



**LAREDO INDEPENDENT SCHOOL DISTRICT ~ 2400 SAN BERNARDO
AVENUE ~ LAREDO, TX ~ (956)273-1000**

Budget Workshop

Thursday, May 14, 2026 11:00 AM

LISD Amber Yeary Board Room

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Discussion and presentation on the proposed 2026-2027 Budget.

Communication and Updates

Adjournment

Discussion and presentation on the proposed 2026-2027 Budget.

L A R E D O I N D E P E N D E N T S C H O O L D I S T R I C T

BOARD WORKSHOP

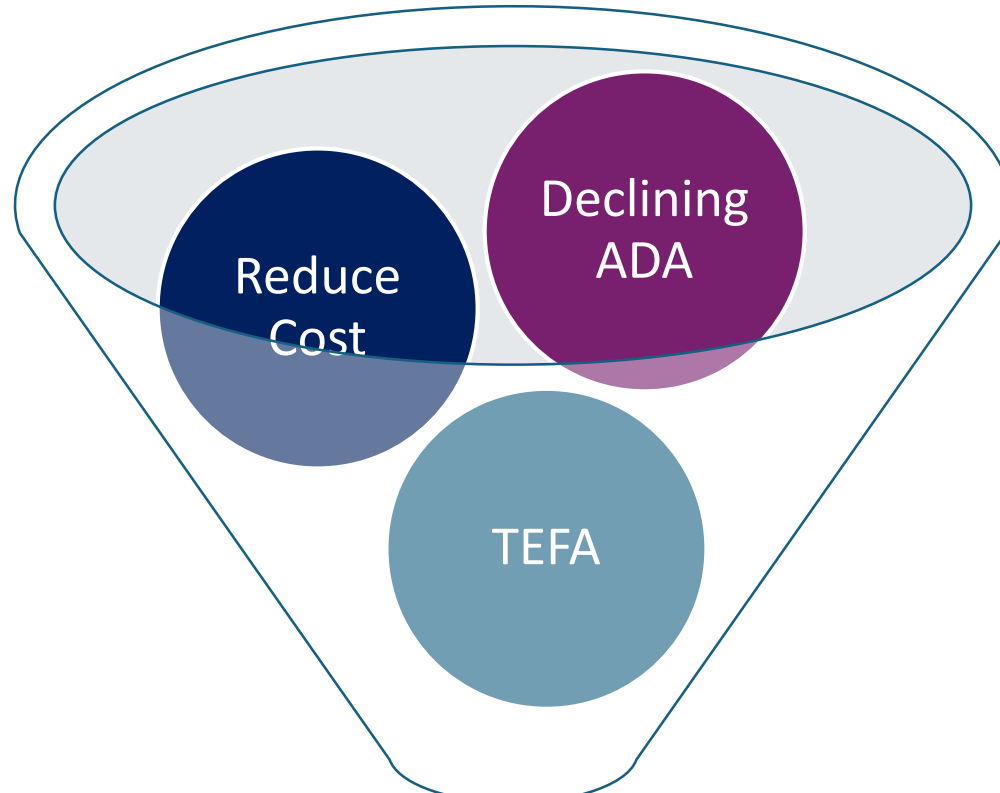
Board Budget Workshop

May 14, 2026



- Budget Calendar
- Budget Priority
- Budget Assumptions
- Proposed Revenues & Expenditures General Operating Fund
- CIS - Insufficient Appropriations Clause
- Key Takeaways – Zonda Demographics
- Unavoidable Future Costs
 - Major Repairs
 - Energy
 - Health Benefits
- Next Steps

- Budget Preparation Cycle: December 2025 to June 2026
- Budget Fiscal Year: July 1, 2026 to June 30, 2027
- Budget Process Calendar (Tentative):
 - Comprehensive Needs Assessment (CNA) and Campus Improvement Plan (CIP) training (2/4/26)
 - Budget Instructions Manual emailed to Campuses and Departments (2/23/26)
 - Budget Workshop (2/26/26)
 - Comprehensive Needs Assessments (CNA) draft due (2/27/26)
 - Campus and Department on-site budget preparation assistance (3/2/26 – 4/6/26) On-Going
 - Budget Workshop (3/26/26)
 - Comprehensive Needs Assessments (CAN) final due and Campus Improvement Plans (CIPs) draft due from Campuses (3/27/26)
 - Budget Workshop (4/30/26)
 - Deadline for Chief Appraiser to certify estimate of taxable values (4/30/26)
 - Budget Workshop (5/14/26)
 - Final CIPs due from Campuses (5/15/26)
 - Budget Workshop (5/28/26)
 - Publication of Notice of Public Meeting (6/15/26)
 - Public Meeting to discuss the school district's annual budget that will determine the tax rate that will be adopted (6/25/26)
 - Special Called Meeting to adopt the Proposed Annual Budget (6/25/26)
 - Deadline for Chief Appraiser to certify the appraisal roll (7/25/26)
 - Regular Board Meeting to adopt the Tax Rate (8/13/26)



**Present a Balanced
Budget for Adoption**

Budget Assumptions

ADA	2025-2026 18,000	5th Six Weeks 17,459	2026-2027 17,600
Tax Rate		2025-2026	2026-2027
	M&O Tax Rate	\$0.6669	\$0.6669
	I&S Tax Rate	\$0.4899	\$0.4899
	Total Tax Rate	\$1.1568	\$1.1568
	The M&O tax rate provides funds for maintenance and operations. The I&S tax rate provides funds for payments on the debt that finances a district's facilities.		
Property Values		2025-2026	2026-2027
	Webb CAD Net Taxable Value	\$2,917,237,597	\$2,975,582,349 (2% increase)
	State Certified Property Value	\$3,045,092,360	\$3,105,994,207 (2% increase)
Tax Collections		2025-2026	2026-2027
	• M&O Tax Collections	\$19,773,517	\$19,900,473
	• I&S Tax Collections	\$14,847,875	\$14,486,749
	• Collection Rate 98%		

Proposed Revenues & Expenditures

General Operating



General Operating Fund (199)	Actual		Original Budget		Amended Budget		Proposed Budget	
	2024-2025	%	2025-2026	%	2025-2026	%	2026-2027	%
ADA	18,128		18,000		17,459		17,400	
M&O Tax Rate	\$ 0.6669		\$ 0.6669		\$ 0.6669		\$ 0.6669	
Revenues								
Local Sources	\$ 26,482,815	11.90%	\$ 25,126,165	11.98%	\$ 24,991,805	11.21%	\$ 25,202,973	11.43%
State Sources	191,640,459	86.10%	181,927,939	86.76%	195,243,062	87.61%	193,071,916	87.60%
Federal Sources	3,153,633	1.42%	2,632,000	1.26%	2,632,000	1.18%	2,135,000	0.97%
Other Resources	1,294,016	0.58%	-	0.00%	-	0.00%	-	0.00%
Total Revenues & Other Resources	222,570,923	100.00%	209,686,104	100.00%	222,866,867	100.00%	220,409,889	100.00%
Expenditures								
Payroll Costs	196,006,176	80.07%	196,965,556	86.24%	195,805,313	83.42%	200,028,826	86.99%
Contractual Services	14,107,191	5.76%	15,536,486	6.80%	17,864,968	7.61%	15,518,110	6.75%
Supplies and Materials	5,301,997	2.17%	8,196,601	3.59%	8,290,399	3.53%	6,583,954	2.86%
Other Operating Expenditures	4,272,747	1.75%	4,567,351	2.00%	4,670,780	1.99%	4,651,812	2.02%
Debt Service	485,167	0.20%	-	0.00%	-	0.00%	-	0.00%
Capital Outlay	3,212,178	1.31%	1,303,090	0.57%	3,330,381	1.42%	1,318,932	0.57%
Transfers Out:								
Athletics Fund (181)	1,709,266	0.70%	1,835,330	0.80%	1,755,330	0.75%	1,835,330	0.80%
Capital Projects Fund (616)	17,624,641	7.20%	-	0.00%	-	0.00%	-	0.00%
Food Service Fund (101)	71,882	0.03%	-	0.00%	-	0.00%	-	0.00%
Health Plan Internal Service Fund (753)	2,000,000	0.82%	-	0.00%	3,000,000	1.28%	-	0.00%
Total Expenditures & Transfers Out	244,791,246	100.00%	228,404,414	100.00%	234,717,171	100.00%	229,936,964	100.00%
Net Change in Fund Balances	\$ (22,220,323)		\$ (18,718,310)		\$ (11,850,304)		\$ (9,527,075)	

V. Cancellation by LISD for Insufficient Appropriations.

Notwithstanding any provision herein to the contrary, if LISD's and/or CIS's applicable governmental authorities do not allocate or provide sufficient funds to allow LISD and/or CIS to continue to perform its obligations under this Agreement ("Appropriations Failure"), then LISD and/or CIS shall have the right to terminate this Agreement upon thirty (30) days advance written notice to LISD and/or CIS. Upon notice, LISD and/or CIS shall have the right to terminate this Agreement in full, without any penalty to LISD or CIS, provided LISD has paid all amounts due CIS through the date of termination to CIS (pro-rated amounts due to CIS, if applicable).

Key Takeaways – Zonda Demographics

172 ESAs approved

District Information -



Laredo ISD enrollment fell by **448 over the last five years**. The District has seen enrollment drop this new 2025-26 school year by **790 students**.

Housing Market Conditions -



LISD has only one active subdivision due to the maturity of the district. The surrounding United ISD remains very active, but Laredo ISD cannot build significantly.

Housing Activity & Future Developments -



The district currently has two homes in inventory and six additional lots to build on

Enrollment Forecast -



LISD Enrollment is forecasted to fall to nearly 17,800 students by the 2030/31 school year, and continue declining to about 17,100 by the 2035/36 school year.

- Laredo ISD issued \$72 million in bonds in 1999, and that bonded debt was fully paid off in 2024. Those funds supported the reconstruction and/or expansion of twenty-seven schools. Because roofs typically begin to show wear after about 25 years, more than \$8,823,794 from the disaster pennies had been set aside for roof replacements and repairs. However, \$8,000,000 of that reserve was used to support Cigarroa High School Phase 2.5, and those funds have not yet been restored.

Unavoidable Future Costs – Energy

General Operating Fund (199):



Trends

- 2026 - \$5,500,000 (projected)
- 2025 - \$5,321,226
- 2024 - \$5,190,828
- 2023 - \$4,742,183
- 2022 - \$4,363,917

- **Contract Expires May 2030**

TASB Energy Cooperative Member :

Laredo Independent School District

Date:	5/13/2026	Current Contract Rate	\$0.03952
Contract Start Date:	Jun-30	Current Spend	\$ 2,142,221
Projected Annual Usage:	54,206,000		

Terms	Price	Estimated Annual Savings	Estimated Term Savings
12 Month	\$ 0.06886	\$ (1,590,404)	\$ (1,590,404)
24 Month	\$ 0.06956	\$ (1,628,348)	\$ (3,256,696)
36 Month	\$ 0.06992	\$ (1,647,862)	\$ (4,943,587)
48 Month	\$ 0.07017	\$ (1,661,414)	\$ (6,645,656)
60 Month	\$ 0.07050	\$ (1,679,302)	\$ (8,396,509)

Fixed Energy Price Includes:

Wholesale Price of Energy
 TDSP Line Losses
 Ancillary Services
 Qualified Scheduling Entry Fees
 ERCOT ISO Fees
 Nodal Charges
 ERCOT Contingency Reserve Service
 Nodal Congestion

Pass-Through Costs Include:

Sales Tax (if applicable)
 Gross Receipts Tax (if applicable)
 Public Utility Assessment (PUCA)
 Securitization

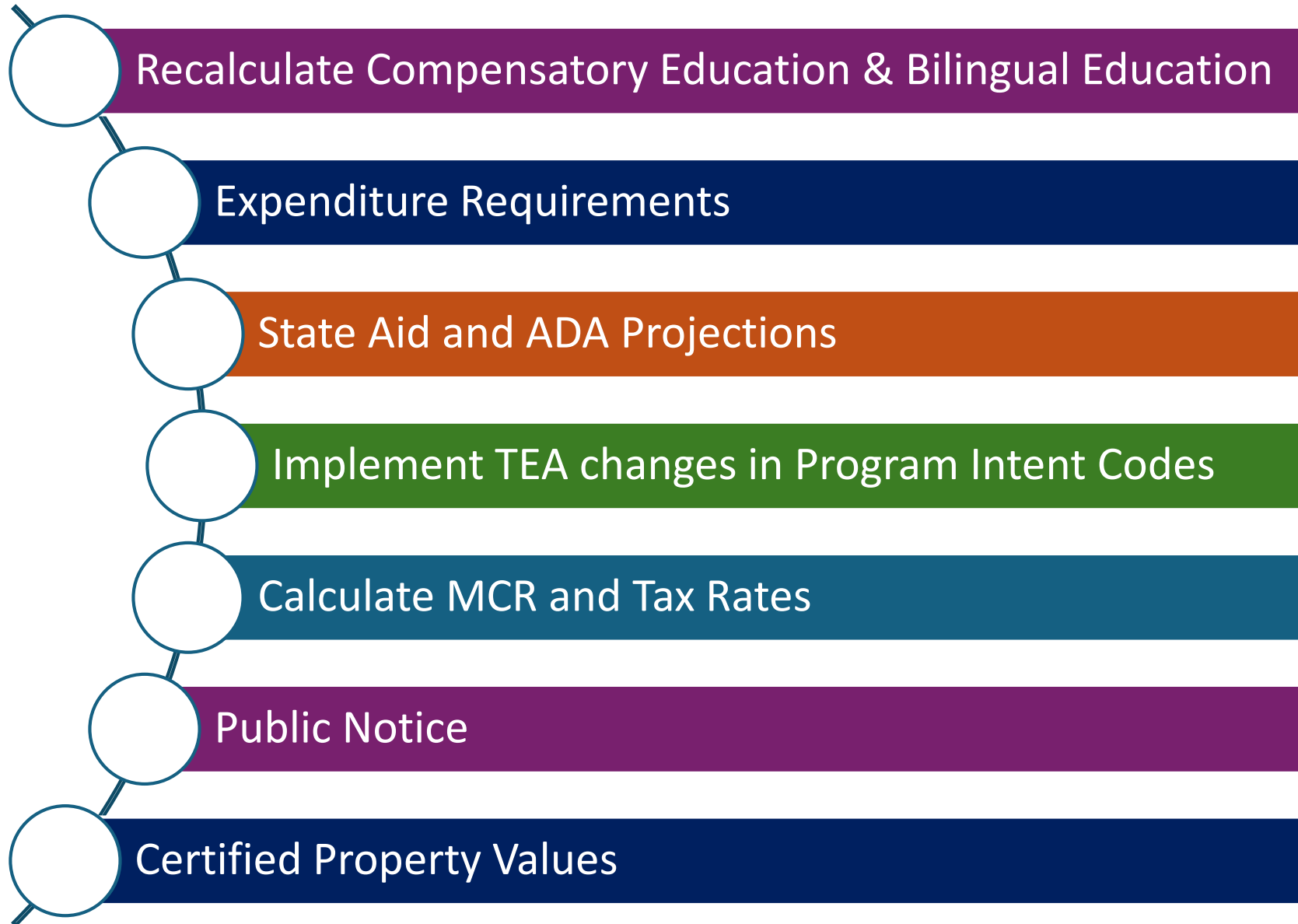
Note: Prices reflected in this pricing summary are indicative only and shall not be binding on Direct Energy in the absence of a Commercial Electricity Service Attachment B signed by both parties.

Pressure on budget forecasting and long-term financial health planning.

It is affecting many employers regardless of plan design or carrier.

Transferred \$5,000,000 in calendar year 2025 to preserve the fund.

Next Steps





Proposing Sound Financial Stewardship for Long-Term Stability

Board Meeting

May 14, 2026



CIS

\$459,250

Recurring

Technology - COM ACCT

\$452,000

Recurring

Summer School

\$500,000

Recurring

Tuition & Fees

\$400,000

Recurring

Tax Office

\$331,298

Recurring

Wellness (3)

\$283,014

Recurring

Discretionary

\$350,000

Recurring

TRS Surcharge

\$120,000

Recurring

ESSA

\$3,000,000

TITLE 1



Total Savings

\$5,895,562

of

\$9,527,075

Remainder



\$3,631,513

Updated 5/14/2026

CIS
\$459,250
Recurring

COM Technology
\$452,000
Recurring

Summer School
\$500,000
Recurring

Tuition & Fees
\$400,000
Recurring

Tax Office
\$331,298
Recurring

Wellness (3)
\$283,014
Recurring

Discretionary
\$350,000
Recurring

TRS Surcharge
\$120,000
Recurring

Esser
\$3,000,000
Title 1

Total Savings
\$5,895,562
of
\$8,000,000
Remainder -> \$2,104,438



Communication and Updates

Adjournment