



Tax Rate Election (TRE) Facts & Frequently Asked Questions

On August 30, 2018, the Clint ISD Board of Trustees adopted an order calling for a Tax Ratification Election (TRE) to be held November 6, 2018. Clint ISD voters will be asked to ratify the new Maintenance and Operations (M&O) tax rate of \$1.17. **The proposed rate is not an increase to the total rate.** You can read about this election on the District's website. We have provided information to educate and inform the public about this election.

What is a TRE?

A TRE, or commonly referred to as a penny swap or exchange, allows districts to move pennies to the maintenance and operations (M&O) side of the tax rate to generate more revenue for the day-to-day operations of the district.

A school district has two parts to its total tax rate. The maintenance and operation (M&O) side and the Interest and Sinking (I&S) side. The M&O tax rate plus the I&S tax rate = The Total Tax Rate.

Maintenance and Operations (M&O)		Interest and Sinking (I&S)	
Used to fund the day-to-day operations of the district – supplies, utilities, equipment, athletics, transportation, salaries, etc.		Used for payments on bonds or debt. This is similar to a home mortgage loan. This side of the tax rate cannot be used for anything else.	
M&O + I&S = Total District Tax Rate			
Year	M&O Rate	I&S Rate	Total Tax Rate
2017 Current Rate	\$1.040100	\$0.366500	\$1.406600
2018 Proposed Rate	\$1.170000	\$0.235660	\$1.406600
	Plus 13 Cents	Less 13 Cents	No change

The proposed TRE will not increase the tax rate. It does require voter approval to swap the pennies. It will generate more state revenue. The TRE swaps pennies from one side the tax rate to the other.

How will the TRE affect my taxes?

No matter the outcome of the TRE, the total tax rate for taxpayers in Clint ISD will remain the same. If the TRE is voter approved, the 13 cent swap will generate an estimated \$3M or more, in state funding for the district and the total tax rate will remain the same. If the TRE is not approved, the total tax rate will remain the same but no additional state funding will be generated.


 YES
 NO

OR

 YES
 NO

\$1.17
Proposed
M&O Tax
Rate = No Total Tax Rate Increase &
\$3M+ from the State in Additional Funding

\$1.17
Proposed
M&O Tax
Rate = No Total Tax Rate Increase &
\$0 from the State in Additional Funding

How does a TRE bring in more money for the district if the tax rate is the same?

The state contributes money on the I&S side of taxes, it contributes more on the M&O side; and if a district passes a TRE to swap pennies from the I&S side to the M&O side, the district receives even more in state aid for funding. The tax swap provides a way to increase our funding from the state without having the taxpayers pay any more.

Why does Clint ISD need a TRE?

Clint ISD does not want to increase taxes, and this **TRE or Penny Swap does not increase taxes**. A loss in funding over the last few years, because of state funding cuts and no increase in enrollment, results in no increases to funding for our district. The state's public school funding system is made up of a series of complex formulas that take into account the tax rate our local school district establishes for our community. The higher the local M&O tax rate, the more dollars we receive from the state. These formulas include a balancing mechanism and when our local appraisal values rise and our school district receives more money from local property taxes, the state reduces the amount of funding it sends to the district.

With authorization from the voters, Clint ISD students and the community will be in the best position to benefit from increased and future state funding. The district wants to continue to support and increase funding for student programs, continue to upgrade technology, continue to make safety and security improvements, retain and attract great staff and continue to make needed repairs and improvements to existing facilities.

Have other districts passed TREs?

Yes. Over 440 districts across the state have successfully passed TREs. Other districts in our region have also passed TREs. Clint ISD's proposed TRE does not increase the tax rate.

If approved, is the TRE for just one year, or will it continue?

The additional funding, received if the TRE passes, will continue each year.

If the total tax rate is staying the same, why can't the district move the 13 cents on its own, without voter approval?

A school district cannot increase its M&O tax rate, without voter approval, if the increase exceeds the M&O rollback rate.

Early Voting

Early voting is available at numerous locations. Early voting begins October 22, 2018. You can cast your vote at any early voting location. Please visit https://epcountyvotes.com/quick_links/early_voting for locations, dates, times and updated information. We have also provided information on our website.

Early Voting Mobile Site

Date	Location	Hours of Voting
November 2, 2018	Clint ISD Central Administration Building	10:00 AM to 7:00 PM

Election Day Voting

Precinct	Date	Location	Hours of Voting
127 & 166	November 6, 2018	Red Sands Elementary School	7:00 AM to 7:00 PM
167	November 6, 2018	Montana Vista Elementary School	7:00 AM to 7:00 PM
168	November 6, 2018	Desert Hills Elementary School	7:00 AM to 7:00 PM
169	November 6, 2018	Carroll T. Welch Elementary School	7:00 AM to 7:00 PM
170	November 6, 2018	Clint Early College Academy	7:00 AM to 7:00 PM

How do I know if I am eligible to vote?

To look up your voter registration status, visit <https://teamrv-mvp.sos.texas.gov/MVP/mvp.do> or https://epcountylvotes.com/quick_links/early_voting.

What will the ballot say?

The ballot will ask voters to approval a total rate, not the M&O rate. The ballot language is set by law. The ballot will read:

APPROVING THE AD VALOREM TAX RATE OF \$1.406600 PER \$100 VALUATION IN CLINT INDEPENDENT SCHOOL DISTRICT FOR THE CURRENT YEAR, A RATE THAT IS \$-0.229681 HIGHER PER \$100 VALUATION THAN THE SCHOOL DISTRICT ROLLBACK TAX RATE, FOR THE PURPOSE OF MAINTENANCE AND OPERATIONS AND WHERE THE AD VALOREM TAX RATE OF \$1.406600 PER \$100 VALUATION REPRESENTS AN INCREASE OF \$0.130000 FROM LAST YEAR'S ADOPTED MAINTENANCE AND OPERATIONS TAX RATE ("M&O") AND A DECREASE OF \$0.130000 IN THE INTEREST AND SINKING FUND TAX RATE FROM LAST YEAR'S ADOPTED INTEREST AND SINKING FUND TAX RATE (A TAX SWAP).

Do not let the ballot confuse you. **The district is not increasing the total tax rate or your taxes.** The M&O side of the tax rate will increase and the I&S side of the tax rate will decrease, resulting in no total tax rate increase, with your approval.

I'm over 65. Will my taxes increase?

Tax bills on Over-65 or disabled homesteads are frozen and will not go up. Approving a TRE does not raise taxes for any tax payer. Increases to taxes may occur for residences with increased values, but would increase regardless of the TRE. Residence or commercial property is not assigned an appraisal or value by the district.

What happens if the TRE fails?

If the TRE fails, the district will not receive any additional state funding and will consider items to reduce expenditures. If the TRE passes, the district will receive \$3M+ in additional state funding and will not increase the tax rate.

Approving a TRE will allow the district to continue to:



Fund and improve student programs.



Make safety and security improvements.



Continue to upgrade and increase technology.



Repair and improve existing facilities.



Retain and attract great staff.



Please exercise your right to vote ✓

Need more information?

To find more information about the TRE, please visit the district web-site at www.clintweb.net or contact the Clint ISD administration at 915-926-4000.