



PIEDMONT UNIFIED SCHOOL DISTRICT

2019-20 Adopted Budget
Re-Adoption

Board of Education
9/25/2019

2019-20 Budget Adoption

- o June 26, 2019: Board adopted the 2019-20 Budget
- o June 28, 2019: The budget was forwarded to the Alameda County Office of Education (ACOE) for their review and approval.
- o September 16, 2019: ACOE gave the District a Conditional Approval pending specific actions.
- o September 25, 2019: Board must re-approve the 2019-20 Budget with all documentation and approve a Budget Balancing Plan for 2020-21 and 2021-22.

Headlines

- o Nothing has changed in the Adopted Budget for 2019-20. Additional reports have been included in the package.
- o The Multiyear Projection (MYP) has been revised to include the proposed 1% salary increase for APT in the two out-years, resulting in a larger shortfall in 2020-21 and 2021-22.
- o Based on this revised MYP, as of June 26, 2019, the Board must adopt a Budget Balance Plan.

Point in Time Vs Now

- o The 2019-20 Budget as adopted in June and re-adopted tonight reflects what was know at one point in time – June 2019.
- o We now know more, but have not yet incorporated this into the budget.
 - o 2019-20 State funding (for SPED pre-school) increased by \$77,000.
 - o Inter-district Transfers and regular enrollment will surpass projected enrollment.
 - o 2018-19 year end closing results will increase the beginning balance for 2019-20.

Other SACS Reports

- o The other SACs (State Accounting Code) reports that were not originally included in the Budget package presented to the Board but were submitted to ACOE are:
 - o Criteria & Standards
 - o Cashflow Projections (provided to Board in August)
 - o Summary of Interfund Activities
 - o Technical Check Review

Updated MYP

- o The 1% proposed salary increase was included in the reserves for 2019-20.
- o However, once the proposed raise is implemented, the District will need to pay out the same amount in 2020-21 and future years. This proposed on-going expense was not adequately reflected in the MYP.
- o To set-aside enough in our reserves to cover this as an ongoing expense, the budget shortfall increases to **\$508,000** in 2020-21 and **\$543,000** in 2021-22.

**PIEDMONT UNIFIED SCHOOL DISTRICT
2019-2020 BUDGET - GENERAL FUND 01
MULTI-YEAR PROJECTION REPORT
2019-20 Adopted Budget SEPTEMBER REVISION**

BUDGET	2018-19 Est. Actuals		2019-20 Adopted Budget		2020-21 Projected Budget		2021-22 Projected Budget
A) REVENUES:							
LOCAL CONTROL FUNDING FORMULA	21,639,160	2.43%	22,165,250	1.13%	22,415,179	1.90%	22,841,045
FEDERAL REVENUES	632,144		666,047		666,047		616,047
STATE REVENUES (excludes STRS on-behalf)	1,500,140	-36.53%	952,182	3.00%	980,747	2.80%	1,008,208
STATE REVENUES STRS on-behalf	1,285,432		1,618,464		1,618,464		1,618,464
PARCEL TAX REVENUE	10,395,141	2.00%	10,602,574	2.00%	10,814,625	2.00%	11,030,918
LOCAL REVENUES	4,254,103		4,313,427		4,013,427		4,013,427
TRFS APPORT FR DISTRICTS (SELPA)	1,123,199	0.00%	1,123,199	3.00%	1,156,895	2.80%	1,189,288
TRANSFER IN FROM PARCEL TAX RESERVE	197,548		-				
TOTAL REVENUES:	41,026,867		41,441,143		41,665,385		42,317,397
B) EXPENDITURES:							
CERTIFICATED SALARIES	18,231,357	-1.89%	17,886,459	1.00%	18,065,324	1.00%	18,245,977
CLASSIFIED SALARIES	5,759,347	2.29%	5,891,345	1.00%	5,950,258	1.00%	6,009,761
EMPLOYEE BENEFITS	9,138,712	6.54%	9,736,349	6.23%	10,343,054	0.80%	10,426,215
STRS OnBehalf Payment	1,285,432		1,618,464	0.00%	1,618,464		1,618,464
POST EMPLOYMENT BENEFITS	370,000		370,000		370,000		370,000
BOOKS AND SUPPLIES	1,562,202	3.26%	1,101,793	3.00%	1,134,847	2.80%	1,166,623
SERVICES/OPERATING EXPENDITURES	5,467,108	-14.98%	4,648,195	3.00%	4,787,641	2.80%	4,921,695
OTHER REDUCTIONS - TBD	-		-		(335,000)		(370,000)
OTHER REDUCTIONS TO COVER 1% - TBD	-		-		(172,600)		(172,600)
TRANSFER TO CAPITAL FAC.	30,000		-		-		-
TRANSFER TO DEFERRED MAINT.	20,000		50,000		50,000		50,000
DIRECT SUPPORT/INDIRECT COSTS-ADULT ED.	(120,000)		(120,000)		(100,000)		(100,000)
DIRECT SUPPORT/INDIRECT COSTS-CAFETERIA	(25,000)		(35,000)		(35,000)		(35,000)
TOTAL EXPENDITURES:	41,719,158		41,147,605		41,676,987		42,131,134
C) NET INCREASE (DECREASE) IN FUND BALANCE (A-B)	(692,291)		293,538		(11,602)		186,263
D) FUND BALANCE, RESERVES							
BEGINNING BALANCE	2,038,836		1,346,545		1,640,083		1,628,480
ADJUSTMENT TO BEG. BALANCE							
NET BEGINNING BALANCE	2,038,836		1,346,545		1,640,083		1,628,480
E) ENDING BALANCE JUNE 30	1,346,545		1,640,083		1,628,480		1,814,744
COMPONENTS OF ENDING BALANCE:							
a) Reserved Amounts:							
Revolving Cash	25,000		25,000		25,000		25,000
b) Restricted Amounts:							
Unspent Grant funds	70,000		227,614		-		-
RRMA Set-Aside (for Maintenance)			-				
b) Designated Amounts:							
Economic Uncertainties - 3%	1,251,575		1,234,428		1,250,310		1,263,934
1% for Certificated Employees in 2019-20			172,600		172,600		172,600
Continuation of 1% for Certificated Employees in 2020-21					172,600		172,600
Continuation of 1% for Certificated Employees in 2021-22							172,600
Additional Reserve / Deficit in General Fund	(30)		(19,559)		7,971		8,010
Fund 17 - Special Reserve Fund (Noda) avail to cover shortfall			105,306		105,306		105,306
Reserve % (General Fund Only):	3.00%		3.37%		3.85%		4.25%

MYP as of June - Condensed

MULTIYEAR PROJECTIONS - 2019-20 Budget Re-Adoption			
	2019-20	2020-21	2021-22
Total Revenues	\$ 41,441,143	\$ 41,665,385	\$ 42,317,397
Expenditures	41,147,605	42,184,587	41,588,534
Total Cuts Needed		(507,600)	(542,800)
Total Expenditures	41,147,605	41,676,987	42,131,134
Net Surplus (Deficit)	293,538	(11,602)	186,263
Beginning Balance	1,346,545	1,640,083	1,628,480
Ending Fund Balance	\$ 1,640,083	\$ 1,628,480	\$ 1,814,744
Required Reserve	1,234,428	1,250,310	1,263,934
Other Reserved Amts	252,614	25,000	25,000
Set-aside for 1% 19-20	172,600	172,600	172,600
Set-aside for 1% 20-21		172,600	172,600
Set-aside for 1% 21-22			172,600
Over / Under	(19,559)	7,970	8,010

8

Budget Balance Plan

- o ACOE has asked the Board to adopt a Plan to address the **\$508K** in 2020-21 and **\$543 K** in 2021-22.
- o Potential **REVENUE ENHANCEMENTS**:
 - o Place parcel tax measures (esp. Measure H) on November ballot.
 - o Revise Inter-District Transfer (IDT) policy.
- o Possible **EXPENDITURE REDUCTIONS**:
 - o Rightsize staffing – 4.46 FTE Certificated or 8.08 FTE Classified (or combination)
 - o Reduce number of classes offered
 - o Increase class sizes
 - o Eliminate non-core programs

Next Steps

- Sept. 26: Re-Adopt 2019-20 Budget & MYP with Budget Balancing Plan
- Oct. 10: District provides updated budget and MYP to Board based on Census day enrollment and actual staffing.
- Nov. 13: District provides MYP projections based on results of Measure G and Measure H ballot measures.
- Dec. 11: First Interim is submitted to Board for review and approval, with updated budget and MYP.