

2023 HUFFMAN ISD BOND



Bond 2023 Related Frequently Asked Questions

What are bonds? How long does it take to pay them off?

After a bond proposition is passed, bonds are sold to generate revenue to pay for new or improved school facilities, equipment, furniture, technology, buses, land, and other qualifying expenditures. Much like a mortgage on a home, bonds are designated for a payout of up to 40 years.

How long will the pay-off be for this bond issue?

Major projects will include bond repayment of 30 years, however, bonds for technology and buses will be for much shorter periods of time to avoid paying for something beyond its lifespan. In most circumstances even the longer-term projects may be paid-off before 30 years.

If a bond election is successful, does the school district immediately incur the debt?

No. The bonds do not cost the district anything until they are sold. If the bond issue passes, bonds will be sold on a schedule commensurate with completion of construction progress and the acquisition of other bond items – such as technology and bus purchases.

What is the difference between M&O tax rate and I&S tax rate?

The total school district tax rate is determined by adding the M&O tax rate and the I&S tax rate together. The maintenance and operation tax rate (M&O) is the tax that generates the money for the day-to-day operations of the schools such as employee salaries, instructional resources, fuel for buses, etc.. The interest and sinking fund (I&S) tax rate generates the revenue needed to pay for school district debt.

Will the I&S tax rate increase if voters approve the bond propositions?

Because of recent legislation, even if voters pass this bond, the predicted impact to taxpayers is a decrease from the 2022 Huffman ISD tax rate.

How were the projects on this bond proposal selected?

Huffman ISD invited over 100 community members to participate in a Citizens Advisory Committee. The Citizens Advisory Committee meetings began in February and last until May with over 60 members participating regularly. The charge of this committee was to evaluate the current facilities in Huffman ISD and determine if there are new construction projects that would best serve the needs of our school district at this time. Through a democratic process, led by our meeting facilitator, the committee selected the projects that would be proposed to the school board. In August, the Huffman ISD board of trustees unanimously elected to call for a bond election in November that included the exact list of projects proposed by the Citizens Advisory Committee.

Are there multiple propositions on this ballot?

No, there is only one on this ballot. The projects included in this bond allows the district to include them all in one proposition. Previously, there were renovations to the softball and baseball fields that will NOT be on this bond.

Does this bond proposition include the same projects as the bond in 2022?

No. The previous bond projects in 2022 were two separate propositions totaling over \$101 million. The 2023 bond is valued at \$91.8 million and includes projects related to student growth and addressing the preservation of our aging facilities. The anchor project of this proposition is a Career and Technology Center that will generate new learning opportunities for our students, while also creating much-needed classroom space on the high school campus. The 2023 bond also includes additional classroom and corridor space at the middle school, as well as safety, security and technology upgrades across the district. There are also facility renovations across the district, a gym expansion at the high school, the final building completing our operations center complex and six new school buses.

How are the FEMA projects funded?

The facilities that are considered FEMA projects are funded through a 90/10 cost share reimbursement program. The district has to cover 10% of the project and the other 90% comes from FEMA reimbursement. These funds have been released to TDEM (Texas Department of Emergency Management) from FEMA. The district only receives these funds upon reimbursement request.

Operations Center?

The Operations Center, when completed, will be designed to consist of three buildings with a parking lot to accommodate HISD's bus fleet. Building A will be for Bus Maintenance and will include a shop, tool storage, and parts area. Building B will house the Police Department, an academic and operations training area, and offices for Child Nutrition, Maintenance, Custodial, and Transportation. Building C will have some shop space and become the district warehouse. Many of these offices are currently housed at Huffman Elementary. Buildings A and C are funded through FEMA. Only Building B is on the bond referendum.

How is the construction at the baseball and softball fields being funded?

Since the proposition regarding the fields failed in 2022, the district went forward with using FEMA funds to renovate. The goal of the bond proposition was to upgrade the fields to artificial turf. FEMA only allows for damage repair and replacement costs. The drainage and irrigation systems have been replaced, and the field will be resurfaced with natural grass.

If the bond passes, what happens with the vacated space at Huffman Elementary?

Currently the Police Department and offices for Child Nutrition, Custodial, Transportation and Maintenance are housed at Huffman Elementary. The vacated space will be used for future student growth.

Why does this bond not include a new campus?

The Citizens Advisory Committee (CAC) decided that the bonding capacity would be better spent and impact more students by concentrating on the slated projects. For example, the cost estimate of a new high school would have dedicated all or possibly more of our eligible bonding capacity at this time to that project. The CAC valued the various projects included in the bond proposal over dedicating all of our bonding resources to a single campus.

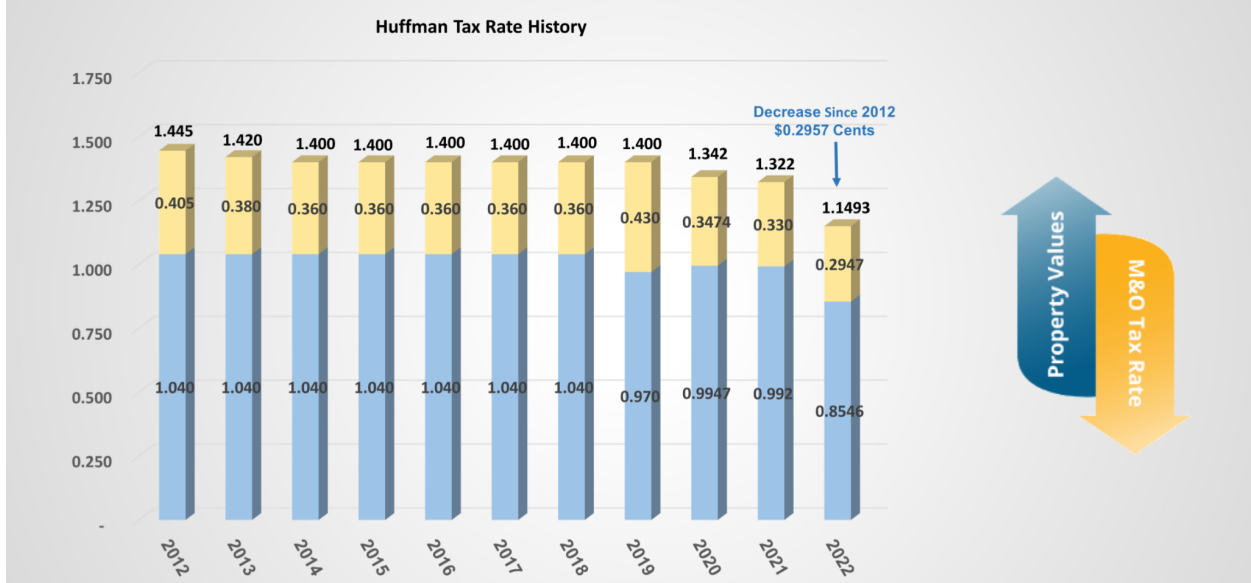
What is bond capacity?

Bond capacity is defined as the amount of new debt the District can issue in relation to the District's current Interest & Sinking tax rate and within the limitations of state law. A school district's bonding capacity is based on the district's capacity to generate property tax collections that can sufficiently pay off the debt from purchased bonds.

Has the I & S tax rate remained the same since the last bond issue in 2016?

No, the I&S tax rate has been lowered thirteen cents during the past four years. By law, school districts are required to report the maximum impact to a tax rate that will occur at the time a bond issue is passed.

TAX RATE HISTORY



Will school district taxes increase for homeowners 65 years old or older?

No. Once a homeowner becomes 65 years old and has filed for the exemption, school taxes are frozen (will not increase), even if the taxable value of the home increases (excluding property improvements).

Were all 2016 bond projects completed within budget?

Yes. All bond projects approved by voters were completed and the total cost of the projects was less than the bond amount given to voters. We were also able to construct our Military Science building with funds that were saved on construction projects completed from the 2016 bond election. The construction of the Military Science building also allowed us to expand the welding and construction trades instructional spaces in the Agricultural Science building.

How well does Huffman ISD serve as a fiscal steward for district business operations?

The Texas Education Agency utilizes a system to rate school districts (Financial Integrity Rating System of Texas). Huffman ISD business services has received a superior rating (the highest rating available with this system) every year it has been rated.

If this bond passes, does it meet the facility needs of the district?

The projects on this bond proposal will address many of the current needs of the district. These projects present a productive combination of addressing our current need for additional student capacity, while also including plans to add longevity to existing facilities. However, with the long-term anticipated growth that our district will experience, we expect that more bond proposals in the near future will be necessary. These future bond proposals may include, if endorsed by future CAC groups, new campuses that could be built on property purchased by the district to prepare for growth.

Does the district own property? Will land for future campuses be donated by developers?

In 2022 Huffman ISD purchased 132 acres of land to position ourselves to be better prepared for future facility construction. This land is southeast of our high school and due east of Falcon Stadium. The location of this land is ideal for expanding the capacity of our secondary campuses based on its direct proximity to our current secondary campuses, Agriculture Science and ROTC buildings, as well as our athletic facilities.

The district leaders met with most developers that are proposing to build a large number of homes in our school district. Normally, these developers share the location of their projects and discuss the possibility of locations for schools in these neighborhoods. We have not experienced developers offering to donate land to the school district for the purpose of building a school. They may offer land at a slightly reduced cost to the district for a school site, but no land has been offered at no cost to the district.

What if I have a question that is not covered by the FAQ document?

The goal of the school district is to provide factual information to constituents of Huffman ISD. If you have any questions related to the bond propositions, please call (281)324-1871 or go to our website at www.huffmanisd.net/2023Bond for additional information.

Para obtener una copia de esta información en español, comuníquese con afortenberry@huffmanisd.net.