Texas City ISD Bond Issue

 Frequently Asked Questions

***What is a school district bond election?***

School districts hold bond elections to seek approval from voters to sell bonds for the purpose of generating revenue. Bond revenue can only be used for new construction, renovations to existing facilities, land acquisition, equipment, technology, and other approved items associated with providing school district facilities.

***Can the revenue from selling bonds be spent on personnel or other district operational costs?***

No. State law does not allow revenue from bond sales to be spent on personnel or operating costs such as utility bills, supplies, fuel, instructional materials, or other costs associated with daily operations of the district. Therefore, potential salary increases, resources for instruction and all other expenditures from the Maintenance & Operation budget are not affected by bond revenue and debt.

***I have heard that if the bond issue is passed, there are advantages for the school district and community in that bond repayment is not subject to the “recapture money” that we have to send back to the state each year. Is this correct?***

Yes. This provision allows Chapter 41 (property wealthy) school districts to invest money in our own school district and community without it being subject to “recapture” or sending it to Austin to be redistributed to other school districts.

***I understand that if the bond issue is passed that school taxes will go up approximately 8 cents per $100 of value. Is the tax increase applied to the total value of the home?***

No. The potential 8 cent tax increase per $100 of value is applied to the value of the home after the state homestead exemption of $25,000 is deducted from the appraised value of the home. In addition to this deduction, Texas City ISD provides an additional local Homestead Exemption of $5,000 or 20% of the home’s value, whichever is greater. Both of these exemptions are deducted from the amount on which the home is taxed.

***Are all school districts required to give a local district Homestead Exemption?***

No. A small percentage of school districts in the state still give a local Homestead Exemption to taxpayers. Most school districts have done away with the exemption in order to generate more local revenue. Texas City ISD has maintained the exemption, which is a benefit to taxpayers.

***What will be the fiscal impact to the homeowner of a median priced home in Texas City ISD if the bond issue passes? What is the value of a median priced home in Texas City ISD?***

A median priced home in Texas City ISD is valued at $101,270. If the bond issue passes, the homeowner of a median priced home will have an annual increase in school taxes of $81.02, which equates to $81.02 a year or $6.75 per month.

***Would the proposed 8 cent tax increase become effective immediately?***

No. During the 30-year bond payout period the amount of tax increase will vary somewhat each year, but the maximum anticipated 8 cents increase is not projected to occur until 2020. A full projected payout schedule will be provided at public information meetings.

***Will all of the bond projects be financed for 30 years?***

No. The school district will not finance any project for a period of time longer than the lifespan of the project. For example: Technology will only be financed for 5 years.

***What is being proposed in the May 5 Texas City ISD School Bond Election?***

The Citizens Facilities Advisory Committee has recommended and the School Board has called an election that includes the following seven projects:

* Safety & Security Updates for Campuses
* Repair and/or replacement for building roofs and parking lot repairs
* Computers for all students in grades 7 – 12
* A New Guajardo (Northside) Elementary to Replace the 60-year old School
* A New La Marque Primary to Replace the 61-year old School
* A New La Marque Elementary to Replace the 61- year old School
* A New La Marque Middle School to Replace the 61-year old School

***When will the Texas City ISD bond election be held? Who can vote in a school bond election?***

The general election date will be May 5, 2018. Early voting will begin April 24 and will end on May 2. The school district recognizes the importance of the bond election to all stakeholders in the district and encourages all registered voters who reside in the school district to vote.

***I am not registered to vote. Is it too late to register if I want to vote in the May 5 Bond Election?***

In order to vote in the May 5 Texas City ISD Bond Election a qualified voter must be registered no later than April 5, 2018. A voter registration form may be acquired from the county elections clerk.

***What if I want to vote with a mail ballot, how do I obtain one?***

You may request a mail-in ballot by contacting the Galveston County Elections Clerk.

***Where do I go to vote and what form of identification will be accepted?***

Voting on Election Day, May 5, will be conducted at polling places and times that will be made available when released from the county elections clerk.

Registered voters in Texas City ISD are reminded that they must bring a photo I.D. in order to vote in any election held in Galveston County. Listed below are acceptable forms of identification for voters:

* Texas driver license issued by the Texas Department of Public Safety (DPS)
* Texas Election Identification Certificate issued by DPS
* Texas personal identification card issued by DPS
* Texas concealed handgun license issued by DPS
* United States military identification card containing the person’s photograph
* United States citizenship certificate containing the person’s photograph
* United States passport

***Did the school district seek community input before identifying the bond projects being requested?***

Yes. A Citizens Facilities Advisory Committee, comprised of citizens from throughout the school district, worked for nearly five months before making project recommendations to the Texas City ISD Board of Trustees.

***Were other facility projects considered by the CFAC in addition to the projects that were recommended? If so, why aren’t those projects included in the bond issue?***

Yes, other campus projects were considered by the CFAC and would have been included in the upcoming bond election, but the overall cost of the bond issue would have been too high. The projects considered the highest priority were included in the recommendations made by the committee.

***When did the Citizens Facilities Advisory Committee (CFAC) make its’ recommendations to Texas City ISD?***

The Citizens Facilities Advisory Committee finalized its recommendations at the February 5, 2018, CFAC meeting and presented the recommendations to the Texas City ISD Board of Trustees on February 8, 2018. The Board of Trustees formally called for an election at the board meeting on February 13, 2018.

***If the voters pass the bond issue when will the bonds be sold?***

Bonds will be sold with the most cost-effective approach needed to pay for the construction and renovation of the bond projects. Once approved, the bonds will only be sold based on a schedule of sales needed to pay for completed work for each project.

***Will voters have an opportunity to receive information and to ask questions about the bond issue before the election?***

Yes. The school district is seeking opportunities to respond to questions from the community and will be scheduling a series of information meetings for the public. The role of the school district is to provide information and we want everyone in the community to know what is being proposed and give individuals an opportunity to ask questions. If you belong to a group, club, or church that would like to receive information from the school district pertaining to the bond issue, please send an email to mtortorici@tcisd.org

***I have been told that the tax rate to support the bond issue is different from the tax rate that supports daily operations of the school district. Please explain this.***

A school district tax rate is comprised of a tax that supports the daily operations of the school district which is called the Maintenance & Operations (M&O) tax. The tax that repays district debt service is called the Interest & Sinking Fund (I&S) tax. The combination of M&O and I&S tax rates equals the total school district tax rate. This combination of taxes is common to all school districts in Texas.

***I read that the tax rate that supports bond debt in school districts may be lowered as the overall value of a school district increases. How does that work?***

The value of property usually increases over time and the overall value of property in a school district is no exception. As property values increase when new industrial projects and new homes are completed, the revenue generated to pay for bond debt increases, thus the I&S tax rate may be lowered as the amount of money to repay the debt each year is a fixed amount. School districts cannot promise that future values will increase each year, so Texas City ISD cannot promise a future reduction in the tax rate, however, over time, school district values usually trend higher which may allow the school district to lower the tax rate associated with bond issue debt repayment.

***If the bond issue passes, will the tax rate for our senior citizens be increased?***

No. Taxpayers who are age 65 and older and have filed the appropriate tax exemption will not see an increase in the taxes they pay on their home. The exemption “freezes” the amount of school taxes they pay at the time the exemption is filed.

***If I have questions concerning the bond issue, who should I contact?***

Please send questions about the bond issue to Melissa Tortorici. Her email address is: mtortorici@tcisd.org