



Introduction to the West Hardin County CISD Tax Ratification Election (TRE)

The voters of West Hardin in support of the students and the District, have tremendous opportunity to make a significant positive and long term impact on our school and community.

Our School Board has called for a Tax Ratification Election (TRE) for August 25, 2018. A majority vote “FOR” the TRE, means our students will benefit from an **additional \$500,000/year** in state funding with *no increase* in our overall tax rate.

Here's how the TRE works:

School districts are funded through local tax dollars, State and Federal funding. Local taxes are collected into two different accounts: Maintenance and Operations (M&O) and Interest and Sinking (I&S). M&O pays for everyday operations of the district: salaries, supplies, student services, buses and facility maintenance. I&S is similar to a mortgage and can only be used to pay the debt on school building bonds.

The state of Texas school funding formula provides significantly more money for tax dollars in the M&O tax fund as compared to the I&S tax fund. The TRE works by allowing us to move tax pennies from our I&S fund to our M&O fund. In order for us to move the pennies to the M&O fund, we need voter approval.

Our current tax structure and rates are:

M & O \$1.07228 (\$0.03228 of current M&O rate is for Wastewater Treatment Plant (WWTP) required by TCEQ)

I & S (+) \$0.13

Total = \$1.20228 for every \$100 of property value.

Important note:

The TRE ballot will show a tax rate of \$1.33228 (increase of 13¢). The additional 13¢ protects the district if the TRE fails, keeping money in the I&S fund so we can pay our debts. In good faith to the community, the Board has already passed an ordinance to reduce the \$1.33228 rate by 13¢ back to \$1.20228 if TRE passes. In other words, a majority vote "FOR" the TRE, keeps the overall tax rate the same as 2017 **and** generates an **additional \$500,000/year** in state funding for our students.

If the TRE *does not pass*, the overall tax rate will still be \$1.20228 but we ***will not get the additional \$500,000/year in state funding.***

Tax rate if TRE *does not pass*:

M&O \$1.04

I&S (+) \$0.16228

Total = \$1.20228

...but we leave \$500,000 on the table in Austin.

The new tax structure and rates *if TRE passes* would be:

M & O \$1.17

I & S (+) \$0.03228

Total = **\$1.20228** for every \$100 of property value – *same rate as 2017*

...Plus an additional \$500,000/year for our students and district

The bottom line is...if the TRE passes, we all benefit by:

- An **additional \$500,000/year** in state funding for our students and district
- **NO increase** in our overall tax rate

It's a win-win for our students, the District and our taxpayers.

How will the additional funds be used?

- Improve student and district safety
- Address academic programs
- Address facility needs
- Improve employee compensation