2025-2026 Certified Values & Tax Rates

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AGENDA

- Certified Values
- Bond Defeasance
- Tax Rates
- Next Steps



CERTIFIED TAXABLE VALUES CHANGE YEAR-OVER-YEAR						
	2024-2025 2025-2026 Change					
Maintenance & Operations	16,852,847,305	17,189,030,839	336,183,534			
Interest & Sinking	18,985,462,805	19,212,252,539	226,789,734			
Source: Truth in Taxation						



Bond Defeasance & Refunding

- Bond Items for consideration:
 - 09.22.25 Bond Defeasance Retiring \$15.525
 million of its outstanding Series 2017 and 2019A.
 This transaction will reduce future interest costs
 by \$7,425,100
 - 10.06.22 Bond Refunding Refunding Bonds of approximately \$25.8 million



2025-2026 Tax Rate Calculations

■ M&O Total Voter Approved Tax Rate (VATR)

- Maximum Compressed Rate
 - For Maintenance & Operations (not Interest & Sinking)
 - Determined by TEA every August (\$0.6167 for 2025)
- Enrichment Pennies
 - Determined by electorate (\$0.1283)

■ M&O No-New-Revenue Tax Rate (NNR)

- Tax rate that would produce the same levy in the coming year
 - Adjust prior year for new exemptions, appeals, etc.
 - Remove new items not on appraisal roll in prior year
 - Does not take into account what would happen if district adopted this rate: If it is less than VATR, the state would pay a larger portion of **entitlement** and vice versa

No New Revenue (NNR) Tax Rate and Voter Approved Tax Rate (VATR)

	2025		
	NNR	Proposed VATR	Change
M&O MCR - Set by TEA in August	NA	\$0.6167	\$0.0000
M&O Enrichment - Approved by Voters	NA	\$0.1283	\$0.0000
M&O Tax Rate	\$0.7229	\$0.7450	\$0.0221
I&S Tax Rate	\$0.3169	\$0.3250	\$0.0081
Total Tax Rate	\$1.0398	\$1.0700	\$0.0302



Proposed Maintenance & Operations Tax Rate

The proposed tax rate is the same as last year:

Proposed M&O Tax Rate (VATR) \$0.7450 No New Revenue M&O Tax Rate (NNR) \$0.7229

VATR \$0.7450 > NNR \$0.7229* (a difference of \$0.0221)

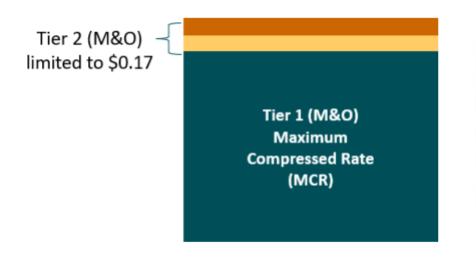
*Requires supermajority vote of 5 out of 7 board members



Adopting a Rate Less Than Voter Approved Tax Rate

Tax Rate Order of Operations

§45.0032 Education Code directs the state to count pennies first toward meeting the district's MCR and any additional pennies as Tier2. So, if a rate lower than the VATR is adopted, Tier 2 pennies will be lost before Tier 1 pennies.









Adopting a Rate Less Than Voter Approved Tax Rate

Adopting a Rate Less Than VATR

Hometown ISD M&O Portion of VATR: Tax Year 2025

\$0.6169

+ \$0.0800

\$0.6969

Tier 2 pennies are levied at district discretion,

with voter approval if needed.

Adopted M&O Rate:

\$0.6769

What happens if the district adopts fewer Tier 2

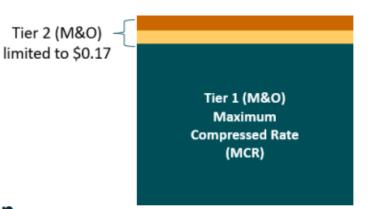
pennies this year than last year?

Consequences:

Reduced Revenue: When a district does not levy all previously accessed Tier 2 pennies:

Total Guarantee (state & local) is lost for each penny, or partial penny, the district does not continue to levy.

Subsequent Year VATR Reduced: Voter approval would be required to "re-access" the pennies later.



Goose Creek CISD Revenues

- In order to maximize state funding, adopting the VATR is recommended:
 - VATR \$0.7450 > NNR \$0.7229, a difference of \$0.0221
 - The district currently has \$0.0483 in copper pennies
 - Adopting the NNR tax rate would result in loss of funding of over \$3.5 million because \$0.0221 would be a loss of copper pennies. Copper pennies generate approximately \$1.6 million per penny.

Impact to Average Taxpayer

TAXPAYER IMPACT						
	2024	2025	2025 + 10%			
			Value Increase			
Appraised Value	300,000	300,000	330,000			
Homestead Exemption	(100,000)	(140,000)	(140,000)			
Taxable Value	200,000	160,000	190,000			
Total Tax Rate	\$1.0725	\$1.0700	\$1.0700			
Taxes Due to District	2,145	1,712	2,033			
*The district receives an additional \$321 from the taxpayer in the 2025 + 10% value increase year, but the state pays the district \$321 less.						



Tax Rate History

Tax Year	School Yr	M & O	1 & S	TOTAL
2018	2018-19	\$ 1.170000	\$ 0.261890	\$ 1.431890
2019	2019-20	\$ 1.068350	\$ 0.285930	\$ 1.354280
2020	2020-21	\$ 1.043600	\$ 0.297500	\$ 1.341100
2021	2021-22	\$ 1.043600	\$ 0.325000	\$ 1.368600
2022	2022-23	\$ 0.956700	\$ 0.325000	\$ 1.281700
2023	2023-24	\$ 0.757500	\$ 0.325000	\$ 1.082500
2024	2024-25	\$ 0.747500	\$ 0.325000	\$ 1.072500
2025	2025-26	\$ 0.745000	\$ 0.325000	\$ 1.070000

Total 8 Year 27% Rate Decrease \$

\$0.361890



	2024-2025	2024-2025	2024-2025	2025-2026 M&O Tax Rate	2025-2026 I&S Tax Rate	2025-2026
School District	M&O Tax Rate	I&S Tax	Total Tax			Total Tax
	WIGO Tax Nate	Rate	Rate	WIGO Tax Nate	Tax Nate	Rate
HOUSTON ISD	0.701600	0.166700	0.868300	0.682200	0.166700	0.848900
CONROE ISD	0.669600	0.280000	0.949600	0.669600	0.280000	0.949600
CHANNELVIEW ISD*	0.678800	0.311600	0.990400	0.678800	0.283700	0.962500
ALIEF ISD	0.842600	0.205000	1.047600	0.802200	0.205000	1.007200
KLEIN ISD	0.666900	0.345000	1.011900	0.666900	0.345000	1.011900
SPRING BRANCH ISD*	0.771900	0.304500	1.076400	0.718700	0.304500	1.023200
ALDINE ISD*	0.731500	0.302500	1.034000	0.731500	0.302500	1.034000
BARBERS HILL ISD*	0.813000	0.239400	1.052400	0.802200	0.250100	1.052300
TOMBALL ISD	0.666900	0.396000	1.062900	0.666900	0.396000	1.062900
LA PORTE ISD	0.722000	0.251900	0.973900	0.802200	0.261900	1.064100
HUFFMAN ISD*	0.676900	0.396800	1.073700	0.730900	0.338100	1.069000
GOOSE CREEK CISD	0.747500	0.325000	1.072500	0.745000	0.325000	1.070000
HUMBLE ISD	0.755200	0.350000	1.105200	0.755200	0.350000	1.105200
KATY ISD*	0.727100	0.390000	1.117100	0.727100	0.390000	1.117100
SPRING ISD*	0.719200	0.440000	1.159200	0.716900	0.440000	1.156900
GALENA PARK ISD	0.837600	0.334310	1.171910	0.837600	0.334310	1.171910
PASADENA ISD*	0.885000	0.340000	1.225000	0.832300	0.340000	1.172300
ANAHUAC ISD	0.676900	0.500000	1.176900	0.676900	0.500000	1.176900
CROSBY ISD*	0.755200	0.480000	1.235200	0.755200	0.480000	1.235200
SHELDON ISD	0.755200	0.500000	1.255200	0.755200	0.500000	1.255200
*Proposed						

Goose Creek Proposed Tax Rates

TAX RATE CHANGE YEAR-OVER-YEAR					
	2024-2025	Proposed 2025-2026	Change		
M&O Tax Rate	\$0.7475	\$0.7450	(\$0.0025)		
I&S Tax Rate	\$0.3250	\$0.3250	\$0.0000		
Total Tax Rate	\$1.0725	\$1.0700	(\$0.0025)		



Next Steps

Action Items:

- 09.22.25 Consideration of approval of bond defeasance, saving the district \$7.4 million in future interest costs
- 10.06.25 Consideration of approval of bond refunding, saving the district future interest costs
- 10.06.25 Consideration of approval of proposed tax rate \$1.07, <u>lowering tax rate over 36</u> cents since 2018



