

For Immediate Release

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Texarkana College Board of Trustees Considers Adopting New Tax Rate

Monday, August 24, 2015- Texarkana, Texas- Texarkana College Board of Trustee members voted today to consider adopting a new tax rate for the college district. The decision came after the board reviewed a presentation by TC President James Henry Russell showing that Texarkana College's total tax rate is one of the lowest in the state. If the board votes to approve the new tax rate at its September meeting, the new rate will go into effect in October 2015.

"When you compare TC to the other 50 Texas community colleges, there are 42 institutions with a higher total tax rate than Texarkana College," Russell said. "This means that TC receives \$1,054 less per student from tax dollars than the average Texas community college. Even with the proposed increase, TC will remain in the bottom quarter of all community colleges in Texas for total tax revenue support received."

Russell said TC has taken every measure possible over the last several years to balance the college's budget. Since the college's successful annexation election in 2012, administration has implemented measures to raise tuition, reduce personnel costs, convert to a less expensive administrative software system, and initiate an energy conservation plan. Those measures, along with additional revenue from the annexation, have brought the college closer to a break-even budget.

However, Russell said declining state revenue for community colleges overall has created a climate where the burden of support lies almost completely with the community and its taxpayers. Texarkana College has experienced a decline in state revenue of approximately \$3.08 million over the last five years, a trend that has negatively impacted funding for all 50 Texas community colleges.

"We are at a time in the history of the college when we have to look at every possible source of revenue to ensure students have the resources needed to learn and grow in a progressive environment," Russell said. "We do not take this decision lightly, and we realize this will impact homeowners. The increased revenue will allow the college to continue to be a strong economic driver in our region, which is a win-win for everyone."

If adopted, the rate would move from 0.105 to 0.113, and the average homeowner in Bowie County would see a slight increase in taxes of less than seventy cents per month, or approximately \$8 annually. Homeowners who are 65 years of age or older or disabled are exempt from the tax rate increase if proper documentation is filed with the Bowie County Tax Assessor.

Prior to the Board's final decision, which is slated for the September meeting, the College will hold two public hearings to allow Bowie County residents the opportunity to discuss the plan with members of the Board of Trustees and college administrators. The hearings are scheduled for Wednesday, Sept. 9, 2015

and Monday, Sept. 14, 2015, in the Truman Arnold Student Center at Texarkana College. Exact times for the hearings will be announced on the Texarkana College website and in an official posting in the Texarkana Gazette.

In other business, Trustees approved an agreement to strengthen a regional higher education consortium, TC3, that is being funded through the University of Texas-Tyler's NETnet Consortium, which provides high speed internet to higher education entities throughout our region. Membership in the consortium, which includes Northeast Texas Community College and Kilgore Junior College, contributed to Texarkana College's costs savings for its recent computer system conversion. During the 84th Legislative Session, Representative Gary VanDeaver supported the consortium's efforts to seek solutions for better economies of scale when investing in resources that can be cost-shared amongst peer institutions.

"Because of the evidence of success demonstrated by consortium partners with our recent ERP conversion, Rep. VanDeaver rallied in support of securing a special funding allowance to expand the scope and reach of the project to include additional partners," Russell said. "Rep. VanDeaver is a true champion for improving higher education opportunities in our region."

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TEXARKANA COLLEGE

TEXAS COMMUNITY COLLEGE TAX RATE REVENUE COMPARISONS

Out of the **50** Texas community colleges, there are 42 with a higher total tax rate than **Texarkana College**.



The average total tax rate in Texas is
\$0.1644023

TC's average total tax rate is
\$0.105267

Tax rate is determined based on every \$100 of appraised property value.

The average tax revenue per student in Texas is
\$2,386

TC's tax revenue per student is
\$1,322

That means Texarkana College's tax rate is **almost 6 cents lower** than the state average, and TC receives **\$1,064 less per student** than the average Texas community college.

If TC considers raising its tax rate, how will this impact taxpayers?

If adopted, the rate would move from 0.105 to 0.113, and the average homeowner in Bowie County would see a slight increase in taxes of less than seventy cents per month, which is approximately \$8 annually.

