

2023-24 2nd Interim Report


Piedmont USD Board of Education Meeting
March 13, 2024

Required Reports

- The District is required to adopt a budget and provide updates to the Alameda County Office of Education (ACOE) by:

- July 1 Adopt a budget

- December 15 1st Interim Report to ACOE

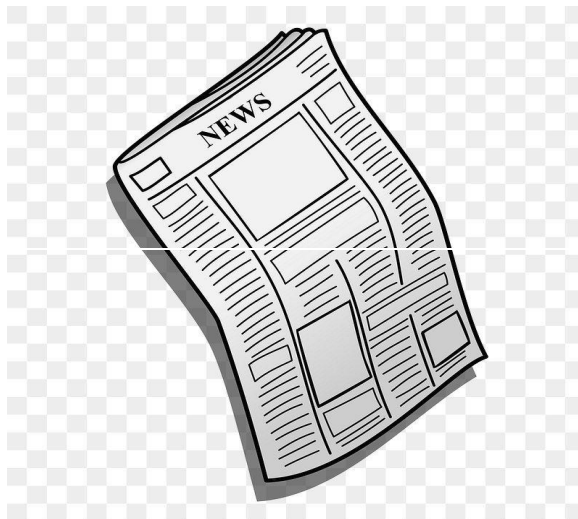
-  ○ March 15 2nd Interim Report to ACOE

- June 30 Estimated Actuals

- September 15 Unaudited Actuals

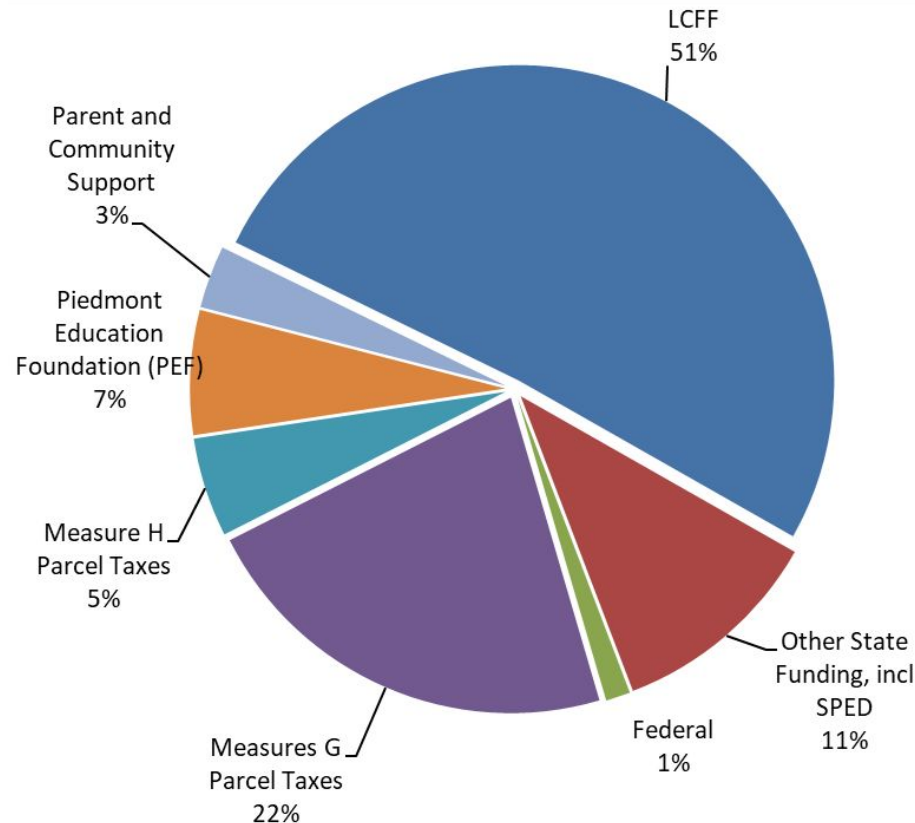
Headlines

- The District expects to meet all financial obligations, including the requirement for a 3% reserve.
- Funds have been set-aside for offers to employee groups.
- Proposition 28 funds (for Arts Education) are set-aside in the restricted balance.
- Board approved budget reductions are incorporated into the multi-year projections.



Revenues

- 51% is based on the Local Control Funding Formula (LCFF).
- 37% is locally generated - parcel taxes, PEF, parent donations.
- District receives **\$22,611** per pupil in revenues.



**LCFF = 51% of Revenues
= \$26.6 M**

**COLA increase to per
pupil amount from
2022-23 to 2023-24:
8.22% = 4% in LCFF
revenues for PUSD due to
enrollment drop
= \$1 M = 2% increase in
total revenues**

**State COLA 8.22%
PUSD nets 2%**

Changes to Revenues

- State revenues now include Prop. 28 funds.
- SELPA increase is due to reimbursement for extraordinary costs.
- Increase in local revenues is for specific programs, such as AP fees.

General Fund Revenues			
	2023-24 1st Interim	2023-24 2nd Interim	Difference 12/23->3/24
Revenues			
LCFF - Base	\$ 26,630,851	\$ 26,613,423	(17,428)
PARCEL TAX REVENUE	14,179,254	14,179,254	-
LOCAL REVENUES - PEF	3,332,000	3,332,000	-
LOCAL REVENUES - ALL OTHERS	1,352,402	1,674,129	321,727
STATE REVENUES	3,579,839	3,837,647	257,808
TRFS APPORT FR DISTRICTS (SELPA)	1,698,077	1,894,045	195,968
FEDERAL REVENUES	615,645	655,595	39,950
Total Revenues	\$ 51,388,068	\$ 52,186,093	\$ 798,025

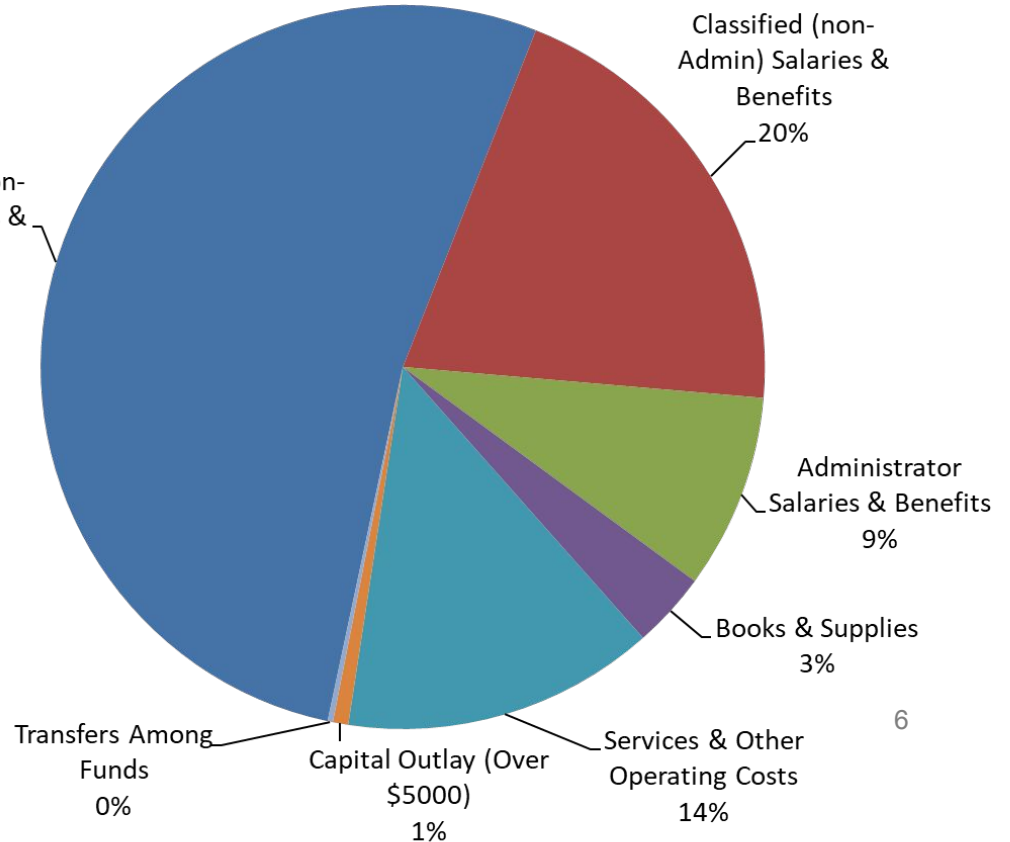
Expenditures

- 82% of expenditures are salaries and benefits.
- Overall, the District spends **\$22,400** per pupil.

Personnel Costs = 82%
82% = \$42 M

Non-Personnel Costs = 18%
18% = \$9.4 M

Unrestricted portion = 54% or \$5.1M



Changes to Expenditures

- Adjustments to salaries & benefits due to vacancies.
- Local revenues are budgeted to Books & Supplies (e.g., AP fees)
- Services/Other Operating Expenses were increased due to utility cost increases, legal costs, and IT support contract (replaces a vacant position).

General Fund - Expenditures			
Expenditures	2023-24	2023-24	Difference 12/23-->3/24
	1st Interim	2nd Interim	
Certificated Salaries	\$ 20,972,063	\$ 20,977,054	\$ 4,991
Classified Salaries	7,641,344	7,650,177	8,833
Benefits	13,913,277	13,642,800	(270,477)
Books & Supplies	1,577,132	1,753,891	176,759
Services/Other Oper.	7,069,410	7,216,078	146,668
Capital Outlay	337,807	356,183	18,376
Internal Transfers	120,681	120,681	-
Total Expenditures	\$ 51,631,714	\$ 51,716,864	\$ 85,150

Net Change to Fund Balance

- The reserve requirement is met.
- Prop 28 is included in the Restricted Balance
- The CSEA salary settlement and the offer to APT and APSA are included in the Committed Balance.

Ending Fund Balance			
	2023-24 First Interim	2023-24 Second Interim	Difference Dec -->Mar
Beginning Balance	\$ 3,549,275	\$ 3,549,275	\$ -
+ Revenues	51,388,068	52,186,093	798,025
- Expenditures	(51,631,714)	(51,716,864)	(85,150)
Rev-Exp = Surplus(Deficit)	(243,646)	469,229	712,875
Ending FB	3,305,629	4,018,504	712,875
3% Minimum Reserve	1,548,222	1,551,600	3,378
Less Restricted & Revolving	655,058	902,427	247,369
Less Committed/not available	221,000	912,289	691,289
Over (Under) Reserve	881,349	652,188	(229,161)

General Fund - Multiyear

The MYP is updated at each Interim with the latest information available. The following assumptions were used in the MYP:

Assumption	2023-24	2024-25	2025-26
Enrollment	2,308	2,286	2,252
ADA used for LCFF calculations	2,330.45	2,237.33	2,200.70
Cost of Living Increase (COLA) for LCFF per pupil funding (LCFF is 50% of revenues)	8.22%	.76%	2.73%
COLA for Measure G Funds	2.0%	2.0%	2.0%
Adjustment to other revenues and costs (CPI)	<i>Actuals</i>	2.83%	2.70%
Natural progression (Step & Column) in Employee Salaries	APT: 1.15% CSEA: 1.00%	APT: 1.15% CSEA: 1.00%	APT: 1.15% CSEA: 1.00%
STRS Rate	19.10%	19.10%	19.10%
PERS Rate	26.68%	27.80%	28.50%

Add'l Elements of MYP

Budget reductions approved by the Board on March 4 are incorporated into 2024-25 expenditures.

Assumptions about:	2024-25	2025-26
Certificated Employees	Reduce positions listed on March 4 Reso Eliminate MTSS positions (Ed Effectiveness funding ends)	Eliminate Spring Fling funded add'l counseling FTEs
Classified Employees	Reduce positions listed on March 4 Reso Eliminate one-time bonus of \$400 per FTE in 2023-24	Eliminate Spring Fling funded lunch/library paras.
Books and Supplies	Reduce expenditures that are the result of carryover from Prior Year.	
Services & Other Operating Expense	Reduce expenditures that are the result of carryover from PY & for SPED contracts expected to end.	
Capital Expenses	Reduce by \$300 K - tied to specific projects.	10

General Fund - Multiyear

- Revenues decreasing next year due to declining enrollment & lower COLA assumption.
- Expenditures incorporate March 4 staffing reductions.
- Funds for 9% over 3 years held in Committed Fund Balance.

MULTIYEAR PROJECTIONS - 2023-24 Second Interim			
	2023-24	2024-25	2025-26
Beginning Balance	\$ 3,549,275	\$ 4,018,504	\$ 6,206,615
Total Revenues	\$ 52,186,093	\$51,706,859	\$ 52,247,548
Total Expenditures	51,716,864	49,518,748	50,016,511
Add'l Adjustments	-	-	(70,000)
Net Surplus (Deficit)	469,229	2,188,111	2,301,037
Ending Fund Balance	\$ 4,018,504	\$ 6,206,615	\$ 8,507,653
Components of Ending Balance:			
Restricted Funds	\$ 902,427	\$ 968,547	\$ 1,132,448
Committed / not available	912,289	2,824,041	5,872,383
Required Reserve	1,551,600	1,485,562	1,498,395
Add'l Unassigned	652,188	928,465	4,426
Ending Fund Balance	\$ 4,018,504	\$ 6,206,615	\$ 8,507,653

Next Steps

December	<ul style="list-style-type: none"> ● 12/13 1st Interim Report presented with MYP Projections ● 12/19 BAC Meeting to review 1st Interim
January	<ul style="list-style-type: none"> ● <i>1/10 Governor's Budget Proposal released</i> ● 1/11 Board Budget Workshop #1 ● 1/18 BAC Meeting to review Governor's Budget Proposal ● 1/24 Board review of how Gov's Budget will affect PUSD ● 1/25 Board Budget Workshop #2
February	<ul style="list-style-type: none"> ● 2/14 Board Public Hearing on Proposed Reductions ● 2/28 Board discussion about Proposed Parcel Tax in Nov
March	<ul style="list-style-type: none"> ● 3/4 Board action on Proposed Budget Reductions for 24/25 → ● 3/13 2nd Interim Report presented with MYP Projections ● 3/14 BAC Meeting to review 2nd Interim
May	<ul style="list-style-type: none"> ● Governor releases May Revisions to budget proposal for 2024-25
June	<ul style="list-style-type: none"> ● Board holds public hearing on draft budget ● Final budget adopted by Board

Thank you to the Business Services Team!

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