2026-27
Budget Summary

Growing Greatness
#GISDRidesTogether

Budget Adoption: August 31, 2026

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August 31, 2026

Dear Distinguished Members of the Board of Trustees,

This report presents a summary of the 2026-27 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,

Amanda Smith

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 2026-27 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 March 2026 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 15, 2026

GONZALES INDEPENDENT SCHOOL DISTRICT
2026 - 2027 PROPOSED BUDGET

		FUND 199	FUND 240	FUND 599
REVENUES				
5700	Local Property Taxes	18,820,853		4,411,670
5700	Other Local Sources	1,060,141	192,320	22,840
5800	State Revenues	12,365,229	7,600	93,084
5900	Federal Sources	570,775	2,092,773	
	TOTAL REVENUES	**32,816,998**	**2,292,693**	**4,527,594**
EXPENDITURES				
0011	Instruction	17,156,820		
0012	Instructional Resources & Media Services	238,678		
0013	Curriculum & Staff Development	1,130,810		
0021	Instructional Leadership	308,029		
0023	School Leadership	2,306,481		
0031	Guidance, Counseling, & Evaluation	1,133,363		
0032	Social Work Services	85,998		
0033	Health Services	426,290		
0034	Student Transportation	1,506,978		
0035	Food Service		2,293,193	
0036	Co-Curricular/Extra-Curricular Activities	1,136,365		
0041	General Administration	2,010,884		
0051	Plant Maintenance and Operations	4,228,333		
0052	Security & Monitoring Services	756,069		
0053	Data Processing Services	1,356,065		
0061	Community Services	8,900		
0071	Debt Services	100,494		4,527,594
0081	Facilities Acquisition & Instruction	0		
0091	Contracted Inst Srvcs Btw Public Schools			
0099	Other Intergovermental Charges	622,800		
	TOTAL EXPENDITURES	**34,513,357**	**2,293,193**	**4,527,594**
7915	Operational Transfer In		500	
8911	Operational Transfer Out	500		
	PROJECTED NET ACTIVITY	**$(1,696,859)**	**$ -**	**$ -**

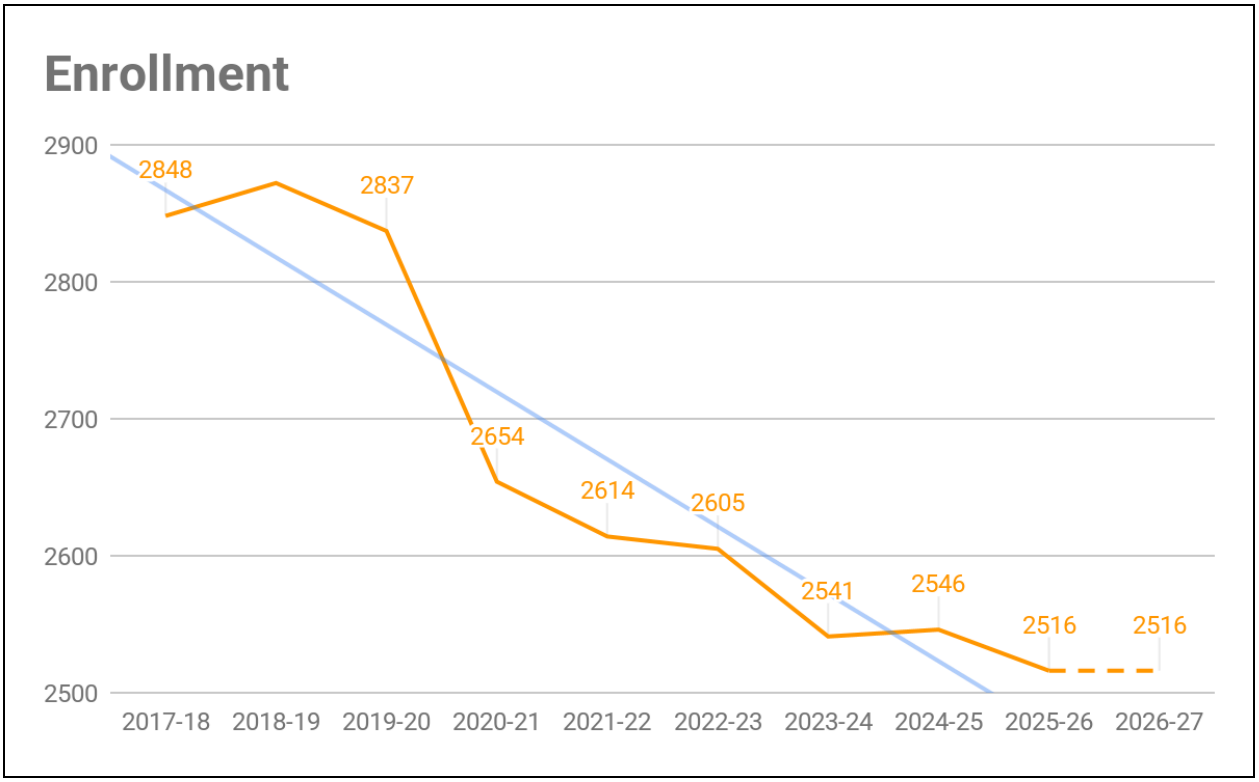
Historical Data

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 2026 registration numbers, the demographic study conducted in Fall 2024, and prior year trends, the district used 2,516 as the 2026-27 enrollment for planning purposes.

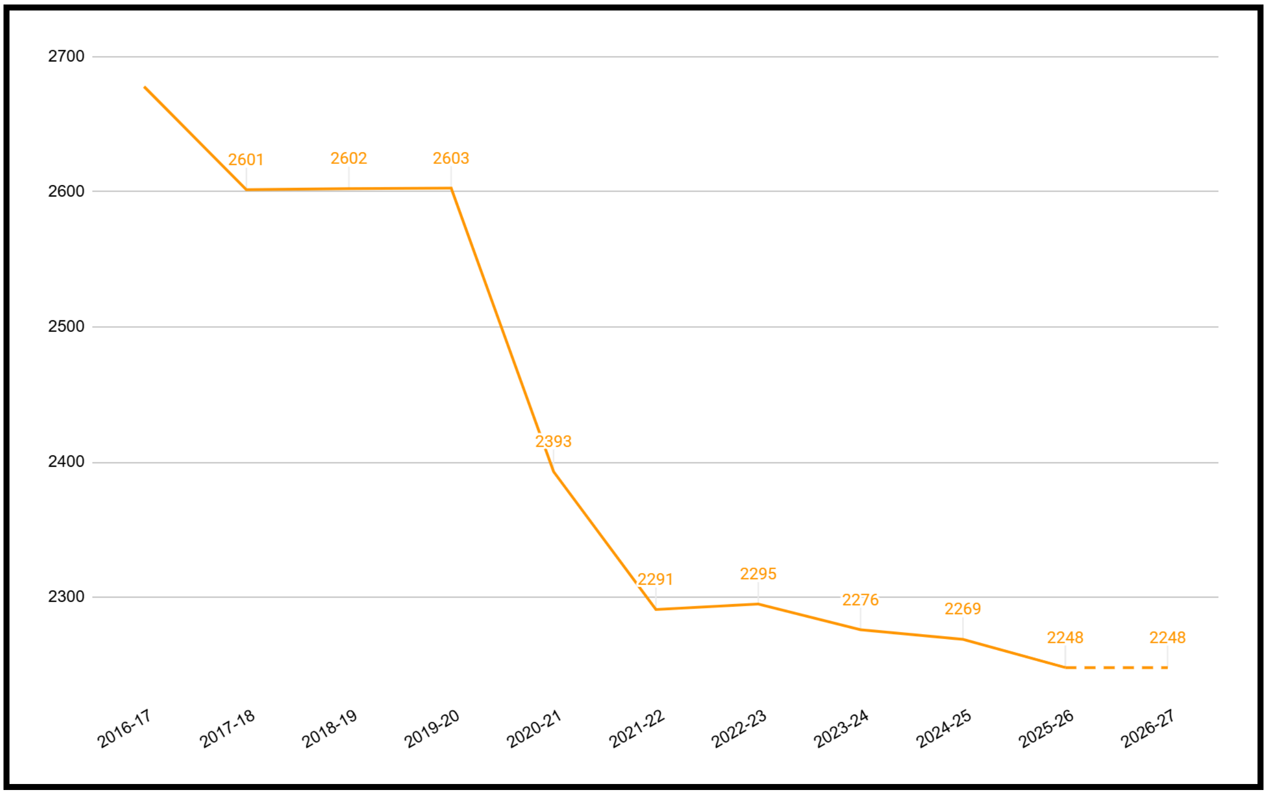
The blue line reflects the trend.



Average Daily Attendance (ADA)

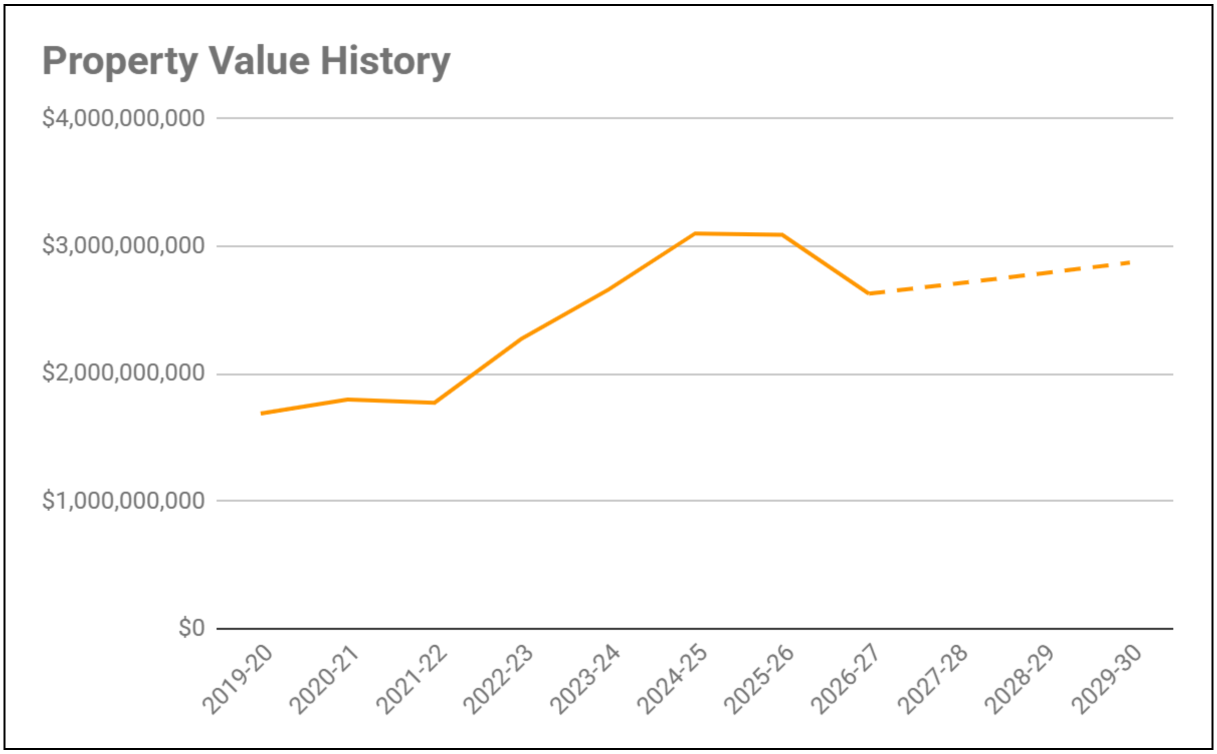
While enrollment is used for facilities planning, attendance is what is used to forecast state revenue. The state calculates our funding on average daily attendance (ADA). The chart below reflects the number of students we've had in attendance on average each day. Six years ago, on the heels of the COVID-19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

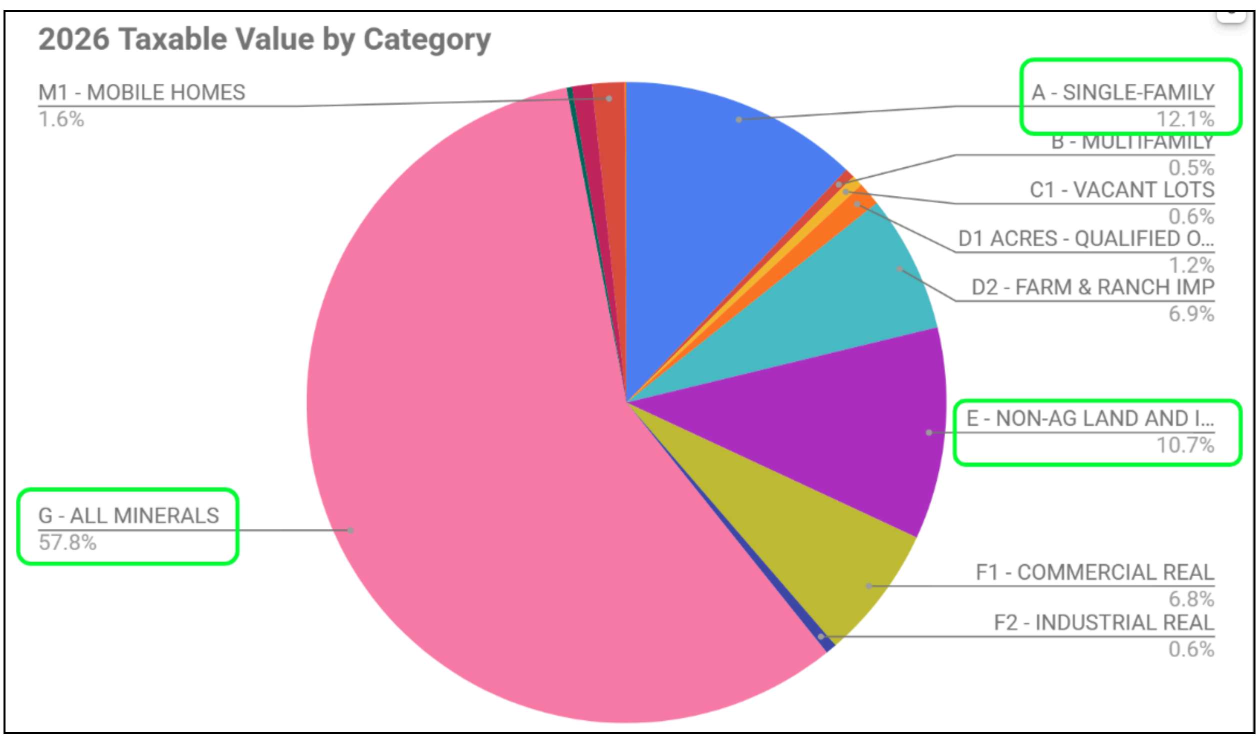
Due to the district's conservative budgeting approach as well as the recent trend, the administration has prepared the 2026-27 budget to assume no change to ADA from the 2025-26 school year actual rate.



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 2025, values have decreased by approximately 15%. This is due to the legislature authorizing increases in the homestead exemption and the decline in local mineral values. Taxable values are projected to increase in the coming years. Minerals comprise over half of the district's tax base at 57.8% with single-family residences only 12.1%.

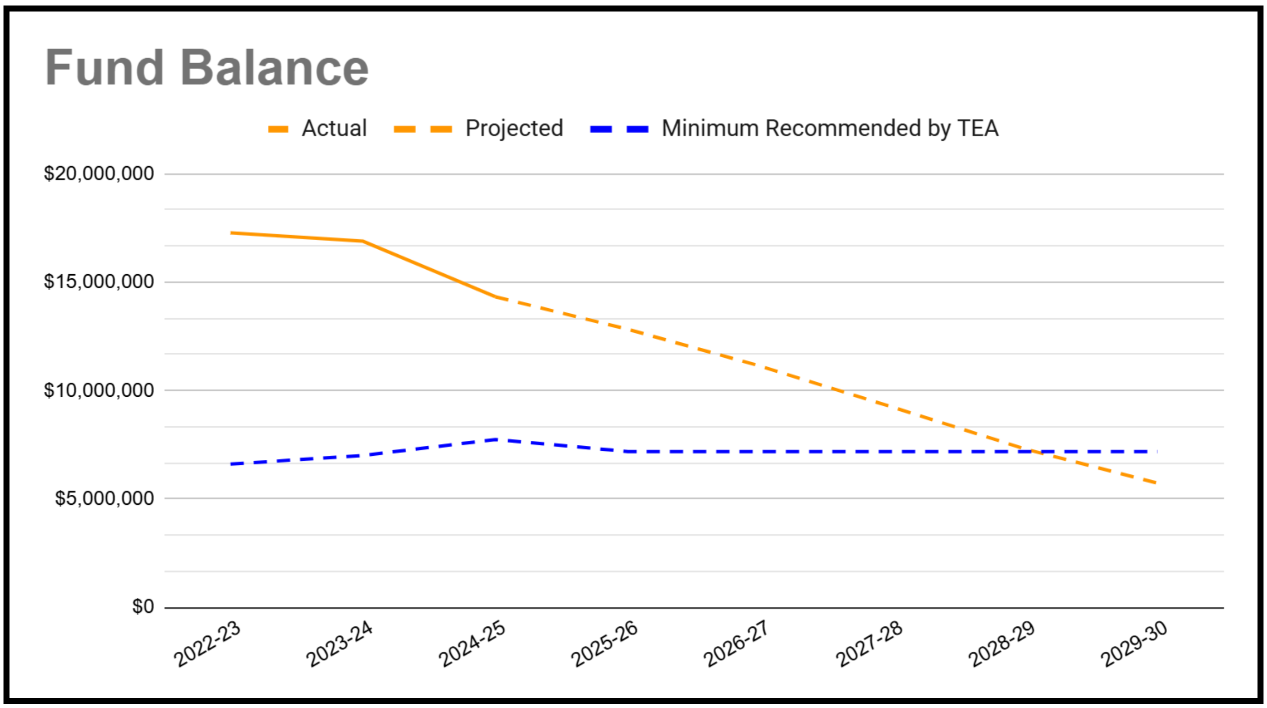




Fund Balance

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 2025-26

(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, 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 significant decreases to their SHARS federal funding as a result of a federal audit of the State of Texas' management of that program.

Compensation Increases

The proposed budget includes a salary increase package designed to retain and recruit high-quality staff, as presented and approved at the August 2026 board meeting. The 2025 Texas Legislature mandated significant pay increases for teachers through the Teacher Retention Allotment. Those mandated increases continue and were included in the proposed budget.

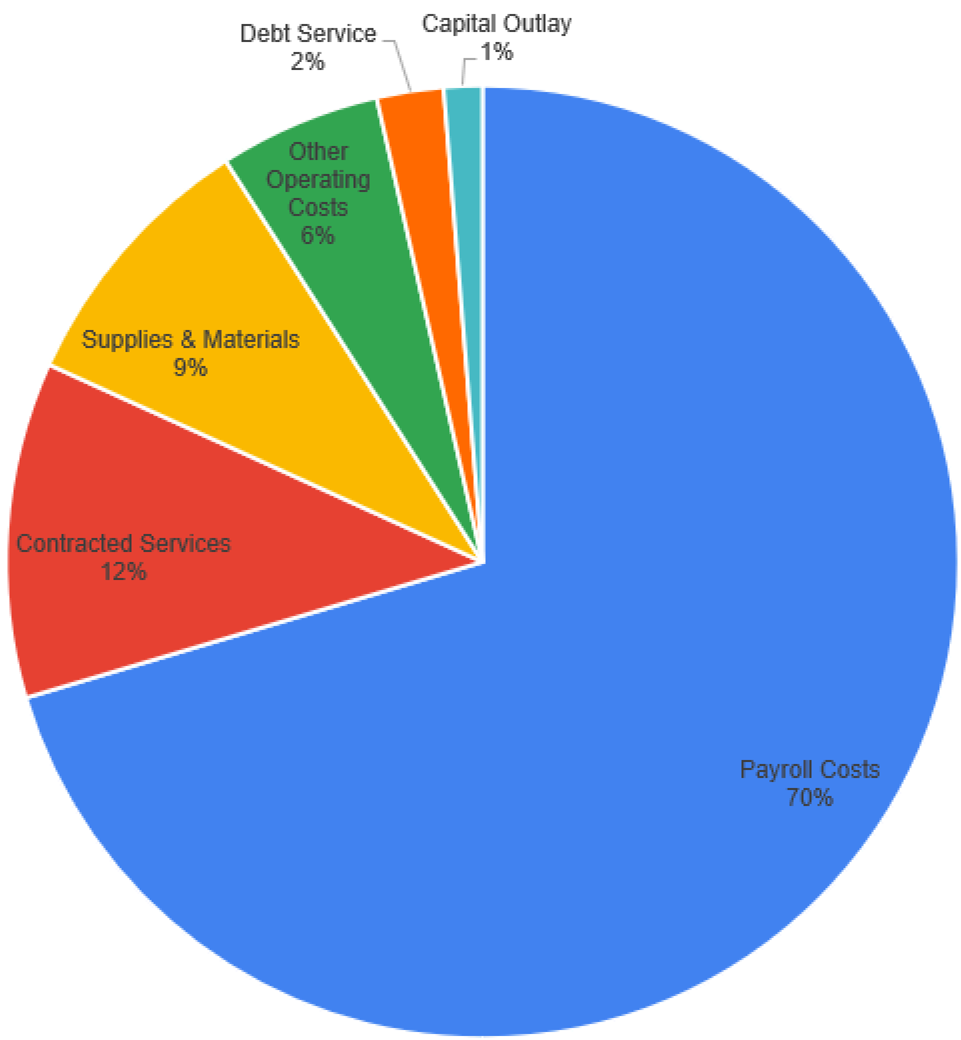
Personnel Changes (FTEs)

	2025-26	2026-27	Change	Notes
Central Admin	11	9	-2	Added: SpEd Director Dissolved: PEIMS Director, ExDir Special Prog, HR Director
Campus Admin	13	14	1	Added: CTE Associate Principal
Teachers/Lib/Trainer/Band & Athletic Directors	173.5	178.5	5	Added: 1st Grade Teacher, GNA Music Teacher, 2 JH Teachers, 3 ALC Teachers Dissolved: GPA Teacher, GNA Teacher
Aides / Clerical / Truancy	111	101	-10	Added: CTE Admin Asst, ALC Admin Asst, GNA Aide, PEIMS Specialist; ALC Aide Dissolved: Truancy Officer, GPA Registrar, 5 GPA Aides, GE Aide, 3 GNA Aides, JH Registrar, 2 JH Aides, ARD Specialist
Police Officers	5	5	0	
Instructional Coaches; ACE Site Coord; Prog Coord	18	19	1	Added: Campus Behavior Coordinator, PEIMS Coordinator, SpEd Coord, HR Coord Dissolved: JH Inst Coach, Talent Advisor Coordinator, EB/EC Coordinator
Counselors & Nurses	14	14	0	
Technology & Special Prog	21.5	21.5	0	
Cust/Maint/FS/Trans	97	102	5	Added: CTE Custodian, 4 CTE Bus Drivers, 2 Route Drivers Dissolved: DAEP Driver, DAEP Monitor
Total FTEs	464	464	**0**	

Expenditure Levels

The proposed expenditures budget for fiscal year 2026-27 is $33,169,040. 70% of the budget is for salaries and benefits while the remaining 30% 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
2026 - 2027 PROPOSED BUDGET
GENERAL FUND

data as of 8/15/2026

		2024-25 Actual	2025-26 Amended Budget	2026-27 Proposed Budget	Variance
REVENUES					
5700	Local Property Taxes	22,585,814	22,353,106	18,820,853	(3,532,253)
5700	Other Local Sources	1,202,244	1,052,573	1,060,141	7,568
5800	State Revenues	6,592,878	10,367,245	12,365,229	1,997,984
5900	Federal Sources	696,707	864,487	570,775	(293,712)
	TOTAL REVENUES	**31,077,643**	**34,637,411**	**32,816,998**	**(1,820,413)**
EXPENDITURES					
0011	Instruction	16,083,800	17,753,223	17,156,820	-596,403
0012	Instructional Resources & Media Services	292,126	253,549	238,678	-14,871
0013	Curriculum & Staff Development	949,734	1,212,064	1,130,810	-81,254
0021	Instructional Leadership	469,619	347,641	308,029	-39,612
0023	School Leadership	1,921,461	2,094,962	2,306,481	211,519
0031	Guidance, Counseling, & Evaluation	881,066	1,383,535	1,133,363	-250,172
0032	Social Work Services	157,876	91,689	85,998	-5,691
0033	Health Services	389,192	449,726	426,290	-23,436
0034	Student Transportation	1,540,703	1,666,731	1,506,978	-159,753
0035	Food Service	10,398	540		-540
0036	Co-Curricular/Extra-Curricular Activities	1,267,171	1,820,384	1,136,365	-684,019
0041	General Administration	2,003,273	2,140,139	2,010,884	-129,255
0051	Plant Maintenance and Operations	4,143,687	4,326,023	4,228,333	-97,690
0052	Security & Monitoring Services	767,893	675,912	756,069	80,157
0053	Data Processing Services	1,277,188	1,909,439	1,356,065	-553,374
0061	Community Services	4,564	16,588	8,900	-7,688
0071	Debt Services	773,799	423,088	100,494	-322,594
0081	Facilities Acquisition & Instruction	129,872	175,939	0	-175,939
0091	Contracted Inst Srvcs Btw Public Schools	0	0		0
0099	Other Intergovermental Charges	576,906	607,600	622,800	15,200
		33,640,328	**37,348,772**	**34,513,357**	**(2,835,415)**
7912	Sale of Property				
7913	Capital Lease Proceeds	-	49,039		
8911	Operational Transfer Out	4	500	500	0
PROJECTED NET ACTIVITY		**(2,562,689)**	**(2,662,822)**	**(1,696,859)**	**965,963**

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 2026-27 Food Service Fund budget is proposed with a balanced budget.

GONZALES INDEPENDENT SCHOOL DISTRICT
2026 - 27 PROPOSED BUDGET
FOOD SERVICE FUND

	2024-25 Actual	2025-26 Amended Budget	2026-27 Proposed Budget	Variance
REVENUES				
5700 Other Local Sources	177,243	167,320	192,320	25,000
5800 State Revenues	7,447	7,500	7,600	100
5900 Federal Sources	2,060,860	2,081,232	2,092,773	11,541
TOTAL REVENUES	**2,245,550**	**2,256,052**	**2,292,693**	**36,641**
EXPENDITURES				
0035 Food Service	2,100,128	2,256,552	2,293,193	36,641
TOTAL EXPENDITURES	**2,100,128**	**2,256,552**	**2,293,193**	**36,641**
7915 Operational Transfer In	4	500	500	0
PROJECTED NET ACTIVITY	**145,426**	**0**	**0**	**0**
Fund Balance, Beginning	698,045	843,471	843,471	0
Fund Balance, Ending	843,471	843,471	843,471	0

Debt Service Fund (599)

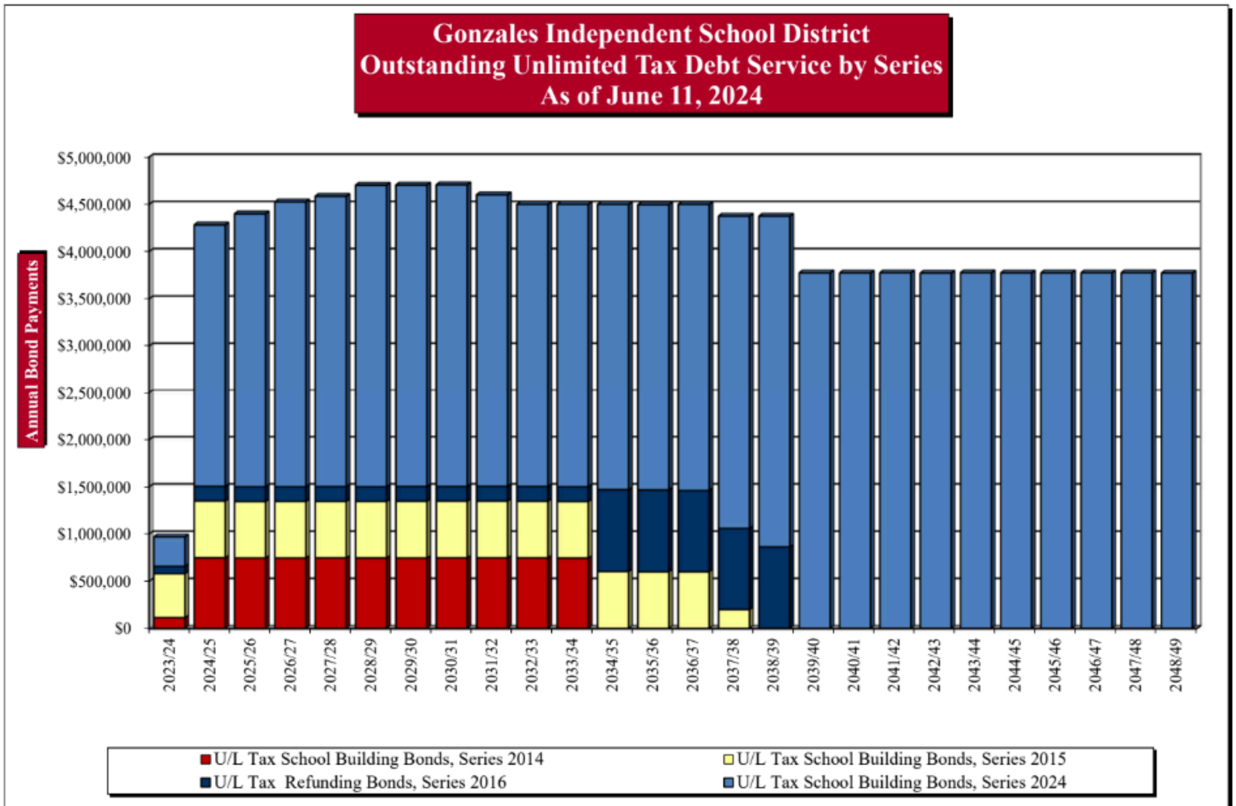
The Debt Service Fund is used to pay our bonded indebtedness (debt authorized by voters during elections). Revenue from the I&S portion of the tax rate is deposited into this fund.

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!



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

GONZALES INDEPENDENT SCHOOL DISTRICT
2026-27 PROPOSED BUDGET
DEBT SERVICE FUND

	2024-25 Actual	2025-26 Amended Budget	2026-27 Proposed Budget	Variance
REVENUES				
5700 Local Property Taxes	4,069,035	4,298,202	4,411,670	113,468
5700 Other Local Sources	88,985	51,000	22,840	(28,160)
5800 State Revenues	85,457	52,973	93,084	40,111
TOTAL REVENUES	**4,243,477**	**4,402,175**	**4,527,594**	**125,419**
EXPENDITURES				
0071 Debt Services	4,281,712	4,402,175	4,527,594	125,419
TOTAL EXPENDITURES	**4,281,712**	**4,402,175**	**4,527,594**	**125,419**
7916 Prem. or Disc. on Issuance of Bonds				
8949 Other Uses		-		0
PROJECTED NET ACTIVITY	**(38,235)**	**0**	**0**	**0**
Fund Balance, Beginning	897,644	859,409	859,409	0
Fund Balance, Ending	859,409	859,409	859,409	0

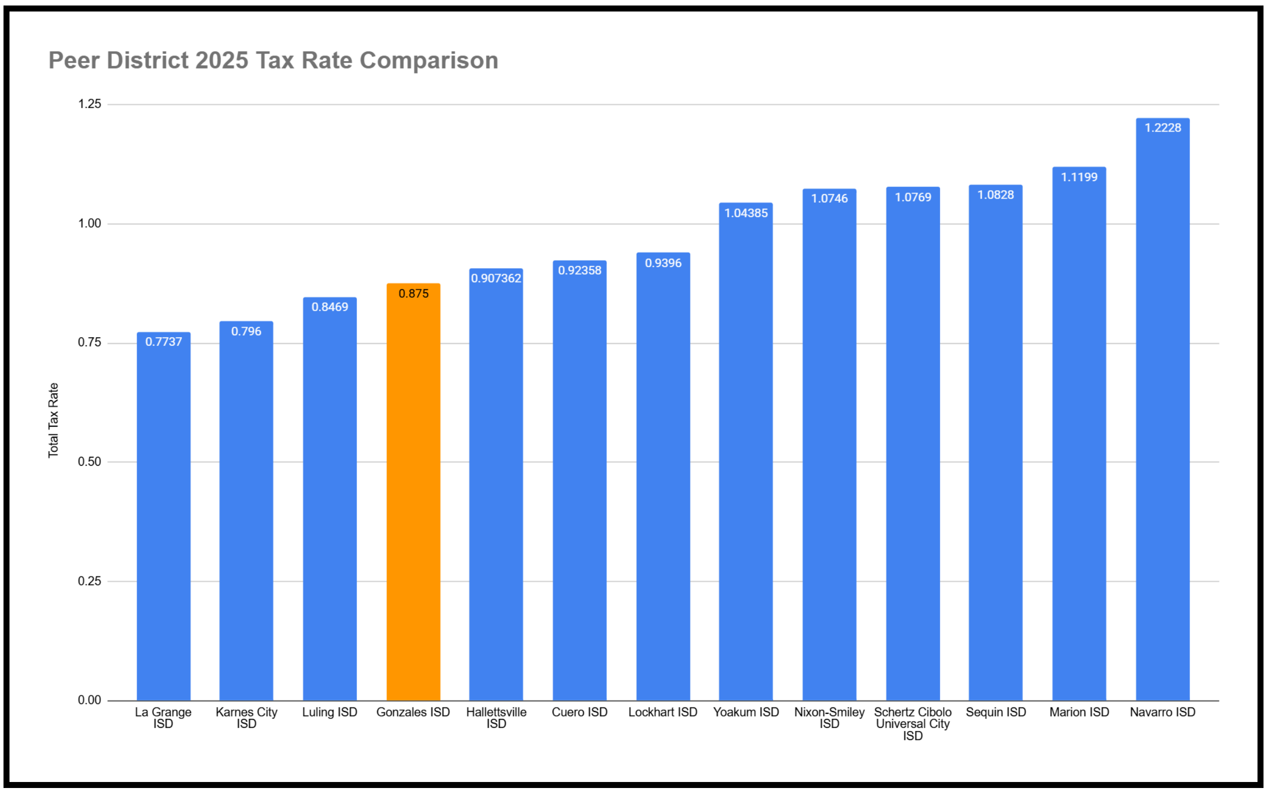
Tax Rate

The tax rate administration is recommending for adoption is:

M&O	$0.7308
I&S	$0.1786
Total Tax Rate	$0.9094

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

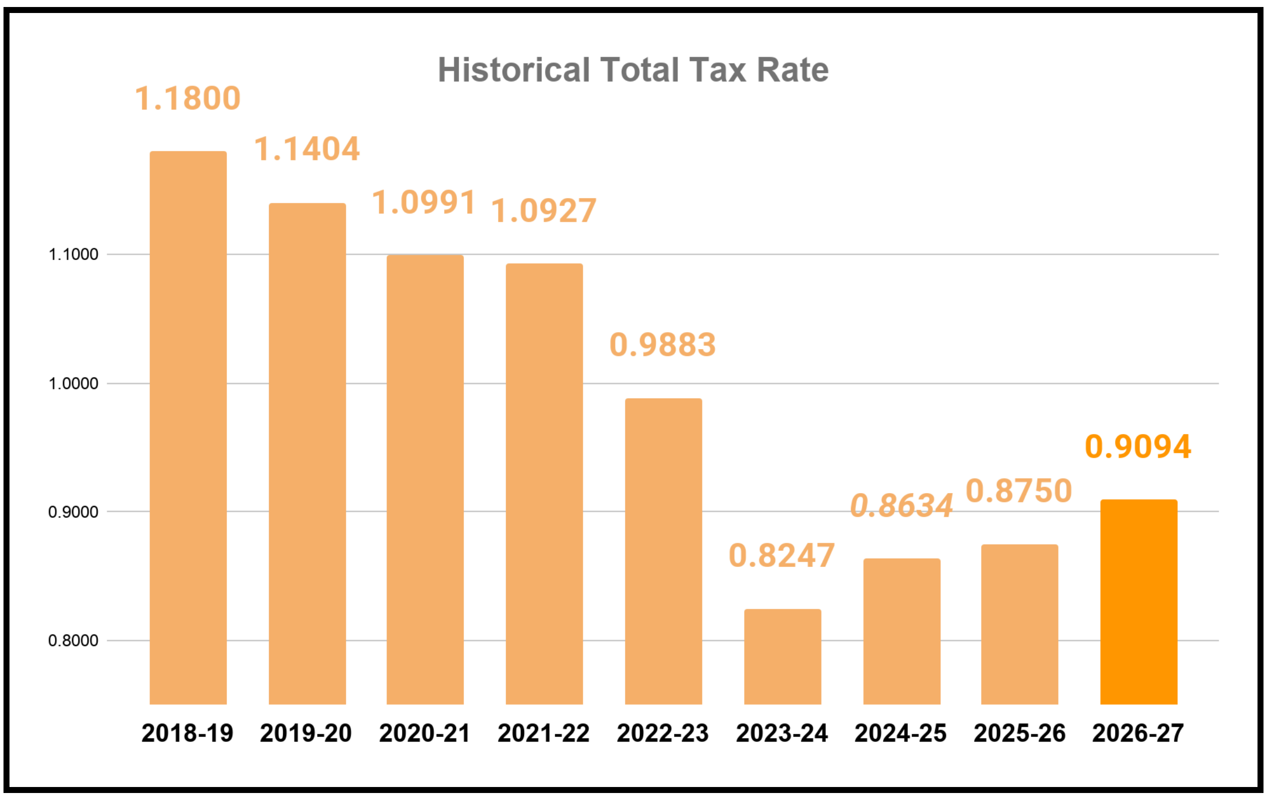
The 2019 & 2023 legislative sessions had a large impact on the $0.305 decrease in total tax rate the district will have experienced in the most recent seven years. House Bill 3 and Senate Bill 2 both mandated districts compress their maintenance and operations (M&O) tax rates as a means of lowering the 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
2026-27	0.7308	0.1786	0.9094
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*



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