



Prosper Independent School District

2025-2026
Adopted Budget

September 1, 2025 - August 31, 2026



Prosper Independent School District

Administration

Dr. Holly Ferguson
Superintendent

Jeff Crownover
Deputy Superintendent

Bill McLaughlin
Deputy Superintendent

Charis Hunt
Chief Human Resource Officer

Stephanie Cockrell
Chief Academic Officer

Rachel Trotter
Chief of Staff

Fernando De Velasco
Chief Technology Officer

Todd Shirley
Chief of Construction & Design

Dr. Katey Gray
Chief of Leadership & Innovation

Dr. Blair Hickey
Chief of Specialized Programs

Board of Trustees

Bill Beavers
Board President

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Board Member

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Budget Goals & Priorities

Compensation

- Teachers: \$2,500 raise for 1-4 years experience
\$5,000 raise for 5+ years experience

- Starting first year teacher pay \$62,500

- 4% increase for all other employees

Student Average Daily Attendance

- 32,832 ADA

- Additional 2,800 ADA - revisit after snapshot

Revenues

- Tax Rate \$1.21410

- Taxable Value \$22,847,679,371

Expenses

- Increased Operational Costs

- Student Growth

Refine Budgets to optimize resources, promote cost-savings strategies, and enhance sustainability



HB 2 SCHOOL FUNDING

Compensation

Classroom Teacher Raises

Districts will receive an allotment based on student enrollment for all teachers with 3 or more years of experience

District Enrollment	3-4 Years Experience	5+ Years Experience
<5,000	\$4,000	\$8,000
>5,000	\$2,500	\$5,000

Districts will also receive an allotment of \$45 per regular program ADA for salaries of all support staff other than campus or central administrators

New “ABC” Allotment

\$106 per enrolled student for the “Allotment of Basic Costs.” This allotment can be used on:

- Transportation
- Hiring Retired Teachers
- Providing Health Insurance, Employee Benefits, and Payroll Taxes
- TRS Contributions & Other TRS Costs
- Utilities
- Property & Casualty Insurance

School Safety

Increase to both the per student and per campus allotments:

- \$20 per ADA
- \$33,450 per campus

Other Updates

Basic Allotment Increase

Increased the basic allotment by \$55. This is funded through a freeze in any increases in the guaranteed yield on golden pennies

Free Pre-K for Students of Classroom Teachers

Classroom teachers are now eligible for FSP Pre-K

Special Education

New \$1,000 allotment for each initial SPED evaluation



Executive Summary

Prosper ISD

2025-2026

This budget document and the annual financial report, serve as key tools for presenting the financial plan and operational results of the District. The main purpose of this budget document is to provide timely and useful information about the District's past, current, and projected financial status to support financial decisions that align with its educational goals.

The Prosper Independent School District (the "District") is dedicated to sound financial management characterized by integrity, prudent stewardship, planning, accountability, transparency, and open communication. This document outlines the financial plan for the Prosper Independent School District for the 2025-2026 fiscal year.

This document is the result of an extensive process involving input from campus and administrative staff, the Superintendent, Administration, Board Finance Committee, and the entire Board of Trustees. This process includes targeted strategies and action steps to achieve specific objectives. The District intends to clearly communicate how resources are allocated and used. Furthermore, this document is designed to help constituents understand how resources are utilized to fulfill the District's mission. The Board of Trustees and staff have worked diligently to optimize the use of funds from taxpayers and other local, state, and federal sources. Campus principals and staff are actively involved in making specific requests to improve student performance.

Legal Requirements

Federal, state, and local guidelines govern the budget development process. The Texas Education Agency (TEA) requires the General, Student Nutrition, and Debt Service funds to be budgeted and adopted annually by the District's Board of Trustees. Budgets are prepared according to state regulations and cover the fiscal period from September 1, 2025, to August 31, 2026. The District's website provides access to multiple years of required financial accountability information.

Adoption of Budget and Tax Rate

The Texas Education Code §44.002-44.006 outlines the legal framework for school district budget development. The budget must be adopted by the Board of Trustees no later than August 31st, with the approved budget commencing on September 1st. The code also mandates that the president of the Board of Trustees call a public meeting, giving ten days' public notice in a newspaper for the adoption of the district budget and posting a comparative proposed budget on the District's website. The officially adopted District budget must be filed with the Texas Education Agency (TEA) through the Public Education Information Management System (PEIMS) by the annually prescribed date.



Executive Summary

Tax Rate Adoption

The Board of Trustees cannot adopt a tax rate until the administration has completed the local property value survey and the Texas Education Agency issues the District's maximum compressed tax rate (MCR) information. The Commissioner of Education must also certify the District's intent to enter into an agreement to reduce its local revenue to comply with Texas Education Code Chapter 48.257. The District must adopt a tax rate by September 30th or 60 days after receiving the certified appraisal roll, whichever date is later. The District will adopt the 2025 tax rate in August during the Budget Adoption Hearing. The tax rate is made up of the Maintenance & Operations (M&O) rate for operational expenses and the Interest & Sinking (I&S) rate for debt service.

Balanced Budget

The District strives to balance the operating budget with current revenues, ensuring that current revenues cover ongoing expenditures. Excess fund balance in the general operating fund may be used for one-time, non-recurring expenditures or capital needs. During challenging economic times, and with careful planning and multi-year budgeting, the Board of Trustees may use a portion of the fund balance to offset costs that exceed limited revenues, thereby protecting the integrity of programs and the success of the District without compromising its financial stability.

To maintain financial stability, the Board has adopted a policy designating a minimum fund balance level, targeting three months of operating expenditures. Budgets will be adopted annually but with consideration of the long-range impact on the District's fund balance to maintain a fund balance that equals or exceeds the three-month target. In an effort to provide adequate cash flow for its operations, maintain a strong credit rating, and plan for unanticipated extraordinary costs, the District shall maintain, where possible, three months of unassigned general operating fund balance. If the Board determines this fund balance cannot be obtained for the proposed budget, it shall be the goal of the Board to reach the balance within a specified period, within three years.

Planning

A budget calendar is established each year and the process begins in January. This allows the Administration and the Board of Trustees sufficient time to consider appropriate decisions and analyze the associated financial impacts. The budget process will be coordinated to identify major strategic goals and issues before the budget approval date.

Reporting

Monthly financial reports are presented to the Board of Trustees, enabling them to understand the overall budget and financial status of the District. These reports include comparative financial statements, reports on cash and investments, bond status reports, and tax collection information. Quarterly financial updates are presented during a formal Board Meeting to provide updates publicly for the community.



Executive Summary

Control and Accountability

Each campus or departmental administrator is responsible for administering and overseeing their budget, which is controlled on an organizational basis. This includes achieving the targets adopted as part of the budget and monitoring departmental budgets for compliance with spending limitations. Campus and departmental administrators may transfer allocations within function codes through budget transfers approved by the appropriate administrator and Business Services. Transfers of personnel budgets, transfers between function codes, and certain other District-level allocations require approval from Business Services.

Budget Process/Priorities

Prosper ISD builds its budget priorities around its vision, mission, and strategic plan. The District monitors spending to ensure the most efficient use of resources within the statutory and regulatory limitations and mandates placed upon public schools. A close alignment is maintained between the overall budget, district administration and campus planning to help PISD efficiently meet established priorities. The District prioritizes programs that directly serve students, the employees who deliver these programs, the facilities that support students, and the safety of students and staff. Input from campus administrators, teachers, department directors, district administrators, the Board of Trustees, and the community is essential in addressing significant needs during the budget process.

Personnel is a critical resource and a significant expenditure, which accounts for the majority of the District's overall budget. Staffing and hiring decisions are made with careful consideration and align with the strategic plan of the District. Staffing ratios (students to staff) are followed at every campus, accounting for all personnel needed to operate a campus, and provide additional direction beyond classroom ratios established by the State. Serving students remains the top priority in staffing decisions.

Budget Amendments

The District budget will be amended as necessary based on financial and economic factors. Board policy states that the Superintendent or designee may move between functions prior to board approval. The Board reviews financial reports on a monthly basis to provide functional information on a regular basis. The budget must be amended by the Board prior to the use or designation of fund balance.

District Support

The Prosper ISD School Board remains steadfast in their commitment to supporting our District by providing resources, tools, and assistance that create unique opportunities for our students, educators, and staff. These opportunities enrich our students' educational experiences throughout their academic journey. Thank you to the Board of Trustees, District leadership, educators, staff, parents, and students, whose unwavering dedication and commitment have been instrumental in shaping strategic initiatives and policies to elevate educational standards within Prosper ISD. We reaffirm our dedication to accountability and the responsible management of the resources entrusted to us.



Adopted Budget 2025-2026

Prosper Independent School District 2025-2026 Budget Summary

	*General Fund	Child Nutrition Fund	Debt Service Fund
Revenues:			
Local Sources	\$195,240,063	\$13,993,833	\$127,591,399
State Sources	201,465,591	18,238	13,184,769
Federal Sources	1,075,000	1,100,000	-
Total Revenues	\$397,780,654	\$15,112,071	\$140,776,168
Expenditures by Function			
11 - Instruction	\$261,801,390	-	-
12 - Instructional Resources & Media Services	4,992,359	-	-
13 - Curriculum/Instructional Staff Development	9,676,244	-	-
21 - Instructional Leadership	4,614,478	-	-
23 - School Leadership	22,868,316	-	-
31 - Guidance & Counseling	16,837,311	-	-
32 - Social Work Services	100,000	-	-
33 - Health Services	3,776,664	-	-
34 - Student Transportation	12,043,186	-	-
35 - Food Services	133,919	14,550,000	-
36 - Co-Curricular/Extra Curricular Activities	14,478,653	-	-
41 - General Administration	11,362,718	-	-
51 - Plant Maintenance & Operations	40,850,491	-	-
52 - Security & Monitoring Services	5,777,940	-	-
53 - Data Processing	11,401,470	-	-
61 - Community Service	11,200	-	-
71 - Debt Service	1,618,728	-	143,000,000
81 - Facilities Acquisition and Construction	1,006,087	-	-
91 - Contract Instructional Services	1,603,469	-	-
93 - Payments to Fiscal Agents	250,000	-	-
95 - Payments to JJAEP	11,000	-	-
99 - Inter-governmental Charges	2,000,000	-	-
	\$427,215,623	\$14,550,000	\$143,000,000
Budgeted Use of Fund Balance	(29,434,969)		(2,223,832)
Total Expenditures and Other Sources	\$397,780,654	\$14,550,000	\$140,776,168

*General Funds includes Athletic Activities, General Operating, & TRS OnBehalf

Required Disclosures Per Tex. Loc Gov't Code §140.0045:	2025-26	2024-25
Publication of Legally Required Newspaper Notices	\$10,000	\$10,000
Advocacy Expenditures	\$1,661	\$2,321



General Fund

The General Fund accounts for the financial resources of the District and includes transactions as a result of revenues received from local maintenance taxes and foundation entitlements from the state. The General Fund uses budgetary control and shows transactions resulting from the daily operations of the District.



General Fund

Prosper Independent School District General Fund Budget Overview by Major Object

	2023-2024 Actual	2024-2025 Original Budget	2025-2026 Adopted Budget	% Change
Revenues:				
Local & Intermediate Sources	\$160,579,043	\$191,191,306	\$195,240,063	
State Program	153,689,067	155,066,921	201,465,591	
Federal Program	3,072,865	1,000,000	1,075,000	
Total Revenues and Other Sources	\$317,340,975	\$347,258,227	\$397,780,654	14.55%
Expenditures				
Payroll	\$240,660,010	\$294,010,841	\$342,759,056	
Contracted Services	31,777,569	36,180,050	47,314,514	
Supplies & Materials	15,882,010	20,009,069	21,643,384	
Other Operating	5,660,571	7,701,547	9,812,833	
Debt Service	793,597	1,417,500	1,618,728	
Capital Outlay	2,979,789	3,392,507	4,067,108	
Total Expenditures	\$297,753,546	\$362,711,514	\$427,215,623	17.78%
Excess(Deficiency) of Revenues vs. Expenditures	19,587,429	(15,453,287)	(29,434,969)	
Other Financing Sources (Uses)				
Sale of Real and Personal Property	\$87,922			
Proceeds of Right-to-Use Leases & Subscriptions:	117,504			
Transfers Out (Use)	(3,501,944)			
Total Other Financing Sources/Uses	(3,296,518)			
Net Change in Fund Balance	16,290,911			
Beginning Fund Balance (Sept 1)	152,297,542	168,588,453		
Ending Fund Balance (August 31)	168,588,453			



General Fund

Propser Independent School District General Fund Revenue Sources

	2023-2024 Actuals	2024-2025 Adopted Budget	2025-2026 Adopted Budget	Percent of Total
LOCAL & OTHER SOURCES				
Local Taxes - Current Year	\$ 142,330,670	\$ 171,407,306	\$ 179,043,063	45.0%
Local Taxes - Prior Years	2,524,293	1,500,000	1,500,000	0.4%
Local Tax Penalties & Interest	542,686	400,000	400,000	0.1%
Tuition and Fees	2,204,756	1,438,400	878,500	0.2%
Earnings from Investments	9,990,287	12,180,000	9,070,000	2.3%
Rents and Building Use Fees	1,310,965	1,364,500	1,310,000	0.3%
Gifts and Bequests	8,000	-	-	0.0%
Insurance Recovery	150,060	75,000	50,000	0.0%
Misc. Local Revenues	480,676	1,863,500	1,926,000	0.5%
Athletic Activities	1,036,650	962,600	1,062,500	0.3%
Total Local Sources	\$ 160,579,043	\$ 191,191,306	\$ 195,240,063	49.1%
STATE SOURCES				
Per Capita Apportionment	\$ 10,399,375	\$ 16,167,098	\$ 13,475,690	3.4%
Foundation School Funding	128,114,652	121,977,814	168,253,242	42.3%
TRS On-Behalf Payments	15,175,040	16,922,009	19,736,659	5.0%
Total State Sources	\$ 153,689,067	\$ 155,066,921	\$ 201,465,591	50.6%
FEDERAL SOURCES				
Indirect Cost	\$ 191,165	-	-	0.0%
SHARS	89,030	500,000	-	0.0%
Other	2,792,670	500,000	1,075,000	0.3%
Total Federal Sources	\$ 3,072,865	\$ 1,000,000	\$ 1,075,000	0.3%
TOTAL REVENUE ALL SOURCES	\$ 317,340,975	\$ 347,258,227	\$ 397,780,654	100.0%



General Fund

Prosper Independent School District General Fund Budget Overview by Function

	2023-2024 Actual	2024-2025 Original Budget	2025-2026 Adopted Budget	% Change
Revenues:				
Local Sources	\$160,579,043	\$191,191,306	\$195,240,063	2.12%
State Sources	153,689,067	155,066,921	201,465,591	29.92%
Federal Sources	3,072,865	1,000,000	1,075,000	7.50%
Total Revenues	\$317,340,975	\$347,258,227	\$397,780,654	14.55%
Expenditures by Function				
11 - Instruction	\$181,796,950	\$222,860,836	\$261,801,390	17.47%
12 - Instructional Resources & Media Services	3,507,827	3,958,548	4,992,359	26.12%
13 - Curriculum/Instructional Staff Development	6,967,543	7,920,867	9,676,244	22.16%
21 - Instructional Leadership	2,463,233	3,447,971	4,614,478	33.83%
23 - School Leadership	15,649,854	20,547,700	22,868,316	11.29%
31 - Guidance & Counseling	9,245,673	13,413,537	16,837,311	25.52%
32 - Social Work Services	8,408	88,226	100,000	13.35%
33 - Health Services	2,847,035	3,272,246	3,776,664	15.42%
34 - Student Transportation	11,015,138	11,994,700	12,043,186	0.40%
35 - Food Services	159,691	134,029	133,919	-0.08%
36 - Co-Curricular/Extra Curricular Activities	9,535,971	11,250,960	14,478,653	28.69%
41 - General Administration	9,000,909	10,343,199	11,362,718	9.86%
51 - Plant Maintenance & Operations	27,299,067	31,929,363	40,850,491	27.94%
52 - Security & Monitoring Services	3,268,525	4,327,802	5,777,940	33.51%
53 - Data Processing	9,882,588	10,752,900	11,401,470	6.03%
61 - Community Service	5,543	9,500	11,200	17.89%
71 - Debt Service	793,597	1,417,500	1,618,728	14.20%
81 - Facilities Acquisition and Construction	1,930,627	1,005,630	1,006,087	0.05%
91 - Contract Instructional Services	537,262	1,800,000	1,603,469	-10.92%
93 - Payments to Fiscal Agents	183,392	225,000	250,000	11.11%
95 - Payments to JJAEP	10,080	11,000	11,000	0.00%
99 - Inter-governmental Charges	1,644,633	2,000,000	2,000,000	0.00%
Total Expenditures	\$297,753,546	\$362,711,514	\$427,215,623	17.78%
Excess(Deficiency) of Revenues vs. Expenditures	19,587,429	(15,453,287)	(29,434,969)	
Budgeted Use of Fund Balance		(15,453,287)	(29,434,969)	
Other Financing Sources (Uses)				
Sale of Real and Personal Property	87,922			
Proceeds of Right-to-Use Leases & Subscriptions	117,504			
Transfers Out (Use)	(3,501,944)			
Total Other Financing Sources/Uses	(3,296,518)			
Net Change in Fund Balance	16,290,911			
Beginning Fund Balance (Sept 1)	152,297,542	168,588,453		
Ending Fund Balance (August 31)	168,588,453			



Debt Service Fund

The Debt Service Fund accounts for the payment of general long-term debt principal and interest for debt issues and other long-term debts for which tax has been dedicated by the District.



Debt Service Fund

Prosper Independent School District Debt Service Budget Overview

	2023-2024 Actual	2024-2025 Original Budget	2025-2026 Adopted Budget	% Change
Revenues:				
Local & Intermediate Sources	\$98,095,262	\$113,941,596	\$127,591,399	
State Program	7,858,546	7,300,000	13,184,769	
Total Revenues and Other Sources	\$105,953,808	\$121,241,596	\$140,776,168	16.11%
Expenditures				
Principal on Long Term Leases	\$31,252,272	\$32,491,542	\$36,406,690	
Interest on Long Term Leases	72,013,978	82,055,473	105,350,296	
Bon Issuance Cost and Fees	880,278	2,500,000	1,243,014	
Total Expenditures	\$104,146,528	\$117,047,015	\$143,000,000	22.17%
Excess(Deficiency) of Revenues vs. Expenditures	1,807,280	4,194,581	(2,223,832)	
Other Financing Sources (Uses)				
Capital Related Debt Issued	\$0			
Premium or Discount on Issuance of Bonds	870,739			
Total Other Financing Sources/Uses	870,739			
Net Change in Fund Balance	2,678,019			
Beginning Fund Balance (Sept 1)	19,270,534	21,948,553		
Ending Fund Balance (August 31)	21,948,553			



Student Nutrition Fund

The Student Nutrition Fund accounts for programs using federal reimbursement revenues originating from the United States Department of Agriculture (USDA). User fees are charged to supplement reimbursements from the National School Breakfast and Lunch Program.



Student Nutrition Fund

Prosper Independent School District Student Nutrition Budget Overview

	2023-2024 Actual	2024-2025 Original Budget	2025-2026 Adopted Budget	% Change
Revenues:				
Local & Intermediate Sources	\$11,124,356	\$13,067,438	\$13,993,833	
State Program	18,238	-	18,238	
Federal Program	1,473,807	1,000,000	1,100,000	
Total Revenues and Other Sources	\$12,616,401	\$14,067,438	\$15,112,071	7.43%
Expenditures				
Payroll	\$105,943	-	\$200,000	
Contracted Services	11,292,594	13,272,240	14,150,000	
Supplies & Materials	9,675	200,000	200,000	
Total Expenditures	\$11,408,212	\$13,472,240	\$14,550,000	8.00%
Excess(Deficiency) of Revenues vs. Expenditures	1,208,189	595,198	562,071	
Total Other Financing Sources/Uses	1,944			
Net Change in Fund Balance	1,210,133			
Beginning Fund Balance (Sept 1)	1,925,195	3,135,328		
Ending Fund Balance (August 31)	3,135,328			



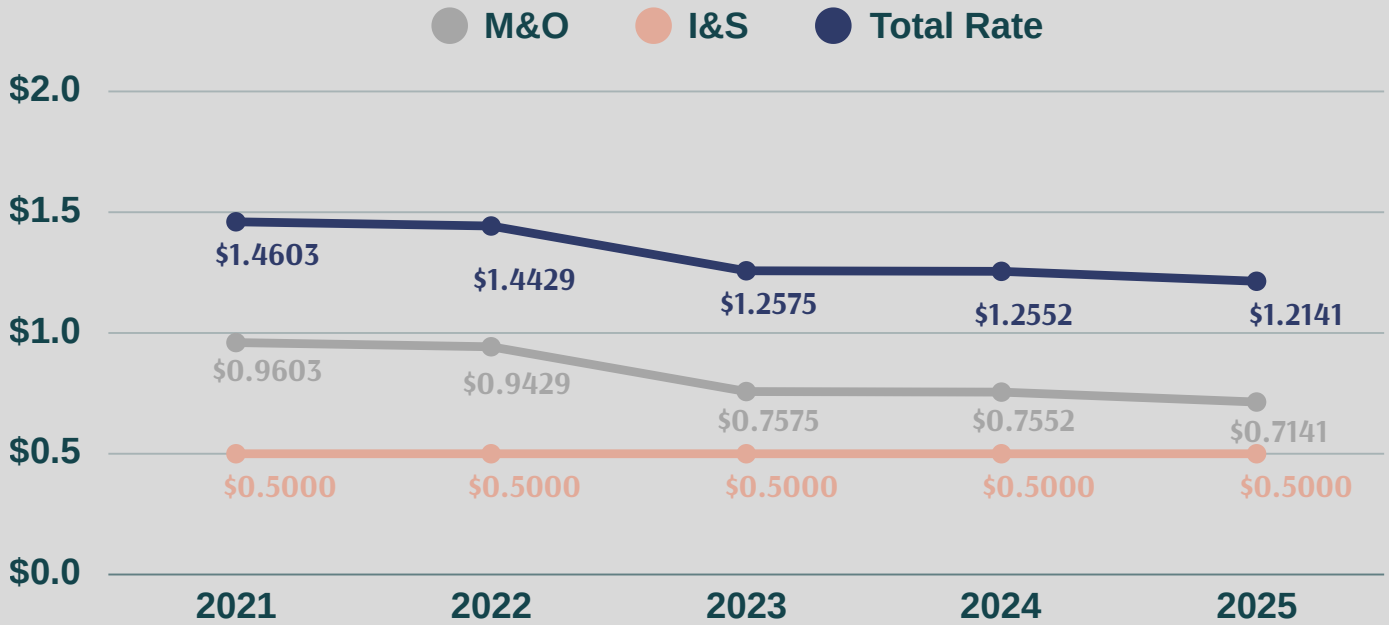
Supplemental Information

The following information is presented as supplementary information. This information has been influential on the budget preparation and process. The supplemental information includes tax rate data, student enrollment data, and staffing data.



Tax Information

TAX RATE - LAST FIVE YEARS



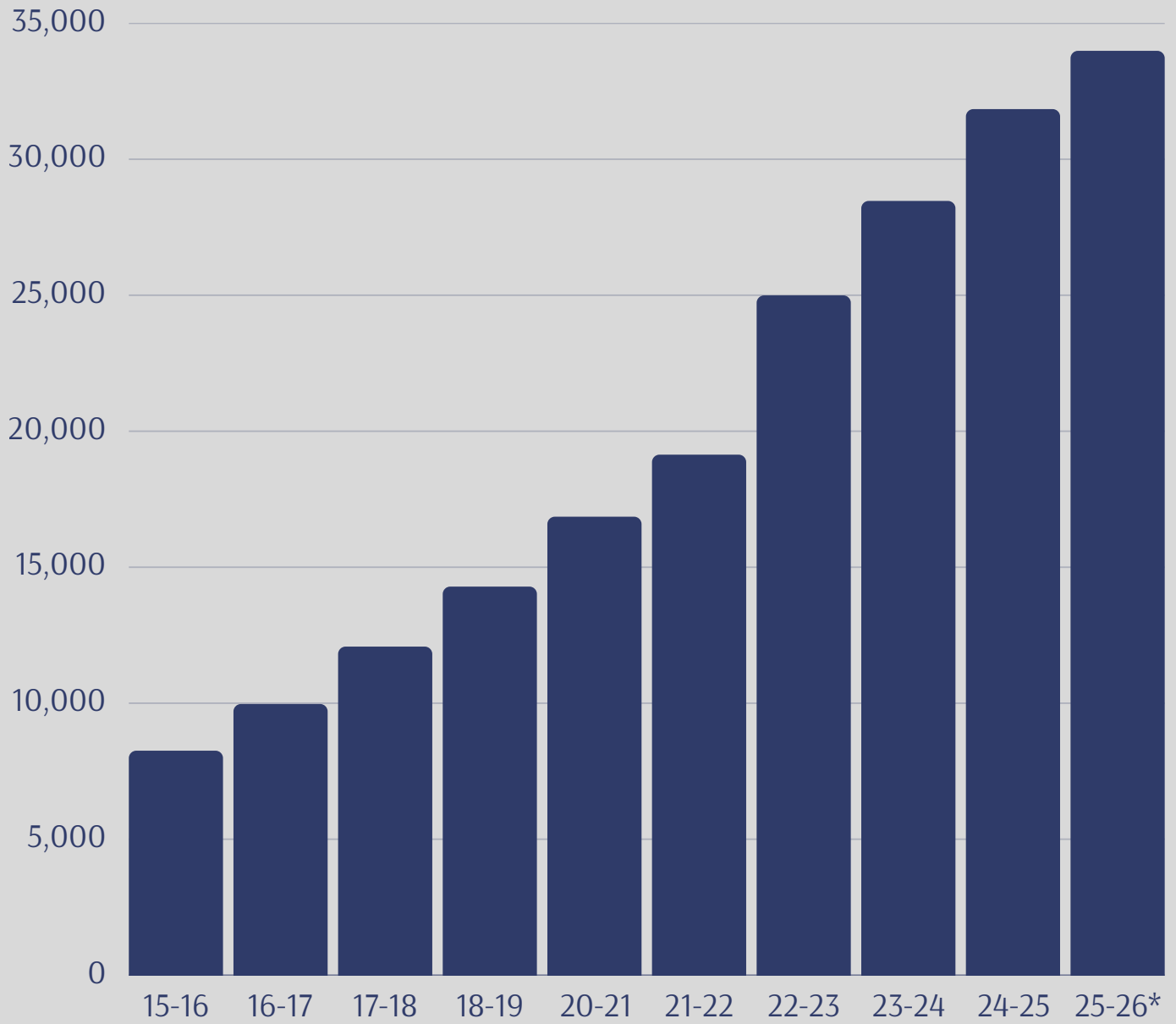
PROPERTY TAXES - LAST FIVE YEARS

FISCAL YEAR ENDED AUGUST 31	TAX YEAR	TAX RATE	TAXABLE VALUES	NET TAX LEVY	% COLLECTED WITHIN FISCAL YEAR
2026	2025	\$1.2141	\$23,336,797,189	*\$284,048,902	*99.00%
2025	2024	\$1.2552	\$22,838,755,716	\$252,224,890	99.35%
2024	2023	\$1.2575	\$19,465,380,229	\$237,317,663	99.39%
2023	2022	\$1.4429	\$16,769,976,083	\$235,694,806	99.80%
2022	2021	\$1.4603	\$13,050,023,256	\$186,609,463	99.68%

*Estimated



Enrollment Information



**Enrollment as of 8/4/2025*



Enrollment Information

	2021-22	2022-23	2023-24	2024-25	2025-26
Early Education	139	159	182	174	171
Pre-Kindergarten	264	400	542	714	696
Kindergarten	1,736	1,934	2,142	2,275	2111
First Grade	1,680	2,046	2,244	2,419	2485
Second Grade	1,870	1,958	2,324	2,543	2604
Third Grade	1,763	2,126	2,254	2,588	2715
Fourth Grade	1,764	2,081	2,387	2,507	2775
Fifth Grade	1,734	1,969	2,337	2,624	2651
Sixth Grade	1,630	1,999	2,255	2,573	2821
Seventh Grade	1,699	1,847	2,202	2,477	2737
Eighth Grade	1,703	1,862	2,058	2,413	2622
Ninth Grade	1,673	1,892	2,153	2,322	2708
Tenth Grade	1,515	1,741	1,995	2,249	2430
Eleventh Grade	1,408	1,566	1,803	2,124	2303
Twelfth Grade	1,202	1,403	1,589	1,841	2157
Total Enrollment	21,780	24,983	28,467	31,843	33,986

*Enrollment as of 8/4/2025



Budget Appendix

Effective January 1, 2021, from Senate Bill 2, 86th Legislature Session, requires the Board to attach the forms used to calculate the no-new-revenue and voter-approval tax rates.

2025 Tax Rate Calculation Worksheet

Form 50-859

School Districts without Chapter 313 and JETI Agreements

Prosper Independent School District

469-219-2000

School District's Name

Phone (area code and number)

605 E. 7th Street, Prosper, TX 75078

www.prosper-isd.net

School District's Address, City, State, ZIP Code

School District's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll or certified estimate of value and the estimated values of properties under protest. The designated officer or employee shall submit the rates to the governing body by August 7 or as soon thereafter as practicable. Tax Code Section 26.04(e-1) does not require school districts to certify tax rate calculations or comply with certain Tax Code notice requirements. School districts are required to provide notice regarding tax rate calculations pursuant to Education Code Chapter 44.

This worksheet is for **school districts without Tax Code Chapter 313 or Government Code Chapter 403, Subchapter T, Texas Jobs, Energy, Technology, and Innovation Act (JETI) agreements only**. School districts that have a Chapter 313 or JETI agreement should use Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School Districts with Chapter 313 and JETI Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form. Use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

All other taxing units should use Comptroller Form 50-856 *Tax Rate Calculation, Taxing Units Other Than School Districts or Water Districts*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The Texas Education Agency (TEA) provides detailed information on and guidance to school districts in calculating their tax rates. Please review and rely on information provided by TEA when completing this worksheet. Additionally, the information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The no-new-revenue (NNR) tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of revenue if applied to the same properties that are taxed in both years (no new taxes). When appraisal values increase, the NNR tax rate should decrease.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude one-fourth and one-third over-appraisal corrections made under Tax Code Section 25.25(d) from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2). ¹	\$ 22,838,755,716
2.	Prior year tax ceilings. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. ²	\$ 1,681,523,576
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 21,157,232,140
4.	Prior year total adopted tax rate.	\$ 1.255200 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced prior year appraised value.	
	A. Original prior year ARB values: \$ 666,414,778	
	B. Prior year values resulting from final court decisions: \$ 621,022,935	
	C. Prior year value loss. Subtract B from A. ³	\$ 45,391,843
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25.	
	A. Prior year ARB certified value: \$ 339,009,201	
	B. Prior year disputed value: \$ 37,164,589	
	C. Prior year undisputed value. Subtract B from A. ⁴	\$ 301,844,612
7.	Prior year Chapter 42-related adjusted values. Add Line 5 and 6.	\$ 347,236,455
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 21,504,468,595

¹ Tex. Tax Code §26.012(14)
² Tex. Tax Code §26.012(14)
³ Tex. Tax Code §26.012(13)
⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
9.	Prior year taxable value of property in territory the school deannexed after Jan. 1, of the prior year. Enter the prior year value of property in deannexed territory. ¹	§ 0
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the school district increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport goods-in-transit, or temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: § 33,435,271 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: ..+ § 1,373,478,990 C. Value loss. Add A and B. ⁶	§ 1,406,914,261
11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified in the current year for the first time; do not use properties that qualified in the prior year. A. Prior year market value. § 3,159,312 B. Current year productivity or special appraised value: - § 3,548 C. Value loss. Subtract B from A. ⁷	§ 3,155,764
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	§ 1,410,070,025
13.	Adjusted prior year taxable value. Subtract Line 12 from Line 8.	§ 20,094,398,570
14.	Adjusted prior year total levy. Multiply Line 4 by Line 13 and divide by \$100.	§ 252,224,890
15.	Taxes refunded for years preceding prior year. Enter the amount of taxes refunded by the district for tax years preceding the prior year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁸	§ 2,664,770
16.	Adjusted prior year levy with refunds. Add Line 14 and Line 15. ⁹ <small>Note: If the governing body of the school district governs a junior college district in a county with a population of more than two million, subtract the amount of taxes the governing body dedicated to the junior college district in the prior year from the result.</small>	§ 254,889,660
17.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in line 19). These homesteads include homeowners age 65 or older or disabled. ¹⁰ A. Certified values. ¹¹ § 22,847,679,371 B. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - § 0 C. Total current year value. Subtract B from A.	§ 22,847,679,371
18.	Total value of properties under protest or not included on certified appraisal roll. ¹² A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹³ § 2,178,706,750 B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives school districts a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties are also not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value not on the roll. ¹⁴ + § 0 C. Total value under protest or not certified. Add A and B.	§ 2,178,706,750

¹ Tex. Tax Code §26.012(15)
² Tex. Tax Code §26.012(15)
³ Tex. Tax Code §26.012(15)
⁴ Tex. Tax Code §26.012(13)
⁵ Tex. Tax Code §26.012(13)
⁶ Tex. Tax Code §26.012(13)
⁷ Tex. Tax Code §26.012(13)
⁸ Tex. Tax Code §26.012(13)
⁹ Tex. Tax Code §26.012(13)
¹⁰ Tex. Tax Code §26.012(13)
¹¹ Tex. Tax Code §26.012(13)
¹² Tex. Tax Code §26.012(13)
¹³ Tex. Tax Code §26.012(13)
¹⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Current year tax ceilings. Enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. ¹⁵	\$ 1,689,588,932
20.	Anticipated contested value. Affected taxing units enter the contested taxable value for all property that is subject to anticipated substantial litigation. ¹⁶ An affected taxing unit is wholly or partly located in a county that has a population of less than 500,000 and is located on the Gulf of Mexico. ¹⁷ If completing this section, the taxing unit must include supporting documentation in Section 6. ¹⁸ Taxing units that are not affected, enter 0.	\$ 0
21.	Current year total taxable value. Add Lines 17C and 18C. Subtract Lines 19 and 20. ¹⁹	\$ 23,336,797,189
22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed by the school district.	\$ 0
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the school district after Jan. 1, of the prior year, and be located in a new improvement.	\$ 1,784,534,148
24.	Total adjustments to the current year taxable value. Add lines 22 and 23.	\$ 1,784,534,148
25.	Adjusted current year taxable value. Subtract line 24 from line 21.	\$ 21,552,263,041
26.	Current year NNR tax rate. Divide line 16 by line 25 and multiply by \$100.	\$ 1.182658 /\$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. Most school districts calculate a voter-approval tax rate that is split into three separate rates.²⁰

- Maximum Compressed Tax Rate (MCR):** A district's maximum compressed tax rate is defined as the tax rate for the current tax year per \$100 of valuation of taxable property at which the district must levy a maintenance and operations tax to receive the full amount of the tier one allotment.²¹
- Enrichment Tax Rate:**²² A district's enrichment tax rate is defined as any tax effort in excess of the district's MCR and less than \$0.17. The enrichment tax rate is divided into golden pennies and copper pennies. School districts can claim up to 8 golden pennies, not subject to compression, and 9 copper pennies which are subject to compression with any increases in the guaranteed yield.²³
- Debt Rate:** The debt rate includes the debt service necessary to pay the school district's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The MCR and Enrichment Tax Rate added together make up the school district's maintenance and operations (M&O) tax rate. Districts cannot increase the district's M&O tax rate to create a surplus in M&O tax revenue for the purpose of paying the district's debt service.²⁴

If a school district adopted a tax rate that exceeded its voter-approval tax rate without holding an election to respond to a disaster in the prior year, as allowed by Tax Code Section 26.042(e), the school district may not consider the amount by which it exceeded its voter-approval tax rate (disaster pennies) in the calculation this year. This adjustment will be made in Section 4 of this worksheet.

A district must complete an efficiency audit before seeking voter approval to adopt a M&O tax rate higher than the calculated M&O tax rate, hold an open meeting to discuss the results of the audit, and post the results of the audit on the district's website 30 days prior to the election.²⁵ Additionally, a school district located in an area declared a disaster by the governor may adopt a M&O tax rate higher than the calculated M&O tax rate during the two-year period following the date of the declaration without conducting an efficiency audit.²⁶ Districts should review information from TEA when calculating their voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
27.	Current year maximum compressed tax rate (MCR). TEA will publish compression rates based on district and statewide property value growth. Enter the school districts' maximum compressed rate based on guidance from TEA. ²⁷	\$ 0.575800 /\$100

¹⁵ Tex. Tax Code §26.012(i)(8)
¹⁶ Tex. Tax Code §526.012(i)(C) and 26.012(i-b)
¹⁷ Tex. Tax Code §26.012(i-a)
¹⁸ Tex. Tax Code §26.042(d-3)
¹⁹ Tex. Tax Code §26.012(i)
²⁰ Tex. Tax Code §26.08(n)
²¹ Tex. Edu. Code §48.2551(a)(3)
²² Tex. Tax Code §26.08(j) and Tex. Edu. Code §45.0032
²³ Tex. Edu. Code §548.202(a-1)(2) and 48.202(f)
²⁴ Tex. Edu. Code §45.002(a)
²⁵ Tex. Edu. Code §11.184(b)
²⁶ Tex. Edu. Code §11.184(b-1)
²⁷ Tex. Edu. Code §548.255, 48.2551(b)(1) and (b)(2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	Current year enrichment tax rate. Enter the greater of A and B. ²⁸	\$ 0.138300 /\$100
	A. Enter the district's prior year enrichment tax rate, minus any required reduction under Education Code Section 48.202(f) \$ 0.138300 /\$100	
	B. \$0.05 per \$100 of taxable value \$ 0.050000 /\$100	
29.	Current year maintenance and operations (M&O) tax rate. Add Lines 27 and 28. Note: M&O tax rate may not exceed the sum of \$0.17 and the district's maximum compressed rate. ²⁹	\$ 0.714100 /\$100
30.	Total current year debt to be paid with property tax revenue. Debt means the interest and principal that will be paid on debts that: (1) Are paid by property taxes; (2) Are secured by property taxes; (3) Are scheduled for payment over a period longer than one year; and (4) Are not classified in the school district's budget as M&O expenses. A. Debt includes contractual payments to other school districts that have incurred debt on behalf of this school district, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ³⁰ Enter debt amount: \$ 141,756,986 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 15,073,000 C. Subtract state aid received for paying principal and interest on debt for facilities through the existing debt allotment program and/or instructional facilities allotment program. - \$ 10,000,000 D. Adjust debt: Subtract B and C from A.	\$ 116,683,986
31.	Certified prior year excess debt collections. Enter the amount certified by the collector. ³¹	\$ 0
32.	Adjusted current year debt. Subtract line 31 from line 30D.	\$ 116,683,986
33.	Current year anticipated collection rate. If the anticipated rate in A is lower than actual rates in B, C and D, enter the lowest rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³² A. Enter the current year anticipated collection rate certified by the collector. ³³ 100.00 % B. Enter the 2024 actual collection rate 99.35 % C. Enter the 2023 actual collection rate 102.42 % D. Enter the 2022 actual collection rate 105.83 %	100.00 %
34.	Current year debt adjusted for collections. Divide Line 32 by Line 33. Note: If the governing body of the school district governs a junior college district in a county with a population of more than two million, add the amount of taxes the governing body proposes to dedicate to the junior college district in the current year to the result.	\$ 116,683,986
35.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 23,336,797,189
36.	Current year debt rate. Divide Line 34 by Line 35 and multiply by \$100.	\$ 0.500000 /\$100
37.	Current year voter-approval tax rate. Add Lines 29 and 36. If the school district received distributions from an equalization tax imposed under former Chapter 18, Education Code, add the NNR tax rate as of the date of the county unit system's abolition to the sum of Lines 29 and 36. ³⁴	\$ 1.214100 /\$100

²⁸ Tex. Tax Code §26.08(n)(2)
²⁹ Tex. Edu. Code §45.003(d)
³⁰ Tex. Tax Code §26.012(f)
³¹ Tex. Tax Code §26.012(10) and 26.04(b)
³² Tex. Tax Code §26.04(h), (h-1) and (h-2)
³³ Tex. Tax Code §26.04(b)
³⁴ Tex. Tax Code §26.08(g)

SECTION 3: Voter-Approval Tax Rate Adjustment for Pollution Control

A school district may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The school district's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The school district must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a school district that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
38.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁵ The school district shall provide its tax assessor with a copy of the letter. ³⁶	\$ 0
39.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 23,336,797,189
40.	Additional rate for pollution control. Divide line 38 by line 39 and multiply by \$100.	\$ 0.000000 /\$100
41.	Current year voter-approval tax rate, adjusted for pollution control. Add line 37 and line 40.	\$ 1.214100 /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment in Year Following Disaster

If a school district adopted a tax rate that exceeded its voter-approval tax rate without holding an election to respond to a disaster in the prior year, as allowed by Tax Code Section 26.042(e), the school district may not consider the amount by which it exceeded its voter-approval tax rate in the calculation this year.³⁷ As such, it must reduce its voter-approval tax rate for the current tax year.

This section applies to a school district in a disaster area that adopts a tax rate greater than its voter-approval tax rate without holding an election in the prior year, as provided for by Tax Code Section 26.042(e).

Line	Prior Year Disaster Adjustment Worksheet	Amount/Rate
42.	Prior year adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1.255200 /\$100
43.	Prior voter-approval tax rate. If the school district adopted a tax rate above the prior year voter-approval tax rate without holding an election due to a disaster, enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.000000 /\$100
44.	Increase in the prior year tax rate due to disaster (disaster pennies). Subtract Line 43 from Line 42.	\$ 0.000000 /\$100
45.	Current year voter-approval tax rate, adjusted for prior year disaster. Subtract Line 44 from one of the following lines (as applicable): Line 37 or Line 41 (school districts with pollution control).	\$ 1.214100 /\$100

SECTION 5: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-New-Revenue Tax Rate \$ 1.182658 /\$100
 Enter the current year NNR tax rate from Line 26.

Voter-Approval Tax Rate \$ 1.214100 /\$100

As applicable, enter the current year voter-approval tax rate from Line 37, Line 41 or Line 45. Indicate the line number used: 37

³⁵ Tex. Tax Code §26.045(d)
³⁶ Tex. Tax Code §26.045(i)
³⁷ Tex. Tax Code §26.042(f) and Tex. Edu. Code §45.0032(d)

SECTION 6: Addendum

An affected taxing unit that enters an amount described by Tax Code Section 26.012(6)(C) in Line 20 must include the following as an addendum:

- 1. Documentation that supports the exclusion of value under Tax Code Section 26.012(6)(C); and
- 2. Each statement submitted to the designated officer or employee by the property owner or entity as required by Tax Code Section 41.48(c)(2) for that tax year.

Insert hyperlinks to supporting documentation:

SECTION 7: School District Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the school district. By signing below, you certify that you are the designated officer or employee of the school district and have calculated the tax rates in accordance with requirements in Tax Code and Education Code.³⁹

print here ▶ Jayna Dean
Printed Name of School District Representative

sign here ▶ *Jayna Dean*
School District Representative

8/08/2025
Date

³⁹ Tex. Tax Code §26.04(c)



Prosper Independent School District
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