

# BOND 2020

DICKINSON INDEPENDENT SCHOOL DISTRICT

**ELECTION DAY: NOV. 3, 2020**



## **HAS THE DICKINSON ISD TAX RATE DECREASED THIS YEAR?**

Yes. In 2019-2020, the tax rate was \$1.45/\$100, and for 2020-2021, the approved tax rate is \$1.344/\$100. A home with an appraised value of \$250,000 will have a savings of \$265 with this lower tax rate.

With the passage of House Bill 3 during the 86th legislative session, Dickinson ISD receives additional state funding, and we now have required tax rate compression. HB 3 provides for additional tax rate reduction in future years based on the amount of local and state property value growth, and HB 3 legislation now limits a district's adjusted tax levy to no more than 2.5% more than the prior year.

## **HOW IS IT POSSIBLE FOR THIS BOND PACKAGE TO RESULT IN NO TAX RATE INCREASE?**

The bond package will result in no tax rate increase due to increased residential development, local property value growth, and the District's management of long-term debt.

- The District is experiencing increased enrollment because of residential growth in the district, especially east of I-45 and south of Hughes Road.
- This property value growth equates to more property tax revenue to pay bond debt without a tax rate increase.
- Based on projections of property value growth and interest rates, the District's tax rate will not change because of the 2020 bond.
- The District works with a Financial Advisor to actively manage outstanding bond debt. At every opportunity, the District pays debt early and/or refinances debt to save costs. Because of the conservative debt management strategies used, DISD has provided taxpayers more than \$25 million in interest cost savings during the past ten years.
- The debt management strategies utilized by DISD are similar to an individual refinancing their home mortgage when interest rates decline.

## **DOES THE DISTRICT RECEIVE STATE FUNDING FOR THE CONSTRUCTION OF SCHOOLS?**

No. Dickinson ISD does not receive any state funding for the construction of schools.

## **WHERE WILL THE PROPOSED JUNIOR HIGH BE BUILT?**

Dickinson ISD owns a 36-acre tract of land in the southern portion of the district. The 36 acres is located near the Cobblestone development.

## **WHY ARE GRADES BEING REALIGNED AND WHY IS 6TH GRADE MOVING TO JUNIOR HIGH?**

The realignment of grades will provide additional space at the elementary schools to accommodate full day Pre-K as well as

additional growth. Moving sixth grade to junior high will make available the opportunity for our junior high campuses to adopt a middle-level secondary model. In grades 6-8, state curriculum TEKS are bundled, so having these grades together will result in stronger alignment of TEKS structure. Sixth grade students will not be grouped during the school day with seventh and eighth grade students for academic classes, elective classes, or lunch. Currently, 1,192 schools statewide have a grades 6-8 middle-level model. Additionally, this transition will eliminate travel for some of our teachers who currently split time between our middle school and junior high campuses.

## **WHY AREN'T TECHNOLOGY DEVICES INCLUDED IN THIS BOND ISSUE?**

DISD realizes it is not where it needs to be with technology devices; however, a long-term bond is not the best resource for funding these purchases. The life of a device is short-term (5 years or less), and with bond funds, taxpayers would still be paying for devices when they are no longer in use.

Instead of using bond funds for devices, Dickinson ISD has committed additional local and federal funds for technology devices, and it took advantage of the Operation Connectivity bulk order program that was made available by TEA in July. 2020 technology upgrades for students and teachers have included hot spots (800), laptops (1,800) and Chromebooks (4,247). Each year, local and federal funds will be used to continue adding devices so that adequate technology equipment is available to meet the instructional needs of our students and teachers.

## **WHY ISN'T A SECOND HIGH SCHOOL IN THIS BOND?**

The 9th Grade Center was opened in August 2019 to provide additional classroom space at Dickinson High School. We know additional space will be needed for high school students in the future, and the next Facility Task Force will address the high school concerns and needs with future recommendations.

## **WHY DOES THE LAST SENTENCE IN THE BALLOT PROPOSITION SAY "THIS IS A PROPERTY TAX INCREASE"?**

During the 86th legislative session, legislators passed House Bill 3. Within this legislation is required bond language for all school districts. Although this language is very misleading to voters, it is mandatory and cannot be changed. (Sec. 45.003 – Bond and Tax Elections (b-1)) Bond 2020 will not increase the tax rate for DISD voters.