

Peaster ISD Calls for School Funding Election to Access Golden Pennies

The Peaster ISD Board of Trustees approved calling a School Funding Election, also called a Voter Approval Tax Rate Election (VATRE), on the November 4, 2025 ballot. The proposition asks voters to authorize access to three Golden Pennies on the district's Maintenance & Operations (M&O) tax rate.

What are Golden Pennies?

Golden Pennies are a state-defined portion of the M&O tax rate that generate additional operating revenue to support classrooms, staff, and programs. Revenue from Golden Pennies stays with Peaster ISD and is not subject to State recapture.

If voters approve the proposed additional Golden Pennies:

- Peaster ISD would be able to access three Golden Pennies on the M&O rate.
- The district would receive approximately \$280,000.00 in local funding in the 2025-2026 school year from these pennies and would continue to generate additional funding in future years.
- Due to the State matching our local tax dollars approximately two to one, the district would receive an estimated \$600,000.00 in additional State funding in 2025-2026 and would continue to generate the additional funding in future years.
- Combined, this represents about \$880,000.00 in 2025-2026 in operating funds for students and staff and increased funding would continue into future years as well.

Fiscal Stewardship

In 2024-2025, the Board of Trustees strategically paid off debt early, saving taxpayers approximately \$860,000.00 in interest and allowing the district to lower the Interest & Sinking (I&S) tax rate by just over \$0.03. This year, the Board adopted a balanced budget, and is asking voters to consider adding \$0.03 to the operational side of the budget.

The Board remains committed to keeping the total tax rate as low as possible while ensuring students and staff have the resources needed to maintain high-quality instruction and services.

Other Items on the November Ballot

The November ballot will also include a Constitutional Amendment that would increase the Homestead Exemption by \$40,000 for property owners and an additional \$60,000 for 65 and older, reducing the taxable value of the average primary residence. For residents 65 and older, the school district tax levy is frozen (tax ceiling), so voter approval of this proposition would not increase their taxes above the frozen cap.

Key Election Dates

- Voter registration deadline: October 6, 2025
- Early voting: October 20–31, 2025
- Election Day: November 4, 2025

Peaster ISD will share more information about this tax proposal and how it supports our students and staff in the coming weeks, including hosting Q&A sessions, town hall meetings and school finance presentations.