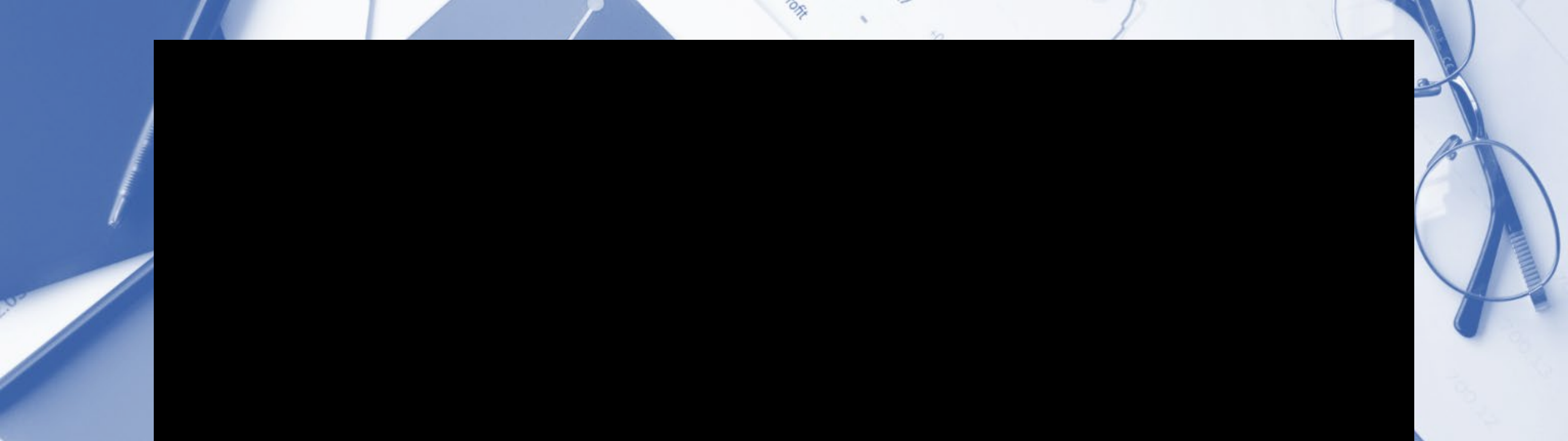




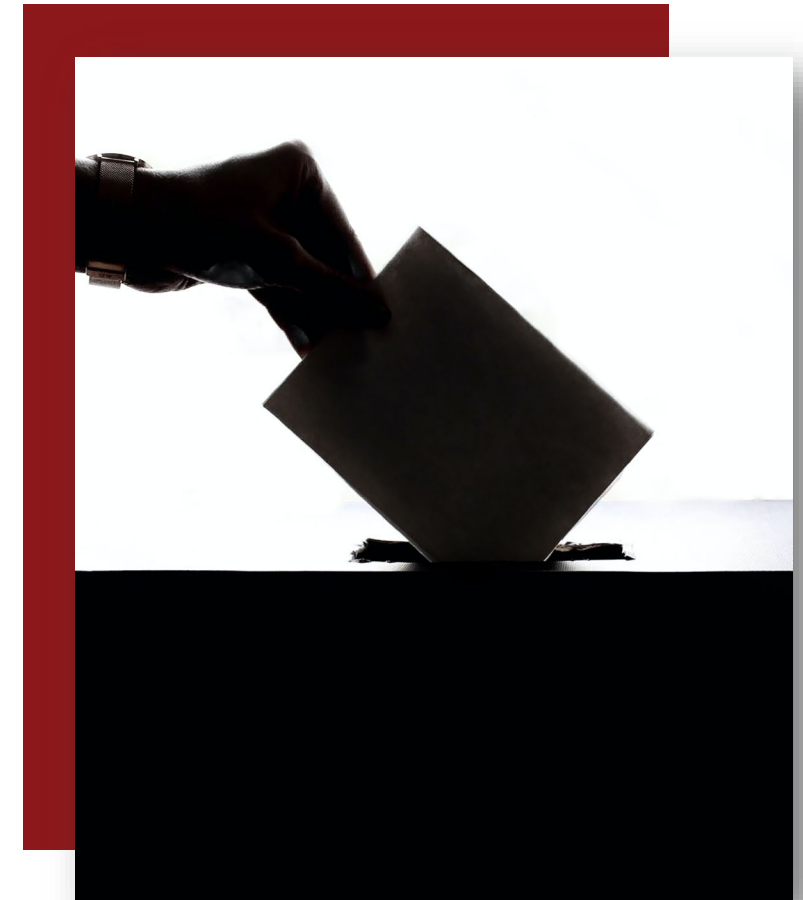
# VATRE

**STAFFORD MUNICIPAL SCHOOL DISTRICT**



### What is a VATRE?

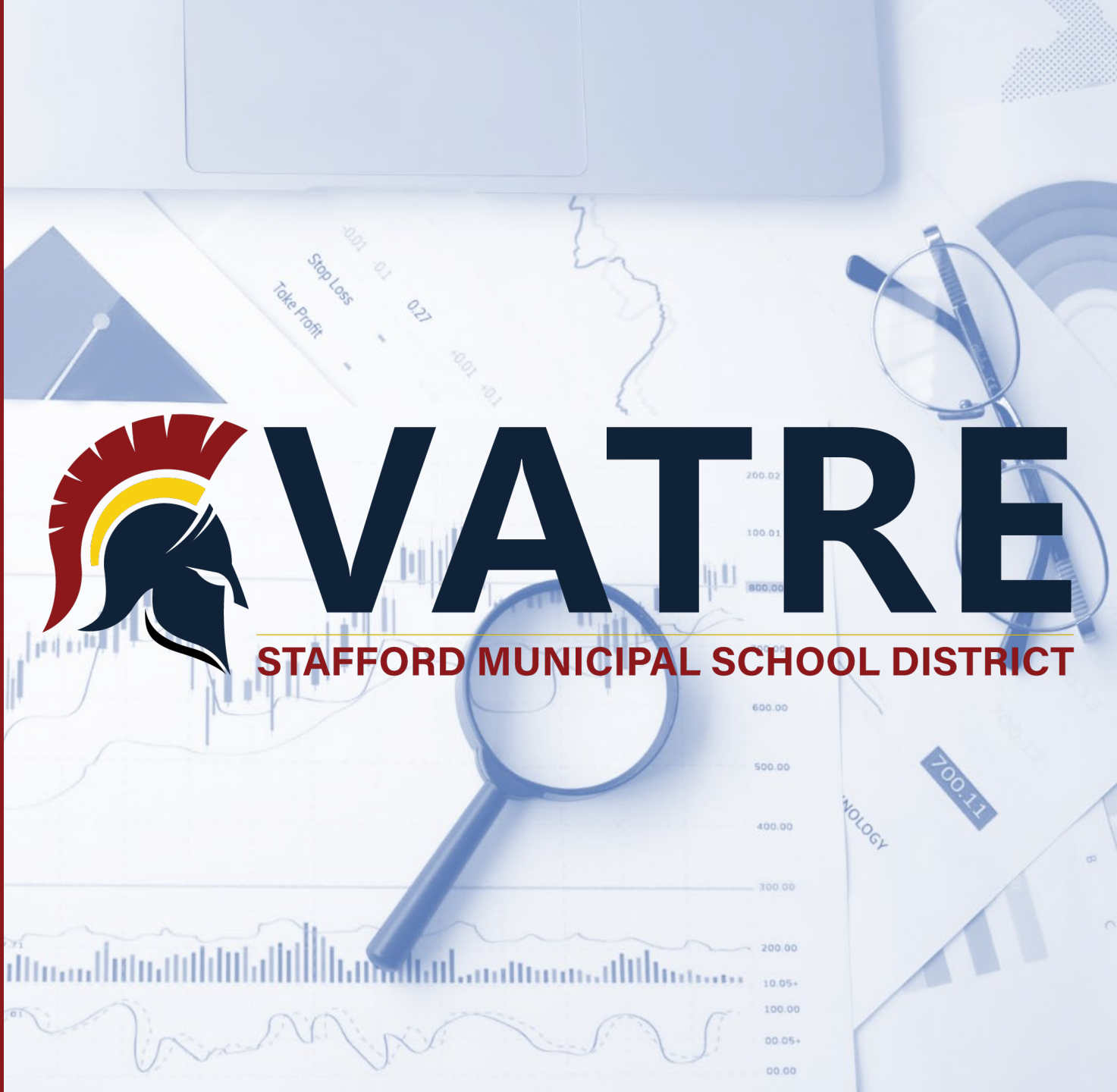
- A Voter-Approval Tax Rate Election (“VATRE”) is an election required to be held when the District adopts a Maintenance and Operations (M&O) tax rate that exceeds a prescribed amount
- A VATRE allows voters to consider approval of this new tax rate
- VATREs are required to be held during November elections
- The SMSD Board of Trustees and Stafford City Council has approved the call for a VATRE for the November 2023 election



# Why Call for a VATRE?

Under current law, when there is an increase in property value, Texas public schools are required to send some of their local property tax revenue to the state through a process called recapture, also known as Robin Hood.

Each year, the state of Texas removes about \$5 billion per year from Texas public schools due to recapture.



# VATRE

**STAFFORD MUNICIPAL SCHOOL DISTRICT**

**OPERATING COSTS**  
SMSD, as with many districts, has experienced increased operating costs due to inflation.



**Why call for a VATRE?**

**What is the anticipated outcome?**



**RETAIN FUNDS**  
Retain a larger portion of the recapture money Stafford MSD has to send to the state of Texas.

**RECAPTURE**  
Recapture (Robin Hood) due to increased property value. Recapture removes about \$5 billion per year from Texas school districts.



**COVID 19**  
Expiring COVID funds and unexpected expenses due to COVID 19.



**INCREASE BUDGET**  
Increase the operating budget to account for increased expenses.



**MAINTAIN PROGRAMS**  
Maintain existing programs in several areas including, but not limited to, STEM, robotics, CTE, and Early College.



# Inflation Impact



+33%  
Fuel



+39.1%  
General Insurance  
Policies



+12%  
Paper



+100%  
School Security



+17%  
Garbage



+52%  
Health Insurance



+30%  
Food Cost



# District Priorities



Should the VATRE pass, below are priorities that the district hopes to fulfill with the increase in revenue.



Staff raises,  
incentives, and  
stipends



Hiring for unfilled  
staff positions



Restoration of programs such  
as CTE, Athletics, Fine Arts,  
eSports, and Robotics





**15%**

Of net proceeds

**Staff Raises, Incentives,  
& Stipends**

**66%**

Of net proceeds

**Restoring Departmental  
Operating Budgets**

**19%**

Of net proceeds

**Restoring  
Fund Balance**



# Tax Impact



## Tax Impact of the VATRE

Here is an example of the tax impact for a home valued at \$260,000

	Current	No VATRE	VATRE
Home Value	260,000	260,000	260,000
State Homestead Exemption	40,000	100,000	100,000
Local Homestead Exemption (20%)	52,000	52,000	52,000
<b>Taxable Value</b>	<b>168,000</b>	<b>108,000</b>	<b>108,000</b>
<b>M&amp;O - Compressed Rate</b>	<b>0.8046</b>	<b>0.6427</b>	<b>0.6427</b>
<b>M&amp;O - Golden Pennies</b>	<b>0.0500</b>	<b>0.0500</b>	<b>0.0500</b>
Additional Pennies	0.0000	0.0000	0.1200
I&S	0.2447	0.2152	0.2152
<b>Total Tax Rate</b>	<b>1.0993</b>	<b>0.9079</b>	<b>1.0279</b>
<b>Decrease in Tax Rate</b>		<b>-0.1914</b>	<b>-0.0714</b>
Property Taxes	1846.824	980.532	1110.132
<b>Decrease in Property Taxes</b>		<b>-866.292</b>	<b>-736.692</b>

## STAFFORD 2030+ VISION

### Tax Impact of the VATRE

Based on home value of  
\$260,000.00



Home valued  
at \$260,000



Homestead  
Exemptions  
(State & Local)

State homestead will  
increase from \$40,000 to  
\$100,000 pending voter  
approval



Additional  
Pennies

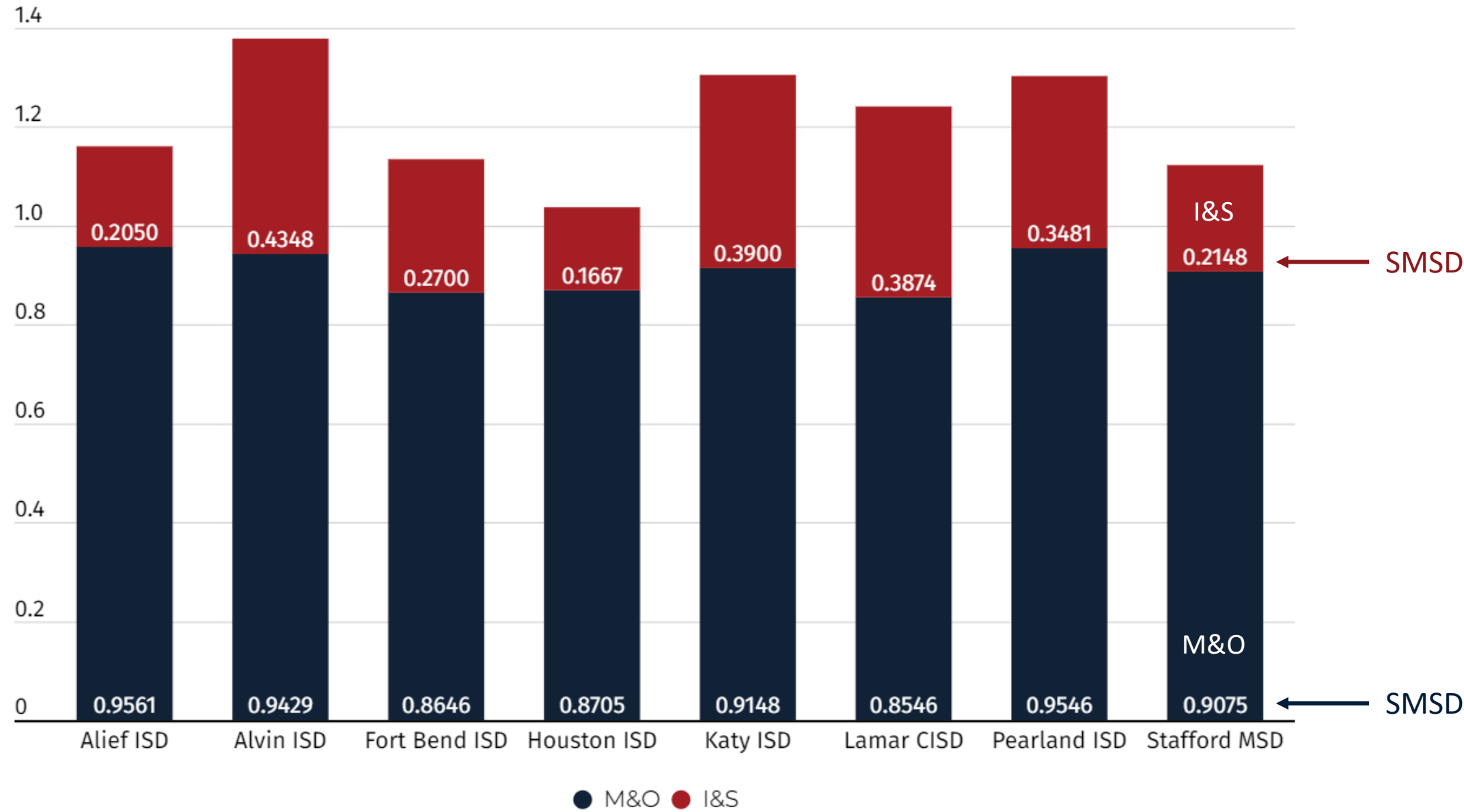
If passed, VATRE  
will result in \$0.12  
increase



Decrease in  
Property  
Taxes

Overall decrease of  
\$736.69 from  
current cost

# Region IV Tax Rate Comparison





## Ballot Language

This is the language voters can expect to see on the upcoming Voter-Approved Tax Rate Election

### STAFFORD MUNICIPAL SCHOOL DISTRICT - PROPOSITION A

- |                                  |   |  |
|----------------------------------|---|--|
| <input type="checkbox"/> FOR     | ) | Ratifying the ad valorem tax rate of \$1.027924 per \$100    |
|                                  | ) | valuation in Stafford Municipal School District for the      |
|                                  | ) | current year, a rate that will result in an increase of 1.13 |
|                                  | ) | percent in maintenance and operations tax revenue for the    |
|                                  | ) | District for the current year as compared to the preceding   |
| <input type="checkbox"/> AGAINST | ) | year, which is an additional \$365,748.                      |

### DISTRITO ESCOLAR MUNICIPAL DE STAFFORD - PROPOSICIÓN A

- |                                    |   |   |
|------------------------------------|---|---|
| <input type="checkbox"/> A FAVOR   | ) | Ratificar la tasa del impuesto ad valorem de \$1.027924 por |
|                                    | ) | cada \$100 de tasación en el Distrito Escolar Municipal de  |
|                                    | ) | Stafford para el corriente año, tasa que producirá en un    |
|                                    | ) | incremento del 1.13 por ciento en ingresos del impuesto de  |
|                                    | ) | mantenimiento y operaciones para el Distrito durante el     |
| <input type="checkbox"/> EN CONTRA | ) | corriente año en comparación con el año anterior, lo que    |
|                                    | ) | significa \$365,748 adicionales.                            |

# Stay Informed



For up-to-date information about the VATRE visit

[www.staffordmsd.org](http://www.staffordmsd.org)

or

Scan the QR Code





# Join our Town Halls

October 16, 2023  
6:30 P.M.

Stafford MSD Board Room  
1633 Staffordshire Rd., Stafford, TX 77477

Virtual Link  
[bit.ly/46jCgNI](https://bit.ly/46jCgNI)

November 2, 2023  
6:30 P.M.

Stafford MSD Board Room  
1633 Staffordshire Rd., Stafford, TX 77477

Virtual Link  
[bit.ly/46DNqw6](https://bit.ly/46DNqw6)

Thank You



**VATRE**

STAFFORD MUNICIPAL SCHOOL DISTRICT



# VATRE

**STAFFORD MUNICIPAL SCHOOL DISTRICT**