

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

September 13, 2016

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 2015-2016 school year, this item was approved at the September 8, 2015 board meeting. The 2016-2017 contract with Denton County was approved on July 26, 2016.

BACKGROUND INFORMATION:

The Board reviewed preliminary values for the 2016-2017 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 22, 2016. 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 26, 2016.

SIGNIFICANT ISSUES:

The certified appraisal roll freeze adjusted taxable value for the 2016-2017 school year is \$12,381,100,896. The appraisal roll under review freeze adjusted taxable value is \$377,112,426 for a total of \$12,758,213,322. This represents a 10.06% increase or an increase of \$1,166,061,761 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. The debt service rate portion is the tax rate necessary to pay the school's debt payments in the coming year. The 2016 rollback rate is \$1.5401.

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 \$1.04 for M & O and \$.50 for Debt Service.

BENEFIT OF ACTION:

Passage will allow the District to set its tax rate and determine final budget expenditures for 2016-2017.

PROCEDURAL AND REPORTING IMPLICATIONS:

None

SUPERINTENDENT'S RECOMMENDATION:

Approve the 2016 Certified Appraisal Roll, tax collection rate at 100%, and confirm the rollback tax rate of \$1.5401.

STAFF PERSONS RESPONSIBLE:

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

ATTACHMENT:

Letters of Approval and Certification
Order Approving Appraisal Records For 2016
Order Approving 2015 and Prior Year Supplemental Roll
Certification for 2016 and Prior Year Supplemental Roll
Certification of 2015 and Prior Year Supplemental Roll
2016 Certified Totals
2016 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: _____