



Lovejoy Independent School District

Voter Information Tax Ratification Election Tuesday September 29, 2009

Frequently asked Questions about the TRE

Q: What is a TRE?

A: TRE is the abbreviation for Tax Ratification Election. After passage of House Bill 1(HB1), state law requires a school district to ask the local voters to ratify or approve any M&O tax rate above \$1.04. The law allows local school boards to set an M&O rate up to \$1.17, but the Lovejoy ISD board has set our local M&O rate at \$1.06.

Q: Why was the rate set at \$1.06?

A: First, two additional pennies is the amount required to fully fund the 2009-2010 budget after the district used available cost reduction strategies. Second, \$1.06 is the rate at which the district can tax locally and not send any Lovejoy tax dollars back to Austin as recapture (Robin Hood). If there was ever a need to set an M&O rate above \$1.06, under current law, the district would have to send some of that additional revenue back to Austin as recapture.

Q: How much additional revenue will the district realize for a 2 cent increase in our M&O tax rate?

A: The total benefit will be approximately \$420,000. Of that amount, \$280,000 will come from our local taxpayers and the state will add an additional bonus of \$140,000 of state dollars.

Q: Why does the state system reward a school district with additional state dollars for setting a tax rate of \$1.06?

A: The state system provides an incentive to school districts that choose to invest additional local dollars in the education of their children. The state system has an intent to provide meaningful discretion of funding to all districts; therefore, the system is set up to ensure that for every penny of local tax effort between \$1.00 and \$1.06 the state has set a guaranteed yield from that local investment. In Lovejoy's case, the state must add an additional \$140,000 to our local effort to raise us to that guaranteed amount. If a district sets an M&O tax rate above \$1.06, the state does not provide any additional revenue.

Q: Did you say that Lovejoy ISD will no longer pay recapture (Robin Hood) back to Austin?

A: Yes, the last legislative session raised the wealth per student level that would trigger a recapture payment under a local M&O tax rate of \$1.06. The threshold level is \$476,500 per student and Lovejoy ISD is approximately \$428,000 per student. Wealth level is calculated by taking total enrollment and dividing it into the total value of the tax appraisal for the district.

Q: What will the 2 cent increase on the M&O rate cost a Lovejoy homeowner?

A: The average home value in Lovejoy ISD is \$355,952 and the increase would be \$71.19 per year.

Taxable Home Value	Additional 2 Cents Tax to Homeowner
\$250,000.00	\$50.00
\$355,942.00	\$71.19
\$500,000.00	\$100.00
\$750,000.00	\$150.00

Q: What will the \$420,000 buy for our kids?

A: Our approved budget includes expenditures of \$420,000 for transportation and technology. Specifically, we will buy two new buses and then spend the remainder for classroom technology.

Q: What will be the benefit of these expenditures?

A: Two additional buses will mean that we will eliminate all but one older bus from our regular route system which ensures more reliable and air-conditioned transportation. In addition, our transportation department is spread very thin during spring extracurricular season and sometimes our teams need to leave for competition before our route buses are available to transport them. The technology dollars will be spent on all five campuses to increase student access to technology particularly with hand held devices and mobile laptop carts that can be moved from classroom to classroom.

Q: What would be the ramification, if the community does not ratify the two cent increase in the M&O tax rate?

A: The district would not purchase the two buses or the additional classroom technology.

Q: Did the district implement cuts and cost saving measures to balance the budget without a 2 cent increase?

A: Yes, the district made cuts during the budget development process that totaled slightly less than \$1 million dollars. The district made all the reductions that we could find that did not erode the quality of the Lovejoy ISD program. Specifically, the district took these actions:

- Cut all non-personnel operating budgets by 5% even though student enrollment grew by 15%
- Convened a community committee to prioritize areas of potential budget cuts
- Did not fill ~\$400,000 in positions that were approved for the 2009-2010 school year; most of these positions did not provide direct services to students, but supported operations functions such as maintenance, custodial, and transportation
- Utilized ~ \$400,000 in one-time federal stimulus dollars to fund some campus positions that are identified as potential cuts for the 2010-2011 school year.

Voting Times and Locations

**Early Voting
(All LISD Precincts)**

**September 14, 2009 –September 25, 2009 (M-F)
8:00 AM – 5:00 PM**

**Lovejoy Administration Building
(Red Schoolhouse)
259 Country Club Rd.
Allen, Texas 75002**

**Election Day
(All LISD Precincts)**

**September 29, 2009
7:00 AM – 7:00 PM**

**Lovejoy Elementary Gymnasium
259 Country Club Rd.
Allen, TX 75002**

**Temporary Branch Voting Locations
(All LISD Precincts)
6:00 PM—9:00 PM**

September 14, 2009	Sloan Creek Middle School	Auxiliary Gym	440 Country Club Rd	Fairview
September 17, 2009	Lovejoy Elementary School	Music Room	259 Country Club Rd	Allen
September 17, 2009	Hart Elementary School	Library	450 Country Club	Lucas
September 17, 2009	Puster Elementary School	Louie's Lair	856 Stoddard Road	Fairview
September 18, 2009	Lovejoy High School	Athletic Facility	2350 Estates Parkway	Lucas