Brownsville Independent School District

Agenda Category: Conference Presentation **Board of Education Meeting:** 09/01/2026

Item Title: 2026-2027 Proposed Tax Rate

	Action
X	Information
	Discussion

BACKGROUND:

Presentation of 2026-2027 Proposed Tax Rate.

Lyzeth Alaffa
Submitted by: Principal/Program Director

Rosario Peña, RTSBA
Recommended by: Executive Director

Rosario Peña, RTSBA
Approved by: Assistant Superintendent

Approved for Submission to Board of Education:

Dr. Timothy E. Cuff

Dr. Timothy E. Cuff, Superintendent

When Necessary, Additional Background May Follow This.

AN EARLY COLLEGE DISTRICT

BROWNSVILLE

INDEPENDENT SCHOOL DISTRICT

REGULAR BOARD MEETING
2026-2027 TAX RATE ADOPTION

September 1, 2026

BISD Board Room

5:30 PM

AN EARLY COLLEGE DISTRICT

BROWNSVILLE

INDEPENDENT SCHOOL DISTRICT

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 80 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

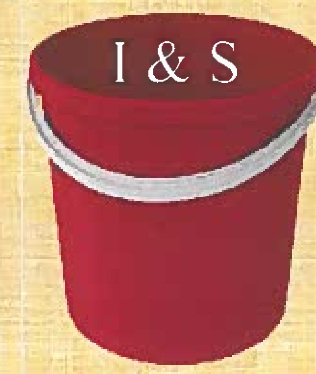
DEBT SERVICE FUND

(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

Tax Year	Fiscal Year	Maintenance and Operations	Interest and Sinking	Total Tax Rate
2026*	2026-2027	$ 0.771600	$ -	$ 0.771600
2025	2025-2026	$ 0.786900	$ 0.044500	$ 0.831400
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

*Proposed Tax Rate - Board of Trustees will review and adopt 2026-2027 tax rate in September 2026

AMORTIZATION SCHEDULE FOR BONDED DEBT 2026-2027

Year	Period Ending	2020A Refunding Bond Series	2020B Refunding Bond Series	Total Annual Debt Service
2027	6/30/2027	4,242,700.00	-	4,242,700.00
		$ 4,242,700.00	**$ -**	**$ 4,242,700.00**

THANK YOU!