

**Agenda of REGULAR MEETING
The Board of Trustees
Pearland Independent School District**

Notice is hereby given that a Regular Meeting of the Pearland Independent School District will be held on **Tuesday, June 8, 2021**, beginning at 5:00 PM at Pearland Independent School District, 1928 North Main, Pearland, Texas 77581.

Livestream Notice: Due to the public health threat of COVID-19 and pursuant to the Governor Abbott's Temporary Suspension of Open Meetings Laws issued on March 16, 2020, this meeting will be livestreamed on the district YouTube channel.

YouTube:

<https://www.youtube.com/user/ThePearlandISD/live>

Public Comment: A link to a public comment form is available at:

<https://www.pearlandisd.org/publiccomment>. This form must be completed and submitted prior to 5:00 pm June 7, 2021 if you wish to address the Board of Trustees on an agenda or non-agenda item.

Patrons participating in the Public Comment segment of the board meeting must appear in person to address the board of trustees.

The subjects to be discussed, considered, or upon which any formal action may be taken are listed below.

1. **Call to Order**
2. **Establishment of a Quorum**
3. **Closed Meeting** as Authorized by Section 551.001 et seq. of the Government Code
 - A. 551.071 - Private Consultation with the Board's Attorney Regarding any Item on the Agenda
 - B. 551.072 - Discussing Purchase, Exchange, Lease or Value of Real Property
 - C. 551.074 - Personnel Discussion
 1. Employment of Professional and Instructional Personnel
 2. Review Resignations
 - D. 551.076 Considering the Deployment, Specific Occasions for, or Implementation of, Security Personnel or Devices
 - E. 551.082 - Consider Discipline of a Public School Child, or Complaint or Charge Against Personnel
4. **Reconvene** in Open Session
5. **Introductory Remarks** - Trustee Toni Carter
 - A. Such remarks by an individual board member are entirely his or her own and do not necessarily reflect the views or judgment of the Board of Trustees as a whole or the school district. No other members of the board or employees of the school district, or any other person in attendance at the meeting is expected or required to participate in any introductory remarks that are presented.
6. **Consider Action** on Items Discussed in Closed Session as Listed Under Closed Meeting in this Notice
7. **Public Comment** [Length of time of each not to exceed three (3) minutes]
8. **Public Hearing to Discuss Budget and Proposed Tax Rate**
9. **Board Recognition**
10. **Board Members Committee Update/Items for Future Consideration**
11. **New Business** - Consideration of and Possible Action on the Following

A. Consent Agenda

1. Approve Minutes of the Regular Board Meeting on May 18, 2021 and Special Board Meeting/Workshop on May 11, 2021
2. Approve the 2021-2022 School Year Teacher Appraisal Calendar for Pearland ISD (T-TESS) Texas Teacher Evaluation and Support System
3. Approve the Texas Teacher Evaluation and Support System (T-TESS) Administrator Appraiser List for the 2021-2022 School Year
4. Approve Purchase of Instructional Materials from Houghton Mifflin Harcourt in the Amount of \$274,045.21
5. Approve Budget Amendment #6
6. Approve Procured Budgeted Purchases that Aggregate \$75,000 or More

B. Regular Agenda

1. Designate Delegate and Alternate to the 2021 TASB Delegate Assembly
2. Consider Board of Trustee Appointment to Pearland ISD Education Foundation Board
3. Consider Resolution Providing for the Cash Defeasance of Certain Currently Outstanding Obligations from the Series 2014 & 2017 Bonds
4. Consider Approval of the 2021-2022 Budget and Discussion of a Tax Ratification Election

12. Administrative Reports

- A. Report on School District Matters Associated with the Covid-19 Pandemic
- B. Notice of Intent to Apply for 2020-2021 American Rescue Plan (ARP) Elementary and Secondary School Emergency Relief (ESSER III) Grant
- C. Gifted and Talented Advisory Council Update
- D. Report on Financial Statement as of April 30, 2021
- E. Updated Report of 2016 Bond Budget and Projections

13. Adjournment

Certificate of Posting

On **on the 4th day of June, 2021 at 11:00 am** this notice was made available on the district website and an original copy of this notice was posted at the school district education support center.

Secretary to Board of Trustees



Board of Trustees Agenda Item Information

Meeting Date: June 8, 2021

Meeting Type

- Regular Meeting
- Special Meeting/Workshop
- Hearing

Agenda Placement

- | | |
|--|---|
| <input checked="" type="checkbox"/> Public Hearing | <input type="checkbox"/> Administrative Report |
| <input type="checkbox"/> Open Session | <input type="checkbox"/> Consent Agenda |
| <input type="checkbox"/> Executive Session | <input type="checkbox"/> Regular Agenda |
| <input type="checkbox"/> Recognition | <input type="checkbox"/> Information/Discussion |

Date Submitted: June 2, 2021

Subject: Public Hearing to Discuss Budget and Proposed Tax Rate

Executive Summary: The following will be discussed:

1. Notice of Public Meeting to Discuss Budget and Proposed Tax Rate
2. 2021-2022 Proposed Annual Budget

The board president will determine if there are members of the public wishing to address the board before concluding the hearing.

Associated District Goal: Supports all District Goals.

Fiscal Impact:

Cost:

- Recurring
- One-Time
- No Fiscal Impact

Funding Source:

- General Fund
- Grant Funds
- Debt Service Fund & Food Service Fund

Fiscal Year:

Amendment Required?

- Yes
- No

Superintendent's Recommendation: N/A

Department Submitting: Business Office

Requested By: Jorgannie Carter

Cabinet Member's Approval: Dr. John Kelly

Board Approval Required: Yes No

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The PEARLAND INDEPENDENT SCHOOL DISTRICT will hold a public meeting at 6:00 PM, June 08, 2021 in in the District's Board Room 1928 N. Main Street in Pearland, TX 77581. **The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$0.932900/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax	\$0.395600/\$100 (proposed rate to pay bonded indebtedness)
Approved by Local Voters	

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories.

Maintenance and operations	2.16% increase
Debt Service	-0.98% decrease
Total expenditures	1.69% increase

Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)

	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>
Total appraised value* of all property	\$10,906,738,945	\$11,315,022,102
Total appraised value* of new property**	\$176,256,319	\$104,126,199
Total taxable value*** of all property	\$8,995,225,077	\$9,674,190,215
Total taxable value*** of new property**	\$149,168,819	\$99,594,054

*Appraised value is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.
 ***"New property" is defined by Section 26.012(17), Tax Code.
 ***"Taxable value" is defined by Section 1.04(10), Tax Code.

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness* \$401,235,000

*Outstanding principal.

Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance & Operations</u>	<u>Interest & Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
Last Year's Rate	\$0.892900	\$0.425600*	\$1.318500	\$5,447	\$4,335
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$0.889850	\$0.365750*	\$1.255600	\$5,863	\$4,336
Proposed Rate	\$0.932900	\$0.395600*	\$1.328500	\$5,873	\$4,518

*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both. The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

Comparison of Proposed Levy with Last Year's Levy on Average Residence

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$291,952	\$300,564
Average Taxable Value of Residences	\$257,742	\$266,730
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.318500	\$1.328500
Taxes Due on Average Residence	\$3,398.33	\$3,543.51
Increase (Decrease) in Taxes		\$145.18

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.298500. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$1.298500.

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment.

Maintenance and Operations Fund Balance(s)	\$18,987,120
Interest & Sinking Fund Balance(s)	\$16,130,068

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.



Pearland Independent School District

Pearland, Texas

2021-2022 Proposed Annual Budget

For Fiscal Year

July 1, 2021 – June 30, 2022

SUMMARY OF DISTRICT FUNDS

Governmental Fund Types

Governmental fund types for Texas school districts consist of four governmental fund groups (General, Special Revenue, Capital Projects and Debt Service) that account for the acquisition, use and balances of expendable financial resources and related liabilities as required by law or rule.

These funds follow the modified accrual basis of accounting method. Under this method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred.

The following are the District's governmental funds:

- General Fund – The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.
- Special Revenue Fund – A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes.
- Debt Service Fund – Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- Capital Projects Fund – Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds.)

The District is required to approve annual budgets for the General Operating Fund, the Food Service Fund and the Debt Service Fund for which information is included in this section. Special Revenue Funds and Capital Projects Funds adopt project-length budgets which do not correspond to the District's fiscal year and are not subject to Board approval.

PEARLAND INDEPENDENT SCHOOL DISTRICT
 COMBINED BUDGET SUMMARY
 GENERAL OPERATING FUND, FOOD SERVICE FUND, AND DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDING JUNE 30, 2022

	GENERAL FUND	FOOD SERVICE FUND	DEBT SERVICE FUND	2021-22 TOTAL BUDGET
Revenues				
5700 Local and Intermediate Sources	\$80,887,903	\$4,822,150	\$35,816,407	\$121,526,460
5800 State Program Revenue	97,979,355	300,000	468,207	98,747,562
5900 Federal Program Revenue	1,920,000	4,093,200	-	6,013,200
Total Revenues	<u>180,787,258</u>	<u>9,215,350</u>	<u>36,284,614</u>	<u>226,287,222</u>
Expenditures				
11 Instruction	115,306,905	-	-	115,306,905
12 Instructional Res. & Media Svcs.	1,938,078	-	-	1,938,078
13 Curriculum & Staff Development	5,776,425	-	-	5,776,425
21 Instructional Leadership	2,987,565	-	-	2,987,565
23 School Leadership	12,893,376	-	-	12,893,376
31 Guidance & Counseling	7,999,183	-	-	7,999,183
32 Social Work Services	808,424	-	-	808,424
33 Health Services	2,456,183	-	-	2,456,183
34 Student Transportation	7,878,785	-	-	7,878,785
35 Food Service	-	9,215,350	-	9,215,350
36 Extra-Curricular Activities	4,739,675	-	-	4,739,675
41 General Administration	5,710,870	-	-	5,710,870
51 Plant Maintenance & Operations	23,210,525	-	-	23,210,525
52 Security & Monitoring Services	2,076,052	-	-	2,076,052
53 Data Processing Services	4,717,990	-	-	4,717,990
61 Community Service	5,669	-	-	5,669
71 Debt Service	-	-	41,214,189	41,214,189
95 Pymt. to Juvenile Justice Alt. Ed.	80,000	-	-	80,000
99 Other Intergovernmental Charges	727,128	-	-	727,128
Total Expenditures	<u>199,312,833</u>	<u>9,215,350</u>	<u>41,214,189</u>	<u>249,742,372</u>
Revenues Over/(Under) Expenditures	<u>(18,525,575)</u>	<u>-</u>	<u>(4,929,575)</u>	<u>(23,455,150)</u>
Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(18,525,575)</u>	<u>-</u>	<u>(4,929,575)</u>	<u>(23,455,150)</u>
Fund Balance, Beginning	<u>51,978,699</u>	<u>578,445</u>	<u>25,674,276</u>	<u>78,231,420</u>
Fund Balance, Ending	<u><u>\$33,453,124</u></u>	<u><u>\$578,445</u></u>	<u><u>\$20,744,701</u></u>	<u><u>\$54,776,270</u></u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL OPERATING FUND
FOR THE FISCAL YEAR ENDING JUNE 30, 2022, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2019-20 ACTUAL	2020-21 AMENDED BUDGET	2021-22 PROPOSED BUDGET	VARIANCE
Revenues				
5700 Local and Intermediate Sources	\$80,118,547	\$78,648,047	\$80,887,903	\$2,239,856
5800 State Program Revenue	100,040,658	104,990,756	97,979,355	(7,011,401)
5900 Federal Program Revenue	3,432,456	1,978,400	1,920,000	(58,400)
Total Revenues	<u>183,591,661</u>	<u>185,617,203</u>	<u>180,787,258</u>	<u>(4,829,945)</u>
Expenditures				
11 Instruction	103,040,155	113,213,627	115,306,905	2,093,278
12 Instructional Res. & Media Svcs.	1,837,341	1,932,048	1,938,078	6,030
13 Curriculum & Staff Development	5,162,170	5,628,265	5,776,425	148,160
21 Instructional Leadership	2,233,048	2,891,062	2,987,565	96,503
23 School Leadership	11,660,964	12,606,982	12,893,376	286,394
31 Guidance & Counseling	7,269,276	7,883,223	7,999,183	115,960
32 Social Work Services	639,339	869,091	808,424	(60,667)
33 Health Services	1,823,801	2,359,229	2,456,183	96,954
34 Student Transportation	6,076,780	7,272,191	7,878,785	606,594
36 Extra-Curricular Activities	4,322,898	4,936,370	4,739,675	(196,695)
41 General Administration	4,340,898	5,478,155	5,710,870	232,715
51 Plant Maintenance & Operations	20,081,221	23,106,150	23,210,525	104,375
52 Security & Monitoring Services	2,329,077	2,040,689	2,076,052	35,363
53 Data Processing Services	4,255,252	4,961,243	4,717,990	(243,253)
61 Community Service	3,585	11,187	5,669	(5,518)
81 Facilities Acquisition & Construction	531,340	-	-	-
95 Payment to JJAEP	43,100	30,000	80,000	50,000
99 Other Intergovernmental Charges	652,926	727,128	727,128	-
Total Expenditures	<u>176,303,170</u>	<u>195,946,640</u>	<u>199,312,833</u>	<u>3,366,193</u>
Revenues Over/(Under) Expenditures	<u>7,288,491</u>	<u>(10,329,437)</u>	<u>(18,525,575)</u>	<u>(8,196,138)</u>
Other Financing Sources/(Uses)	<u>(3,615,134)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,673,357	(10,329,437)	(18,525,575)	(8,196,138)
Fund Balance, Beginning	58,634,779	62,308,136	51,978,699	(10,329,437)
Fund Balance, Ending	<u>\$62,308,136</u>	<u>\$51,978,699</u>	<u>\$33,453,124</u>	<u>(\$18,525,575)</u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
 COMPARISON OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 GENERAL OPERATING FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021 - JUNE 30, 2022 (BUDGET)

	2020-21 AMENDED BUDGET	2021-22 PROPOSED BUDGET	PROPOSED BUDGET VARIANCE	PERCENT VARIANCE
Revenues				
5700 Local and Intermediate Sources	\$78,648,047	\$80,887,903	\$2,239,856	2.8%
5800 State Program Revenue	104,990,756	97,979,355	(7,011,401)	-6.7%
5900 Federal Program Revenue	1,978,400	1,920,000	(58,400)	-3.0%
Total Revenues	<u>185,617,203</u>	<u>180,787,258</u>	<u>(4,829,945)</u>	<u>-2.6%</u>
Expenditures				
11 Instruction	113,213,627	115,306,905	2,093,278	1.8%
12 Instructional Res. & Media Svcs.	1,932,048	1,938,078	6,030	0.3%
13 Curriculum & Staff Development	5,628,265	5,776,425	148,160	2.6%
21 Instructional Leadership	2,891,062	2,987,565	96,503	3.3%
23 School Leadership	12,606,982	12,893,376	286,394	2.3%
31 Guidance & Counseling	7,883,223	7,999,183	115,960	1.5%
32 Social Work Services	869,091	808,424	(60,667)	-7.0%
33 Health Services	2,359,229	2,456,183	96,954	4.1%
34 Student Transportation	7,272,191	7,878,785	606,594	8.3%
36 Extra-Curricular Activities	4,936,370	4,739,675	(196,695)	-4.0%
41 General Administration	5,478,155	5,710,870	232,715	4.2%
51 Plant Maintenance & Operations	23,106,150	23,210,525	104,375	0.5%
52 Security & Monitoring Services	2,040,689	2,076,052	35,363	1.7%
53 Data Processing Services	4,961,243	4,717,990	(243,253)	-4.9%
61 Community Service	11,187	5,669	(5,518)	-49.3%
95 Payment to JJAEP	30,000	80,000	50,000	166.7%
99 Other Intergovernmental Charges	727,128	727,128	-	0.0%
Total Expenditures	<u>195,946,640</u>	<u>199,312,833</u>	<u>3,366,193</u>	<u>1.7%</u>
Revenues Over/(Under) Expenditures	<u>(10,329,437)</u>	<u>(18,525,575)</u>	<u>(8,196,138)</u>	
Other Financing Sources/(Uses)	<u>-</u>	<u>-</u>	<u>-</u>	
Net Change in Fund Balance	<u>(10,329,437)</u>	<u>(18,525,575)</u>	<u>(8,196,138)</u>	
Fund Balance, Beginning	62,308,136	51,978,699	(10,329,437)	
Fund Balance, Ending	<u><u>\$51,978,699</u></u>	<u><u>\$33,453,124</u></u>	<u><u>(\$18,525,575)</u></u>	<u><u>-35.6%</u></u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
SUMMARY OF REVENUES & EXPENDITURES BY MAJOR OBJECT
GENERAL OPERATING FUND
FOR THE FISCAL YEAR ENDING JUNE 30, 2022, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2019-20	2020-21	2021-22	
	ACTUAL	AMENDED	PROPOSED	VARIANCE
	ACTUAL	BUDGET	BUDGET	
Revenues				
5711 Tax Collections	\$76,411,616	\$76,626,047	\$78,816,903	\$2,190,856
5712-19 Taxes-Delinquent, P&I	1,462,657	1,302,000	1,320,000	18,000
5742 Investment Earnings	1,118,323	150,000	70,000	(80,000)
5700 Miscellaneous Local Revenue	1,125,951	570,000	681,000	111,000
Total Local Revenues	<u>80,118,547</u>	<u>78,648,047</u>	<u>80,887,903</u>	<u>2,239,856</u>
5810 Foundation School Program	90,142,183	94,737,969	86,928,855	(7,809,114)
5831 TRS On-Behalf	9,898,475	10,252,787	11,050,500	797,713
Total State Revenues	<u>100,040,658</u>	<u>104,990,756</u>	<u>97,979,355</u>	<u>(7,011,401)</u>
5910 Miscellaneous Federal Sources	3,432,456	1,978,400	1,920,000	(58,400)
Total Federal Revenues	<u>3,432,456</u>	<u>1,978,400</u>	<u>1,920,000</u>	<u>(58,400)</u>
Total Revenues	<u>183,591,661</u>	<u>185,617,203</u>	<u>180,787,258</u>	<u>(4,829,945)</u>
Expenditures				
6100 Payroll Costs	154,794,435	167,999,685	171,881,259	3,881,574
6200 Contracted Services	11,428,602	13,866,423	13,046,139	(820,284)
6300 Supplies & Materials	6,733,045	10,014,853	10,159,099	144,246
6400 Other Operating Costs	2,647,899	3,861,811	4,052,163	190,352
6600 Capital Outlay	699,189	203,868	174,173	(29,695)
Total Expenditures	<u>176,303,170</u>	<u>195,946,640</u>	<u>199,312,833</u>	<u>3,366,193</u>
Revenues Over/(Under) Expenditures	<u>7,288,491</u>	<u>(10,329,437)</u>	<u>(18,525,575)</u>	<u>(8,196,138)</u>
Other Financing Sources/(Uses)	<u>(3,615,134)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	3,673,357	(10,329,437)	(18,525,575)	(8,196,138)
Fund Balance, Beginning	58,634,779	62,308,136	51,978,699	(10,329,437)
Fund Balance, Ending	<u>62,308,136</u>	<u>\$51,978,699</u>	<u>33,453,124</u>	<u>(\$18,525,575)</u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FOOD SERVICE FUND
 FOR THE FISCAL YEAR ENDING JUNE 30, 2022, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2019-20 ACTUAL	2020-21 AMENDED BUDGET	2021-22 PROPOSED BUDGET	VARIANCE
Revenues				
5700 Local and Intermediate Sources	\$3,769,232	\$954,547	\$4,822,150	\$3,867,603
5800 State Program Revenue	295,398	309,000	300,000	(9,000)
5900 Federal Program Revenue	3,655,604	5,000,050	4,093,200	(906,850)
Total Revenues	<u>7,720,235</u>	<u>6,263,597</u>	<u>9,215,350</u>	<u>2,951,753</u>
Expenditures				
35 Food Service	8,612,588	7,692,445	9,215,350	1,522,905
81 Facilities Acquisition & Construction	-	280,000	-	(280,000)
Total Expenditures	<u>8,612,588</u>	<u>7,972,445</u>	<u>9,215,350</u>	<u>1,242,905</u>
Revenues Over/(Under) Expenditures	<u>(892,353)</u>	<u>(1,708,848)</u>	<u>-</u>	<u>1,708,848</u>
Other Financing Sources/(Uses)	-	-	-	-
Net Change in Fund Balance	<u>(892,353)</u>	<u>(1,708,848)</u>	<u>-</u>	<u>1,708,848</u>
Fund Balance, Beginning	3,179,646	2,287,293	578,445	(1,708,848)
Fund Balance, Ending	<u><u>\$2,287,293</u></u>	<u><u>\$578,445</u></u>	<u><u>\$578,445</u></u>	<u><u>\$0</u></u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDING JUNE 30, 2022, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2019-20 ACTUAL	2020-21 AMENDED BUDGET	2021-22 PROPOSED BUDGET	VARIANCE
Revenues				
5700 Local and Intermediate Sources	\$34,382,914	\$36,952,486	\$35,816,407	(\$1,136,079)
5800 State Program Revenue	815,077	713,883	468,207	(245,676)
5900 Federal Program Revenue	-	-	-	-
Total Revenues	<u>35,197,991</u>	<u>37,666,369</u>	<u>36,284,614</u>	<u>(1,381,755)</u>
Expenditures				
71 Debt Service	34,269,889	36,378,217	41,214,189	4,835,972
Total Expenditures	<u>34,269,889</u>	<u>36,378,217</u>	<u>41,214,189</u>	<u>4,835,972</u>
Revenues Over/(Under) Expenditures	<u>928,102</u>	<u>1,288,152</u>	<u>(4,929,575)</u>	<u>(6,217,727)</u>
Other Financing Sources/(Uses)	<u>224,933</u>	<u>(450,000)</u>	<u>-</u>	<u>450,000</u>
Net Change in Fund Balance	1,153,035	838,152	(4,929,575)	(5,767,727)
Fund Balance, Beginning	23,683,089	24,836,124	25,674,276	838,152
Fund Balance, Ending	<u><u>\$24,836,124</u></u>	<u><u>\$25,674,276</u></u>	<u><u>\$20,744,701</u></u>	<u><u>(\$4,929,575)</u></u>



FISCAL YEAR 2021-22 BUDGET HEARING

JUNE 8, 2021



2021-22 BUDGET OVERVIEW

The Texas Education Code requires that every local education agency in Texas prepare and file a budget of anticipated revenues and expenditures with the Texas Education Agency. The State Board of Education requires that this budget be prepared no later than June 19 and adopted by June 30 by the Board of Trustees.

REVENUE ASSUMPTIONS

- Enrollment – 21,060 Students
- Average Daily Attendance – 96.75%
- Tax Base – 5.01% Increase to \$9.4 Billion
Prior to HB 3 , prior year values were used in the formulas to calculate state aid causing a one-year funding lag (since 2019-20 we now use current year values)
- Tax Collection Rate – 98%
- Maintenance & Operations Tax Rate – \$0.8825
Net Decrease of \$0.0104 (\$0.0204 reduction due to tax compression and \$0.0100 golden penny increase requiring majority Board approval)
- Debt Service Tax Rate – \$0.3956
Decrease of \$0.0300

EXPENDITURE ASSUMPTIONS

- Employee Compensation Package (Approved May 2021):
 - 2.00% General Pay Increase
 - Teacher Starting Pay \$59,000 | Control Midpoint \$63,500
 - Market and Targeted Pay Adjustments
- Maintains same campus/department budget allocations
- District-wide increases including:
 - Reading academies and instructional software
 - Utilities
 - Service charges for student hotspots and student device replacement parts budget
 - Establishment of Visual Arts Dept. Budget
- Debt Service - Cash Defeasance - \$6.3 million

SUMMARY OF APPROPRIATED BUDGETS

	GENERAL FUND	FOOD SERVICE FUND	DEBT SERVICE FUND	TOTAL APPROPRIATED FUNDS
Revenues & Other Financing Sources	\$180,787,258	\$9,215,350	\$36,284,614	\$226,287,222
Expenditures & Other Financing Uses	(199,312,833)	(9,215,350)	(41,214,189)	(249,742,372)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(\$18,575,575)	\$0	(\$4,929,575)	(\$23,445,150)

2021-2022 Proposed Official Budget

	GENERAL FUND	FOOD SERVICE FUND	DEBT SERVICE FUND	2021-22 TOTAL BUDGET
Revenues				
5700 Local and Intermediate Sources	\$80,887,903	\$4,822,150	\$35,816,407	\$121,526,460
5800 State Program Revenue	97,979,355	300,000	468,207	98,747,562
5900 Federal Program Revenue	1,920,000	4,093,200	-	6,013,200
Total Revenues	<u>180,787,258</u>	<u>9,215,350</u>	<u>36,284,614</u>	<u>226,287,222</u>
Expenditures				
11 Instruction	115,306,905	-	-	115,306,905
12 Instructional Res. & Media Svcs.	1,938,078	-	-	1,938,078
13 Curriculum & Staff Development	5,776,425	-	-	5,776,425
21 Instructional Leadership	2,987,565	-	-	2,987,565
23 School Leadership	12,893,376	-	-	12,893,376
31 Guidance & Counseling	7,999,183	-	-	7,999,183
32 Social Work Services	808,424	-	-	808,424
33 Health Services	2,456,183	-	-	2,456,183
34 Student Transportation	7,878,785	-	-	7,878,785
35 Food Service	-	9,215,350	-	9,215,350
36 Extra-Curricular Activities	4,739,675	-	-	4,739,675
41 General Administration	5,710,870	-	-	5,710,870
51 Plant Maintenance & Operations	23,210,525	-	-	23,210,525
52 Security & Monitoring Services	2,076,052	-	-	2,076,052
53 Data Processing Services	4,717,990	-	-	4,717,990
61 Community Service	5,669	-	-	5,669
71 Debt Service	-	-	41,214,189	41,214,189
95 Pymt. to Juvenile Justice Alt. Ed.	80,000	-	-	80,000
99 Other Intergovernmental Charges	727,128	-	-	727,128
Total Expenditures	<u>199,312,833</u>	<u>9,215,350</u>	<u>41,214,189</u>	<u>249,742,372</u>
Revenues Over/(Under) Expenditures	<u>(18,525,575)</u>	<u>-</u>	<u>(4,929,575)</u>	<u>(23,455,150)</u>
Other Financing Sources/(Uses)	-	-	-	-
Net Change in Fund Balance	(18,525,575)	-	(4,929,575)	(23,455,150)
Fund Balance, Beginning	51,978,699	578,445	25,674,276	78,231,420
Fund Balance, Ending	<u>\$33,453,124</u>	<u>\$578,445</u>	<u>\$20,744,701</u>	<u>\$54,776,270</u>

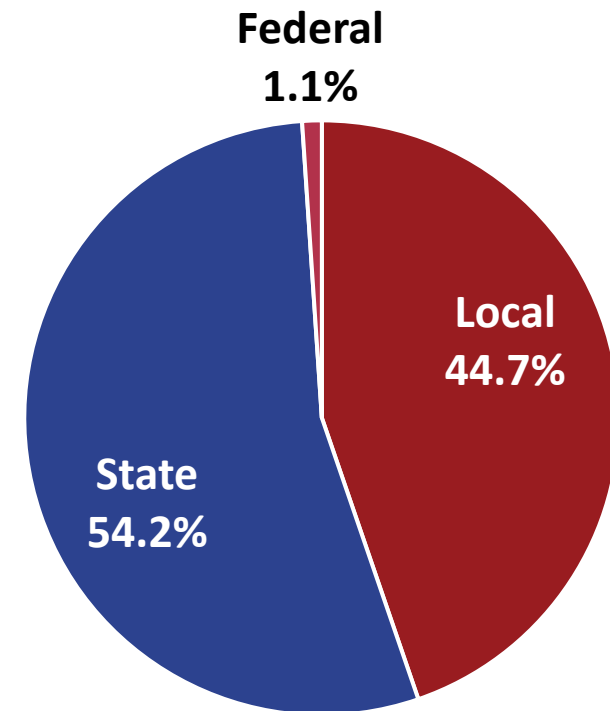


GENERAL FUND



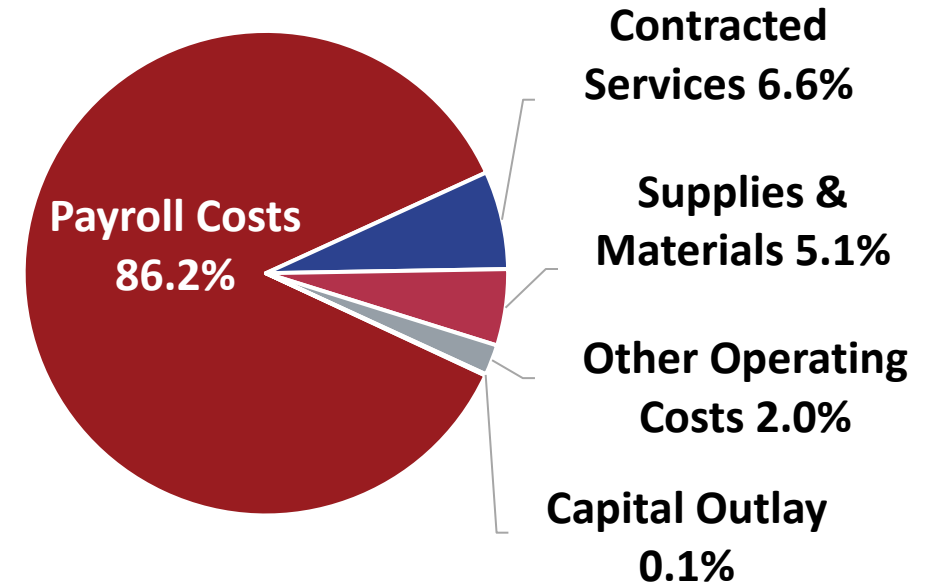
2021-2022 GENERAL FUND REVENUE

Source	Amount
Local - Current Year Tax Collections	\$78,816,903
Local - Delinquent Taxes, Penalty & Interest	1,320,000
Local - Investment Earnings	70,000
Local - Miscellaneous Revenue	681,000
State Funding	86,928,855
State TRS Contributions	11,050,500
Federal Sources	1,920,000
Total Revenues	\$180,787,258

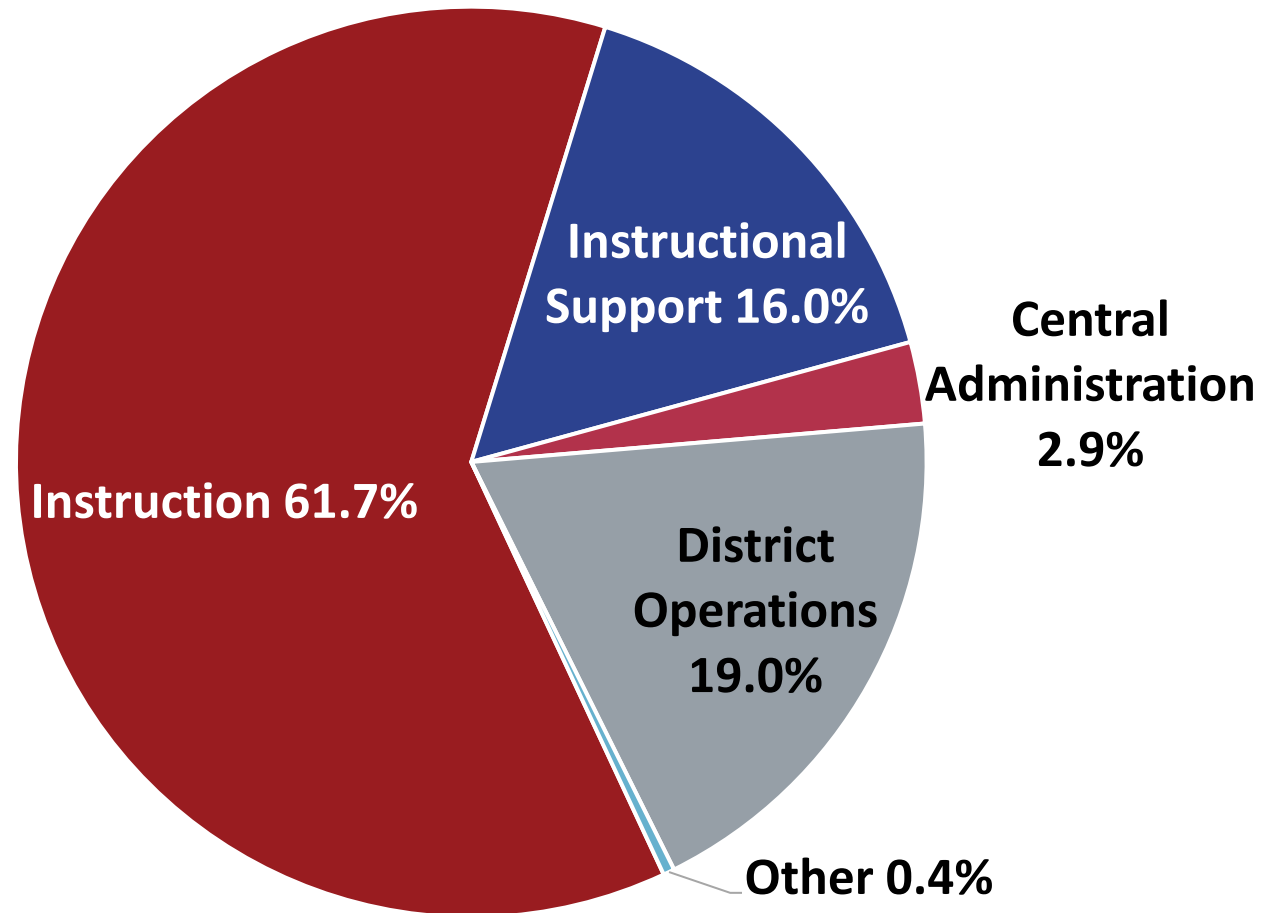


2021-2022 GENERAL FUND EXPENDITURES

Expenditures	Amount
6100 Payroll	\$171,881,259
6200 Contracted Services	13,046,139
6300 Supplies and Materials	10,159,099
6400 Other Operating Expenses	4,052,163
6600 Capital Outlay	174,173
Total Expenditures	\$199,312,833



2021-2022 GENERAL FUND EXPENDITURES BY FUNCTION





FOOD SERVICE FUND



2021-2022 PROPOSED FOOD SERVICE FUND BUDGET

Revenues	
5700 Local and Intermediate Sources	\$4,822,150
5800 State Program Revenue	300,000
5900 Federal Program Revenue	4,093,200
Total Revenues	<u>9,215,350</u>
Expenditures	
35 Food Service	<u>9,215,350</u>
Total Expenditures	<u>9,215,350</u>
Revenues Over/(Under) Expenditures	<u>-</u>
Other Financing Sources/(Uses)	<u>-</u>
Net Change in Fund Balance	-
Fund Balance, Beginning	578,445
Fund Balance, Ending	<u><u>\$578,445</u></u>



DEBT SERVICE FUND



2021-2022 PROPOSED DEBT SERVICE FUND BUDGET

Revenues	
5700 Local and Intermediate Sources	\$35,816,407
5800 State Program Revenue	468,207
5900 Federal Program Revenue	-
Total Revenues	<u>36,284,614</u>
Expenditures	
71 Debt Service	<u>41,214,189</u>
Total Expenditures	<u>41,214,189</u>
Revenues Over/(Under) Expenditures	<u>(4,929,575)</u>
Other Financing Sources/(Uses)	<u>-</u>
Net Change in Fund Balance	(4,929,575)
Fund Balance, Beginning	25,674,276
Fund Balance, Ending	<u><u>\$20,744,701</u></u>



PENDING BUDGET CONSIDERATIONS



PENDING CONSIDERATIONS

- M&O Tax Ratification Election – Tax Rate Adoption Maximizing Golden Pennies
- Use ESSER III Funds for eligible expenditures and pre-award costs
- Grant opportunities for reimbursements of student device costs and other expenditures associated with the COVID-19 pandemic
- Revenue & Expenditure Adjustments once student enrollment is confirmed

POSSIBLE WAYS TO RECOVER FROM PROJECTED BUDGET DEFICIT

Funding/Savings Opportunities	Budget Impact
1) The Board unanimously approves a VATRE for an additional 3 Golden Pennies (Contingent upon voter approval in November)	\$7.3 million
2) Use ESSER funding to fill funding gaps in 2021/22	\$8.0 million
3) Successfully receive Hurricane Harvey Cycle 2 Grant	\$2.6 million
4) Surpassing enrollment forecast (400 students @ \$7,000 each)	\$2.8 million
5) Cut contingencies in coming year budget	\$0.8 million
6) Salary savings for unfilled positions occurring during the year	\$2.5 million
Total	\$24.0 million

NEXT STEPS

BUDGET & TAX RATE ADOPTION

- Continue monitoring COVID Costs, Grant Opportunities, Stimulus Funding and Legislative Bills for effects on budget
- Receive Final Certified Values by July 25th
- TEA to provide preliminary Maximum Compressed Tax Rate (MCR) by August 5th
- Tax Rate Adoption – August Board Meeting
 - Note: August 16th is the deadline to order an election to be held on the November uniform election date
- Voter-Approval Tax Rate Election (VATRE), if adopted tax rate exceeds Voter-Approval Tax Rate (VATR) – November 2nd

DISCUSSION

THANK YOU!



**Board of Trustees
Agenda Item Information**

Meeting Date: June 8, 2021

Meeting Type	Agenda Placement	
Regular Meeting	Public Hearing	Administrative Report
Special Meeting/Workshop	Open Session	Consent Agenda
Hearing	Executive Session	Regular Agenda
Date Submitted: May 25 2021	Recognition	Information/Discussion

Subject: Approve Minutes of the Regular Board Meeting on May 18, 2021 and Special Board Meeting/Workshop on May 11, 2021

Executive Summary: Minutes of the Regular Board Meeting held on May 18, 2021 and Special Board Meeting/Workshop Meeting on May 11, 2021 are submitted for your review.

Associated District Goal: N/A

Fiscal Impact:	Funding Source:	Fiscal Year:
Cost:	General Fund	Amendment Required?
Recurring	Grant Funds	Yes
One-Time	Other Funds (Specify)	No
No Fiscal Impact		

Superintendent's Recommendation: That the minutes for the Regular Board Meeting on May 18, 2021 and Special Board Meeting/Workshop Meeting on May 11, 2021 be approved as presented.

Department Submitting: Superintendent's Office	Requested By: John P. Kelly, Ph.D.
Cabinet Member's Approval: John Kelly, Ph.D.	

Board Approval Required: **Yes** **No**

