

***** PUBLIC HEARING *****

The Mexico School District No. 59 (District) will conduct a public hearing Tuesday, August 18, 2020 at 7:00 p.m., at the Board of Education office, 2101 Lakeview Road, Mexico, Missouri for the purpose of setting the 2019 tax levy rates.

There are several components to the District tax levy, including:

- Maximum operations tax rate
- Operations tax rate ceiling
- Unadjusted levy
- Voluntary rollback, if any
- Adjusted levy
- Debt service maximum tax rate
- Actual operations and debt service levies set.

Each year the District's tax rates may increase or decrease due to Missouri constitutional and statutory provisions. The levy is computed and approved on forms provided by the State Auditor's office.

School district tax levy rates are expressed in dollars and cents per one hundred dollars assessed valuation. For numerous years, the District has set no tax levy rate in the Special Revenue Fund.

Operations:

The operations tax rate is divided into three funds; the General Fund, the Special Revenue (Teachers') Fund and the Capital Projects Fund.

The maximum operations tax rate to be levied is the highest tax rate voted by the patrons. For Mexico, this rate is \$3.75.

The tax rate ceiling for operations is recalculated each year based on changes to the District's assessed valuation and the amount collected on state assessed property. This year's ceiling is \$3.669 per \$100 assessed valuation.

The tax rate ceiling is reduced by the Proposition C rollback (only applies to districts which do not have a patron approved Proposition C rollback Waiver) and any voluntary rollback. There have been no voluntary rollbacks in the operations levy rate. The Proposition C rollback uses half of the one-half cent sales tax for education to reduce operations property tax rates. There will be no Proposition C rollback due to the voter approved Proposition C Rollback Waiver passed in November 2011.

The thrust of the Hancock Amendment to the Missouri Constitution is that public schools may not generate more property tax than the preceding year, except for:

- Inflation (limited to CPI, but may not exceed 5%)
- New construction
- Voter approved revenue increases

Debt Service Fund:

The maximum tax rate for debt service is computed annually. For 2020 the District will meet its principal and interest obligations on outstanding bonds by making the current Debt Service Fund tax levy rate \$.8691.

Recent tax levy rate history:

	<u>Operations Ceiling</u>	<u>Operations Adjusted Levy</u>	<u>Debt Service Fund Levy</u>	<u>Total</u>
2013	\$3.4043	\$3.3243	\$.5877	\$3.9920
2014	\$3.4101	\$3.3301	\$.5877	\$3.9978
2015	\$3.3847	\$3.3047	\$.5877	\$4.2647
2016	\$3.5287	\$3.4487	\$.8800	\$4.4087
2017	\$3.4764	\$3.3964	\$.9323	\$4.4087
2018	\$3.5396	\$3.4596	\$.8691	\$4.4087
2019	\$3.5914	\$3.5114	\$.8691	\$4.4605

Recommendation:

	<u>Adjusted Tax Levy Rate</u>
Incidental Fund	\$3.5894
Special Revenue Fund	-0-
Capital Projects Fund	<u>.0800</u>
Subtotal for operations	3.6694
Debt Service Fund	<u>.8691</u>
Total	\$4.5385