



Discussion Item

Date: August 6, 2025

Division: Finance

Subject: 2025-26 Property Taxes, Tax Compression, and FY 26 Budget Update – General Operating Fund, Debt Service Fund, and Child Nutrition Fund

Background Information:

- Under current law, the school district must submit locally estimated property growth rates to calculate estimates of comptroller-certified property values used for state funding (i.e., “T2” property values) through the Local Property Value Survey (LPVS) in late July (dates are determined by TEA). With this data submission, the Texas Education Agency will set the Maximum Compressed Tier I Tax Rate (MCR) for the District.

Administrative Consideration:

- Both the Denton Central Appraisal District and Tarrant Appraisal District provided certified values on or before July 25, 2025. The District was able to submit the certified values to the Texas Education Agency in order to receive the Maximum Compressed Rate for the Tier I portion of the Maintenance & Operations Tax Rate for the General Fund.
- The annual review of the District’s Debt Management Policy CCA (LOCAL) was discussed in a separate item this evening.