



ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: August 23, 2021

AGENDA ITEM: Public Hearing to Discuss 2021-2022 Budget and Proposed Tax Rate

PRESENTER: Earl Husfeld, Chief Financial Officer

BACKGROUND INFORMATION:

- Prior to the adoption of the 2021-2022 fiscal year budget, the Board of Trustees is required to conduct a public meeting to discuss the budget and proposed tax rate during which any taxpayer of the District may be present and participate in the meeting.
- It would be appropriate for the President of the Board of Trustees to introduce this agenda item, allow Dr. Bohn and Mr. Husfeld to make some brief remarks and/or explanations about the budget, and then the President may solicit input and questions from the audience.
- A copy of the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate that was published in *The Community News* is provided for your information and review.

FISCAL INFORMATION:

None

ATTACHMENTS:

Notice of Public Meeting to Discuss Budget and Proposed Tax Rate

ADMINISTRATIVE RECOMMENDATION:

None – Informational Report

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The Aledo Independent School District will hold a public meeting at 6:00 PM, August 23, 2021 in the Board Room of the Administration Building, 1008 Bailey Ranch Road, Aledo, Texas 76008. **The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$0.967900/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax	\$0.425000/\$100 (proposed rate to pay bonded indebtedness)
Approved by Local Voters	

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories.

Maintenance and operations	4.35 % increase
Debt Service	11.83 % increase
Total expenditures	5.99 % increase

Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)

	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>
Total appraised value* of all property	\$5,739,080,136	\$6,479,040,336
Total appraised value* of new property**	\$218,073,693	\$241,435,912
Total taxable value*** of all property	\$4,315,409,502	\$4,893,948,784
Total taxable value*** of new property**	\$218,073,693	\$241,435,912

*Appraised value is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

** "New property" is defined by Section 26.012(17), Tax Code.

*** "Taxable value" is defined by Section 1.04(10), Tax Code.

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness* \$278,389,289

*Outstanding principal.

Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance & Operations</u>	<u>Interest & Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
Last Year's Rate	\$1.054700	\$0.425000*	\$1.479700	\$9,516	\$1,978
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$1.090300	\$0.433590*	\$1.523890	\$9,257	\$2,126
Proposed Rate	\$0.967900	\$0.425000*	\$1.392900	\$9,434	\$2,192

*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both.

The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

Comparison of Proposed Levy with Last Year's Levy on Average Residence

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$363,927	\$416,275
Average Taxable Value of Residences	\$331,533	\$371,452
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.479700	\$1.392900
Taxes Due on Average Residence	\$4,905.69	\$5,173.95
Increase (Decrease) in Taxes		\$268.26

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.439251. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$1.439251.

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment.

Maintenance and Operations Fund Balance(s)	\$22,071,116
Interest & Sinking Fund Balance(s)	\$2,993,804

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying

the district's debt service.