

T*A***+UM**
Tatum Independent School District

Every Child Matters

Every Day Counts

VATRE

**VOTER-APPROVAL
TAX RATE
ELECTION**

Purpose of the Tax Rate Election

- State law requires that school districts seek voter approval to raise their tax rate above a prescribed amount.
1. Increase Tax Revenue for Maintenance and Operation (M&O)
Approximately \$1,050,730 additional dollars will be collected locally.
 2. Increase in State Aid
Approximately \$534,829 additional dollars will be sent to TISD from the State.



What will this Additional Revenue Support?

1. **Additional Safety and Security measures for our staff and students**
2. **TISD contributions towards employee Health Care Premiums**
3. **Employee Pay Raises**
4. **Retention Incentives for all employees**



Why are so many districts across Texas facing deficit budgets?

The Texas legislature raised school funding in 2019 but has not since. Despite over \$4 billion in new funding approved by the state for public schools in 2023, these funds have yet to be allocated to Texas public school districts. State leaders have indicated that additional funding will only be provided if specific legislative priorities are met.

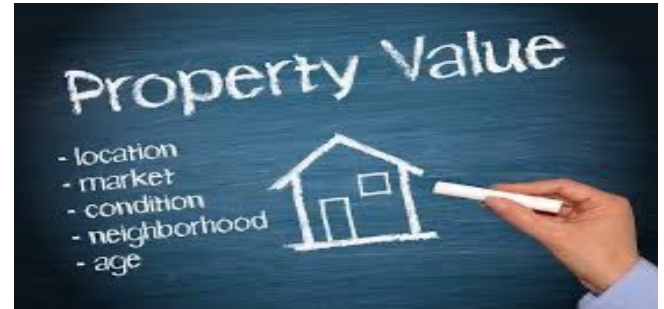
Rising prices, the need to fairly compensate staff and lower attendance and enrollment rates post-pandemic, all play a role in the school funding challenges across the state. Since 2019, there has been no increase to the basic allotment — currently \$6,160 per student — which is the amount the state allots for each student in a district.



My property value keeps going up, so I'm paying more taxes, even though the tax rate keeps declining. Don't higher property values mean more money for the school district?

School districts are funded primarily by local property taxes and state aid. However, rising property values do not equate to more money for schools.

Instead, when property values increase, the State of Texas reduces the amount of money it sends the district. There is no adjustment in the state funding formulas for inflation.



How much has expenditures increased since 2019?

Property Insurance 164% (For Example in 2019 our budget was \$97,000 in 2024-2025 our budget is \$255,800)

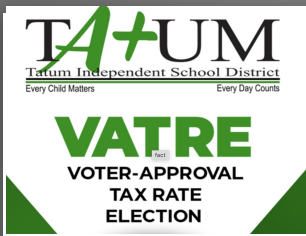


Gasoline & Fuels 80% (For Example in 2019 our budget was \$50,000 in 2024-2025 our budget is \$90,000)

Safety and Security 53.8% (TISD received only \$350k from the state to complete mandated safety and security requirements and has spent over \$1 million to keep our students and staff safe)



Electricity 13.6% (For Example in 2019 our budget was \$550,000 in 2024-2025 our budget is \$625,000)



What has the district done or is doing to address the budget issues?

1. Utilizing employee attrition to strategically reduce payroll including administration and support staff
2. Reducing district-level expenditures
3. Utilize the district's fund balance to offset the deficits
4. Use grant money to supplement when it can





HOW DOES THIS AFFECT TEACHERS AND STAFF?

Tatum ISD wants to retain and recruit the highest-quality teachers, and a major factor in keeping and recruiting staff in any industry is compensation.

If TISD can continue to offer competitive pay and benefits, it can continue to retain and attract the best teachers and show our teachers and staff we value them.

TISD would continue enhancing safety technology, such as state-of-the-art surveillance systems and better door and gate access controls.

HOW DOES THIS AFFECT STUDENTS?

The approval of the VATRE would provide the necessary funding to maintain smaller class sizes, retain and attract high-quality teachers, and support essential student programs and student experiences.

The additional revenue would ensure that the district can continue offering a robust educational experience, including extracurricular activities, advanced academic programs, and support services that contribute to student success.



What happens if the VATRE does not pass?

Tatum ISD tax rate will go up.



Tatum ISD will not have access to additional \$1.5 million in annual funding. This will limit the district's ability to offer competitive salaries and benefits to attract and retain employees. In addition, staffing levels may have to be reduced, and safety and security upgrades will be limited.

Tatum ISD would have to consider increasing the number of students per class, eliminating some academic and extracurricular student programs, and eliminating positions that both directly and indirectly support students.

Will my tax rate go up if the VATRE is approved?

No. The tax rate will Decrease if the VATRE is approved by the voters.



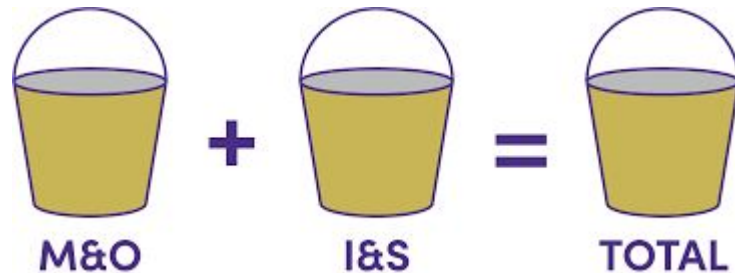
Tax Payer Implications

	Taxes Due		
Taxable Value	Pass	Fail	Savings if Passed
100,000	\$931	\$941	\$10
200,000	\$1,861	\$1,881	\$20
300,000	\$2,792	\$2,822	\$30
400,000	\$3,722	\$3,762	\$40
500,000	\$4,653	\$4,703	\$50
600,000	\$5,583	\$5,643	\$60

Why is there an M&O tax rate and an I&S tax rate for the district?

The Tatum ISD tax rate consists of two components: the maintenance and operations tax rate and the interest and sinking tax rate.

The maintenance and operations tax rate covers all district expenses except bond debt, while the interest and sinking tax rate is solely for bond debt payments.



How is Tatum ISD able to lower the I&S tax rate by 13 cents and still make their debt payment?



Tatum ISD has been [paying off debt](#) with the extra 13 cents for many years now. Tatum ISD has the opportunity to pass a VATRE which would be a tax savings to the taxpayers.

Over the past few years, Tatum ISD has been making cash defeasance payments, enabling the district to pay off bond debt ahead of schedule. By paying down our debt early, we're saving taxpayers money on interest.

The district's financial strategy, which includes maintaining a stable I&S tax rate while reducing debt, is designed to optimize the use of taxpayer funds and ensure long-term financial sustainability.

Tatum ISD Financial Scorecard



Independent Auditors had No Findings for Tatum ISD in fiscal year 2023.

- No Material weaknesses identified and no significant deficiencies identified.
- No Material Weaknesses or significant deficiencies with internal controls or financial reporting.

Preliminary 2023-2024 FINANCIAL INTEGRITY RATING SYSTEM of TEXAS

- Tatum ISD received a Superior Rating by scoring 100 points out of 100 possible .

TISD Tax Rate History

	M&O	I&S	Total
2017-2018	\$1.0400	\$0.1670	\$1.2070
2018-2019	\$1.0400	\$0.1670	\$1.2070
2019-2020	\$0.9700	\$0.2370	\$1.2070
2020-2021	\$0.9664	\$0.2406	\$1.2070
2021-2022	\$0.9634	\$0.2436	\$1.2070
2022-2023	\$0.9148	\$0.2922	\$1.2070
2023-2024	\$0.6984	\$0.2421	\$0.9405
2024-2025 Fail	\$0.6984	\$0.2421	\$0.9405
2024-2025 Pass	\$0.8184	\$0.1121	\$0.9305

Note

If the VATRE fails, the tax rate will not change.

If the VATRE Passes, the tax rate will decrease by 1 penny.



Sample Ballot for “Proposition A”



TATUM INDEPENDENT SCHOOL DISTRICT – PROPOSITION A

- FOR) Ratifying the ad valorem tax rate of \$[0.9305] per \$100
valuation in the Tatum Independent School District for the
current year, a rate that will result in an increase of 8.67
percent in maintenance and operations tax revenue for the
District for the current year as compared to the preceding
year, which is an additional \$570,854.
- AGAINST)

What voters will see on the ballot is only information about the increase to the M&O side of the tax rate.

The ballot language is set by state law and may lead voters to think the district is raising taxes, when in fact the overall tax rate is decreasing if the VATRE is approved.

TATUM INDEPENDENT SCHOOL DISTRICT – PROPOSITION A

- FOR) Ratifying the ad valorem tax rate of \$[0.9305] per \$100
valuation in the Tatum Independent School District for the
current year, a rate that will result in an increase of 8.67
percent in maintenance and operations tax revenue for the
District for the current year as compared to the preceding
year, which is an additional \$570,854.
- AGAINST)

The November ballot will ask voters to ratify the total tax rate, including the I&S (debt service tax rate), not just the M&O rate. The 8.67% percent is equal to the \$570,854 in M&O taxes.

Early Voting

Dates: October 21st - November 1st

Time: 8:00 am to 5:00pm

Location: Tatum ISD Administration Building



Election Day

Date: November 5th, 2024

Time: 7:00 am to 7:00pm

Locations

All Panola County Residents

Mt. Zion Baptist Church in Beckville.



Rusk County Residents

Precinct 214

Stewart Community Center



Precinct 215

Sherman R Smith Community Center

