

PIEDMONT UNIFIED SCHOOL DISTRICT

M E M O R A N D U M

TO: Piedmont Unified School District Board of Education

FROM: Ruth Alahydoian, Chief Business Officer
Denise Mandap, Fiscal Services Manager

DATE: September 10, 2025

SUBJECT: APPROVE THE 2024-25 UNAUDITED ACTUALS FOR ALL THE FUNDS OPERATED BY THE DISTRICT: GENERAL FUND; STUDENT ACTIVITIES; ADULT EDUCATION; CAFETERIA; DEFERRED MAINTENANCE; SPECIAL RESERVE/NODA; STATE SCHOOL FACILITIES FUND; CAPITAL FACILITIES; BOND INTEREST AND REDEMPTION FUND; AND AUTHORIZE APPROPRIATE BUDGET TRANSFERS

PURPOSE:

Review and approval of the unaudited financial statements of the Piedmont Unified School District for the fiscal year ended June 30, 2025. The financial results for the 2024-25 Fiscal Year are presented to the Board for approval before submission to the County Office of Education by September 15.

BACKGROUND:

Education Code Section 42100 requires that each governing board approve and submit the Unaudited Actuals ("UA") and Gann Limit Resolution to the county office on or before September 15.

The 2024-25 UA compiles all actual fiscal transactions of the Piedmont Unified School District and presents the District's financial position for the period July 1, 2024, through June 30, 2025. The UA is submitted to the Alameda County Office of Education (ACOE), and through them, to the California Department of Education (CDE). The District's auditors, Christy White Associates Inc., will audit the UA to prepare the audited financials by December 2025. The UA and the audited financials are the only comprehensive financial documents submitted to CDE.

SUMMARY:

The ending fund balance represents the amount left in each fund after all revenues and expenditures have been recorded. It represents the bottom line in financial reporting. The following table provides the ending fund balance for each fund.

ALL FUNDS – ENDING FUND BALANCES		
Fund #	Fund Name	Ending Fund Balance as of June 30, 2025
01	General	\$5,989,929
08	Student Activities	352,313
11	Adult Education	124,932
13	Cafeteria	152,948
14	Deferred Maintenance	163,216
17 Noda	Special Reserve – Noda	106,685
35	State Schools Facilities	2,967,281
40	Special Res for Capital Facilities	158,494
51	Bond Interest & Redemption	13,848,386
	TOTAL ALL FUNDS	\$23,864,184

As noted in the table above, the 2024-25 General Fund Ending Fund Balance is **\$5,989,929**. The General Fund ending balance is further designated as follows:

DETAILS OF GENERAL FUND ENDING BALANCE	
Restricted or Unavailable:	
Revolving Cash	\$44,100
Restricted / Unspendable	818,200
Required Reserves (3%)	1,601,412
Held for specific uses	869,756
Remaining Undesignated	<u>2,656,461</u>
TOTAL GENERAL FUND ENDING BALANCE	\$5,989,929

DETAILED ATTACHMENTS PROVIDED:

Attached to this memo are several tables that provide summarized information for the General Fund and each of the other funds of the District. The tables are described below. The document that will be submitted to the Alameda County Office of Education and ultimately to the State is the Standardized Account Code Structure (SACS) Report.

Multiyear Comparisons: To provide historical context, a multiyear comparison table has been prepared for each fund. Each table compares UA information from 2020-21, 2021-22, 2022–23, 2023-24 and 2024-25. For the General Fund, the information in the multiyear comparison table is also provided in bar graph form, with a separate graph for revenues and for expenditures.

Progression through the year: For the General Fund, the progression from Adopted Budget to Unaudited Actuals for 2024-25 is provided in a separate table. The five labeled columns show the budget as it was presented to the Board from Adoption to the Unaudited Actuals. The

sixth column calculates the difference between the Adopted Budget and the Unaudited Actuals. The last column shows the difference as a percentage of total revenues or expenditures, to put the dollar amount in perspective.

2025-26 Budget: The 2025-26 Budget, where provided in these documents, is the Adopted Budget as approved by the Board on June 25, 2025. Subsequent changes that are the result of the final State budget, as presented on August 20, are not shown here as the SACS software only loads the Adopted Budget. The working budget will be revised to incorporate the final State budget, carryover from 2024-25, enrollment changes and staffing adjustments over the next weeks. An updated 2025-26 Budget will be shared with the Board in October to provide a more complete update and multiyear projections prior to the official First Interim report in December.

ANALYSIS:

General Fund (Fund 01): The General Fund is the most significant of the funds because it represents the day-to-day operations of the District. Revenues in the General Fund are from several sources: Local Control Funding Formula (LCFF), which includes both State aid and local property taxes; Federal funds such as IDEA funding for special education; other State funds such as lottery, mandated costs reimbursements, and the STRS on-behalf revenues; and local revenues including Parcel Tax Measures G & H, Piedmont Education Foundation (PEF) donations, and parent and support group donations.

Revenues

Revenues increased by \$2,863,649 from the Adopted Budget in June 2024 to the final UA in September 2025. Explanations for significant changes in revenues are as follows:

- **Local Control Funding Formula (LCFF) - \$750K** increase as a result of 45 more students enrolled and slightly higher attendance than originally budgeted.
- **State revenues - \$275K** increase from the original budget. The following are the significant changes:
 - **\$160K - Lottery revenues.** The budget was updated when the State updated the projections; the biggest increase came after the 4th Qtr information was released (July 2025).
 - **\$83K - Classified School Employees Summer Assistance Program (CSESAP).** This program is a straight pass-through to qualifying classified employees. It is not incorporated into the budget until closing, when the corresponding expenditures are also recorded.
 - **\$56K - Dishwasher grant for PHS and PMS Kitchens.** The dishwashers are on order, and additional improvements are being made to the PMS kitchen. These funds are being held in the Restricted fund balance until spent.
 - **\$28K -** Additional state funds to offset costs in special education for mental health and early intervention.
 - **-\$94K -** Expanded Learning Opportunity Program (ELOP). Without a compliant program, the District had to return 2023-24 ELOP funds.

- **Local Revenue** - \$2.03M increase from the original budget. The bulk of the additional local revenues were for specific purposes and are offset by related expenditures. The following local sources were increased or added after the original budget was adopted:
 - **\$322K** - Spring Fling revenues for specific elementary school programs
 - **\$230K** - PEF Giving Campaign additional revenue
 - **\$207K** - rebate for electric truck purchase, offsets full cost truck
 - **\$155K** - interest earnings were higher than budgeted
 - **\$130K** - parent fees for AP and other exams.
 - **\$104K** - Boosters and Turkey Trot donations for athletics programs
 - **\$96K** - additional facility rental income
 - **\$58K** - Piedmont Inclusion Preschool (PIP), Spring and Summer Adventures - fees collected (partially offset by program costs)
 - **\$50K** Donation through PEF for Diversity, Equity, Inclusion and Belonging (DEIB)
 - **\$38K** Makers grants
 - **\$25K** Donation through PEF for Professional Development
 - **\$10K** Donation for Wellness Center
 - Various other contributions from local sources to support specific work throughout the District. Any such revenues left unspent in 2024-25 will be available to site managers to spend in 2025-26 and are set-aside in the Ending Fund Balance.

Expenditures

Expenditures increased by \$1,117,860 from the Adopted Budget in June 2024 to the UA in September 2025. The significant changes in expenditures were as follows:

- **Classified salaries** increased by **\$238K** due to additional paraeducators to address student needs, overtime to cover leaves, and vacation payouts.
- **Books and Supplies** increased by a net **\$377K** over the course of the year. This is the result of the increase in local revenues for specific purchases, and in particular, the Spring Fling donation for elementary technology improvements, and the spend-down of funds carried over from the prior year.
- **Services and Operating Expenses** increased by **\$312K** over the course of the year. The major increases were as follows:
 - **\$201K** for on-line subscription portion of new curriculum - not in original budget.
 - **\$119K** for facilities maintenance paid out of balance in restricted funds carried over from prior year.
 - **\$71K** increase in utilities
 - Various professional services tied to the donations (see Local Revenues above) received during the year.
- **Capital Outlay** increased by **\$386K**. The rebate received for the electric truck purchase was offset by recording the \$207K cost in our records. Other capital expenditures were originally budgeted elsewhere (services or materials), but were moved to Capital Outlay once the cost met the limit to be recorded as an asset.

Changes in Ending Fund Balance:

- The net increase of \$2.1M to the Ending Fund Balance can be attributed to the increase in the beginning balance (2023-24 ending balance) and the net positive difference between revenues and expenditures.
- The District is able to meet the requirement to reserve the equivalent of **3%** of expenditures for economic uncertainty.
- The ending balance of **\$5,989,927** is comprised of:
 - **\$1,601,412** - 3% Required Reserve
 - **\$818,200** Legally restricted funds
 - **\$44,100** - Revolving cash
 - **\$869,756** - Hold as carryover of donations/unspent site funds
 - **\$2,656,461** - Remaining funds will be set-aside to support the budget for Board priorities.

OTHER FUNDS:

The District maintains other funds to track revenues that are restricted for specific purposes and are required to be held in separate funds.

Student Activities Special Revenue Fund (Fund 8): The Student Activities Fund separately tracks the financial activities and the account balances of the associated student body (ASB) organizations within the District. Each ASB maintains its own records of income, expense, and account balances. The aggregate activity and balances are recorded in Fund 8. The combined balance for the PMS, MHS and PHS ASB's is **\$352,313**.

Adult Education (Fund 11): The Adult Education Fund is used to account separately for state and local revenues for adult education programs. Piedmont USD's Adult Ed program offers both State-funded courses such as diploma completion, and fee-based classes, such as flower-arranging. The sources of revenue are State funds through the Adult Education Block Grant, and local funds through fees and donations. The fund ends the year with a balance of **\$124,932**.

Cafeteria Fund (Fund 13): The Cafeteria Fund is used to separately account for federal, state and local resources used to operate the food service program. The District provides free breakfast and lunch to all students. Elementary students are served meals prepared by a local vendor. Secondary meals are prepared on-site. In 2024-25, the program was self-sufficient, although the cash flow was uneven, requiring temporary cash borrowings from the General Fund. The ending balance of **\$152,948** includes the \$100,000 contribution from the General Fund.

Deferred Maintenance (Fund 14): The Deferred Maintenance Fund was originally established to account separately for State funds and the District match used for major school building repair projects such as roofing, paving, electrical and plumbing. The State suspended payments toward Deferred Maintenance in 2013 and no longer funds deferred maintenance separately from LCFF. The District continues to contribute to Fund 14 to allow separate tracking of certain expenditures related to facilities maintenance and repair. The grass field maintenance contract

is paid out of Fund 14. Also, the District expenditures for the CalSHAPE grant, received in 2023-24, to test and update ventilation systems throughout the District, were recorded in 2024-25. The ending balance in the fund is **\$163,216**.

Special Reserve Fund – NODA (Fund 17): The NODA fund was established as an endowment to support the Visual Arts Program in grades 6 through 12. The interest earned on the endowment is recorded as income. Any amount exceeding the base endowment of \$100,000 can be spent as a grant towards visual and performing arts. The District solicited proposals from art teachers for 2024-25 and granted \$8,500 for proposed projects. The ending balance is **\$106,685**.

State Schools Facilities Fund (Fund 35): The State Schools Facilities Fund is required to account separately for the State matching funds for school facilities modernization and construction received by the District. During 2024-25, the new roofs and HVAC systems installed in the summer of 2024 and 2025 were paid from Fund 35. The ending balance is **\$2,967,281**.

The remaining funds are being held to repay the loan that was needed to complete the Alan Harvey Theater.

Capital Facilities Fund (Fund 40): The Capital Facilities Fund is used to account for facilities projects that are not part of the construction projects funded by general obligation bonds or the State facilities program. During 2024-25, the design for the PHS quad and other campus beautification projects were paid for through Fund 40. The ending balance is **\$158,494**.

Bond Interest and Redemption Fund (Fund 51): The Bond Interest and Redemption Fund is managed by the County and is used to account for bond repayment activities. The Alameda County Auditor determines the amount of tax to be collected every year. The County Treasurer/Tax Collector deposits tax collections to Fund 51 and makes payments to bond holders directly from the Fund. The ending balance is **\$13,848,386**.

RECOMMENDATION:

Approve the 2024-25 Unaudited Actuals for all the funds operated by the District and authorize appropriate budget transfers.