

ORDINANCE NO. 2026-01

ORDINANCE FIXING THE TAX RATE AND TAX LEVY FOR DEBT SERVICE AND MAINTENANCE FOR THE GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 FOR THE TAX YEAR ENDING THE 31st DAY OF DECEMBER, 2026, UPON ALL TAXABLE PROPERTY IN SAID GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER ONE IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS; PROVIDING FOR A HOMESTEAD EXEMPTION; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH; AND PROVIDING FOR NOTICE TO TAXPAYERS' RIGHT TO ROLLBACK ELECTION.

THE STATE OF TEXAS

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COUNTY OF GALVESTON

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GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

WHEREAS, the voters of Galveston County Water Control and Improvement District No. 1 (the "District") have authorized the levy and collection of a tax for repayment of the District's bonds and maintenance and operation purposes, to be assessed on the ad valorem basis; and

WHEREAS, the Board of Directors (the "Board") has previously fixed a rate of tax in the amount of \$0.250014 per \$100.00, of which \$0.150014 of the ad valorem tax was distributed to the Debt Service Fund and \$0.100000 of the ad valorem tax was distributed to the Maintenance Tax Fund; and

WHEREAS, the Board has determined that a rate of tax to \$0.259604 per \$100.00 will provide adequate revenue for the repayment of the District's bonds and to maintain and operate the District; and

WHEREAS, the Board has determined that the continuation of its ad valorem tax exemptions will not impair the repayment of the District's bonds; and

WHEREAS, if taxes on the average residence homestead increase by more than eight percent, the qualified voters of the District by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the rollback tax rate under Section 49.236(d), Water Code; and

WHEREAS, the Board of the District proposes to use the tax increase for the purpose of infrastructure improvements and to limit future water and sewer rate increases; now therefore,

**BE IT ORDAINED BY THE BOARD OF DIRECTORS OF
GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT
NO. 1:**

Section 1: There shall be and is hereby levied and shall be assessed and collected for the tax year ending December 31, 2026, an ad valorem tax of \$0.259604 for each One Hundred and No/100 (\$100.00) Dollars of assessed value of property located within the boundaries of the District on January 1, 2026, as valued by the Galveston Central Appraisal District and made taxable by law.

Section 2: The ad valorem tax rate of \$0.259604 as set forth in Section I herein is hereby levied and shall be assessed and collected on one hundred percent (100%) of each One Hundred and No/100 (\$100.00) Dollars worth of property located within the boundaries of Galveston County Water Control and Improvement District No. 1 on January 1, 2026, as valued by the Galveston Central Appraisal District and made taxable by law.

Section 3: The Tax Assessor-Collector is hereby directed to assess, extend and enter upon the tax rolls of the Galveston County Water Control and Improvement District No. 1 for the current year the amounts and rates herein levied and to keep a current account of same. All collection of such taxes, as well as collection of taxes owed for prior years, to include penalty and interest thereof, shall be deposited in the official depository of the Galveston County Water Control and Improvement District No. 1. \$0.159604 of the ad valorem tax shall be distributed to the Debt Service Fund and \$0.100000 of the ad valorem tax shall be distributed to the Maintenance Tax Fund.

Section 4: An individual who is sixty-five (65) years of age or older shall be entitled to an exemption of \$25,000.00 of the appraised value of the residential homestead as provided in Section 11.13 of the Texas Tax Code.

Section 5: An individual who is disabled shall be entitled to an exemption of \$10,000.00 of the appraised value of the residential homestead as provided in Section 11.13 of the Texas Tax Code.

Section 6: A disabled veteran is entitled to an exemption from taxation of a portion of the assessed value of a property he owns and designates as provided in Section 11.22 of the Texas Tax Code.

Section 7: The taxes levied hereby shall be delinquent if not paid by January 31, 2026.

Section 8: This Ordinance shall serve as notice of taxpayers' right to rollback election. If taxes on the average residence homestead increase by more than eight percent,

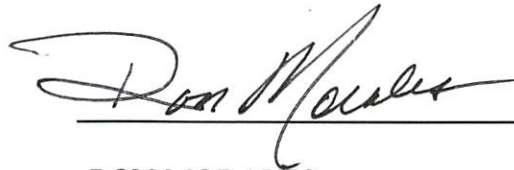
the qualified voters of the District by petition may require that an election be held to determine whether to reduce the operation and maintenance tax rate to the rollback tax rate under Section 49.236(d), Water Code.

Section 9: The Board of the District proposes to use the tax increase for the purpose of infrastructure improvements and to limit future water and sewer rate increases.

Section 10: This Ordinance constitutes an official action by the Board of Directors of the Galveston County Water Control and Improvement District No. 1 concerning the foregoing matters and shall take effect in full force and effect upon and after its passage.

INTRODUCED, READ, AND PASSED on the 17th day of August, 2026.

GALVESTON COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT NO. 1



RON MORALES
President, Board of Directors

ATTEST:



WILLIAM J. GAFFEY
Secretary, Board of Directors

[DISTRICT SEAL]

