



2018-2019 Annual Budget

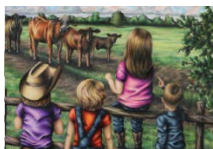


Pearland Independent School District

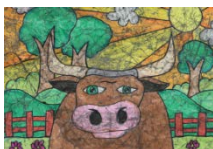
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2018-2019 Annual Budget
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Pearland Independent School District

Pearland, Texas

2018-2019 Annual Budget

For Fiscal Year

July 1, 2018 – June 30, 2019

Issued by:

Dr. John Kelly – Superintendent

Jorgannie Carter, CPA, RTSBA – Chief Financial Officer

Yvette Rogers – Budget and Compliance Director

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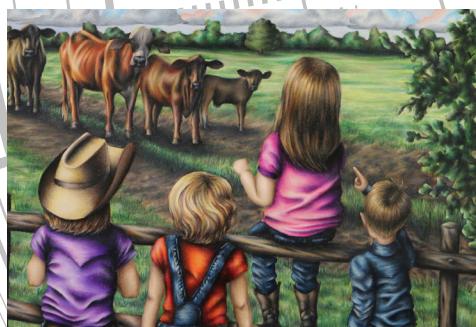
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Introductory Section





2018-2019 Budget Summary

June 12, 2018

Members of the Board of Trustees
Pearland Independent School District
1928 N. Main
Pearland, TX 77581

Dear Trustees:

We are pleased to submit the Pearland Independent School District's Annual Budget for fiscal year 2018-2019. This budget document presents the District's financial and operations plan.

BUDGET OVERVIEW & HIGHLIGHTS

Federal, state and local guidelines guide the budget development process. The overall priorities for the Pearland Independent School District are as follows:

- We will strategically and collaboratively manage all PISD resources and funding to maximize the educational outcomes for every student.
- We will provide technological opportunities to facilitate learning.
- We will engage students and parents through our diverse community's strengths, resources, and talents.
- We will capitalize on the resources and talents of our business community to increase collaboration and expand opportunities for students to gain real world experiences.
- We will develop a system where student learning will be measured through application and transference from one discipline to another.
- We will address (meet) the social and emotional needs of all students.

This budget proposal seeks to achieve these goals. It includes a general pay increase of 3% for all staff and a starting teacher pay of \$54,750, seeking to retain and recruit highly qualified staff. In addition, it adds personnel to increase the mental health services provided to our students.

SUMMARY OF DISTRICT BUDGETS

The District's fund structure is comprised of Governmental Funds, consisting of General Funds, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. It is important to note that the District approves annual budgets for the General Fund, Food Service Special Revenue Fund and Debt Service Fund. Special Revenue Funds and Capital Projects Funds adopt project-length budgets which do not correspond to the District's fiscal year end and are not subject to Board approval; hence, this budget does not include information on such funds.

The following table presents a summary of total projected revenues and other financing sources and total projected expenditures and other financing uses for all appropriated funds for fiscal year 2018-19.

	GENERAL FUND	DEBT SERVICE FUND	FOOD SERVICE FUND	TOTAL APPROPRIATED FUNDS
Revenues and Other Financing Sources	\$167,373,111	\$30,937,316	\$9,850,000	\$208,160,427
Expenditures and Other Financing Uses	175,413,422	30,937,316	9,850,000	216,200,738
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	<u>(\$8,040,311)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$8,040,311)</u>

GENERAL OPERATING FUND

In order to prepare the annual budget, the District develops projections for enrollment, property values, collection rates, state funding, and expenditure levels. In this summary, you will find the District’s budgetary highlights which provide a general overview of the basis of our assumptions and projections for the coming 2018-19 fiscal year.

Revenues for fiscal year 2018-19 are expected to increase by \$1.6 million or 1% over 2017-18 amended revenues. Fiscal year 2018-19 budgeted expenditures total \$175.4 million; 0.5% below 2017-18 amended budget expenditures. Although budgeted expenditures exceed projected revenues by \$8 million, our budget is considered balanced because we are using a portion of our reserved fund balance to cover the deficit; the remaining fund balance will be sufficient to provide a minimum of two months of operations.

General Operating Fund Summary

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 BUDGET
Revenues	168,773,473	165,771,124	167,373,111
Expenditures	165,665,699	176,306,943	175,413,422
Revenues Over/(Under) Expenditures	<u>3,107,774</u>	<u>(10,535,819)</u>	<u>(8,040,311)</u>
Other Financing Sources/(Uses)	<u>(1,985,039)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	1,122,735	(10,535,819)	(8,040,311)
Fund Balance, Beginning	49,614,047	50,736,782	48,272,782
Fund Balance, Ending	<u>\$50,736,782</u>	<u>\$48,272,782</u> *	<u>\$40,232,471</u>

* Note: Although fiscal year 2017-18 amended budget shows a deficit of \$10.5 million, it is currently estimated to end with a \$2.5 million deficit due to higher than anticipated revenues and cost savings.

Projected Fund Balance

We are projecting to end fiscal year 2018-19 with a fund balance of \$40.2 million; \$8 million or 16.7% decrease from projected 2017-18 ending fund balance. This represents an 84-day operating reserve; which is slightly lower than the 90-day operating fund balance that administration strives to maintain.

It is essential for school districts to maintain an adequate fund balance level to mitigate current and future risks, such as revenue shortfalls as we are experiencing this fiscal year, or unanticipated expenditures. The Government Finance Officers Association recommends that school districts maintain a fund balance level of no less than two months of regular general fund operating expenditures. Pearland ISD’s projected 2018-19 general fund ending balance includes 2.75 months of expenditures and is in compliance with this recommendation.

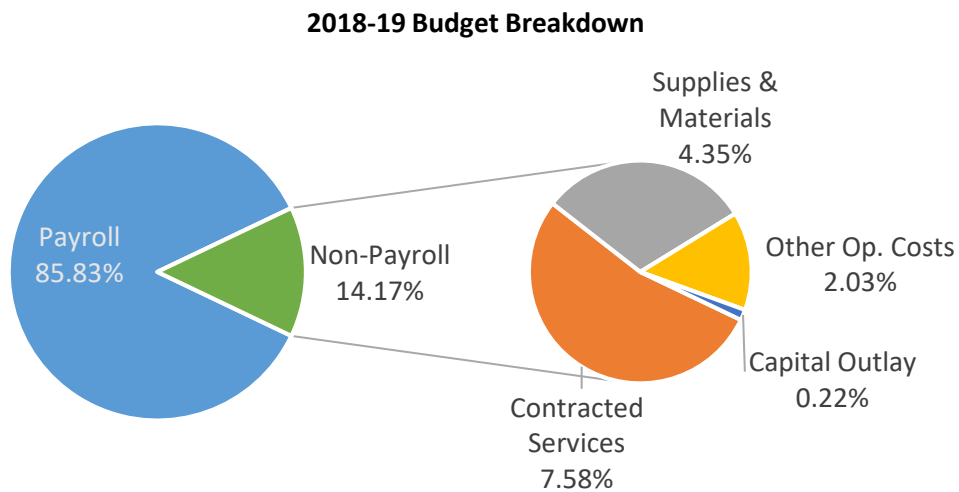
GENERAL OPERATING FUND – EXPENDITURE LEVELS

The expenditures budget for fiscal year 2018-19 is \$175,413,422; 85.8% of the budget is for salary and benefits while the remaining 14.2% is budgeted for contracted services, supplies and materials, capital outlay and other operating costs.

PAYROLL EXPENDITURES

Payroll expenditures for fiscal year 2018-19 comprise 85.8% of the general fund budget. Total payroll is \$150.5 million or 2% over the fiscal year 2017-18 amended payroll budget.

The chart below portrays the breakdown of budgeted expenditures by object.



The following list describes each object code:

- Payroll Costs (85.83%) includes salary and benefits for all District employees other than food service, teaching incentives, student tutorials, stipends, and any other employee-related cost.
- Contracted services (7.58%) consist of utilities (electricity, gas, water, telephone, etc.), school resource officers, copier leases, audit and legal services, etc.
- Supplies & Materials (4.35%) is comprised of general instructional supplies and resources, technology equipment (computers, servers, laptops, printers, carts, etc.), janitorial supplies, software licensing, fuel, etc.
- Other Operating Costs (2.03%) include property and casualty insurance, flood insurance, automobile insurance, liability insurance, employee and student travel, and other operating costs.
- Capital Outlay (0.22%) includes the cost to replace buses, large maintenance equipment and vehicles, furniture, and other capital items with a unit value at or above \$5,000.

Staff Salary Increase – The projected budget includes a district-wide 3% general pay increase approved by the District’s Board of Trustees during the May 22, 2018 board meeting. The increase totals \$3.9 million plus related benefit costs.

<u>Employee Classification</u>	<u>Salary Increase</u>
Teachers and Librarians	\$2,344,995
Administrative - Business & Operations	131,651
Administrative - Educational	680,057
Administrative Support	165,128
Instructional Support	137,003
Auxiliary	436,779
Total	<u>\$3,895,613</u>

Additional Personnel - In addition to the 3% general pay increase, the board approved the addition of eleven positions, including six counselors and special education personnel aimed at the mental health needs of students. The minimum salary for these positions total \$771,195; however, the District budgeted \$900,000 (to include benefits and additional pay for more experienced hires).

<u>POSITION</u>	<u>CAMPUS/DEPARTMENT</u>	<u>FTE</u>	<u>Minimum Salary</u>
Student Support Counselors	High Schools	4.0	\$306,208
Student Support Counselors	Junior High Schools	2.0	146,074
ARD Facilitator	High Schools - Special Ed.	3.0	189,306
Licensed Spec School Psychology	Administration - Special Ed.	1.0	68,683
School Nurse	Dawson High Schools	1.0	60,924
		<u>11.0</u>	<u>\$771,195</u>

NON-PAYROLL EXPENDITURES

Non-payroll expenditures were reduced from \$28,765,216 for fiscal year 2017-18 to \$24,863,319 for fiscal year 2018-19 or 14.2% in order to reduce the deficit caused by slowed growth in enrollment, a reduction in State funding and increased payroll costs to cover the 3% general pay increase and additional positions added. Campus and department budgets were reduced by 10% across the board and district-wide budgeted items were thoroughly analyzed and reduced.

Campus Allocations – Campus budget allocations were reduced by 10% for a total of \$250,000 as follows:

<u>Campus Allocations</u>	<u>Fiscal Year 2017-18</u>	<u>Fiscal Year 2018-19</u>
Elementary Schools	\$99.00	\$89.10
Middle Schools	\$99.00	\$89.10
Junior High Schools	\$111.27	\$100.14
PACE	\$126.60	\$113.94
High Schools	\$143.00	\$128.70

Matrix of Projected Expenditures by Function and Object - The District's projected budget is geared toward ensuring the continued success of our students and meeting the goals established by our Board of Trustees and Superintendent.

The following matrix summarizes the 2018-2019 budgeted expenditures at the functional level as well as by the object types described above. The District's payroll expenditures for direct student instruction (function 11) is projected at 65.26% of the total payroll budget.

Function/Object	6100 Payroll	6200 Contracted Services	6300 Supplies & Materials	6400 Other Op. Costs	6600 Capital Outlay	Total by Function	Percent of Total
11 - Instruction	98,250,541	862,549	1,903,375	464,069	67,000	101,547,534	57.89%
12 - Instructional Res. and Media Svcs.	1,497,532	35,410	235,726	2,410	-	1,771,078	1.01%
13 - Curriculum and Staff Development	4,517,296	66,990	133,500	162,624	-	4,880,410	2.78%
21 - Instructional Leadership	2,116,863	31,247	202,686	50,480	-	2,401,276	1.37%
23 - School Leadership	11,073,761	26,100	200,361	100,980	-	11,401,202	6.50%
31 - Guidance, Couns. and Eval. Svcs.	6,572,540	28,470	108,487	19,255	-	6,728,752	3.84%
32 - Social Work Services	411,802	150,300	40,003	8,143	-	610,248	0.35%
33 - Health Services	1,547,685	5,080	31,658	10,355	-	1,594,778	0.91%
34 - Student Transportation	5,299,782	166,500	1,350,648	257,500	107,000	7,181,430	4.09%
36 - Extracurricular Activities	2,734,820	466,357	434,734	545,882	-	4,181,793	2.38%
41 - General Administration	3,679,129	435,687	171,225	272,884	-	4,558,925	2.60%
51 - Plant Maintenance and Ops.	10,626,756	7,881,567	1,362,442	1,605,924	145,000	21,621,689	12.33%
52 - Security and Monitoring Svcs.	56,811	1,926,276	87,000	4,250	5,000	2,079,337	1.19%
53 - Data Processing Services	2,153,581	428,574	1,368,871	52,040	59,900	4,062,966	2.32%
61 - Community Services	11,204	-	-	-	-	11,204	0.01%
95 - JJAEP Payments	-	53,672	-	-	-	53,672	0.03%
99 - Other Intergovernmental Charges	-	727,128	-	-	-	727,128	0.41%
Total by Object	150,550,103	13,291,907	7,630,716	3,556,796	383,900	175,413,422	
Percent of Total	85.83%	7.58%	4.35%	2.03%	0.22%		

2018-2019 GENERAL OPERATING FUND – REVENUES

Revenue estimates are based upon a variety of demographic and tax information. Estimating revenue from the two major sources, state funding from the Foundation School Program (FSP) and local property taxes, are critical to the budget. The District estimates total General Operating Fund revenues of \$167,373,111 for the 2018-19 fiscal year. The state sources of revenue that support the General Operating Fund budget represent 50.23% of all available sources of funding. Local sources of revenue constitute 48.51% and federal sources 1.26%. The recommended budget includes a total increase of \$1.6 million or 1% over fiscal year 2017-18 amended revenue levels.

The following table provides a comparison of revenues by source for the 2016-17 actual, 2017-18 amended and the 2018-19 budget years.

Revenues	2016-17 Actual	2017-18 Amended Budget	2018-19 Budget	Percent Change
Local Sources	\$74,821,454	\$78,609,248	\$81,190,400	3.3%
State Sources	91,588,072	85,795,876	84,076,711	-2.0%
Federal Sources	2,363,947	1,366,000	2,106,000	54.2%
Total	\$168,773,473	\$165,771,124	\$167,373,111	1.0%

LOCAL REVENUES

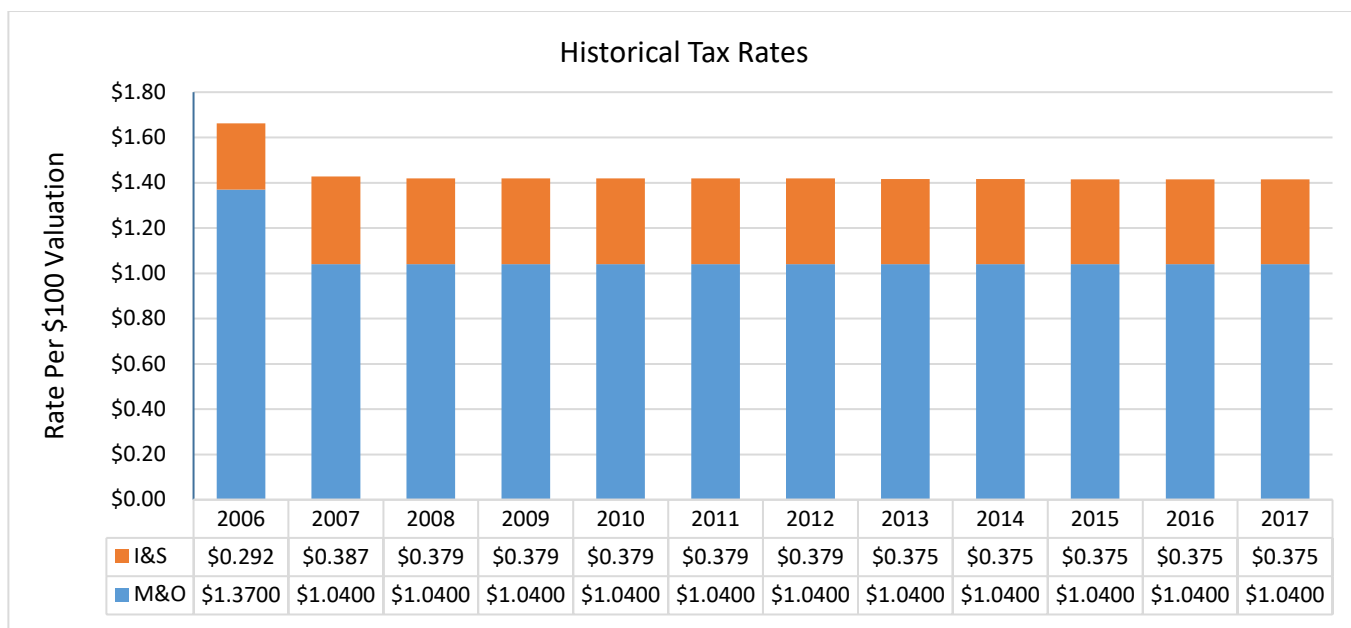
Total revenues from local sources are projected to increase by 3.3%. Revenues from current year taxes are expected to increase by 2.8% from an amended \$76,081,248 for fiscal year 2017-18 to a projected \$78,232,400 for fiscal year 2018-19 due to an estimated increase in District’s property values of 2.75% and a 98% tax collection rate.

Prior year tax collections are projected at \$800,000 and penalty and interest on past due taxes at \$368,000. Earnings on investments is projected at \$560,000 (an increase of \$450,000 from amended revenues due to diversification of funds as well as rising interest rates) and other revenues including tuition and fees, rent, gate receipts, and other local sources are projected at \$1,218,000.

Tax Rate – Based on the taxable value, the District must project the level of taxation that will generate adequate funds to maximize state aid and provide for funds to meet district obligations while keeping in mind the ability of local taxpayers to pay their taxes. As mandated in H.B. 1 in 2006-07, the general fund tax rate (Maintenance & Operations or “M&O”) was first compressed from \$1.50 to \$1.33. The Board then approved using the additional \$0.04 pennies available to balance the budget and the tax rate was set at \$1.37 for 2006-07. In 2007-08, the tax rate was compressed to \$1.04 as required by H.B. 1.

During the budget workshops held in May, the Board of Trustees were advised that an increase of two cents to the M&O tax rate would produce an additional \$5.5 million in local and state funding and was provided with the amount of additional revenue generated at various M&O rates. The Board of Trustees expressed no interest in raising the M&O tax rate for fiscal year 2018-19 at the May 22, 2018, board meeting but rather wait one more year to see if the legislature makes any changes to its funding elements to increase State aid. The general fund tax rate will remain at \$1.04 for 2018-19; which is one of the lowest amongst Region 4 districts.

The following table presents the District’s historical tax rates since fiscal year 2006-2007.

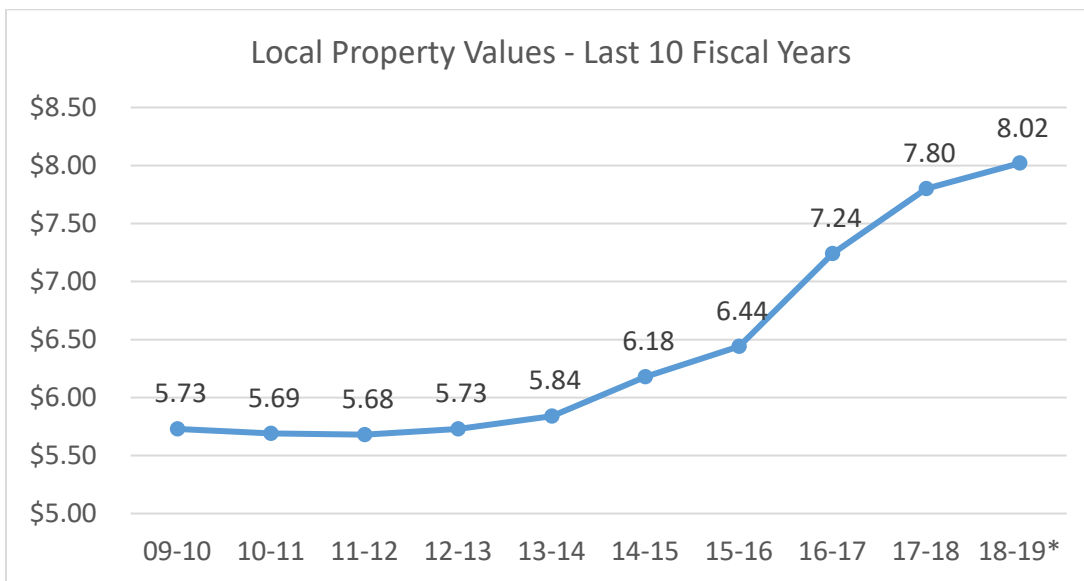


Taxable Property Values – Property values impact both State and local revenue estimates since the revenue received from the State is dependent upon the amount that can be raised locally.

The Harris County Appraisal District (HCAD) 2018 Certified Estimates are \$188.8 million (a 2.41% increase over prior year values) and the Brazoria County Appraisal District’s (BCAD) 2018 Certificate of Estimated Values for Pearland ISD is \$7.9 billion (an increase of 3.99% over prior year values). Although this is good news on the wake of Harvey, the appraisal district estimates that the 12,000 county-wide protests will end up lowering this estimated value significantly.

The 2018-19 projected budget is being based off a 2.75% increase from the 2017 Tax Year, which is more conservative than the initial 3.95% combined estimated increase provided by BCAD and HCAD. The District estimates its property values to increase to a total of \$8 billion for fiscal year 2018-19 (2018 tax year).

The District projects moderate growth of 2.75% for the next several years beyond 2018-19. It is important to note that changes in property value do not have a huge impact on total revenue since increases in local revenue are offset by decreases in State revenue in the following year.



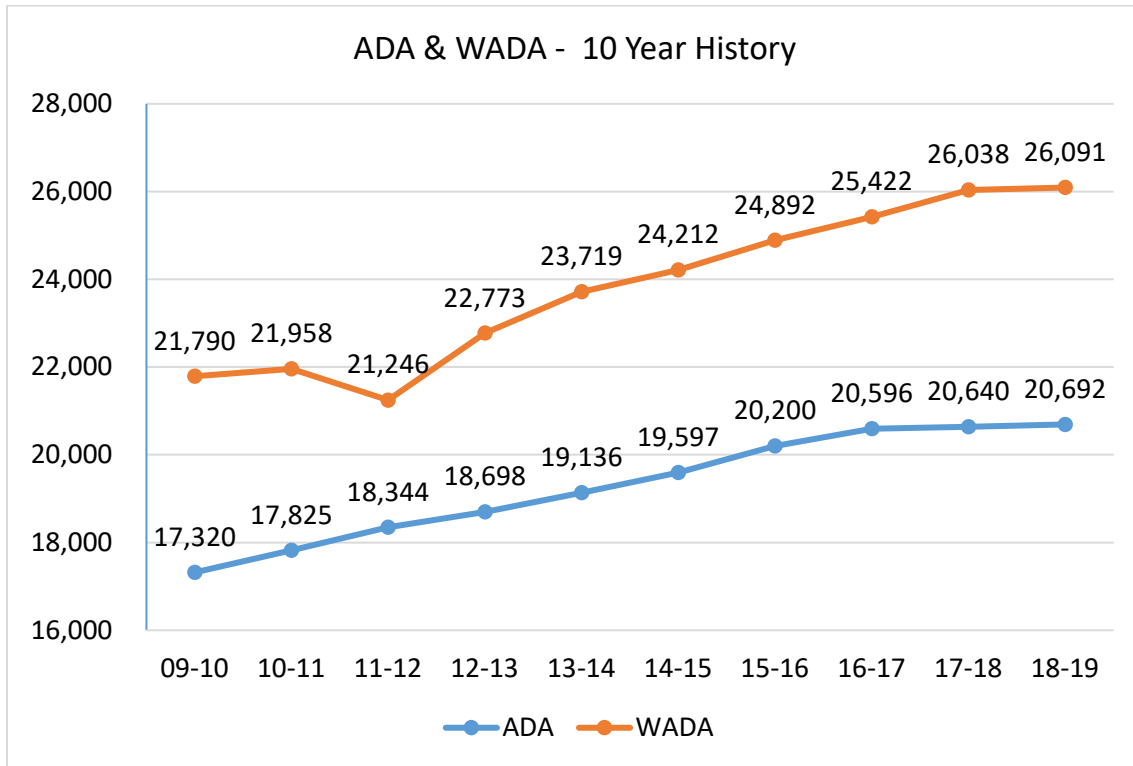
STATE REVENUES

The 2018-19 state revenue projections are based on an estimated average daily attendance (ADA) of 20,692 students. The District projects to receive a total of \$77,118,684 in State Aid; which is comprised of \$67,888,769 from the Foundation School Fund (FSF) and \$9,229,915 from the Available School Fund (ASF).

It is important to note that ASF funding is not received in addition to the funding making up the District’s FSP state aid, but as a part of the funding making up that state aid. Although State funding formulas are rather complex, the breakdown below seeks to explain in simplistic detail the basic elements and standard calculations used by each component.

The table below presents historical ADA and WADA projections. The spike to WADA during fiscal years 2017-18 and 2018-19 are due to an increased ADA reported for State Compensatory. Total enrollment was coded as Free and

Reduced during the months of September and October 2017 due to Texas Department of Agriculture reporting for Hurricane Harvey.



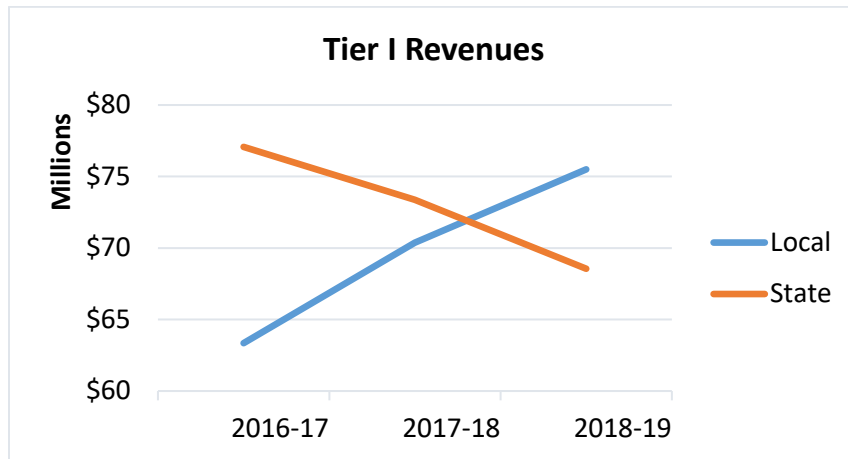
Tier I State Aid – Basic Allotment – Tier I of the funding formula allots an amount per student (\$5,140 for 2017-18 and 2018-19) to each school district based on average daily attendance (ADA) with additional weight given for special programs. From the total Tier I allotment, a deduction is made for the local district’s share based on the individual district’s property tax base multiplied by a constant tax levy of \$1.00 (or the compressed rate if the compressed rate is not \$1.00) per \$100 of assessed taxable property value. The remainder represents the State’s share of Tier I funding. Under this methodology, a district’s wealth factors significantly into its share of state funding. The higher the wealth per student, the higher the proportional deduction from the Tier I total.

The total cost of Tier I for 2018-19 is \$144,052,185. With prior year (2017) State Certified Property Values of \$7,550,037,471, the District’s local share for Tier I funding is \$75,500,375, with the remaining \$68,551,810 share to be funded by the State.

The following table compares the State and Local share of Tier I funding for the last three years.

Tax Year Fiscal Year	2015 2016-17	2016 2017-18	2017 2018-19
District Property Values	\$6,334,851,051	\$7,037,231,349	\$7,550,037,471
Total Cost of Tier I	\$140,419,076	\$143,754,307	\$144,052,185
Less: Local Share of Tier I	63,348,511	70,372,313	75,500,375
State Share of Tier I	<u>\$77,070,565</u>	<u>\$73,381,994</u>	<u>\$68,551,810</u>

The chart below illustrates how an increase in local revenues are causing a decrease to State funding.



Tier II State Aid – Basic Program Enrichment – Tier II of the formula rewards the tax effort of a district by guaranteeing that tax effort in the current year, beyond the required local share of Tier I, will yield a minimum amount of money per weighted student in average daily attendance (WADA). In Tier II, for the first six cents of tax above the compressed rate (referred to as “golden pennies”), the State subsidizes tax receipts as needed to produce a guaranteed level of revenue per student per penny of property tax levy. The guaranteed yield for those golden pennies is \$99.41 for 2017-18 and is increasing to \$106.28 for 2018-19. The guaranteed yield on any additional pennies above the compressed rate plus six cents (up to the maximum rate of \$1.17) is fixed at \$31.95 for all years.

The District’s M&O rate of \$1.04, which is four cents, or “golden pennies”, above the District’s compressed rate of \$1.00 will generate Tier II State Aid of \$8,112,314 for fiscal year 2018-19.

Staff Allotment – The District also receives funding known as Additional State Aid for Staff Salary Increases. School districts receive \$500 for each full-time employee (\$250 for each part time employees) who is not an administrator or subject to the minimum salary schedule. For fiscal year 2018-19, the District projects to receive \$454,560 of this State allotment.

State Funding Summary - State formula funding is projected to decrease by \$4,593,350 from 2017-18 to 2018-19. Minor increases in the Tier II yield are more than offset by the increase in the local fund assignment (due to increases in property values). The following table summarizes State aid.

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
Tier I Share of State Funding	\$77,070,565	\$73,381,994	\$68,551,810
Tier II State Aid	5,883,995	7,915,624	8,112,314
Staff Allotment	449,661	414,416	454,560
Less: Available School Fund	(7,884,019)	(4,254,481)	(9,229,915)
Total Foundation School Fund	<u>\$75,520,202</u>	<u>\$77,457,553</u>	<u>\$67,888,769</u>
Foundation School Fund	\$75,520,202	\$77,457,553	\$67,888,769
Available School Fund	<u>7,884,019</u>	<u>4,254,481</u>	<u>9,229,915</u>
Total State Revenues	<u><u>\$83,404,221</u></u>	<u><u>\$81,712,034</u></u>	<u><u>\$77,118,684</u></u>

On-Behalf TRS Payments – This revenue source is a non-cash transaction that the District is required to record in its books to account for the amount of retirement payments (contributions) made by the State on behalf of the District for all of its employees. The intent of this transaction is to account for the entire cost of providing school services in the State of Texas. For fiscal year 2018-19, the projected amount is \$6,958,027 (offset by expenditures).

State Funding Lag – As required by a new indicator in the Financial Integrity Rating System of Texas (Schools FIRST), the state funding lag was discussed at the May 3, 2018 budget workshop. In short, prior year property values are used in the formulas to calculate State revenues causing a one year funding lag – if the local revenue decreases in the year of the property value decline, the State does not recognize that decline until the subsequent year.

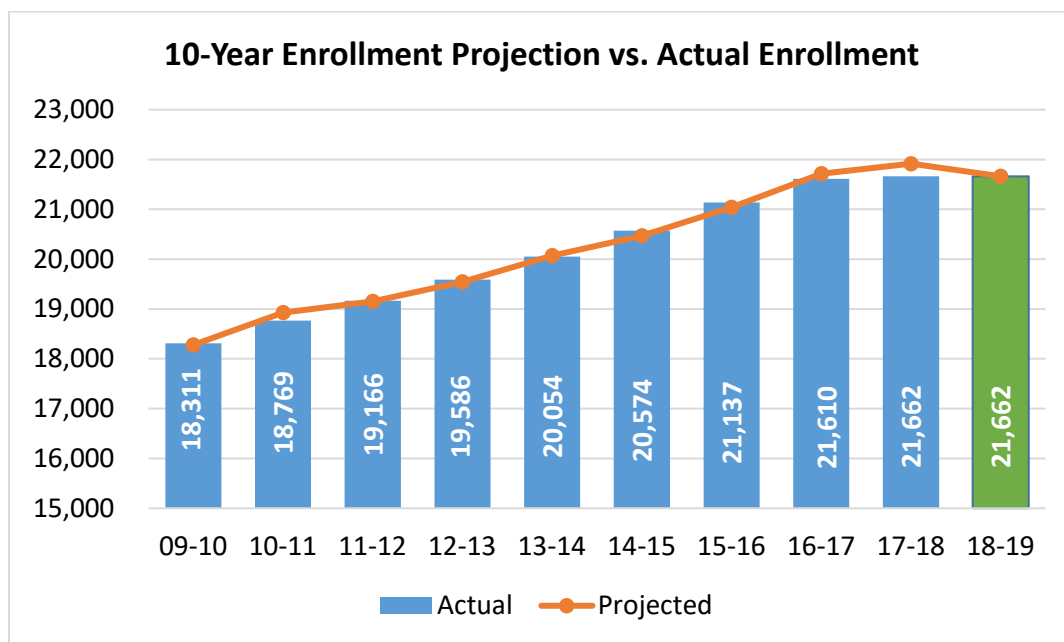
Hypothetically, if the District’s actual property values for tax year 2018 were to decrease, the District would receive decreased State funding during fiscal year 2018-19 (since it uses 2017 tax values in its calculations) and then the funding would increase for fiscal year 2019-20 (since it would use 2018 property values that experienced a decrease).

FEDERAL SOURCES OF REVENUES

The District projects a minor increase in federal sources of revenue for fiscal year 2018-19. Revenue sources are mainly comprised of Medicaid reimbursements (MAC) and School Health and Related Services (SHARS) reimbursements. Total federal revenues are projected at \$2,106,000.

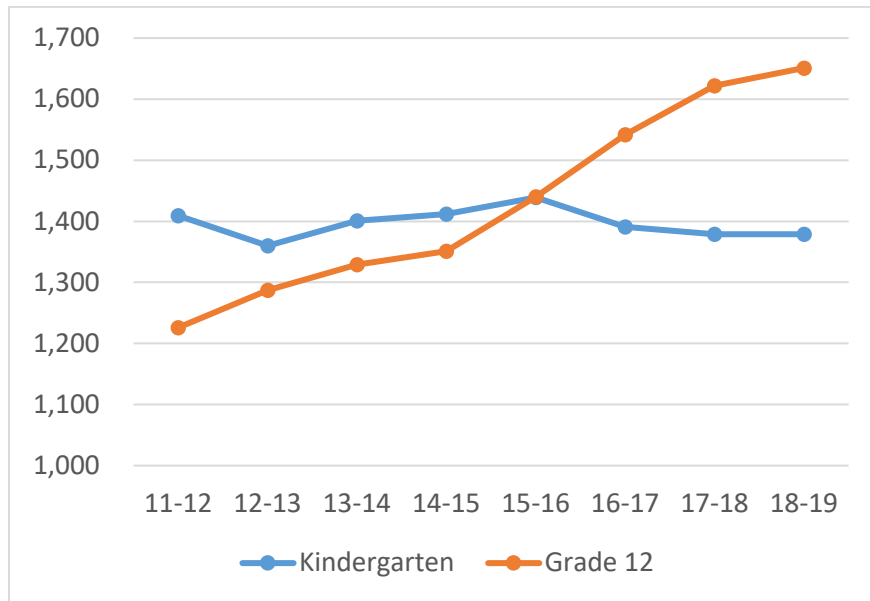
STUDENT ENROLLMENT

Student enrollment projections influence State revenue estimates, staffing decisions, per-pupil allocations, facility needs, debt issuance requirements and many other budgetary decisions. The District experienced fairly significant increases in enrollment during the last ten years; approximately 400-700 students per year. The 2017-18 budget was developed based on a 307 increase in enrollment; however, actual enrollment increase was 52 students or 0.25%. The following table provides a historic projected enrollment versus actual enrollment.



The District’s enrollment for school year 2018-2019 is projected to remain flat. District administration will continue to monitor enrollment on a regular basis to implement adjustments due to possible fluctuations.

Future enrollment is projected to vary by +/- 0.25% each year. These enrollment fluctuations are attributable to large graduating classes and smaller incoming kindergarten class sizes as well as housing availability, house pricing for new families, and slowed rate of moving for families who no longer have children in school. The table below shows the number of graduating students versus incoming kindergarteners and the increasing gap.



LEGISLATIVE ISSUES

We are now entering the second year of the biennium. The Legislature has not been in session during this budget development process so the formulas to determine State funding were in place prior to beginning the budget development process.

House Bill 21 of the 85th Texas Legislature, 1st Called Special Session (2017) created the Texas Commission on Public School Finance and charged the 13-member group to develop recommendations by December 31, 2018, to address “issues related to the public school finance system”, including (1) its purpose and the relationship between state and local funding in that system, (2) the appropriate levels of maintenance and operations and interest and sinking fund tax effort necessary to implement a system that complies with the requirements under the Texas Constitution, and (3) policy changes to the finance system necessary to adjust for student demographics and the geographic diversity of the state.

Governor Abbott’s goals for the Commission are to (1) change our defective structure of school finance, (2) to create a system that fosters innovation to modernize our education system for the next generation and (3) to explore alternatives to the burdensome and inefficient property tax upon which our system far too heavily relies.

So far, the Commission’s consensus is that while Texas is booming economically, the revenue available for public education (and other publicly financed programs and services) is limited and generating additional revenue will be challenging. They have also discussed general revenue being the key source of education funding. For education expenses specifically, the Foundation School Program sources 89% of its revenue from general revenue and 11% from occupation taxes. Most of the general revenue is derived from sales tax revenue, accounting for ⅔ of it.

Although sales tax revenues have been up in recent months, the State has already dedicated these funds to other programs, including Medicaid, to transfer money back to HHSC that had been used to fund TRS and TEA, and Harvey relief for affected areas. In addition, there are known general revenue dedications for the next biennium, such as the State Highway Fund, the reduction on sales tax on internet services (the Internet Tax Freedom Act will prohibit such a tax beginning in 2020), and shortfalls faced by the Texas Guaranteed Tuition Plan.

The pressure to fund the education system is unfortunately falling on property taxpayers, whose property tax dollars fund the other source of education funding: local M&O and I&S tax revenue.

DEBT SERVICE FUND

Fiscal year 2018-19 Debt Service Fund revenues are projected at \$29.1 million, a slight increase of \$152,000 over estimated 2017-18 revenues primarily due to an increase in local property taxes offset by a decrease in projected State funding. Local sources of revenue for 2018-19 comprise 99% of debt service revenues and include property tax collections as well as earnings on investments.

The expenditures budget is increasing to meet debt service requirements from the partial issuance of the \$220 million 2016 Bond during July 2017 and the remaining sale slated for February 2019. The 2018-19 debt service budget is balanced as shown below.

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 BUDGET
Revenues	\$29,347,541	\$28,985,466	\$29,137,316
Expenditures	26,943,433	29,369,750	30,937,316
Revenues Over/(Under) Expenditures	2,404,108	(384,284)	(1,800,000)
Other Financing Sources/(Uses)	(98,760)	3,224,284	1,800,000
Net Change in Fund Balance	2,305,348	2,840,000	0
Fund Balance, Beginning	16,847,686	19,153,034	21,993,034
Fund Balance, Ending	<u>\$19,153,034</u>	<u>\$21,993,034</u>	<u>\$21,993,034</u>

FOOD SERVICE SPECIAL REVENUE FUND

The 2018-19 Food Service Special Revenue Fund budget is balanced with revenues equaling expenditures of \$9,850,000. Revenues and expenditures are projected to increase by \$85,800 over the amended 2017-18 budget.

Local revenue consists of 53.1% of all revenue sources and are generated primarily from student and staff payments for meals. Implementation of new programs, scheduling, and student demographics play a large role in the determination of meal revenues. State revenue comprises 2.2% of total revenues and is generated from School Lunch Matching and TRS on behalf (offset by expenditures). Federal revenue makes up 44.7% of revenues and is received from the U.S. Department of Agriculture under the National School Lunch Program, the School Breakfast Program and the Food Distribution Program.

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 BUDGET
Revenues	\$9,288,890	\$9,764,200	\$9,850,000
Expenditures	8,894,463	9,764,200	9,850,000
Revenues Over/(Under) Expenditures	394,427	0	0
Other Financing Sources/(Uses)	0	0	
Net Change in Fund Balance	394,427	0	0
Fund Balance, Beginning	2,147,488	2,541,915	2,541,915
Fund Balance, Ending	<u>\$2,541,915</u>	<u>\$2,541,915</u>	<u>\$2,541,915</u>

FINAL COMMENTS

Budget Overview – The preparation of the District’s 2018-19 annual budget is a coordination of many efforts from campuses, departments, administration, and the Business Office. This process began in November 2017 by studying trends and projecting enrollment as it is the main driving force of our budget. During January 2018, the Business Office kicked off the site-based decision budget process at a meeting held with all campus and department administrators in which they received budget direction and individual allocations. After the budgets were submitted, numerous meetings were held in March and April with each department to review their individual programs, budgets, requests for additional funds and expenditure trends. Two budget workshops were held with the Board during the month of May and salary decisions were made at the May 22, 2018 board meeting.

As discussed during the budget workshops held in May, fiscal year 2017-2018 has brought several challenges (including Hurricane Harvey and lower than expected enrollment) for which the District has been able to cope and adjust thanks to the accumulation of a healthy fund balance. Fiscal year 2018-19 will be an even more difficult year as enrollment is not expected to increase and State funding will diminish even further due to growth in local property values.

Closing Remarks – The 2018-19 budget was developed according to the goals and guidance of the Board of Trustees and the Superintendent. Resources were allocated to meet these goals in an effort to continue being one of the best school districts in Texas. We are proud of our District and ready to adapt to the challenges of the upcoming fiscal. We commend our school board for their commitment in maintaining our mission of preparing students to perform at their highest potential and produce global citizens of tomorrow while ensuring a safe and secure environment for all students and staff.

Pearland ISD continues to receive statewide acclaim for its combination of high student achievement and low per student costs. In May 2018, Pearland ISD was cited as one of only 24 public school districts in Texas to receive a 5 Star rating from Texas Smart Schools for this combination of low spending and high achievement.

We give special thanks to the Human Resources and Technology departments for assisting us in providing the information and reports necessary to prepare this budget. And lastly, we thank the Budget Team that prepared the wealth of information provided to you during the budget workshops as well as this report which seeks to increase our financial transparency approach to budgeting. The information contained in this report strives to comply with the requirements set forth by the Government Finance Officers Association (GFOA) and Association of School Business Officials (ASBO) budget award programs.

**PEARLAND INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES AND ADMINISTRATION**

BOARD OF TRUSTEES

Rebecca Decker, President

Charles Gooden Jr., Vice President

Jeff Barry, Secretary

Lance Botkin, Member

Crystal Carbone, Member

Mikael Floyd, Member

Sean Murphy, Member

ADMINISTRATION

Dr. John Kelly, Superintendent of Schools

Nanette Weimer, Deputy Superintendent

Jorgannie Carter, Chief Financial Officer

Cary Partin, Senior Assistant Superintendent for Support Services

Sonia Serrano, Senior Assistant Superintendent for Intermediate Education

Dr. Brenda Waters, Senior Assistant Superintendent for Elementary Education

Dr. Nyla Watson, Senior Assistant Superintendent of Instructional Programs

David Moody, Assistant Superintendent for Human Resource Services

Kim Hocott, Executive Director of Communications

Tanya Dawson, General Counsel

Greg Bartay, Chief Technology Officer

Dr. Lisa Nixon, Executive Director of Special Programs

Don Tillis, Director of Facilities and Planning

Financial Section



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 Debt Service Fund and the Food Service Special Revenue 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 nor subject to Board approval.

PEARLAND INDEPENDENT SCHOOL DISTRICT
 COMBINED PROPOSED BUDGET SUMMARY
 GENERAL OPERATING FUND, DEBTS SERVICE FUND, AND FOOD SERVICE SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDING JUNE 30, 2019

	GENERAL FUND	DEBT SERVICE FUND	FOOD SERVICE FUND	2018-2019 TOTAL
Revenues				
5700 Local and Intermediate Sources	\$81,190,400	\$28,868,932	\$5,232,000	\$115,291,332
5800 State Program Revenue	84,076,711	268,384	218,000	84,563,095
5900 Federal Program Revenue	2,106,000	0	4,400,000	6,506,000
Total Revenues	<u>167,373,111</u>	<u>29,137,316</u>	<u>9,850,000</u>	<u>206,360,427</u>
Expenditures				
11 Instruction	101,547,534			101,547,534
12 Instructional Res. & Media Svcs.	1,771,078			1,771,078
13 Curriculum & Staff Development	4,880,410			4,880,410
21 Instructional Leadership	2,401,276			2,401,276
23 School Leadership	11,401,202			11,401,202
31 Guidance & Counseling	6,728,752			6,728,752
32 Social Work Services	610,248			610,248
33 Health Services	1,594,778			1,594,778
34 Student Transportation	7,181,430			7,181,430
35 Food Service			9,850,000	9,850,000
36 Extra-Curricular Activities	4,181,793			4,181,793
41 General Administration	4,558,925			4,558,925
51 Plant Maintenance & Operations	21,621,689			21,621,689
52 Security & Monitoring Services	2,079,337			2,079,337
53 Data Processing Services	4,062,966			4,062,966
61 Community Service	11,204			11,204
71 Debt Service		30,937,316		30,937,316
95 Pymt. to Juvenile Justice Alt. Ed.	53,672			53,672
99 Other Intergovernmental Charges	727,128			727,128
Total Expenditures	<u>175,413,422</u>	<u>30,937,316</u>	<u>9,850,000</u>	<u>216,200,738</u>
Revenues Over/(Under) Expenditures	<u>(8,040,311)</u>	<u>(1,800,000)</u>	<u>0</u>	<u>(9,840,311)</u>
Other Financing Sources/(Uses)	<u>0</u>	<u>1,800,000</u>		<u>1,800,000</u>
Net Change in Fund Balance	<u>(8,040,311)</u>	<u>0</u>	<u>0</u>	<u>(8,040,311)</u>
Fund Balance, Beginning	48,272,782	21,993,034	2,541,915	72,807,731
Fund Balance, Ending	<u>\$40,232,471</u>	<u>\$21,993,034</u>	<u>\$2,541,915</u>	<u>\$64,767,420</u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL OPERATING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
Revenues			
5700 Local and Intermediate Sources	\$74,821,454	\$78,609,248	\$81,190,400
5800 State Program Revenue	91,588,072	85,795,876	84,076,711
5900 Federal Program Revenue	2,363,947	1,366,000	2,106,000
Total Revenues	<u>168,773,473</u>	<u>165,771,124</u>	<u>167,373,111</u>
Expenditures			
11 Instruction	97,446,045	100,903,746	101,547,534
12 Instructional Res. & Media Svcs.	1,714,034	1,840,093	1,771,078
13 Curriculum & Staff Development	4,674,984	5,089,455	4,880,410
21 Instructional Leadership	1,996,364	2,210,793	2,401,276
23 School Leadership	10,477,348	11,273,647	11,401,202
31 Guidance & Counseling	5,541,739	5,684,013	6,728,752
32 Social Work Services	530,827	606,566	610,248
33 Health Services	1,418,337	1,489,665	1,594,778
34 Student Transportation	6,807,783	7,982,276	7,181,430
36 Extra-Curricular Activities	3,969,913	4,532,781	4,181,793
41 General Administration	4,265,087	4,736,375	4,558,925
51 Plant Maintenance & Operations	20,294,006	22,557,528	21,621,689
52 Security & Monitoring Services	1,824,948	2,118,163	2,079,337
53 Data Processing Services	4,048,916	4,466,895	4,062,966
61 Community Service	10,453	12,856	11,204
95 Pymt. to Juvenile Justice Alt. Education	17,600	123,672	53,672
99 Other Intergovernmental Charges	627,315	678,420	727,128
Total Expenditures	<u>165,665,699</u>	<u>176,306,943</u>	<u>175,413,422</u>
Revenues Over/(Under) Expenditures	<u>3,107,774</u>	<u>(10,535,819)</u>	<u>(8,040,311)</u>
Other Financing Sources/(Uses)	<u>(1,985,039)</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	1,122,735	(10,535,819)	(8,040,311)
Fund Balance, Beginning	49,614,047	50,736,782	48,272,782
Fund Balance, Ending	<u>\$50,736,782</u>	<u>\$48,272,782</u> *	<u>\$40,232,471</u>

*Note - Although fiscal year 2017-2018 amended budget shows a deficit of \$10.5 million, it is currently estimated to end with a \$2.5 million deficit due to higher than anticipated revenues and cost savings.

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, 2018 - JUNE 30, 2019 (BUDGET)

	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET	PROPOSED BUDGET VARIANCE	PERCENT VARIANCE
Revenues				
5700 Local and Intermediate Sources	\$78,609,248	\$81,190,400	\$2,581,152	3.3%
5800 State Program Revenue	85,795,876	84,076,711	(1,719,165)	-2.0%
5900 Federal Program Revenue	1,366,000	2,106,000	740,000	54.2%
Total Revenues	<u>165,771,124</u>	<u>167,373,111</u>	<u>1,601,987</u>	<u>1.0%</u>
Expenditures				
11 Instruction	100,903,746	101,547,534	643,788	0.6%
12 Inst. Resources, Media Svcs.	1,840,093	1,771,078	(69,015)	-3.8%
13 Curriculum & Staff Development	5,089,455	4,880,410	(209,045)	-4.1%
21 Instructional Leadership	2,210,793	2,401,276	190,483	8.6%
23 School Leadership	11,273,647	11,401,202	127,555	1.1%
31 Guidance & Counseling	5,684,013	6,728,752	1,044,739	18.4%
32 Social Work Services	606,566	610,248	3,682	0.6%
33 Health Services	1,489,665	1,594,778	105,113	7.1%
34 Student Transportation	7,982,276	7,181,430	(800,846)	-10.0%
36 Extra-Curricular Activities	4,532,781	4,181,793	(350,988)	-7.7%
41 General Administration	4,736,375	4,558,925	(177,450)	-3.7%
51 Plant Maintenance & Operations	22,557,528	21,621,689	(935,839)	-4.1%
52 Security & Monitoring Services	2,118,163	2,079,337	(38,826)	-1.8%
53 Data Processing Services	4,466,895	4,062,966	(403,929)	-9.0%
61 Community Service	12,856	11,204	(1,652)	-12.9%
95 Payment to JJAEP	123,672	53,672	(70,000)	-56.6%
99 Other Intergovernmental Charges	678,420	727,128	48,708	7.2%
Total Expenditures	<u>176,306,943</u>	<u>175,413,422</u>	<u>(893,521)</u>	<u>-0.5%</u>
Revenues Over/(Under) Expenditures	<u>(10,535,819)</u>	<u>(8,040,311)</u>		
Other Financing Sources/(Uses)	<u>0</u>	<u>0</u>	<u>0</u>	
Net Change in Fund Balance	<u>(10,535,819)</u>	<u>(8,040,311)</u>		
Fund Balance, Beginning	50,736,782	48,272,782		
Fund Balance, Ending	<u>\$48,272,782</u> *	<u>\$40,232,471</u>	<u>(\$8,040,311)</u>	<u>-16.7%</u>

*Note - Although fiscal year 2017-2018 amended budget shows a deficit of \$10.5 million, it is currently estimated to end with a \$2.5 million deficit due to higher than anticipated revenues and cost savings.

PEARLAND INDEPENDENT SCHOOL DISTRICT
 ESTIMATED REVENUES
 GENERAL OPERATING FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
Local Sources			
Current Year Taxes	\$71,693,061	\$76,081,248	\$78,232,400
Delinquent Taxes, Penalty & Interest	1,161,344	1,080,000	1,180,000
Investment Earnings	250,484	110,000	560,000
Miscellaneous Local Revenue	1,493,349	1,338,000	1,218,000
Total Local Sources	<u>74,598,238</u>	<u>78,609,248</u>	<u>81,190,400</u>
State Sources			
Foundation School Fund	84,989,975	78,861,105	77,118,684
On-Behalf TRS Payments	6,573,277	6,911,546	6,958,027
Other State Sources	24,820	23,225	-
Total State Sources	<u>91,588,072</u>	<u>85,795,876</u>	<u>84,076,711</u>
Federal Sources			
Miscellaneous Federal Sources	<u>2,363,947</u>	<u>1,366,000</u>	<u>2,106,000</u>
Total Revenues	<u><u>\$168,550,257</u></u>	<u><u>\$165,771,124</u></u>	<u><u>\$167,373,111</u></u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
 EXPENDITURES BY MAJOR OBJECT
 GENERAL OPERATING FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017	2017-2018	2018-2019
	ACTUAL	AMENDED	PROPOSED
	BUDGET	BUDGET	BUDGET
6100 Payroll	\$140,865,939	\$147,541,727	\$150,550,103
6200 Contracted Services	13,168,945	14,331,259	13,291,907
6300 Supplies and Materials	7,386,563	8,747,217	7,630,716
6400 Other Operating Expenses	3,227,895	4,365,565	3,556,796
6600 Capital Outlay	1,011,906	1,321,174	383,900
Total Expenditures	<u>\$165,661,248</u>	<u>\$176,306,943</u>	<u>\$175,413,422</u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
EXPENDITURES BY MAJOR OBJECT WITHIN FUNCTION
GENERAL OPERATING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
11 - Instruction			
6100 Payroll	\$92,838,199	\$96,823,780	\$98,250,541
6200 Contracted Services	849,225	1,146,039	862,549
6300 Supplies and Materials	3,296,617	2,296,470	1,903,375
6400 Other Operating Expenses	397,500	562,457	464,069
6600 Capital Outlay	60,055	75,000	67,000
Function 11 Total	<u>97,441,595</u>	<u>100,899,211</u>	<u>101,547,534</u>
12 - Instructional Resources, Media Services			
6100 Payroll	1,443,305	1,567,109	1,497,532
6200 Contracted Services	25,594	35,954	35,410
6300 Supplies and Materials	243,023	234,430	235,726
6400 Other Operating Expenses	2,112	2,600	2,410
Function 12 Total	<u>1,714,034</u>	<u>1,840,093</u>	<u>1,771,078</u>
13 - Curriculum & Staff Development			
6100 Payroll	4,351,738	4,601,505	4,517,296
6200 Contracted Services	68,273	148,360	66,990
6300 Supplies and Materials	84,389	133,435	133,500
6400 Other Operating Expenses	170,583	206,155	162,624
Function 13 Total	<u>4,674,984</u>	<u>5,089,455</u>	<u>4,880,410</u>
21 - Instructional Leadership			
6100 Payroll	1,785,519	1,945,451	2,116,863
6200 Contracted Services	21,808	30,454	31,247
6300 Supplies and Materials	151,087	183,776	202,686
6400 Other Operating Expenses	37,950	51,112	50,480
Function 21 Total	<u>1,996,364</u>	<u>2,210,793</u>	<u>2,401,276</u>
23 - School Leadership			
6100 Payroll	10,150,743	10,911,172	11,073,761
6200 Contracted Services	21,553	20,390	26,100
6300 Supplies and Materials	225,419	227,360	200,361
6400 Other Operating Expenses	79,632	114,725	100,980
Function 23 Total	<u>10,477,348</u>	<u>11,273,647</u>	<u>11,401,202</u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
EXPENDITURES BY MAJOR OBJECT WITHIN FUNCTION (CONTINUED)
GENERAL OPERATING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
31 - Guidance & Counseling			
6100 Payroll	5,320,537	5,496,360	6,572,540
6200 Contracted Services	90,053	48,728	28,470
6300 Supplies and Materials	114,692	119,920	108,487
6400 Other Operating Expenses	16,457	19,005	19,255
Function 31 Total	<u>5,541,739</u>	<u>5,684,013</u>	<u>6,728,752</u>
32 - Social Work Services			
6100 Payroll	395,859	406,626	411,802
6200 Contracted Services	120,013	150,300	150,300
6300 Supplies and Materials	5,395	40,897	40,003
6400 Other Operating Expenses	9,559	8,743	8,143
Function 32 Total	<u>530,827</u>	<u>606,566</u>	<u>610,248</u>
33 - Health Services			
6100 Payroll	1,380,881	1,439,836	1,547,685
6200 Contracted Services	4,568	4,956	5,080
6300 Supplies and Materials	24,184	33,343	31,658
6400 Other Operating Expenses	8,703	11,530	10,355
Function 33 Total	<u>1,418,337</u>	<u>1,489,665</u>	<u>1,594,778</u>
34 - Student Transportation			
6100 Payroll	5,141,028	5,388,558	5,299,782
6200 Contracted Services	179,187	115,500	166,500
6300 Supplies and Materials	479,158	1,449,948	1,350,648
6400 Other Operating Expenses	305,654	258,270	257,500
6600 Capital Outlay	702,756	770,000	107,000
Function 34 Total	<u>6,807,783</u>	<u>7,982,276</u>	<u>7,181,430</u>
36 - Extra-Curricular Activities			
6100 Payroll	2,411,398	2,648,665	2,734,820
6200 Contracted Services	403,339	529,381	466,357
6300 Supplies and Materials	608,822	667,370	434,734
6400 Other Operating Expenses	546,354	687,365	545,882
Function 36 Total	<u>3,969,913</u>	<u>4,532,781</u>	<u>4,181,793</u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
EXPENDITURES BY MAJOR OBJECT WITHIN FUNCTION (CONTINUED)
GENERAL OPERATING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
41 - General Administration			
6100 Payroll	3,478,140	3,663,112	3,679,129
6200 Contracted Services	438,192	694,636	435,687
6300 Supplies and Materials	101,371	114,136	171,225
6400 Other Operating Expenses	247,385	264,491	272,884
Function 41 Total	<u>4,265,087</u>	<u>4,736,375</u>	<u>4,558,925</u>
51 - Plant Maintenance & Operations			
6100 Payroll	10,063,709	10,394,266	10,626,756
6200 Contracted Services	7,099,386	8,015,129	7,881,567
6300 Supplies and Materials	1,580,898	1,632,035	1,362,442
6400 Other Operating Expenses	1,343,727	2,104,924	1,605,924
6600 Capital Outlay	206,286	411,174	145,000
Function 51 Total	<u>20,294,006</u>	<u>22,557,528</u>	<u>21,621,689</u>
52 - Security & Monitoring Services			
6100 Payroll	89,433	83,097	56,811
6200 Contracted Services	1,681,158	1,934,486	1,926,276
6300 Supplies and Materials	52,357	91,080	87,000
6400 Other Operating Expenses	2,000	4,500	4,250
6600 Capital Outlay	0	5,000	5,000
Function 52 Total	<u>1,824,948</u>	<u>2,118,163</u>	<u>2,079,337</u>
53 - Data Processing Services			
6100 Payroll	2,004,997	2,159,334	2,153,581
6200 Contracted Services	1,521,680	654,855	428,574
6300 Supplies and Materials	419,150	1,523,018	1,368,871
6400 Other Operating Expenses	60,280	69,688	52,040
6600 Capital Outlay	42,810	60,000	59,900
Function 53 Total	<u>4,048,916</u>	<u>4,466,895</u>	<u>4,062,966</u>
61 - Community Service			
6100 Payroll	10,453	12,856	11,204
Function 61 Total	<u>10,453</u>	<u>12,856</u>	<u>11,204</u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
 EXPENDITURES BY MAJOR OBJECT WITHIN FUNCTION (CONTINUED)
 GENERAL OPERATING FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
95 - Pymt. to Juvenile Justice Alt. Education			
6200 Contracted Services	17,600	123,672	53,672
Function 95 Total	<u>17,600</u>	<u>123,672</u>	<u>53,672</u>
99 - Other Intergovernmental Charges			
6200 Contracted Services	627,315	678,420	727,128
Function 99 Total	<u>627,315</u>	<u>678,420</u>	<u>727,128</u>
Total Expenditures	<u><u>165,661,248</u></u>	<u><u>176,302,408</u></u>	<u><u>175,413,422</u></u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
Revenues			
5700 Local and Intermediate Sources	\$26,386,290	\$27,725,568	\$28,868,932
5800 State Program Revenue	2,961,251	1,259,898	268,384
5900 Federal Program Revenue	0	0	0
Total Revenues	<u>29,347,541</u>	<u>28,985,466</u>	<u>29,137,316</u>
Expenditures			
71 Debt Service	26,943,433	29,369,750	30,937,316
Total Expenditures	<u>26,943,433</u>	<u>29,369,750</u>	<u>30,937,316</u>
Revenues Over/(Under) Expenditures	<u>2,404,108</u>	<u>(384,284)</u>	<u>(1,800,000)</u>
Other Financing Sources/(Uses)	<u>(98,760)</u>	<u>3,224,284</u>	<u>1,800,000</u>
Net Change in Fund Balance	2,305,348	2,840,000	0
Fund Balance, Beginning	16,847,686	19,153,034	21,993,034
Fund Balance, Ending	<u><u>\$19,153,034</u></u>	<u><u>\$21,993,034</u></u>	<u><u>\$21,993,034</u></u>

PEARLAND INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 FOOD SERVICE SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019, WITH COMPARATIVE DATA FOR PRIOR YEARS

	2016-2017 ACTUAL	2017-2018 AMENDED BUDGET	2018-2019 PROPOSED BUDGET
Revenues			
5700 Local and Intermediate Sources	\$4,971,701	\$5,394,500	\$5,232,000
5800 State Program Revenue	209,116	205,000	218,000
5900 Federal Program Revenue	4,108,073	4,164,700	4,400,000
Total Revenues	<u>9,288,890</u>	<u>9,764,200</u>	<u>9,850,000</u>
Expenditures			
35 Food Service	8,894,463	9,764,200	9,850,000
Total Expenditures	<u>8,894,463</u>	<u>9,764,200</u>	<u>9,850,000</u>
Revenues Over/(Under) Expenditures	<u>394,427</u>	<u>0</u>	<u>0</u>
Other Financing Sources/(Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	394,427	0	0
Fund Balance, Beginning	2,147,488	2,541,915	2,541,915
Fund Balance, Ending	<u><u>\$2,541,915</u></u>	<u><u>\$2,541,915</u></u>	<u><u>\$2,541,915</u></u>

Pearland

Independent School District

PREPARE PERFORM PRODUCE



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