



PIEDMONT UNIFIED SCHOOL DISTRICT

2019-20 Adopted Budget
Final Adoption

Board of Education
6/26/2019

2019-20 Budget Adoption Process

- o The process of developing the school district's budget for 2019-20 started in December:

December 12	First preview of 2019-20 budget in Multi-Year Projections (MYP) presented at 1 st Period Interim.
January 23	Governor's Proposed Budget Update to Board
March 13	Board adopts commitment to bring budget into balance and projects specific adjustments to 2019-20 budget at 2 nd Period Interim review.
May 22	Specific adjustments to 2019-20 budget are presented to board and community.
June 12	Public Hearing on 2019-20 Budget and LCAP.
June 26	Formal Adoption of 2019-20 Budget and LCAP.

Headlines

- o The District will meet it's required **3% reserve** in 2019-20.
- o No lay-offs were required.
- o No increases to class sizes or other substantive changes to programs were required.
- o The student experience will not be negatively affected.
- o CSEA & APSA have settled with a salary increase (1% Equity Raise) for 2019-20.
- o 2020-21 and 2021-22 may still need budget adjustments.

Final State Budget

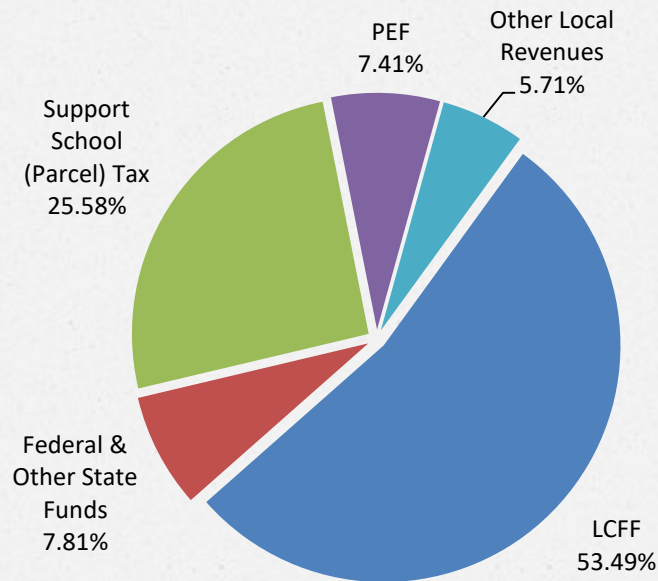
- o The Final State Budget for 2019-20 includes additional resources that are NOT yet incorporated into the Piedmont USD Budget:
 - o STRS Rate – final is 17.1%, we used 16.7%
 - o PERS Rate – final is 19.721%, we used 20.733%
 - o No net gain is anticipated.
 - o SPED Pre-school – State will provide \$93,40 per student. PUSD should gain \$90K.

Assumption

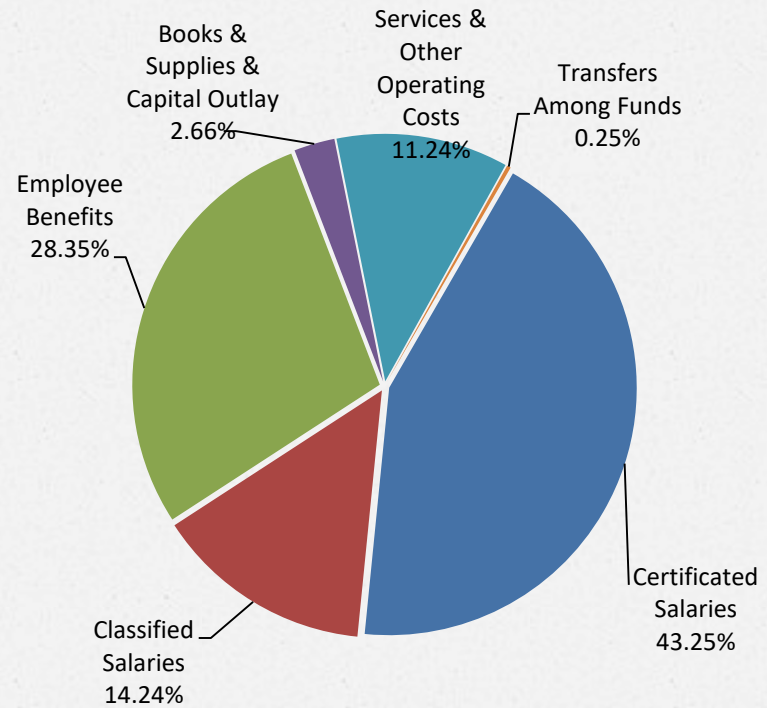
- o The following assumptions, from the May Revise, were used in the 2019-20 Budget and the multiyear projections (MYP for 20-21 and 21-22)

Assumption	2018-19	2019-20	2020-21	2021-22
Enrollment	2,596	2,539	2,510	2,438
Cost of Living Increase (COLA) for LCFF revenue (per pupil funding)	3.70%	3.26%	2.86%	2.92%
COLA for increase in other State revenues and various costs	2.71%	3.26%	2.86%	2.92%
Natural progression (Step & Column) in Employee Salaries	1.50%	1.00%	1.00%	1.00%
STRS Rate	16.28%	16.70%	18.10%	18.10%
PERS Rate	18.06%	20.73%	23.60%	24.90%

2019-20 Budget General Fund Revenues and Expenditures



REVENUES



EXPENSES

2019-20 Budget General Fund Revenues

- o The major differences in **revenues** between years are:
 - o LCFF revenues increased by COLA (3.26%), but decreased by decline in Average Daily Attendance (ADA).
 - o Parcel Tax revenue increase is 2%.
 - o Other State revenues do not include one-time funds as we've had in prior years and two grants that were one year only.
 - o No funds are left in the Parcel Tax Reserve to transfer.

Fund 1 - General Fund			
	2018-19 2nd Interim	2019-20 Adopted Budget	Difference 18-19 to 19-20
Revenues			
LCFF	\$ 21,639,160	\$ 22,165,250	\$ 526,090 ←
Parcel Tax	10,395,141	10,602,574	207,433 ←
Other Local	4,254,103	4,313,427	59,324
Other State	1,500,140	952,182	(547,958) ←
Other State - STRS Onbehalf	1,285,432	1,618,464	333,032
Transfers from SELPA	1,123,199	1,123,199	-
Federal	632,144	666,047	33,903
Transfer from Parcel Tax Reserve	197,548	-	(197,548) ←
Total Revenues	\$ 41,026,867	\$ 41,441,143	\$ 414,276

Local Resources

Measure A Parcel Tax

- o **\$10,602,574**, or 26% of General Fund revenues.
- o Measure A funds are used to:
 - o Attract, train and retain qualified **teachers**.
 - o Protect programs in **math, science & technology**.
 - o Continue funding for **music, visual and performing arts**.
 - o Keep **textbooks and instructional technology** up to date.
 - o Maintaining **small class sizes** in all grades.
 - o Protect instructional programs and services (in addition to those named above):
 - o **World language**
 - o **Advanced placement**
 - o **School libraries, and**
 - o **Student counseling**

2019-20 Budget

General Fund Expenditures

- o The major differences between years in expenditures are:
 - o Certificated salaries reflect staffing changes, especially right-sizing.
 - o Classified salaries reflect 1% Equity Raise and position adjustments.
 - o Benefits include increases to STRS and PERS.
 - o Books & Supplies do not include student-related expenses that are tied to student-generated revenues and are reduced by 10% for unrestricted supplies.
 - o Services/Other operating reflects the elimination of contracts due to end of District obligations, reduction in professional development budget by \$60K, and reduction in energy costs by \$10K

Fund 1 - General Fund			
Expenditures	2018-19 2nd Interim	2019-20 Prelim Budget	Difference Oct. to Dec.
Certificated Salaries	\$ 18,231,357	\$ 17,886,459	\$ (344,898)
Classified Salaries	5,759,347	5,891,345	131,998
Benefits	9,508,712	10,106,349	597,637
STRS On-Behalf	1,285,432	1,618,464	333,032
Books & Supplies	1,562,202	1,101,793	(460,409)
Services/Other Oper.	5,467,108	4,648,195	(818,913)
Internal Transfers	(95,000)	(105,000)	(10,000)
Total Expenditures	\$ 41,719,158	\$ 41,147,605	\$ (571,553)



The Bottom Line

General Fund - 2019-20 Budget Adoption			
	2018-19 2nd Interim	2019-20 Prelim Budget	Difference 18-19 to 19-20
Total Revenues	41,026,867	41,441,143	414,276
Total Expenditures	41,719,158	41,147,605	(571,553)
Net Surplus (Deficit)	(692,291)	293,538	985,829
Beginning Balance	2,038,836	1,346,545	(692,291)
Ending Balance	1,346,545	1,640,083	293,538
Designations	25,000	197,600	172,600
3% Reserve	1,251,575	1,234,428	(17,147)
Over (Under)	69,970	208,055	138,085
Reserve %	3.17%	3.51%	

General Fund - Multiyear

- Multiyear Projection (MYP) meets requirement for 3% reserve in out years, if **\$355,000** in budgetary adjustments are made in each year.

MULTIYEAR PROJECTIONS - 2019-20 Budget Adoption			
	2019-20	2020-21	2021-22
Total Revenues	\$ 41,441,143	\$ 41,665,385	\$ 42,317,397
Total Expenditures	41,147,605	41,849,587	42,303,734
Net Surplus (Deficit)	293,538	(184,202)	13,663
Beginning Balance	1,346,545	1,640,083	1,455,880
Ending Fund Balance	\$ 1,640,083	\$ 1,455,880	\$ 1,469,544
Required Reserve	1,234,428	1,255,488	1,269,112
Other Reserved Amts	197,600	25,000	25,000
Over / Under	\$ 208,055	\$ 175,393	\$ 175,432

Other Funds

- The District sets funds aside in Other Funds for restricted uses.

Fund #	Fund Name	Beginning Balance	Revenues	Expenditures	Ending Fund Balance
11	Adult Education	\$ 284,241	\$ 476,576	\$ 690,276	\$ 70,541
13	Cafeteria	591,477	615,295	831,674	375,098
14	Deferred Maintenance	144,376	50,000	112,876	81,500
17	Special Reserve-Noda	105,411	1,009	-	106,420
17	Special Reserve-Parcel Tax	-	-	-	-
21	Building Fund	14,252,283	26,172,608	36,333,795	4,091,096
35	State School Fac	3,359	45	3,369	35
40	Reserve-Cap Facilities	231,543	3,692	27,359	207,876
67	Self Insurance	5,699	59	1,300	4,458
		\$ 15,618,389	\$ 27,319,284	\$ 38,000,649	\$ 4,937,024

Key Changes to Other Funds

- o Adult Education (Fund 11)
 - o Continue to charge for direct and indirect costs
- o Cafeteria Fund (Fund 13)
 - o Charge additional direct costs
 - o Increase indirect costs
- o Deferred Maintenance (Fund 14)
 - o Transfer from General Fund to Fund 14 for routine and deferred maintenance projects, including Witter field maintenance.
- o Building Fund (Fund 21)
 - o STEAM Building progress payments are included.
 - o District will need to issue next series of bonds in Sept.

Next Steps

June 26: * Adopt 2019-20 Budget & LCAP

July 1: District submits 2019-20 Adopted Budget & LCAP to ACOE for review and approval.

August: Within 45 days of Governor's Signing State Budget, Board will be provided an update if there are any significant changes to the District's budget.

ACOE will provide clarifying comments to LCAP, if any.

September: ACOE will provide final status of LCAP and Budget.

* Board Action or Review

Acknowledgments

Thank you to the Business Services Team!

Suzanne Binder

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Tina Quach

and our newest member

- Julie Kim