

EPISD says bond approval means matching funds

By Gustavo Reveles Acosta

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If the \$230 million bond issue is defeated in the May 12 election, the El Paso Independent School District could lose out on millions of dollars in state matching funds for construction that will be available only until this summer, administrators said.

District officials said that if the bond issue failed and was brought back to the voters at the next available date in November, it would be too late to qualify for the Existing Debt Allotment, or EDA, matching grants that help property-poor school districts pay for building new schools and classroom additions.

“These funds, under the current formula that would pay EPISD for 45 percent of our cost, is only available until the end of the summer,” said Ken Parker, EPISD’s chief financial officer. “If we wait until 2009 for the Texas Legislature to re-approve more funds.”

EDA funds have paid for about 45 percent of the costs associated with the \$207 million in bonds that voters approved in 2003. That about halved the tax impact on homeowners, Parker said.

The district wants voters to approve \$230 million in bonds, most of which would go toward building and expanding schools that would be affected by the influx of about 10,000 military students coming to Fort Bliss over the next five years.

If the bond is approved, repaying them would be add a minimum of 7.5 cents to the current tax rate. That would add \$75 to the annual school-tax bill on a home with a taxable valuation of \$100,000.

Parker said district figures indicate that if the band is approved in May, the 7.5 cent tax rate could be cut by about 2 to 4 cents.

“If the bond doesn’t pass, we don’t really know what the Legislature would do and what kind of formula they would use to establish qualification,” Parker said. “It could be completely different and the district may not be as impacted as it is right now.”

Westsider Lorena Fernandez doesn’t know yet whether she’ll vote for the bond, but she acknowledged that the prospect o having a lower tax rate would be a key to her decision. “I like a 45 percent off sale. I guess,” she said.

“And I do know that there is a need for the new schools.”

Ken Gezelius, a Northeast resident who was on the committee that helped the district draw up the plans for the bond election, said he’s unhappy with the way the

administration will present to the bond to the public and plans to campaign against it's approval.

"I agree that the district is facing a big challenge because of the BRAC, but I don't think things like multipurpose rooms and roofs should be on the bond," Gezelius said. "Instead of \$180 million, were seeing a bond of \$230 million."

Gezelius said comments including ones about the potential loss of state matching funds are "threats" that have no merit.

"Its true we might lose out on (state funding) this time around," he said.

"But the program is approved by the state Legislature on a biennial basis ... the bond would still qualify at a later stage of the game."