

A black and white photograph of a group of runners on a track, viewed from behind. A large red arrow graphic points from the left edge towards the center. The main title is overlaid in large white text.

Strategies to Address Capital Projects and Operational Needs

BELTON ISD BOARD OF TRUSTEES
SPECIAL MEETING
June 4, 2025



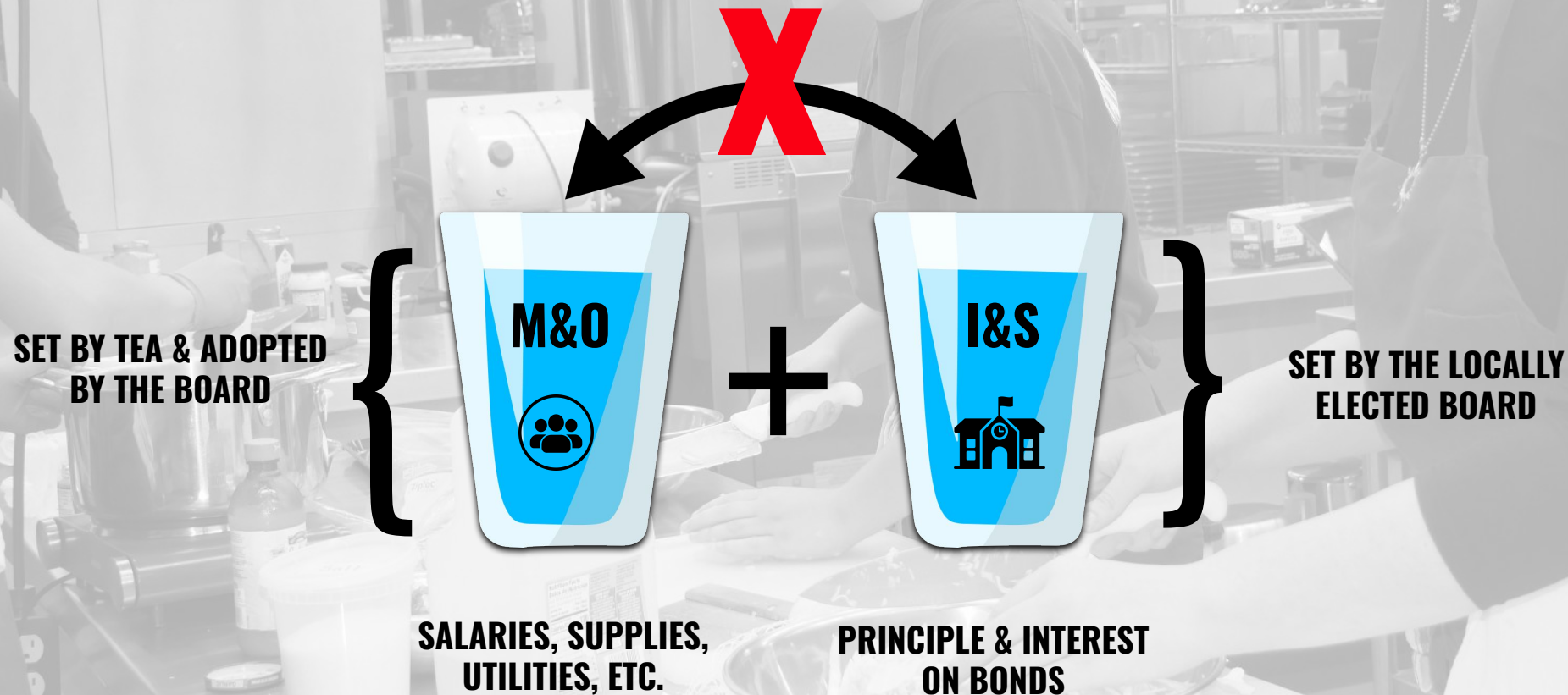


Purpose

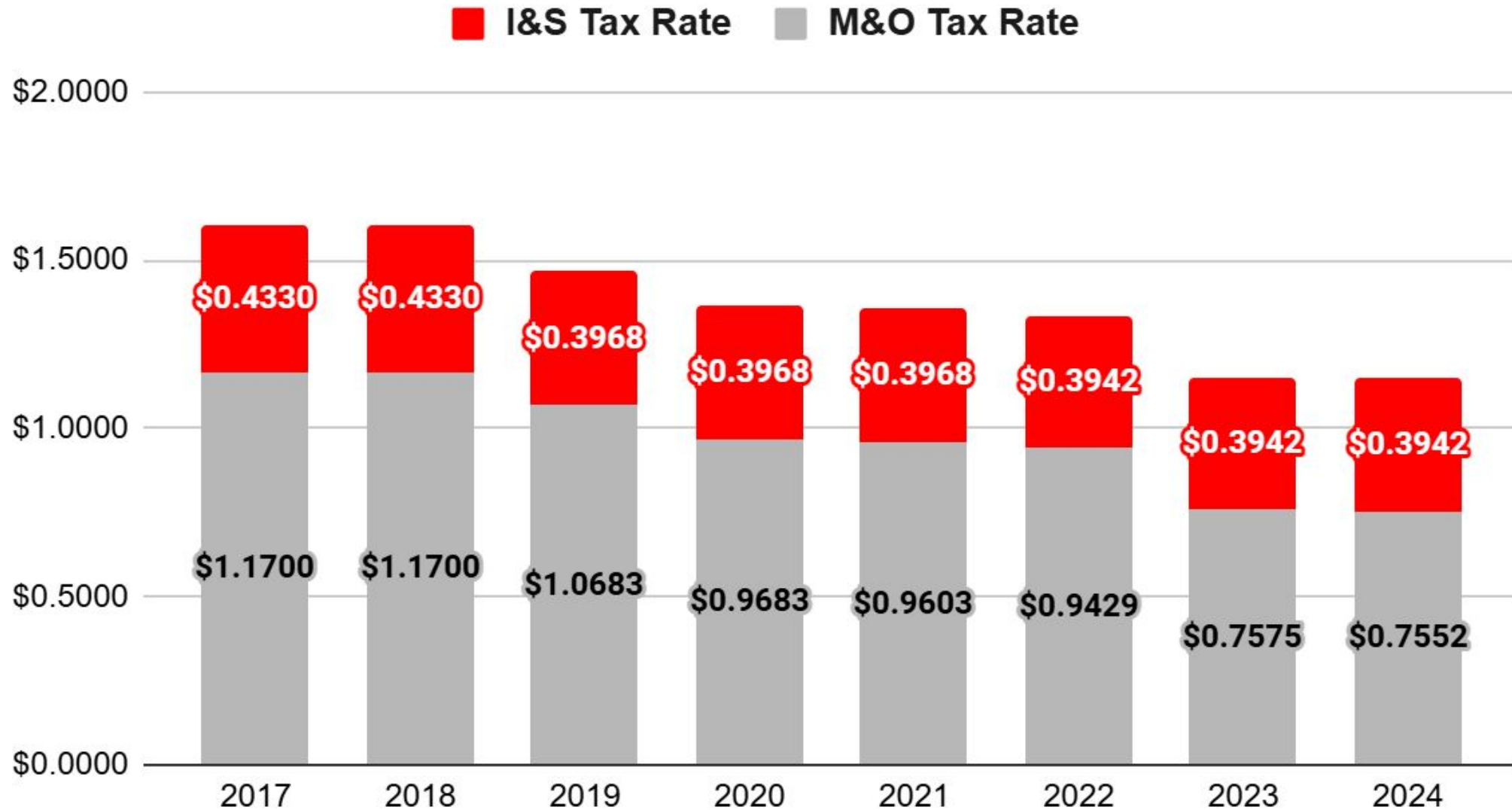
Explore and discuss actionable financial management strategies for effectively addressing funding challenges of capital improvement projects and essential operational needs.

Texas School Funding Sources

Two tax rates make up the total tax rate for school districts.





Historical Tax Rate



M&O Tax Rate

Districts can increase their tax rate **up to an additional \$0.17** above the maximum compressed rate.

M&O Rate	Tier 1 MCR	Tier 2 Enrichment	
\$0.7575	0.6192	<div> <div>8 Golden Pennies</div>  </div>	<div> <div>9 Copper Pennies</div>  </div> <div> <div>\$0.1383</div> </div>

- Supplemental to per student funding
- Belton ISD currently has \$0.1383 enrichment pennies
- \$0.0317 remain - equates to \$1.7-2.4M per year

M&O Revenue Options

**Disaster
Pennies**



VATRE



Revenue Bond



Disaster Pennies - M&O

In the year following a disaster, school districts can increase their tax rate, without voter approval, to help cover costs associated with responding to the disaster, such as facility repairs, cleanup, or other related expenses.

How it Works:

- The Governor issues a disaster declaration and applies for federal assistance.
- The Board adopts a tax rate that exceeds its voter-approval tax rate by the amount needed to address disaster-related expenses.
- Disaster pennies are a temporary one-year measure.



Voter Approval Tax Rate Election (VATRE) - M&O

A VATRE is a special election asking voters to approve a tax rate that exceeds the voter-approved tax rate for school districts.

- Sustainable funding
- Specific to M&O rate only



Revenue Bond - M&O

A revenue bond is a municipal bond that finances a specific project or facility. The principal and interest is paid from revenues produced by the facility.

- Project specific
- Not supported by tax collections
- Supported by facility revenues
- Voter approval not required
- Board approval



M&O Revenue Options

**Disaster
Pennies**



VATRE



Revenue Bond



I&S Revenue Option - BOND

Bond Needs - Learning Spaces

- Safety/Security
- Replacement Cycles
- Program Needs

Bond Advisory Committee Charter



Discussion

