



**SPECIAL BOARD MEETING
PUBLIC HEARING ON PROPOSED TAX INCREASE OF THE
BOARD OF TRUSTEES
REQUIRED BY TEXAS TAX CODE SECTION 26.06 WILL BE HELD**

**TUESDAY, SEPTEMBER 10, 2024
5:30 PM**

**Alamo Colleges District
Dr. Bruce H. Leslie Board Room
2222 N. Alamo St.
San Antonio, TX 78215**

NOTICE IS HEREBY GIVEN THAT A SPECIAL BOARD MEETING AND PUBLIC HEARING OF THE BOARD OF TRUSTEES OF THE ALAMO COMMUNITY COLLEGE DISTRICT HELD AT THE PHYSICAL LOCATION REFERENCED ABOVE ON TUESDAY, SEPTEMBER 10, 2024, 5:30 PM. FEWER THAN A QUORUM OF TRUSTEES MAY ATTEND REMOTELY BY VIDEOCONFERENCE AS AUTHORIZED BY TEXAS GOVERNMENT CODE SECTION 551.127. BOARD OF TRUSTEES SPECIAL BOARD MEETING AND PUBLIC HEARING ON PROPOSED TAX INCREASE WILL CONVENE IN OPEN SESSION AT 5:30 PM.

This Public Hearing date is not a holiday. The Public Hearing will be held inside the boundaries of the Alamo Community College District in a publicly owned building. At the hearing, the Board of Trustees of the District will afford adequate opportunity for proponents and opponents of the tax increase to present their views. Notice of this public hearing has been advertised in accordance with the law.

This Special Board Meeting of the Board of Trustees, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, §§ 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Chancellor. Executive Session, if required, is authorized by Chapter 551 and will be conducted prior to the conclusion of the meeting. If it is decided during the course of the meeting that discussion of any item listed on the agenda should be held in Executive Session, the Board will convene in Executive Session in accordance with Tex. Govt. Code §§ 551.071 - 551.094. In order to vote on items discussed in Executive Session, the Board of Trustees must take action in the open portion of the meeting on items discussed in the Executive Session. The Board will consider, discuss, and take appropriate action regarding the following items:

AGENDA

1. CALL TO ORDER

2. **CERTIFICATION AND POSTING OF NOTICE**

3. **ROLL CALL**

4. **PLEDGE OF ALLEGIANCE**

5. **PUBLIC HEARING ON PROPOSED TAX INCREASE - CITIZENS TO BE HEARD**

A. Registration: Please sign up at the Citizens to Be Heard table outside the Dr. Bruce H. Leslie Boardroom foyer beginning at 4:30 PM - 5:25 PM on September 10, 2024.

6. **VOTE TO ADOPT TAX RATE**

A. Discussion and Possible Action on Setting a Tax Rate for Fiscal Year 2024-2025

7. **EXECUTIVE SESSION**

A. The Board may go into Executive Session to deliberate on any item referenced in this agenda for open session or executive session based on the following potential exceptions under the Act.

B. Pursuant to §551.071, Texas Government Code, the Board may consult with its attorney(s) to seek their advice on any matter(s) in which the duty of the attorney(s) to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.

C. Pursuant to § 551.071, Texas Government Code, the Board may consult with its attorneys about pending and threatened litigations.

D. Pursuant to § 551.071, Texas Government Code, the Board may consult with its attorneys about pending EEOC charges.

E. Pursuant to §551.072, Texas Government Code, the Board may deliberate the purchase, exchange, lease or value of real property.

F. Pursuant to §551.073, Texas Government Code, the Board may deliberate regarding a negotiated contract for a prospective gift or donation.

G. Pursuant to §551.074, Texas Government Code, the Committee of the Whole may deliberate the appointment, employment, evaluation, reassignment, duties, performance of duties, discipline, or dismissal of a public officer or employee(s), including, without limitation, the Chancellor and the District Director of Internal Audit.

H. Any action on these matters will be taken in Open Session.

8. **RECONVENE OPEN MEETING**

A. Discussion and Possible Action on Items Discussed in Executive Session.

9. **ADJOURNMENT**

This meeting site is wheelchair accessible. Auxiliary aids and services are available upon request (interpreters for the hearing impaired must be requested twenty-four hours prior to the meeting) by emailing Sandra Torres, Board Liaison at storres304@alamo.edu.

POSTED AT THE
ALAMO COMMUNITY COLLEGE DISTRICT WEBSITE
<https://www.alamo.edu/about-us/leadership/board-of-trustees/board-meetings/>
POSTED AT 5:00 PM ON THIS 6TH DAY OF SEPTEMBER 2024

This meeting site is wheelchair accessible. Auxiliary aids and services are available upon request (interpreters for the hearing impaired must be requested twenty-four hours prior to the meeting) by emailing DST-Board@alamo.edu.

“The following notices apply to this meeting.

“Pursuant to Section 30.06, Penal Code, a person may not enter this property with a concealed handgun, whether or not that person is licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law).”

Pursuant to Section 30.07, Penal Code, a person may not enter this property with a handgun that is carried openly, whether or not that person is licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law).”

Dr. Mike Flores
Chancellor

Public Comment from Bexar County Appraisal District

Comment	Date
No comment, indicated would vote "Yes"	08/21/24 6:44 PM

TO BE READ BY BOARD CHAIR BEFORE CTBH ITEM

Citizens To Be Heard Standard Statement

All individuals wishing to address the Board should have signed up to do so.

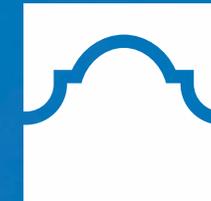
Comments relating to general matters shall be presented during the Citizens To Be Heard portion of the meeting. Comments relating to a specific item or items on the Board's agenda may be presented (a) during the Citizens To Be Heard portion of the meeting or (b) during consideration of the specific agenda item or items.

- No presentations shall exceed three (3) minutes.
- If ten (10) or more person sign up to comment on a specific item, each speaker may be limited to two (2) minutes by majority vote of the Board.
- Individuals needing a translator will have a six-minute time period.
- No individual is allowed to transfer his or her time to another individual.
- When the timer beeps, please finish your sentence so that we can allow others to have their voice heard.
- Please introduce yourself by name and state whether you represent yourself, an organization or an employer.

Please know that your right to speak may be withdrawn by the Board Chairman if you are discourteous, disrespectful, or are otherwise likely to impede, interfere with or otherwise obstruct this meeting.

State law limits Trustee response to public comments.

Discussion and Possible Action on Setting a Tax Rate for Fiscal Year 2024-25



ALAMO
COLLEGES
DISTRICT

Lisa L. Mazure, MSA, CPA CGFM

Associate Vice Chancellor for Finance and Fiscal Services

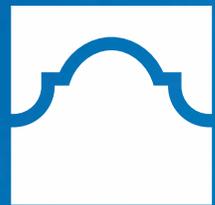


Action Requested

Approve, order, and adopt a Maintenance and Operations (M&O) tax rate of \$0.107760/\$100 of assessed valuation for FY 2024-25. Approve, order, and adopt a Debt levy tax rate of \$0.041390/\$100 of assessed valuation for FY 2024-25.



Thank You



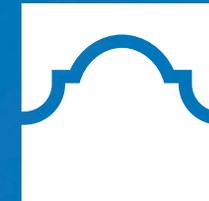
ALAMO
COLLEGES
DISTRICT



FY 2025 Property Taxes – Maintaining a Stable Rate

August 13, 2024

Lisa L. Mazure, MSA, CPA, CGFM
Associate Vice Chancellor for
Finance and Fiscal Services



ALAMO
COLLEGES
DISTRICT



Board Policies in Support of Charges

C.1.3 – Appropriations and Revenue Sources

Charges to the Chancellor

- Active Goals
 - Goals 1 - 7
- Monitored Goals
 - Goals 8 - 11



Agenda

- Overview of Property Taxes & Calculated Rates
- FY25 Balanced Approach:
 - Providing Sustainable Revenues for areas such as Student Success, AlamoADVISE, AlamoBOOKS+, and Talent.
- FY25 Proposed Tax Rate
- Next Steps



Two Parts to the Tax Rate/Revenue

\$0.107760 M&O

- Facilities Maintenance and Operations (salaries, utilities, day-to-day operations, prev. mtn.)
- M&O revenues support Student Success Strategies AND State funding now makes up only 22% of funding compared to 33% in 2009

\$0.04139 Debt

- Covers Principal and Interest on bonds issued and secured by the property tax revenues
- Includes Capital Improvement Program (CIP Gen. Oblig. Bonds and Maint. Tax Notes)
- Allow for calling of bonds and interest savings

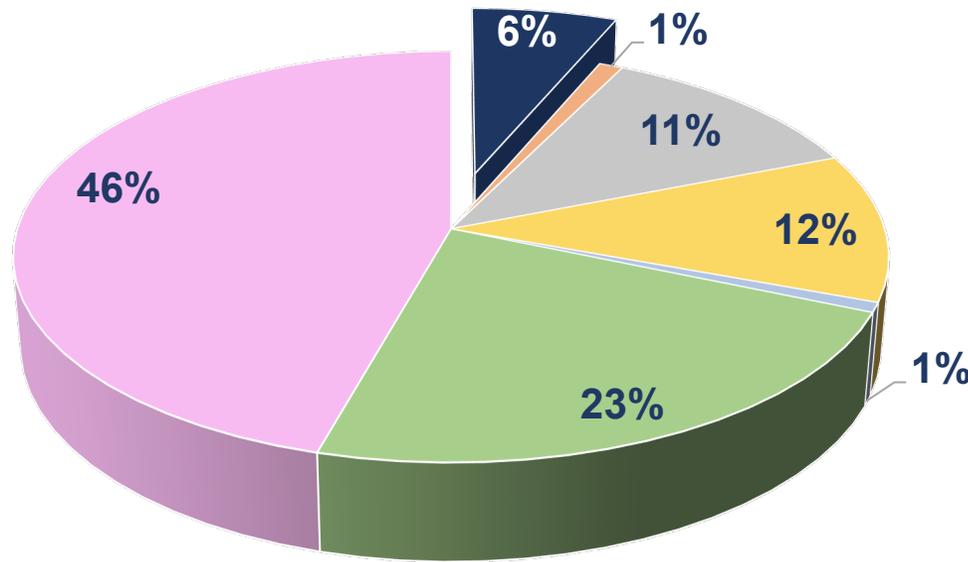
Alamo Colleges District's current Tax Rate of \$0.149150

\$0.107760 M&O + **\$0.04139 Debt**

*Strategy of targeting a stable tax rate since 2013 has allowed ACD to maintain 6.4M gross sq. ft. and construct CIP facilities **without increasing the tax rate***



Allocation \$1 of Taxes of a “Typical” Bexar County Homeowner



- Alamo Colleges District
- Flood Fund
- Hospital District
- Bexar County
- San Antonio River Authority
- City/San Antonio
- Avg. School District

Assume average home of \$318,392
\$7,532 in taxes, \$475 estimated to ACD

Compiled from information from Bexar Appraisal District- assumes COSA resident with composite school district, average price home



ALAMO
COLLEGES
DISTRICT



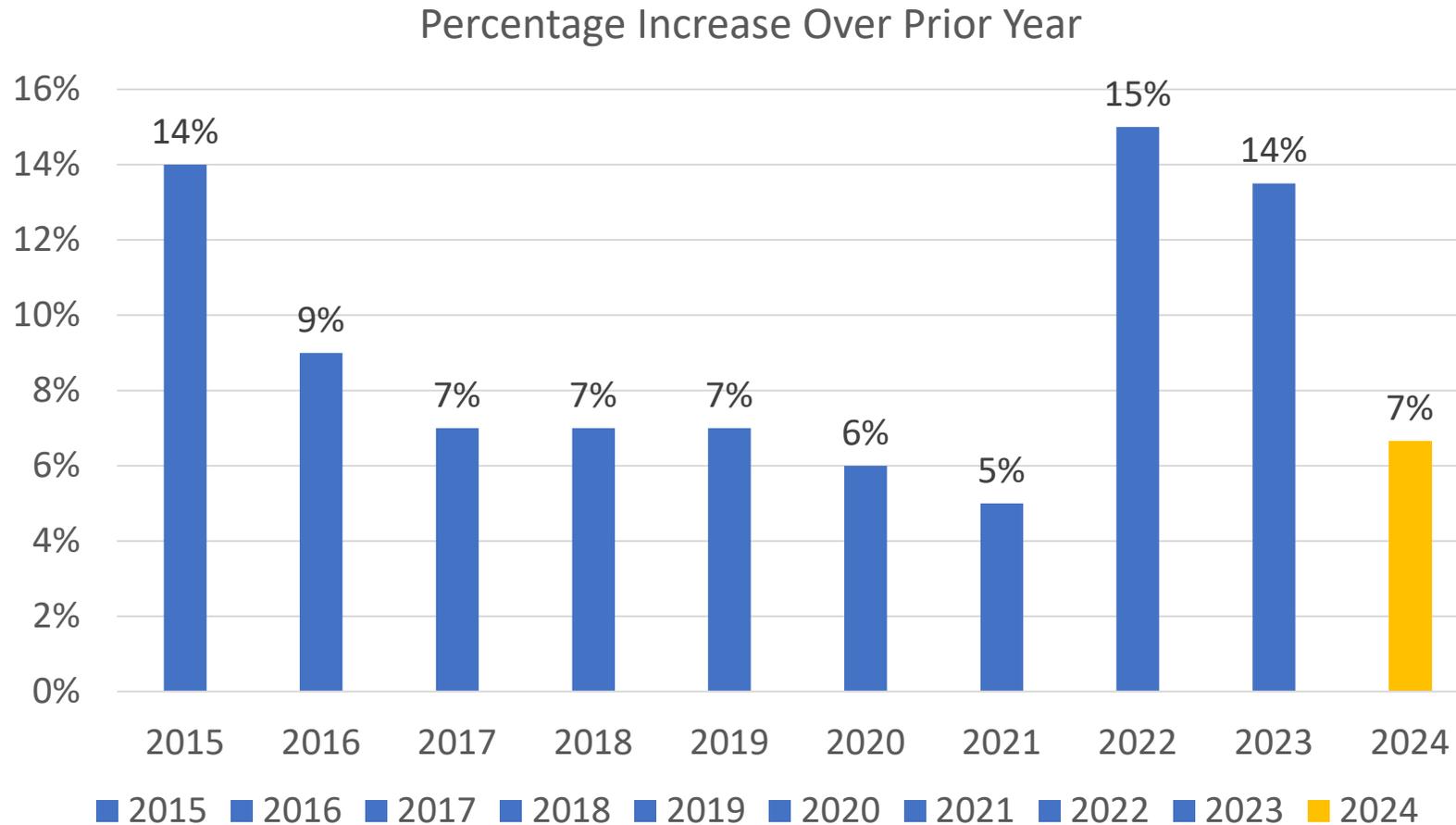
“Truth In Taxation”

- ▶ A concept embodied in the Texas Constitution and the Tax Code
- ▶ Requires taxing entities to make taxpayers aware of tax rates and proposals and affords taxpayers the opportunity to limit tax increases
- ▶ Very strict rules on timing and information for public hearings and published notices
 - 88th Legislative Session continued to increase transparency for taxpayers



Property Tax Values

San Antonio and Bexar County continue to see increased property tax values



6.65%
Growth is based on Bexar County Appraisal District preliminary totals.



No-New-Revenue and Voter-Approval Rate Calculations

Fiscal Year	Rate Type	Combined Rate	Average Home Value	ACD Taxes on "Average" Home
2024	Actual (current)	\$ 0.149150	\$295,184	\$440
2025	No-New-Revenue	\$ 0.148260	\$318,392	\$472
2025	Voter-Approval	\$ 0.162714	\$318,392	\$518
2025	Proposed:	\$ 0.149150	\$318,392	\$475

Average Home tax year 2023 (FY24) was \$295K with ACD taxes of \$440

At an average home taxable value in tax year 2024 (FY25) of \$318K, a homeowner will pay an additional \$35 at the same Combined Tax Rate due to increased property values.

Proposed Tax Rate – No Change

$$\boxed{\$0.107760 \text{ M\&O}} + \boxed{\$0.04139 \text{ Debt}} = \boxed{\$0.149150 \text{ Total}}$$

- ACD's Facilities & Maintenance
- Core Operating Expenses
- AlamoPROMISE Student Scholarships

- Interest & Principal
- Pay down debt

No Change in Rate and \$9.6 Million in Relief to Taxpayers

Stable rate produces more revenue as included in approved budget due to increase in TAV

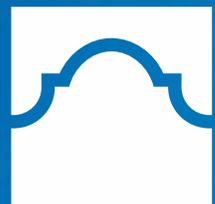


Timeline – Next Steps and Action Needed

DATE	ACTION
Tuesday, August 20	Board votes to proceed with Tax Rate. Requires quorum and roll-call vote. Announce date, time and place of meeting (Public Hearing) at which will vote on Tax Rate.
Tuesday, September 10 (prior to Committee of the Whole Board Meeting)	Public Hearing. Board adopts Tax Rate. Requires a quorum, special language and a roll-call vote. Must take place in a public building inside taxing boundaries.
Saturday, September 30	Deadline to adopt Tax Rate.



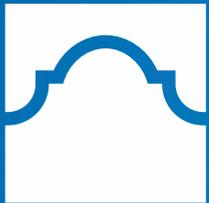
Thank you



ALAMO
COLLEGES
DISTRICT



APPENDIX



ALAMO
COLLEGES
DISTRICT



FY25 Stable Rate Strategy/Leverage Tax Revenues for Critical Needs

Taxable Asset
Valuation
preliminary
increase 6.65%

Debt Mgmt. Plan (Approved May '24)

- Defease not less than \$15 million of the Ltd. Tax Bonds
- Maintain flexibility for paying down debt = interest savings

Current Rate: \$0.04139;
FY25 Debt Service requirement =
\$104.8M restricted budget

M&O Needs (July Budget)

- Operations (Utilities, Facilities, etc.)
- Talent
- AlamoPROMISE
- AlamoBOOKS+
- New Enhancements & Innovations
- Sustainable revenue

FY25 \$271.40M

M&O = Maintenance & Operations



Truth-in-Taxation Tax Rates: No-New-Revenue Tax Rate

Calculated Tax Rate that will produce the same amount of taxes to a Taxing Unit if applied to the same properties taxed both years.

Truth-in-Taxation Tax Rates: Voter-Approval Tax Rate

M&O No-New-Revenue Rate plus 8%*

 Debt Tax Rate sufficient to pay this year's debt

 Voter-Approval Rate

If the taxing unit adopts a tax rate that exceeds the Voter-Approval rate, the taxing unit must automatically hold an election on the next uniform election date

*Note: Community Colleges were exempted in 2019 when other agencies threshold lowered to 3 – 3.5%.



Property Tax Exemptions that ACD Offers

Tax Exceptions:

- All homesteads receive a \$5,000 or 1% (\$5,000 minimum) homestead exemption. Effective last tax year 2023 (ACD's FY24 Budget).
- Everyone who is age 65 or older, a disabled person, or a surviving spouse of either receives a \$50,000 reduction in appraised value before the tax rate is applied. The increased exemption amount was also effective in tax year 2023 (ACD's FY24 Budget).
- Other exemptions include that for disabled veterans from \$5,000 - \$12,000. (according to the disability rating).

Tax Freeze:

- A Tax Freeze option is available at age 65 or for disabled.
Applications for taxing exceptions are available through the Bexar County Appraisal District, not through ACD. Taxpayers can either visit the Appraisal District's website or contact them directly, and they will mail the taxpayer the form.

Discussion and Possible Action on Setting a Tax Rate for Fiscal Year 2024-2025

Presented at the Public Hearing Special Board Meeting on September 10, 2024.

MINUTE ORDER

“The Board of Trustees hereby approves, orders and adopts a Maintenance and Operations (M&O) tax rate of \$0.107760/\$100 of assessed valuation for FY 2024/25. The Board of Trustees hereby approves, orders and adopts a Debt levy tax rate of \$0.041390/\$100 of assessed valuation for FY 2024/25. These two actions result in a Combined tax rate of \$0.149150/\$100 of assessed valuation for FY 2024/25 which is greater than the No-New-Revenue tax rate of \$0.148260/\$100 of assessed valuation but less than the Voter-Approval tax rate of \$0.162714/\$100 of assessed valuation. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 0.08 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.09. The referenced tax rate to be effectively raised by 0.08 percent is the maintenance and operations component of the Combined No-New-Revenue tax rate. The adopted Combined tax rate will exceed the No New Revenue tax rate by 0.60 percent and will raise combined taxes on a \$100,000 home by approximately \$0.89.”

PURPOSE

The Alamo Colleges District strives to make higher education readily affordable while making every effort to keep its tax rates as low as possible.

In accordance with the Debt Management Plan approved by the Board in May 2024, there is no recommended change to the property tax rate - the Combined rate will remain at \$0.149150/\$100 of assessed valuation. Because of the increase in taxable assessed value, this proposed Combined tax rate, although constant from last year, is higher than the calculated No-New-Revenue tax rate, and there is a resultant requirement for public notices and a public hearing prior to final approval of the tax rate.

BACKGROUND

For the 2024 tax rate, Alamo Colleges District has developed a stable rate strategy to address the fiscal needs of the college. The District’s stable rate strategy results in the following:

- Debt Tax rate: No change to the debt portion of the tax rate because revenues produced are sufficient for required FY25 Debt Service Payments on Capital Improvement Program G.O. Bonds Maintenance Tax Notes.
- Maintenance & Operations Tax rate: No change to the M&O portion for a balanced operating budget funding inflationary cost pressure and strategic student success initiatives (AlamoADVISE, AlamoPROMISE, and continuing AlamoBOOKS+ which funds the costs of Instructional materials for students).

The proposed Combined tax rate is \$0.149150/\$100 of assessed valuation. Because of the increase in property values, the calculated No-New-Revenue rate is now lower than current rate, requiring a public notice and hearing. The recommended M&O tax rate of \$0.107760/\$100 of assessed valuation is higher than the current year calculated No-New-Revenue tax rate of \$0.107675/\$100 of assessed valuation, but lower than the Voter-Approval rate of \$0.116289/\$100 of assessed valuation. The Debt rate of \$0.041390/\$100 of assessed valuation will raise the revenue needed for FY 2024/25 debt service payments and other actions per the approved FY 2025 Debt Management Plan. The Combined tax rate of \$0.149150/\$100 is higher than the No-New-Revenue tax rate of \$0.148260/\$100 of assessed valuation, but lower than the Voter-Approval rate of \$0.162714/\$100 of assessed valuation. Public notices and a public hearing are required prior to final approval of the tax rate when the proposed tax rate is greater than either the No-New-Revenue tax rate or the Voter-Approval tax rate (whichever is lower).

The requisite notices have been published, and this Public Hearing was convened as required by the Texas Tax Code.

IMPLICATIONS

Financial: Provide tax revenues required to support Alamo Colleges District operations and fund annual payments on bond debt

Strategic Objective: Goal I Student Success and Goal III Performance Excellence

Attachments Exhibit A: Notice of Calculated Tax Rates

Exhibit B: Language for Motion

Lisa L. Mazure, MSA, CPA Date
Associate Vice Chancellor for
Finance and Fiscal Services

Dr. Mike Flores Date
Chancellor



ALAMO
COLLEGES
DISTRICT

NOTICE OF PUBLIC HEARING ON TAX INCREASE

A tax rate of \$0.149150 per \$100 valuation has been proposed by the governing body of ALAMO COMMUNITY COLLEGE DISTRICT.

PROPOSED TAX RATE	\$0.149150 per \$100
NO-NEW-REVENUE TAX RATE	\$0.148260 per \$100
VOTER-APPROVAL TAX RATE	\$0.162714 per \$100

The no-new-revenue tax rate is the tax rate for the 2024 tax year that will raise the same amount of property tax revenue for ALAMO COMMUNITY COLLEGE DISTRICT from the same properties in both the 2023 tax year and the 2024 tax year.

The voter-approval rate is the highest tax rate that ALAMO COMMUNITY COLLEGE DISTRICT may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that ALAMO COMMUNITY COLLEGE DISTRICT is proposing to increase property taxes for the 2024 tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON SEPTEMBER 10, 2024 AT 5:30 P.M. AT THE ALAMO COLLEGES CENTER OF EXCELLENCE FOR STUDENT SUCCESS, BOARD ROOM, 2222 N. ALAMO STREET, SAN ANTONIO TX 78215.

The proposed tax rate is not greater than the voter-approval tax rate. As a result, ALAMO COMMUNITY COLLEGE DISTRICT is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the of ALAMO COMMUNITY COLLEGE DISTRICT at their offices or by attending the public hearing mentioned above.

YOUR TAXES OWED UNDER ANY OF THE RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

FOR the proposal:

Joe Alderete Jr., Anna Uriegas Bustamante,
Dr. Lorena Pulido, Dr. Gene Sprague, Gloria Ray
Clint Kingsbery, Leslie Sachanowicz, Gerald Lopez

AGAINST the proposal:

PRESENT and not voting:

ABSENT:

Dr. Yvonne Katz

easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by ALAMO COMMUNITY COLLEGE DISTRICT last year to the taxes proposed to be imposed on the average residence homestead by ALAMO COMMUNITY COLLEGE DISTRICT this year.

	2023	2024	Change
Total tax rate (per \$100 of value)	\$0.149150	\$0.149150	increase of 0.000000, or 0.00%
Average homestead taxable value	\$295,184	\$318,392	increase of 23,208, or 7.86%
Tax on average homestead	\$440.27	\$474.88	increase of 34.61, or 7.86%
Total tax levy on all properties	\$329,039,311	\$337,330,559	increase of 8,291,248, or 2.52%

For assistance with tax calculations, please contact the tax assessor for ALAMO COMMUNITY COLLEGE DISTRICT, The Office of the Bexar County Tax Assessor-Collector, at 210-335-6600 or taxoffice@bexar.org, or visit home.bexar.org/tax for more information

Exhibit B

Motion to adopt Minute Order Setting Tax Rate

A motion to adopt must be made in the following form:

“I move that the property tax rate be increased by the adoption of a tax rate of \$0.149150 per \$100 of taxable value which is effectively a 0.60 percent increase in the tax rate, adopting the minute order to that effect.”

A roll call vote must be taken. Trustees will be noted as For, Against, Present and Not Voting, or Absent.

Section 26.05 Texas Tax Code