



LEE COLLEGE

FY 2025-2026 PROPOSED BUDGET



Lee College
Operating Funds Budget Summary
FY 2025-2026 Proposed Budget
Less Bond Defeasance Payment

	FY 2025 Adopted		FY 2026	Variance From
Reveneues	Budget		Proposed Budget	Prior Year
Disctrict Taxes - M&O	\$	36,877,639	\$ 39,361,734	\$ 2,484,095
Disctrict Taxes - I&S		5,414,894	1,385,678	(4,029,216)
In-Lieu Of (FTZ)		2,865,483	2,250,127	(615,356)
State Appropriations		21,781,837	20,028,679	(1,753,158)
Tuition & Fees		16,637,163	17,613,069	975,906
Workforce		1,500,000	1,500,000	-
Other Revenues		1,744,181	1,900,513	156,332
Interest Income		2,240,803	2,600,000	359,197
Total Revenues	\$	89,062,000	\$ 86,639,800	\$ (2,422,200)
Expenses				
Salaries & Benefits	\$	50,219,666	\$ 51,469,662	\$ 1,249,996
Operating		30,678,554	31,030,918	352,364
Debt - Bonds		6,983,136	2,904,002	(4,079,134)
Debt - Lease		1,180,644	1,235,218	54,574
Total Expenses	\$	89,062,000	\$ 86,639,800	\$ (2,422,200)
Net Revenues (Expenses)	\$	-	\$ -	\$ -

Lee College
Revenue Details
FY 2025-2026 Proposed Budget

Revenues	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY 2025 Budget	FY 2025 Projected	Proposed Budget
Tuition-Resident In- District	\$ 4,961,245	\$ 5,719,502	\$ 5,760,926	\$ 5,772,111	\$ 4,940,262	\$ 5,100,000
Tuition-Out of District	3,923,328	4,026,431	4,087,006	4,158,495	4,171,073	4,220,000
Tuition-Non-Resident	306,167	456,270	428,045	436,644	376,049	436,644
Tuition -Dual Credit	1,041,375	1,144,625	1,606,725	1,602,045	2,373,886	2,100,000
Tuition Waivers	(1,668,886)	(1,705,845)	(1,709,283)	(1,500,000)	(1,155,808)	(1,300,000)
MyBooks Waivers	-	-	(387,349)	(300,000)	(379,805)	(250,000)
TPEG Transfers-Resident	(428,828)	(406,627)	(620,429)	(595,836)	(642,419)	(595,836)
TPEG Transfers-Non-Resident	(18,955)	(27,384)	(25,860)	(26,199)	(83,161)	(26,199)
Repeat Course Fee	165,155	148,325	156,485	158,950	149,219	158,950
Student Service Fees	262,047	275,103	261,414	265,000	249,454	265,000
Registration Fees	552,946	579,786	545,219	551,650	518,341	551,650
General Use Fee	1,859,545	1,960,759	1,894,373	2,013,065	1,809,755	2,013,065
myBooks Fees	-	1,600,429	2,096,762	2,037,000	2,849,133	2,800,000
International Education Fee	21,763	22,807	21,514	21,750	20,492	21,750
Laboratory Fees	475,058	483,029	462,565	469,900	493,167	494,300
Learning Technology Fee	544,023	570,336	537,818	542,600	512,231	542,600
Re-Entry Fee Huntsville	-	-	397,530	400,000	292,989	400,000
Student Telehealth Fees	-	124,738	171,600	171,143	221,885	222,300
Refund -Student Fees	1,367	-	(681)	-	681	-
Other Student Fees	383,079	460,263	444,857	458,845	404,495	458,845
Total Tuition and Fees	12,380,429	15,432,547	16,129,237	16,637,163	17,121,916	17,613,069
State Approp. - Core	680,410	680,410	-	-	-	-
State Approp. - Student Success	1,597,748	1,597,748	-	-	-	-
State Approp.- Contact Hours	11,125,726	8,232,402	20,169,021	21,781,837	21,819,285	20,028,679
	13,403,884	10,510,560	20,169,021	21,781,837	21,819,285	20,028,679
District Taxes - M&O	32,932,448	34,173,402	36,419,302	36,877,639	36,475,247	39,361,734
District Taxes - I&S	3,357,955	5,103,027	5,264,982	5,414,894	5,095,151	1,385,678
	36,290,403	39,276,429	41,684,284	42,292,533	41,570,398	40,747,412
Workforce/CE Revenues	1,061,794	1,649,703	1,377,166	1,500,000	1,387,559	1,500,000
	1,061,794	1,649,703	1,377,166	1,500,000	1,387,559	1,500,000
Revenue in Lieu of Taxes (FTZ)	1,349,710	2,274,966	2,463,886	2,865,483	2,232,490	2,250,127
	1,349,710	2,274,966	2,463,886	2,865,483	2,232,490	2,250,127
Other Revenues	1,478,587	2,830,554	1,645,703	1,744,181	2,055,475	1,900,513
Interest Income	234,260	1,706,696	2,595,035	2,240,803	2,785,249	2,600,000
	1,712,847	4,537,250	4,240,738	3,984,984	4,840,724	4,500,513
Total Revenues:	\$ 66,199,067	\$ 73,681,455	\$ 86,064,332	\$ 89,062,000	\$ 88,972,372	\$ 86,639,800

2026 PROPOSED REVENUE DETAILS

Assumptions for FY 2026 revenue:

- Preliminary taxable values estimate in May were \$14.9 billion for Harris County and \$6.8 billion for Chambers County. These values have since been revised to \$15.3 billion and \$7.5 billion, reflecting an overall increase of \$1 billion or 4.9%. (See appendix page A1)
- M&O Proposed tax rate for Fiscal Year 2026 is \$0.17697, a 3.51% increase compared to prior year M&O tax rate of \$0.17097
- I&S Proposed tax rate for Fiscal Year 2026 is \$0.0062, a 74.18% decrease compared to prior year I&S tax rate of \$0.02413. Decrease primarily due to the required debt service payment of \$1,334,500.
- The proposed rate does not exceed the Voter-Approval-Rate.

	FY 2025 Rate	FY 2026 Rate	\$ Change
M&O Rate	\$ 0.17097	\$ 0.17697	\$ 0.0060
I&S Rate	0.02413	0.00623	(0.01790)
	<u>\$ 0.19510</u>	<u>\$ 0.18320</u>	<u>\$ (0.0119)</u>

- The FY 2027, the I&S Tax Rate must increase by \$0.0072 to meet the minimum required debt payment. (See appendix page A5)
- The In-Lieu of Taxes decreased due to the decline in property tax values and as a result of the reduced tax rate adopted for FY 2025.
- The increase in Tuition and Fees is attributable to higher tuition revenue received in the current year, along with a \$760 thousand increase in myBooks fees.
- Overall state revenue decreased by \$1.7 million due to an overestimation of the FY 2025 allotment under HB 8, as well as changes resulting from the 2025 legislative session. While revenue may have declined due to modifications in the criteria for allowable credentials earned, Lee College continues to see growth in the total number of awards.
- Other revenues and interest income is increasing by approximately \$515 thousand.

Lee College
Expense Details
FY 2025-2026 Proposed Budget

Expenses	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY 2025 Budget	FY 2025 Projected	FY 2026 Proposed
Salaries-Faculty	\$ 12,585,630	\$ 13,284,647	\$ 14,050,374	\$ 14,708,339	\$ 13,700,931	\$ 15,627,547
Salaries-Faculty PT/Overload	4,119,595	4,048,301	4,315,165	4,415,620	4,286,557	4,433,530
Overtime	199,949	176,677	149,350	168,000	179,721	223,000
Stipends	773,389	962,955	825,467	996,310	1,068,061	1,196,234
Salaries-Administrative Support	9,467,354	11,103,967	11,854,171	13,436,268	12,527,803	14,699,809
PT Salaries-Admin Support	95,597	96,061	137,265	227,018	163,554	111,000
Salaries-Classified Staff	3,155,117	3,651,639	3,908,419	4,303,412	3,994,987	4,594,133
PT Salaries-Classified Staff	856,681	930,797	1,105,292	1,269,916	938,365	1,126,591
Salaries-Service Staff	2,349,345	2,819,015	3,030,015	3,101,061	3,088,734	3,466,862
PT Salaries-Service Staff	171,766	222,828	316,146	307,979	174,552	295,914
Salaries-Student Assistants	151,210	200,571	180,000	180,000	290,067	207,000
Salary Savings	-	-	-	(1,600,000)	-	(3,063,050)
Total Salaries	33,925,633	37,497,459	39,871,664	41,513,923	40,413,331	42,918,570
Employer Medicare	476,147	531,876	531,403	547,876	565,575	549,305
FICA	1,755,803	1,967,530	1,961,407	1,989,493	2,084,235	1,999,510
OBRA Admin Costs	6,439	6,500	6,500	6,500	-	6,500
Group Insurance-Staff	3,366,792	3,707,378	3,769,409	3,918,105	3,892,584	3,921,680
Workers Compensation	41,182	46,510	130,000	130,000	136,599	130,000
Educational Assistance	21,000	27,106	50,000	50,000	31,123	50,000
Unemployment Compensation Ins	32,277	25,290	45,000	45,000	25,422	45,000
State Retirement Match-Grants	36,555	1,218,052	1,298,667	1,385,323	1,240,990	1,395,651
ORP Contributions (1.19%)	184,013	225,483	358,697	358,696	269,256	358,696
Retirement-New Member Surcharge	82,463	109,209	75,000	75,000	101,490	75,000
Employee Assistance Plan	16,420	17,251	19,750	19,750	18,898	19,750
Total Benefits	6,019,091	7,882,187	8,245,833	8,525,743	8,366,170	8,551,092
Legal Fees	119,965	103,866	100,000	150,000	267,458	150,000
Contract Service	4,804,122	5,612,002	6,111,249	6,701,403	6,262,508	5,034,035 *
Instruction Contract Service	469,960	425,497	587,500	614,500	429,299	575,000
Equipment	(371,196)	1,278,956	1,288,509	1,198,129	1,381,535	325,000
Computer Software	-	-	-	-	-	4,533,706 *
Insurance	336,002	1,458,905	1,468,000	1,513,000	1,504,020	1,513,000
Other Operating Expense	6,276,885	8,495,078	10,283,823	10,858,830	8,269,454	11,470,164
Total Operating Expenses	11,635,738	17,374,303	19,839,081	21,035,862	18,114,274	23,600,905
Repairs/Maintenance	1,305,400	3,525,150	4,623,972	5,577,472	5,353,172	3,498,615
Travel/Professional Development	937,551	1,051,574	1,265,899	1,342,120	1,161,179	1,442,156
Utilities	1,727,974	1,669,526	1,643,500	1,903,100	2,017,210	1,989,242
Contingency	-	1,000,000	1,000,000	1,000,000	-	500,000
G.O. Bond Principal	3,518,486	3,940,000	3,940,000	4,035,000	4,035,000	135,000
G.O. Bond Interest	1,899,785	1,479,250	1,475,750	1,378,750	1,320,517	1,199,500
Revenue Bond Principal	1,030,000	1,060,000	1,060,000	1,095,000	1,095,000	1,130,000
Revenue Bond/ Other Interest Paid	684,342	507,907	507,907	474,386	486,197	439,502
Capital Lease - Energy Mgmt Project	1,078,460	1,146,750	1,147,394	1,180,644	1,196,460	1,235,218
Total Debt	8,211,073	8,133,907	8,131,051	8,163,780	8,133,174	4,139,220
Total Expenses:	\$ 63,762,459	\$ 78,134,106	\$ 84,621,000	\$ 89,062,000	\$ 83,558,510	\$ 86,639,800

*Previously included under Contract Services, Computer Software will be reported as a standalone account beginning in FY26.

TOTAL CHANGES FROM FY 2024-25 BUDGET

Salary & Benefit Increase/(Decreases)	\$ Amount
COLA Adjustments of 4% and Market Changes	\$ 1,777,750
Group Insurance - 8% mandated increase	313,704
Vacancy Savings - Increased to 8%	(1,776,754)
Eliminating New Position Contingency	(574,460)
New Positions	837,723 ¹
Institutionalized & Reallocated Positions	428,652
Increase in Part-Time Budgets and Benefits	231,524
Total Salary & Benefits Increase/(Decreases)	\$ 1,238,139

Operating Expense Increases/(Decreases)	\$ Amount
Moved the Repairs & Maint. Projects and One Time Purchases to Capital Improvement Funds	\$ (2,324,450)
Moved IT Equipment Requests to Capital Improvement Funds	(987,000)
Moved Other Equipment Requests to Capital Improvement Funds	(147,000)
Eliminated the FAST Contingency Funds	(\$1,000,000)
Reduced Contingency	(\$500,000)
Institutionalized Grant Expenses	\$567,000
New Equipment (Vehicles, Forklift, Utility Vehicles and IT Equip)	\$451,000
New ERP Purchase	\$2,250,000
Miscellaneous Changes	\$2,054,671 ²
Total Other Operating Increases/(Decreases)	\$ 364,221

Debt Expense Increases/(Decreases)	\$ Amount
GO Bonds, 2013, paid off debt in 2025	\$ (77,500)
GO Refunding, 2023, decrease in principal	(2,001,750)
Bond Defeasance Removed	(2,000,000)
Revenue Bonds Increase	116
Capital Lease payment increase in principal due	54,574
Total Debt Increases/(Decreases)	\$ (4,024,560)
Total Increases/Decreases from FY 2025	\$ (2,422,200)

¹ See Appendix Page A2

² See Appendix Page A4

APPENDIX



**FY 2026 TAX RATE & TAX REVENUES
LESS BOND DEFEASANCE PAYMENT**

	FY 2025 Budget	FY 2026 Initial Proposed Rate - July Meeting	FY 2026 Proposed Tax Rate	Change from July Proposal \$	Change from July Proposal %
M&O	\$ 0.17097	\$ 0.17897	\$ 0.17697	\$ (0.0020)	-1.12%
I&S*	0.02413	0.0161	0.0062	(0.0099)	-61.38%
Total	<u>\$ 0.19510</u>	<u>\$ 0.19510</u>	<u>\$ 0.18320</u>	<u>\$ (0.01190)</u>	<u>-6.10%</u>
Harris Co Values	\$ 13,659,214,242	\$ 14,915,877,980	\$ 15,293,482,852 *	\$ 377,604,872	2.53%
Chambers Co Values	6,772,260,113	6,787,408,662	7,448,539,246	661,130,584	9.74%
Uncert./Protests/ Tax Ceiling	(500,000,000)	(500,000,000)	(500,000,000)	-	0.00%
Total Taxable Values	<u>\$ 19,931,474,355</u>	<u>\$ 21,203,286,642</u>	<u>\$ 22,242,022,098</u>	<u>\$ 1,038,735,456</u>	<u>4.90%</u>
Tax Revenue Collections					
M&O	\$ 36,464,665	\$ 37,947,522	\$ 39,361,734	\$ 1,414,212	3.73%
I&S	5,099,084	3,420,090	1,385,678	(2,034,412)	-59.48%
Total Tax Revenue	<u>\$ 41,563,749</u>	<u>\$ 41,367,612</u>	<u>\$ 40,747,412</u>	<u>\$ (620,220)</u>	<u>-1.50%</u>
* As of 8/11/2025, Harris County has not submitted certified values.					

NEW POSITIONS - FY 2025-2026

Department Name	Position	Salary
Building Maintenance-Campus	Carpenter	\$ 58,198
Grounds Maintenance-Campus	Facilities Maintenance Technician	42,619
Learning Frameworks	FT Faculty-Learning Frameworks	62,582
Safety and Emergency Prepared	Safety Specialist	51,000
Dual Enrollment	Advisor, Dual Credit	57,592
Physical Science-Campus	FT Faculty - Physics	70,000
Liberty Center	Administrative Specialist	40,914
Empirical Educator Center	Instructional Designer	83,685
Library	Lib. Tech.	42,744
English and Humanities - HC/LC	English HCLC	35,000
Math-HC/LC	FT Faculty - Mathematics	67,991
Welding-Ferguson HC/LC	FT Faculty - Welding	73,598
Information Technology	Interim VP of Information Technology	151,800
		<u>\$ 837,723</u>

Lee College
Operating Funds Budget Summary
FY 2025-2026 Proposed Budget
Less Bond Defeasance Payment

		FY 2026 INITIAL	FY 2026 FINAL		Variance From Initial Proposed Budget
Reveneues	FY 2025 Adopted Budget	Proposed Budget	Proposed Budget	Variance From Prior Year	
Disctrict Taxes - M&O	\$ 36,877,639	\$ 37,947,522	\$ 39,361,734	\$ 2,484,095	\$ 1,414,212
Disctrict Taxes - I&S	5,414,894	3,420,090	1,385,678	(4,029,216)	(2,034,412)
In-Lieu Of (FTZ)	2,865,483	2,250,127	2,250,127	(615,356)	-
State Appropriations	21,781,837	20,028,679	20,028,679	(1,753,158)	-
Tuition & Fees	16,637,163	17,613,069	17,613,069	975,906	-
Workforce	1,500,000	1,500,000	1,500,000	-	-
Other Revenues	1,744,181	1,900,513	1,900,513	156,332	-
Interest Income	2,240,803	2,600,000	2,600,000	359,197	-
Total Revenues	\$ 89,062,000	\$ 87,260,000	\$ 86,639,800	\$ (2,422,200)	\$ (620,200)
Expenses					
Salaries & Benefits	\$ 50,219,666	\$ 51,457,805	\$ 51,468,662	\$ 1,249,996	\$ 11,857
Operating *	30,678,554	29,662,975	31,030,918	352,364	1,367,943
Debt - Bonds	6,983,136	4,904,002	2,904,002	(4,079,134)	(2,000,000)
Debt - Lease	1,180,644	1,235,218	1,235,218	54,574	-
Total Expenses	\$ 89,062,000	\$ 87,260,000	\$ 86,639,800	\$ (2,422,200)	\$ (620,200)
Net Revenues (Expenses)	\$ -	\$ -	\$ -	\$ -	\$ -

* The funds will be allocated to the Repairs & Maintenance budget.

OPERATING - MISCELLANEOUS CHANGES

Category	Amount
Other Repairs	\$ 42,450
Scholarships	154,959
Other IT Equipment	220,000
Travel	92,036
Student Activities & Student Govt	30,050
Utilities	86,142
Promotional & Public Relations	109,350
Non-Cap Equip & Technology	41,308
Increases in Software	396,264
Increase in IT Contracts	270,015
Miscellaneous	612,097
Total Misc. Changes	\$ 2,054,671

BOND DEBT SERVICE

Lee College District Limited Tax General Obligation Refunding Bonds, Series 2023

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
02/15/2025	-	650,625.00	650,625.00	-
08/15/2025	2,035,000.00	650,625.00	2,685,625.00	3,336,250.00
02/15/2026	-	599,750.00	599,750.00	-
08/15/2026	135,000.00	599,750.00	734,750.00	1,334,500.00
02/15/2027	-	596,375.00	596,375.00	-
08/15/2027	1,680,000.00	596,375.00	2,276,375.00	2,872,750.00
02/15/2028	-	554,375.00	554,375.00	-
08/15/2028	1,760,000.00	554,375.00	2,314,375.00	2,868,750.00
02/15/2029	-	510,375.00	510,375.00	-
08/15/2029	1,850,000.00	510,375.00	2,360,375.00	2,870,750.00
02/15/2030	-	464,125.00	464,125.00	-
08/15/2030	1,945,000.00	464,125.00	2,409,125.00	2,873,250.00
02/15/2031	-	415,500.00	415,500.00	-
08/15/2031	2,040,000.00	415,500.00	2,455,500.00	2,871,000.00
02/15/2032	-	364,500.00	364,500.00	-
08/15/2032	2,145,000.00	364,500.00	2,509,500.00	2,874,000.00
02/15/2033	-	310,875.00	310,875.00	-
08/15/2033	2,250,000.00	310,875.00	2,560,875.00	2,871,750.00
02/15/2034	-	254,625.00	254,625.00	-
08/15/2034	2,365,000.00	254,625.00	2,619,625.00	2,874,250.00
02/15/2035	-	195,500.00	195,500.00	-
08/15/2035	2,480,000.00	195,500.00	2,675,500.00	2,871,000.00
02/15/2036	-	133,500.00	133,500.00	-
08/15/2036	2,605,000.00	133,500.00	2,738,500.00	2,872,000.00
02/15/2037	-	68,375.00	68,375.00	-
08/15/2037	2,735,000.00	68,375.00	2,803,375.00	2,871,750.00
	26,025,000.00	10,237,000.00	36,262,000.00	36,262,000.00