

# UNDERSTANDING THE PENNY SWAP & DROP

On November 7 voters, including business owners, will be asked to consider dropping the overall Eanes ISD tax rate, allowing the district to access additional funds for educational programs at no additional cost.

## SCHOOL DISTRICTS HAVE TWO TAX RATES

Debt Fund (I&S) used to pay bonds

Operating Fund (M&O) used to pay salaries & utilities



### SWAP 2 CENTS

A Swap is moving pennies from the I&S to the M&O tax rate, making the pennies “Golden Pennies,” and it requires voter approval. Swapping two pennies would provide additional financial resources to address budget constraints that are impacting class sizes and competitive salaries for teachers.

### DROP 1.25 CENTS

We’ve paid debt off quickly. Now the I&S tax rate can drop by 3.25 cents if the Penny Swap & Drop passes. We can take two pennies and move them to the M&O tax rate. The remaining 1.25 cents can then drop back into the pockets of taxpayers.



The Swap & Drop moves **CONSTRUCTION dollars** to **INSTRUCTION**

### ADD \$3M TO M&O

**100%**

\$3M in new funds that stay local

**\$1B**

SINCE 1995

Recapture monies paid to the state

Tax rate	Current	Penny Swap & Drop Approval	+/-
M&O (Operating)	\$1.04	\$1.06	+2 cents
I&S (Debt)	\$0.1725	\$0.14	-3 cents
<b>Total</b>	<b>\$1.2125</b>	<b>\$1.20</b>	<b>-1.25 cents</b>

Drop One Cent

Lower Tax Rate

Golden Pennies are worth more than regular pennies under the state funding system and are not subject to state recapture. A Penny Swap & Drop in Eanes ISD maximizes local dollars while adding new money to the operating budget to be used for our students.

**9 YEARS**

The M&O tax rate has been **\$1.04**

**\$0**

No new money from the state for the next two years.

**\$30M**

more in recapture money will be paid to the state in the next two years



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Visit your App store

# WHY CONSIDER A PENNY SWAP & DROP

The Penny Swap & Drop is simply about asking voters to allow Eanes ISD to access additional funds for educational programs at no additional cost.

ADDITIONAL  
\$3M TO FUND

## FOUR SHARED COMMITMENTS

### Fiscal Responsibility

With a Bond Rating of AA+ and the state's highest financial rating of Superior Achievement, Eanes ISD has a proven track record as a responsible steward of taxpayer dollars.



### ATTRACT & RETAIN HIGH-QUALITY TEACHERS

Teachers have choices about where they live and work. Providing appropriate and market-competitive compensation and benefits not only attracts high-quality teachers, but also retains our experienced teachers.



### REASONABLE CLASS SIZES

Eanes ISD has made a commitment to reasonable class sizes. With no new funding from the state, and increased recapture payments, financial constraints have the potential to impact future class sizes through the loss of teaching positions. Twenty teaching positions is equal to approximately \$1 million.



### PROGRAM SUPPORT & STABILITY

The Penny Swap & Drop will generate approximately \$3 million annually in new operating funds to continue support of quality teaching and learning programs that benefit every student and every teacher.



### CREATE & MAINTAIN FACILITIES

Since 2013 Eanes ISD has redeemed more than \$11.6 million in bonded debt early saving taxpayers more than \$8.3 million in interest. If the Penny Swap & Drop passes, the district can still meet bond commitments with the lower 14 cent I&S tax rate and maintain reasonable bond capacity.

Connect  
with us



**Election Day is  
NOVEMBER 7**

Early voting is at Randalls West Lake Hills  
**OCT 23 - NOV 3**

Visit [www.EanesISD.net/PennySwap](http://www.EanesISD.net/PennySwap) for more information