

# **2022-23 May Revision**

Piedmont USD Budget Advisory Committee  
May 24, 2022

# Agenda

- Introductions
- Purpose of BAC
- Governor's May Revision to 2022-23 Budget
- Impact on PUSD 2022-23 Budget
- Discussion / Comments / Questions
- Adjourn

# Purpose of BAC

- 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.

# Budget Development Process

- We are in the final stretch of budget development for 2022-23.
- The Board will hold a public hearing and the budget adoption meeting in June.

## Initial Budget - December 2021

All current year ongoing revenues are carried forward and one-time revenues are eliminated.  
All current year expenditures are carried forward and one-time costs are eliminated.

## Revised - March 2022

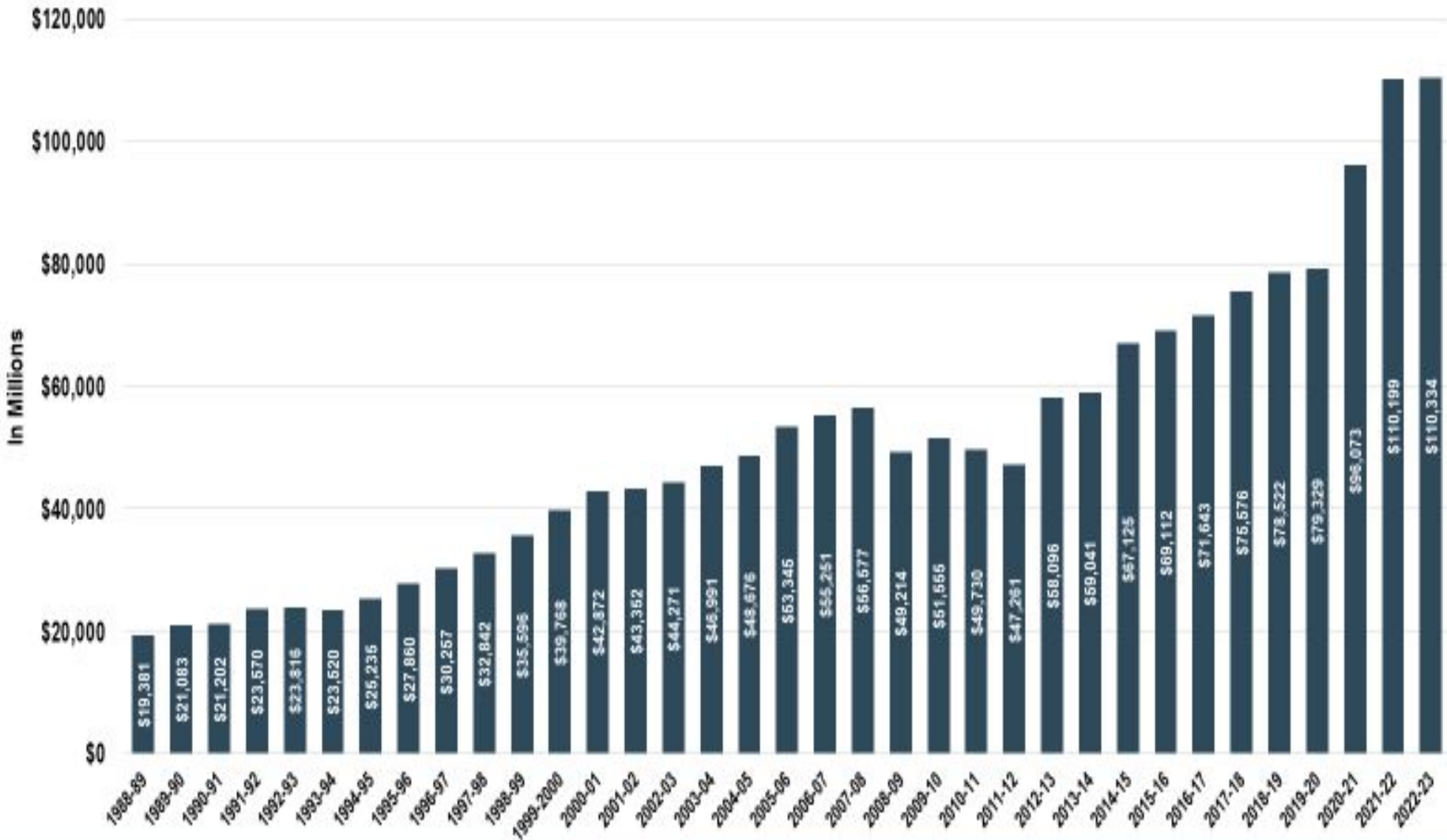
Adjustments are made based on Governor's Budget Proposal and enrollment projections.

## Fine-Tune - May 2022

Revenues are adjusted to the updated information from the May Revision. Final staffing and other costs are incorporated into costs.

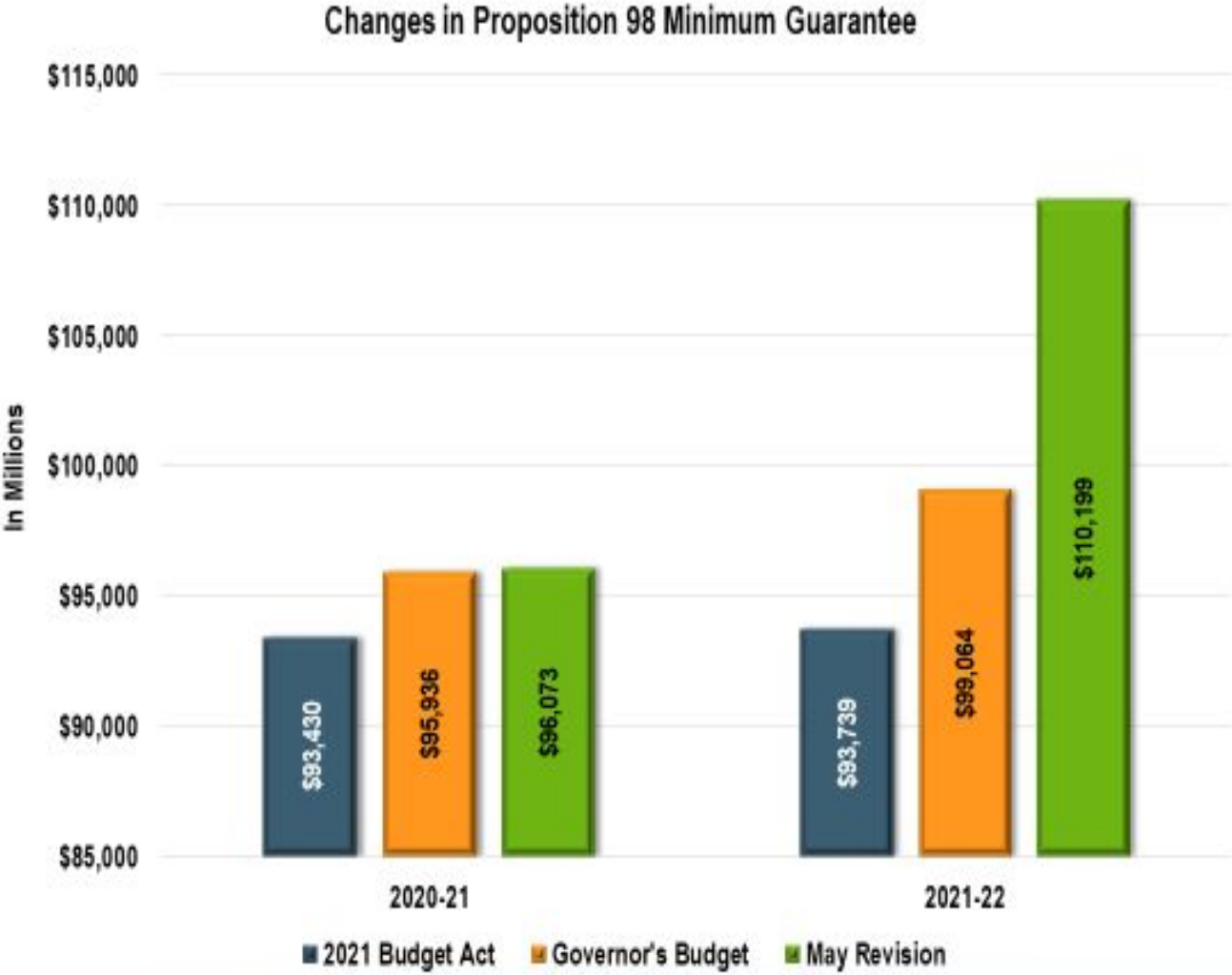
# Proposition 98 Minimum Guarantee

Funding Over Time



# Proposition 98 Settle Up

- Each year, the state revises the minimum guarantee for the current year and prior year to ensure that it meets its constitutional requirement
- If the revised minimum guarantee increases, the state owes K-14 one-time “settle up” payments
- Required settle-up payments from the 2021 Enacted State Budget total \$19.1 billion
  - 2020-21: \$2.7 billion
  - 2021-22: \$16.5 billion



# Revenue Sources

<b>Unrestricted</b>	LCFF	<b>Restricted</b>	SPED
<b>On-going</b>	Parcel Taxes	<b>On-going</b>	Federal
	Lottery		Lottery
<b>Unrestricted</b>	Block Grant	<b>Restricted</b>	COVID Relief
<b>One-time</b>		<b>One-time</b>	Educator Effec
			Facilities Grants

# General Fund - Revenues

		2022-23	2022-23	Difference
		From 2nd Interim	May Revise	
<b>Revenues</b>				
	<b>LCFF Revenue</b>	<b>22,096,269</b>	<b>24,661,092</b>	<b>2,564,823</b>
	State Revenue	1,305,198	1,094,720	-210,478
	<b>State One-Time Funds</b>		<b>3,385,590</b>	<b>3,385,590</b>
	Measure G	11,209,996	11,209,996	0
	Measure H	2,633,239	2,633,239	0
	PEF Grant	3,000,000	3,000,000	0
	PEF Add'l Grant	400,000	350,402	-49,598
	PEF - for Building Loan		0	0
	Other Local	1,301,994	1,042,673	-259,321
	SELPA	1,443,719	1,662,965	219,246
	Federal	659,326	559,518	-99,808
	<b>TOTAL Revenues</b>	<b>44,049,741</b>	<b>49,600,195</b>	<b>5,550,454</b>



# LCFF Funding

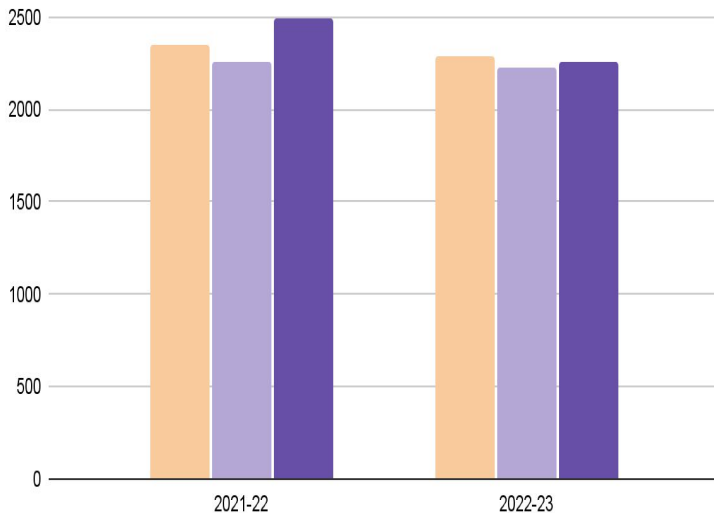
The May Revise confirms the COLA at 6.56%.

Additional funding - equivalent to 3.29% - will be added to the base.

The Governor's solution to the ADA Cliff remains prior 3 year average ADA.




Enrollment and ADA

Enrollment Estimated ADA ADA Used for LCFF Calculations



	LCFF	Difference
COLA @ 5.33%	\$21,892,790	
COLA @ 6.56%	22,150,041	\$257,251
Equiv of 9.85%	22,577,022	426,981
3 prior yr ADA Avg	24,457,613	<u>1,880,591</u>
<b>Total Change to LCFF:</b>		<b>\$2,564,823</b>

# 2022-23 LCFF Funding

	<b>May Revision</b>	<ul style="list-style-type: none"><li>• Provides an additional \$2.1 billion in ongoing Proposition 98 General Fund to increase LCFF funding<ul style="list-style-type: none"><li>• Applied through the existing formula, which subsequently increases the GSAs, as well as supplemental and concentration grants</li></ul></li></ul>
	<b>Assembly</b>	<ul style="list-style-type: none"><li>• <b>Assembly Bill (AB) 1948 (Ting, D-San Francisco)—15% COLA for LCFF</b><ul style="list-style-type: none"><li>• <b>Increases LCFF funding by approximately \$5.6 billion</b></li><li>• <b>Increases number of students identified as low-income</b></li></ul></li></ul>
	<b>Senate</b>	<ul style="list-style-type: none"><li>• <b>\$5 billion, growing to \$10 billion by 2024-25, for a permanent ongoing increase</b></li></ul>

# Parcel Tax and PEF

- Parcel Taxes and PEF are approx. 35% of the District's general fund revenues.
- Measure G is assumed to increase by 2% a year, but this requires Subcommittee recommendation and Board approval.
- PEF grant funds needed programs, but these are add-ons.




	2nd Interim	May Revision	Difference
Measure G	\$11,202,433	\$11,202,433	-0-
Measure H	2,637,920	2,637,920	-0-
PEF	3,000,000	3,000,000	-0-
PEF Add'l Amt	400,000	350,000	-50,000
Total	\$17,240,353	\$17,190,353	-\$50,000

# State One-Time Grant

- The Governor has proposed a large one-time grant of approximately \$1,500 per student for discretionary one-time uses.
- Still waiting for details, and

Funds Allocated	Pupils in State	Per Pupil Amount	Piedmont's Portion
\$8,000,000,000	6,000,000	1,500	\$3,385,590

# Discretionary Block Grant

	<b>May Revision</b>	<ul style="list-style-type: none"><li>Proposes one-time \$8 billion Discretionary Block Grant for LEAs for the 2022-23 fiscal year</li></ul>
	<b>Assembly</b>	<ul style="list-style-type: none"><li>Learning Recovery Block Grant to support students and staff<ul style="list-style-type: none"><li>Does not specify an amount</li></ul></li></ul>
	<b>Senate</b>	<ul style="list-style-type: none"><li>\$10 billion in one-time, formula-based funds spread over multiple years for a COVID-19-related Learning Recovery Block Grant</li><li>\$5 billion one-time, formula-based funds for student enrichment materials in music, arts, technology, instructional materials, etc.</li></ul>

# General Fund - Expenditures

		2022-23	2022-23	Difference
		From 2nd Interim	May Revise	
<b>Expenditures</b>				
	Certificated Salaries	19,720,863	20,247,388	526,525
	Classified Salaries	6,955,025	7,543,600	588,575
	Benefits	11,433,419	11,676,589	243,170
	Books and Supplies	1,542,492	1,421,227	-121,265
	Services & Other Operating	5,879,781	5,766,639	-113,142
	Other Fund In/Out	200,724	39,308	-161,416
	<b>ADJUSTMENT NEEDED</b>	<b>-201,000</b>		<b>201,000</b>
<b>TOTAL Expenditures</b>		<b>45,531,304</b>	<b>46,694,751</b>	<b>1,163,447</b>

# General Fund Balance

		2022-23	2022-23	Difference
		From 2nd Interim	May Revise	
Net Increase (Decrease)		-1,481,563	2,905,444	4,387,007
Beginning Fund Balance		3,454,767	3,454,767	0
<b>Ending Fund Balance</b>		<b>1,973,204</b>	<b>6,360,211</b>	<b>4,387,007</b>
Components:				
	3% Reserve Requirement*	1,365,939	1,400,843	34,903
	Restricted + Rev Cash	659,102	659,102	0
	Measure H - Reserved for CSEA	456,748	456,748	0
	One-time funds less one-time expenses		2,218,695	2,218,695
	Available for Other Priorities	-508,585	1,624,823	2,133,409
<b>Ending Fund Balance</b>		<b>1,973,204</b>	<b>6,360,211</b>	<b>4,387,007</b>

# What's Now Included?

There are several needs that are now incorporated into the budget:

<b><i>Social /Emotional Support</i></b>	
	Add'l Elem Counseling Hours
	Add'l Wellness Intern
	Convert Counseling Enriched Learning Center (CELC) to Counseling Enriched Classroom (CEC)
<b><i>Academic Support</i></b>	
	Secondary Reading Specialist
	Add'l Instructional Paras in elem.
<b><i>School Site Support</i></b>	
	Heath Coordinator (COVID support)
	Add'l time for nurses
	Theater Technician



# Facilities

## Facilities Funding:

- \$6.9 M State School Facilities Program
  - \$3 M to repay Theater Completion loan
  - \$3.9 M for Witter Field renovations
- \$100 K for Deferred Maintenance

# Universal Transitional Kindergarten



Offer TK to four-year-olds whose fifth birthday occurs between September 2 and February 2; inclusive



Offer TK to four-year-olds whose fifth birthday occurs between September 2 and April 2; inclusive



Offer TK to four-year-olds whose fifth birthday occurs between September 2 and June 2; inclusive



Offer TK to four-year-olds whose fourth birthday occurs by September 1; inclusive

- LEAs may accelerate Universal TK by enrolling four-year-olds whose fifth birthdays occur after the annual age eligibility window
- But law prohibits LEAs from enrolling in TK any child whose fifth birthday occurs after June 30

# Child Nutrition

\$596 million (on top of \$54 million provided in the 2021 Budget Act) to fund universal access to subsidized school meals

Governor's Budget

May Revision

\$45 million one-time to support the implementation of the California Healthy School Meals Pathway Program, which supports workforce readiness for school food service workers

Beginning in 2022-23, all LEAs are required to provide two free meals per day to any student who requests a meal

\$611.8 million ongoing to maintain meal reimbursement rates so LEAs can continue to offer students high-quality, more diverse subsidized school meals

May Revision

May Revision

If the federal government extends the meal reimbursement rates which are scheduled to expire on June 30, 2022, any unused funding for rate increases will go towards kitchen infrastructure grants

# What is Still Needed?

## Compensation increases for all employees

- 1% increase for all employees = \$340,000
- As **one-time** expenses can be identified, additional resources may be available for **on-going** expenses.
- Objectives are to attract and retain employees to Piedmont USD.

# Next Steps

May →	<ul style="list-style-type: none"><li>• Governor releases May Revisions to budget proposal for 2022-23</li></ul>
June	<ul style="list-style-type: none"><li>• Board holds public hearing on LCA &amp; draft budget</li><li>• BAC presents budget recommendations to Board (possible increase to parcel tax levy)</li><li>• Final budget adopted by Board</li></ul>

# Acknowledgments

Thank you to the Business Services Team!

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