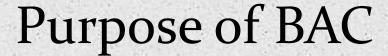
PIEDMONT UNIFIED SCHOOL DISTRICT

DEEP DIVE INTO REVENUES

Budget Advisory Committee
October 17, 2019



- Introductions
- Purpose
- Revenues
- Enrollment
- Discussion / Comments / Questions
- Adjourn



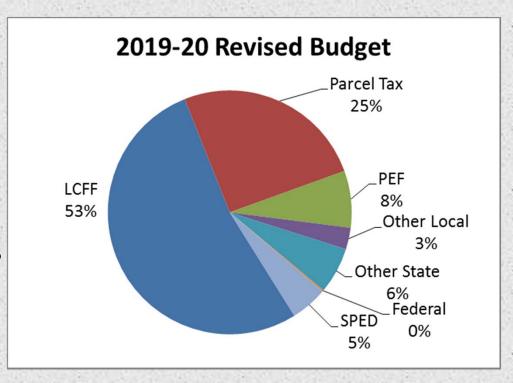
- The Budget Advisory Committee is a standing committee with representatives from all stakeholders in the District.
- Its purpose is to:
 - review the District's Budget,
 - share the information with constituent groups, and
 - generate recommendations for Board consideration in the budget development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



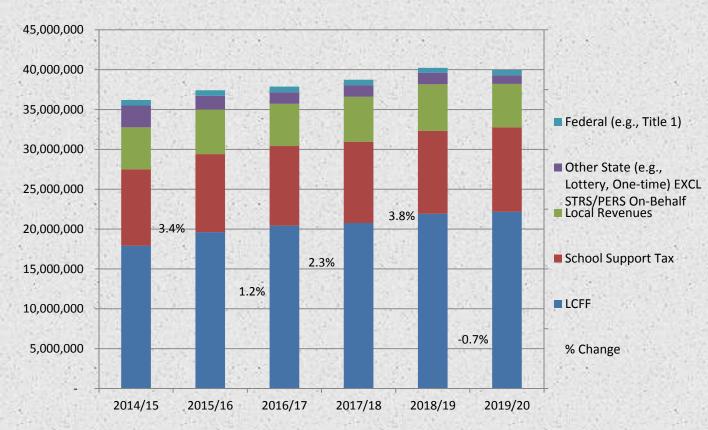
- Deep Dive into Revenues with the objective of answering the following questions:
 - What are the District's revenue sources?
 - How are revenues determined?
 - How can the District increase revenues?
- At our next meeting (November 7) we will do a deep dive into Expenditures.



- The District receives approximately \$40 million in revenues from state, federal and local sources.
- 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

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			79,352
Special Education	(6,219,301)		8,254,983
Routine Maintenance Acct	(1,200,000)	11.0%	1,200,000
Local - Restricted	147, 14		134,399
Total	\$ 26,240,634	\$ 3,892,461	\$ 10,009,459

SPED and Restricted Maintenance require a contribution of unrestricted resources into restricted programs.



- The revenues in the Other Funds are restricted and will not be covered today:
 - Adult Education
 - Child Nutrition
 - Special Reserve
 - Facilities-related Funds:
 - Deferred Maintenance
 - Building (Bonds)
 - Special Reserve for Facilities
 - County-State Building Funds
 - Self-Insurance





Local Control Funding Formula

- LCFF is the formula that sets the minimum level of funding a district can expect to receive.
- The formula takes ADA and multiplies by a dollar amount depending on grade level to determine a total.
- Additional funding is given for low income, English learner and foster students.
- Property tax revenues are applied toward that total. The remainder is paid by the State.



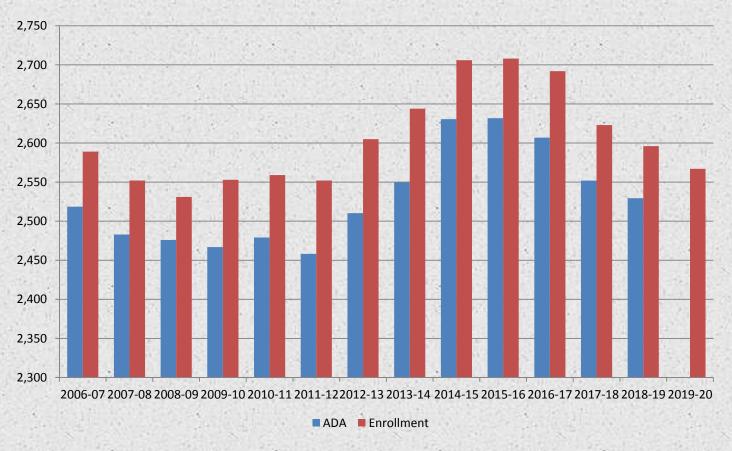
- ADA starts with enrollment, takes into consideration daily attendance, and ends up with a student count that is used for funding purposes.
- Out of 180 school days, if a student is present for all 180 days (no absences) that student generates 1.0 ADA.
- If a student is present for 175 days (absent 5 days), that student generates .972 ADA.
- 1.0 ADA generates \$8,704 in LCFF revenue. Each absence reduces ADA by .0056, which translates to \$48.
- o In 2018-19, Piedmont's enrollment was 2,596 and ADA was 97.44%, or 2,529.44.



Board Policy on Enrollment

- The Board revised it's policy on inter-district transfers (IDTs) on June 12, 2019.
- IDTs are now admitted based on priorities identified in the Board policy:
 - Employees of Piedmont USD and the City of Piedmont
 - Families in transition in or out of Piedmont
 - Specific parcels that are partially in or border Piedmont.
 - Grandchildren of Piedmont residents
 - All other applicants, as capacity permits and by lottery, if necessary
 - Millennium High School, based on Supt's review.







		100					1500	-								
	тк	К	1	2	3	4	5	6	7	8	9	10	11	12	Total	% Change
2010	0	162	166	205	204	178	211	190	217	185	228	194	208	201	2,549	
2011	0	165	166	205	204	178	211	190	217	185	228	194	208	201	2,552	0.12%
2012	11	173	172	183	216	214	191	218	190	221	201	221	190	205	2,606	2.12%
2013	19	159	196	185	196	223	220	187	220	195	223	206	223	192	2,644	1.46%
2014	24	144	177	206	199	209	234	229	197	221	206	229	202	229	2,706	2.34%
2015	31	136	159	178	221	204	215	251	237	196	237	210	226	207	2,708	0.07%
2016	26	154	149	157	187	227	208	206	251	242	213	235	212	225	2,692	-0.59%
2017	28	152	163	156	163	190	225	208	208	250	233	207	232	208	2,623	-2.56%
2018	21	150	162	165	161	168	189	231	212	209	249	241	210	231	2,599	-0.91%
2019	21	140	171	174	173	166	167	202	235	214	212	243	239	210	2,567	-1.23%
2020	20	154	140	171	174	173	166	167	202	235	224	212	255	243	2,536	-1.21%
2021	20	154	154	140	171	174	173	166	167	202	245	224	224	260	2,474	-2.44%
2022	20	145	154	154	140	171	174	173	166	167	212	245	236	228	2,385	-3.60%



- The LCFF Formula provides additional resources for students who are:
 - Low Income
 - English Language Learners
 - Foster Youth
- The Unduplicated Pupil Percentage (UPP) is the % of students who fall in one or more of the add'l need categories. ("Unduplicated" means a child is only counted once, even if he/she falls under all three categories).
- In 2018-19, Piedmont USD had 67 students who fell into one of these categories, which is a UPP of 2.57%.



Base Grant Funding, Education Code (EC) Section 42238.02(d)

Grade Span	2019-20 Base Grant per ADA	Grade Span Adjustments (K-3: 10.4% 9-12: 2.6%)	2019-20 Base Grant/ Adjusted Base Grant per ADA
K-3	\$7,702	\$801	\$8,503
4-5	\$7,818		\$7,818
6-8	\$8,050		\$8,050
9-12	\$9,329	\$243	\$9,572

Supplemental and Concentration Grant Funding

Funding	Percentage	Grant Calculation
Supplemental Grant EC Section 42238.02(e)	20%	For each grade span: Adjusted Base Grant, times ADA, times UPP, times 20%
Concentration Grant EC Section 42238.02(f)	50%	For each grade span: Adjusted Base Grant, times ADA, times portion (if any) of UPP that exceeds 55%, times 50%.



Now let's calculate Piedmont's LCFF Funding.

Grade	ADA	* (Adjusted † Base	Supp 20% of Adj Base * UPP	+ Conc 50% of Adj Base * UPP over 55%)	= Total
K-3	640.20	\$8,503	\$44	-	\$5,471,601
4-5	574.43	\$7,818	\$40	-	\$4,513,968
6-8	409.43	\$8,050	\$41	-	\$3,312,852
9-12	898.39	\$9,572	\$49	-	\$8,643,555
	Tax Transfers, portation Add-c	Prior Year True-U on	р		\$223,273
TOTAL	2,522.45				\$22,165,250

Note on ADA: For funding, we can use the higher of current or prior year ADA. For 2019-20, we'll use the 2018-19 P-2 ADA.



Property Taxes (estimate): \$12,269,712 55%

(PUSD portion of 1% property tax assessed on all properties in Piedmont)

State Portion of LCFF: \$ 9,895,538 45%



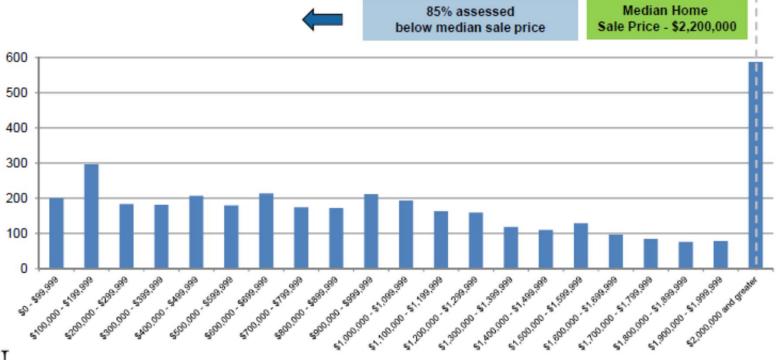
Why isn't Piedmont Basic Aid?

- A Basic Aid district collects more in property taxes than the LCFF formula-derived minimum amount. Thus, the State does not owe the district, and the district keeps anything over the LCFF target.
- Property tax collections are based on the <u>assessed value</u> of each property within district boundaries.
- Assessed values increase by no more than 2% a year, unless the sale of the property re-establishes the assessed value. So the total taxable values are much less than the total market values.
- In Piedmont, the median home sale price is currently
 \$1.9M, however 88% of homes are assessed below that.

SFR Parcels by Assessed Value



- The District's single family home median AV is \$946,980, and the average (mean) AV is \$1,165,787 for fiscal year 2018-19.
- The 2019 median sale price for a home in the in the City of Piedmont is \$2,200,000 (Source: Corelogic, Provided by DQNews)
- Approximately 85% of the District's single family homes are assessed below the median sale price of \$2,200,000 (Source: Corelogic).







- The second largest revenue source is the Parcel Tax, or School Support Tax.
- Voters have approved parcel taxes for the school district continuously since 1985.
- The current tax − Measure A was approved in 2013 and expires in 2021.
- The Board can increase the tax by no more than 2% a year.

# of Parcels	Tax per Parcel	Budgeted Revenue
(19-20)	(19-20 Rate)	(Estimate)*
3,921	\$2,709	\$10,602,574

^{*} Estimate is discounted slightly to allow for delinquencies.



Measures G & H

- The Board placed two parcel tax measures on the ballot for November 5:
 - Measure G replaces Measure A; \$2,763 per parcel starting in 2020. 8 year term
 - Measure H additional tax of \$0.25 of building square footage. 8 year term.

Proposed Measure	Tax per Parcel	Total Generated (Estimate)
G	\$2,763	\$10.8 M
Н	\$.25 per bldg sq ft.	\$2.6 M

Other Local Funds

Local Funding Source	Amount	UR/C/R	OG/1x
Piedmont Education Foundation (PEF & PAF)	\$3,139,350	С	OG
Boosters	90,500	С	1/2
Coaches Stipend Fund	220,000	С	
Parent Clubs & Field Trip Donations	211,963	С	
Parent & Student Generated Funds	230,648	С	
Facilities Rentals	150,000	UR	OG
Interest & Other Local Funds	282,655	1/2	1/2
Total Other Local	\$4,325,116		



PEF

- The Piedmont Education Foundation fundraises on behalf of the Piedmont Unified School District.
- Fundraising takes place a year in advance to be able to commit a known amount for the following fiscal year.
- Depending on the results of the fundraising, PEF and the District determine what will be funded.
- For 2019-20, PEF contributed \$3,070,000.



Other State Funds

State Funding Source	Amount	UR/C/R	OG/1x
Lottery - Unrestricted	\$398,927	UR	OG
Lottery – Restricted – Instr. Materials	\$140,021	R	OG
Mandated Costs Reimbursement	\$104,828	UR	OG
Career Tech Ed Grant	\$150,704	R	OG?
Pre-School Funds	\$ 90,100	UR	1X
Department of Justice Grant	\$50,000	R	1X
STRS On-behalf (offset by expenditures)	<u>\$1,618,464</u>	<u>R</u>	
Total Other State	\$2,553,044		



SPED Funding

Funding for Special Education comes from different sources, including LCFF (Unrestricted) revenues.

Source	Amount
Federal	\$564,132
State	161,127
Other Local Districts (SELPA)	1,123,624
LCFF (Unrestricted Contribution)	<u>6,219,301</u>
Total	\$8,068,184

Other Federal (Restricted)

Federal Funding Source	Amount	OG/1X
Title I – For Low Income Students	\$37,156	OG
Title II – Teacher Training	25,331	OG
Title III – English Learner / Immigrant	6,865	•••
Title IV - Student Support	<u>10,000</u>	?
Total Federal	\$79,352	

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 Terminology

- 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:

of Students: 2,567(Enrollment on Census Day, October 2)

Attendance as % of Enrollment: 97%

of Employees: 359

of Full-Time Equivalents (FTE): 333.75