

2023-24 2nd Interim Report

Piedmont USD Budget Advisory Committee Meeting
March 14, 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

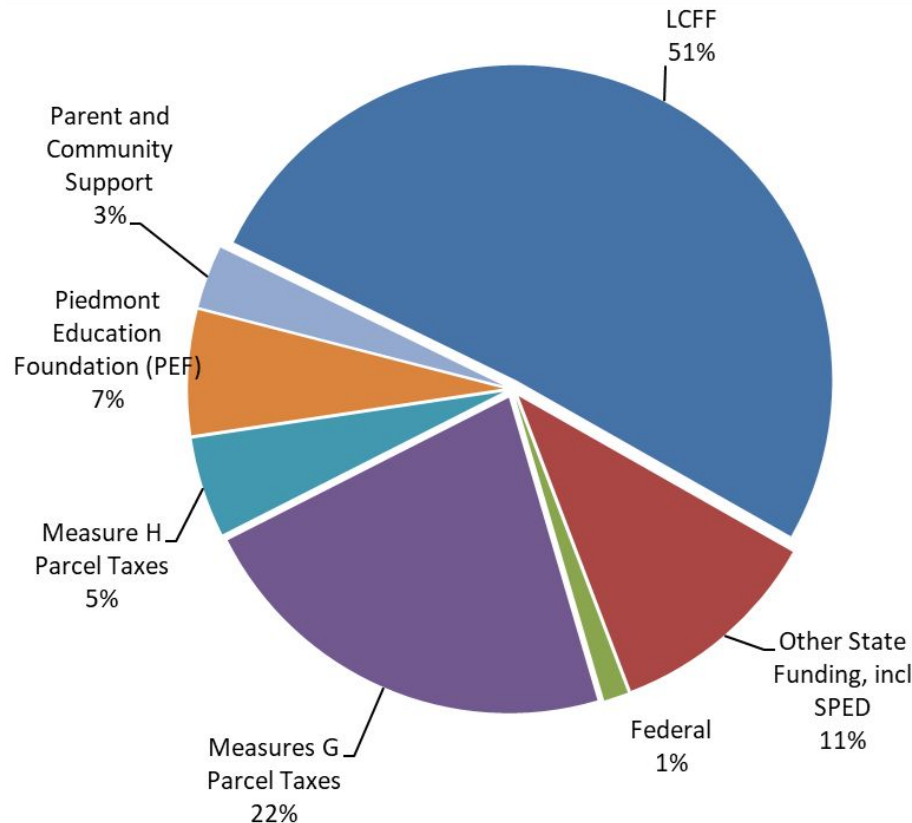
Headlines

- 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-side 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.



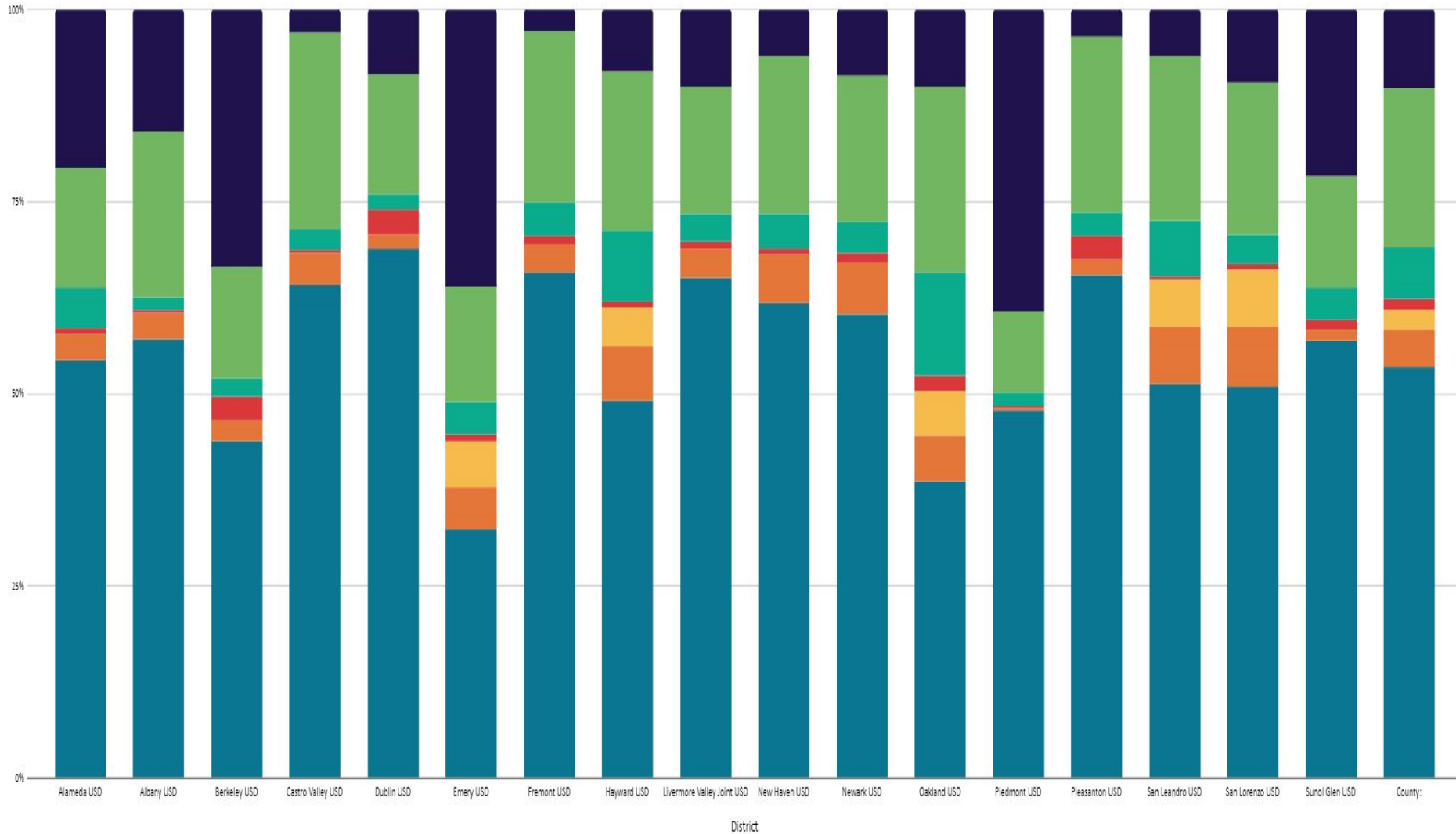
**LCFF = 51% of Revenues
= \$26.6 M**

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%

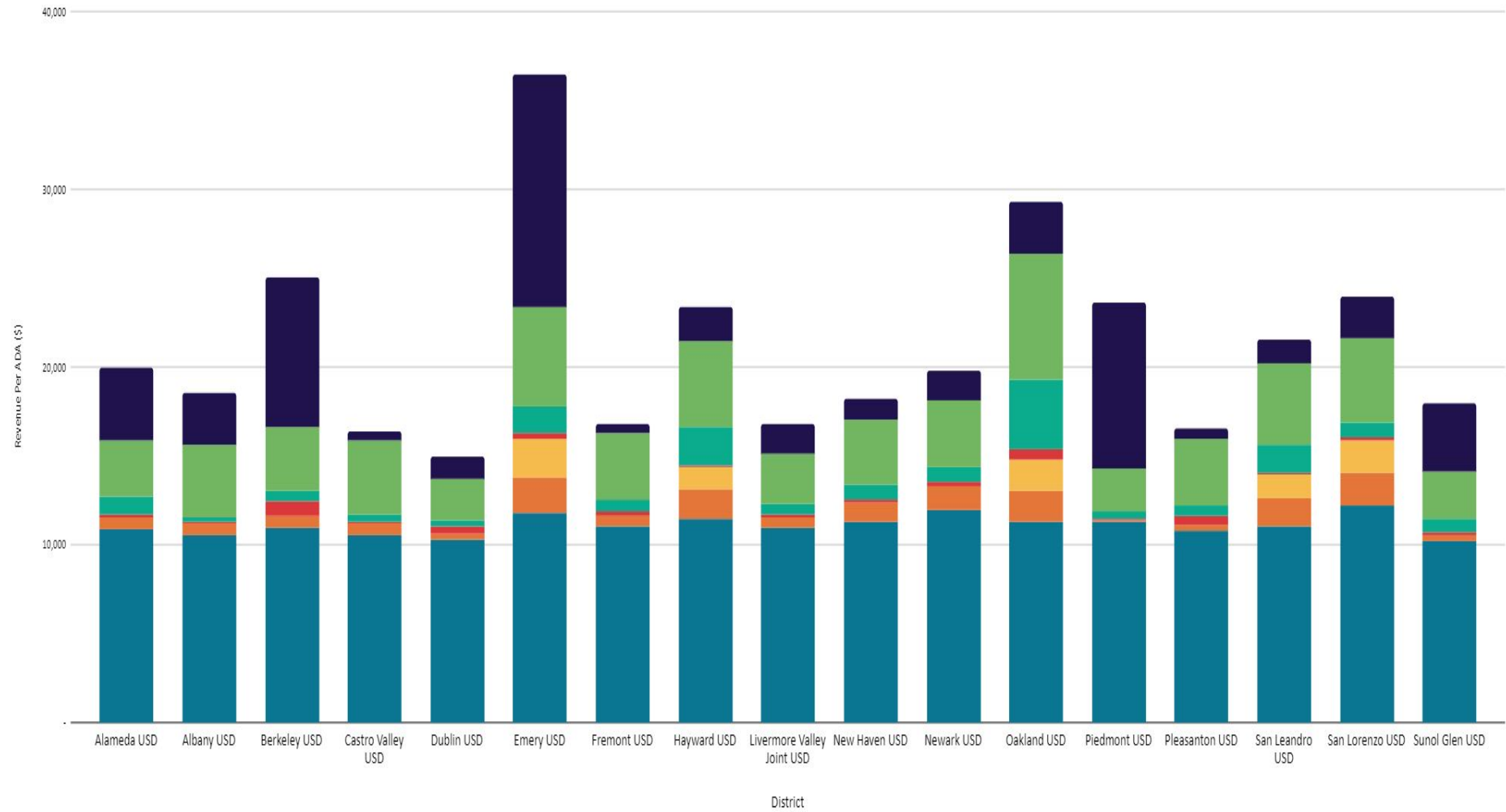
Total General Fund Revenue breakdown for Alameda County Districts in 2022-23

Other Local Revenue Other State Revenue Federal Revenue Other LCFF Revenue LCFF Concentration Grant LCFF Supplemental Grant LCFF Base Grant



Breakdown of all revenue sources per ADA for Alameda County Districts

Other Local Revenue Per ADA Other State Revenue Per ADA Federal Revenue Per ADA Other LCFF Revenue Per ADA LCFF Concentration Grant Per ADA LCFF Supplemental Grant Per ADA LCFF Base Grant Per ADA



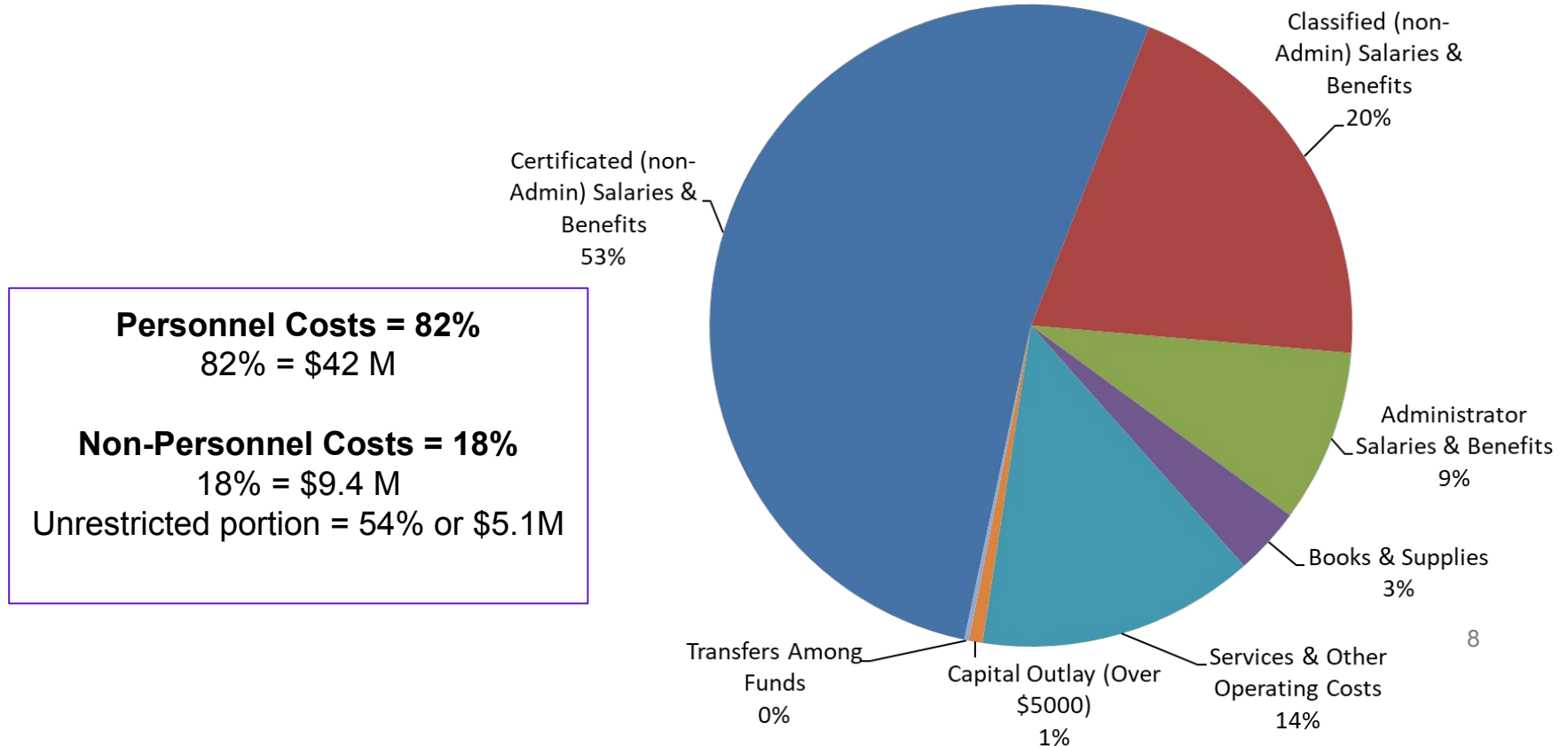
Changes to Revenues

- 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.

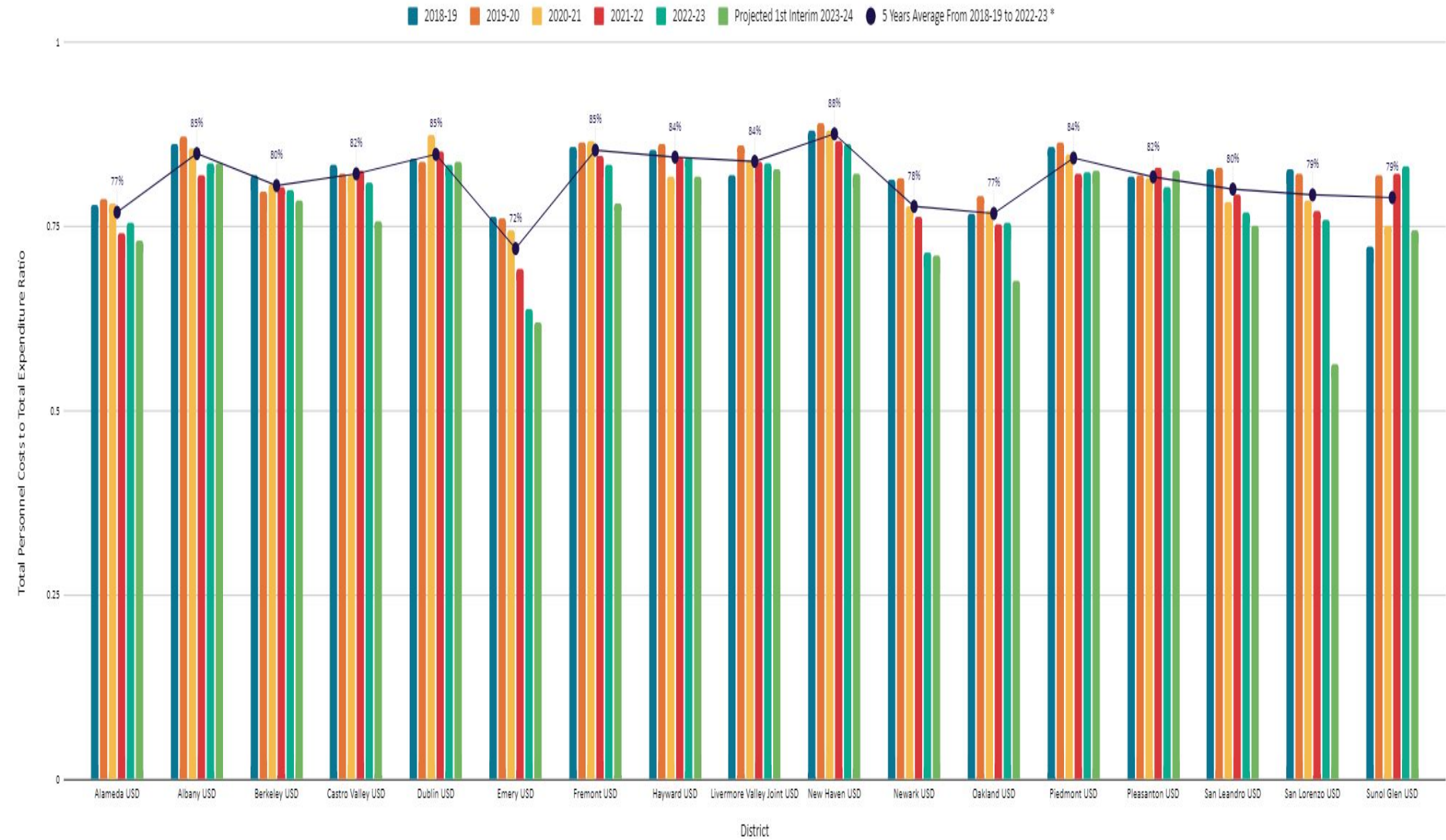
General Fund Revenues			
	2023-24 1st Interim	2023-24 2nd Interim	Difference 12/23->3/24
Revenues			
LCFF - Base	\$ 26,630,851	\$ 26,613,423	\$ (17,428)
PARCEL TAX REVENUE	14,179,254	14,179,254	-
LOCAL REVENUES - PEF	3,332,000	3,332,000	-
LOCAL REVENUES - ALL OTHERS	1,352,402	1,674,129	321,727
STATE 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

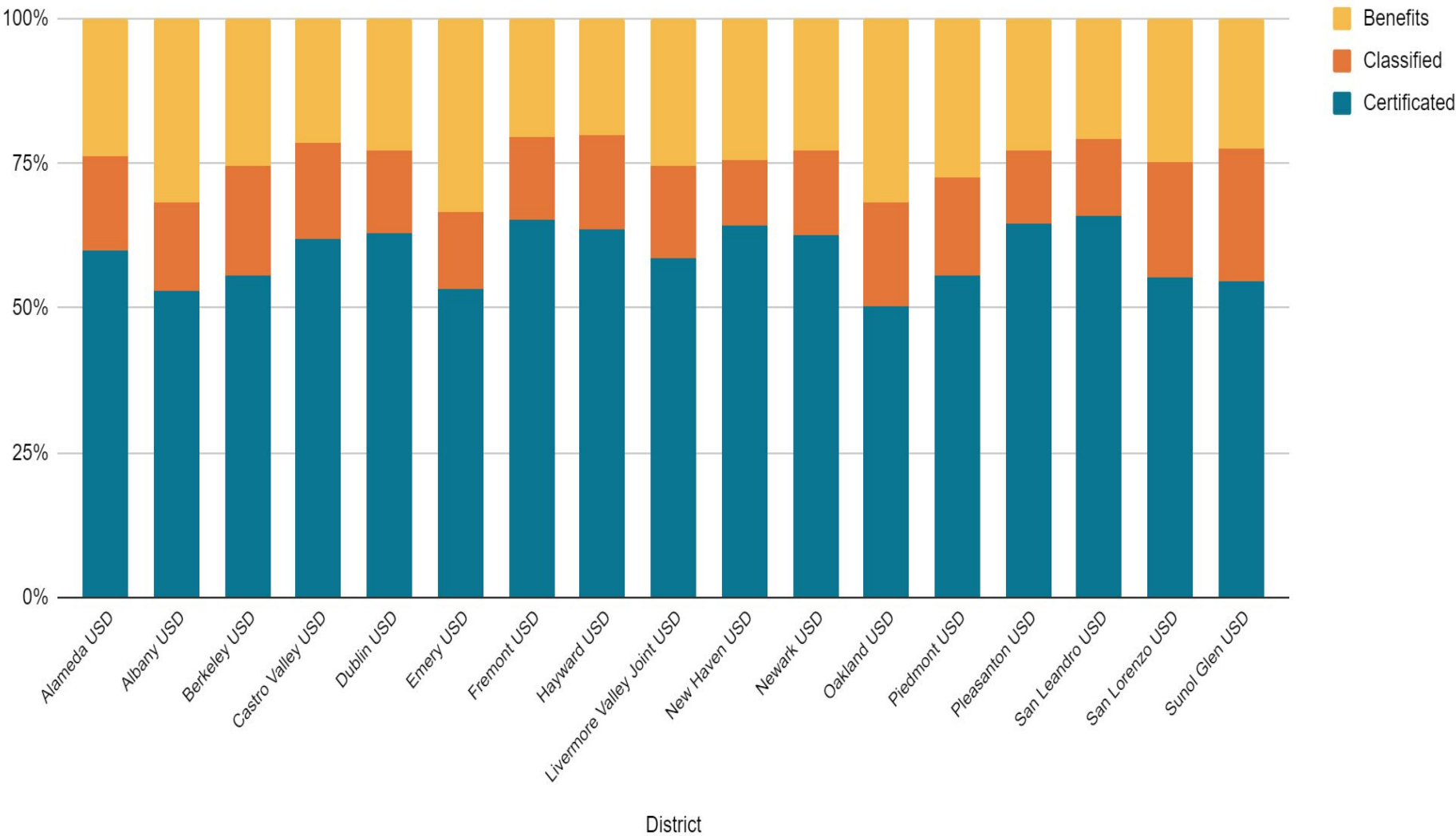
- 82% of expenditures are salaries and benefits.
- Overall, the District spends **\$22,400** per pupil.



General Fund: Total Personnel Costs to Total Expenditures Ratio



Unrestricted General Fund - Salaries and Benefits for 2022-23 (prop)



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 1st Interim	2023-24 2nd Interim	Difference 12/23-->3/24
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.

Category	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 spending on chromebooks, curriculum, discretionary for sites/depts. Reduce expenditures that are the result of carryover from Prior Year.	
Services & Other Operating Expense	Reduce consultants/contracts (PD, Alder, College Consultant) Reduce expenditures that are the carryover from PY & for SPED contracts expected to end.	
Capital Expenses	Reduce by \$300 K - tied to specific projects.	

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
<u>Components of Ending Balance:</u>			
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

General Fund - Multiyear

- Same MYP but with salary increases incorporated into table instead of held in Fund Balance.

MULTIYEAR PROJECTIONS - 2023-24 Second Interim			
	2023-24	2024-25	2025-26
Beginning Balance	\$ 3,549,275	\$ 3,327,215	\$ 3,482,574
Total Revenues	\$ 52,186,093	\$51,706,859	\$ 52,247,548
Total Expenditures	51,716,864	50,913,625	51,436,389
2% Increase 23-24	691,289	691,289	691,289
4% Increase 24-25	-	1,341,463	1,341,463
3% Increase 25-26	-	-	1,015,590
Board Adjustments	-	(1,394,878)	(1,419,878)
Net Surplus (Deficit)	(222,060)	155,359	(817,305)
Ending Fund Balance	\$ 3,327,215	\$ 3,482,574	\$ 2,665,270
Components of Ending Balance:			
Restricted / Committed Funds	\$ 1,123,427	\$ 1,068,547	\$ 1,232,448
Required Reserve	1,551,600	1,485,562	1,498,395
Add'l Unassigned	652,188	928,465	(65,574)
Ending Fund Balance	\$ 3,327,215	\$ 3,482,574	\$ 2,665,270

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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