PUBLIC MEETING | BOARD OF TRUSTEES

Adoption of the 2026-2027 Tax Rate

Public meeting and Board action on the maintenance & operations and interest & sinking tax rates

Albessa Chavez, CFO

September 15, 2026



Why we are here tonight

The board must adopt a tax rate before the later of September 30 or the 60th day after the certified appraisal roll is received. The vote on the rate must be separate from the vote adopting the budget.

01

Budget adopted

The 2026-2027 budget was approved in June in a separate action.

02

June notice and hearing completed

June published rate: $1.0048; final rate proposed tonight: $0.9939.

03

Board adopts the rate

Two components, each approved separately, by record vote.

The tax rate has two components

State law requires the rate to be adopted in two parts, each approved separately. They are not interchangeable — money raised for debt cannot be spent on operations.

M&O

Maintenance & Operations

Funds day-to-day operations: teacher and staff salaries, utilities, transportation, instructional materials, campus budgets.

Proposed: **$0.7395** per $100 valuation

I&S

Interest & Sinking (Debt Service)

Pays principal and interest on voter-approved bonds. By law it cannot be used for salaries or daily operations.

Proposed: **$0.2544** per $100 valuation

Final rate compared with June published rate

Component	June 2026 published rate	September 2026 proposed rate	Change
Maintenance & Operations (M&O)	$0.7504	$0.7395	– $0.0109
Interest & Sinking (I&S)	$0.2544	$0.2544	No change
Total adopted tax rate	**$1.0048**	**$0.9939**	**– $0.0109**

All rates are stated per $100 of taxable valuation.
A lower rate does not automatically mean a lower tax bill. If a property's taxable value rose more than the rate fell, the bill can still increase. Value is set by the appraisal district, not by the district or the board.

No-new-revenue and voter-approval rates

Truth-in-Taxation requires two benchmark rates to be calculated and disclosed. Where the proposed rate falls against them determines how the board may adopt it.

No-new-revenue tax rate	**$0.943598**	Calculated TNT benchmark: M&O $0.710585 + I&S $0.233013 = $0.943598.
Voter-approval tax rate	**$0.993900**	The highest rate the board may adopt without holding a ratification election.
Proposed 2026-2027 rate	**$0.993900**	At the voter-approval rate — the board may adopt it tonight by record vote; no ratification election is required.

A rate above the voter-approval rate triggers an automatic ratification election.

Estimated property tax levy

No-new-revenue rate compared with the proposed rate

Component	No-new-revenue rate	Proposed rate	Difference	% Change
Maintenance & Operations (M&O)	$126.7M	$134.4M	+$7.7M	+6.11%
Interest & Sinking (I&S)	$43.2M	$48.1M	+$4.9M	+11.24%
Total estimated levy	**$169.9M**	**$182.5M**	**+$12.6M**	**+7.42%**

The proposed rate generates approximately $12.6 million more than the no-new-revenue rate, an increase of 7.42%.

Methodology No-new-revenue rate levy is the amount the district would raise on current taxable values at the no-new-revenue rate. Proposed rate levy applies the proposed M&O and I&S rates. Figures are rounded and represent levy, not budgeted or net collections.

What this means for a typical homeowner

	2025-2026	2026-2027
Average home value	$234,421	$247,125
Less homestead exemption	($167,252)	($171,444)
Taxable value	$67,169	$75,681
Annual school taxes	**$675**	**$752**

Change on an average homestead: **+$77 per year (+$6 per month)**

- Homeowners age 65 and older with an approved over-65 exemption generally have their school M&O taxes frozen at the ceiling established when the exemption was granted.
- Exemption and appraisal questions are handled by the county appraisal district, not by the district.

Required disclosures

- **Notice published in June**

  The notice of the public meeting on the budget and proposed tax rate was published in June at a proposed rate of $1.0048. Tonight's rate of $0.9939 is lower than the published rate, so no republication is required.

- **September tax-rate adoption**

  The Board is considering the final tax rate of $0.9939 at a separate meeting. The budget and public hearing occurred in June; the budget is not before the Board tonight.

- **Separate votes; two components**

  The vote setting the tax rate is separate from the vote adopting the budget, and the M&O and I&S components are approved separately.

- **Record vote required**

  The rate is adopted by record vote. Adopting a rate that exceeds the no-new-revenue rate requires the statutory motion wording, and a rate above the voter-approval rate triggers an automatic ratification election.

The motion before the board

The proposed rate exceeds the no-new-revenue rate, so the statutory motion wording below is required.

REQUIRED MOTION WORDING

"I move that the property tax rate be increased by the adoption of a tax rate of $0.9939, which is effectively a 5.33 percent increase in the tax rate."

Adopt the M&O rate

$0.7395 per $100 valuation

Adopt the I&S rate

$0.2544 per $100 valuation

Record the vote

Separate, recorded vote of the board

If the adopted rate exceeds the voter-approval rate, the board's action also orders a ratification election on the next uniform election date.

Next Steps

After the vote

The adopted rate is certified to the tax assessor-collector and applied to 2026 tax bills.

Tax bills

Statements are mailed by the county in the fall; payment is due by January 31.

Value questions

Appraised values, exemptions, and protests are handled by the county appraisal district.

More information

Budget, worksheets, and the adopted rate are posted on the district website.

Ector County ISD Business Office • Budget and tax rate materials are posted on the district website