

FY26-27 BUDGET STRATEGIC MEETING



Budget Calendar



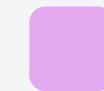
February

- FY 26-27 Budget Kickoff



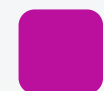
March

- Internal Service Funds
 - Preliminary Rates
- Revenues
- Payroll Projection distribution
- **March 25: Budget Workshop # 1**



April

- Expenditures
- Payroll Reports Due
- Fund Summaries Deadline
- Preliminary WEBB Appraisal



May

- **May 13: Budget Workshop # 2**



June

- Performance Measures Due
- Final Fund Summaries
- **June 10: Budget Workshop # 3**



July

- **July 22: Submission of the Budget & CIP to Council**
- Publish the Proposed Budget, and CIP summary
- Publish the Notice of Public Hearing in local newspaper
- Final WEBB Appraisal
- **July 29: Final Budget Workshop**



August

- **August 17: Public Hearing and Introduction of Ordinance**
- **August 24: Notice of Tax Rate**



September

- **September 8: Final Reading of ordinance to adopt and levy taxes**



BUDGET STRATEGY FOR FY26-27

Continue to Control Growth

- **Prioritizing core services and essential expenses**
- **Align spending with revenues**
- **Evaluate the use of reserves and fund balance**

Potential Revenue:

- **Review revenue ordinances**
- **Address inflationary costs**
- **Consider comparable cities practices**

Fund Balance:

- **Progressing toward a 25% long term goal**



GRANT MANAGEMENT RESOLUTION

Purpose:

- Promote transparency and accountability in all phases of grants management
- Mitigate operational and financial risks associated with external funding
- Ensure long term sustainability of grant supported programs
- Align funding pursuit with strategic , capital and financial plans.

Requirements

1. Authorization from City Manager office to apply.
2. Cost sharing, match and Long Term Funding review by Budget.
3. City Council authorization.

GRANT MANAGEMENT RESOLUTION

Plan First

Get approval before applying for grants

Know the cost

Identify match, staffing, and long term expenses

Partner responsibly

Clear roles, agreements, and accountability

Council Oversight

Approval required for high risk or long term commitments



CIP RESOLUTION

Purpose & Process

- Guides the identification, evaluation, and financing of major capital projects.
- Formally adopted by the Mayor and City Council; reviewed annually to stay responsive to community needs.
- Led by City Management with active participation from Engineering, Budget, and Finance Departments in collaboration with all City departments.

Benefits

- Clear assessment of local needs.
- Alignment with community interests & long-term goals.
- Promotes financial stability.
- Enhances collaboration in city governance.

How it Works

1. Identify infrastructure needs
2. Rank and prioritize projects
3. Determine funding sources
4. Monitor progress and report to Council
5. Adjust annually through the budget process



General Fund 4 Month Actuals

Revenues	Period Budget	Period Actual	Budget vs Actual
Taxes	105,738,138	101,677,263	-4,060,875
Licenses & Permits	3,449,744	2,596,999	-852,745
Intergovernmental Revenue	612,016	271,278	-340,738
Charges for Services	13,112,070	13,430,680	318,610
Fines and Forfeits	1,783,386	1,727,895	-55,491
Fees and Collections	743,932	641,020	-102,912
Rents, Royalties & Interests	1,633,088	1,623,923	-9,165
Reimbursement & Miscellaneous	153,667	271,082	117,415
Franchise Fees	2,721,077	2,657,174	-63,903
Other Financing Sources	14,450,096	13,520,933	-929,163
Total	144,397,214	138,418,247	-5,978,967

Expenses	Period Budget	Period Actual	Budget vs Actual
Personnel	74,108,813	71,112,695	2,996,118
Materials & Supplies	3,747,656	3,126,360	621,296
Contractual Services	14,303,775	11,748,108	2,555,667
Other Charges	1,997,034	886,978	311,208
Capital Outlay	47,081	8,635	38,446
Debt Service	163,149	17,288	145,861
Intergovernmental Transfer	5,404,204	6,081,693	-677,489
Total	99,771,712	92,981,757	5,991,107

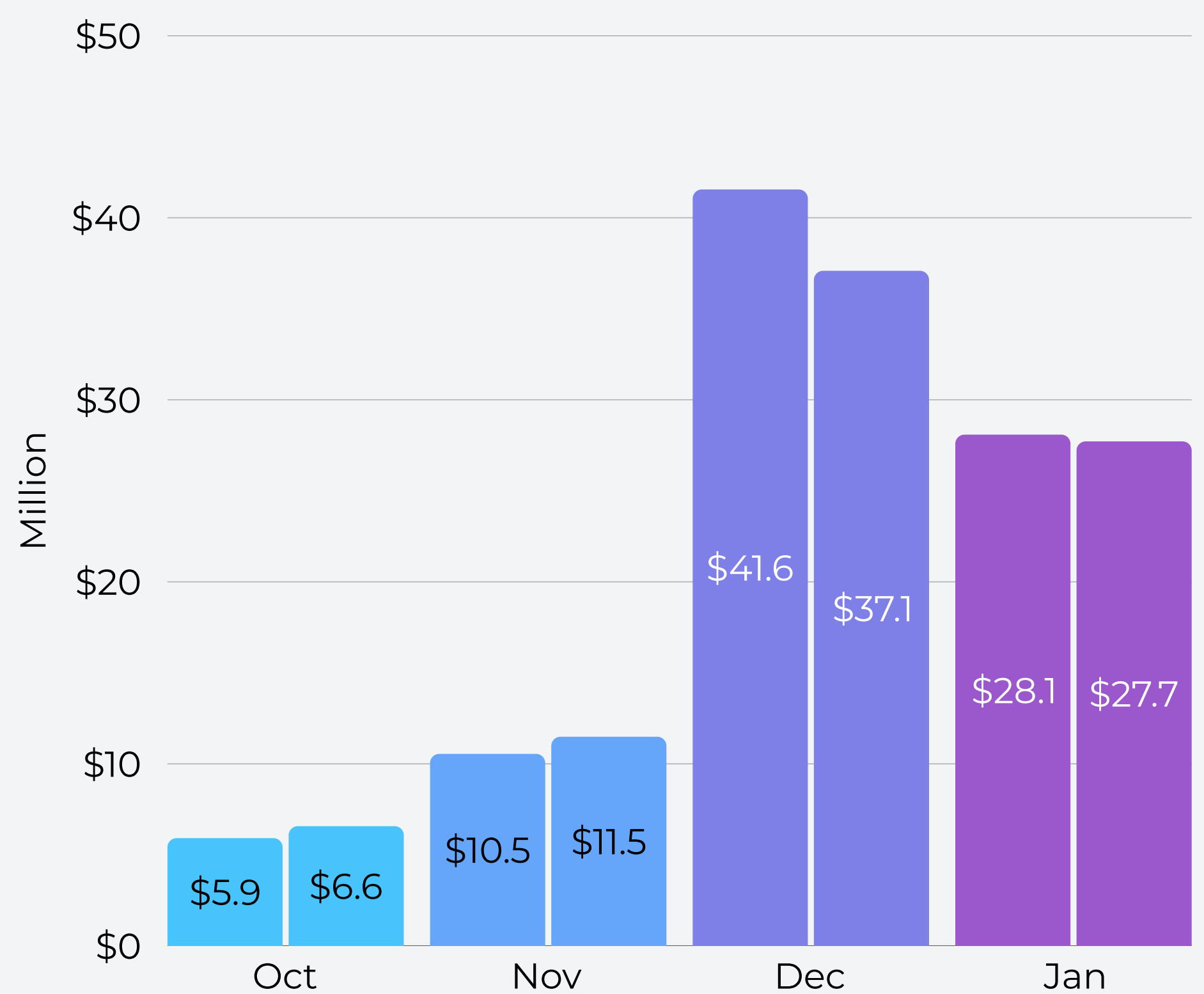
Property Tax Revenue

	2025-2026		
	Budget	Actual	Variance
Oct	5,920,369	\$6,576,607	\$656,238
Nov	10,548,546	\$11,490,489	\$941,943
Dec	41,553,973	\$37,086,773	-\$4,467,200
Jan	28,086,306	\$27,715,431	-\$370,875
Total	86,109,194	\$82,869,300	-\$3,239,894

- FY 25–26 Total Budget: \$98,160,821
- Actual Collected (4 months): \$82,869,300
- Collected to Date: **84.42%**

Historically, most tax revenue is received within the first four months.

Current collections are **4%** below budget.

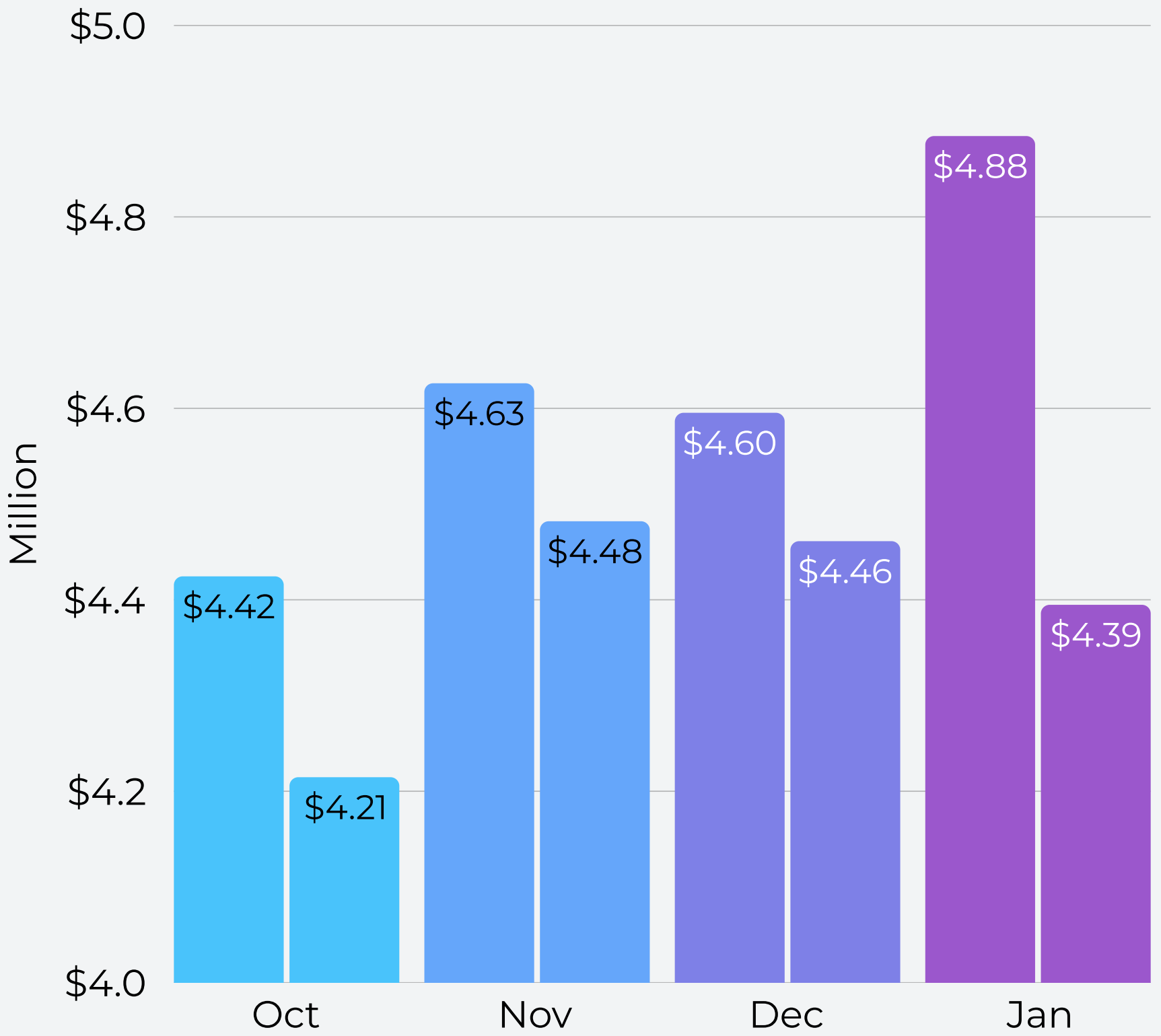


General Fund Sales Tax

	2025-2026		
	Budget	Actual	Variance
Oct	\$4,424,484	\$4,214,646	-\$209,838
Nov	\$4,626,177	\$4,482,033	-\$144,144
Dec	\$4,595,348	\$4,461,234	-\$134,114
Jan	\$4,884,436	\$4,394,748	-\$489,688
Total	\$18,530,445	\$17,552,661	-\$977,784

- FY 25–26 Total Budget: \$57,604,035
- Actual Collected (4 months): \$17,552,661
- Collected to Date: **30.47%**

Current collections are **5%** below budget.

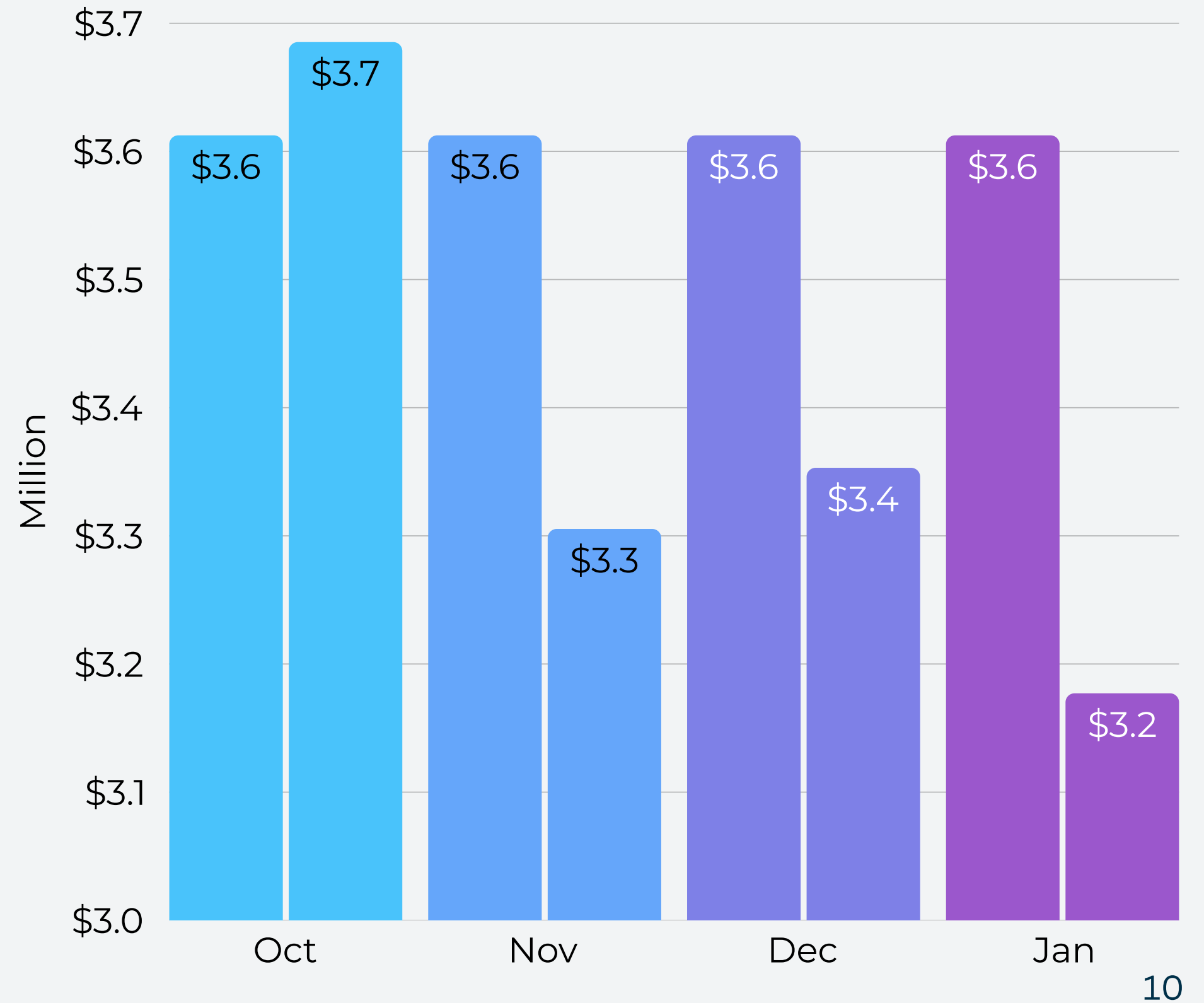


Bridge Transfer to GF

	2025-2026		
	Budget	Actual	Variance
Oct	\$3,612,524	\$3,685,297	\$72,773
Nov	\$3,612,524	\$3,305,398	-\$307,126
Dec	\$3,612,524	\$3,353,112	-\$259,412
Jan	\$3,612,524	\$3,177,127	-\$435,397
Total	\$14,450,096	\$13,520,933	-\$929,163

- FY 25–26 Total Budget: \$43,350,298
- Actual Collected (4 months): \$13,520,933
- Collected to Date: **31.19%**

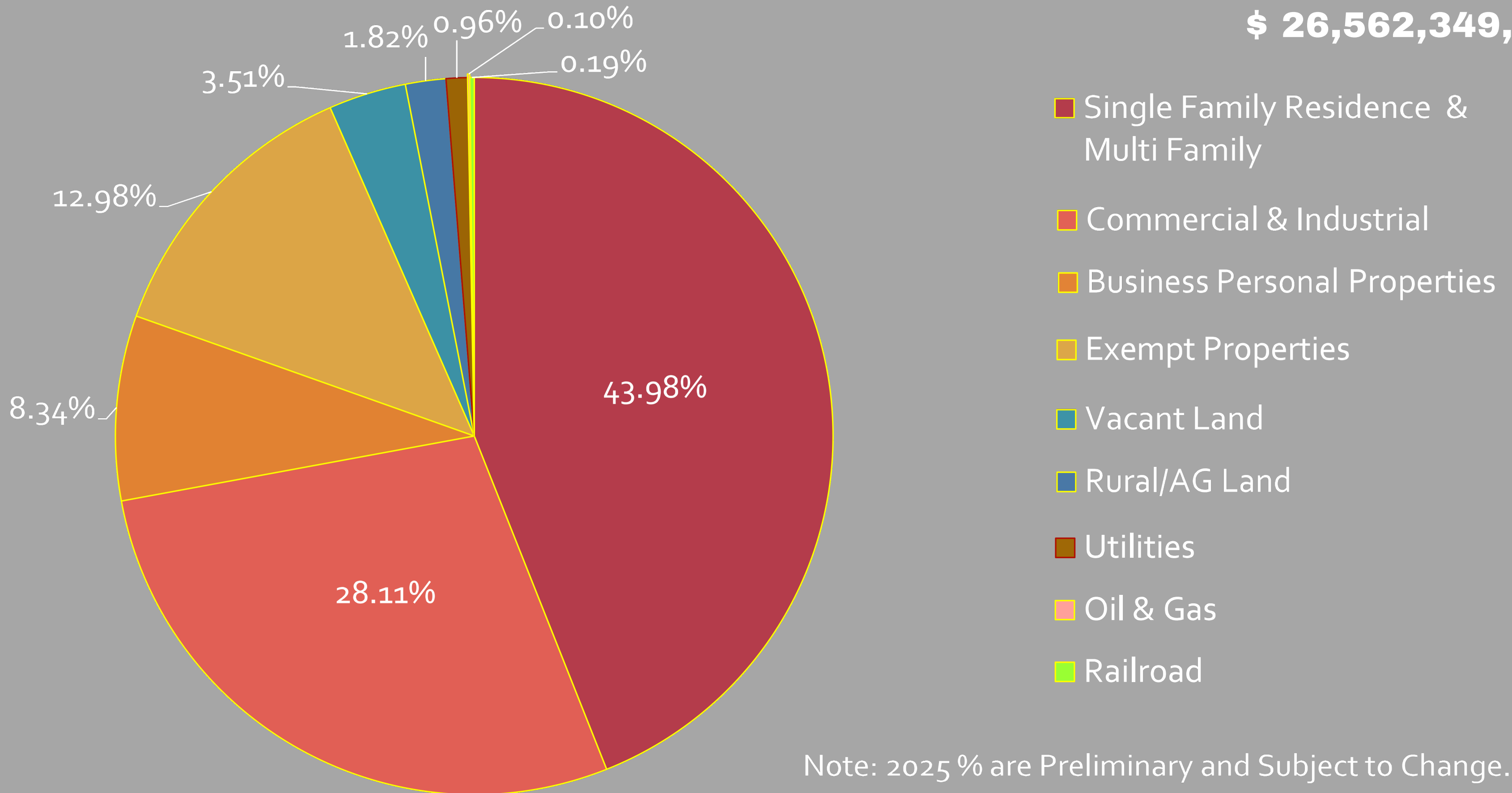
Current collections are **6%** below budget.



City of Laredo

Overall % of Total Market Value by Category

Total Taxable Value
\$ 26,562,349,874



Note: 2025 % are Preliminary and Subject to Change.

CONSIDERATIONS:

- **PD Contract**
- **Fire contract**
- **COLA**
- **Longevity**
- **Tenure**
- **TMRS Plan options**

Internal Services

- **Medical insurance rate**
- **TML Insurance rate**
- **IT Charges**
- **Fleet Charges**





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Laredo
Texas

For the Fiscal Year Beginning
October 01, 2025

Christopher P. Morill
Executive Director



Thank
you!