscal year budget for the Debt Service Fund, which provides for the repayment of principal, interest, and fees on bonded indebtedness of the District; and,

Whereas, the total tax rate proposed to fund these budgets is less than the voter-approval rate for the 2019-2020 fiscal year; and,

Whereas, all required notices and advertisements relating to the adoption of the tax rates have been posted and printed; and,

Whereas, this meeting has been duly posted for more than 72 hours; therefore,

BE IT RESOLVED AND ORDAINED, the Board of Trustees of the Aledo Independent School District does hereby adopt the tax rates for the local taxes to fund the General Fund budget and the Debt Service Fund budget as follows:

Maintenance and Operations Tax Rate	\$ 1.0683
Interest and Sinking Tax Rate	\$ <u>0.4250</u>
Total Tax Rate	\$ <u>1.4933</u>

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

This vote being taken on the 27th day of August 2019, received a recorded vote of _____ AYES and _____ NAYS.

APPROVED:

ATTEST:

President, Board of Trustees

Secretary, Board of Trustees