BEAUMONT ENTERPRISE

The most trusted source of news in Southeast Texas

BEAUMONTENTERPRISE.COM FRIDAY, AUGUST 7, 2026 VOL. 146, NO. 275 $2

Council divided on property tax hike

Beaumont's 2026 budget outlook has improved, but 2027 deficit projected

By Tessa Noble
STAFF WRITER

While Beaumont's 2026 budget outlook has improved, the City Council remains divided on whether to increase the property tax rate.

Budget Manager Amy Schmidt presented during a budget workshop Tuesday that the city's financial position for fiscal 2026 has improved.

When the council passed the fiscal 2026 budget in 2025, the deficit was only around $4.5 million. However, at the beginning of budget discussions for fiscal 2027 this summer, the city revealed that the deficit had increased due to transfers to the employee benefits fund and the transit fund.

After instituting a hiring freeze, the city initially projected a deficit of $6.3 million for fiscal 2026 and an ending fund balance of about 20% or $35.18 million. At Tuesday's workshop, Schmidt presented a projected fiscal 2026 budget that showed a deficit of $4.5 million and an ending fund balance of $36.8 million or 21%.

While staff did not give many specific reasons for the deficit decrease, Schmidt said one factor was changes to the transfer the city made to the transit fund. The general fund supports the transit fund and typically makes a transfer of about $1.9 million yearly.

"The general fund will always transfer into the transit fund as long as we have it, and that number changes each year," Schmidt said. "It depends on what those expenditures and revenues are each year, so that number will continuously change."

However, this year it was originally presented that due to reaching a negative balance, the fund needed an additional $1.3 million transfer. During Tuesday's workshop, Schmidt said this had decreased to a transfer of only $560,000. She attributed the change to several grants the city is expecting to get before the end of fiscal 2026.

Ward 2 Council Member Cory Crenshaw still questioned what led to the negative balance in the

Budget continues on A3

New contract ends Ashland plant strike

Mbu Maqungo/Beaumont Enterprise

Workers and their supporters picket outside the Ashland chemical plant on July 2 in Texas City.

Workers returning to Texas City facility after 42 days

By Mbu Maqungo
STAFF WRITER

The Texas City Metal Trades Council representing 70 Texas City workers announced an agreement with Ashland Specialty Chemicals was reached on Tuesday.

The first Southeast Texas industrial strike in five years lasted 42 days and featured local operators, electricians and pipe fitters union members picketing at 4501 Attwater Ave. The tradesmen and women ratified a new three-year contract 34-32 with two members not included.

Lead negotiator Lewis Crawford said workers are going back to work more unified than before and gained limited incidental work, more sick leave, vacation days and short-term disability benefits.

"Our Texas City Metal Trades Council members showed up for each other, every single day," Crawford said. "A strike is never easy. It asks everything of our members and their families, and this one asked more than most. We didn't win every fight at that table — but we won something no contract can put a price on: trust, unity and a brotherhood forged on that picket line."

Ashland Specialty Chemicals supplies additives and specialty ingredients used in consumer and industrial products. The Texas City facility was built in 1968 and purchased by Ashland in 2011.

According to the Daily News in Galveston, the agreement maintains Ashland's flex operator positions — the job duty expansion negotiating union members said endangered employees and local residents.

The company will also reduce the seniority sick leave accumulation of veteran employees and outsource storeroom work to contractors.

Carolmarie C. Brown, Ashland's vice president of corporate affairs, marketing, brand and business communications, told news outlets that the company "is dedicated to the safety, health and security of our employees, their families and the communities where we work

Ashland continues on A6

Midland acts alone in lawsuit over funds for schools

By Lawrence Mower
STAFF WRITER

A lawsuit by Midland's school board to overhaul the way Texas funds education could have been a rallying cry for districts that have long bristled at having to turn over billions of local tax dollars to the state each year.

But two weeks later, it appears Midland will have few allies.

After years of crackdowns from the state's Republican leaders, superintendents aren't jumping on board to challenge Gov. Greg Abbott or his education commissioner, Mike Morath. Advocacy groups are silent or oppose it. Questions have swirled around whether the litigation is intended to help Abbott's goal of eliminating school property taxes next year.

So far, no one has joined the suit.

"I think everybody's gun-shy," said Josh Sanderson, executive director of Equity Center, one of the groups that led the last legal effort, which ended in 2016.

"We're definitely not going to get involved in this one," he said.

The response is a dramatic change from a decade ago, when more than two-thirds of the state's 1,200 school districts challenged the state's byzantine school finance system at the Texas Supreme Court.

For decades, Texas has helped pay for schools by collecting property taxes from property-rich districts and redistributing excess dollars to poorer ones. The practice, nicknamed "Robin Hood," has been the subject of multiple lawsuits by superintendents and school boards since 1994.

Midland's lawsuit argues that recent legislation has turned the system into a statewide property tax. Morath effectively sets the property tax rates by dictating how much districts can raise and how the money is spent, leaving school districts with little discretion, the suit says. This year, the commissioner's calculations mean that Midland must levy $313 million in property taxes to pay for its daily operations, with $83 million of that sent to the state.

The district's trustees also argued last month that the system has become warped. Midland is rich in property taxes thanks to its oil and gas operations, but its students are

Schools continues on A6

Facebook

A cement truck got stuck in a sinkhole in the 5200 block of Fifth Street at Duff Drive in Port Arthur. The driver was not seriously injured.

Concrete truck pulled out of sinkhole in Port Arthur

By Megan Zapalac
STAFF WRITER

A concrete mixing truck in Port Arthur fell into a sudden sinkhole Tuesday, putting a scare into the driver who was not seriously injured.

The incident was reported around 11:30 a.m. Tuesday in the 5200 block of Fifth Street at Duff Drive, according to city of Port Arthur spokesperson J.T. Robertson. The exact cause is still being investigated by engineers from the city, Robertson said.

Port Arthur firefighters, police and other emergency personnel responded to secure the scene. The driver was pulled from the truck and sent to a local hospital for evaluation, but no injuries were reported, according to Robertson.

Photos from the scene showed the truck's back wheels in the sinkhole. A wrecker was able to get the truck out of the hole and it has since been moved.

This comes after a previous sinkhole in Beaumont early Sunday morning. That sinkhole, which swallowed a pickup truck, was caused by a water main break that is currently under repair by the city of Beaumont.