

# POPULAR ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended  
June 30, 2025

Pearland Independent School District  
Pearland, TX



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# Superintendent's Message

Every great district tells a story; not just through test scores or trophies, but through the choices it makes every day. In Pearland ISD, that story begins with purpose. Every classroom lesson, every student's success, and every opportunity created for our learners is built on a foundation of thoughtful planning and responsible stewardship.

While our students and teachers represent the heart of our mission, the unseen structure that sustains their work is financial integrity. Behind each innovative program, each staff member we support, and each safe and inspiring learning space stands a team ensuring that resources are used wisely, transparently, and in service to our shared vision. This Popular Annual Financial Report, prepared by our Chief Financial Officer Thu Pham and the dedicated Business Services team, reflects that commitment. It tells the story of a district that aligns every decision, academic, operational, and financial, with its mission to prepare all learners to achieve their highest potential and its vision to empower, inspire, and develop courageous, confident individuals who excel in a global society.

Across Texas, public schools are facing mounting challenges, rising costs, limited funding formulas, and growing expectations. Yet Pearland ISD continues to achieve at a high level because of our exceptional staff, engaged families, and supportive community. Together, we have proven that excellence is not defined by the size of a budget, but by the strength of our partnership and the clarity of our purpose.

As we look ahead, we remain steadfast in our belief that strategic investment in public education is the most powerful investment a community can make. Every dollar we steward today helps shape the future of our students and, ultimately, the future of Texas itself.

Together, we will continue to Build Pearland Proud.



Dr. Larry Berger  
Pearland ISD Superintendent



Dr. Larry Berger  
*Pearland ISD Superintendent*

# About the District

**PEARLAND ISD** is one of eight public school districts located in Brazoria County. In addition to the regular educational program from pre-kindergarten to grade twelve, the District offers programs in areas such as vocational education, special education, bilingual/dual language, gifted and talented, and compensatory education. All of the District's schools are fully accredited by the Texas Education Agency and the Southern Association of Colleges and Schools.

## MISSION

In partnership with the community, families, and students, Pearland ISD prepares all learners to achieve their highest potential.

## VISION

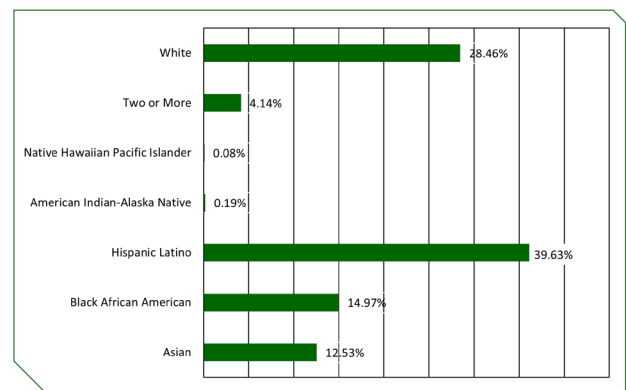
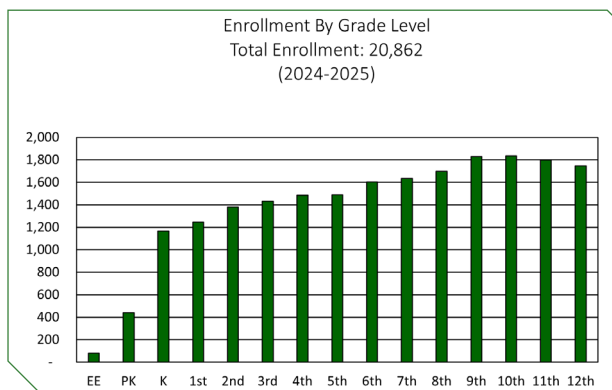
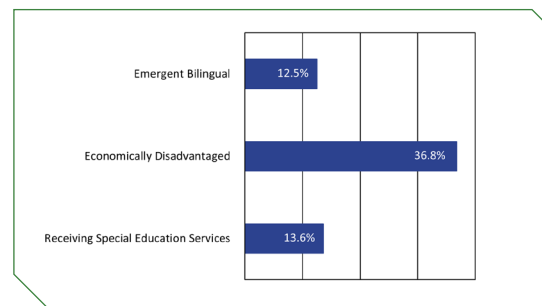
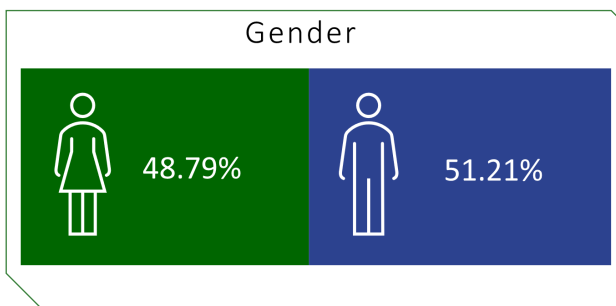
Pearland ISD will empower, inspire, and develop courageous, confident individuals who excel in a global society.

## BELIEFS

### We believe:

- students come first.
- all learners are unique, valuable, and teachable.
- a successful education includes engaged students, staff, families, and community.
- that a positive culture and safe learning environment are critical for the success of all learners.

# Enrollment Demographics



# Board of Trustees



**Crystal Carbone**  
*President*



**Dr. Kristofer Schoeffler**  
*Vice President*



**Nanette Weimer**  
*Secretary*



**Toni Carter**  
*Member*



**Sean Murphy**  
*Member*



**Daniel Stuckey**  
*Member*



**Jim Johnson**  
*Member*

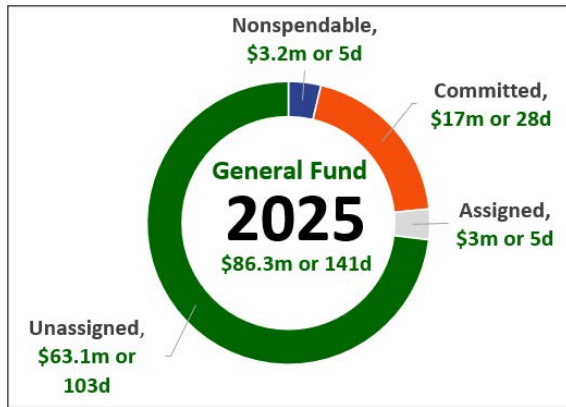
# Administration

- DR. LARRY BERGER**..... **SUPERINTENDENT**
- KELLY HOLT**.....**DEPUTY SUPERINTENDENT**
- JON-PAUL ESTES**..... **CHIEF TECHNOLOGY OFFICER**
- THU PHAM** ..... **CHIEF FINANCIAL OFFICER**
- DR. CHARLES ALLEN**..... **ASST. SUPERINTENDENT OF CURRICULUM AND INSTRUCTION**
- DR. SUNDIE DAHLKAMP** ..... **ASST. SUPERINTENDENT OF TALENT AND ENGAGEMENT**
- DR. LISA NIXON** ..... **ASST. SUPERINTENDENT OF EDUCATIONAL SERVICES**
- TANYA PORTER**.....**GENERAL COUNSEL**
- DR. LAKESHA HENSON-VAUGHN** ..... **EXECUTIVE DIRECTOR OF INTERMEDIATE SCHOOLS**
- MARLO KELLER**..... **EXECUTIVE DIRECTOR OF ELEMENTARY EDUCATION**
- JOHN PALOMBO** ..... **EXECUTIVE DIRECTOR OF SAFETY & OPERATIONS**

# Fiscal Year - End Highlights

## General Fund - Strong Financial Position

At the end of the fiscal year, the District's General Fund finished in a strong financial position with a total fund balance of \$86.3 million (m). This amount is equal to 141 days (d) of operating costs, based on the projected average daily spending for the next school year.



### Breakdown by fund balance categories:

#### Nonspendable: \$3.2m (5d)

Funds committed to prepaid items and inventory; therefore, it is not available to spend.

#### Committed: \$17m (28d)

Funds set aside by Board:

- \$3m (5d) for future damage from a named storm
- \$4m (7d) for major maintenance & repairs
- \$10m (16d) for economic stabilization

#### Assigned: \$3m (5d)

Funds set aside by District leadership for insurance deductible.

#### Unassigned: \$63.1m (103d)

Funds available for general cash flow and contingencies.

Together, the **assigned+unassigned** portions total **\$66.1 million**, equal to **108 days** of operating costs. This provides a healthy reserve to manage cash flow and handle emergencies without borrowing.

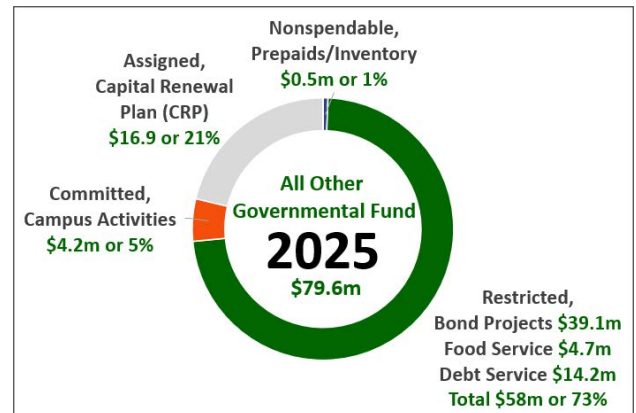
#### What drove the positive outcome?

- Expenditure savings of \$4.3m due to open positions and conservative spending.
- Higher-than-expected revenue of \$1.5 million from local, state, and federal sources.

GENERAL FUND (IN MILLIONS)	BUDGET	ACTUAL	REMAINING BALANCE
REVENUES	\$220.3	\$221.8	\$1.5
EXPENDITURES	(212.9)	(208.6)	4.3
OTHER FINANCING SOURCES (USES)	0.6	(2.3)	(2.9)
NET CHANGE IN FUND BALANCE	8.0	10.9	
FUND BALANCE - BEGINNING	75.4	75.4	
<b>FUND BALANCE - ENDING</b>	<b>\$83.4</b>	<b>\$86.3</b>	<b>\$2.9</b>
<b>DAYS IN FUND BALANCE</b>	<b>136</b>	<b>141</b>	<b>5</b>

## All Other Government Funds

In addition to the General Fund, the District also manages other funds that can only be used for specific purposes—such as student meals, grant programs, construction projects, and paying debt on past bonds. These funds ended the year with a combined balance of \$79.6 million.



### Breakdown by fund balance categories:

#### Nonspendable: \$0.5m (1%)

Funds committed to prepaid items and inventory; therefore, it is not available to spend.

#### Restricted: \$58m (73%)

Funds that can only be used for specific purposes, such as construction projects and grant-funded programs.

#### Committed: \$4.2m (5%)

Funds set aside by the Board for campus activities.

#### Assigned: \$16.9m (21%)

Fund set aside by District leadership for future capital renewal projects, such as major repairs, replacements and improvements.

# Where Did General Fund Revenues Come From?

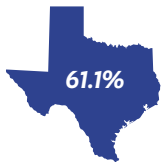
**75.8%** OF DISTRICT REVENUES ARE ACCOUNTED FOR IN THE GENERAL OPERATING FUND

## Local



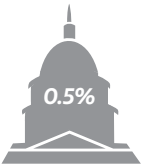
Local revenues generated \$85.2 million or 38.4% of all general fund revenues, which included \$3.7 million generated by local tax revenue. Most local revenues are comprised of property tax collections which increased by 4.7% from the prior fiscal year. This increase is due to a 5.7% increase in the District's taxable values even though there was also a significant increase in taxes paid back to constituents for prior year tax settlements.

## State



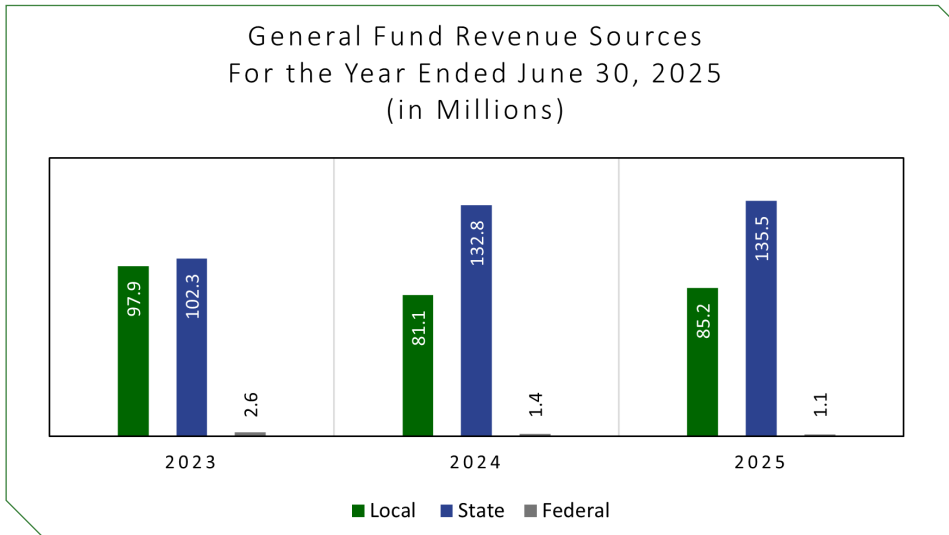
The district received \$135.5 million in state revenues, which is 61.1% of all local revenues. It increased by 2.0% from the prior year, primarily due to an increase in the District's property value audit revenue.

## Federal



Revenues received from federal sources account for \$1.1 million of general fund revenues which is a decrease of 21.7% from prior year. Most federal revenues come from reimbursements through Medicaid for providing School Health and Related Services (SHARS) and indirect costs charged to grants. The significant decrease in federal funding is due to the decrease in funding provided by SHARS after a state audit finding led them to correct their processes, therefore continuing to decrease the funding passed along to school districts.

**TOTAL GENERAL FUND REVENUES** **\$221.8 Million**

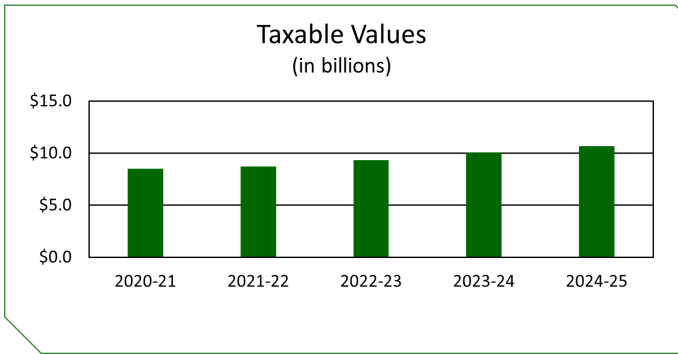


# Property Values & Tax Rates

Property taxes (also called ad valorem taxes) are locally assessed taxes. The Brazoria County Appraisal District (BCAD) appraises property located in the Pearland ISD boundaries and collects property taxes based on the tax rates that are set by the District.

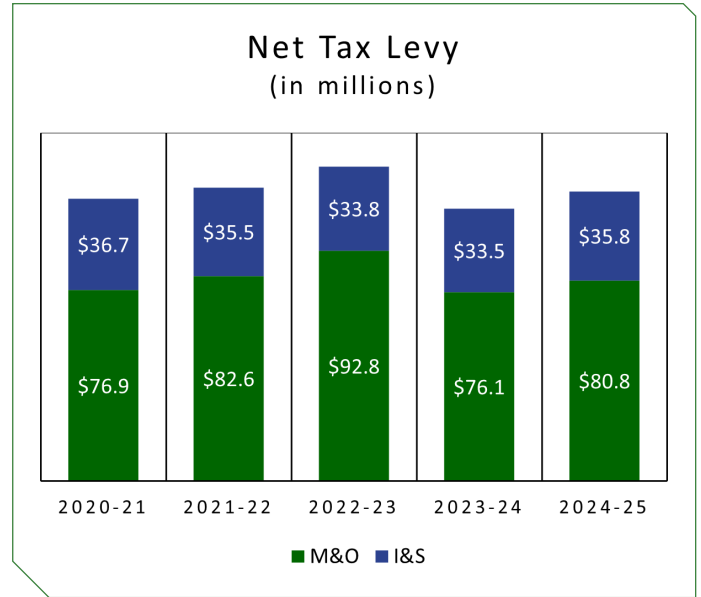
## Property Values

Property values for fiscal year 2024-2025 increased by \$579 million or 5.7% from 2023-2024.



## Tax Collections

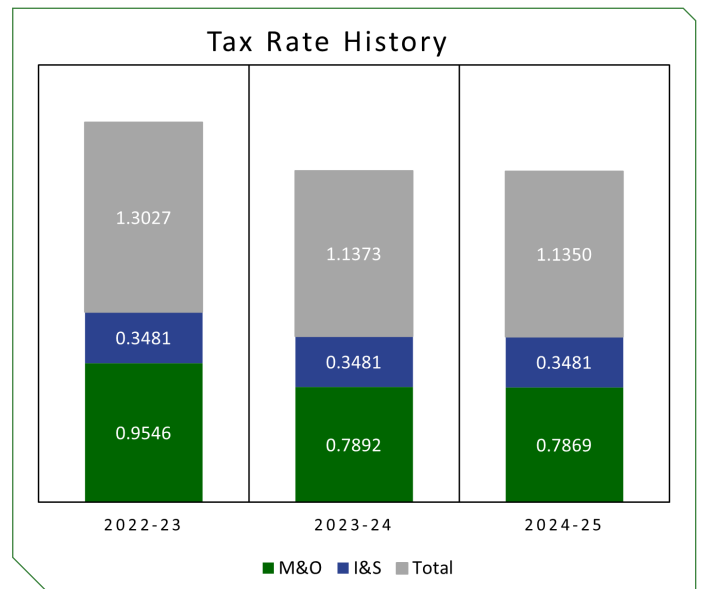
The District collected 98.7% of the net tax levy during the fiscal year 2024-2025.



## Tax Rate

The District's Maintenance & Operations (M&O) Maximum Compressed Rate (MCR) adopted in tax year 2024 declined by 2 cents, from \$0.6192 to \$0.6169. However, the District adopts its available Tier I golden pennies to the tax rate for 8 cents and the successful VATRE election in 2023 adds an additional 9 cents to the tax rate for the District's Tier II copper pennies. Overall, the M&O tax rate still decreased by 2 cents from \$0.7892 in 2023 to \$0.7869 in 2024.

The District was able maintain its debt service (I&S) tax rate of \$0.3481 from 2023 to 2024 to ensure minimum impact on the taxpayers, while also maintaining the debt service funds to make all principal and interest payments.



# Detail of Expenditures by Function

## Instruction (56.5%)

Direct costs related to the interaction between teachers and students.

## Instructional Resources & Media Services (1.0%)

Costs to operate campus libraries.

## Curriculum & Staff Development (2.7%)

Costs to aid instructional staff in planning, developing and evaluating the process of providing learning experiences for students.

## Instructional Leadership (1.2%)

Costs for managing, directing, supervising and providing leadership to campus staff.

## School Leadership (6.1%)

Costs for directing, managing, and supervising campus operations.

## Guidance & Counseling Services (4.4%)

Costs of psychological services, student evaluation, testing, and educational and occupational counseling.

## Health Services (1.1%)

Costs for physical health services such as appropriate medical, dental, and nursing services to students.

## General Administration (2.5%)

Costs associated with the overall general administrative support services of the district.

## Student Transportation (4.0%)

Costs for transporting students to and from school.

## Co-curricular Activities (2.5%)

Costs of school-sponsored activities outside of the school day, which provide students with experiences in either a competitive or non-competitive setting.

## Plant Maintenance and Operations (12.1%)

Costs to keep facilities and grounds in effective working condition and state of repair.

## Security & Monitoring Services (1.3%)

Costs to keep students and staff surroundings safe.

## Data Processing Services (3.2%)

Costs related to technology and data services.

## Debt Service (0.6%)

Costs related to capital leases and subscription-based information technology arrangements (SBITAs)

## Other Expenditures (0.8%)

Costs for social work services, community services, acquisition/ construction of facilities, alternative education payments, and payments made to other governmental entities.

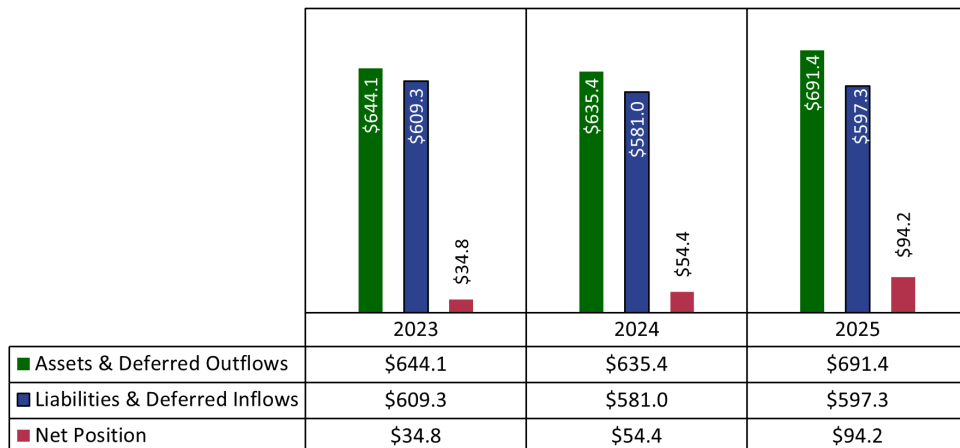
EXPENDITURES BY FUNCTION	FY 2023	FY 2024	FY 2025
11 INSTRUCTION	\$109,505,943	\$119,724,770	\$117,607,986
12 INSTRUCTIONAL RES. AND MEDIA SERVICES	1,966,556	2,061,822	2,112,012
13 CURRICULUM AND STAFF DEVELOPMENT	5,283,368	5,584,247	5,679,455
21 INSTRUCTIONAL LEADERSHIP	2,384,235	2,143,392	2,444,942
23 SCHOOL LEADERSHIP	12,508,407	12,567,936	12,717,491
31 GUIDANCE AND COUNSELING SERVICES	8,113,693	8,912,828	9,162,541
32 SOCIAL WORK SERVICES	891,301	886,703	856,959
33 HEALTH SERVICES	2,295,516	2,293,875	2,385,672
34 STUDENT (PUPIL) TRANSPORTATION	7,641,621	8,220,073	8,346,774
36 CO-CURRICULAR ACTIVITIES	4,989,628	4,892,372	5,224,293
41 GENERAL ADMINISTRATION	5,343,799	5,020,292	5,252,186
51 PLANT MAINTENANCE AND OPERATIONS	22,731,111	25,288,353	25,275,047
52 SECURITY AND MONITORING SERVICES	1,976,363	2,321,205	2,619,280
53 DATA PROCESSING SERVICES	5,162,176	5,823,313	6,757,080
61 COMMUNITY SERVICES	-	303	-
71 DEBT SERVICE	961,090	2,644,290	1,335,196
81 FACILITIES ACQUISITION & CONSTRUCTION	-	338,076	-
93 PAYMENTS TO THE FISCAL AGENT OF SHARED SERVICES AGREEMENTS	-	9,327	-
95 ALTERNATIVE EDUCATION - JJAEP	-	6,000	36,125
99 OTHER INTERGOVERNMENTAL CHARGES	645,956	690,228	766,365
<b>TOTAL EXPENDITURES</b>	<b>\$192,400,763</b>	<b>\$209,429,405</b>	<b>\$208,579,404</b>

# Net Position

The Statement of Net Position provides information on all of the District’s assets (what we own) and liabilities (what we owe), with the difference between the two reported as net position or “net worth”. Changes in net position serves as a useful indicator of whether the financial position of the District is improving or declining.

During fiscal year 2024-2025, the District’s liabilities decreased more than its assets resulting in an overall increase of \$41.5 million in total net position. The fiscal year-end net position improved to \$94.2 million.

**DISTRICT NET POSITION  
(AS OF JUNE 30, 2025 | IN MILLIONS)**



## Debt Service Fund (Payment of Debt)

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The District issues general obligation bonds to provide funds for the construction, renovation and equipment of school facilities, and other major capital acquisitions. Debt service requirements are payable solely from future revenue of the Debt Service Fund which consist principally of property taxes collected by the District.

The District received revenues of \$42.0 million in fiscal year 2024-2025; \$35.8 million and \$6.1 million, in local and state revenues, respectively. Principal and interest paid was \$28.7 million and \$16.9 million, respectively, for a total of \$45.6 million. As of June 30, 2025, the District had a balance of \$355.2 million in general obligation bonds outstanding.

YEAR ENDING JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2026	\$27,495,000	\$16,382,650	\$43,877,650
2027	28,940,000	15,017,300	43,957,300
2028	32,110,000	13,606,300	45,716,300
2029	33,420,000	12,037,400	45,457,400
2030	27,195,000	10,379,700	37,574,700
2031-2035	97,235,000	35,328,300	132,563,300
2036-2040	75,965,000	18,602,500	94,567,500
2041-2045	30,250,000	2,859,450	33,109,450
2046-2049	2,575,000	262,800	2,837,800
<b>TOTAL</b>	<b>\$355,185,000</b>	<b>\$124,476,400</b>	<b>\$479,661,400</b>

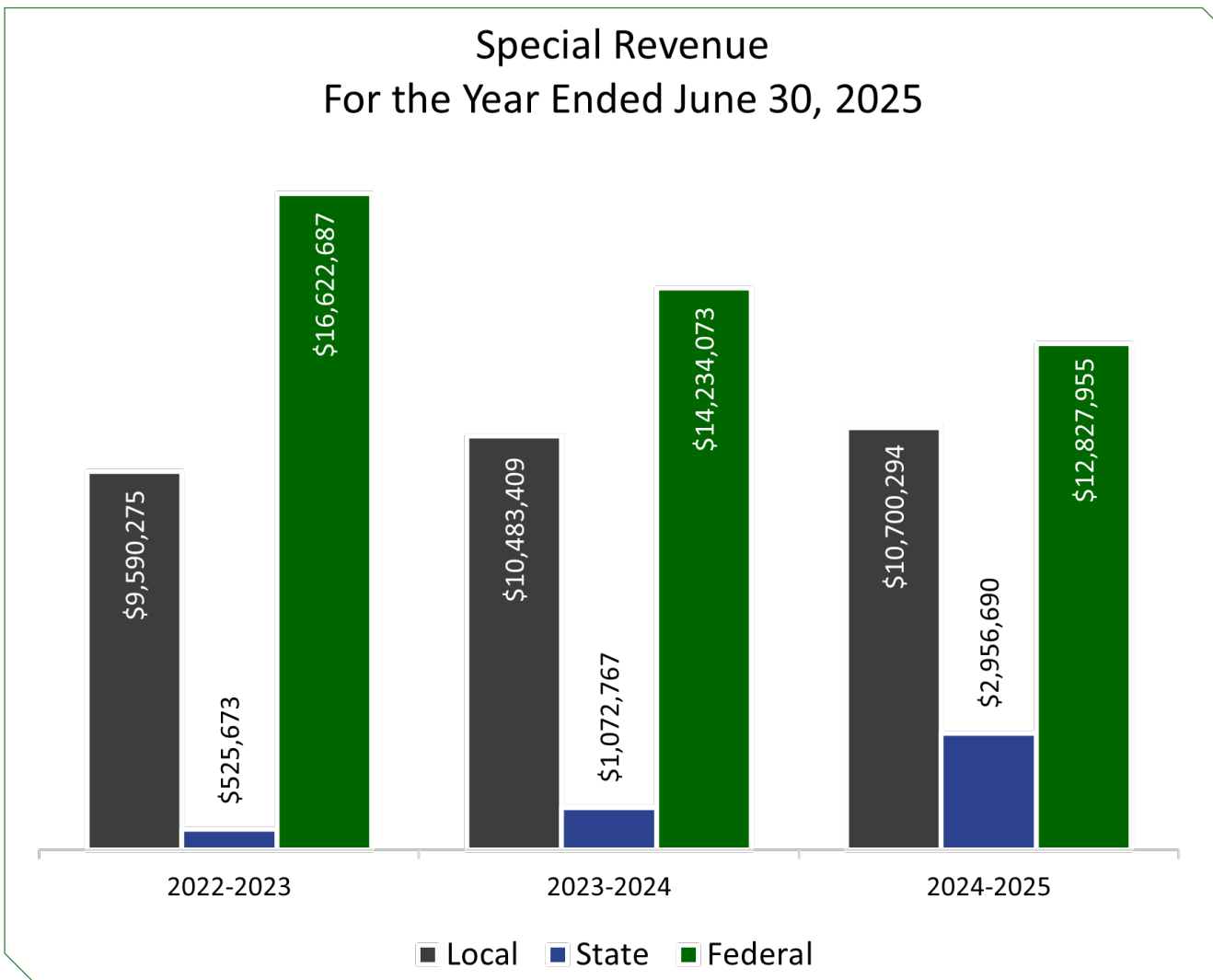
DATE OF ISSUE	ORIGINAL ISSUE	FINAL MATURITY	INTEREST RATES (%)	OUTSTANDING BALANCE
2014	\$30,540,000	2029	2.000 - 5.000	2,615,000
2014B	28,655,000	2039	2.000 - 5.000	2,150,000
2016	41,335,000	2032	5.000 - 5.250	34,000,000
2016A	42,200,000	2032	2.000 - 5.000	17,950,000
2017	105,510,000	2042	3.000 - 5.000	87,045,000
2019	75,155,000	2042	3.000 - 5.000	75,155,000
2019A	18,305,000	2042	3.000 - 5.000	16,730,000
2020	78,675,000	2029	5.000 - 5.000	50,945,000
2022	11,700,000	2029	5.000 - 5.000	11,700,000
2023	19,595,000	2038	5.000 - 5.000	13,195,000
2024	52,040,000	2049	4.000 - 5.000	43,700,000
<b>TOTAL</b>	<b>\$503,710,000</b>			<b>\$355,185,000</b>

# Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. During fiscal year 2024-2025 the District spent \$27.8 million and received \$26.5 million in special revenues from local, state, and federal sources.

Federal revenues received were \$12.8 million or 48.4% of total revenues. Of these revenues, the District received 41.2% or \$5.9 million to fund the Nutritional School Breakfast and Lunch Program. The decline in federal revenue received over the last three years is primarily due to the District expending all COVID-19 pandemic funding it received in prior years.

Local and state revenues received were \$10.7 million and \$3.0 million, respectively. School fundraising activities accounted for 51.5% or \$5.5 million of local revenues.



# Chief Financial Officer's Message

I am proud to present the 2025 Popular Annual Financial Report (PAFR) for Pearland ISD. This report provides a clear, easy-to-read summary of the District's financial activity, demonstrating how we manage public funds to support student learning and maintain strong fiscal stewardship.

The financial information in this publication is taken from the District's 2025 Annual Comprehensive Financial Report (ACFR). The ACFR is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited by Whitley Penn LLP, our independent external auditors. While the PAFR is not separately audited, it translates the detailed and technical ACFR into an accessible report for our community.

Pearland ISD remains committed to responsible financial management, long-term planning, and maximizing every taxpayer dollar. Our Business Services team continues to uphold the highest standards of financial transparency and excellence. For fiscal year 2025, Pearland ISD earned the following recognitions:

- **Superior Achievement "A" rating** from the School Financial Integrity Rating System of Texas (FIRST)
- **GFOA Certificate of Achievement for Excellence in Financial Reporting**
- **GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting**
- **ASBO Certificate of Excellence in Financial Reporting**
- **Texas Comptroller's Transparency Star Awards** for Traditional Finances and Debt Obligations
- **Strong credit ratings from Fitch and Moody's**, reflecting the District's sound financial practices
- **No findings of questioned costs** in the audit of federal and state grant programs

These accomplishments reflect the expertise and dedication of our Business Services team and the strong leadership of the Superintendent and Board of Trustees. We are grateful for the ongoing trust and support of our Pearland community. Together, we remain focused on what matters most — ensuring every student is empowered to achieve their highest potential.



Thu Pham  
Pearland ISD Chief Financial Officer



Thu Pham  
*Chief Financial Officer*

## About the Popular Annual Financial Report

The District's Popular Annual Financial Report (PAFR) for the year ended June 30, 2025, is designed to give residents a snapshot of Pearland ISD finances for the prior year, as well as general information that highlights student achievement.

This report summarizes the financial activities and operating results of the District and was gathered from the financial information reported in our audited 2025 Annual Comprehensive Financial Report (ACFR). The ACFR is prepared in conformance with Generally Acceptable Accounting Principles (GAAP) and was audited by Whitley Penn receiving a "unmodified" (the highest) opinion. However, the PAFR is unaudited and presented on a GAAP basis. While the underlying accounting methods are similar to the ACFR, the PAFR simplifies reporting by not including all segregated funds, required presentations, and full disclosure of all material financial and non-financial events in the notes to the financial statements.

The District's administration and school board firmly believe in public scrutiny and transparency of the district finances. Citizens desiring to review full disclosure financial statements may obtain a copy of the ACFR from the Business Office or may view it online at [www.pearlandisd.org/transparency](http://www.pearlandisd.org/transparency).

## Outstanding Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Pearland Independent School District for its Popular Annual Financial Report for the fiscal year ended June 30, 2024. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, as we prepare for its submission to GFOA.



Government Finance Officers Association

Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting

Presented to

**Pearland Independent School District  
Texas**

For its Annual Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO



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