

Vidor 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.

What is being proposed in the May 6 Vidor ISD School Bond Election?

The CAC has recommended the construction of a new Vidor High School at a different site than the existing high school at an approximate cost of \$73.5 million. The junior high school would move to the current high school location.

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.

I have heard that if the bond issue is passed the state will help the district pay for it. Is this true? How much will the state pay toward our bond debt?

Yes, it is true that the state will help Vidor ISD pay for the bond debt as the district will qualify for the state's Existing Debt Allotment Program. Our financial advisor estimates that the state will pay for approximately one-third of our annual payment needed to retire the bond debt associated with this bond issue. That equates to approximately \$42.3 million that the state would invest in Vidor ISD school facilities during the 25 year bond repayment.

I understand that if the bond issue is passed that school taxes will go up as much as 40 cents per \$100 of value. Is the tax increase applied to the total value of the home?

No. The 40 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, Vidor ISD provides a 15% Homestead Exemption which also is deducted from the overall appraised value. The remaining value, sometimes called the taxable value, is the amount subject to the increase in taxes if the bond issue is passed.

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. Vidor ISD has maintained the exemption, which is a benefit to taxpayers.

Did the Citizens Advisory Committee consider making renovations to both the junior high and high school as opposed to building a new high school and moving the junior high to the existing high school location?

Yes. Architects estimated that facility improvements to the existing junior high school would cost \$13,560,000 and facility improvements to the existing high school would cost \$28,320,000 for a total projected cost of improving both facilities of \$41,880,000. During the CAC presentation to the Board of Trustees it was pointed out that almost \$42 million would be spent on renovations and neither campus would have a new school. Building a new high school was considered by the CAC to be the best approach to improving facilities for all students, both current and future.

Did the Citizens Advisory Committee consider the costs associated with waiting to build a new high school?

Yes. Research shows that school construction costs increase by 6% per year. Therefore, the committee felt that it was important to not wait. If we waited for the future, the cost associated with this project may be more than we can afford with relation to bond capacity.

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.

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

A median priced home in Vidor ISD is valued \$82,471. If the bond issue passes the homeowner of a median priced home will have an annual increase in taxes of \$181.19. That is \$15.10 per month.

Would the 40 cent tax increase become effective immediately?

No. During the 25 year bond payout period the amount of tax increase will vary somewhat each year, but the maximum anticipated 40 cents increase is not projected to occur until 2032 or approximately 15 years from now. A full projected payout schedule will be provided at public information meetings, but the average tax increase over the 25 year life of the bond issue is closer to a 30 cent increase per year during that amount of time.

I have heard that a new stadium will not be built for the new high school. Is that correct?

Yes, that is correct. The district has an appropriate stadium at the existing high school site and does not want to ask voters to pay more than \$20 million to build a new stadium. That would have increased the cost of the new high school to more than \$93 million. Other districts have stadiums at a different location than the high school and it seems to work for them.

Where will the new high school be located? How much land will be needed for the new school?

The school district will not purchase land for the new high school until after the bond issue is passed. Potential sites to be considered must have access to a major roadway, appropriate elevation, access to utilities, and have at least 60 acres suitable for new construction. The district will work with the board and community to choose the best location for the new campus.

How long would it take to construct a new high school?

Estimates for the length of time needed to build a new high school range from 2.5 to 3 years.

When will the Vidor ISD bond election be held? Who can vote in a school bond election?

The general election date will be May 6, 2017. 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 6 Bond Election?

In order to vote in the May 6 Vidor ISD Bond Election a qualified voter must be registered no later than April 6, 2017. A voter registration form may be acquired from Tina Barrow, Orange County Clerk, 123 South 6th Street, Orange, Texas 77630.

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

requested?

Yes. A Citizens Advisory Committee, comprised of citizens from throughout the school district, worked for nearly six months before making project recommendations to the Vidor ISD Board of Trustees. This committee toured all district campuses in an effort to best understand the needs of the campuses.

Were other facility projects considered by the CAC in addition to a new high school? If so, why aren't those projects included in the bond issue?

Yes, other campus projects were considered by the CAC and would have been included in the upcoming bond election, but the overall cost of the bond issue would have been too high. If the voters approve a new high school the district will utilize other sources to address facility projects at other campuses. Vidor ISD wants to provide quality facilities for all students in the district and this is only affordable if it is done in phases.

Did the Citizens Advisory Committee consider the facility needs of Vidor Junior High?

Yes. The CAC recommended to the Board of Trustees that Vidor Junior High be moved to the current high school once the new high school is completed. There are fewer grade levels and students at Vidor Junior High than Vidor High School and the existing high school will be a significant upgrade compared to current junior high facilities.

When did the Citizens Advisory Committee (CAC) make their recommendations to Vidor ISD?

The Citizens Advisory Committee finalized its recommendations at the February 6, 2017, CAC meeting and presented the recommendations to the Vidor ISD Board of Trustees on February 14, 2017. The Board of Trustees formally called for an election at the board meeting on February 14.

What will happen to the existing site of the current Junior High School?

A decision concerning what will be done with the existing junior high campus will not be made until the students are moved to the existing high school campus. Several options have been discussed informally, but the Board of Trustees will make that decision based on the long-term interests of the district and the community when it is appropriate to do so.

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

Bonds will be sold in the most cost effective approach needed to pay for the construction of a new high school. Once approved, the bonds will only be sold based on a schedule of sales needed to pay for completed work on the project. An initial sale of bonds will most likely occur in late summer or fall, 2017.

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.

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 that is called the Maintenance & Operations (M&O) tax. The tax that repays district bond debt 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, 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 Vidor ISD cannot promise a future reduction in the tax rate. However, over time, school district values usually trend higher which allows school districts to lower the tax rate associated with bond issue debt repayment.

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

You may request a mail-in ballot by contacting Tina Barrow, Elections Administrator, 123 South 6th Street, Orange, Texas 77630, no later than the close of business on April 25, 2017. The mail ballot must be returned no later than the close of business, May 6, 2017 (Election Day).

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

Early voting will be available at the Vidor ISD Administration Office at 120 East Bolivar, Vidor, Texas 77662. Early voting hours will be from 8AM until 4:30PM each weekday. Early voting will not be available on Saturday, Sunday, or state holidays. Extended hours voting will be available on April 25 and May 2. Individuals may vote on these two days from 8AM until 8PM.

Voting on Election Day, May 6, will be conducted at Vidor Junior High School (in the school cafeteria). Vidor Junior High is located at 945 North Tram, Vidor, Texas 77662.

Registered voters in Vidor ISD are reminded that they must bring a photo I.D. in order to vote in any election held in Orange 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

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

Please send questions about the bond issue to Dr. Jay Killgo, Superintendent of Schools. His email address is: jkillgo@vidorisd.org