FLORENCE
INDEPENDENT SCHOOL DISTRICT
Rick Kirkpatrick, Superintendent
Inspire • Empower • Achieve

Special Update on Voter Approval Tax Rate Election (VATRE) and Refunding Bond

On Monday, August 17, at the regularly scheduled Board of Trustees meeting, the Board approved the budget for the 2026-2027 school year and set the tax rate at the same rate as the prior year. In addition, they adopted a resolution providing for a 2% compensation increase for all FISD staff, contingent upon voter-approval of both the VATRE and the Refunding Bond. The budget was adopted with approximately a $170,000 deficit between revenues and expected expenditures, due in part to inflationary cost increases and unfunded state mandates for the District The budget total was adopted at the level assuming that the VATRE passes. The reason for this is that in order for the Board of Trustees to call for a Voter-Approval Tax Rate Election, the budget must be approved and the tax rate set, assuming voter approval. This triggers for the District to call a VATRE seeking approval of the proposed rate. The VATRE is expected to generate an additional $290,000 for FISD. So, if that is not included in the budget, our deficit would be approximately $460,000.

The tax rate that was adopted by the board is the same tax rate adopted for the 2025-2026 school year at $1.0182. The Maintenance and Operations (M&O) tax rate rose to $0.7328 while the Interest and Sinking (I&S) tax rate dropped to $0.2854, resulting in the same overall tax rate as last year. The impact for homeowners and taxpayers is you will pay more for the M&O tax rate and less for the I&S tax rate. Unless the taxable value of your property increased, you will see no increase in what you paid for FISD taxes last year. FISD does not control the appraised value of property as that is set by the Williamson County and Bell County Central Appraisal District.

After adopting the budget and tax rate, the Board then approved two orders calling for the VATR proposition and the Refunding Bond proposition. Proposition A on the ballot will be the Voter-Approval Tax Rate. Proposition B on the ballot will be the Refunding Bond that allows the district to begin paying for the 2015 Maintenance Tax Note from the I&S budget for Debt Service. This reduces expenditures on the M&O budget by approximately $200,000, allowing those funds to be used for school operations, including salaries. If both propositions pass, our FISD staff will receive a 2% pay increase that will be retroactive to the beginning of the school year. They will receive a lump sum payment to cover the increase from the time school started up to the time of payment. After that, the increase would be included in their monthly salary.

Our goal in FISD is to be fiscally conservative while ensuring that our staff receive compensation that is comparable to surrounding school districts. Without the passage of both propositions, the gap between our salaries in FISD and the surrounding

districts will increase. Our Board of Trustees has always had a goal of providing competitive salaries with surrounding districts and these two measures are intended to allow the district to maximize the state funding formula and provide compensation increases for our staff. The election will be held on November 3, 2026.