Decatur Independent School District
Board of Trustees Agenda Item

To: Board of Trustees
From: Taylor Williams
Subject: Submission of the No-New-Revenue (NNR) Tax Rate, Voter-Approval Tax Rate (VATR), and Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service
Meeting Date: August 27, 2026
Type of Item: ☐ Information ☒ Presentation ☐ Consent Agenda ☐ Discussion ☐ Action

Supporting Documents: ☒ Yes ☐ No

Background Information and Rationale:
Section 26.04 of the Property Tax Code requires that the no-new-revenue tax rate and the voter-approval tax rate be submitted to the Board of Trustees by the designated officer or employee. The Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service defined Texas Education Code §44.004(c)(5)(A)(ii) also governs certain actions that must be taken during the tax rate adoption process.

The Rate to no-new-revenue tax rate and the voter-approval tax rate as calculated by the tax assessor-collector are found on line 26 and line 37 of the 2026 Tax Rate Calculation Worksheet, Texas Comptroller Form 50-859.

This item does not represent the adoption of the district's tax rate. The attached discussed ratees are rates per $100.

Support of Strategic Goals:
4.1 DISD will ensure strong financial stewardship and fiscal responsibility.
4.2 DISD will create and maintain systematic long-range facility management.
4.3 DISD will provide operational efficiency, effectiveness, and transparency to maximize taxpayer dollars.

Fiscal Implication:
NA

Administrative Recommendation:
This is an informational item only. No board action is required.

Contact Person(s)
Taylor Williams
Respectfully submitted,

Taylor Williams | Gary Micinski

Taylor Williams
Superintendent

Gary Micinski
Interim CFO

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THE NO-NEW-REVENUE RATE

The NNR (no-new-revenue) rate is: **$0.880365**

This is the rate that the would bring the District the same amount of money in 2026-2027 that the District received in 2025-2026.

This rate DOES NOT consider the interaction between state funding and local revenue.

Proposed Rate: **$0.9188**

NOTE: This year's proposed rate exceeds the NNR rate. Therefore the vote on the ordinance, resolution, or order setting the tax rate must be made in the following manner:

I move that the property tax rate be increased by the adoption of a tax rate of $0.9188, which is effectively a 4.36 percent increase in the tax rate.

Note also:

The "Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service" **$0.9631**

THE VOTER-APPROVAL TAX RATE

The Voter-Approval-Tax Rate is: **$0.9188**

This is the maximum rate the Board can adopt without seeking a voter-approval tax rate election.

= (Max Compressed Rate (from TEA) + 5 Tier II pennies) + Debt rate

Proposed Rate: **$0.9188**

NOTICE SUMMARY

Comparison of Proposed Rates with Last Year's Rates

	Maintenance & Operations	Interest & Sinking Fund*	Total
Last Year's Rate	$0.663100	$0.233700	$0.896800
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	$0.690790	$0.272310	$0.963100
Proposed Rate	$0.663100	$0.255700	$0.918800

OTHER RATES

The NNR(M&O) rate:	No-New-Revenue (M&O) Rate	$0.69079

The NNR(M&O) considers changes in state aid and applies only to M&O.

(Unlike the NNR rate which does not consider state aid but applies to the total tax rate, M&O plus I&S)

The Voter Approval Rate is made of two components:

For maintenance and operations (M&O)	$0.6631
For interest and sinking:	$0.2557
Total voter-approval rate:	$0.9188

The Rate to Maintain Same Level of M&O Revenue & Pay Debt Service is made of two components:

For maintenance and operations (M&O)	$0.6631
For interest and sinking:	$0.2635
Total voter-approval rate:	$0.9266

SUPER MAJORITY

Proposed Rate:	**$0.9188**
Rate to Maintain Same Level of M&O Revenue and Pay Debt Service:	**$0.9631**

If a Board adopted a rate greater than the “Rate to Maintain Same Level of M&O and Pay Debt Service” than a super majority (60 percent) of the members (NOT members present) must approve the rate.

In that case, .60 x 7 = 4.2 or 5 members would be required to approve the motion.

DISD’s proposed rate is less than the Rate to Maintain Same Level of M&O Revenue and Pay Debt Service so a supermajority is not necessary.