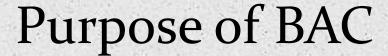
PIEDMONT UNIFIED SCHOOL DISTRICT

DEEP DIVE INTO EXPENDITURES

Budget Advisory Committee November 7, 2019

Agenda

- Introductions
- Purpose
- Quick review of Revenues
- Expenditures
 - Overview
 - Salaries & Benefits
 - Other Expenses
- Discussion / Comments / Questions
- Adjourn



- The Budget Advisory Committee is a standing committee with representatives from all stakeholders in the District.
- Its purpose is to:
 - review the District's Budget,
 - o share the information with constituent groups, and
 - generate recommendations for Board consideration in the budget development process.
- The BAC is a vehicle to disseminate information to as many parents, students, staff and community members as possible.



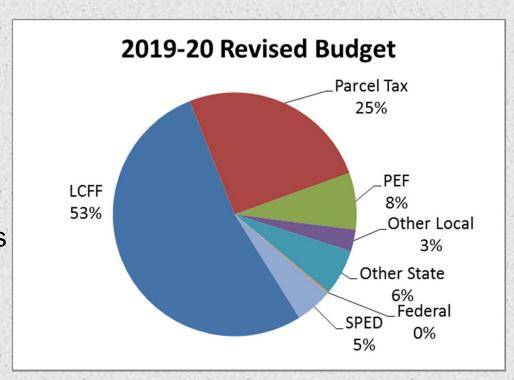
Purpose of Today's Meeting

- Deep Dive into Expenditures with the objective of answering the following questions:
 - What are the major expenditures for the District?
 - What drives the salary and benefit costs?
 - What is funded by unrestricted semi-restricted ("committed") and legally restricted resources?
- What other ways of looking at Expenditures would be useful to review?
- At our next meeting (December 5, 7:00-8:30 PM), we will review the 1st Interim Report for 2019-20.

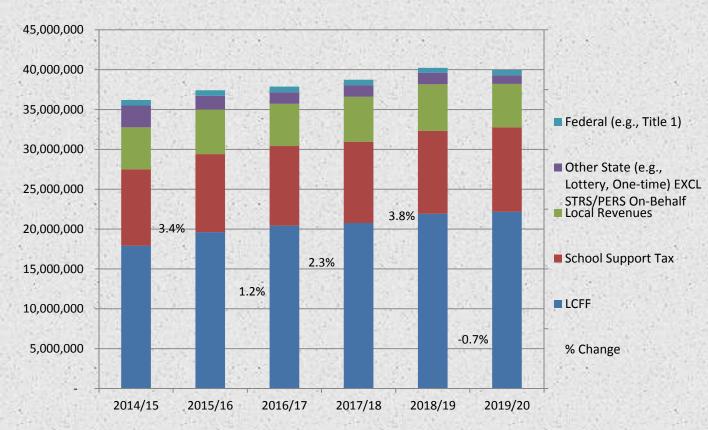


2019-20 Revenues

- The District receives approximately \$40 million in revenues from state, federal and local sources.
- 6 36% of revenues are from the parcel tax, PEF, parents and other local sources.







Source: 2014/15 through 2018/19, Unaudited Actuals; 2019/20, Adopted Budget



Unrestricted vs Restricted

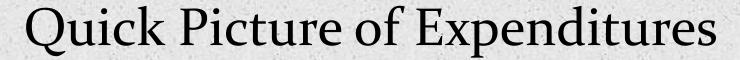
- Our Unrestricted revenues are the most flexible and can be any school district purpose.
 - E.g., State apportionment funds, property tax revenues (LCFF portion and parcel tax portion)
- Committed revenues have some requirements on their use.
 - E.g., Parent Club donations for field trips.
- Restricted revenues must be used as directed by the source or by the law.
 - E.g., bond funds, federal funds



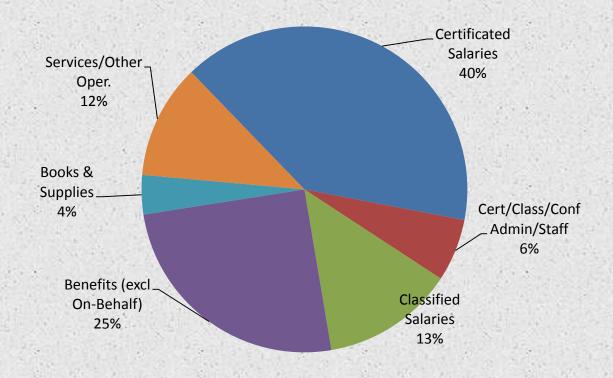
Restricted vs Unrestricted

- The revenues the District receives are unrestricted, committed for a specific use, or restricted.
- SPED and Restricted Maintenance require a contribution of unrestricted resources into restricted programs.

Revenues	Unrestricted	Committed	Restricted
LCFF	\$ 22,165,250		
Parcel Tax	10,602,574		
Other State Unrestricted	593,855		
Other Local Unrestricted	298,256		
PEF		\$ 3,139,350	
Parent Clubs		211,963	
Athletics & Wellness		320,500	
Other Parent Contributions		185,648	
Music Groups		35,000	
State - Restricted			\$ 340,725
Federal - Restricted		7 S	79,352
Special Education	(6,219,301)	10 10 10	8,254,983
Routine Maintenance Acct	(1,200,000)		1,200,000
Local - Restricted			134,399
Total	\$ 26,240,634	\$ 3,892,461	\$10,009,459



85% of the District's General Fund expenditures are for salaries and benefits.



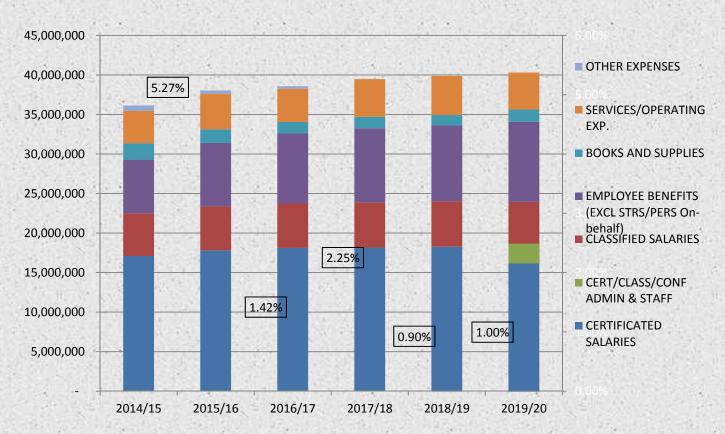


General Fund Expenditures

Estimated Expenditures for 2019-20 as of October 10, 2019

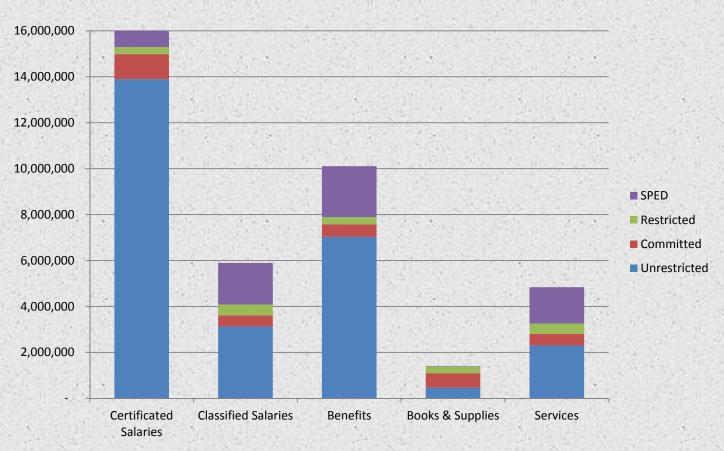
Expenditures	Amount	%
Certificated Salaries	\$16,177,203	40%
Classified Salaries	5,276,387	13%
Cert/Class/Conf Administrators & Staff	2,492,303	6%
Employee Benefits (Excluding STRS/PERS On-behalf)	10,118,275	25%
Books & Supplies	1,563,554	4%
Services/Operating Expenses	4,671,451	11%
Transfers/Indirect	(105,000)	0%
TOTAL	\$40,194,173	100%



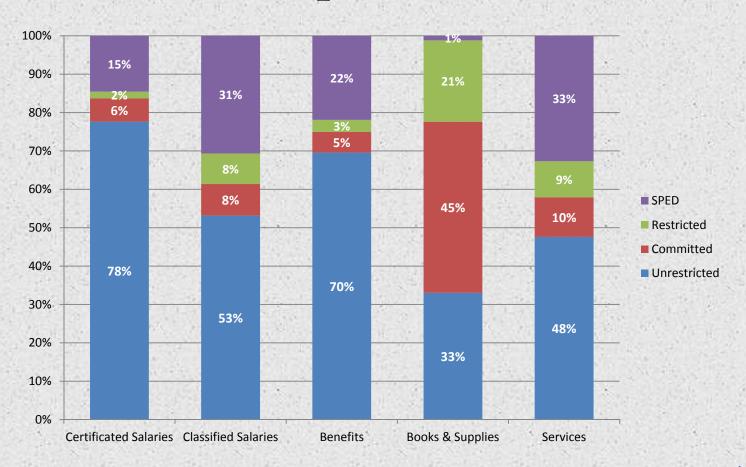


Source: 2014/15 through 2018/19, Unaudited Actuals; 2019/20, Adopted Budget











Salaries – Certificated

	Teachers	School Counselors	Librarians	Support Services (Nurse, Psychologist)	Admin- istrators
# of FTE	164.06	7.8	3.8	9.9	10.6
Salary Range (FT)	\$53,671 - \$99,452	\$65,939 - \$98,890	\$80,662 - \$101,677	\$61,526 - \$103,141	\$124,971 - \$156,755
Average Salary	\$82,140	\$83,780	\$86,156	\$89,896	\$136,870
Days/year	185 190 SPED, Site Techs	185 Elem 195 Sec	185 Elem 190 Sec	185 Nurse 195 Psych	210-230

Salaries - Classified

	Para- Educators	Admin. Support	Custodians & Grounds	Business & IT	Facilities Maint.	Other Services
# of FTE	63.77	15.76	16.0	13.0	5.8	10.6
Salary Range	\$21,404- \$39,241	\$33,204- \$77,728	\$42,646- \$66,287	\$50,914- \$80,008	\$48,018- 80,280	N.A.
Average Salary	\$30,781	\$57,472	\$52,657	\$65,593	\$74,965	N.A.
Hours/week	30	37.5	40	37.5	40	Varies
Days/year	207	207 Sites 238 Sites 260 D0	260	225 Mgr 238 Sites 260 D0	260	Varies





Step & Column Movement

PIEDMONT UNIFIED SCHOOL DISTRICT TEACHERS' SALARY SCHEDULE 2018-19 185 WORK DAYS

APPENDIX A-1

4		A.B. + 1	1-29	A.B. + or M.A		A.B.+ or A.B. + with M	30	A.B.+ or A.B. + with f	45	A.B.+ or A.B. + with N	60
		COLUMN	Daily	COLUMN	Daily	COLUMN	Daily	COLUMN	Daily	COLUMN	Daily
STEP	A	B	Rate	C	Rate	D	Rate	E	Rate	F	Rate
1	D E	53,671	290.12	56,125	303.38	58,581	316.65	61,031	329.90	63,490	343.19
2		53,671	290.12	56,125	303.38	58,581	316.65	61,031	329.90	63,490	343.19
	E	33,671	290.12	36,123	303.30	30,361	310.03	61,031	329.90	63,490	343.19
3	T	53,671	290.12	56,125	303.38	58,581	316.65	61,031	329.90	63,490	343.19
	Ė	30,071	200.12	30,120	000.00	30,301	010.00	01,001	323.30	00,400	343.13
4	D	53,671	290.12	56,125	303.38	58,581	316.65	61,031	329.90	63,490	343.19
		0									
5		53,671	290.12	56,125	303.38	58,581	316.65	61,031	329.90	63,490	343.19
	U										
- 6	N E	56,125	303.38	58,581	316.65	61,031	329.90	63,490	343.19	65,939	356.42
7	E	58,581	316.65	61,031	329.90	63,490	343.19	65,939	356.42	68,391	369.68
	2001	36,361	310.03	61,031	329.90	63,490	343.19	65,939	330.42	00,391	309.00
8	2001	61,031	329.90	63,490	343.19	65,939	356.42	68,391	369.68	70.842	382.93
		0.,00.	020.00	00,100	0 10.10	00,000	000.42	00,001	000.00	10,012	002.00
9		63,490	343.19	65,939	356.42	68,391	369.68	70,842	382.93	73,303	396.23
10				68,391	369.68	70,842	382.93	73,303	396.23	75,760	409.51
11						73,303	396.23	75,760	409.51	78,212	422.77
12						75,760	409.51	78,212	422.77	80,662	436.01
12						75,700	409.51	70,212	422.11	00,002	430.01
14										82,970	448.49
										02,010	- 110110
16										85,279	460.97
18										87,589	473.45
20										89,900	485.95
22										92,209	498.43
- 22										92,209	490.43
24										94,521	510.93
										0.1,021	0.0.00
25										96,835	523.43

- An teacher is initially placed in a column based on education, and in a row based on years of experience.
 - e.g., College degree + 45 add'l credits and 5 years of work experience places a new teacher at 5/D.
- Every year, the employee moves down a row.
- With additional coursework, an employee can also move to another column.
- For budgeting purposes, we assume the step & column movement will result in a natural increase in salaries of 1.00% each year.

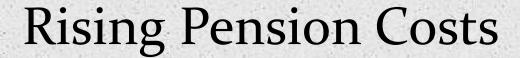


Certificated		Classified		
STRS Pension	17.10%	PERS Pension	19.72%	
State Unemployment Ins	0.05%	State Unemployment Ins	0.05%	
Medicare	1.45%	Medicare	1.45%	
Worker's Comp	2.39%	Worker's Comp	2.39%	
Social Security	0.00%	Social Security	<u>6.20%</u>	
	20.99%		29.81%	

e.g., Teacher making the average salary costs:

Salary \$82,140 + 20.99% <u>17,241</u> = \$99,381

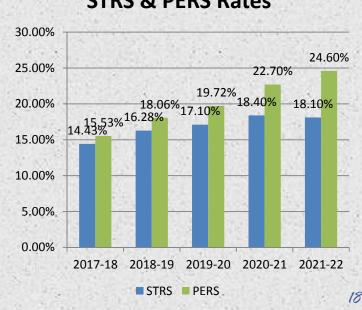
+ health

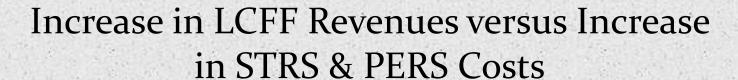


STRS and PERS have unfunded liabilities that they are trying to "fund" by increasing state, employer and employee contributions over the next few years.
STRS & PERS Rates

STRS rates are set in statute through 2020-21.

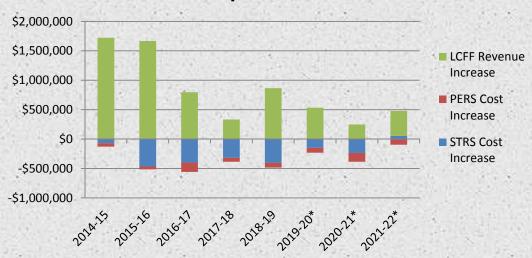
 PERS rates are adjusted every year based on investment earnings.





The increase in base LCFF funding may not generate enough additional revenues to cover the increase in STRS & PERS payments.

Increase in LCFF Revenue versus Increase in STRS/PERS Costs





Employee Costs – Health Benefits

District contribution towards medical, vision, and dental is capped:

	Medical	Dental	Vision
Single	\$7,300	\$587	0
Two Party	14,300	1,171	0
Family	19,800	1,661	0

- Employees pay from \$0 to \$223 per month.
- Employees that "opt out" of district coverage receive \$2,300
- Total Cost to District: \$4,348,051



Certificated

Total Salaries

\$18,054,548

1% Increase

180,545

Statutory Benefits

37,896

Total

218,442

Classified

Total Salaries

5,891,345

1% Increase

58,913

Statutory Benefits

17,563

76,476

Combined:

\$294,918



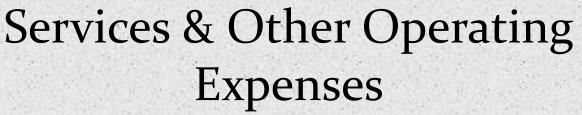
Retirees

- Bargaining Unit Contracts provide for certain benefits to employees at retirement.
- Benefit coverage depends on (1) when an employee joined the district and (2) what the contract stipulated when the employee retired.
- Other Post Employment Benefits (OPEB) costs are \$370,000 for 2019-20.

Books & Supplies

Books and Supplies are \$1.56 M

Books & Supplies	Unrestricted	Committed	Restricted	Total
Materials & Supplies	\$304,639	\$495,590	\$71,249	\$871,478
Books	102,871	700	137,359	240,930
Computers & Supplies	44,219	129,400		173,619
Maintenance / Bldg /Vehicle Supplies		2,076	105,463	107,539
Equip. (over \$500)	40,893	56,256	724	97,873
Custodial Supplies	42,020			42,020
Testing materials	2,155		14,000	16,155
Graduation Expense	13,940			13,940
TOTAL	\$550,737	\$684,022	\$328,795	\$1,563,554



Professional contracts, utilities, other services, and other operating expenses are \$4.67M.

Services & Other Op. Exp.	Unrestricted	Committed	Restricted	Total
SPED Contracts	\$222,380	\$75,000	\$1,578,305	\$1,875,685
Contracts for Services	455,440	205,261	307,394	968,095
Utilities	461,995	1,100		463,095
Communications / Data	404,157	20,771	7,684	432,612
Insurance	301,030			301,030
Rentals & Repairs – Equip, Facilities, Copiers, Buses	164,155	25,915	71,800	261,870
Travel & Conf, Mbrshps	81,525	60,307	80,960	222,792
Legal, Audit, Election, Ads	<u>146,272</u>			<u>146,272</u>
TOTAL	\$2,236,954	\$388,354	\$2,046,143	\$4,671,451

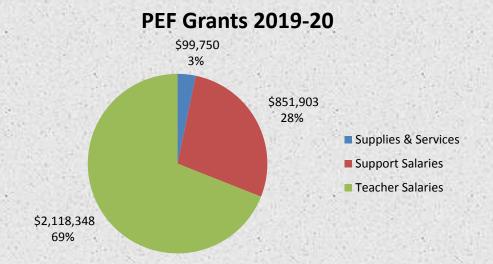


- 2019-20 Collection Expected to be \$10.6 Million
- \$9.6 Million (91%) goes into Salaries & Benefits:
 - Protect Instructional Programs & Small Class Sizes, including Art/Music/World Languages/Math/Science
 - 68.4 FTE Teachers
 - Protect Programs & Services
 - School Libraries 2.4 FTE
 - Classroom Technology 5.5 FTE
 - Student Counselors & Psychologists 9.96 FTE
 - Assistant Principals 3.0 FTE
- \$.5 M (5%) for On-line tools to support programs
- \$.5 M for Reserves & Misc. related expenses



PEF Funds – Grants Cmte.

- PEF Collected \$3,070,000 in donations during 2018-19 to provide guaranteed funding for 2019-20.
- Grants are decided through a committee that meets in the spring and reviews the Districts needs for the coming year.





Other than the General Fund

- The expenditures in the Other Funds are tied directly to the income in those funds and will not be covered today:
 - Adult Education
 - Child Nutrition
 - Special Reserve (Parcel Tax/Noda)
 - Facilities-related Funds:
 - Deferred Maintenance
 - Building (Bonds)
 - Special Reserve for Facilities
 - County-State Building Funds
 - Self-Insurance



Questions / Discussion

Appendix

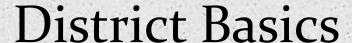


School District Financial Reports

- California public school districts are required to report financial data:
 - Following the California School Accounting Manual (CSAM),
 - Using the "Standardized Account Code Structure" (SACS),
 - To the County Office of Education by specific dates:
 - Adopted Budget by July 1
 - 1st Interim by Dec 15 for actuals thru Oct 31
 - 2nd Interim by March 15 for actuals thru Jan 31
 - Estimated Actuals with next year's budget
 - Unaudited Actuals by Sept 15 for actuals thru June 30
 - Audit by December 15 to CDE; by January 30 to Board



- Budget Plan of how financial resources will be spent. Indicates priorities and estimates.
- Budget authority spending approved by board and allocated to a budget code that indicates goal, function, spending type, etc.
- Ongoing funding or spending that is expected to continue indefinitely.
- One-time funding or spending for which there is no ongoing commitment.



of School Sites: 6

of Students: 2,567

(Enrollment on Census Day, October 3)

Attendance as % of Enrollment: 97%

of Employees: 359

of Full-Time Equivalents (FTE): 333.75