



Budget Advisory Committee 2023 -24

Deep Dive into Revenues
October 12, 2023

Agenda

- Introductions
- Purpose of BAC
- Revenues
- Enrollment
- Multi -year Projections
- Adjourn

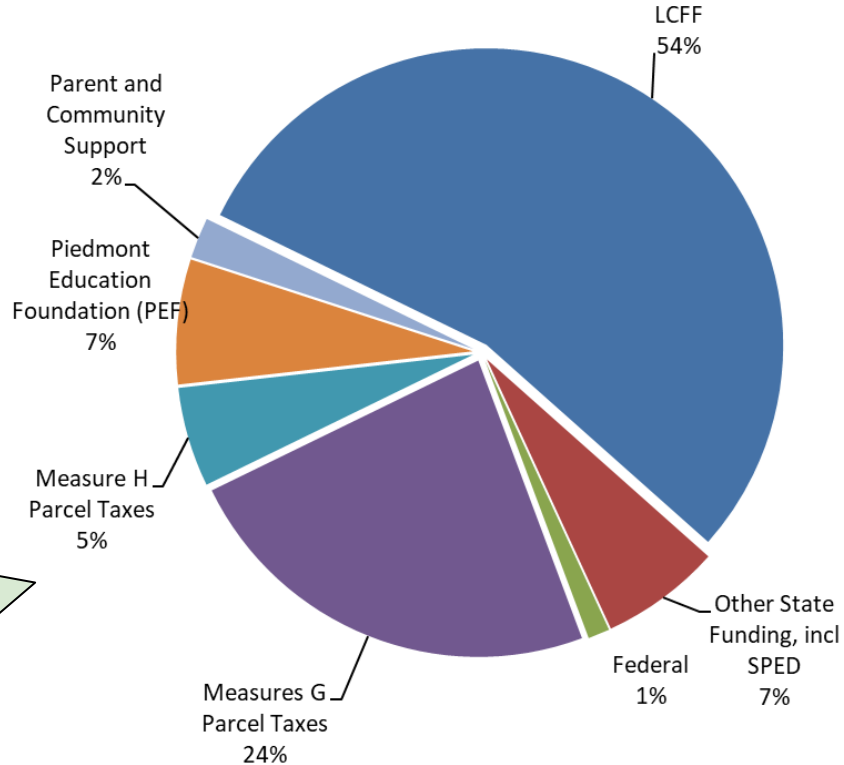
Purpose of BAC

- 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.

DEEP DIVE INTO REVENUES

Purpose of Today's Meeting: To understand the District's revenues and review projections for the next two years.

2023-24 Revenues



61% of revenues increase by COLA - LCFF & Other State

38% of revenues are local sources, including parcel taxes, PEF, parents, and other local sources.

*State revenues do not include the STRS on-behalf

Unrestricted vs Restricted

- **Unrestricted** revenues are the most flexible and can be used for any school district purpose.
 - e.g., State apportionment funds, property tax revenues (LCFF portion and parcel tax portion)
- **Semi-Restricted** 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

Unrestricted, Semi -Restricted, Restricted

As of October 12, 2023

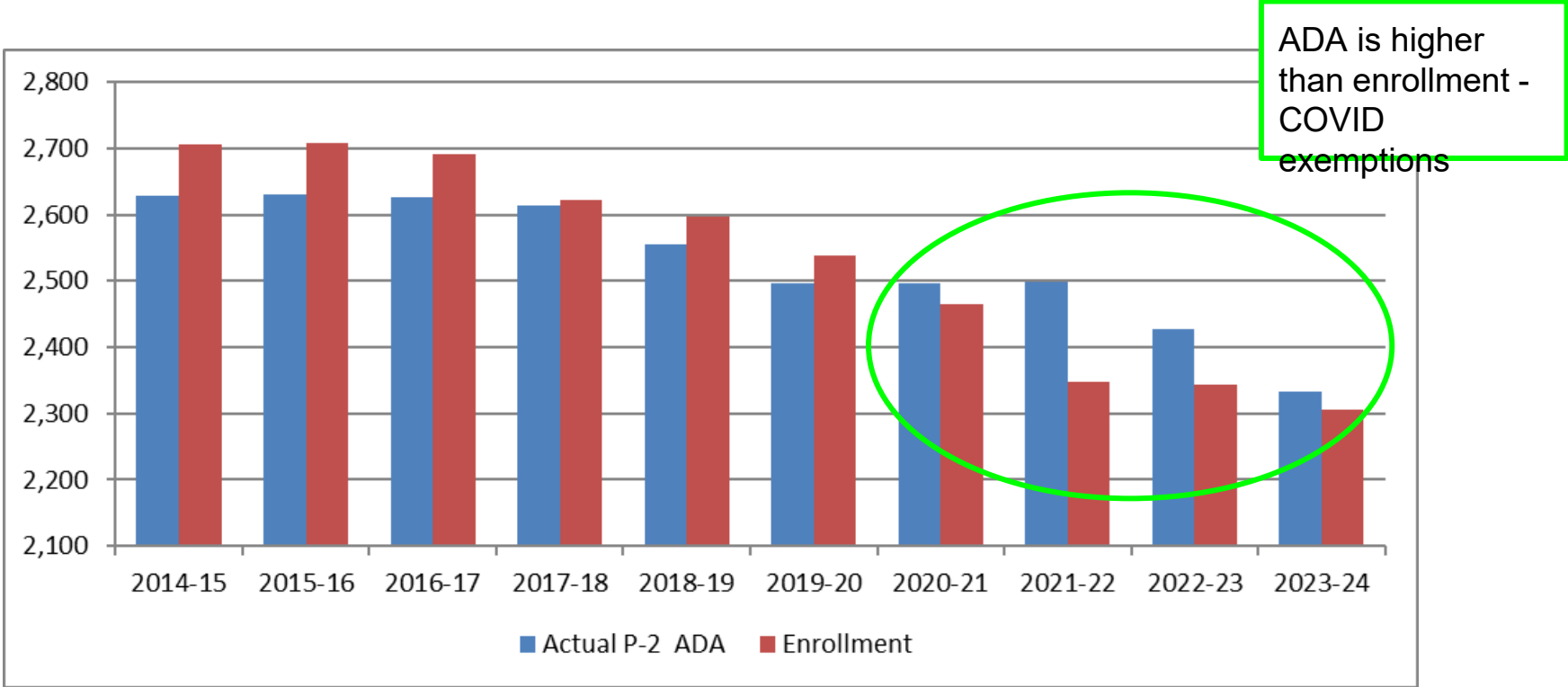
Revenues	Unrestricted	Semi-Restricted	Restricted
LCFF	\$26,182,914	\$ 208,041	\$209,360
Parcel Tax	14,141,136		
Other State	520,359	173,255	2,294,014
Other Local	305,000	34,000	215,334
PEF		3,332,000	-
Parent Clubs		164,249	
Athletics		278,572	
Parent/Student Contributions		81,745	
Federal - Title(s)			25,361
Special Education	(8,438,932)		11,027,537
Routine Maintenance Acct	(1,449,999)		1,449,999
Total	\$ 31,260,478	\$ 4,271,862	\$ 15,221,605
Combined Total Revenues:		\$ 50,753,945	

Local Control Funding Formula & ADA

- LCFF is the formula that sets the minimum level of funding a district can expect to receive.
- The formula takes average daily attendance (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.
- LCFF is based on **ATTENDANCE** not **ENROLLMENT**.



Enrollment vs ADA

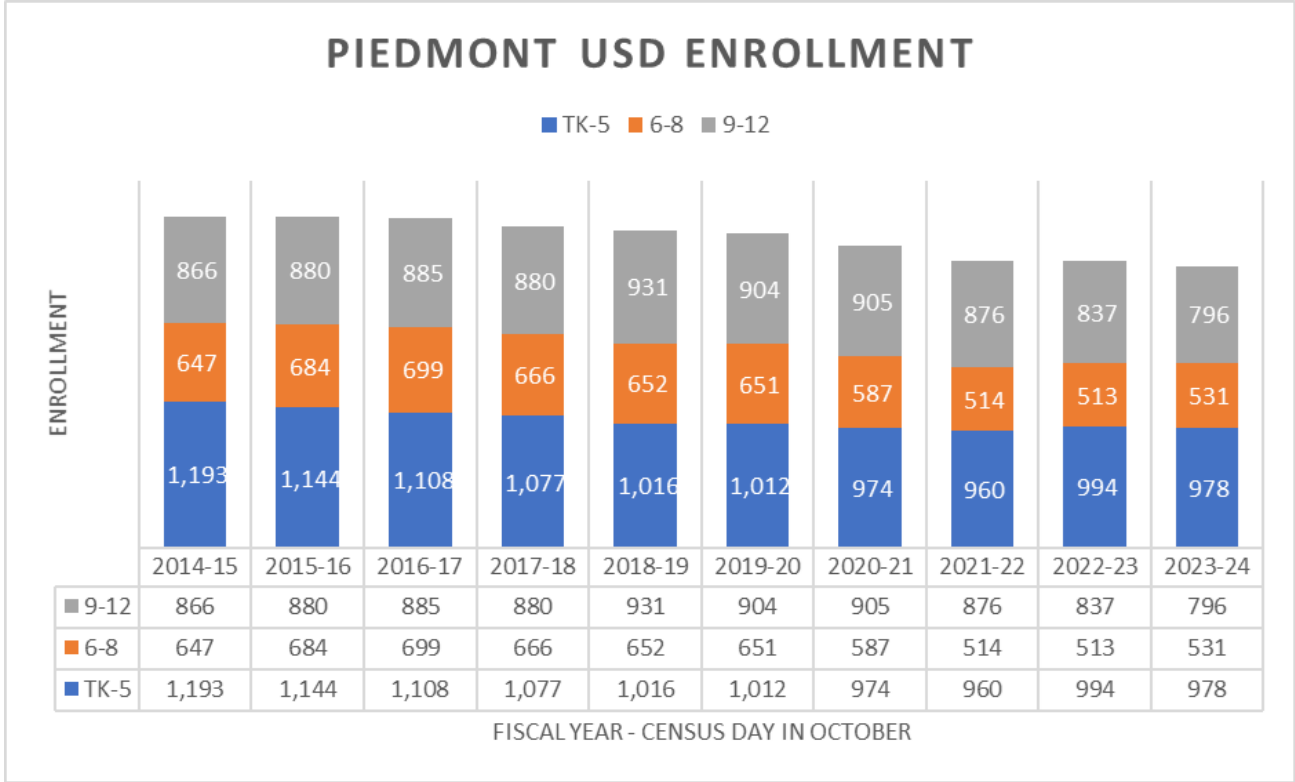


Enrollment by Grade -Span

Grades TK-5: 978
 42%

Grades 6-8: 531
 23%

Grades 9-12: 796
 35%



Enrollment Projections

	TK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total	% Change	# change
2014	24	144	177	206	199	209	234	229	197	221	206	229	202	229	2,706	2.34%	62
2015	31	136	159	178	221	204	215	251	237	196	237	210	226	207	2,708	0.07%	2
2016	26	154	149	157	187	227	208	206	251	242	213	235	212	225	2,692	-0.59%	(16)
2017	28	152	163	156	163	190	225	208	208	250	233	207	232	208	2,623	-2.56%	(69)
2018	21	150	162	165	161	168	189	231	212	209	249	241	210	231	2,599	-0.91%	(24)
2019	21	140	171	174	173	166	167	202	235	214	212	243	239	210	2,567	-1.23%	(32)
2020	18	138	137	168	177	167	167	166	195	229	216	209	237	237	2,461	-4.13%	(106)
2021	32	140	149	135	167	168	167	158	164	191	232	207	206	232	2,348	-4.59%	(113)
2022	46	153	147	163	142	167	176	183	161	169	191	224	207	215	2,344	-0.17%	(4)
2023	48	135	156	152	168	144	175	176	185	170	166	193	226	211	2,305	-1.66%	(39)
2024	60	155	145	157	152	168	144	175	176	185	180	166	193	229	2,285	-0.87%	(20)
2025	75	154	155	145	157	152	168	159	175	176	195	180	166	194	2,251	-1.49%	(34)
2026	90	154	154	155	145	157	152	168	159	175	191	195	180	170	2,245	-0.27%	(6)

What is the LCFF?

The Local Control Funding Formula was established in 2013-14 to provide a more equitable funding structure for California's public schools. It provides a **base** per pupil grant, and add-ons for (1) specific **grade spans**, (2) students who need additional support (**supplemental**), (3) and schools with a **concentration** of high need students.

Students who need additional support are English learners, low income, and foster youth. The term "Unduplicated Pupil Percentage" or "**UPP**" is used in the calculations for the percentage of pupils who fall into one (or more) of those three categories

LCFF - Formula Model

FORMULA				Supplemental	Concentration		
		Base Grant	Grade Span	20% of grade rate (B+C)	65% of grade rate		
	ADA	Per Pupil	Adjustment	times UPP	times UPP over 55%	Total Generated	
	"A"	"B"	"C"	"D"	"E"	=A x (B+C+D+E)	
Grades TK-3	##	\$9,919	\$1,031	20% (B+C) x UPP	65% (B+C) X (UPP-55%)	A x (B+C+D+E)	
Grades 4-6	##	10,069		20% (B+C) x UPP	65% (B+C) X (UPP-55%)	A x (B+C+D+E)	
Grades 7-8	##	10,367		20% (B+C) x UPP	65% (B+C) X (UPP-55%)	A x (B+C+D+E)	
Grades 9-12	##	12,015	313	20% (B+C) x UPP	65% (B+C) X (UPP-55%)	A x (B+C+D+E)	
Total	#####					SUM OF ABOVE	F
TK Add-on	##		2,813			A x C	G
Transportation Add-on						Orig 2014 \$\$	H
Total LCFF						F + G + H	

How Did the 8.22% COLA Impact PUSD Revenues in 2023 -24?

LCFF Calculations for 2022-23:

2022-23	ADA	Base Grant Per Pupil	Grade Span Adjustment	Supplemental 20% of (B+C) times UPP	Concentration 65% of (B+C) times UPP over 55%	Total Generated
	"A"	"B"	"C"	"D"	"E"	=A x (B+C+D+E)
Grades TK-3	641.08	\$9,166	\$953	\$76		\$6,535,871
Grades 4-6	506.96	9,304		70		4,752,226
Grades 7-8	407.63	9,580		72		3,934,462
Grades 9-12	872.34	11,102	289	86		10,011,550
Total	2,428.01					25,234,109
TK Add-on	39.07		3,044			109,904
Transportation Add-on						12,496
Total LCFF						\$25,356,509

ADA is prior 3 yr average*

*Enrollment was 2,345, ADA was 94.49% or 2,213.03. We were funded at the 3 prior year average that included 2019 to 2021 'hold harmless' years.

How Did the 8.22% COLA Impact PUSD Revenues?

Now with the 8.22% COLA for 2023-24:

				Supplemental	Concentration	UPP = 3.99%
2023-24		Base Grant	Grade Span	20% of (B+C)	65% of (B+C)	
8.22%	ADA	Per Pupil	Adjustment	times UPP	times UPP over 55%	Total Generated
	"A"	"B"	"C"	"D"	"E"	=A x (B+C+D+E)
Grades TK-3	624.27	\$9,919	\$1,032	\$87		\$6,890,692
Grades 4-6	500.47	10,069		80		\$5,079,270
Grades 7-8	366.87	10,367		83		\$3,833,792
Grades 9-12	840.97	12,015	312	98		\$10,449,052
Total	2,332.58					26,252,806
TK Add-on	40.77					124,104
Transportation Add-on						13,523
Total LCFF						\$26,390,433

ADA is still higher than enrollment, but closer to actual*

All per pupil amounts & add-ons are increased by COLA

*Enrollment is currently 2,305. If ADA is 94.49%, actual ADA will be 2,180.83. We will be funded using the 3 prior year average.

How Did the 8.22% COLA Impact PUSD Revenues?

The difference from 2022-23 to 2023-24:


LCFF Revenue 2022-23	\$25,356,509	A
LCFF Revenue 2023-24	\$26,390,433	B
Difference	\$1,033,924	C=B-A
Difference as % of LCFF Revenues	4.03%	=C/A
Difference as % of Total Revenue	2.02%	=C/\$51M

Where is the \$1 Million?

The ongoing cost of running a school district increases every year, even before raises are proposed...

Increase to Prop/Liab/WC insurance:		\$37,600
Cost of step & column:	1.13%	\$388,735
PERS increase from 25.37% to 26.68%:		<u>\$86,067</u>
TOTAL INCREASE (JUST STANDING STILL):		\$512,402

The rest has been offered in a 1.5% raise:

Cost of original offer of 1.5%:	1.50%	<u>\$516,020</u>
TOTAL PAID FROM COLA: 		\$1,028,422

LCFF Revenues

The Local Control Funding Formula determines the total funding each district receives. The funds come from two sources and are categorized as follows:

Revenues	Unrestricted	Semi-Restricted	Restricted
LCFF - State	\$ 9,807,594	\$ 208,041	
LCFF - Property Taxes	16,375,320		\$ 209,360
Total	\$ 26,182,914	\$ 208,041	\$ 209,360
Combined Total Revenues:		\$ 26,600,315	

Supplemental funds

For SPED - from other districts

Parcel Tax Revenues

- 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 latest parcel tax measures were approved in November 2019.

Measure	Tax per Parcel	Total Generated
G	\$2,932	\$11.483 M
H	\$.25 per bldg sq ft.	\$2.658 M

Piedmont Education Foundation (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 2023-24 PEF contributed:
 - **\$3,000,000** annual contribution from the Giving Campaign.
 - **\$90,000** supplementary grant for one year only (to add sections at PHS).
 - **\$242,000** Spring Fling grant for add'l time for elementary counselors and library aides (will be used over 2 years).

Piedmont Education Foundation (PEF)

Piedmont Education Foundation (PEF)	Unrestricted	Semi-Restricted	Restricted	1-Time or Ongoing
PEF - Base Grant		\$ 3,000,000		On
PEF - Supplementary Grant		\$ 90,000		1X
PEF - Spring Fling		\$ 242,000		1X
TOTAL PEF	\$ -	\$ 3,332,000	\$ -	

Other Local Funds

ASB Funds are not included here.

Other Local	Unrestricted	Semi-Restricted	Restricted	1-Time or Ongoing
From City of Piedmont	\$ 120,000			On
Facilities Rentals	75,000			On
Interest Earnings	80,000			On
Parent/Students - PHS		\$ 11,500		
Parent/Students - PMS		22,750		
Boosters		28,572		
Athletics (CSF)		250,000		
Chromebooks		20,000		
Parent Club Donations		164,249		
Wellness Center		47,495		
Other Donations	30,000	14,000	8,757	
For DEIB			80,000	
APT			66,428	On
Alameda Co. Mental Health			60,149	On
	\$ 305,000	\$ 558,566	\$ 215,334	

Other State Funds

Other State	Unrestricted	Semi-Restricted	Restricted	1-Time or Ongoing
Mandated Costs Reimb	\$ 111,169			On
Lottery	409,190		\$ 192,758	On
Career Tech Ed		\$ 173,255		On
State On-Behalf			2,022,703	On
ELOP			75,053	On
Prop 28 for Arts Education*			260,000*	on
Other State Grants			3,500	1X
TOTALS	\$ 520,359	\$ 173,255	\$ 2,294,014	

* Prop 28 not yet included in Budget

Special Education Funding

Funding for Special Education comes from different sources, including unrestricted revenues.

SPED	Unrestricted	Restricted	1-Time or Ongoing
LCFF Revenues		\$ -	On
Federal SPED Funds		552,241	On
Federal SPED /ESSER		-	1X
State SPED Funds		277,723	On
Local SPED Funds (thru SELPA)		1,698,077	On
Transportation (for SPED)	269,924		On
Local Contribution	(8,708,856)	8,708,856	On
	\$ (8,438,932)	\$ 11,236,897	

Other Federal (Restricted)

- With a very low rate of low income families, the District goes in and out of eligibility for most federal funding, including Title I. As a result, much of the federal COVID relief did not get to Piedmont USD.
- For 2023-24, after 3 years of no Title I resources, we expect to receive a small allocation of Title I and Title III.
- Title II, which is to support effective instruction, is consistent and is used for professional development.

Source	Unrestricted	Restricted	1-Time or Ongoing
Federal - Title II		\$ 25,361	On
Federal - Title I (Low Income)*		35,081*	Off & On
Federal - Title III (Immigrant) *		6,603 *	Off & On
TOTAL		25,361	

* Not yet included in budget for 2023-24.

Multiyear Projections

Assumptions & Revenues

	2022-23	2023-24	2024-25
Enrollment:	2,305	2,284	2,250
Increase (Decrease) in Enroll:		21.00	34.00
Funded ADA:	2,332.57	2,223.74	2,184.13
Increase (Decrease) in ADA:		(108.83)	(39.61)
COLA Assumption:	8.22%	3.94%	3.29%
Revenues:			
LCFF	\$26,600,315	\$26,363,249	\$26,733,053
State STRS On-behalf	2,022,703	2,022,703	2,022,703
Other Fed & State	3,788,251	4,152,129	4,215,069
Parcel Taxes	14,141,136	14,370,789	14,605,035
PEF	3,332,000	3,300,000	3,300,000
Other Local	1,078,900	1,228,900	1,228,900
Total Revenues	\$50,963,305	\$51,437,770	\$52,104,760
		0.93%	1.30%

Acknowledgements

Thank you Business Services Team!

Fiscal

Upexa Captan - AP

Cheryl Kaiser - Fiscal Mgr

Julie Kim - Accountant

Jennifer Stahl - Admin Asst

Shamaree Worley - Clerk

HR

Suzanne Binder

Kim Randlett

Payroll

Cherrie Deangkinay

Cindy Sivilaythong

Questions/Comments?



Appendix



of School Sites:

6

of Students (Enrollment)

10/4/2023:

2,305

of Employees:

371

of Full-Time Equivalents (FTE):

346.29

District Basics

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.

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

Board Policy on Enrollment

- The Board revised its 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.

Other than the General Fund

The revenues in the Other Funds are restricted and will not be covered today:

- ASB
- Adult Education
- Child Nutrition
- Special Reserve
- Facilities-related Funds:
 - Deferred Maintenance
 - Building (Bonds)
 - Special Reserve for Facilities
 - County-State Building Funds
 - Bond Repayment

