Public Hearing on 2026-2027 Tax Rate

Writing Success Stories, One Student At A Time.

Purpose

To provide the Community and Board of Trustees information to assist in the consideration and adoption of the 2026 tax rate.

Statute requires the Board to adopt the current year tax rate before September 29th.

Tax Rate Adoption Timeline

Item	Date
Public Meeting to Discuss Budget and Proposed Tax Rate	June 15, 2026
2026 Certified Property Values Received from Dallas Central Appraisal District (DCAD)	July 25, 2026
Local Property Value Survey (LPVS) due to the Texas Education Agency	August 1, 2026
Maximum Compressed Tax Rate (MCR) determined by the TEA	August 5, 2026
Deadline for districts to adopt the 2026 tax rate	September 29, 2026

Certified Property Appraisal Values

Dallas Central Appraisal District
Certified Appraisal Roll
Tax Year 2026

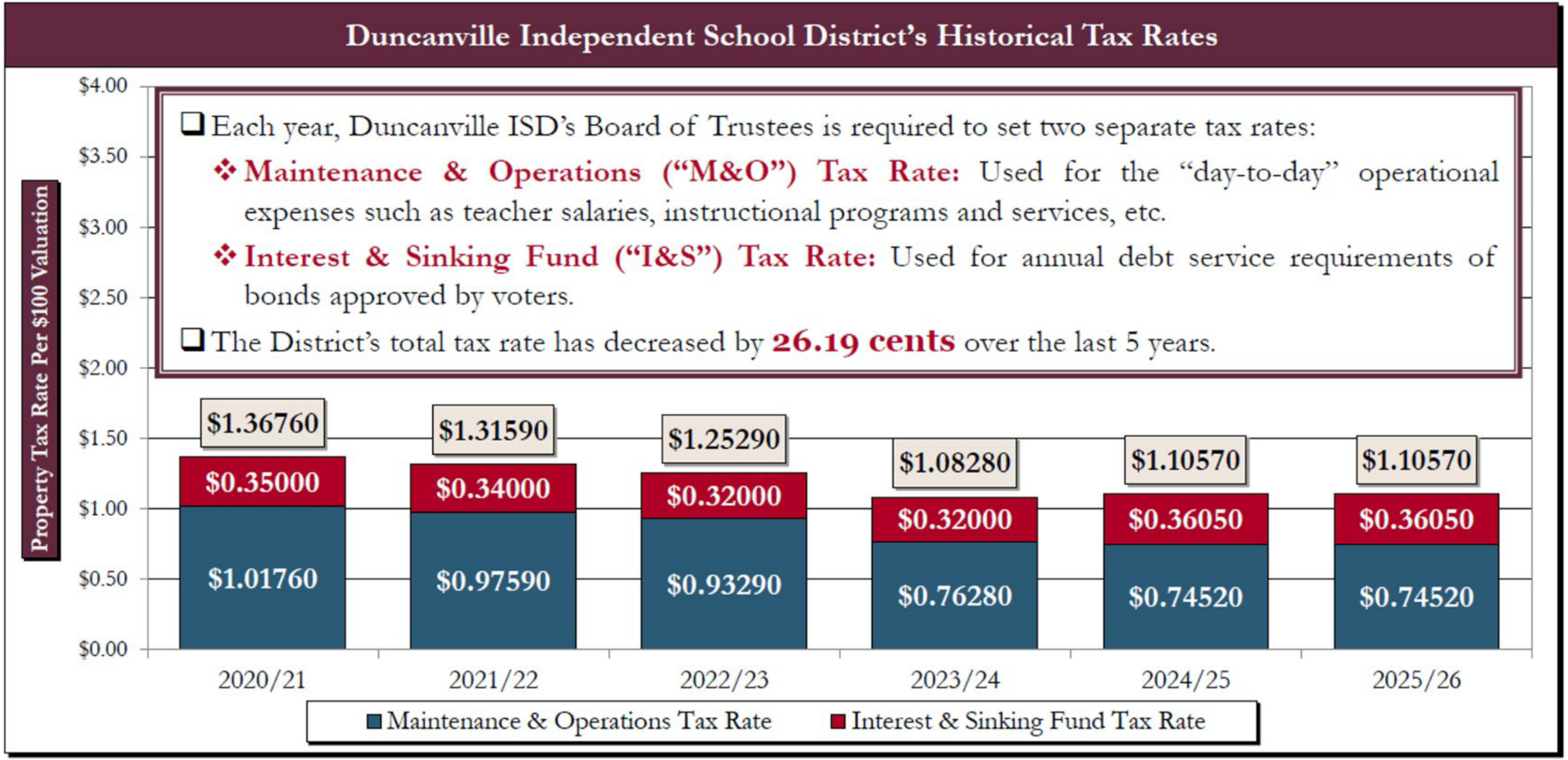
In accordance with the requirements of the Texas Property Tax Code, Chapter 26, the following comparative certified values are presented:

Valuation Category	Tax Year 2025	Tax Year 2026	Change ($)	Change (%)
Certified Base Values				
Certified Market Value	$10,783,711,810	$11,066,352,470	+$282,640,660	+2.62%
Certified Taxable Value	$6,860,443,908	$7,211,600,255	+$351,156,347	+5.12%
New Construction	$80,797,993	$47,602,372	-$33,195,621	-41.08%
Values Under Protest				
Market Value	$474,472,910	$564,958,040	+$90,485,130	+19.07%
Taxable Value	$348,207,720	$401,757,754	+$53,550,034	+15.38%

Tax Rate Trends

Duncanville Independent School District's Historical Tax Rates

- ❑ Each year, Duncanville ISD's Board of Trustees is required to set two separate tax rates:
  - ❖ **Maintenance & Operations ("M&O") Tax Rate:** Used for the "day-to-day" operational expenses such as teacher salaries, instructional programs and services, etc.
  - ❖ **Interest & Sinking Fund ("I&S") Tax Rate:** Used for annual debt service requirements of bonds approved by voters.
- ❑ The District's total tax rate has decreased by **26.19 cents** over the last 5 years.



Proposed 2026 Tax Rate

Maintenance & Operations (M&O)

$0.7298

Funds all school district day-to-day operations, including instruction, curriculum, teachers, and staff compensation.

Interest & Sinking (I&S)

$0.3605

Strictly used to pay bond debt. Cannot be used for daily operations.

What does this mean for Taxpayers?

The Relief (Rates Down)

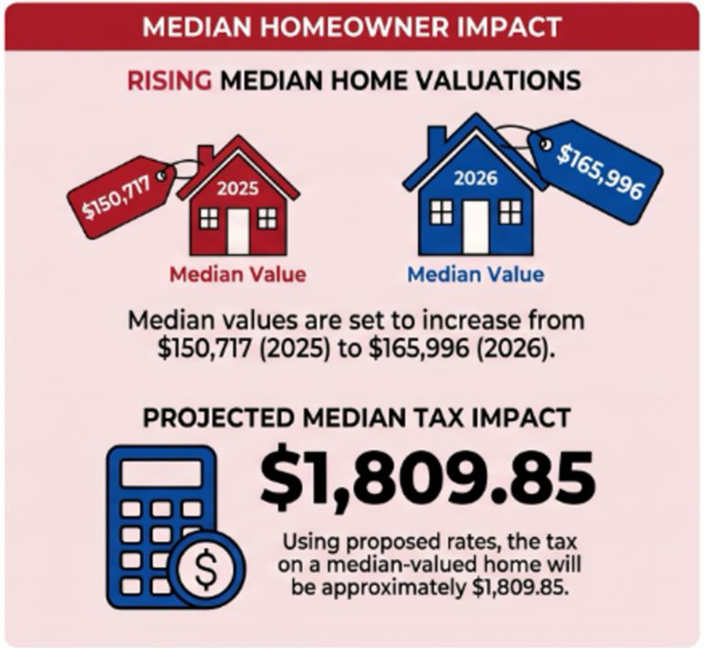
M&O Taxes on a benchmark $100,000 Home.

Last Year's M&O Rate:	$0.745200
This Year's Proposed M&O Rate:	$0.729800

Net Impact on $100k Home:

-$15.41

(a -2.07% drop in the foundation M&O tax burden)



Estimated Levy

2026 M&O and I&S Tax Levy Calculations

Duncanville ISD • Total Certified Taxable Value: $7,211,600,255 (Tax Year 2026)

Maintenance & Operations (M&O) Levy

$52,630,259 Estimated Levy

M&O Tax Rate: $0.7298 per $100 Taxable Value

Calculation Formula:

($0.7298 ÷ 100) × $7,211,600,255 = $52,630,259

- YoY Change: +2.95% (+$1,506,231 vs. $51,124,028 in 2025)
- Rate Decrease: -$0.0154 (-2.07% from $0.7452 in 2025)

Interest & Sinking (I&S / Debt) Levy

$25,997,819 Estimated Levy

I&S Tax Rate: $0.3605 per $100 Taxable Value

Calculation Formula:

($0.3605 ÷ 100) × $7,211,600,255 = $25,997,819

- YoY Change: +5.12% (+$1,265,919 vs. $24,731,900 in 2025)
- Rate Unchanged: $0.3605 (Same as 2025 rate)

No-New-Revenue Rate

Establishing the Baseline: The No-New-Revenue (NNR) Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and the current year. It calculates the exact rate that would produce the same amount of revenue if applied to the exact same properties taxed in both years.

FY27 NNR Total Tax Rate: $1.036581

FY27 NNR M&O Tax Rate: $0.676140

Proposed Rate vs. No New Revenue Baseline

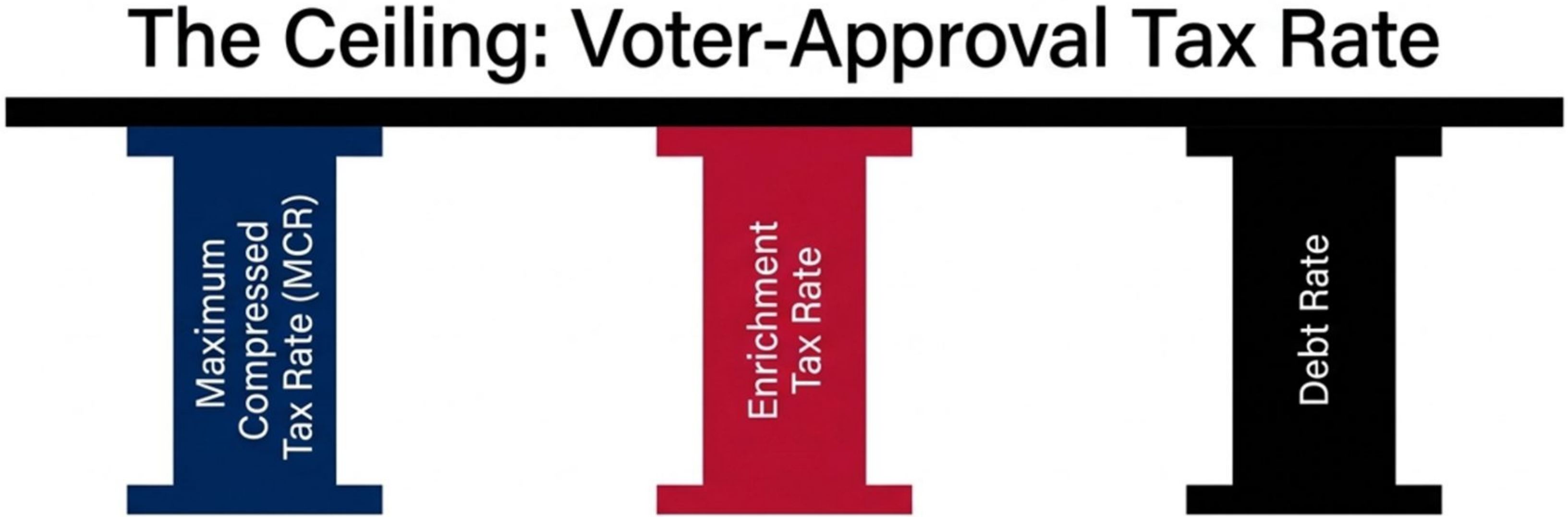
5.18% Total Tax Rate Change

The Proposed M&O rate of $0.729800 is a $0.053660, or **7.94%**, increase from the NNR M&O baseline of $0.676140.

Voter Approval Tax Rate

The Ceiling: Defining the Voter-Approval Tax Rate

The highest tax rate a taxing unit may adopt without holding an election to seek voter approval. The district does not invent its tax rate; it calculates a legally mandated ceiling built from three separate component rates.



MCR

Component 1: Maximum Compressed Tax Rate (MCR)

What it is:

The rate per $100 of valuation at which the district must levy a maintenance and operations tax to receive the full amount of the Tier One state allotment.

How it works:

Determined directly by the Texas Education Agency (TEA) based on statewide property growth. The district has minimal local control over this foundational rate.

The 2025 Maximum Compressed Rate was **$0.6169**

Enrichment

Component 2: Enrichment Tax Rate

What it is:

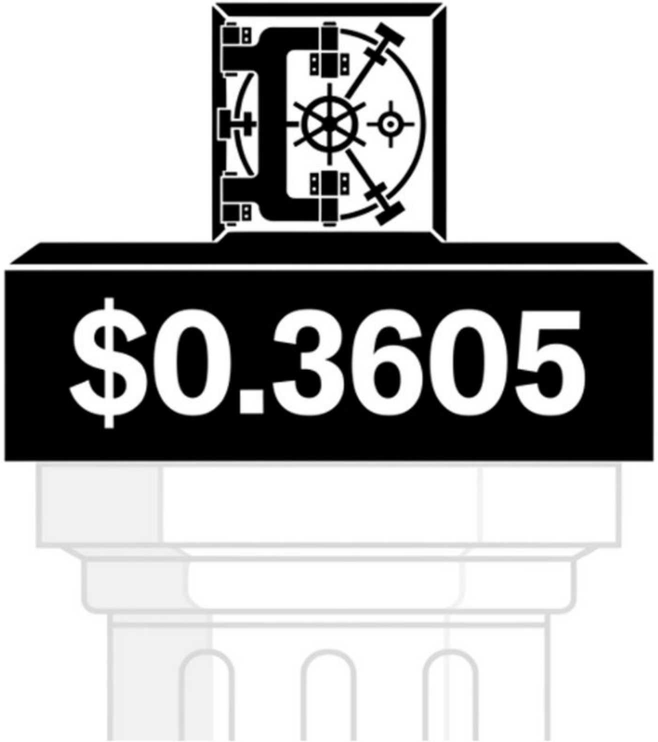
Tax effort in excess of the district's MCR (capped legally at a maximum of $0.17). This funds Tier Two Level 1 local operations. Accessed through a voter-approved tax rate election (VATRE).

8 Golden Pennies
Not subject to state compression

9 Copper Pennies
Subject to state compression

Interest & Sinking

Component 3: Debt Rate (I&S)



What it is:

The minimum dollar amount required to be paid toward the school district's debt service for the current year.

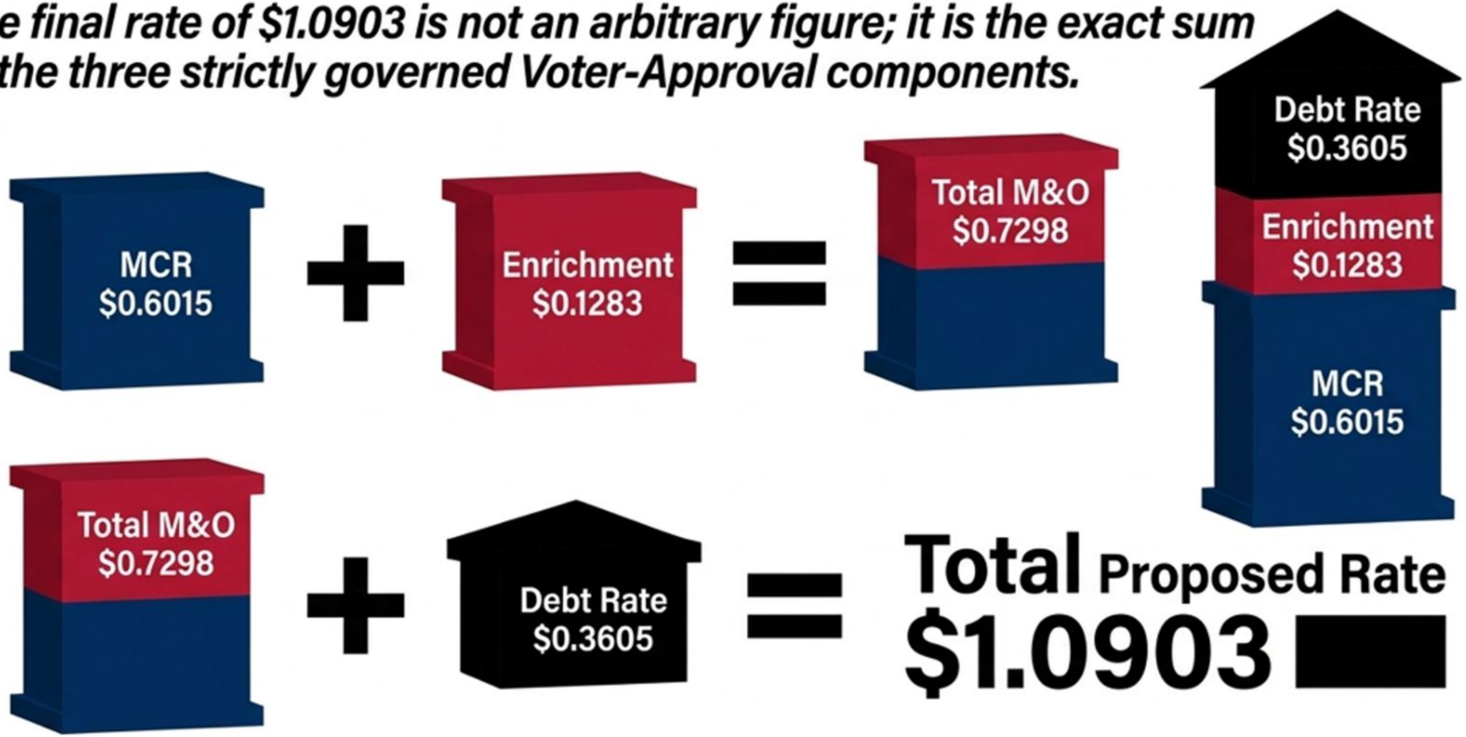
How it works:

Strictly accounts for principal and interest on bonds and other debt secured by property tax revenue. Legally walled off from M&O budgets.

Proposed 2026 Tax Rate

Constructing the FY27 Proposed Rate

The final rate of $1.0903 is not an arbitrary figure; it is the exact sum of the three strictly governed Voter-Approval components.



Next Steps

Board adopts 2026 Tax Rate Resolution.

Resolution to Set Tax Rate

Resolution Adopts Total Tax Rate of $1.090300 per $100 Valuation

TOTAL TAX RATE	MAINTENANCE & OPERATIONS (M&O)	DEBT SERVICE (I&S)
$1.090300	**$0.729800**	**$0.360500**
Combined Tax Rate per $100 Valuation	For daily operating expenses & instruction	For payment of principal & interest on debt

STATUTORY TAX RATE INCREASE STATEMENTS

- **TAX RATE INCREASES M&O REVENUE:** THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.
- **EFFECTIVE RATE INCREASE & HOMESTEAD IMPACT:** THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.94 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000 HOME BY APPROXIMATELY -$15.41.

DUNCANVILLE INDEPENDENT SCHOOL DISTRICT BOARD OF TRUSTEES | OFFICIAL ADOPTION RESOLUTION

Questions?