Public Hearing on Proposed Tax Rate for Fiscal Year 2026-2027

September 8, 2026

Types of Tax Rates

❖ What are property taxes?

- Property taxes are locally assessed taxes that provide funding for essential public services, including:
  - Public schools
  - Roads and infrastructure
  - Police and fire protection
  - Emergency Services
  - Other community and governmental services, as determined by the taxing entity

Homestead Exemptions

- Standard school homestead exemption = $140,000.
- Additional homestead exemption for elderly or disabled = $60,000
- Total exemption up to $200,000.

Types of Tax Rates

❖ **What are the components of the District's tax rate?**

- Maintenance & Operations (M&O) - Funds the District's day-to-day operations, including:
  - Salaries and employee-related costs
  - Contracted services
  - Supplies, materials and equipment
  - Transportation and utilities

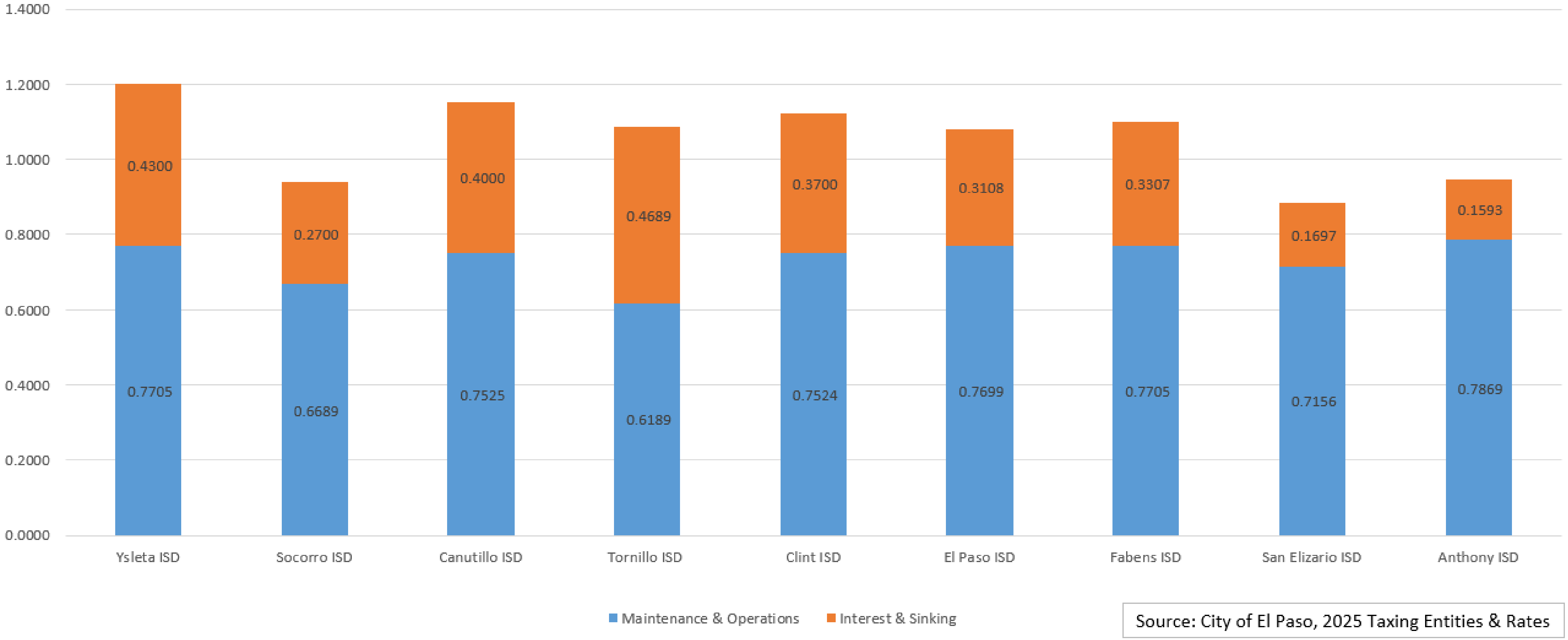
- Interest & Sinking (I&S) – Funds the District's debt obligations and capital projects including:
  - Construction and renovation projects
  - School buildings and facilities
  - Principal and interest payments on voter-approved debt

Note: I&S funds are restricted and cannot be used to fund the District's general operating expenses.

Texas Senate Bill 1453 – I&S Tax Rate (89th Legislature)

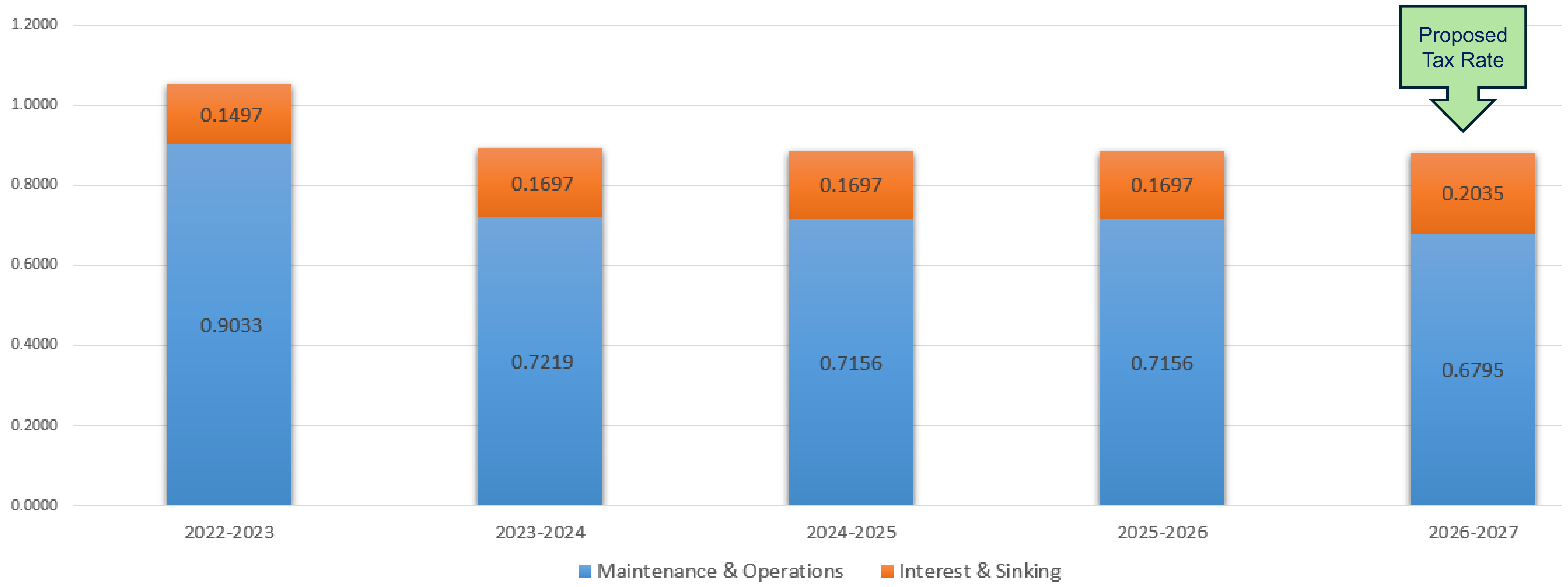
- Effective January 1, 2026.
- Redefines “current debt service” for ad valorem property tax purposes as the minimum amount necessary to service a taxing unit’s or school district’s debt.
  - Limits the Interest & Sinking (I&S) tax rate to the minimum rate necessary to meet debt service obligations.
  - A higher I&S tax rate may only be adopted with approval by a 60% majority of the governing body.
  - The higher-rate approval requires a specific public disclosure motion.

Tax Rate Comparison



Source: City of El Paso, 2025 Taxing Entities & Rates

Tax Rate History



Budget and Proposed Tax Rate Notice

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The San Elizario Independent School District will hold a public meeting at 5:30 P.M. on Tuesday, June 16, 2026 in the SEISD Administrative Office, 1050 Chicken Ranch Rd., San Elizario, Texas. **The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed tax rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	$0.715600/$100 (Proposed rate for maintenance and operations)
School Debt Service Tax Approved by Local Voters	$0.203500/$100 (Proposed rate to pay bonded indebtedness)

Comparison of Proposed Rates with Last Year's Rates

	Maintenance & Operations	Interest & Sinking Fund*	Total	Local Revenue Per Student	State Revenue Per Student
Last Year's Rate	$ 0.715600	$ 0.169700*	$ 0.885300	$ 1,096	$ 12,771
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	$ 0.695100	$ 0.203500*	$ 0.898600	$ 1,221	$ 12,731
Proposed Rate	$ 0.715600	$ 0.203500*	$ 0.919100	$ 1,202	$ 12,892

*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both.

The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

The Public Hearing on Proposed Budget and Proposed Tax Rate for 2026-2027 - Special Board Meeting on 6/16/26

- Open for Public Comment
- Questions and Discussion