



Open Letter to the Tarrant Appraisal District Board of Directors
Jim F. Chadwell, Ed.D., Superintendent
Eagle Mountain-Saginaw ISD

August 15, 2024

Dear Tarrant Appraisal Board Members:

Last week, I joined other Tarrant County school districts in providing vital input to you as you considered the draft TAD Reappraisal Plan. As the superintendent of Eagle Mountain-Saginaw ISD, I have the privilege to serve in one of the fastest-growing school districts in DFW, serving 23,800 students and growing toward a build-out of 40,000. EMS ISD represents the future for the City of Fort Worth and Tarrant County. Among my responsibilities is to plan for the future both by hiring educators and staff as well as building facilities in preparation for the inevitable growth that is coming.

As I listened to my colleagues share with you their concerns regarding the reappraisal plan, several common threads emerged:

- The plan will create unintended consequences for school districts, which will result in a significant dip in local funding and will inevitably cost taxpayers more because of potential delays in construction of needed renovations and facilities.
- School districts would like to work in partnership with TAD staff on the development of a reappraisal plan.
- School finance law is very complicated and TAD leadership lacks understanding of the law and its implications at the local level.
- School districts request to pause the approval process so that we can work together cooperatively, including facilitating access to state leaders in school finance.
- Both school districts and TAD are concerned about the effects of rising property values and taxes on taxpayers.

Unfortunately, what I learned from the meeting is that there was only one member of the TAD Board who respected the collective knowledge of school officials in attendance in this decision.

The action of the Board demonstrated to me, and other leaders of local schools districts and cities, that there was no respect for the facts being presented, but rather the Board was making a political decision to placate those whose words and actions appear hostile to school districts, educators, children's educational needs, and the families who live in our communities. We identified for you the unintended consequences, only to learn through your vote that these have now become intended consequences. We told you what would happen in our school districts and how it will directly affect students throughout Tarrant County, only to learn that you simply don't care. We learned there is no desire to pause, partner together, become educated, and to make a future informed decision in partnership. We learned that either the Board is arrogant and doesn't think school finance law is complicated, or worse, does not care. We learned that school districts are perceived and even promoted to be against taxpayers, when in reality, like TAD, we answer directly to taxpayers on a daily basis. We are not only school leaders, we are taxpayers ourselves and we live amongst those members of the community who hold us accountable both for our educational programming and the careful use of their



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financial resources. Whether it be at a board meeting, at Walmart, at church, or on in the stands at a game, we hear from our constituents. What we hear is that they want good schools, because they know that quality neighborhoods and quality schools are inextricably linked.

What you refused to believe is that your decision will not save taxpayers money, because of the inflexibility in school finance law and the necessity of paying our debt obligations. Because of your unwillingness to learn and work with us, you will cost taxpayers more and not less. The state's system essentially places the local Maintenance & Operations (daily operations) tax rate on autopilot. This system provides school districts with limited ability to adjust the tax rate to sustain daily operations as property values fluctuate. On the debt service side, this portion of the tax rate is restricted by the 50-cent cap, which greatly limits the ability of fast-growth districts to meet the demands of new student growth.

School district bond programs are based on facility needs, the costs of those facilities over the life of the bond, and the current and projected future property values. These decisions are based on our current taxing system. Even as the Texas legislature passed significant school finance reform this last session, those measures only apply to future debt. Previous debt was not affected, because those bonds, sometimes sold 25-30 years ago, were based on the expectation that the taxing system would remain consistent. It is the obligation of the school districts to pay those bond debts regardless of any changes in the school finance system. The State accounted for this, but this reappraisal plan does not take this into consideration.

We have a responsibility to provide classroom space to our growing student population, which requires building additional schools. Since a school district's bond capacity is directly related to its tax base, by delaying reappraisals, you are effectively delaying our district's ability to issue bonds, which our community voted to approve, to build much-needed facilities. Delaying reappraisals, coupled with construction inflation, not only increases the building cost of these facilities but also increases the borrowing cost of the school district. This, in turn, threatens school districts' future abilities to fund bond projects that voters have already approved. Make no mistake, these increased costs are ultimately borne by the taxpayer.

In fact, this decision is already poised to cost taxpayers more – not less – with the City of Fort Worth on Tuesday, August 13, 2024, recommending its first property tax rate increase in 30 years. City leaders said the increase is directly tied to TAD's change in the residential appraisal schedules, which will lower the City's annual tax revenue that previously has been sustained by community growth.

Given these factors, I ask that you reconsider your decision so that we can work together to find sustainable solutions on behalf of every stakeholder. My hope is that what we learned from your words and actions at the last meeting is not the end. I hope that we are able to work together now to build a strong, sustainable future for Tarrant County citizens, including the youngest citizens among us who require quality schools so that they may achieve at the highest levels and be prepared as tomorrow's leaders. Thank you for your time.

Sincerely,

Jim F. Chadwell, Ed.D.
Superintendent