

PEARL PUBLIC SCHOOL DISTRICT

PROPOSED BUDGET

FISCAL YEAR

2024-2025



ABOUT US

IT'S A GREAT DAY TO BE A PIRATE!



PEARL PUBLIC SCHOOL DISTRICT
INSPIRING EXCELLENCE
— SINCE 1976 —

The mission of Pearl Public School District is to prepare each student to become a lifelong learner, achieve individual goals, and positively impact a global society.





Strategic Plan Goals

GOAL 1

- Increase Student Achievement at an Elite Level

GOAL 2

- Pathways and Opportunities

GOAL 3

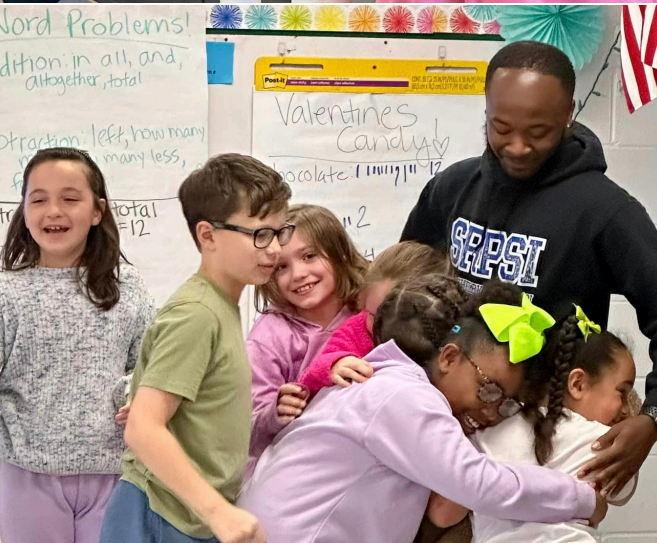
- Safe, Secure, & Nurturing Environment

GOAL 4

- State of the Art Facilities

GOAL 5

- Recruit & Retain Quality Faculty and Staff
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What is a school district budget?

A school district budget serves as a comprehensive blueprint outlining the receipt and expenditure of funds. It plays a crucial role in determining the required amount of school taxes to be levied and forecasting the anticipated funding from state and federal sources. By providing this information, the budget enables effective financial planning and decision-making within the district.

A school district budget is many budgets rolled into one (i.e., the budget consists of major funds or accounts specifically defined by how the money is collected, held, and spent). Among them are the following:

- District Maintenance
- Local Special Education
- At-Risk Funds
- Alternative
- Vocational (CTE) Funds
- Federal Funds
- Activity Funds
- Local Building Funds
- Debt Service Funds
- School Food Funds

Pearl Public School District's budget is made up of 49 funds in total.

The single largest fund is District Maintenance (1120). This fund consists of direct costs for instruction, transportation, utilities, and all support services. District Maintenance also supports other operating funds, such as Local Special Education, Alternative, At-Risk, and Vocational (CTE) through transfers.

The administrative team collaborates to address the needs of students within the constraints of available revenues. Budget hearings are conducted annually to gather information from each school and department. Multiple factors come into play during this process. In order to effectively meet student needs, various considerations are taken into account, such as instructional requirements, state funding, local tax collections, debt service obligations, as well as state laws and regulations. A thorough review of new regulations and laws is conducted to ensure the availability of adequate funding.





Timeline

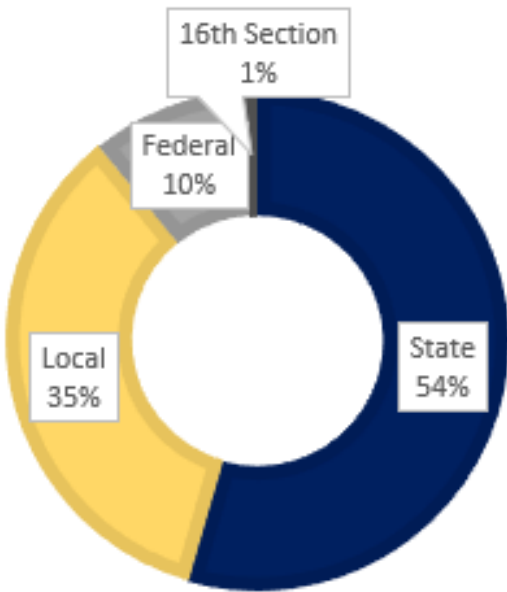
- January 16 - Adopt budget calendar
- February 15 - 23 - Conduct Budget Hearings with the Superintendent, CFO, and Admin
- April 22 - Conduct Board Budget Worksession
- May 22 - Advertise for Public Hearing and Ad Valorem Tax Notice
- May 29 - Advertise for Public Hearing and Ad Valorem Tax Notice
- June 5 - Advertise for Public Hearing and Ad Valorem Tax Notice
- June 10 - Hold a Public Hearing
- June 24 - Adopt the budget
- August 12 - Adopt the Resolution to Request Ad-Valorem Taxes
- August 15 - Provide two copies of the budget and resolution to the taxing authority and file with the State Department of Education

REVENUES

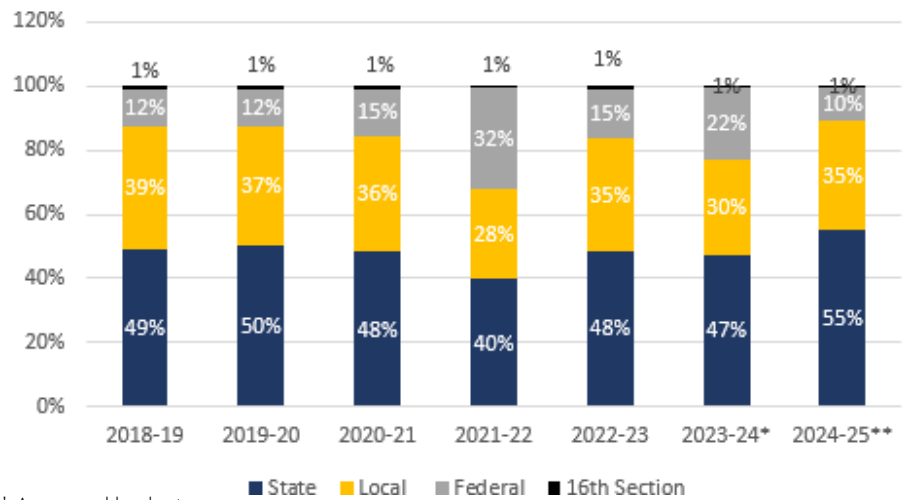
Four major factors determine the amount of money available for the school budget:

- Local Support
- State Appropriation
- Federal Aid
- 16th Section

SOURCES OF REVENUE



Historical Revenues by Sources



* Approved budget

** Proposed Budget

All other data is from final approved budget reports.





Mississippi has a new funding formula that replaces the Mississippi Adequate Education Program (MAEP) 1997 with the Mississippi Student Funding Formula (MSFF) 2024. The new base student cost is \$6,695. Districts are then funded based on the average daily enrollment (ADE) of the students enrolled in months 2 and 3. The state provides additional funding (added funding weights) for low-income, gifted, CTE, special education, and English learners.

MSFF:

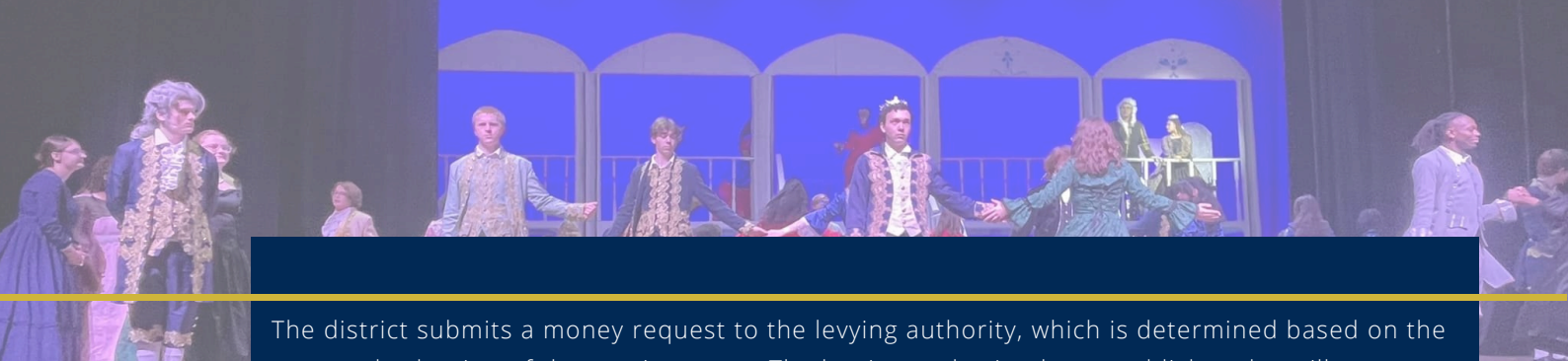
Base Student Costs x ADE + Add-Weights
= MSFF

= \$28,114,663.72

+ PERS & Health Insurance Increase
+ 70,955 + 105,355 = \$176,310

Total increase from PY state funding
\$2,961,975

State Appropriation



The district submits a money request to the levying authority, which is determined based on the assessed valuation of the previous year. The levying authority then establishes the millage rate necessary to collect the requested funds. Local funding is calculated using the overall property value or assessed valuation of the district's area. The millage rate represents the multiplier applied to the assessed or taxable value of tangible real or personal property to generate tax revenue. As a result, for every \$1,000 in property value, a property owner is required to pay \$1.

How are my taxes calculated?
Market value of a home: \$200,000

Appraised % of market value:
10%

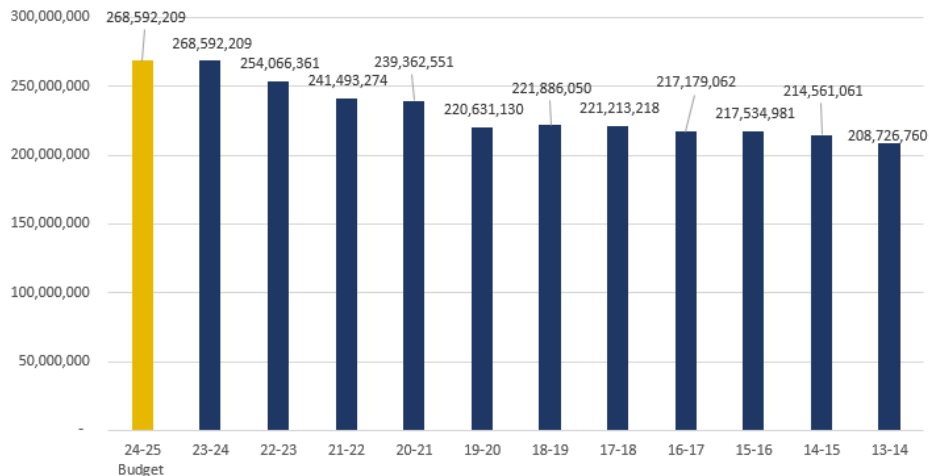
Assessed value:
20,000

Taxable property tax rate assessed:
0.05870

Property tax due: for school district taxes:
\$1,174.00

Assessed Valuation							
Total Mills	Assessment Year	Real Property	Personal Property	Public Utility Property	Total Assessed Valuation	Homestead	Value of a Mill
58.70	24-25 Budget	174,320,536	80,032,761	14,238,912	268,592,209	14,287,498	249,186
58.70	23-24	174,320,536	80,032,761	14,238,912	268,592,209	14,287,498	249,186
58.70	22-23	171,175,046	70,648,913	12,242,402	254,066,361	14,285,379	239,781
58.70	21-22	166,298,993	64,461,981	10,732,300	241,493,274	14,253,106	227,240
58.70	20-21	163,916,755	64,671,558	10,774,238	239,362,551	14,215,732	225,147
60.56	19-20	149,271,413	61,773,785	9,585,932	220,631,130	12,505,988	208,125
60.40	18-19	149,043,622	63,798,813	9,043,615	221,886,050	12,222,522	209,663
60.40	17-18	146,890,983	65,003,372	9,318,863	221,213,218	12,344,671	208,869
60.40	16-17	145,186,394	63,072,139	8,920,529	217,179,062	12,549,992	204,629
60.40	15-16	145,104,141	62,876,794	9,554,046	217,534,981	12,253,545	205,281
60.40	14-15	143,532,802	61,858,174	9,170,085	214,561,061	12,219,070	202,342
60.40	13-14	137,589,976	62,154,917	8,981,867	208,726,760	11,857,996	196,869

Final Assessed Valuation Trends



16th Section

The Pearl Public School Board of Education oversees the management and leasing of over 640 acres of 16th-section public school trust lands situated in Section 16, Township 5 N Range 2 E. Presently, more than 177 acres are leased out, generating annual revenues of approximately \$327,500.00. Fund 1840, known as the 16th Section interest fund, allows for the transfer of these funds to support annual operations or capital projects.





Debt Service

Debt service refers to the financial resources necessary to repay the principal and interest on outstanding debt within a specified timeframe.

During FY19, the district issued a promissory note, which is annually repaid using funds allocated from the Education Enhancement Fund (EEF). This note was originally issued to acquire school buses. In FY16, the district issued a special obligation bond to facilitate the construction of Pearl Upper Elementary School.

Debt Service Payoff Dates:

2019 Note - August 2029 (\$582,000)

2016 Special Obligation Bonds - April 2039 (\$18,175,000)

Balances and amounts due in the FY25 budget are below.

Debt Type	Principal	Interest	Paying Agent	Total
4091 - 2019 Note	109,000.00	15,202.00		124,202.00
4034 - 2016 SO Bonds	990,000.00	687,687.50	2,500.00	1,680,187.50
Less: 2410 - EEF Funding				(130,233.00)
			<i>Total Debt Service Funds</i>	<u>1,674,156.50</u>

Expenditures

Eighty-two percent (82%) of the operational budget for Pearl Public School District consists of salaries and benefits for employees.

Enrollment is projected, and teacher allocations are considered based on needs.

School	Projected Enrollment
ECEC	124
PLE	645
PNE	636
PUE	594
PJH	955
PHS	1273
DistrictWide	0
	4227

For FY25, the district plans to hire four additional teachers at PHS and a new Assistant Athletic Director/Assistant Principal (Goal 5), a new SLP teacher for Special Education (Goal 2), a new Kindergarten teacher and assistant at PLE (Goal 1), a new PreK teacher and assistant at ECEC (Goal 1), a shared elementary records clerk (Goal 5), a School Safety Officer (Goal 3), and a technology administrative assistant position (Goal 1). The district issued ranges from 2-10% cost of living adjustments for administrative and classified hourly employees (Goal 5).

Operations

Salaries \$25,137,629

Licensed & Non-Licensed
61%

Benefits \$8,714,059

Retirement, Social Security, Medical Insurance, etc.
21%

Purchased Services \$5,306,046

Property Insurance, Substitute Teachers, Transportation, School Resource Officers, Utilities, etc.
13%

Supplies & Equipment \$1,732,761

Instructional Resources, Computer Equipment, Maintenance Supplies, etc.
4%

Other Objects \$156,688

Dues & Fees etc.
1%

Total \$41,047,183

Capital Projects

The board-approved capital project expenditures for FY25 are as follows:

- A multi-purpose building at PJH (Goal 2 & 4)
- PJH renovations continued (Goal 4)
- Master Key System (Goal 3)
- Energy Services Company (Goal 4)
- PHS Gym Floor Renovation (Goal 4)
- PHS Band Locker Cages (Goal 4)
- District-wide paint contract (Goal 4)
- PHS Updated Signage (Goal 4)
- PHS Parking Expansion (Goal 4)
- Two new district vehicles (Goal 4)
- Resurface Tennis Courts (Goal 4)
- Replace two (2) buses (Goal 4)
- Generator for Northside (Goal 3)

The goal of our school district budget is to offer a high-quality, well-rounded education for the Pearl Public School District students that supports the district's mission.

Excellence in Education

Operational Funds

	GENERAL	GENERAL	GENERAL	GENERAL	SPECIAL
	1120	1130	1140	1145	2711
	District	Special	Alternative	At-Risk	CTE
	Maintenance	Education	School		
Revenues:					
Local Sources	15,358,500.00	0.00	0.00	0.00	0.00
Intermediate Sources	0.00	0.00	0.00	0.00	0.00
State Sources	28,852,919.00	45,000.00	0.00	0.00	346,363.93
Federal Sources	21,000.00	0.00	0.00	0.00	28,987.34
Sixteenth section Sources	0.00	0.00	0.00	0.00	0.00
Total Revenues	44,232,419.00	45,000.00	0.00	0.00	375,351.27
Expenditures:					
Instruction	20,875,560.11	3,379,611.15	106,185.10	347,804.84	825,150.62
Support services	14,903,032.37	520,174.81	1,000.00	62,450.25	0.00
Noninstructional services	26,214.97	0.00	0.00	0.00	0.00
Sixteenth section	0.00	0.00	0.00	0.00	0.00
Facilities acquisition and construction	0.00	0.00	0.00	0.00	0.00
Debt Service					
Principal	0.00	0.00	0.00	0.00	0.00
Interest	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00
Total Expenditures	35,804,807.45	3,899,785.96	107,185.10	410,255.09	825,150.62
Excess(deficiency) of revenues over expenditures	8,427,611.55	(3,854,785.96)	(107,185.10)	(410,255.09)	(449,799.35)
Other financing sources (uses)					
Proceeds of General Obligation Bonds	0.00	0.00	0.00	0.00	0.00
Proceeds of Refunding Bonds	0.00	0.00	0.00	0.00	0.00
Proceeds of Loans	0.00	0.00	0.00	0.00	0.00
Loan from School District Emergency Assistance Fund	0.00	0.00	0.00	0.00	0.00
Inception of Capital Leases	0.00	0.00	0.00	0.00	0.00
Premium on Debt Issuance	0.00	0.00	0.00	0.00	0.00
Insurance Loss Recoveries	0.00	0.00	0.00	0.00	0.00
Loan from Educational Facilities Revolving Loan Fund Program	0.00	0.00	0.00	0.00	0.00
Sale of Transportation Equipment	0.00	0.00	0.00	0.00	0.00
Sale of Land	0.00	0.00	0.00	0.00	0.00
Sale of Other Property	0.00	0.00	0.00	0.00	0.00
Indirect Costs	237,605.23	0.00	0.00	0.00	0.00
Other Transfers in	5,173.26	3,860,321.70	107,185.10	410,255.09	449,799.35
ESSER Transfers in	0.00	0.00	0.00	0.00	0.00
Payments to Escrow Agent	0.00	0.00	0.00	0.00	0.00
Miscellaneous Other Financing Sources	0.00	0.00	0.00	0.00	0.00
Indirect Transfers Out	0.00	0.00	0.00	0.00	0.00
Other Transfers Out	8,637,950.58	5,535.74	0.00	0.00	0.00
ESSER Transfers Out	0.00	0.00	0.00	0.00	0.00
Payment to Refunded Bond Escrow Agent	0.00	0.00	0.00	0.00	0.00
Payment to Qualified Zone Academy Debt Escrow Agent	0.00	0.00	0.00	0.00	0.00
Miscellaneous Other Financing Use	0.00	0.00	0.00	0.00	0.00
Total Other Financing Sources(Uses)	(8,395,172.09)	3,854,785.96	107,185.10	410,255.09	449,799.35
Net Change in Fund Balances	32,439.46	0.00	0.00	0.00	0.00
Fund Balances / Retained Earnings					
July 1, 2024	8,917,613.75	0.00	0.00	0.00	0.00
Prior period adjustments					
Reclassify fund equity	0.00	0.00	0.00	0.00	0.00
Unrecorded fund equity	0.00	0.00	0.00	0.00	0.00
Reclassify fund types	0.00	0.00	0.00	0.00	0.00
July 1, 2024 as restated	8,917,613.75	0.00	0.00	0.00	0.00
Increase (decrease) in reserve for inventory	0.00	0.00	0.00	0.00	0.00
June 30, 2025	8,950,053.21	0.00	0.00	0.00	0.00

Highlighted Funds

Textbook Fund 1992 Goal 1

The Textbook Fund supports student and teacher resources of textbooks and instructional materials. Annually, a dedicated curriculum team conducts thorough evaluations of existing resources and gathers feedback from teachers and students. Based on their analysis and insights, the team makes informed recommendations for new textbooks or additional materials, ensuring that the curriculum remains relevant and aligned with educational standards.

In addition to traditional textbooks, the Textbook Fund extends its support to encompass a broader range of resources such as digital platforms, interactive software, and educational apps. By embracing technological advancements, the fund enables educators to adopt innovative teaching methods and create dynamic learning environments.

Major components include: Curriculum Associates; ELA Textbooks; STEMscopes

Instructional Budget: \$343,169.48



Curriculum Associates®



STEMscopes™
THE LEADER IN STEM EDUCATION



Child Nutrition Fund 2110

Goal 3



Through its partnership with Chartwells K12, the school district has witnessed a notable boost in sales and achieved significant cost savings. Chartwells K12's expertise in nutrition and menu planning, combined with its streamlined operations, has led to more appealing and balanced meal options for students. This improvement in meal quality and variety has resulted in increased student participation and higher sales within the district's food service program. Additionally, Chartwells K12's purchasing power and efficient procurement practices have allowed the district to benefit from cost savings, optimizing the allocation of resources and enabling investment in other educational initiatives. Overall, the partnership with Chartwells K12 has not only enhanced the dining experience for students but also yielded financial advantages for the school district.

An excess fund balance refers to the accumulation of funds beyond what is deemed necessary for the operational needs and financial stability of a Child Nutrition Program, which is defined as a balance over three months' average expenditures. In FY22, the district began trying to spend down the excess fund balance of \$1,124,522.08. Child nutrition funds face limitations in terms of available spending options. In FY25 the district proposed spending \$935,251.76 of the fund balance for Child Nutrition.

We have evaluated each cafeteria to determine the need for new kitchen equipment and dining area furniture, aiming to improve the overall dining experience for students and staff. Projects proposed in FY25, are the PHS and NSE dining room redesign including tables. Our efforts to enhance these facilities will persist as we move forward.



Construction Fund 3027

Goal 4

On May 24, 2023, Pearl Public School District initiated the construction of the Pearl Junior High Multi-purpose Building (Base-bid), with a current contract completion date of June 20, 2024. The project is partially funded by \$2,908,689.78 from the ARP ESSER (Elementary and Secondary School Emergency Relief) funds, also known as ESSER III. The total cost of the base bid and all add-alternates, awarded to Diversified Construction Services, Inc., amounts to \$8,216,507.52 (including change orders).

Alternate No. 1 encompasses the renovation of an underutilized area beneath the existing Pearl Junior High (PJH) gym. This space will be transformed into additional locker rooms, a weight room, coaches' offices, and a viewing room. The cost of implementing Alternate No. 1 is estimated at \$1,750,000.

Alternate No. 2, which involved a first-floor renovation of the existing gym and locker rooms, was not approved due to funding constraints.

Alternate No. 3 entails the removal of the current road and alternative school, along with the construction of a new road to redirect traffic around the recently constructed Multi-purpose Building. The cost of implementing Alternate No. 3 amounts to \$875,000.

Construction is expected to be completed in FY2025.

Looking Forward

As of the end of fiscal year FY23, the district's maintenance fund balance stands at 20% of its annual operating revenues. Over the past five years, the fund balance has seen growth with the exception of FY23. The district invested in Apple in FY 23 and committed to using a major portion of the fund balance to fund the project. Fund balance is expected to recover by the end of FY24.

In terms of funding changes for FY25, the district faced a 5% increase in PERS (Public Employees' Retirement System) but the legislature changed to .05% increase. Health insurance is expected to increase 5%. Both increases are approximately \$215,000 in increased cost. Additional state funds of \$176,310 were allocated to offset the cost for FY25. This amount will be rolled into MSFF for FY26.

Looking ahead, the district expects new residential developments to emerge in the assessed valuation area. The district's administrative team will closely monitor enrollment projections and trends to evaluate the need for additional classrooms.

Excellence in Education



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