



**SOUTH TEXAS  
COLLEGE**

*In the making...*

# **Board of Trustees**

**Public Hearing and  
Special Board Meeting on  
Proposed 2015 Tax Rate**

**Thursday, September 10, 2015  
5:30 p.m.**

**Pecan Campus  
Ann Richards Administration Building  
Board Room  
McAllen**

**Online Board Packet**

SOUTH TEXAS COLLEGE  
BOARD OF TRUSTEES PUBLIC HEARING AND  
SPECIAL BOARD MEETING ON PROPOSED 2015 TAX RATE  
Thursday, September 10, 2015 @ 5:30 p.m.  
Ann Richards Administration Building Board Room, Pecan Campus  
McAllen, Texas

**AGENDA**

“At anytime during the course of this meeting, the Board of Trustees may retire to Executive Session under Texas Government Code 551.071(2) to confer with its legal counsel on any subject matter on this agenda in which the duty of the attorney to the Board of Trustees under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code. Further, at anytime during the course of this meeting, the Board of Trustees may retire to Executive Session to deliberate on any subject slated for discussion at this meeting, as may be permitted under one or more of the exceptions to the Open Meetings Act set forth in Title 5, Subtitle A, Chapter 551, Subchapter D of the Texas Government Code.”

I. Call Meeting to Order

II. Determination of Quorum

III. Public Hearing:

- Presentation on South Texas College Proposed 2015 Tax Rate
- Public Comments
- Close of Public Hearing on the Proposed 2015 Tax Rate

IV. Informational Items

- There will be a 2<sup>nd</sup> Public Hearing on the Proposed 2015 Tax Rate on Thursday, September 17, 2015 at 5:30 p.m., Ann Richards Administration Building Board Room, McAllen, Texas
- The South Texas College Board of Trustees will vote on the Proposed 2015 Tax Rate at its Regular Meeting on Tuesday, September 22, 2015 at 5:30 p.m., Ann Richards Administration Building Board Room, McAllen, Texas

V. Adjournment

## Presentation on South Texas College Proposed 2015 Tax Rate

Mrs. Mary Elizondo, Vice President for Finance and Administrative Services, will provide a presentation on the proposed 2015 Tax Rate for South Texas College to the public and Board of Trustees.

Chapter 26 of the Property Tax Code requires taxing units to comply with truth-in-taxation laws in adopting the tax rate. The laws have two purposes: to make taxpayers aware of tax rate proposals and to allow taxpayers, in certain cases, to rollback or limit a tax increase. The truth-in-taxation requires a taxing unit to calculate two (2) tax rates after receiving the certified appraisal roll from the chief appraiser the effective tax rate and the rollback tax rate.

Comparing a proposed a rate to these two (2) rates determines which truth-in-taxation steps apply. A taxing unit must publish special notices and hold two public hearings before adopting a tax rate that exceeds the lower of the effective tax rate or the rollback tax rate.

The notice concerning the 2015 Property Tax Rate and the Notice of Public Hearing on Tax Increase have been published in accordance with the Truth-In-Taxation requirements in the Monitor and the Starr County and Mid Valley Town Crier. Attached are copies of the Proposed 2014 Tax Presentation, 2015 Property Tax Rates, the Notice of Public Hearing on Tax Increase, and the Notice of Tax Revenue Increase for your information and review.

The tax rate for 2014 Tax Year was as follows:

<b>2014 Tax Rate</b>			
	<b>M &amp; O Rate</b>	<b>Debt Rate</b>	<b>Rate</b>
2014 Tax Rate	\$0.1400	\$0.0450	\$0.1850

The Tax Assessors for Hidalgo County and Starr County determined South Texas College's tax rates to be the following:

<b>2015 Tax Rates</b>				
	<b>M&amp;O Rate</b>	<b>Debt Rate</b>	<b>Rate</b>	<b>Revenue</b>
Effective Tax Rate	-0-	-0-	\$0.1789	\$57,033,907
Rollback Tax Rate	\$0.1462	\$0.0450	\$0.1912	\$60,658,334
<b><i>Proposed Tax Rate</i></b>	<b><i>\$0.1400</i></b>	<b><i>\$0.0450</i></b>	<b><i>\$0.1850</i></b>	<b><i>\$58,831,387</i></b>

### **Determination of Tax Rates (M&O Rate and Debt Rate)**

The proposed maintenance and operations (M&O) tax rate of \$0.1400 is the maximum rate that the College can adopt as approved by the voters on November 5, 2013.

The proposed debt rate of \$0.0450 is the amount necessary to fully fund all the debt service payments, including the LT Bond, Series 2014 and Series 2015. The College will maintain the FY 2014-2015 debt rate of \$0.0450.

### **Public Hearings Prior to Adoption of the Proposed 2015 Tax Rate**

STC is required to hold two public hearings and publish special notices before adopting the proposed tax rate of \$0.1850 since this rate exceeds the lower of the effective tax rate or the rollback tax rate. At the August 25, 2015 Board of Trustees meeting, the Board of Trustees took a record vote and scheduled the two public hearings for the proposed tax rate of \$0.1850.

**First Public Hearing**

The first Public Hearing on the Proposed 2015 Tax Rate was scheduled for Thursday, September 10, 2015 @ 5:30 p.m. and special notices were published in accordance with state law.

**Second Public Hearing**

The second Public Hearing on the Proposed 2015 Tax Rate was scheduled for Thursday, September 17, 2015 @ 5:30 p.m. and special notices were published in accordance with state law.

**Regular Board Meeting**

The Board of Trustees of South Texas College is scheduled to take action on the proposed tax rate at a public meeting to be held on September 22, 2015 at South Texas College, Board Room, Annex Bldg., 2<sup>nd</sup> Floor, 3201 W. Pecan, McAllen, Texas at 5:30 PM.

No action is request of the Board at this time.

# Proposed 2015 Tax Rate



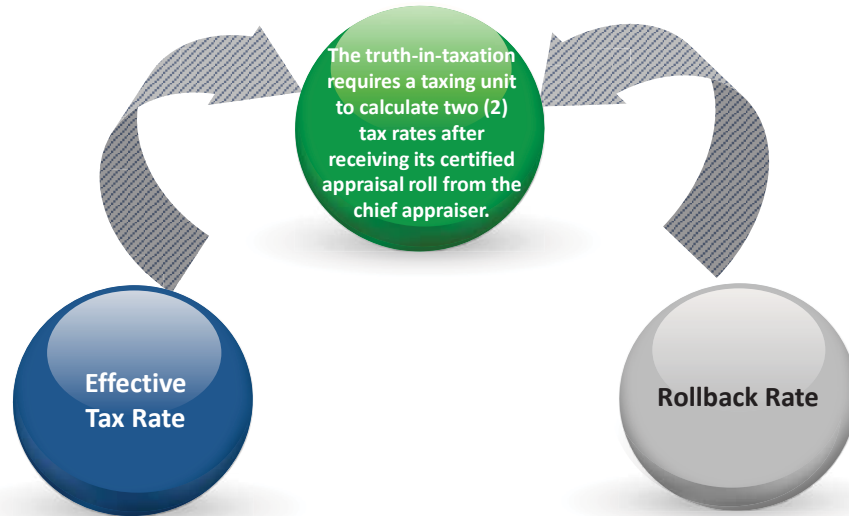
## Proposed Tax Rate



Chapter 26 of the Property Tax Code requires taxing units to comply with truth-in-taxation laws in adopting the tax rate.

Truth in taxation is designed to inform the public of increases in total tax revenues assessed by taxing units.

## Proposed Tax Rate



## Tax Rate Calculations

	M&O Rate	Debt Rate	Rate	Revenue
Effective Tax Rate			\$0.1789	\$57,033,907
Rollback Tax Rate	\$0.1462	\$0.0450	\$0.1912	\$60,658,334
<b>Proposed Tax Rate</b>	<b>\$0.1400</b>	<b>\$0.0450</b>	<b>\$0.1850</b>	<b>\$58,831,387</b>

## Proposed Tax Rate: \$0.1850



The College is required to hold two public hearings and publish special notices before adopting the proposed tax rate since the proposed rate (\$0.1850):

- Exceeds the lower of the effective tax rate of (\$0.1789) or;
- The rollback tax rate of (\$0.1912)

## Action on Proposed Tax Rate



Notice of Public Hearing on Tax Increase is published at least 7 days before public hearing - September 2, 2015



1<sup>st</sup> Public Hearing - September 10, 2015



Notice of Tax Revenue Increase published before meeting to adopt tax rate at least 7 days before meeting - September 16, 2015



## Action on Proposed Tax Rate

### Public Hearing

2<sup>nd</sup> Public Hearing  
(may not be earlier  
than 3 days after 1st  
Public Hearing) -  
September 17, 2015



Schedule and  
announce meeting to  
adopt tax rate 3 to 14  
days from this date -  
September 17, 2015



Meeting to adopt tax  
rate. Meeting is 3 to  
14 days after 2<sup>nd</sup>  
Public Hearing -  
September 22, 2015



# Thank You Questions?



SOUTH TEXAS  
COLLEGE