

# Wink-Loving ISD 2018 Bond Election



# What is a School Bond Election?

- A bond election requires registered voters inside the schools taxing district to express support for or against the district selling school bonds to complete a project.
- If the bond election is approved, the district sells bonds in a specified amount needed to complete the project and uses the bond proceeds to pay for that project and its expenses. The law restricts the school district to ensure that the bond proceeds are spent solely towards the purposes outlined in the Bond Election.
- Wink-Loving ISD has made use of bond financing in the recent past.

# Tax Rates Defined

## Maintenance & Operations

---

- Salaries, technology upgrades, facility maintenance and upkeep, unexpected expenditures, general and monthly school expenses
- M&O taxes are subject to the state funding formula and redistribution of school wealth
- Due to the districts high Target Revenue, the M&O rate has remained unchanged.

## Interest & Sinking

---

- The I&S tax rate is appropriated directly towards the payment of principal and interest on voter approved bonds.
- These bonds can be used for anything from construction of new school facilities, to rehabilitation of old, to the purchase of new equipment needed for district programs.
- I&S taxes are not subject to the state in anyway and stay 100% in the community

# Public School Funding

## Tax Rate Compression

---

- In 2005-2006 HB-1 was passed enacting equalization of school wealth and the compression of M&O tax rates for all districts.
- This resulted in a direct decrease in M&O dollars available to districts on an annual basis.
- In previous years districts had up to \$1.50 per \$100 of value in M&O taxes available to them.

## Redistribution of Wealth

- Also known as “Robin Hood”, the redistribution of school wealth is a method to take M&O tax dollars away from property wealthy districts and give them to property poor districts
- Maintenance and operations funding for property wealthy schools is appropriated annually on a per student basis. Any amount of M&O tax collections above and beyond that formulated number is taken by the state and redistributed to property poor districts

# Robin Hood: Recapture

---

According to the Texas Education Agency, Wink-Loving ISD is currently considered a “property wealthy” district. Under the State’s current funding program, this means that the District must give the state a percentage of their Maintenance & Operations tax collections, which is redistributed to “property poor” districts.

Currently, WLISD sends ~65% (over \$16 million) of our M&O tax collections to the Texas Education Agency.

This equalization of Texas school districts is known as “Robin Hood” and the district’s payment to the State is known as “recapture.” Taxes that are levied as a result of this bond election are not subject to recapture. All local tax dollars raised for the repayment of the potential bond issue will be kept locally in the District and not subject to the State.

# Area Tax Rates

	M&O	I&S	TOTAL
Monahans	\$1.04	\$0.14	\$1.18
McCamey	\$1.04	\$0.46	\$1.50
Crane	\$1.06	\$0.07	\$1.13
Iraan-Sheffield	\$1.06	\$0.11	\$1.18
Kermit	\$1.08	\$0.32	\$1.40
Andrews	\$1.04	\$0.25	\$1.29
Seminole	\$1.17	\$0.47	\$1.64
Wink-Loving	\$1.04	\$0.28	\$1.32

In 2012, when Wink-Loving ISD's first bond went into effect, the total taxable assessed value in the district was just over \$1.2B. Since then district value has grown to over \$2.5B with the continued success of the of the Oil & Gas industry. This growth in value has allowed the district the ability to consider addressing more facility needs through bonds using the same tax rate. W-L ISD's 2019 tax rate would be \$1.32 overall, no more than it was in 2012 when the first bonds were sold .

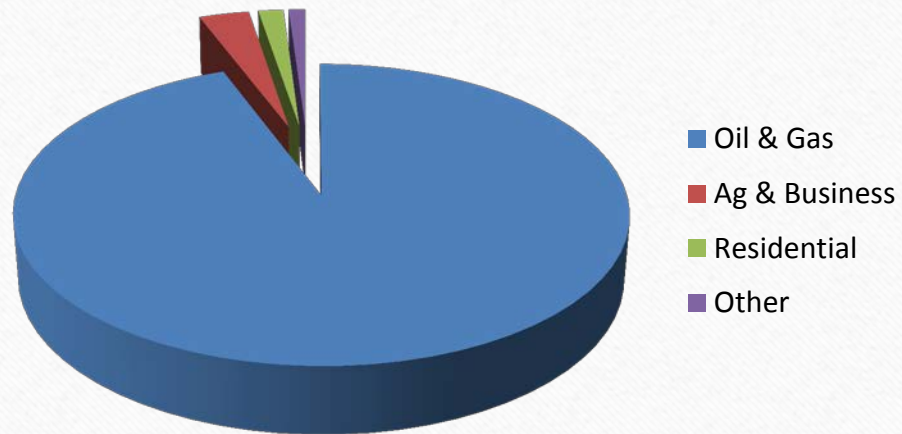
# Historical Values



# Assessed Valuation Breakdown

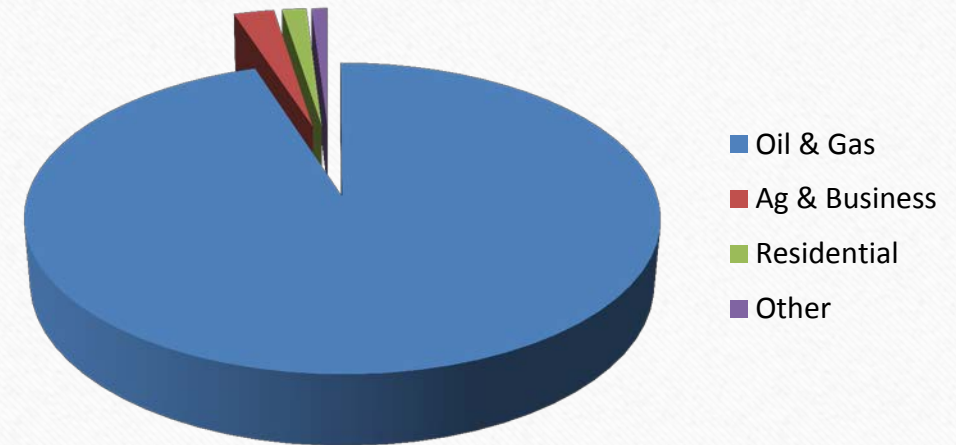
## 2015 Assessed Valuation

### Breakdown of District Value



## 2018 Assessed Valuation

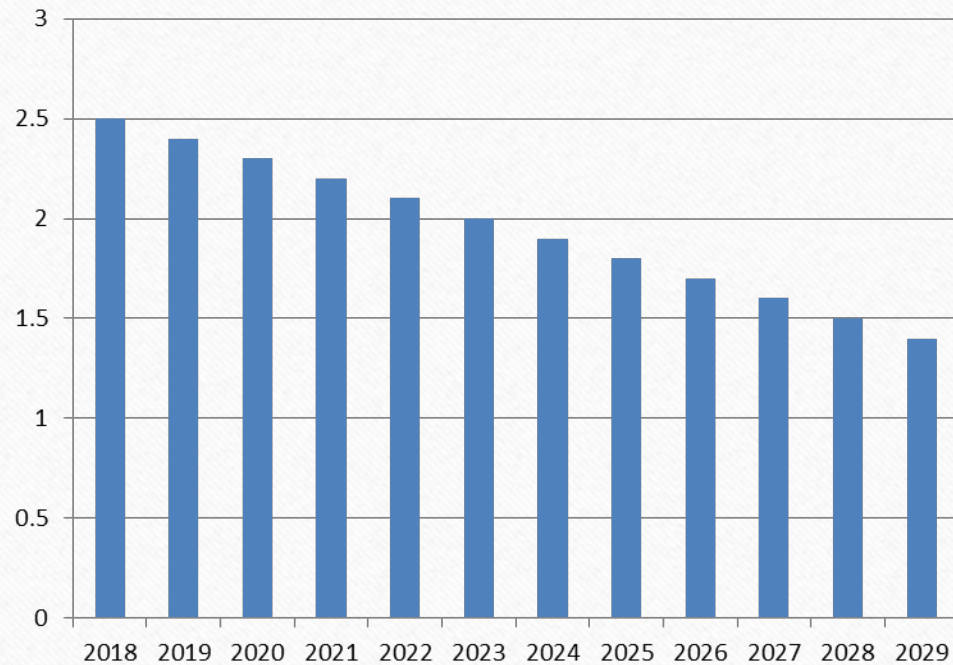
### Breakdown of District Value



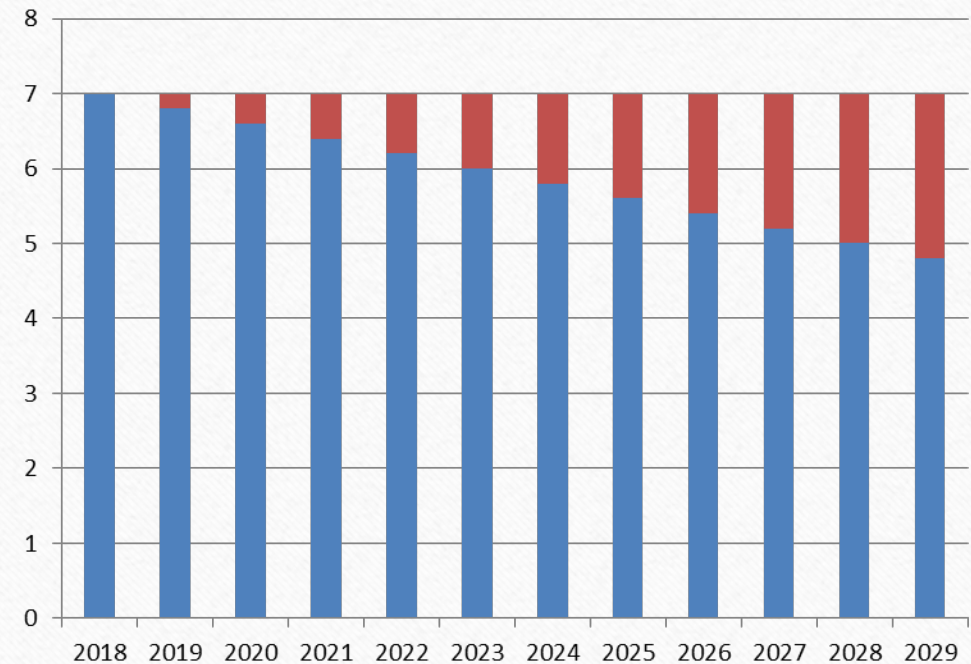


# Loss of Oil Value & Tax Impact

## District Annual Assessed Value



## District Annual Tax Revenue



# What does the project include?

---

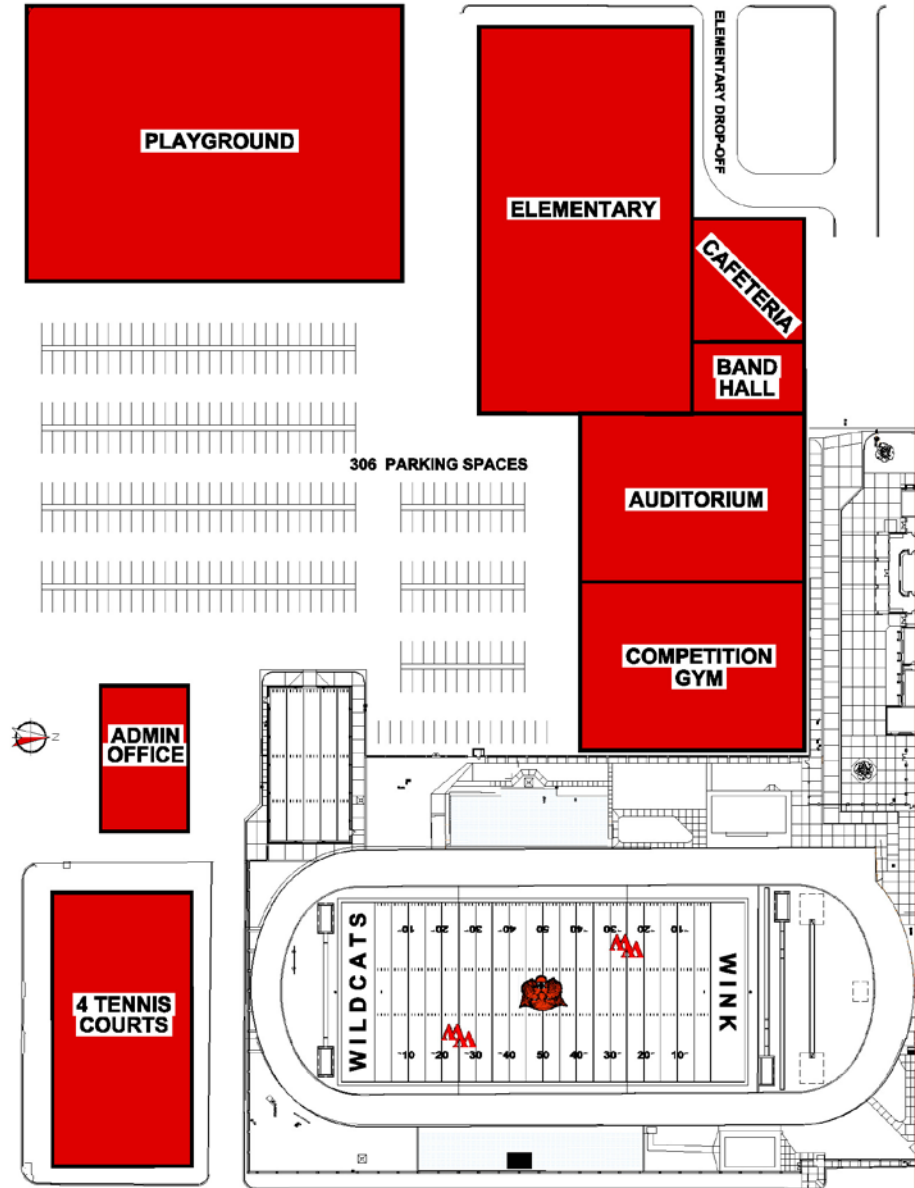
Stiles Wallace Architects - Scope of the project

Craig Wallace

# BOND PROPOSITION

\$53,000,000

- ✓ Demolition of Original:  
High School, Cafeteria,  
Auditorium, Band Hall
- ✓ New Elementary School
- ✓ New Cafeteria
- ✓ New Auditorium / Band Hall
- ✓ New Competition Gym
- ✓ 4 New Tennis Courts
- ✓ New Administration Building
- ✓ New Parking



# Tax Rate Impact

	Individual Tax Effect			
Taxable Home Value	\$25,000	\$50,000	\$75,000	\$100,000
Yearly Tax Effect	\$0	\$0	\$0	\$0
Monthly	\$0	\$0	\$0	\$0

- “Taxable Home Value” assumes the \$25,000 homestead exemption has been applied.
- Average Appraised Home Value in Wink-Loving ISD is between \$47,000 - \$50,000.
- Average Taxable Home Value in Wink-Loving ISD is between \$32,000 - \$35,000.

# Tax Rate Impact (Ag)

Land Classification	1 Section Avg. Value	Annual Tax Effect	Monthly Tax Effect
Irrigated Crop	\$28,800	\$0	\$0
Dryland	\$2,323	\$0	\$0

- The above projections are based on the average value of 640 acres in each classification. Numbers are specific to Winkler County.
- Based on an estimated tax increase of \$0.00 per \$100 of taxable land value...

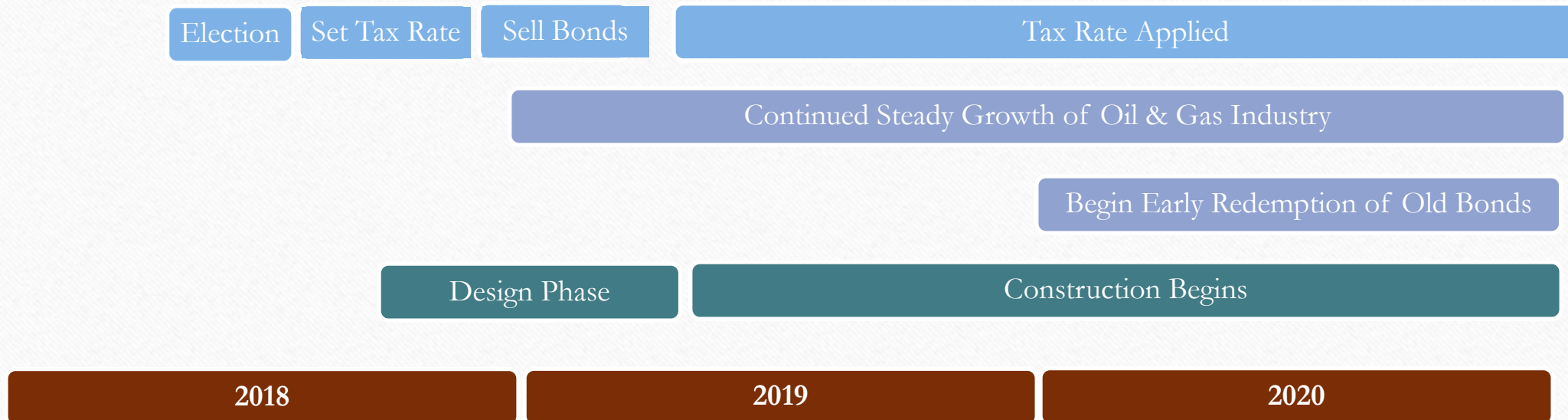
# 65 and Older Homestead Exemption

---

## Freezing Your Taxes

- If you are 65 years of age or older, the property taxes you pay **will not** increase due to passage of this bond if you have filed for the '65 & Over' homestead exemption. This tax freeze is on the homestead only, and may be adjusted up if major additions are made to the property. Citizens must request this status in order to receive the tax freeze, and this request is made through the Winkler or Loving County Clerk's.

# Timeline of Proposed Bonds



# Wink-Loving ISD Bond Election 2018

- State Tax law requires the District to seek voter approval for bond elections.

## **EARLY VOTING**

Mon, April 23rd - Tues, May 1st  
8:00 AM - 4:00 PM Monday-Friday

Wink-Loving ISD  
Administration Office  
200 Rosey Dodd Ave.  
& the Hopper Annex in Mentone

## **ELECTION DAY**

Saturday May 5th, 2018  
7:00AM - 7:00PM

Wink - Loving ISD Cafeteria  
&  
The Hopper Annex in Mentone



# Questions?

---