



AN EARLY COLLEGE DISTRICT

BROWNSVILLE

INDEPENDENT SCHOOL DISTRICT

Regular Board Meeting

2025-2026 Tax Rate Adoption

September 2, 2025

BISD Board Room

5:30 PM



AN EARLY COLLEGE DISTRICT

BROWNSVILLE

I N D E P E N D E N T S C H O O L D I S T R I C T

AGENDA

- **Understanding the Tax Rate**
- **Tax Rate History**
- **Amortization Schedule for Bonded Debt**

UNDERSTANDING THE TAX RATE

- Public school taxes involve two figures, which divide the school district budget into two “buckets.”
- The first bucket is the *Maintenance and Operations* budget (M&O), which funds daily costs and recurring or consumable expenditures such as teacher and staff salaries, supplies, food, gas, and utilities.
- The M&O tax rate is composed of two formulas:
 - Tier One – Also known as the Maximum Compressed Rate (MCR)
 - Tier Two – Also known as the enrichment pennies (Golden and Copper)
- Approximately 76.6 percent of the district’s adopted budget goes to payroll costs.

UNDERSTANDING THE TAX RATE

- The second bucket is the ***Interest and Sinking*** budget (I&S), also known as *Debt Service*, and that is used to repay debt for longer-term capital improvements approved by voters through bond elections.
- Proceeds from a bond issue can be used for the construction and renovation of facilities, the acquisition of land, and the purchase of capital items such as equipment, technology, and transportation.
- I&S funds cannot by law be used to pay M&O expenses, which means that voter-approved bonds cannot be used to increase teacher salaries or pay rising costs for utilities and services.

UNDERSTANDING THE TAX RATE

GENERAL OPERATING FUND

(MAINTENANCE & OPERATIONS)

Day-to-day operations & expenses

For school districts this includes:

- Staff salaries
- Utilities
- Supplies
- Repairs
- Fuel



For the average citizen this includes:

- Groceries
- Utilities
- Minor home repairs
- Routine services
- Car fuel

BOND FUNDS CANNOT BE USED FOR SALARIES, UTILITIES, OR OTHER DAY-TO-DAY EXPENSES

DEBT SERVICE FUND

(INTEREST & SINKING)

Principal & interest payments on debt issued

For school districts this includes:

- New construction
- Renovations
- HVAC Systems
- Roofing
- Technology



For the average citizen this includes:

- Mortgage
- Home renovations
- Major appliances
- Land
- Car

BOND ELECTIONS ONLY AFFECT THE I & S PART OF THE TAX RATE

TAX RATE HISTORY

**Brownsville Independent School District
Adopted Property Tax Rates
Last Ten Fiscal Years
(Rate per \$100 Valuation)**

| Tax Year | Fiscal Year | Maintenance and Operations | Interest and Sinking | Total Tax Rate |
|----------|-------------|----------------------------|----------------------|----------------|
| 2025* | 2025-2026 | \$ 0.786900 | \$ 0.044560 | \$ 0.831460 |
| 2024 | 2024-2025 | \$ 0.786900 | \$ 0.241764 | \$ 1.028664 |
| 2023 | 2023-2024 | \$ 0.789200 | \$ 0.241764 | \$ 1.030964 |
| 2022 | 2022-2023 | \$ 1.056800 | \$ 0.151890 | \$ 1.208690 |
| 2021 | 2021-2022 | \$ 1.039300 | \$ 0.135700 | \$ 1.175000 |
| 2020 | 2020-2021 | \$ 1.025400 | \$ 0.150472 | \$ 1.175872 |
| 2019 | 2019-2020 | \$ 1.057000 | \$ 0.129706 | \$ 1.186706 |
| 2018 | 2018-2019 | \$ 1.152500 | \$ 0.112500 | \$ 1.265000 |
| 2017 | 2017-2018 | \$ 1.152500 | \$ 0.112500 | \$ 1.265000 |
| 2016 | 2016-2017 | \$ 1.152500 | \$ - | \$ 1.152500 |

*Proposed Tax Rate - Board of Trustees will review and adopt 2025-2026 tax rate in September 2025

AMORTIZATION SCHEDULE FOR BONDED DEBT 2025-2026

| Year | Period Ending | 2020A | 2020B | Total |
|------|------------------|-----------------------------|-----------------------------|---------------------------|
| | | Refunding Bond Series | Refunding Bond Series | Annual Debt Service |
| 2026 | 6/30/2026 | 4,241,225.00 | 8,637,200.00 | 12,878,425.00 |
| 2027 | 6/30/2027 | 4,242,700.00 | - | 4,242,700.00 |
| | | \$ 8,483,925.00 | \$ 8,637,200.00 | \$ 17,121,125.00 |

Thank
You!

