



BIRDVILLE INDEPENDENT School District

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Board Approves Sale/Refinancing of Bonds, Saving Taxpayers Millions

At their regular February meeting, BISD’s Board of Trustees authorized the sale of \$105 million in bonds during March 2015. The Board is selling bonds at this time to take advantage of historically low interest rates, thus saving taxpayers interest on bonds approved by voters in November 2014. In addition, the Board voted to refinance \$99,272,054 of Series 2007 and 2008 bonds to also take advantage of the historically low interest rates.

Highlights of the recent bond sales include:

- Standard and Poor’s and Fitch Ratings, national bond rating agencies, rated these bonds AA and AA+ respectively, making the bonds very attractive investments when compared to bonds issued by other Texas school districts.
- The interest rate on the Series 2015-A Bonds is 1.13 percent lower than the anticipated 4.50 percent rate presented to voters during the 2014 Bond campaign.
- The projected I&S (debt service) tax increase from the 2014 Bond program is 1.84 cents, which is 43.2 percent lower than the 3.24 cent tax increase communicated to taxpayers in November 2014. *This reduces the cost of the 2014 Bond program by \$19,983,944.*
- By refinancing Series 2007 and 2008 Bonds, the District’s interest rate on certain existing bonds went from 4.96 percent to 2.83 percent, *generating a savings of \$14,931,944* to taxpayers. This was done without extending the payoff period of the original 2007 and 2008 bonds.

How does this bond sale affect property taxes?

With the favorable interest rate, property taxes will increase approximately \$1.70 per month on a house valued at \$120,000, not the anticipated \$3 per month.
(\$120,000 - \$15,000 homestead exemption = \$105,000.)

Home Value (After \$15,000 homestead exemption)	Approximate Monthly Tax Impact (Projected tax increase in November 2014 literature)
\$105,000	\$1.70 (\$3)
\$210,000	\$3.40 (\$6)
\$315,000	\$5.10 (\$9)

The Texas Constitution provides homeowners an “Over 65” property tax exemption when they turn 65. Upon qualification for the exemption, a homeowner may file an application with the Tarrant County Appraisal District. Once the exemption is granted, homeowner property taxes will not increase above what they were the year the homeowner turns 65. Therefore, homeowners with an “Over 65” property tax exemption will not see a tax increase.