

2025-26 Budget Summary



Growing Greatness
#GISDRidesTogether

Budget Adoption: August 25, 2025

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August 25, 2025

Dear Distinguished Members of the Board of Trustees,

This report presents a summary of the 2025-26 budget as currently recommended by Gonzales Independent School District's administration for adoption. The budget described in this handout is the result of many hours of hard work by many individuals from campuses, departments, and administration.

We hope the information in this report is useful and easy to understand. We welcome your feedback. On the pages that follow, we've included an overview of what we believe are the most important elements to highlight:

- Introductory Section: Budgeting Goals, Influencing Factors, Budgeting Process
- Historical Data
- General Fund (199)
- Debt Service Fund (599)
- Food Service Fund (240)
- Tax Rates

We look forward to many more years of growing greatness!

In service,

A handwritten signature in black ink that reads "Amanda Reed Smith". The signature is fluid and cursive.

Amanda Reed Smith
Chief Financial Officer

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Introductory Section

2022-27 District Priorities:

1. Developing effective communication strategies
2. Focusing on students and the work provided to students
3. Recruiting, Inducting, and Retaining High-Quality Staff
4. Strategic Resource Management

Budgeting Process

The adoption of the budget is the culmination of many months of planning and decision-making to align resources with needs. Preparation of the district's 2025-26 budget began in August 2024 with the formation of a board-level advisory committee named "the finance committee". That committee was formed to support finding solutions to balance the general fund budget. That committee set a goal of having no greater than a \$2.5M deficit for the 2025-26 fiscal year. Then, in the Fall of 2024, district-level administration began studying trends and projecting average daily attendance - one of the main driving forces of the budget. To support this forecast, the district hired a third-party to conduct a demographic study of the economic trends in the area, along with a 10-year student enrollment forecast. We then pressed on with the administration kicking off site-based decision budgeting in April with budget managers receiving budget development guidance and allocations (campus). Individual meetings were held as needed (i.e. principals and directors) to ensure district stakeholders were aligned and supported in reviewing their programs, budgets, requests for additional funds, and expenditure trends. Separate staffing meetings were held with each campus principal to ensure staffing levels at the campuses were sufficient to meet needs.

The budget is adopted at the functional level which means the board authorizes the administration to expend funds within general operational areas (i.e. instruction, maintenance, transportation, etc.). Whenever the budget needs to be amended between these functional areas or when revenues/expenditures need to be increased or decreased, the budget must be amended by board action prior to expenditures being made.

The Board is required by law to adopt three budgets: the general fund (199), the food service fund (240), and the debt service fund (599). Other budgets, such as federal grants, do not require board approval. These non-adopted budgets are managed by the grant manager(s) in accordance with the guidelines established by the granting organization and are reported to the board throughout the year.

Summary of Proposed Budgets

Data as of August 19, 2025

GONZALES INDEPENDENT SCHOOL DISTRICT 2025 - 2026 PROPOSED BUDGET				
		FUND 199	FUND 240	FUND 599
REVENUES				
5700	Local Property Taxes	22,353,106		4,298,202
5700	Other Local Sources	1,028,748	167,320	51,000
5800	State Revenues	10,367,245	7,500	52,973
5900	Federal Sources	440,735	2,081,232	
TOTAL REVENUES		34,189,834	2,256,052	4,402,175
EXPENDITURES				
0011	Instruction	17,740,146		
0012	Instructional Resources & Media Services	264,900		
0013	Curriculum & Staff Development	1,191,307		
0021	Instructional Leadership	347,641		
0023	School Leadership	2,044,799		
0031	Guidance, Counseling, & Evaluation	1,383,535		
0032	Social Work Services	171,689		
0033	Health Services	449,726		
0034	Student Transportation	1,666,731		
0035	Food Service	540	2,256,552	
0036	Co-Curricular/Extra-Curricular Activities	1,813,645		
0041	General Administration	2,140,139		
0051	Plant Maintenance and Operations	4,315,645		
0052	Security & Monitoring Services	675,912		
0053	Data Processing Services	1,421,847		
0061	Community Services	6,000		
0071	Debt Services	423,088		4,402,175
0091	Contracted Inst Services Btw Public Schools	2,209		
0099	Other Intergovernmental Charges	607,600		
TOTAL EXPENDITURES		36,667,099	2,256,552	4,402,175
7915	Operational Transfer In		500	
8911	Operational Transfer Out	500		
PROJECTED NET ACTIVITY		\$(2,477,765)	\$ -	\$ -

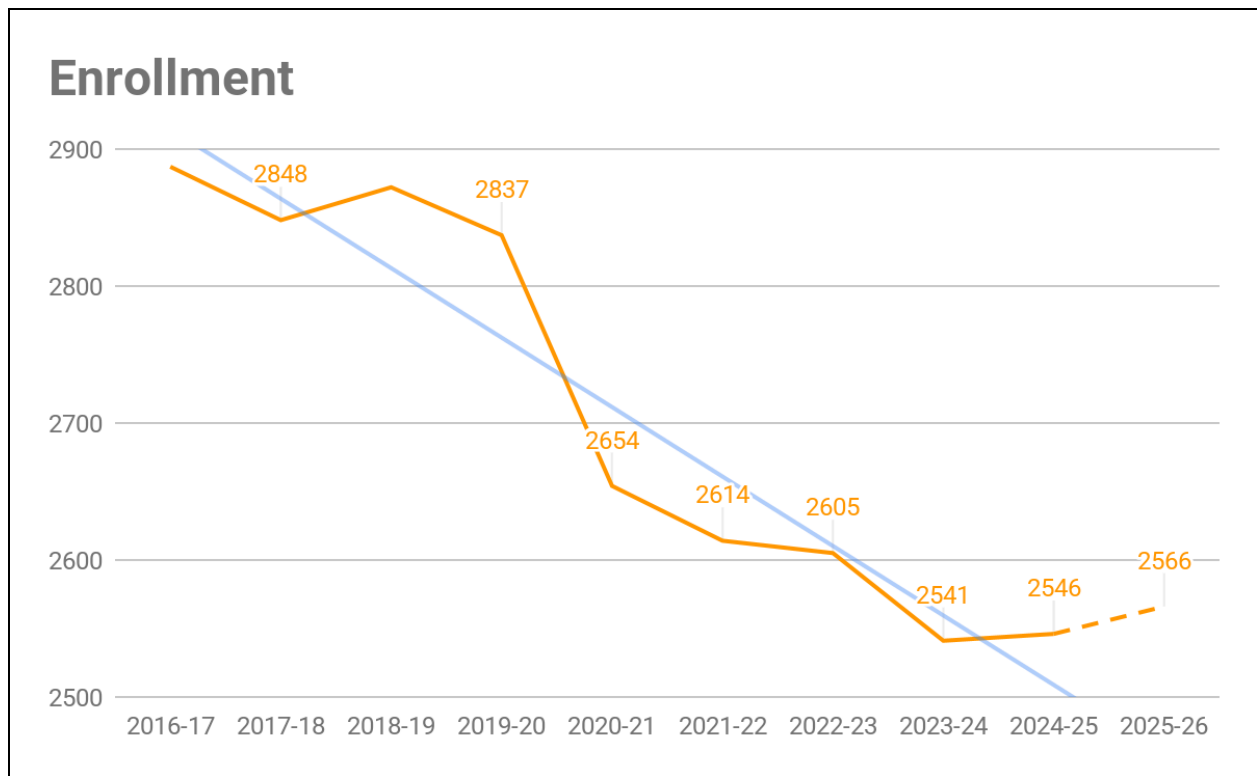
Historical Data

Analyzing historical data and trends assists us with forecasting the future.

Enrollment

The chart below shows our historical October snapshot enrollment. It is important to look at enrollment to anticipate facility and staffing needs as well as property wealth estimation. As a result of the COVID-19 pandemic, enrollment has declined since the 2019-20 school year. Using summer 2025 registration numbers, the demographic study conducted in Fall 2024, and prior year trends, the district used 2,566 as the 2025-26 enrollment for planning purposes.

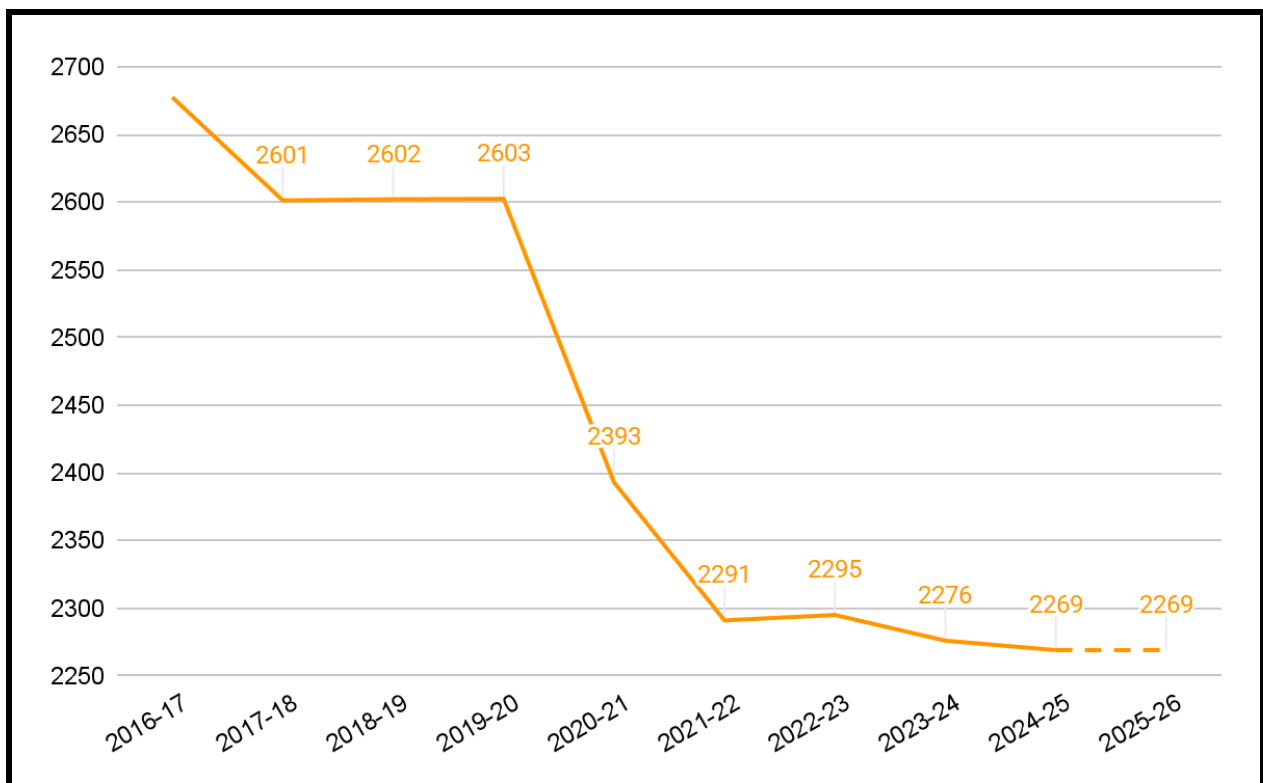
The blue line reflects the trend.



Average Daily Attendance (ADA)

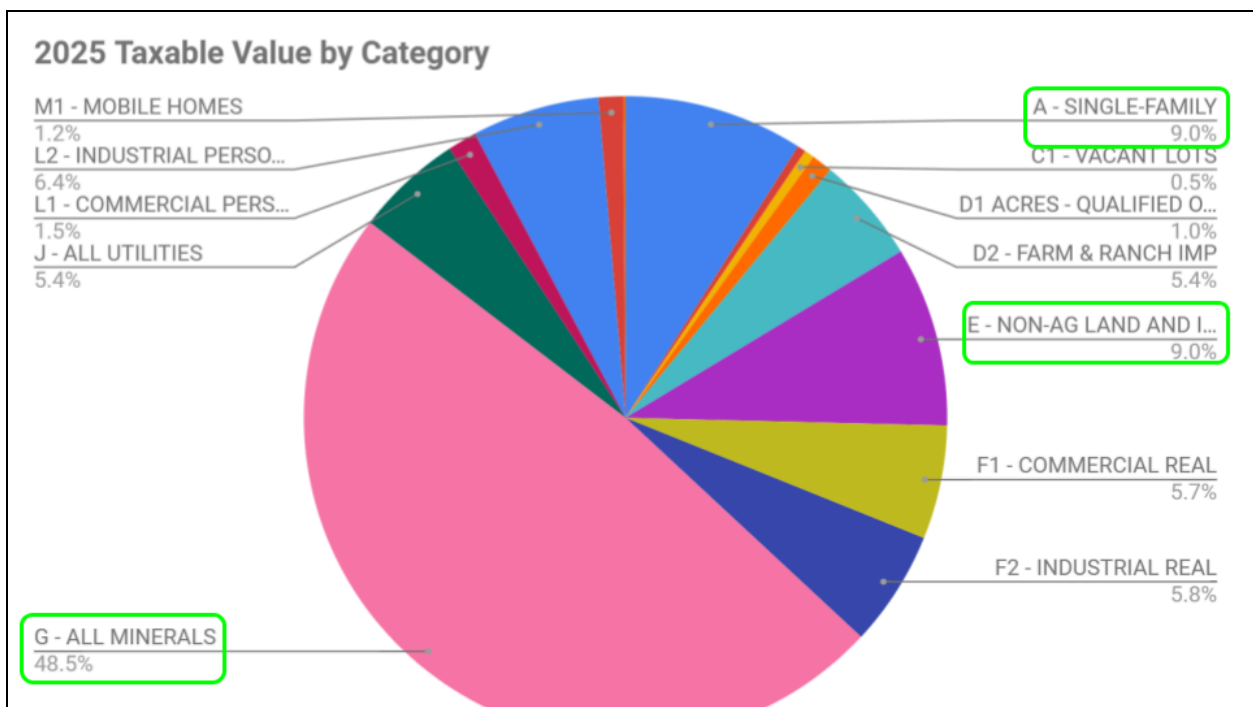
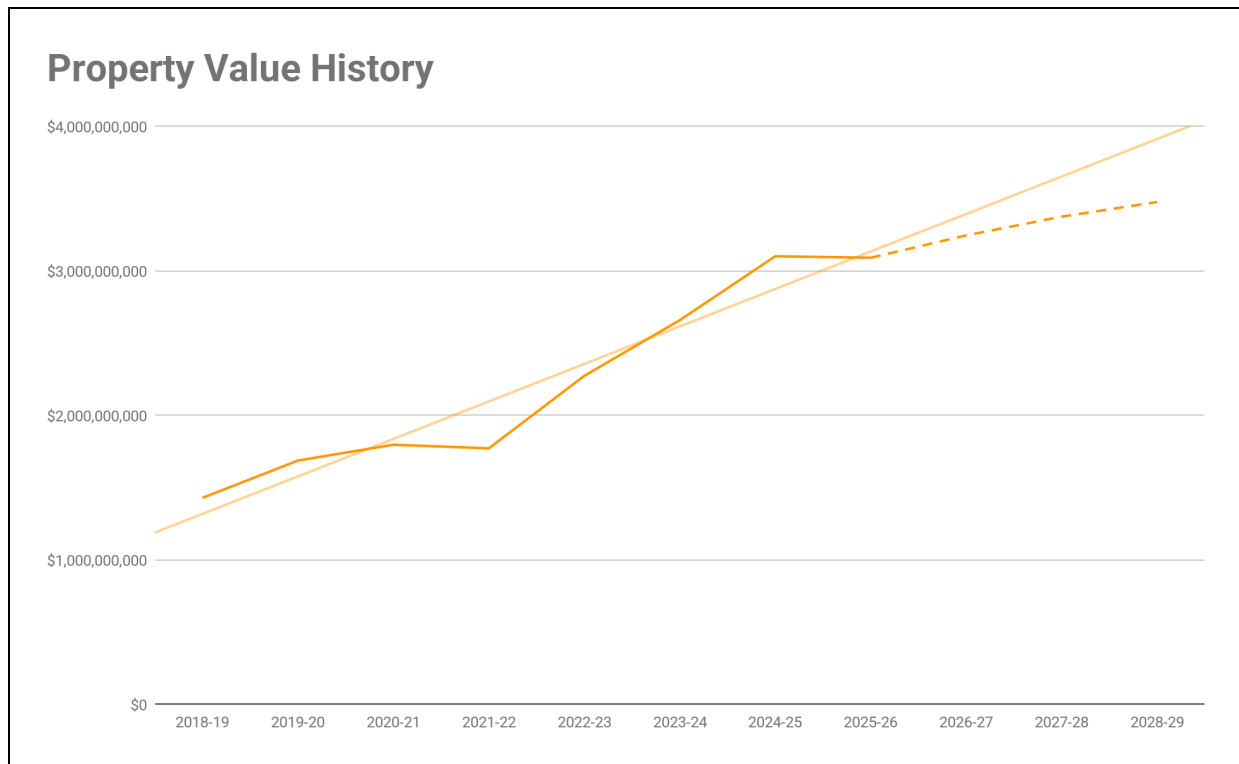
While enrollment is used for facilities planning, attendance is what is used to forecast state revenue. The state calculates our funding on average daily attendance (ADA). The chart below reflects the number of students we've had in attendance on average each day. Five years ago, on the heels of the COVID-19 pandemic, Gonzales ISD experienced an abnormal dip, but it has mostly leveled off.

Due to the district's conservative budgeting approach as well as the recent trend, the administration has prepared the 2025-26 budget to assume no change to ADA from the 2024-25 school year actual rate.



Property Values

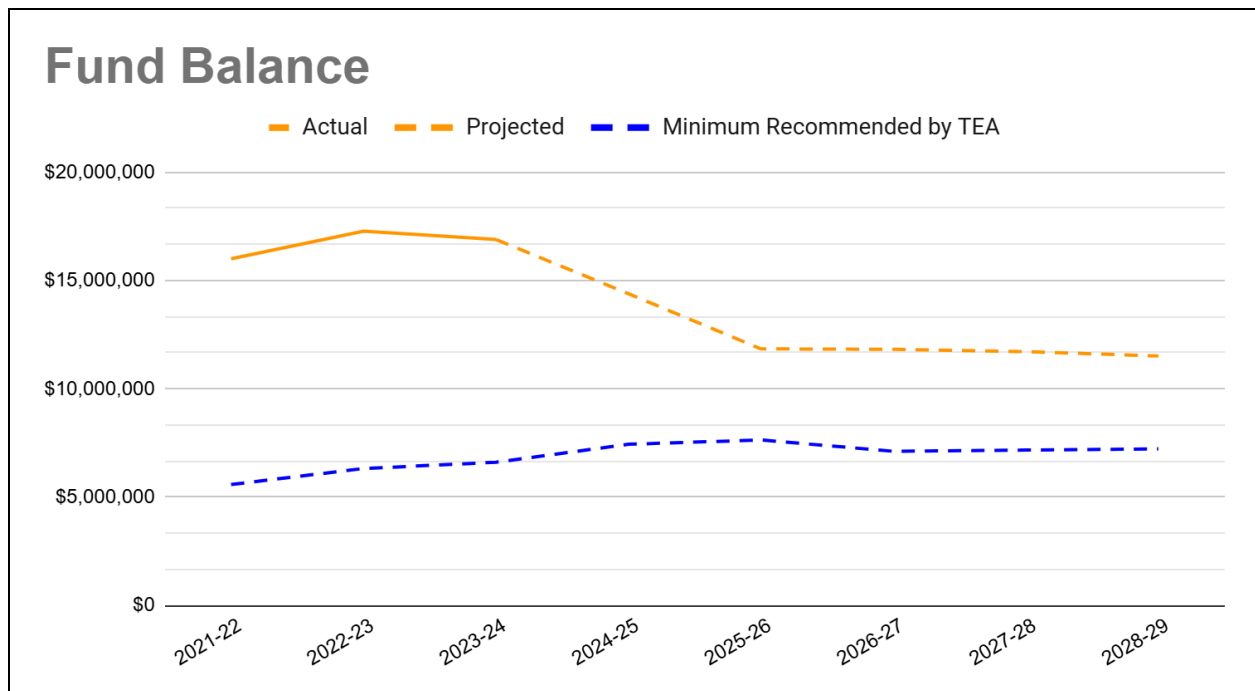
Due to fluctuations with Gonzales County mineral values and the 86th and 89th Texas Legislative sessions, the district's tax base has also varied over recent years. Since July 2024, values have decreased by approximately 2.8%. This is due to the legislature authorizing increases in the homestead exemption. Taxable vlaues are projected to increase in the coming years. Minerals make up almost half of the district's tax base with single-family residences only 9%.



Fund Balance

The minimum recommended fund balance for the General Fund is defined as approximately 2.5 months' worth of operating expenditures. One of the primary financial goals of the District is maintaining a healthy fund balance.

As a result of collaborative efforts, the district has achieved that goal in recent years. As you can see in the chart below, the fund balance grew during the years of the Covid-19 pandemic when the district received ESSER federal stimulus money and is projected to subsequently decline as we work to balance the general fund budget once again. The district planned for this use of fund balance and, through a continued focus on expending funds in support of the strategic plan and a strategic integration of funding sources, the district anticipates being able to sustain a healthy level into the upcoming years.



General Fund (199)

The General Fund is used to support the basic operations of the school district (i.e. basic instructional services, administration, maintenance and operations, etc.). Revenue primarily comes from the M&O portion of the tax rate and the Texas Education Agency (commonly referred to as state aid). Other revenue sources for this fund include ticket sales from athletic events, interest earnings, and federal revenue from SHARS reimbursements which are Medicaid reimbursements we request for providing certain health-related services to students with disabilities.

Highlights / Changes from 2024-25

(Summary of the Proposed Budget found on Page 14)

Senate Bill 2 passed during the 2025 Texas Legislative Session authorized increases to the homestead exemptions for residents of Texas ISDs. As a result, despite growing appraised values, local tax collections are anticipated to decrease. State revenues are also set to increase as a result of the passage of SB 2. Additionally, Texas school districts are experiencing decreases to their SHARS federal funding as a result of a federal audit of the State of Texas' management of that program.

Capital Outlay

The Capital Outlay category captures expenditures for capital assets. Capital assets are currently defined as anything over \$5,000 per unit (set to increase to \$10,000 per unit during the coming year) with a useful life of more than one (1) year. The 2025-26 original General Fund budget includes capital outlay items as follows:

1. Two (2) yellow school buses
2. One (1) maintenance and operations vehicle
3. Equipment to support the band, & security programs.

Compensation Increases

The proposed budget includes a salary increase package designed to retain and recruit high-quality staff, as presented and approved at the July 2025 board meeting. The 2025 Texas Legislature mandated significant pay increases for teachers through the Teacher Retention Allotment. Those mandated increases, along with other increases approved during the July 2025 board meeting, are included in the proposed budget.

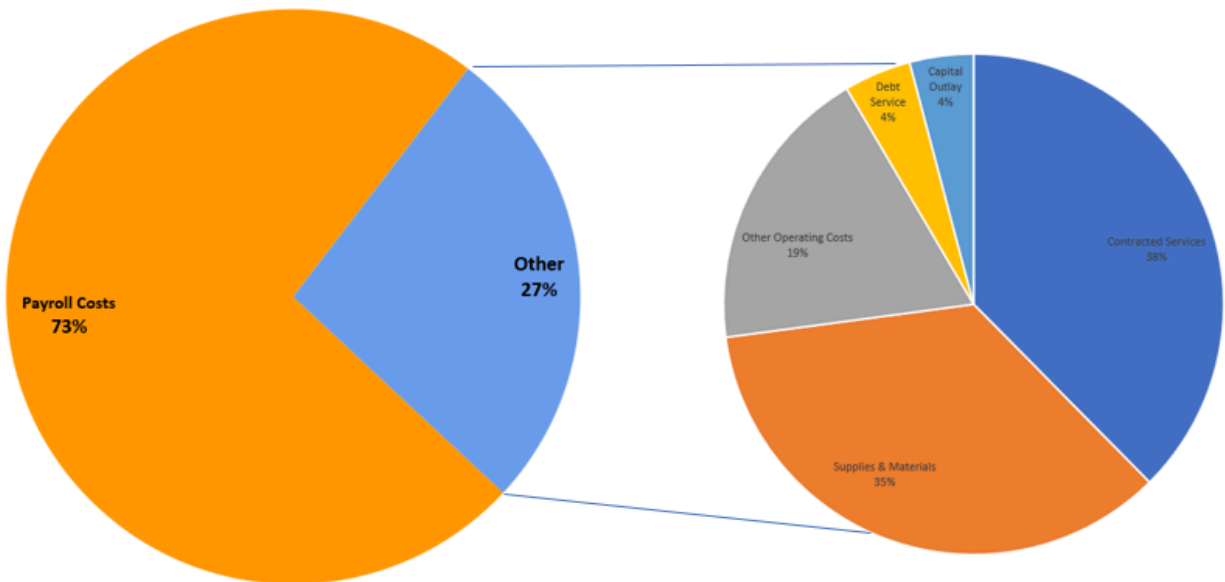
Personnel Changes (FTEs)

	2024-25	2025-26	Change	Notes
Central Admin	13	11	-2	<u>Added</u> : Deputy Supt, CAO <u>Dissolved</u> : Chief of Admin, C&I ExDir, FS ExDir, CCMR Dir
Campus Admin	13.5	13	-0.5	<u>Added</u> : HS Academic Dean <u>Dissolved</u> : HS AP, 0.5 GPA AP
Teachers/Lib/Trainer/Band & Athletic Directors	181	173.5	-7.5	<u>Added</u> : Dyslexia Specialist, JH AVID Teacher <u>Dissolved</u> : 5 GHS Teachers, 2 JH Teachers, 0.5 GNA Teacher, GE Teacher, GPA Teacher
Aides / Clerical / Truancy	108	111	+3	<u>Added</u> : 2 GPA Aides, GE Aide, GNA SpEd Aide, HS Aide, Athletic Sect <u>Dissolved</u> : 2 JH Aides, Digital Specialist
Police Officers	5	5	-	
Instructional Coaches; ACE Site Coord; Prog Coord	19	17	-2	<u>Added</u> : EB/EC Coord <u>Dissolved</u> : Inst Tech, Stud Success Coord, Stud Supports Coord
Counselors & Nurses	12.1	14	+1.9	<u>Added</u> : Mental Health Specialist; JH Counselor; 0.4 HS Counselor <u>Dissolved</u> : 0.5 Counselor Mentor
Technology & Special Prog	21	21.5	+0.5	<u>Added</u> : 0.5 Diagnostician
Cust/Maint/FS/Trans	94	97	+3	<u>Added</u> : 2 Grounds Techs, HVAC Tech
Total FTEs	466.6	463	-3.6	

Expenditure Levels

The proposed expenditures budget for fiscal year 2025-26 is \$36,636,107. 72% of the budget is for salaries and benefits while the remaining 28% is budgeted for contracted services, supplies and materials, capital outlay, debt service, and other operating costs.

The chart below portrays the breakdown of budgeted expenditures by object.



**GONZALES INDEPENDENT SCHOOL DISTRICT
2025 - 2026 PROPOSED BUDGET
GENERAL FUND**

data as of 8/17/2025

	2023-24 Actual	2024-25 Amended Budget	2025-26 Proposed Budget	Variance
REVENUES				
5700 Local Property Taxes	19,537,898	22,627,471	22,353,106	(274,365)
5700 Other Local Sources	2,210,087	1,266,444	1,028,748	(237,696)
5800 State Revenues	8,743,698	6,171,362	10,367,245	4,195,883
5900 Federal Sources	858,950	685,905	440,735	(245,170)
TOTAL REVENUES	31,350,633	30,751,182	34,189,834	3,438,652
EXPENDITURES				
0011 Instruction	15,398,173	16,291,356	17,709,154	1,417,798
0012 Instructional Resources & Media Services	316,413	367,458	264,900	-102,558
0013 Curriculum & Staff Development	607,433	1,150,545	1,191,307	40,762
0021 Instructional Leadership	516,733	535,727	347,641	-188,086
0023 School Leadership	1,930,363	2,207,598	2,044,799	-162,799
0031 Guidance, Counseling, & Evaluation	870,942	1,063,942	1,383,535	319,593
0032 Social Work Services	89,155	155,013	171,689	16,676
0033 Health Services	421,187	449,601	449,726	125
0034 Student Transportation	1,276,295	1,650,431	1,666,731	16,300
0035 Food Service	7,993	15,119	540	-14,579
0036 Co-Curricular/Extra-Curricular Activities	1,230,057	1,306,618	1,813,645	507,027
0041 General Administration	1,658,599	2,056,540	2,140,139	83,599
0051 Plant Maintenance and Operations	3,871,016	4,418,528	4,315,645	-102,883
0052 Security & Monitoring Services	900,969	1,016,291	675,912	-340,379
0053 Data Processing Services	903,333	1,447,921	1,421,847	-26,074
0061 Community Services	10,570	9,250	6,000	-3,250
0071 Debt Services	778,228	793,849	423,088	-370,761
0081 Facilities Acquisition & Instruction	448,900	203,397	2,209	-201,188
0091 Contracted Inst Svcs Btw Public Schools	0		607,600	607,600
0099 Other Intergovernmental Charges	496,197	580,305		-580,305
	31,732,556	35,719,489	36,636,107	916,618
7912 Sale of Property				
7913 Capital Lease Proceeds	-			
8911 Operational Transfer Out	20	500	500	0
PROJECTED NET ACTIVITY	(381,943)	(4,968,807)	(2,446,773)	2,522,034

Food Service Fund (240)

The food service fund is used to support our child nutrition program. Revenues come from the federal government, state government, and payments from individuals who purchase food from the cafeterias. Monies may only be used in support of this program. The Director of Child Nutrition is the budget manager for this fund.

The fiscal year 2025-26 Food Service Fund budget is proposed with a balanced budget.

GONZALES INDEPENDENT SCHOOL DISTRICT 2025 - 26 PROPOSED BUDGET FOOD SERVICE FUND

	2023-24 Actual	2024-25 Amended Budget	2025-26 Proposed Budget	Variance
REVENUES				
5700 Other Local Sources	215,451	173,507	167,320	(6,187)
5800 State Revenues	10,875	85,971	7,500	(78,471)
5900 Federal Sources	2,015,798	1,976,627	2,081,232	104,605
TOTAL REVENUES	2,242,124	2,236,105	2,256,052	19,947
EXPENDITURES				
0035 Food Service	2,260,420	2,236,605	2,256,552	19,947
TOTAL EXPENDITURES	2,260,420	2,236,605	2,256,552	19,947
7915 Operational Transfer In	0	500	500	0
PROJECTED NET ACTIVITY	(18,296)	0	0	0
Fund Balance, Beginning	716,341	698,045	698,045	0
Fund Balance, Ending	698,045	698,045	698,045	0

Debt Service Fund (599)

The Debt Service Fund is used to pay our bonded indebtedness (debt authorized by voters during elections). Revenue from the I&S portion of the tax rate is deposited into this fund.

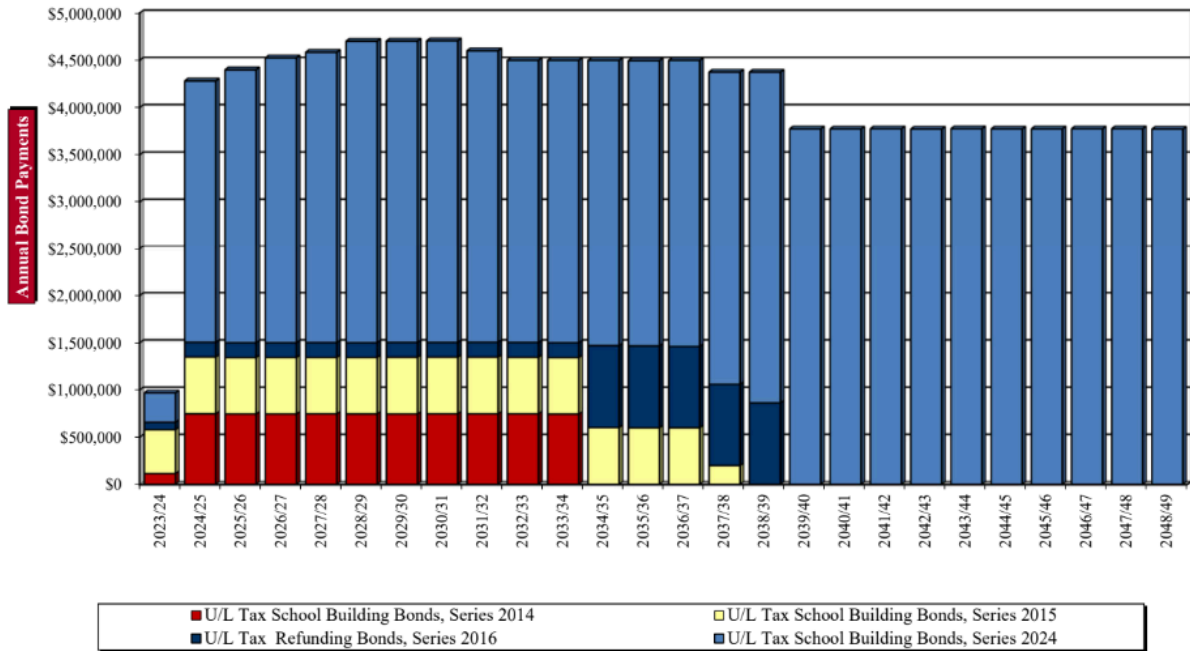
In 2013, voters authorized the district (via an election) to sell bonds. The bonds were sold as needed to minimize the amount of interest paid (4 issues all together). These proceeds were primarily used to open the Gonzales Primary Academy campus, add the student center and secure front office to the Gonzales High School campus, and add instructional wings to the North Avenue Intermediate and Gonzales Junior High School campuses.

Additionally, in 2023, voters authorized the district (via an election) to see bonds. The bonds were sold in one issue and the planned usage is a new CTE Facility, Ag Barn, and maintenance projects at various district facilities.

Repayment of these bond issues is why we currently have a Debt Service Fund and an I&S tax rate. The 2015B issue was completely paid off during the 2018-19 fiscal year. The remaining bonds are scheduled to be fully repaid in the 2049 fiscal year (as depicted in the chart below).

During the summer of 2023, the board of trustees saw an opportunity to refund the Series 2014 bonds at a lower interest rate. Additionally, the district had an opportunity to pay off a portion of the Series 2015 ahead of schedule - while lowering the total tax rate - through a defeasance resolution. These actions combined are anticipated to save the taxpayers of Gonzales ISD over \$1,000,000!

**Gonzales Independent School District
Outstanding Unlimited Tax Debt Service by Series
As of June 11, 2024**



Note: Debt service payments reflect payments from September 1 through August 31.

**GONZALES INDEPENDENT SCHOOL DISTRICT
2025-26 PROPOSED BUDGET
DEBT SERVICE FUND**

	2023-24 Actual	2024-25 Amended Budget	2025-26 Proposed Budget	Variance
REVENUES				
5700 Local Property Taxes	2,425,894	4,086,373	4,298,202	211,829
5700 Other Local Sources	68,346	100,000	51,000	(49,000)
5800 State Revenues	97,442	95,484	52,973	(42,511)
TOTAL REVENUES	2,591,682	4,281,857	4,402,175	120,318
EXPENDITURES				
0071 Debt Services	2,321,096	4,281,857	4,402,175	120,318
TOTAL EXPENDITURES	2,321,096	4,281,857	4,402,175	120,318
7916 Prem. or Disc. on Issuance of Bonds	787,700			
8949 Other Uses	(1,046,243)	-		0
PROJECTED NET ACTIVITY	12,043	0	0	0
Fund Balance, Beginning	885,601	897,644	897,644	0
Fund Balance, Ending	897,644	897,644	897,644	0

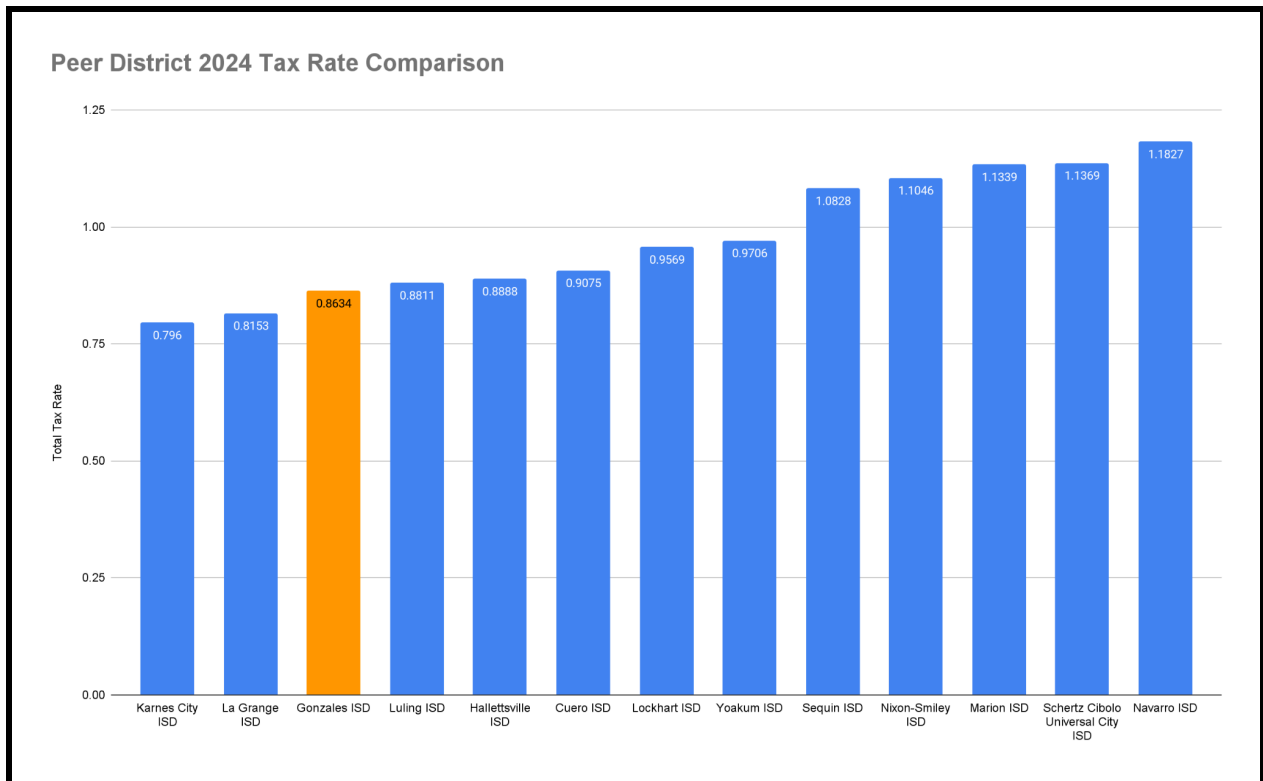
Tax Rate

The tax rate administration is recommending for adoption is:

M&O	\$0.7308
I&S	\$0.1442
Total Tax Rate	\$0.8750

The District has historically had one of the lowest tax rates in the surrounding Districts.

The 2019 & 2023 legislative sessions had a large impact on the \$0.305 decrease in total tax rate the district will have experienced in the most recent seven years. House Bill 3 and Senate Bill 2 both mandated districts compress their maintenance and operations (M&O) tax rates as a means of lowering the dependency on local property taxes for financing public education. As a result, the maximum M&O rate Gonzales ISD can adopt is \$0.7308. The administration recommends adopting the maximum M&O tax rate allowed by law to ensure maximum state funding is received.



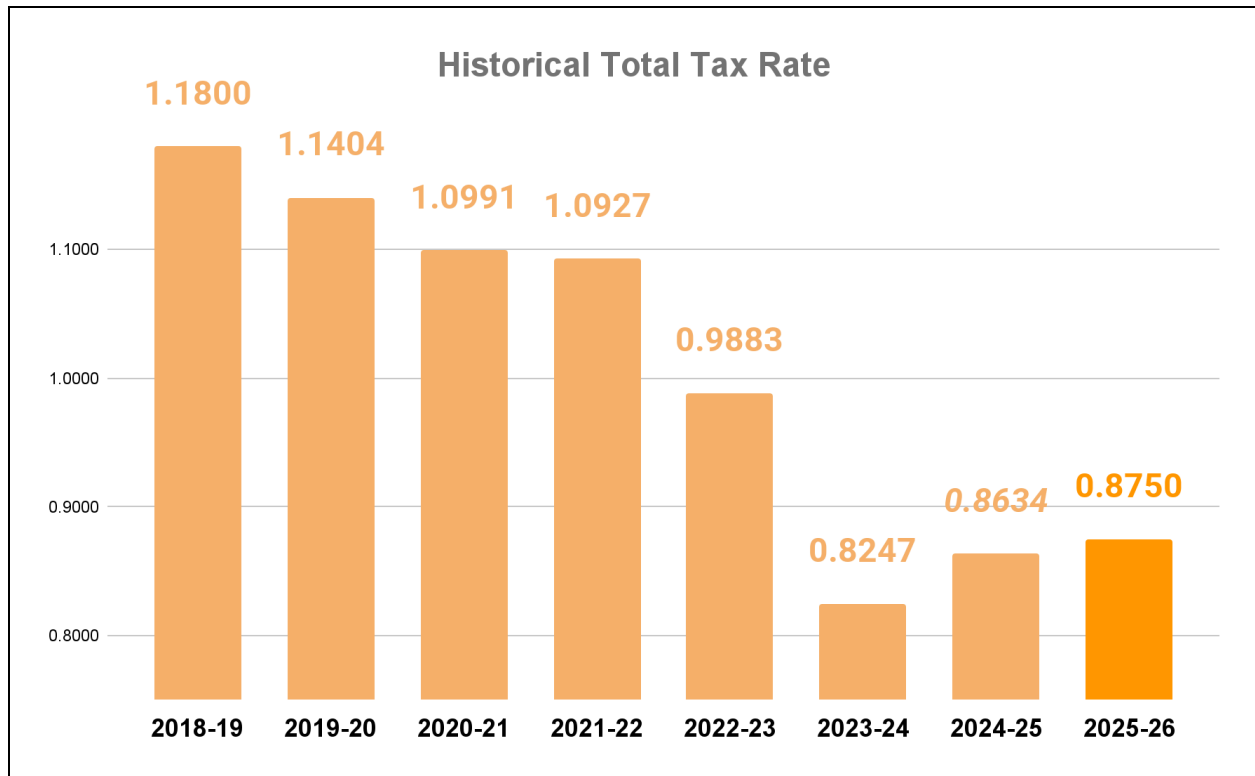
**Gonzales Independent School District
Historical Property Tax Rates
Per \$100 Valuation**

Fiscal Year	Maintenance & Operations Rate	Interest & Sinking Rate	Total Tax Rate
2025-26	0.7308	0.1442	0.8750
2024-25	0.7308	0.1326	0.8634
2023-24	0.7331	0.0916	0.8247
2022-23	0.9185	0.0698	0.9883
2021-22	1.0092	0.0835	1.0927
2020-21**	1.0092	0.0899	1.0991
2019-20**	1.0440	0.0964	1.1404
2018-19*	1.1324	0.0476	1.1800
2017-18	1.0400	0.1200	1.1600
2016-17	1.0400	0.1400	1.1800
2015-16	1.0400	0.1233	1.1633
2014-15	1.0400	0.0848	1.1248
2013-14	0.9357	0.0320	0.9677
2012-13	0.9357	0.0367	0.9724

**Tax Ratification Election held August 25, 2018.*

***HB 3 / SB 2 enacted by the legislature mandating tax rate compression*

Historical Total Tax Rates



This chart shows the I&S tax rate broken down by debt issue.

