



MIDWAY ISD

SCHOOL FINANCE OVERVIEW



OPERATIONS VS. DEBT SERVICE



Operations

- Payroll – all employees
- Supplies
- Transportation
- Utilities & Insurance
- Athletics/Extracurricular



Debt Service

- Principal and interest payments on voter-approved bonds



TAX RATE COMPONENTS



Set by Board to
service existing
voter approved
debt

**No
Recapture**



TAX RATE COMPONENTS

Tier 1



Compressed
Maximum Tax
Rate (MCR)

Level 1 -

Recapture

Tier 2



Golden Pennies –
8 Available

No Recapture

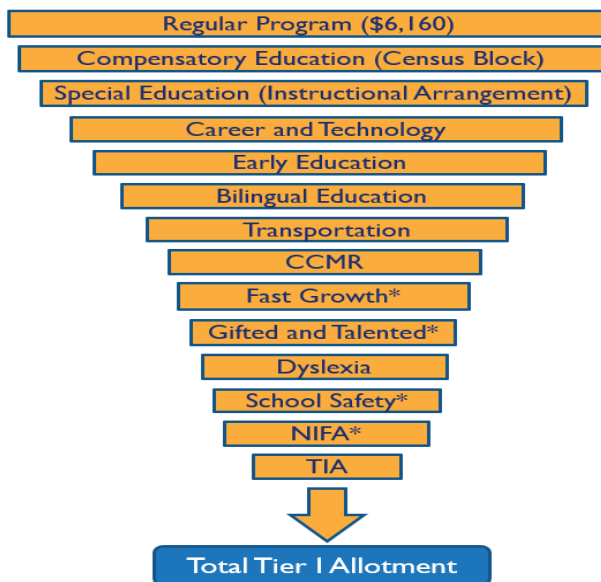


Copper Pennies –
9 Available –
Voter Approved
Level 2 -

Recapture



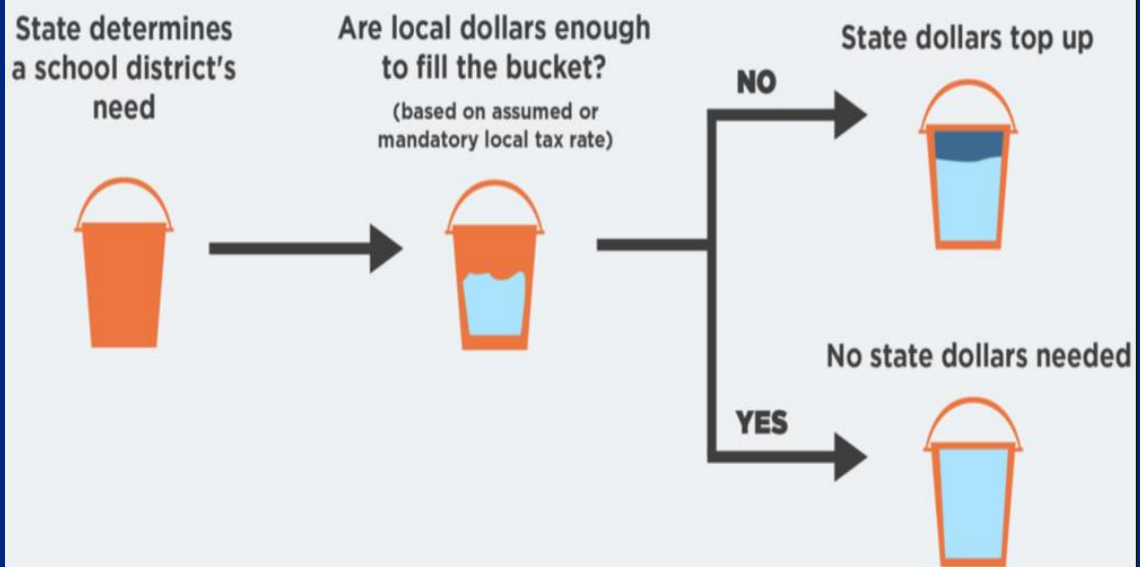
Calculation of Tier 1 Entitlement



Basic Allotment: \$6,160

(Per ADA/set by TEC Ch 48)

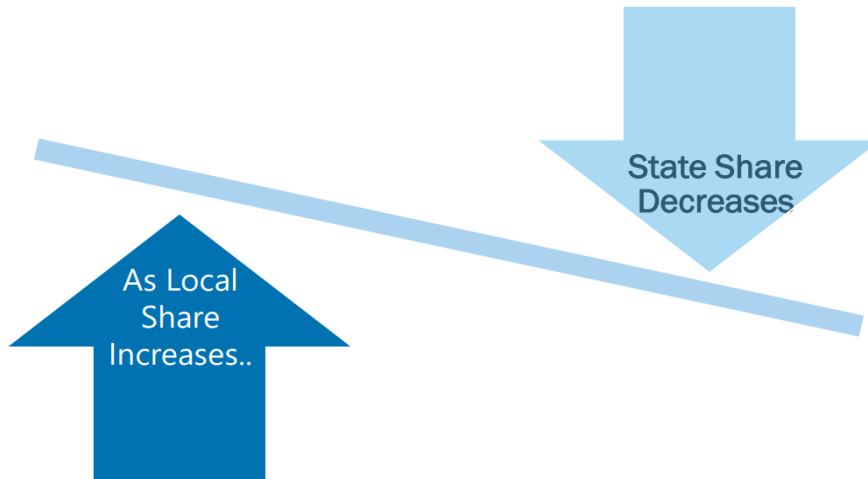
* Allotment Capped



A balancing act:



State Share vs. Local Share



VOTER-APPROVAL TAX RATE (VATR)

District's
Maximum
Compressed
Rate (MCR)
for Tier 1
(determined
by TEA)



Higher of:
•Tier 2
Enrichment
Rate from
previous
year or
•5 Cents



I&S Tax
Rate
necessary
to service
voter-
approved
debt



VATR

Tax Year	MCR	Tier 2 Rate	I&S Tax Rate	VATR
2021-22	\$0.8443	\$ 0.05	\$ 0.27	\$1.1643
2022-23	\$0.8046	\$ 0.05	\$ 0.27	\$1.1246
2023-24	\$0.6192	\$ 0.08	\$ 0.24	\$0.9392
2024-25	\$0.6169	\$ 0.08	\$ 0.24	\$0.9369