

## Letter from the BDISD School Board

August 18, 2016 the Board unanimously voted to call for two school bonds to be placed on the November ballot. This decision was made after nearly a year of meetings with the staff, facility committee, financial advisor, architect, and the Board. The main purpose of the bonds was to replace the existing portables and make needed repairs to the school.

August 29, 2016 the Board unanimously voted to remove the bonds from the November ballot. This decision was made due to a 10% increase in the school district's taxable values, a significant increase in Chapter 41 payments to the Texas Department of Education (TEA) for the 2016-2017 and 2017-2018 school years, and the loss of Additional State Aide for Tax Reduction (ASATR). These State changes occurred after the Board had called for the bond election.

Bluff Dale ISD is considered a property-wealthy school district. The school finance system "recaptures" funds (YOUR PROPERTY TAXES) from the property-wealthy districts to distribute to the property-poor districts. Currently, Bluff Dale ISD is ranked the 80<sup>th</sup> richest district in the state. In 2015-2016, you sent \$412,931 back to the State. By the 2017-2018, you are projected to send \$606,397 to the State.

We believe this is local tax and the money should remain with Bluff Dale ISD. Unfortunately, the Texas Legislators have not agreed and the Supreme Court has recently ruled in favor of the State. If changes are not made during the next legislative session, 50 to 70% of your money will go back to the State. Bluff Dale ISD is not the only district affected by these State changes. School districts from Palo Pinto ISD to Houston ISD were also affected late this summer.

The BDISD Board felt it necessary to postpone the bond in order to focus our attention on methods to help reduce the money sent back to the State. The Board has adopted a multilayer approach to address this issue:

1. Create an active marketing plan to recruit more students. The only way BDISD can keep more of the local tax dollars is to increase enrollment. Currently our enrollment is 102.
2. Look at all possible ways to reduce expenses. BDISD has already received a perfect score on the recent FIRST Financial Audit from the State of Texas; however, we feel that small cuts can be made to save money.
3. Actively inform the State of Texas of the impact Chapter 41 is having on BDISD.

The Board and administration will continue to monitor this fluid situation and keep the community, staff, and parents informed of this situation.

If you have any questions, please give the school or any of us a call.