



# Budget Update

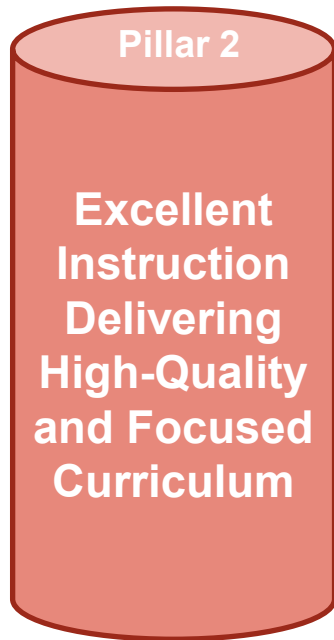
June 9, 2026

**Fort Worth**  
INDEPENDENT SCHOOL DISTRICT

# Purpose

**To provide an update on the district's current year financial position and budget monitoring status, while also outlining the development of the next year's proposed budget and sharing information on the upcoming public hearing and budget adoption process.**

# Pillars of Excellence



# 2025-26

**July 1, 2025 – June 30, 2026**

# General Operating Fund

In millions

	2025-26 Adopted Budget	2025-26 Revised Budget <small>Amended Feb 2026</small>	2025-26 End of Year Forecast
Revenue	\$826.1	\$862.9	\$865.1
(Less) Expenditures	(\$869.7)	(\$906.8)	(\$877.7)
<b>Excess/(Deficiency)</b>	<b>(\$43.6)</b>	<b>(\$43.9)</b>	<b>(\$12.6)</b>

\*Projections are subject to change



# General Operating Deficit

In millions

## (\$43.6M)

*\*adopted*

Revenue	\$826.1
Expenditures	<u>(\$894.7 )</u>
<b>Excess/Deficiency</b>	<b>(\$68.6 )</b>

*Vacancy Factor	<u>\$25.0</u>
<b>Surplus/Deficit</b>	<b>(\$43.6 )</b>

*\*Vacancy Factor – Budgetary adjustment that reduced personnel expenditures based on the anticipated savings from positions that are expected to remain vacant for a portion of the fiscal year due to normal turnover, recruitment timelines, and hiring patterns.*

## (\$12.6M)

*\*estimated*

Budget Gap	(\$68.6 )
Vacancy Factor Realized	<u>\$25.0</u>
<b>Adopted Deficit</b>	<b>(\$43.6 )</b>

Revenue Adjustments	\$2.1
Expenditure Adjustments	\$21.2
*Payroll Savings	\$15.7
Technology Purchases	<u>(\$8.0)</u>
	<b>(\$12.6 )</b>

*\* Payroll Savings – Personnel expenditures above the vacancy factor and including forecasted savings through the end of the year. This amount is subject to change.*

\*Projections are subject to change

# 2026-27

**July 1, 2026 – June 30, 2027**

# Key Budget Assumptions



Major Assumptions	2025-2026 Adopted Budget	2025-2026 As of May	2026-2027 Proposed Budget
Student Enrollment Projection	69,021	66,385	63,068
Average Daily Attendance (ADA)	62,464	58,413	58,022
Basic Allotment	\$ 6,160	\$ 6,215	\$ 6,215
Estimated Taxable Values	\$ 55.9 Billion	\$ 57.7 Billion	\$ 62.6 Billion
Maintenance & Operations (M&O) Rate	\$ 0.7869	\$ 0.7869	\$ 0.7869
Interest & Sinking (I&S) Rate	\$ 0.2422	\$ 0.2422	\$ 0.2422
Total Tax Rate	\$ 1.0291	\$ 1.0291	\$ 1.0291
Staff Count (General Operating)	9,432	9,295	8,903
Staff Count (All Funds)	10,618	10,332	*9,721

\*Reflects active position count as of June 5, 2026

# 2026-27 Proposed Budget Summary

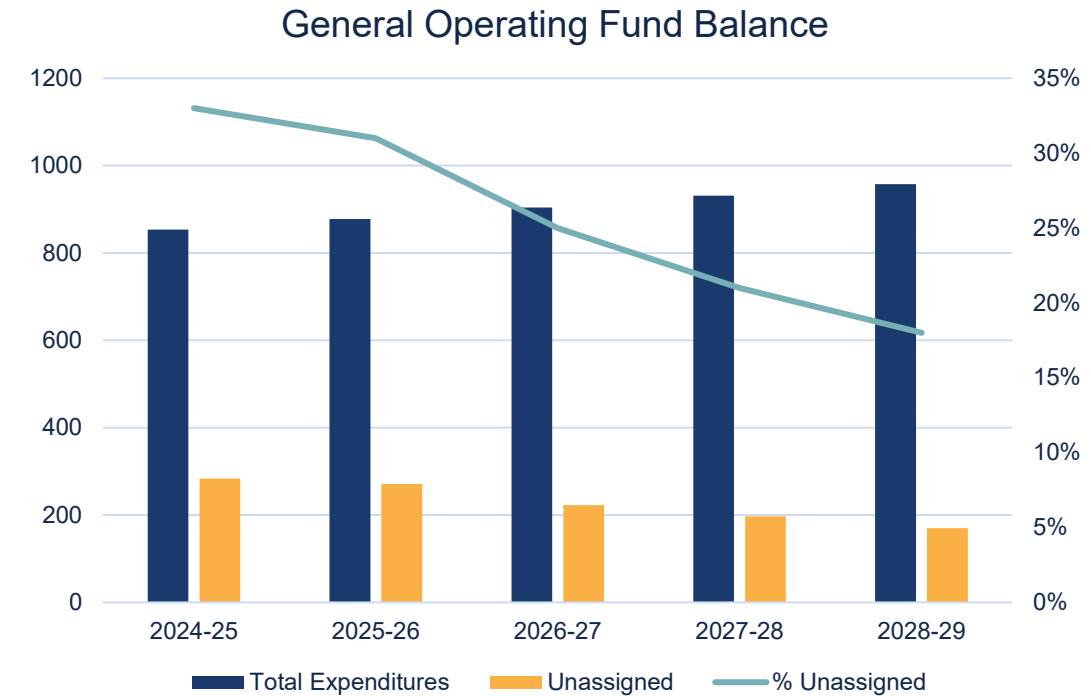
In millions

	<b>General Operating Fund</b>	<b>Debt Service Fund</b>	<b>Food Service Fund</b>
Projected Revenue	\$854.2	\$145.4	\$49.4
Projected Expenditures	(\$904)	(\$145.4)	(\$49.4)
<b>Surplus/(Deficit)</b>	<b>(\$49.8)</b>	<b>\$-</b>	<b>\$-</b>

# Fund Balance / Financial Stability

General Operating Fund In millions

Fiscal Year	Total Expenditures	Unassigned	% Unassigned	Months of Operating
2028-29 <b>Estimate</b>	\$958	\$170	18%	2.1
2027-28 <b>Estimate</b>	\$931	\$197	21%	2.5
<div style="border: 1px solid black; padding: 5px; display: inline-block; background-color: yellow; width: fit-content;"> <b>WARNING</b> </div> <b>If action is not taken to align staffing to student enrollment and right-size the district overall budget, then the district fund balance will continue to decrease.</b>				
2026-27 <b>Estimate</b>	\$904	\$223	25%	3.0
2025-26 <b>Estimate</b>	\$878	\$271	31%	3.7
2024-25	\$854	\$284	33%	4.0



FIRST Indicator 6: Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures?

# Tax Rate Comparison

Description	2025-26 Actual	2026-27 Proposed
Maintenance & Operations (M&O)	\$ 0.7869	\$ 0.7869
Interest & Sinking (I&S)	\$ 0.2422	\$ 0.2422
<b>Total Tax Rate</b>	<b>\$1.0291</b>	<b>\$1.0291</b>

\*Projected rate subject to change after the district's Maximum Compressed Tax Rate (MCR) is determined by the TEA in August 2026

Note: Indicator 20 on the FIRST rating requires discussion of any changes and/or Impact to local, state, and federal funding at a board meeting within 120 days before the district adopts its budget.



# Revenue Comparison

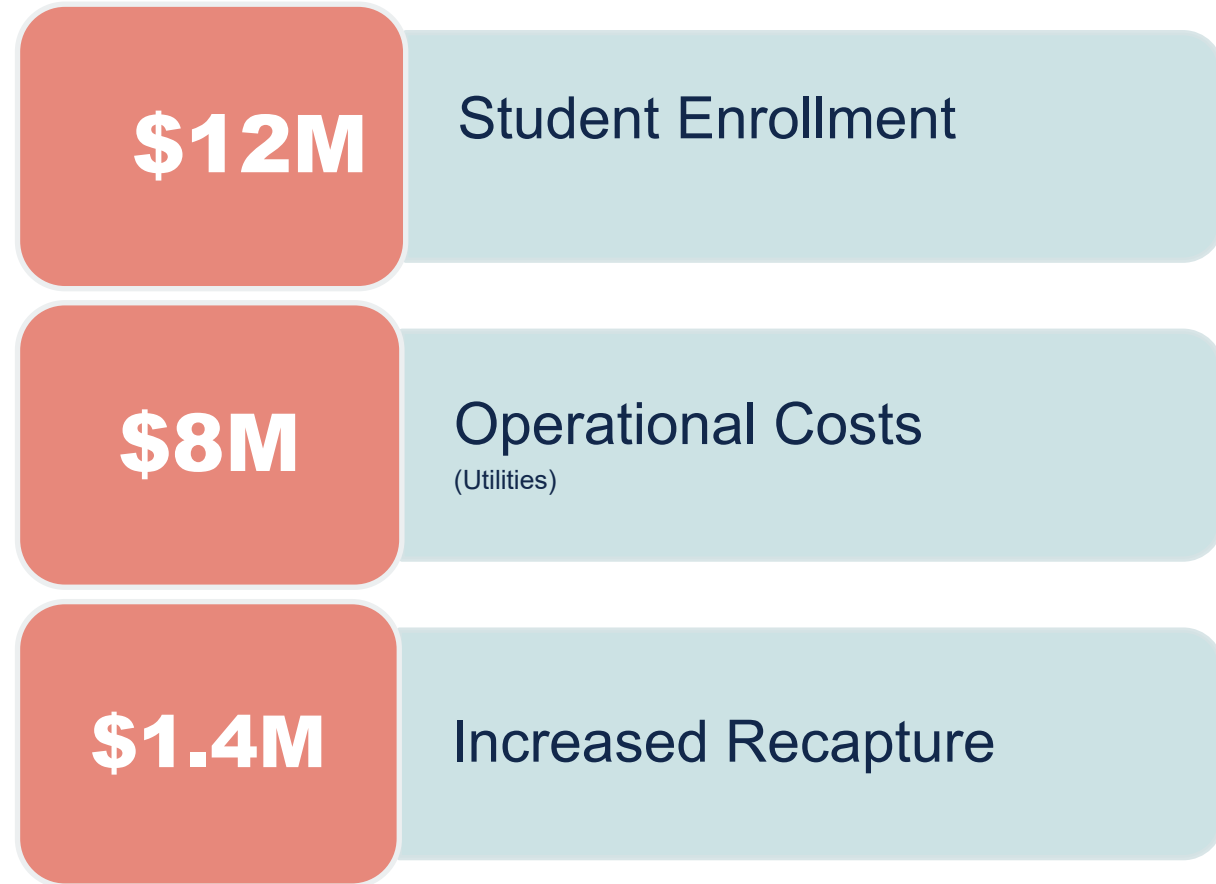
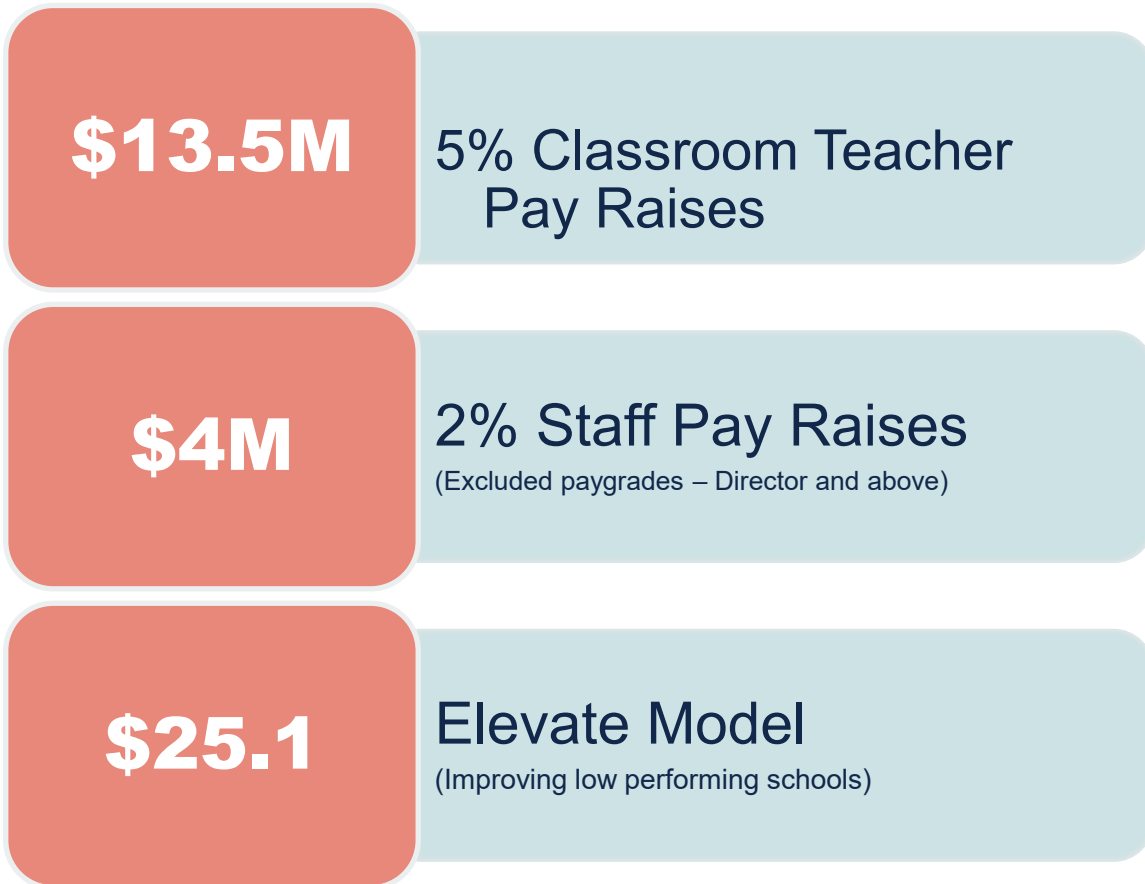
In millions

Description	2025-26 Adopted Budget	2025-26 Amended Budget	2026-27 Proposed Budget
Local Revenue	\$457.9	\$443.7	\$462
State Revenue	\$360.1	\$411.3	\$385.8
Federal Revenue	<u>\$7.5</u>	<u>\$7.3</u>	<u>\$6.4</u>
<b>Total Revenue</b>	<b>\$825.5</b>	<b>\$862.3</b>	<b>\$854.2</b>

Note: Indicator 20 on the FIRST rating requires discussion of any changes and/or Impact to local, state, and federal funding at a board meeting within 120 days before the district Adopts its budget.



# Key Drivers of the Budget Deficit



\*General Operating Fund

# Key Budget Reductions

**\$15M**

Campus Closures

**\$10.6M**

Vacant Positions Closed

**\$8M**

Department  
Reorganizations

**\$13.9M**

Expenditure Reductions

**\$25M**

Vacancy Factor

**\$2M**

Unspent Funds

# Next Steps

<b>Publish Notice of Hearing</b>	<b>June 12, 2026</b>
<b>Public Hearing</b>	<b>June 23, 2026</b>
<b>Budget Adoption</b>	<b>June 23, 2026</b>
<b>Tax Rate Adoption</b>	<b>Before September 30</b>



# Fort Worth

INDEPENDENT SCHOOL DISTRICT

**Questions**