# TRE FAQS



# What is a Tax Ratification Election?

A Tax Ratification Election allows voters the opportunity to increase a District's Maintenance & Operations (M&O) tax rate cap that was set by the Texas Legislature in 2006.

#### Why is the District holding a TRE?

The Board of Trustees adopted an M&O tax rate of \$1.17, which is in excess of the previous year's rate of \$1.04 and requires voters to "ratify" the new rate. Approval of the adopted tax rate would make the District eligible for an additional \$1.6 million in state funding.

#### What tax increase is Connally ISD asking voters to approve?

13 cents – an increase in M&O from \$1.04 to \$1.17. The District's total tax rate would be \$1.374409.

#### What does this mean to homeowners?

The owner of a \$100,000 home would see a school tax increase of about \$10.83 a month.

#### How will the TRE be used?

- Purchasing learning materials for students struggling to meet grade level standards
- Hiring instructional aides to assist students
- Continuing to fund full-day Pre-Kindergarten classes
- Renovating building technology for instructional purposes
- Offering more teacher training and staff development in the area of instructional best practices
- Improving Band facilities and providing additional resources for One-Act Play, Academic UIL, and Career and Technology
- Hiring bus aides to help drivers in route
- Replacing aging fleet by purchasing school buses
- Repairing roads on campuses

# Will my taxes go up if I am over 65 years of age?

No. By law, if you have applied for and have received an Age 65 or Older Exemption, your taxes cannot be raised above the frozen level unless you make significant improvements or additions to your home. A significant improvement project would be anything beyond normal maintenance and repair, such as building a swimming pool or adding on a garage or game room to your home.

# What makes up the district's tax rate?

The district tax rate consists of two different rates

1. Maintenance and Operations – Operates the district

2. Interest and Sinking – Rate is set to pay the district debt (bond payment). This rate is used only for bond payments

### Has the district refinanced the debt to reduce the Interest and Sinking rate?

Yes. The district refinanced the existing debt and lowered the interest rate of the bonds. The savings of the refinance is \$2.4 million over the life of the bonds. The I&S rate has been reduced by six cents over the past three years.

#### Why not do a tax swap?

A tax swap is moving money from I&S side of taxes to the M&O side of taxes. (Ex. Dropping I&S by three cents and raising M&O by two cents.) This type of movement requires the district to pay a portion of our bond debt out of our M&O side or out of I&S fund balance. At some point the I&S rate will need to increase to meet the debt payment. Lowering the I&S could also affect other state funding such as our Existing Debt Allotment and Instructional Facilities Allotment.

#### What is the district's financial rating?

The district has received a clean audit over the past four years and has been rated "A+ Superior" by the Financial Integrity Rating System of Texas.

#### What are some of the ways the district has tried to increase funding?

- 1. Applying for grants State and Federal
- 2. Refinancing the existing bond debt
- 3. Moving technology needs around
- 4. Extending the life of buses through maintenance
- 5. Maximizing the use of district buildings Change in grade levels
- 6. Sale of district property Lakeview and Elm Mott Center

#### Who sets the appraisal values or valuation of property in the district?

McLennan County Appraisal District sets the appraisal values. Not the district.

#### What percentage of the additional \$1.6 million in funding will come from local taxes?

35% will come from local taxes and 65% will come from state funding. Maximizing state funding?

#### Has the district's funding been reduced?

Yes.

- 1. Texas Literacy Initiative grant ended \$800,000
- 2. State funding has declined over \$2.7 million
- 3. Transportation cost has increased State transportation funding formula has not changed/increased since 1984
- 4. E-Rate (technology) funding has been reduced

#### Has the district funded any major building projects?

Yes. The district has funded over \$3 million in roofing and air conditioning work instead of seeking short term loans.

#### Will the additional funding be used for safety/security needs?

Yes.

- 1. Additional cameras will be installed.
- 2. Improvement to the door locking system will be upgraded. 3
- 3. Hiring of bus aides to assist the bus driver during bus routes.

#### What are the ages of buses in the district? What is average cost of a new bus?

Buses range from 1998 to 2012 with mileage of 81,000 to 170,000. Five route buses are 2002 models with over 100,000 miles. The average cost of a new bus is \$115,000.

#### **Is the district offering additional programs benefiting students that have increased costs?** Yes.

- 1. District operated Daycare Ages infant through afterschool care.
- 2. Full Day Pre-Kindergarten State only funds half day.
- 3. AVID Program Advancement Via Individual Determination. Promotes college readiness
- 4. Early College High School ECHS Students are attending MCC and TSTC free of charge.
- 5. ROTC District only received partial funding.

#### How will the additional instructional aides be used?

- 1. Intervention positions for reading and math
- 2. Additional support in the classroom
- 3. Help increase the amount of time for specialized instruction

# **What are the tax rates of surrounding school districts?** Comparable school district 2016-17 tax rates are:

District	Total tax rate	Maintenance & Operations	Interest & Sinking
Lorena ISD	\$ 1.579090	1.17	0.40909
Robinson ISD	\$ 1.470000	1.17	0.30000
Fairfield ISD	\$ 1.430047	1.136667	0.29338
La Vega ISD	\$ 1.422100	1.17	0.252
Waco ISD	\$ 1.400000	1.17	0.23
China Spring ISD	\$ 1.39000	1.04	0.24409
Connally ISD	\$ 1.251212	1.04	0.211212

Salado ISD	\$ 1.223800	1.04	0.1838
Mexia ISD	\$ 1.203630	1.04	0.16363

#### Who can vote?

Anyone at least 18 years of age and living within the boundaries of Connally ISD is eligible to vote. **You do not need to be a property owner to vote.** 

#### How do I register to vote?

You can check your voter registration status at <u>www.votetexas.gov</u>. Voter registration cards are available at each campus office and in the Administration Building. To register to vote, simply pick up a voter registration application, fill it out, and mail it to the address listed on the application by the deadline on Tues., Oct. 10.

#### How will the ballot be worded?

Do not let the wording confuse you. The ballot will ask voters to approve a TOTAL tax rate, not the M&O tax rate. The I&S (Interest & Sinking) tax rate will remain the same with this proposition. The ballot language is set by state law and will read:

"APPROVING THE AD VALOREM TAX RATE OF \$1.374409 PER \$100 VALUATION IN THE CONNALLY INDEPENDENT SCHOOL DISTRICT FOR THE CURRENT YEAR, A RATE THAT IS \$0.130000 HIGHER PER \$100 VALUATION THAN THE SCHOOL DISTRICT ROLLBACK TAX RATE, FOR THE PURPOSE OF INCREASING REVENUE FOR MAINTENANCE AND OPERATIONS."

#### What does my vote mean?

A **FOR** vote gives your approval for the higher tax rate and will result in additional local revenue for the District as well as an additional \$1.6 million from the state.

An **AGAINST** vote means the M&O tax rate will be "rolled back" to the previous year's rate of \$1.04, with no increases in local revenue or state funding.

#### Where and when can I vote?

According to statute 42.002 and 43.004 of the Texas Election Code, school districts are unable to host their own voting sites within the district during a general election.

#### Early Voting begins Monday, Oct. 23 at any of these voting locations:

Waco Multi-Purpose Community Center, 1020 Elm St., Waco McLennan County Office, Records Bldg. Basement, 214 N. Fourth St., Waco Robinson Community Center, 106 W. Lyndale, Robinson First Assembly of God Church, 6701 Bosque Blvd., Waco Hewitt Public Safety Facility, 100 Patriot Ct., Hewitt

Mon., Oct. 23 – Fri., Oct. 27	8 am – 5 pm
Mon., Oct. 30 – Wed., Nov. 1	8 am – 5 pm
Thurs., Nov. 2 – Fri., Nov. 3	7 am – 7 pm

# Election Day is Tuesday, November 7 from 7 am – 7 pm.

Chalk Bluff Baptist Church, 5993 Gholson Rd. Lacy Lakeview Civic Center, 505 E. Craven Ave.

On Election Day, you may vote at any polling place in the County. Visit <u>www.co.mclennan.tx.us/Elections</u> for a complete list of polling locations.