Hallsville Independent School District

For the Consideration of the Board of Trustees

Date of Board Meeting: August 17, 2026

Agenda Item#: ______________________

Topic: Approval of I&S tax rate above minimum for 2026-27 Hallsville ISD I&S Tax Rate

Background and Rationale:

This item provides the Board the opportunity to consider the approval of an I&S tax rate for 2026-27 that exceeds the minimum to service current scheduled debt, in order to maintain the $0.095 I&S tax rate and also to defease approximately $2,000,000 by spending down existing I&S fund balance reserves.

This motion is a new requirement, passed by the 89th Legislature through Senate Bill 1453, effective on January 1, 2026 and updates the process to pass rates to pay debt service, as defined in Education Code Section 44.004(c)(5)(A)(ii)(b). It requires at least 5 voting members and a 60% vote to move forward.

Relationship to Strategic Plan: Funds the Budget for 2026-2027

Budget Implications:

☒ Expenditures required for next year's budget

Recommendation:

The Administration recommends the approval of a 2026-27 I&S tax rate that is higher than the minimum rate for scheduled debt service payments, for the purpose of paying an additional defeasance debt payment, from accumulated reserves in I&S fund balance.

The motion to adopt this proposed higher than minimum I&S tax rate must be made using the following language:

I move that a proposed rate to pay debt service $0.095 per $100 of taxable value be approved. This rate exceeds the district's debt service rate determined under Texas Education Code section 44.004(c)(5)(A)(ii)(b) of $0.040 by $.055. The excess revenue collected from the proposed rate will be used to pay an additional defeasance debt service payment in 2026-27.

Mary [signature]

Signature
(Person Bringing Information to the Board)

[signature]

Superintendent's Signature