

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The RED OAK ISD will hold a public meeting at 6:30 PM 06/21/2021 in Red Oak ISD Board Room, 109 W Red Oak Rd, Red Oak, TX. **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 | \$0.96030 /\$100 (Proposed rate for maintenance and operations) |
| School Debt Service Tax Approved by Local Voters | \$0.36530 /\$100 (Proposed rate to pay bonded indebtedness) |

| <u>Comparison of Proposed Budget with Last Year's Budget</u> | | |
|---|--------------------------|--------------|
| 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 | 2.480000% (increase) or | % (decrease) |
| Debt service | 22.170000% (increase) or | % (decrease) |
| Total expenditures | 4.600000% (increase) or | % (decrease) |

| <u>Total Appraised Value and Total Taxable Value</u> (as calculated under section 26.04, Tax Code) | | |
|---|--------------------|------------------|
| | Preceding Tax Year | Current Tax Year |
| Total appraised value* of all property | \$3,100,802,198 | \$3,659,027,914 |
| Total appraised value* of new property** | \$133,831,740 | \$185,732,340 |
| Total taxable value*** of all property | \$2,388,581,072 | \$2,826,968,494 |
| Total taxable value*** of new property** | \$118,407,257 | \$181,691,295 |

* "Appraised value" is the amount shown on the appraisal roll and defined by Tax Code Section 1.04(8).
 ** "New property" is defined by Tax Code Section 26.012(17).
 *** "Taxable value" is defined by Tax Code Section 1.04(10).

| <u>Bonded Indebtedness</u> | |
|---|--------------|
| Total amount of outstanding and unpaid bonded indebtedness: | \$93,255,000 |

* Outstanding principal

| <u>Comparison of Proposed Rates with Last Year's Rates</u> | | | | | |
|---|-------------------------------------|-------------------------------------|--------------|----------------------------------|----------------------------------|
| | <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 | \$0.99390 | \$0.36530* | \$1.35920 | \$5,225 | \$5,947 |
| Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service | \$0.90672 | \$0.35822* | \$1.26494 | \$5,762 | \$5,628 |
| Proposed Rate | \$0.96030 | \$0.36530* | \$1.32560 | \$5,720 | \$5,670 |

* 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 | \$232,116 | \$256,803 |
| Average Taxable Value of Residences | \$197,202 | \$213,978 |
| Last Year's Rate Versus Proposed Rate per \$100 Value | \$1.35920 | \$1.32853 |
| Taxes Due on Average Residence | \$2,680.37 | \$2,842.76 |
| Increase (Decrease) in Taxes | | \$162.39 |

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 1.3592. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of 1.3592.

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) | \$21,267,399 |
| Interest & Sinking Fund Balance(s) | \$6,929,244 |

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.

**RED OAK INDEPENDENT SCHOOL DISTRICT
Budget Summary Report**

| | 2020-2021 Amended Budget | | | | | 2021-2022 Proposed Budget | | | | |
|---|--------------------------|-----------------------------|------------------------|----------------------------------|---------------------|---------------------------|-----------------------------|------------------------|----------------------------------|---------------------|
| | 199 General Fund | 240 Student Nutrition | 599 Debt Service | Total Board Approved Funds | Cost per Student | 199 General Fund | 240 Student Nutrition | 599 Debt Service | Total Board Approved Funds | Cost per Student |
| REVENUES | | | | | | | | | | |
| Local Sources (Tax Levy) | \$ 21,598,866 | \$ - | \$ 8,065,382 | \$ 29,664,248 | \$ 5,194 | \$ 24,615,035 | \$ - | \$ 9,336,870 | \$ 33,951,905 | \$ 5,720 |
| Local Sources (Other) | 2,098,948 | 1,297,500 | 90,000 | 3,486,448 | 610 | 2,083,448 | 848,500 | 90,000 | 3,021,948 | 509 |
| State Sources | 35,242,089 | 10,000 | 239,183 | 35,491,272 | 6,215 | 33,513,348 | 15,000 | 239,184 | 33,767,532 | 5,689 |
| State Sources (On-Behalf) | 2,931,473 | 35,341 | - | 2,966,814 | 520 | 3,217,265 | 65,000 | - | 3,282,265 | 553 |
| Federal Sources | 950,000 | 1,210,000 | - | 2,160,000 | 378 | 950,000 | 1,710,205 | - | 2,660,205 | 448 |
| REVENUE TOTAL | \$ 62,821,376 | \$ 2,552,841 | \$ 8,394,565 | \$ 73,768,782 | \$ 12,917 | \$ 64,379,096 | \$ 2,638,705 | \$ 9,666,054 | \$ 76,683,855 | \$ 12,918 |
| EXPENDITURES | | | | | | | | | | |
| <u>Instruction</u> | | | | | | | | | | |
| 11 Instructional | \$ 31,377,042 | \$ - | \$ - | \$ 31,377,042 | \$ 5,494 | \$ 32,249,522 | \$ - | \$ - | \$ 32,249,522 | \$ 5,433 |
| 12 Instructional Resources & Media Services | 889,065 | - | - | 889,065 | 156 | 949,806 | - | - | 949,806 | 160 |
| 13 Curriculum & Instructional Staff Development | 1,582,605 | - | - | 1,582,605 | 277 | 1,628,887 | - | - | 1,628,887 | 274 |
| Subtotal | 33,848,712 | - | - | 33,848,712 | 5,927 | 34,828,215 | - | - | 34,828,215 | 5,867 |
| <u>Instructional Support</u> | | | | | | | | | | |
| 21 Instructional Leadership | 838,392 | - | - | 838,392 | 147 | 927,610 | - | - | 927,610 | 156 |
| 23 School Leadership | 3,462,564 | - | - | 3,462,564 | 606 | 3,768,798 | - | - | 3,768,798 | 635 |
| 31 Guidance, Counseling & Evaluation Services | 2,552,797 | - | - | 2,552,797 | 447 | 2,634,158 | - | - | 2,634,158 | 444 |
| 32 Social Services | 120,820 | - | - | 120,820 | 21 | 121,483 | - | - | 121,483 | 20 |
| 33 Health Services | 738,027 | - | - | 738,027 | 129 | 803,254 | - | - | 803,254 | 135 |
| 36 Co-Curricular/Extracurricular Activities | 2,407,321 | - | - | 2,407,321 | 422 | 2,418,606 | - | - | 2,418,606 | 407 |
| Subtotal | 10,119,921 | - | - | 10,119,921 | 1,772 | 10,673,909 | - | - | 10,673,909 | 1,798 |
| <u>Central Administration</u> | | | | | | | | | | |
| 41 General Administration | 2,703,338 | - | - | 2,703,338 | 473 | 2,766,320 | - | - | 2,766,320 | 466 |
| <u>District Operations</u> | | | | | | | | | | |
| 34 Student Transportation | 3,014,290 | - | - | 3,014,290 | 528 | 3,258,420 | - | - | 3,258,420 | 549 |
| 35 Student Nutrition | - | 2,552,841 | - | 2,552,841 | 447 | - | 2,638,705 | - | 2,638,705 | 445 |
| 51 Plant Maintenance & Operations | 6,936,516 | - | - | 6,936,516 | 1,215 | 7,250,881 | - | - | 7,250,881 | 1,222 |
| 52 Security & Monitoring Services | 1,211,599 | - | - | 1,211,599 | 212 | 1,072,691 | - | - | 1,072,691 | 181 |
| 53 Data Processing Services | 1,503,028 | - | - | 1,503,028 | 263 | 1,584,562 | - | - | 1,584,562 | 267 |
| Subtotal | 12,665,433 | 2,552,841 | - | 15,218,274 | 2,665 | 13,166,554 | 2,638,705 | - | 15,805,259 | 2,663 |
| <u>Debt Service</u> | | | | | | | | | | |
| 71 Debt Services | 475,000 | - | 7,757,479 | 8,232,479 | 1,442 | 475,000 | - | 9,477,054 | 9,952,054 | 1,677 |
| <u>Other</u> | | | | | | | | | | |
| 61 Community Services | 1,938,972 | - | - | 1,938,972 | 340 | 1,992,670 | - | - | 1,992,670 | 336 |
| 81 Facilities Acquisition & Construction | 850,000 | - | - | 850,000 | 149 | 256,428 | - | - | 256,428 | 43 |
| 99 Other Intergovernmental Charges | 220,000 | - | - | 220,000 | 39 | 220,000 | - | - | 220,000 | 37 |
| Subtotal | 3,008,972 | - | - | 3,008,972 | 527 | 2,469,098 | - | - | 2,469,098 | 416 |
| EXPENDITURE TOTAL | \$ 62,821,376 | \$ 2,552,841 | \$ 7,757,479 | \$ 73,131,696 | \$ 12,806 | \$ 64,379,096 | \$ 2,638,705 | \$ 9,477,054 | \$ 76,494,855 | \$ 12,887 |
| Surplus/(Deficit) | \$ - | \$ - | \$ 637,086 | \$ 637,086 | \$ 112 | \$ - | \$ - | \$ 189,000 | \$ 189,000 | \$ 32 |