

Gainesville Daily Register

August 11, 2010

Valley View ISD sets tax ratification election for Sept.

By LINDSAY LORENZ, Register Staff Writer
Gainesville Daily Register

Valley View — By shifting 8 cents per \$100 valuation from its indebtedness and sinking (I&S) fund to its maintenance and operations (M&O) fund, the Valley View Independent School District can essentially keep tax rates the same, yet generate at least an extra \$190,000 of state aid.

Superintendent William Stokes said Tuesday the district's Board of Trustees adopted a \$1.20 tax rate during a special meeting on Aug. 3, setting the rate 8 cents higher than the district's current rate. Since \$1.20 is also higher than the district's rollback rate, voters must approve the rate through a tax ratification election, slated for September.

However, during the Aug. 3 meeting, the board also took contingent action to reduce its I&S rate from 8 cents to 0 cents. In doing so, the eight extra pennies are added to the M&O fund and the tax rate remains at \$1.12.

"We have to go ahead and continue to include the I&S on the ballot in case it fails," Stokes explained.

Shifting the 8 cents ensures that the district will receive more money because while the state provides about \$4.04 based on a district's weighted average daily attendance (WADA) for I&S, it provides \$59.97 for M&O based on the same standard for each penny levied between \$1 and \$1.06.

"Basically, the state's collecting that money from other taxes now and we're not able to tap into it," Stokes said.

According to information provided by the district, the first two pennies moved from I&S to M&O will generate \$39.18/WADA in state revenue. But for each penny levied above \$1.06, the state guarantees a yield of \$31.95/WADA, so the remaining six pennies that are moved from I&S to M&O would generate \$11.16/WADA, adding up to at least \$190,000 extra for Valley View this year and succeeding years.

"They're just trying to maximize the returns to the district by the state of the local money that's already there," Stokes said.

He estimated that anywhere from 400-600 districts across the state have taken similar measures.

Valley View had discussed moving a few cents from M&O to I&S in previous years, but Stokes said the way the question was worded on the election ballot was a source of confusion for voters.

When they return this year, voters will be asked whether they're for or against approving the ad valorem tax rate of \$1.20 per \$100 valuation within the district for the current year, a rate that is \$.08 higher than the rollback tax rate. Regardless of the outcome of the election, the tax rate will still remain \$1.12.

Stokes said he hopes voters will see the benefit, and that he or VVUSD board members would be happy to meet with those who have questions.

Stokes said, if passed, the first year, he'd like to put some of the extra revenue toward maintenance and upkeep issues. The money will also offset expected dips in state funding, in addition to attracting and retaining well-qualified employees.

Registered voters residing within the school district may vote Sept. 25 from 7 a.m. to 7 p.m. Polls for residents of Precinct 10 will be at New Hope Baptist Church, 251 Burns City Road. Polls for Precinct 11 will be at Valley View High School.

Early voting will be held from Sept. 11-21 from 8 a.m. to 4 p.m. in Valley View Middle School's conference room.

For more information, Stokes can be reached at (940) 726-3659.

Valley View ISD Tax Ratification Election

Saturday, September 25, 2010

Information Bulletin

This Bulletin has been prepared by the Valley View ISD. It is factual and is intended to inform the voters of the Valley View ISD about the upcoming election. All eligible registered voters are encouraged to become informed and exercise their right to vote in this important election.

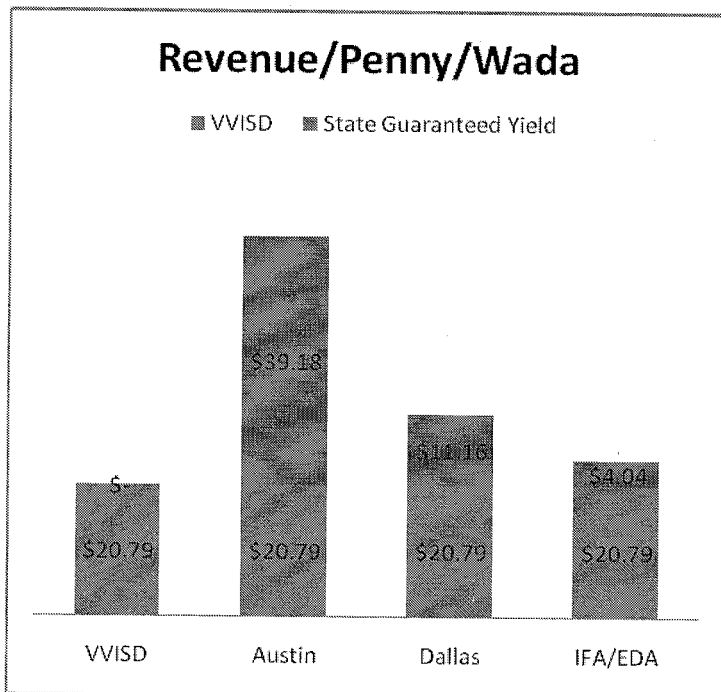
Early Voting-September 13-September 21, Monday-Friday - 8:00 a.m. to 4:00 p.m.
Valley View Middle School Conference Room, 750 S. Frontage Road, Valley View, TX

September 25, 2010, Election Day, 7:00 a.m. to 7:00 p.m.
Precinct 10 – New Hope Baptist Church, 251 Burns City Road, Valley View, TX
Precinct 11 – Valley View High School, 700 S. Frontage Road, Valley View, TX

The Valley View ISD Board of Trustees has called a Tax Ratification Election (TRE) for Saturday, September 25, 2010. The Board adopted a \$1.20 per \$100 valuation tax rate on August 03, 2010. This \$1.20 tax rate is \$0.08 higher than the rollback rate. Therefore, state law requires the school board to call the TRE.

If a majority votes for the \$1.20 per \$100 valuation tax rate adopted by the Board of Trustees, the tax rate will remain \$1.12, because the Board took contingent action to reduce the debt rate by \$0.08, from \$0.08 to \$0.00, if voters approve the \$1.20 tax rate. The Valley View ISD would receive additional state funding of \$190,000 dollars this year and every succeeding year. This increase in funding results from more state aid for M&O pennies above \$1.00 than what is generated from I&S pennies.

If a majority votes against the \$1.20 per \$100 valuation tax rate, the tax rate remain \$1.12, and the district will not have access to over \$190,000 in additional state funds this year and every year thereafter.



How moving eight cents from I&S to M&O Generates more state funding for VVISD

- Each Penny levied by VVISD raises \$20.79 in local tax revenue regardless of whether it is for M&O or I&S purposes. (Column 1)
- The state provides some state funding for I&S purposes. This money has decreased steadily over the past few years. It is now about \$4.04/WADA. (Column 4)
- For each M&O penny levied between \$1.00 and \$1.06 the state guarantees a yield of \$59.97/WADA. Therefore the first 2 pennies moved from I&S to M&O will generate \$39.18/WADA in state revenue. (Column 2)
- For each M&O penny levied above \$1.06 the state guarantees a yield of \$31.95/WADA so the remaining 6 pennies moved from I&S to M&O generate \$11.16/WADA in state revenue. (Column 3)
- Total New M&O revenue from the state of at least \$190,000.

(Note: WADA stands for Weighted Average Daily Attendance)

The 2010 tax rate of \$1.12 is the same total tax rate from 2009

The TRE ballot will ask voters to vote for or against “approving the ad valorem tax rate of \$1.20 per \$100 valuation in the Valley View ISD for the current year, a rate that is \$0.08 per \$100 valuation higher than the rollback tax rate;” however, the Valley View ISD Board of Trustees took contingent action on August 3, 2010 to reduce the I&S rate from \$0.08/100 valuation to \$0.00/100 valuation if voters approve the measure.

Valley View ISD Tax Ratification Election (TRE) September 25, 2010

	Last Year's Tax Rates	TRE Ballot Rates	if voters approve \$1.20	if voters don't approve \$1.20	Difference
	2009- 2010	2010- 2011	2010- 2011	2010- 2011	2010- 2011
M&O Rate	\$ 1.040	\$ 1.12	\$ 1.12	\$ 1.0400	\$ 0.08
I&S Rate	\$ 0.08	\$ 0.08	\$ 0.00	\$ 0.08	\$ (0.08)
Total Rate	\$ 1.12	\$ 1.20	\$ 1.12	\$ 1.12	\$ -
Additional M&O \$			\$190,000	\$ -	\$190,000

Summary

Results of voting for approving the \$1.20 tax rate adopted by the board are:

- ❖ Total tax rate will be \$1.12/\$100 valuation (\$1.12 M&O = \$0.00 I&S)
- ❖ District receives at least \$190,000 in new M&O funding that will:
 - Enhance ongoing efforts to meet and exceed state and national standards for all students
 - Help the District offset expected revenue losses due to State Revenue Deficits
 - Maintain facilities and improve safety and comfort
 - Maintain safe transportation fleet
 - Help the District provide competitive salaries to attract and retain highly qualified employees
- ❖ Students, employees and the community will benefit from the additional state funds generated

Results of voting against approving the \$1.20 tax rate are:

- ❖ Total tax rate will be \$1.12/\$100 valuation (\$1.04 M&O + \$0.08 I&S)
- ❖ The District will not have access to over \$190,000 in additional M&O funds this year.
- ❖ Students, employees and the community will not benefit from the additional state funds

Public Presentations

The District Superintendent and members of the Valley View ISD Board of Trustees will be happy to meet with any interested group or individual to discuss the Tax Ratification Election. You may reach William Stokes, Supt., at 940-726-3659.