

Tax Ratification Election (TRE)

Seguin ISD

Frequently Asked Questions

What is a Tax Ratification Election (TRE)?

Texas law requires school districts to calculate two tax rates--the Maintenance and Operation (M&O) tax rate and the Interest and Sinking (I&S) tax rate--after the district receives the certified appraisal rolls or certified property value estimates from the certified appraiser. The state limits the M&O rate at \$1.04. Generally, if a school board adopts a tax rate above the \$1.04 rollback rate, it must hold a TRE to ratify that rate. If a majority of the votes cast in the TRE favor the proposition, the tax rate for the current year becomes the rate adopted by the board. If the TRE is not approved, then the board may not adopt a tax rate for the current year that exceeds the rollback rate.

There are two types of TREs. With a straight TRE, the M&O tax rate is increased through an election. With a penny swap TRE, the M&O tax rate is also increased through an election; however, the I&S rate is lowered, limiting the total increase in the tax rate.

Why is Seguin ISD proposing a TRE and how will it affect the tax rate?

The Seguin ISD Board and administration are seeking ways to increase efficiency with tax revenues and fund the needs of the District by limiting the tax burden as much as possible. One way to do this is through a TRE.

During the 2015-16 school year, Seguin ISD's I&S tax rate was 37 cents and the M&O tax rate was \$1.04 for a total tax rate of \$1.41. For the 2016-17 school year the District is scheduled to increase the I&S tax rate to 39 cents.

If Seguin ISD voters approve the TRE, scheduled for Sept. 10, 2016, the M&O tax rate will be set at \$1.06. Additionally, the School Board has committed to lowering the I&S tax rate 3 pennies from what the I&S tax rate must be for 2016-17, from 39 cents to 36 cents. **If the TRE is passed, the total tax rate will be \$1.42.**

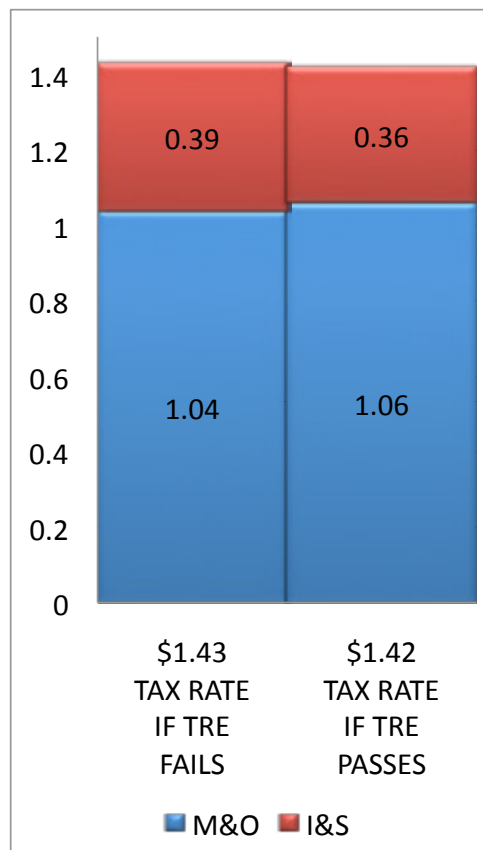
If approved, each penny will generate approximately \$700,000.00 in state revenue for the District. This is because the M&O rate has a greater weight in state funding

formulas compared to the I&S rate. The increase of about \$1.4 million will be used to fund a 4 percent pay raise for teachers and a \$1 an hour pay raise for bus drivers, paraprofessionals, custodians, maintenance and food service employees.

If the TRE does not pass the total tax rate will be \$1.43, an increase of 2 cents from the prior year. Additionally, funds will not be available to provide teachers a 4 percent pay raise or a \$1 an hour pay raise for bus drivers, paraprofessionals, custodians, maintenance and food service employees.

The voter's choice in this TRE is between an overall increase of 1 cent as opposed to an overall increase of 2 cents. *The tax bills for individuals over 65 or Disabled homesteads are frozen and will never increase unless significant improvements are made on the home.*

The District is choosing to call a TRE as opposed to raising the I&S tax rate by 2 pennies, which would not have required an election, based on two reasons. First, due to the way Texas public school funding is formulated, pennies generate more funds from the State if they are in the M&O fund as opposed to the I&S fund. The second reason is to give taxpayers a choice on their tax burden. If approved by voters, the overall increase in taxpayer's tax burden is lower and a greater amount of funds from the State will be sent to Seguin ISD.



Why is the TRE being held in September and not November?

The Board of Trustees adopted the M&O tax rate that triggered the TRE on June 21, 2016. State law requires the District to hold the election 30 to 90 days after that date.

Have other districts approved TREs?

Yes. Hundreds of communities across Texas have voted to approve a TRE. Since 2006, 440 TREs have been approved statewide.

Seguin ISD Tax Ratification Election

Election Day Voting

Saturday, September 10, 2016

Seguin ISD Administrative Office

1221 E. Kingsbury St.

Seguin, Texas 78155

All Precincts--7 a.m. to 7 p.m.

Early Voting

Aug. 24 to Sept. 6, 2016

8 a.m. to 5 p.m. at each location

Aug. 24 to Sept. 6, 2016

Seguin ISD Administrative Office
1221 E. Kingsbury St.
Seguin, Texas 78155

Aug. 29, 2016

Vogel Elementary School
16121 FM 725
Seguin, Texas 78155

Aug. 24, 2016

Seguin High School
815 Lamar St.
Seguin, Texas 78155

Ball Early Childhood Center
812 Shannon Ave.
Seguin, Texas 78155

Burges Alternative School
225 N. Saunders St.
Seguin, Texas 78155

Aug. 30, 2016

Jefferson Elementary School
215 Short Ave.
Seguin, Texas 78155

Aug. 25, 2016

Barnes Middle School
1539 Joe Carrillo Blvd.
Seguin, Texas 78155

Aug. 31, 2016

Seguin ISD Transportation Dept.
1005 E. Seideman St.
Seguin, Texas 78155

Patlan Elementary School
2501 Breustedt St.
Seguin, Texas 78155

Sept. 1, 2016

Rodriguez Elementary School
1567 W. Kingsbury St.
Seguin, Texas 78155

Aug. 26, 2016

Briesemeister Middle School
1616 W. Court St.
Seguin, Texas 78155

Sept. 2, 2016

Weinert Elementary School
1111 N. Bruns St.
Seguin, Texas 78155

Koennecke Elementary School
1441 Joe Carrillo Blvd.
Seguin, Texas 78155

Sept. 6, 2016

McQueeney Elementary School
8860 FM 725
McQueeney, Texas 78123

Early Voting By Mail

Applications for early voting ballot by mail shall be mailed to:

Lisa Adam, Elections Administrator
215 Milam
Seguin, Texas 78155

