FY 2026-2027 PROPOSED MILLAGE RATE

Board Explanation and Options Guide

KEY POINT: The proposed rate is not the final rate. It identifies the rate that will appear on the TRIM notices and generally preserves the Board's ability to adopt that rate or a lower rate later.

This guide presents the principal options currently under discussion—0.3517, 0.3740, 0.3869, and 0.5000 mills—without recommending one option over another.

What the Board is deciding now

By August 4, 2026, CEPD must submit a proposed operating millage rate, the certified rolled-back rate, and the tentative hearing information to the Lee County Property Appraiser. **This action does not adopt the final millage rate or final budget.**

Certified 2026 CEPD figures

Item	Certified amount / rate
Prior-year operating millage rate	**0.3740 mills**
2026 rolled-back rate	**0.3517 mills**
110% of rolled-back rate	**0.3869 mills**
2026 gross taxable value	**$1,849,001,838**
Prior-year ad valorem proceeds	**$646,738**

What "rolled-back rate" means

The rolled-back rate is designed to produce approximately the same property-tax revenue as the prior year after excluding new construction and certain other roll changes. **It is not the same as last year's rate, and it is not necessarily a tax cut for every property owner.**

Required Board votes

Rate ultimately adopted	Required final vote	CEPD vote count
0.3517 or lower	Simple majority	**3 of 5**
Above 0.3517 through 0.3869	Two-thirds of full Board	**4 of 5**
Above 0.3869 through 5.0000 charter cap	Unanimous full Board	**5 of 5**

KEY DECISION: HOW MUCH FLEXIBILITY SHOULD BE PRESERVED?

A lower proposed rate presents a lower amount on the TRIM notices but leaves less room to adopt a higher rate later. A higher proposed rate preserves more flexibility but may create greater taxpayer concern and may require a higher vote threshold if ultimately adopted.

What each option would mean

Rate	Approx. gross taxes	Change from prior proceeds	Final vote	Primary effect
0.3517	$650,294	+$3,556	**3 of 5**	Lowest rate shown; no normal-process room above the rolled-back rate.

Rate	Approx. gross taxes	Change from prior proceeds	Final vote	Primary effect
0.3740	$691,527	+$44,789	**4 of 5**	Keeps the prior-year numerical rate available and may be reduced later.
0.3869	$715,379	+$68,641	**4 of 5**	Highest rate that may ultimately be adopted with four affirmative votes.
0.5000	$924,501	+$277,763	**5 of 5***	Preserves additional flexibility above 0.3869 and may be reduced later.

*Gross-tax estimates use the certified 2026 gross taxable value and do not reflect statutory collection assumptions, discounts, or uncollectible amounts. *A final rate above 0.3869 would require unanimous approval of the five-member Board.*

Options and trade-offs

Option	Advantages	Considerations
0.3517	Rolled-back rate; may be finally adopted by a simple majority; lowest proposed amount on TRIM notices.	Least flexibility. A later tentative increase above the proposed rate could require an additional mailed notice at District expense.
0.3740	Keeps last year's numerical rate available; may be reduced later; approximately $41,233 more gross taxes than 0.3517.	Above the rolled-back rate; would require four affirmative votes if finally adopted.
0.3869	Highest rate that may ultimately be adopted with four affirmative votes; may be reduced to 0.3740, 0.3517, or lower.	Higher than last year's rate and would appear as the proposed rate on TRIM notices.
0.5000	Preserves approximately $209,122 more gross-tax capacity than 0.3869 while the budget is reviewed; may be reduced later.	A final rate above 0.3869 would require all five commissioners; the higher proposed amount may create greater public concern.

How the rate can change later

1. Proposed rate	2. Tentative rate	3. Final rate
Submitted by August 4 and shown on TRIM notices. It establishes the normal-process ceiling.	Adopted at the first September public hearing. It may be lower than the proposed rate.	Adopted at the final hearing. It may be lower than, but cannot exceed, the tentative rate.

Suggested Board motion

"I move to establish a proposed operating millage rate of _________ mills for Fiscal Year 2026-2027; acknowledge the certified rolled-back rate of 0.3517 mills; schedule the tentative budget and millage hearing for ________________, 2026, at _________ p.m., at ___________________________________; and authorize the Chair and District staff to complete and submit the required TRIM forms to the Lee County Property Appraiser by August 4, 2026."

Important administrative notes

- The OASYS form currently shows a placeholder first-hearing entry of September 2, 2026 at 12:00 a.m.; it must be replaced with the actual Board-approved date, time, and place.
- The tentative hearing must comply with TRIM scheduling requirements and cannot conflict with the Lee County School Board or Lee County hearing dates.
- The vote thresholds shown above apply to the rate if ultimately adopted. District Counsel should confirm the motion procedure at the upcoming meeting, the hearing schedule, and form certification authority before submission.