Piedmont USD
2022-23 Budget
Public Hearing

Board of Education
June 8, 2022

Budget Development Process

Budget development for 2022-23 started in earnest in January and culminates June 22.

January 2022 Governor's Proposal

The Governor presents his proposed budget for 2022-23 with anticipated COLA and other funding for schools.

MYP in 2nd Interim

Multiyear projections incorporating the Governor's Budget assumptions is presented to the Board.

May Revision

May Revision provides final COLA and better sense of what proposals are likely to be in final budget.

June 8 Public Hearing

LCAP and detailed budget are presented at Board meeting

June 22 Board Meeting

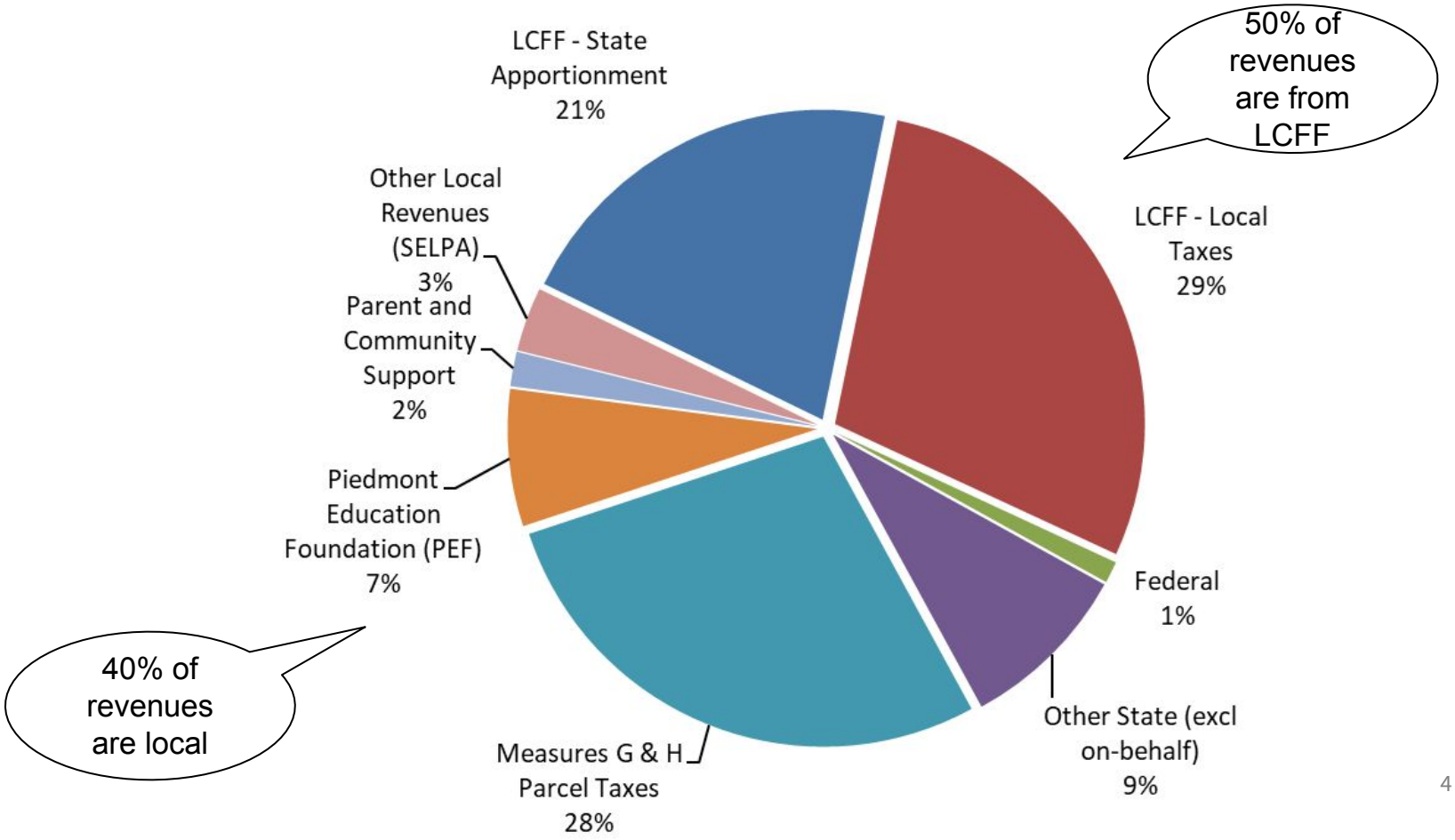
LCAP and Budget are adopted. State legislature and Governor may still be negotiating.

Headlines



- The State has a surplus in revenues available for schools, but hasn't formalized how to distribute it yet.
- As a result, the District can show estimates of additional funding and make plans for spending, but cannot incorporate the spending into the budget yet.
  - Add'l LCFF funding based on ADA averaging results in $1.2 million ***not yet approved.***
  - One-time funding of $1,500 per student resulting in $3.3 million ***not yet approved***.
- As a result, the budget **does not include**:
  - Salary increases that require on-going funding.
  - New one-time expenditures for 2022-23.

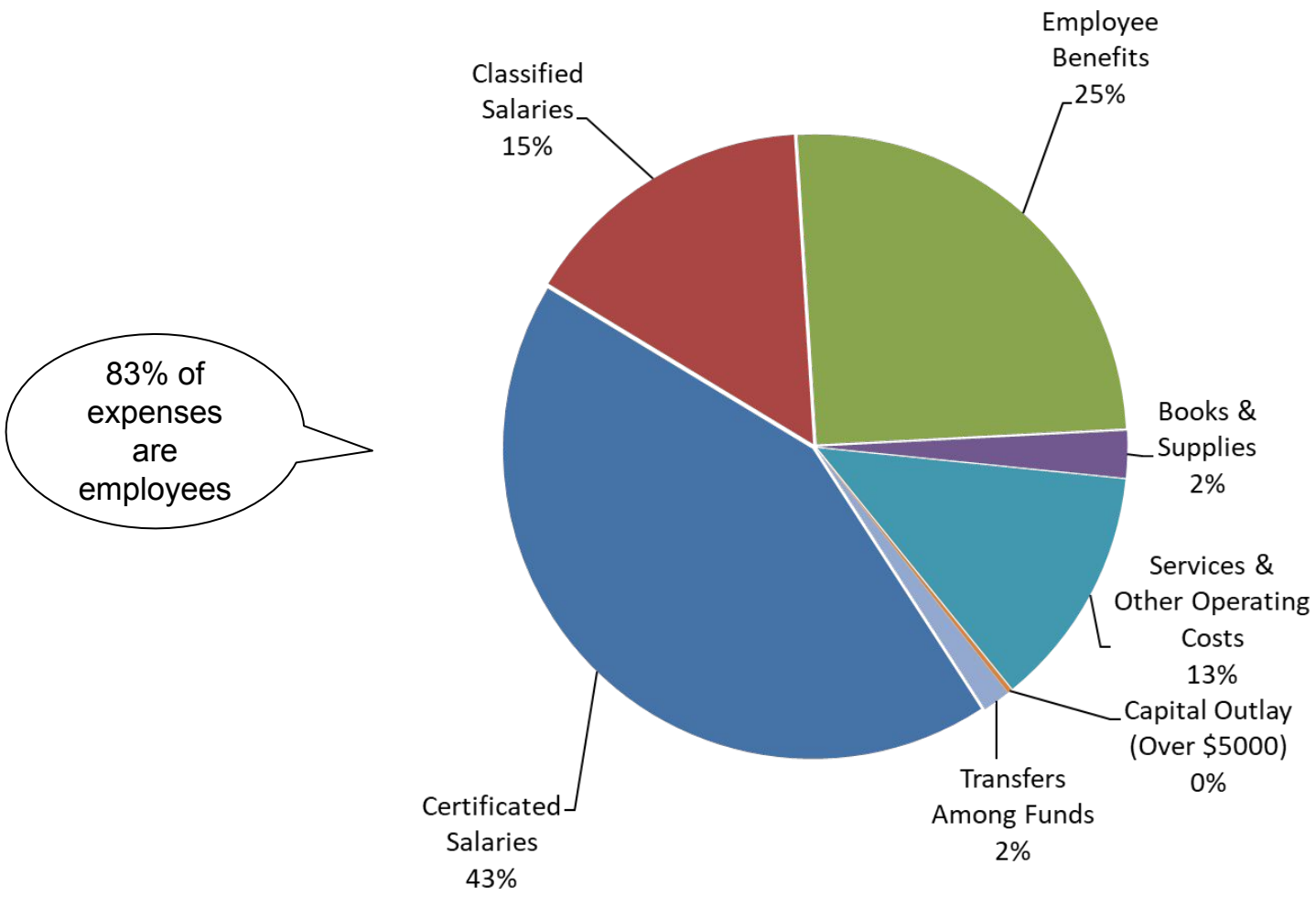
2022-23 General Fund Revenues



Revenue Comparison

General Fund Revenues	2021-22 Est. Actuals	2022-23 Budget	Difference
Revenues			
LCFF - Base	$ 23,057,651	$ 23,456,626	$ 398,975
LCFF - Add'l Based on Avg ADA	-	$ 1,207,139	1,207,139
PARCEL TAX REVENUE	13,623,431	13,835,673	212,242
LOCAL REVENUES - PEF	2,750,000	3,550,051	800,051
LOCAL REVENUES - ALL OTHERS	1,424,875	893,586	(531,289)
STATE REVENUES	3,069,720	1,094,720	(1,975,000)
STATE - One-Time Funds	-	3,385,590	3,385,590
STATE REVENUES - STRS on-behalf	2,273,243	2,367,316	94,073
TRFS APPORT FR DISTRICTS (SELPA)	1,408,772	1,662,965	254,193
FEDERAL REVENUES	1,340,844	559,518	(781,326)
Total Revenues	**$ 48,948,536**	**$ 52,013,184**	**$ 3,064,648**

2022-23 General Fund Expenditures



Expenditure Comparison

		2021-22	2022-23	Difference
Expenditures		Est. Actual	Budget Hearing	
	Certificated Salaries	19,902,578	20,144,922	242,344
	Classified Salaries	7,225,339	7,219,069	-6,270
	Benefits	10,855,120	11,836,032	980,912
	STRS On-behalf	2,273,243	2,367,316	94,073
	Books and Supplies	1,966,767	1,141,741	-825,026
	Services & Other Operating	6,950,990	5,904,675	-1,046,315
	Capital Outlay	1,044,632	110,617	-934,015
	Indirect Costs	34,150	15,863	-18,287
	Other Fund In/Out	40,000	662,223	622,223
TOTAL Expenditures		**50,292,819**	**49,402,458**	**-890,361**

2022-23 General Fund Overall Picture

Ending Fund Balance			
	2021-22 Est. Actuals	2022-23 Budget	Difference
Ending FB	$ 3,371,312	$ 5,982,038	2,610,726
Restricted	1,169,181	839,406	(329,775)
Measure H still avail	246,388	492,776	246,388
LCFF Funding - Hold until confirmed	-	1,207,139	1,207,139
State One-Time Funding - Hold until confirmed		3,385,590	3,385,590
Available	1,955,743	57,127	(1,898,616)
3% Minimum Reserve	1,508,785	1,482,074	
Over (Under)	446,958	(1,424,947)	
Available from Fund 17	108,000	111,679	

3% Reserve Requirement

The District is required to maintain a minimum balance of 3% of expenditures in its general fund.

The reserve cannot be restricted or committed funds.

With the requirement to hold any new State funds as "committed" in the Ending Fund Balance, the District will not have 3% available in unrestricted funds.

Why is Reserve Not Met?

Differences between the 2nd Interim and the Final Budget, as well as restrictions on how we incorporate the additional state funds result in funds remaining in ending balance being unavailable for reserve.

2nd Interim Projection for 2022-23	Proposed Budget for 2022-23	Dollar Impact
Rightsizing by 3 Certificate and 3 Classified	Staffing not reduced due to IDTs	$450,000
Other Reductions TBD	Increase in utilities & insurance offset other reductions	$200,000
PEF Grant increase	PEF Supplemental Grant used for additional services	$350,000
		$1,000,000

ACOE Review

Alameda County Office of Education (ACOE) is responsible for reviewing and approving the District's budget.

They have asked advised the District to NOT include the Governor's proposals.

If the Budget includes the revenues, they have asked that the revenues not be spent, but instead, be held in reserve in the fund balance.

By the time ACOE reviews the budget, the State budget will be adopted and the results will be included as part of their review.

Once State Approves Budget…

	Per ACOE Directions	Once State Approves Budget
	22-23 Budget	22-23 Budget
Ending Fund Balance	**$5,982,038**	**$5,982,038**
Restricted + Revolving cash	839,406	839,406
Set-aside for CSEA Meas H	492,776	492,776
Set-aside One-time Grant	3,385,590	1,903,516
Set-aside LCFF On-going	1,207,139	0
3% Reserve	1,482,074	1,482,074
Available (short)	**-1,424,947**	**1,264,266**
TOTAL Ending Fund Balance	**5,982,038**	**5,982,038**

Potential Uses for One-Time Funds

Expenses Already In the 2022-23 Budget	New One-Time Expenses
Set-aside for 3% reserve	Health Coordinators (CSEA) & Add'l nurse FTE
Website redesign start-up costs	Coaching for new principals
Merv 13 replacements	Title IX programmatic improvements
Universal Meals start-up costs	One-time bonus for staff
Pay-off loan to Café fund for VRF	Facilities needs
DEI contracts (District-funded costs, pending donation)	Tech infrastructure projects / replacements
Election costs for 2022	Rental costs for pool, sandpit
Textbook adoptions	Admin Assistant (CSEA) for Facilities (for 3 years, during Witter Field project)
Chromebook purchases (District portion)	Director of Student Services (for 3 years, to manage COVID response and build student support systems)

MYP Assumptions

Assumption	2022-23	2023-24	2024-25
Enrollment	2,378	2,350	2,238
ADA used for LCFF calculations	2,306.72	2,279.56	2,170.92
Cost of Living Increase (COLA) for LCFF	9.85%	5.38%	4.02%
COLA for increase in other State programs	6.56%	5.38%	4.02%
COLA for Measure G Parcel Tax	2.00%	2.00%	2.00%
Natural progression (Step & Column) in Employee Salaries	Based on rollover	APT: 1.33% CSEA: 1.00%	APT: 1.50% CSEA: 1.25%
STRS Rate	19.10%	19.10%	19.10%
PERS Rate	25.37%	25.20%	24.60%
Rightsizing adjustments to staffing	-0-	Cert: -2.0 FTE Class: -2.0 FTE	-0-

Multiyear Projections

	2022-23	2023-24	2024-25
Beginning Balance	$3,371,312	$5,982,038	$7,958,990
Total Revenues	52,013,184	49,887,486	50,378,858
Total Expenditures	49,402,458	47,910,534	48,596,761
Net Surplus (Deficit)	2,610,726	1,976,952	1,782,097
Ending Fund Balance	**$5,982,038**	**$7,958,990**	**$9,741,087**
Components of Ending Balance:			
Restricted Funds	$839,406	$296,645	$50,000
Measure H - still available	492,776	739,164	985,552
Required Reserve	**1,482,074**	**1,437,316**	**1,457,903**
LCFF ADA Avg - Set-aside	1,207,139	1,868,250	2,112,327
State One-Time - Set-aside	3,385,590	3,385,590	3,385,590
Add'l Unassigned	-1,424,947	232,025	1,749,715
Fund 17	112,056	112,056	112,056
Over (Under) incl Fund 17	-820,115	-1,424,947	255,943
TOTAL EFB	**$5,982,038**	**$7,958,990**	**$9,741,087**

Other Funds

Fund #	Fund Name	Beginning Balance	Revenues	Expenditures	Ending Fund Balance
80	ASB	$ 338,739	$ 25,000	$ 25,000	$ 338,739
11	Adult Education	116,062	557,195	649,167	24,090
13	Cafeteria	290,605	1,068,210	1,358,798	17
14	Deferred Maintenance	(125,456)	82,440	55,000	(98,016)
17	Special Reserve-Noda	111,556	500	-	112,056
21	Building Fund	-	-	-	-
35	State School Fac	3,726	-	-	3,726
40	Reserve-Cap Facilities	2,363,302	344,223	344,223	2,363,302
51	Bond Repayment	11,776,263	7,391,360	6,309,060	12,858,563
		$ 14,536,058	$ 9,443,928	$ 8,716,248	$ 15,263,738

Questions?

Acknowledgments

Thank you to the Business Services Team!

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