



# BUDGET HEARINGS 2023-2024



# BUDGET HEARINGS 2023-2024

---

## Two Meetings

- Tuesday, August 29 at 6:30 9m  
Pelham City Schools Central Office
- Tuesday, September 12 at 7:30 am  
Pelham City Schools Central Office



# Budgeting Process

---

- Begins with staffing meetings and discussions with principals and other administrators to determine unique building needs based on student needs and data
- Each district administrator is asked to develop a projection of needs based on reflection needs and should be supported by data as to how the requests are impactful to learning
- Determine capital project needs based on the 5 Year Capital Plan
- Determine revenue estimates and state/federal allocations
- Adjustments made after developing an initial estimates if funding is not available for all requests

# OUR STUDENTS & STAFF

---

- 3,440 students  
@ Day 20 of the 2021-2022 school year
- 3,385 students  
@ Day 20 of the 2022-2023 school year
- 3,419 students  
@ Beginning of the 2023-2024 school year
- 448.83 staffing for 2023-2024 school year
  - ◆ 278.33 (+9.33 from 2022-2033) certified staff and 137.5 support personnel with 33 additional contracted support personnel



# Revenue Sources

**Local Funds** - 51.56% of budget  
Mostly discretionary spending

**State Funds** - 42.72% of budget  
Mostly earmarked by state

**Federal Funding** - 5.72% of budget  
Mostly earmarked by feds



# LOCAL FUNDS

---

Local funding is supported by Pelham's 1% sales tax, county wide .50% sales tax, district and county ad valorem.



# Local Revenue Assumptions

---

- One-cent sales tax dedicated to the school system - \$7.9 million (2% increase from FY2022).
- .50 district sales tax - \$2.48 million (Level with FY22 collections)
- County-wide Ad Valorem - \$7.3 million (Level with FY23 estimated revenues)
- District Ad Valorem - \$7.68 million (Level with FY23 estimated revenues)



# Budget Totals

---

## **Budget**

\$57.2 Million in total expenditures

## **One Month Operating Balance (ALSDE required)**

\$4.1 million

## **End of Year Balance**

Estimated at \$12.7 million

(equal to approximately 3 months of reserves)





# Why Reserves are Needed?

---

- Total Expenditures = 57,245,172.19
  - Personnel Costs = 60%
  - Professional Services/Utilities = 13%
  - Materials, Supplies, Fees, Capital Projects = 18%
  - Debt = 9%
- Total of 82% of budgeted expenditures would take longer than one year to reduce
- Not having a strong reserve when you have significant local initiatives makes a system immediately reactionary to economic shifts

# 2023-2024 FORECAST (FY 2024)

---

- The FY 24 budget includes an overall deficit of \$1.2 million, however, the general fund is estimated at a surplus of 110,313. This deficit is due to planned projects from capital funds reserves.
- We expect to end FY 2024 with approximately a 3 month reserve



# STATE ALLOCATIONS NOT FULLY FUNDED

---

## **SALARIES & BENEFITS**

\$1,057,795 in local funds are required to meet the state earned teacher and admin costs due to the local investment in higher teacher pay, extended administrative contracts, payroll matrix changes, etc.

## **SCHOOL NURSES**

\$153,840 in local funds provide a lead nurse and school nurse at each location.

## **TRANSPORTATION**

\$111,693 in local funds provide bus drivers and all operations



# FEDERAL FUNDS

---

- \$821,079 of IDEA Part B utilized for spec ed admin, 4.5 teachers, pyschometrist, and curriculum support services
- \$449,405 of Title I funding utilized for program admin costs and 4 teachers at the 2 elementary schools as well as 2 part-time intervention tutors.
- \$105,086 Title II funding utilized as part of our curriculum and instruction budget (C and I) covering a portion of professional development costs
- \$46,598 Title III funding and \$24,288 of Title IV used for ESL staff



# SIGNIFICANT UNFUNDED MANDATE

---

- **IDEA (Special Education)** - Approximately \$2.5 Million in local funding will be required to provide services and staffing.



# STRATEGIC ALIGNMENT

---

**ALL DISCRETIONARY REVENUE EXPENDITURES ARE ALIGNED TO OUR STRATEGIC PLAN.**

*We believe that every student deserves to attend a school system that is striving to achieve excellence within each one of our identified essential strands.*

**SCHOOL SAFETY  
GREAT EDUCATORS  
EXTRACURRICULAR  
FACILITIES  
PLANNING**

**CURRICULUM  
TECHNOLOGY  
STAFFING  
COMMUNITY SUPPORT**



# SPENDING BY ESSENTIAL STRAND

---

The rest of our discussion will be focused on how we plan to allocate our discretionary dollars. Since all expenditures are aligned to the strategic plan, we will discuss review the budgets by each essential strand.



# SCHOOL SAFETY

---

\$439,013 of **discretionary** funds

34 strategies/indicators (including bus fleet, rapid notification system, mental health contract, etc.)

Largest expenditures within strand:

- \$111,693 for transportation (\$2.2M in state funds)
- \$29,421 for SRO (\$50,579 covered in state grant)
- \$153,839 for nursing





# CURRICULUM

---

\$620,819 of **discretionary** funds

- Used to support all K-12 resources
- Significant state and federal dollars are also utilized for curriculum (@ \$422,776)



# GREAT EDUCATORS

---

\$1,273,388 of **discretionary** funds

23 strategies / indicators (including salary schedule for teachers to pay above state minimum and added supplements)

Largest expenditures within strand:

- Pay above the state matrix
- Extraordinary compensation
- Academic supplements



# TECHNOLOGY

---

\$1,073,148 of **discretionary** funds

Devices

Software

Other technology infrastructure

\*This strand was reduced previously due to the availability of ESSER/COVID funding. The current amount is in alignment with the previously established local commitment



# EXTRACURRICULAR

---

\$1,111,051 of **discretionary** funds

Athletic and Band allocations sent to the schools

Extended Day programs now run by the district

Largest expenditures within this strand:

→ \$907,622 for supplements



# STAFFING

---

\$10,531,346 of **discretionary** funds

All other categories of employees are covered in this strand

Largest expenditures within this strand -

- \$2,479,997 for 26.11 locally funded teachers and admin at the schools
- \$2,655,606 for support staff in schools (Secretaries, custodians, tech support)
- \$1,606,422 contracted instructional support staff
- \$2,322,267 for central office/district personnel



# FACILITIES / OPERATIONS

---

\$2,336,485 of **discretionary** funds

12 strategies / indicators (including utilities, grounds and landscaping, custodial supplies, repairs, etc.)

Largest expenditures within this strand:

- \$1,308,725 to pay utilities
- Maintenance, custodial, equipment, contracted repairs etc.



# COMMUNITY SUPPORT & PLANNING

---

\$127,530 of **discretionary** funds

19 strategies / indicators

Largest expenditure within these strands -

- \$53,050 for communications materials/initiatives
- District associations, staff meetings records management costs, etc



# PAYMENTS & PROJECTS

---

- \$5,109,960 required by state foundation program (10 mill match)
- \$116,357 district tax payment to Shelby County
- \$4,989,1865 debt payments for existing buildings and new construction
- \$3,500,000 in projects
  - Building renovations
  - Auditorium Lighting at PHS
  - Roof replacement at PHS
  - POES Playground





# Q & A

---

- Questions from board members
- Questions from public audience

