BOARD:	Action
SUBJECT:	Adopt Ordinance Setting the 2026 Tax Rate
BOARD POLICY:	CCG (Local) and (Legal)
DISTRICT GOAL:	Brazosport ISD will exercise fiscal responsibility to ensure financial strength and provide the resources to equip and maintain quality facilities and educational programming
FISCAL NOTE:	2026-2027 Tax Revenues are included in the General Fund and Debt Service Fund Budgets

Background Information:

- Chapter 44 of the *Texas Education Code* provides "notice and hearing" requirements to be followed by school districts in connection with holding a public meeting on the budget and proposed tax rate and sets out the items to include in the required budget hearing and proposed tax rate notice. Additionally, Chapter 26 of the *Texas Property Tax Code* requires a school district, before the later of September 30 or the 60th day after the date the certified appraisal roll is received, to adopt a tax rate, by ordinance, at a legally advertised meeting called for that purpose. A school district must adopt a budget before adopting a tax rate. School districts that receive an equalized wealth notice from the Commissioner of Education ("Chapter 41 Districts") may not adopt a tax rate until the Commissioner certifies that the district has reached its equalized wealth level.
- Section 26.04 of the Texas Property Tax Code requires that the no-new-revenue tax rate and the voter-approval tax rate be calculated and submitted to the Board of Trustees by the officer or employee designated for this purpose.
  - These calculations provide the Board and the public with the tax rates necessary to generate the same revenue as the previous year (no-new-revenue rate) and the maximum tax rate allowed without voter approval (voter-approval rate).
  - In accordance with the Board's prior designation, the Chief Financial Officer has calculated the required rates and is submitting them for the Board's receipt and record. The following tax rates are defined under Chapter 26 of the Texas Property Tax Code. Statute requires that the designated officer or employee calculate both rates using forms prescribed by the Texas Comptroller.
  - For the 2026 tax year, the No-New-Revenue Tax Rate and the Voter-Approval Tax Rate

have been calculated for Brazosport Independent School District as follows:

- No-New-Revenue Tax Rate – Formerly referred to as the "effective tax rate," this rate would impose the same total taxes as last year if applied to properties taxed in both years, less improvements made to those properties. This calculation does not account for impacts to state aid or recapture that would occur if the rate were adopted.

  This year's no-new-revenue tax rate: $0.9142/$100

- Voter-Approval Tax Rate – Formerly referred to as the "rollback tax rate," this is the highest tax rate the school district can set before it must either hold a Voter-Approval Tax Rate Election (VATRE) or exercise its authority under Texas Property Tax Code §26.042(e).

  This year's voter-approval tax rate: $0.8907/$100

Administrative Considerations:

- In accordance with the public notice requirements of Chapter 44, on May 29, 2026, the Board of Trustees legally published notice of a public meeting to discuss the 2026-2027 budget and the 2026 proposed tax rate. On June 15th, 2026, the Board of Trustees held a public meeting for that purpose and adopted the 2026-27 budget.
- The Commissioner of Education has approved the District's intent to use Option 3: Agreement for the purchase of attendance credits in order to reduce the District's revenue level in excess of entitlement for the 2026-27 school year.
- Based on the requirements of the *Texas Education Code* and the *Texas Property Tax Code*, and guidelines provided by the Texas Comptroller of Public Accounts and the Texas Education Agency, the Board may now adopt a 2026 tax rate.
- The proposed 2026 tax rate of $0.8907 per $100, with $0.6754 per $100 designated for the purpose of maintenance and operations and $0.2153 per $100 designated for the payment of principal and interest on bonded indebtedness. The District has reduced the M&O tax rate by over 35 cents in the last 7 years.
- The administration recommends that the Board of Trustees vote to adopt the attached ordinance setting the 2026 tax rate at $0.8907 per $100, with $0.6754 per $100 designated for the purpose of maintenance and operations, and $0.2153 per $100 designated for the payment of principal and interest on bonded indebtedness.

Communication Deployment:

- Board Meeting Minutes
- Advertise via newspaper as required
- Post necessary information on the District website

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Respectfully submitted,

Kelly Lackey
Chief Financial Officer