PIEDMONT UNIFIED SCHOOL DISTRICT

DEEP DIVE INTO EXPENDITURES

Budget Advisory Committee

November 5, 2020

Agenda

- Introductions
- Purpose
- Quick review of Revenues
- Expenditures
  - Overview
  - Salaries & Benefits
  - Other Expenses
- Discussion / Comments / Questions
- Adjourn

Purpose of BAC

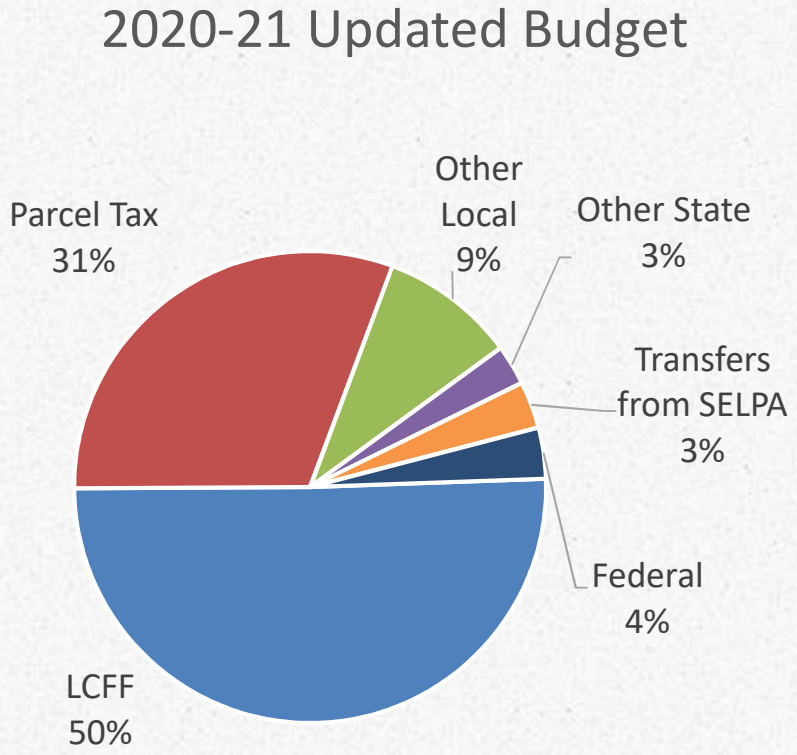
- The Budget Advisory Committee is a standing committee with representatives from all stakeholders in the District.
- Its purpose is to:
  - review the District's Budget,
  - share the information with constituent groups, and
  - generate recommendations for Board consideration in the budget development process.
- The BAC is a vehicle to disseminate information to as many parents, students, staff and community members as possible.

Purpose of Today's Meeting

- Deep Dive into Expenditures with the objective of answering the following questions:
  - What are the major expenditures for the District?
  - What drives the salary and benefit costs?
  - What is funded by unrestricted semi-restricted ("committed") and legally restricted resources?
- What other ways of looking at Expenditures would be useful to review?

2020-21 Revenues

- The District receives approximately $46 million in revenues from state, federal and local sources.
- 39% of revenues are from the parcel tax, PEF, parents and other local sources.



Unrestricted vs Restricted

- *Unrestricted* revenues are the most flexible and can be any school district purpose.
  - E.g., State apportionment funds, property tax revenues (LCFF portion and parcel tax portion)
- *Committed* revenues have some requirements on their use.
  - E.g., Parent Club donations for field trips.
- *Restricted* revenues must be used as directed by the source or by the law.
  - E.g., bond funds, federal funds

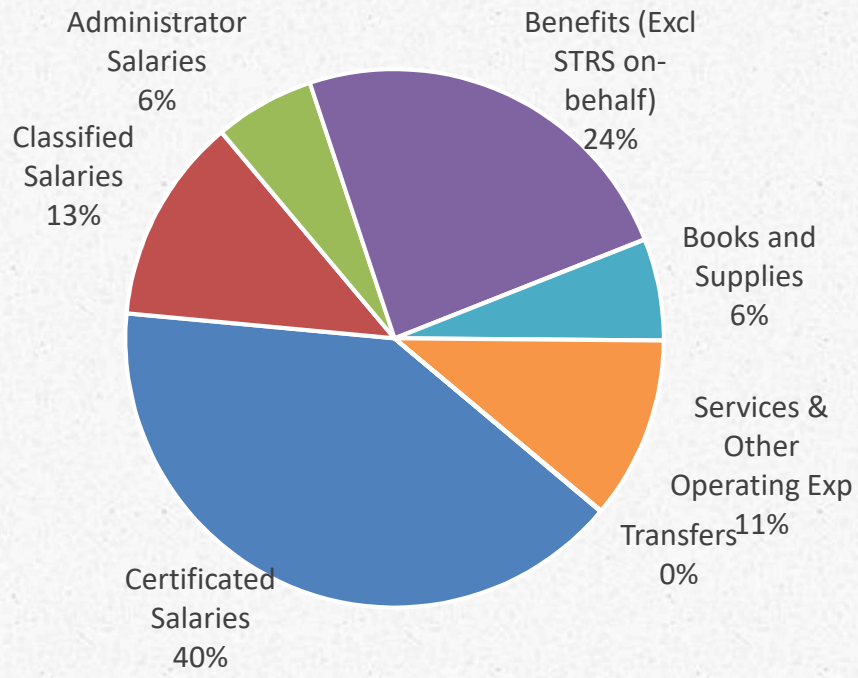
Restricted vs Unrestricted

Revenues	Unrestricted	Committed	Restricted
LCFF	$21,724,780		$187,820
Parcel Tax	13,362,097		
Other State Unrestricted	507,103		
Other Local Unrestricted	214,000		
PEF		$ 3,375,704	
Parent Clubs		88,800	
Athletics & Wellness		70,500	
Parent/Student Contributions		149,100	
State - Restricted			528,653
Federal - Titles & COVID			934,632
Special Education	(6,156,254)		8,304,088
Routine Maintenance Acct	(1,231,743)		1,231,743
Local - Restricted			129,368
Total	$ 28,419,983	$ 3,684,104	$ 11,316,304
Combined Total Revenues:		$ 43,420,391	

- SPED and Restricted Maintenance require a contribution of unrestricted resources into restricted programs.

2020-21 Expenditures

83% of the District's General Fund expenditures are for salaries and benefits.



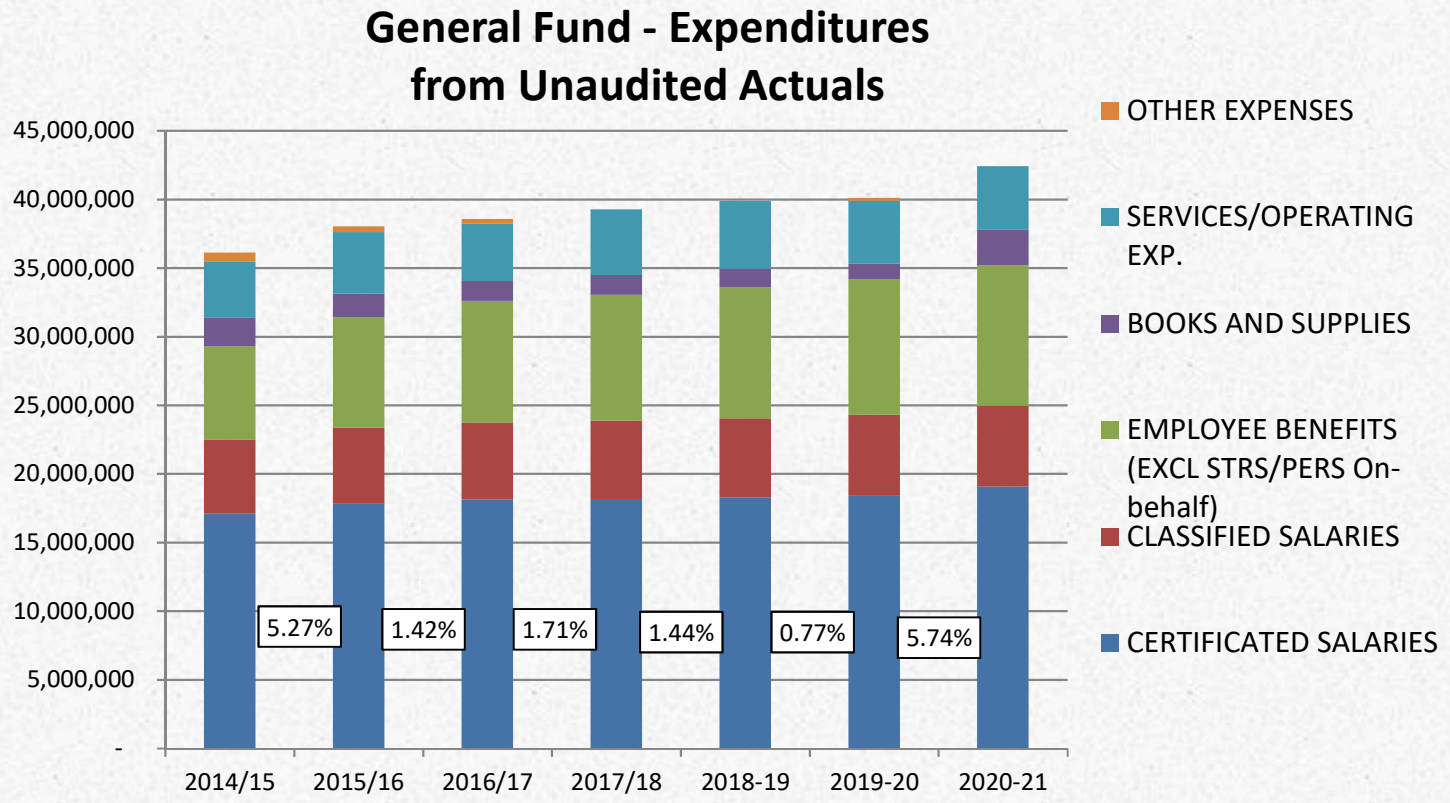
General Fund Expenditures

Budgeted Expenditures for 2020-21 as of October 7, 2020

Expenditures	Amount	%
Certificated Salaries	$17,132,736	40%
Classified Salaries	5,268,611	12%
Cert & Conf Admin	2,553,926	6%
Employee Benefits (Excluding STRS/PERS On-behalf)	10,232,084	24%
Books & Supplies*	2,597,905	6%
Services/Operating Expenses	4,640,247	11%
Transfers/Indirect	(20,850)	0%
TOTAL	$42,404,659	100%

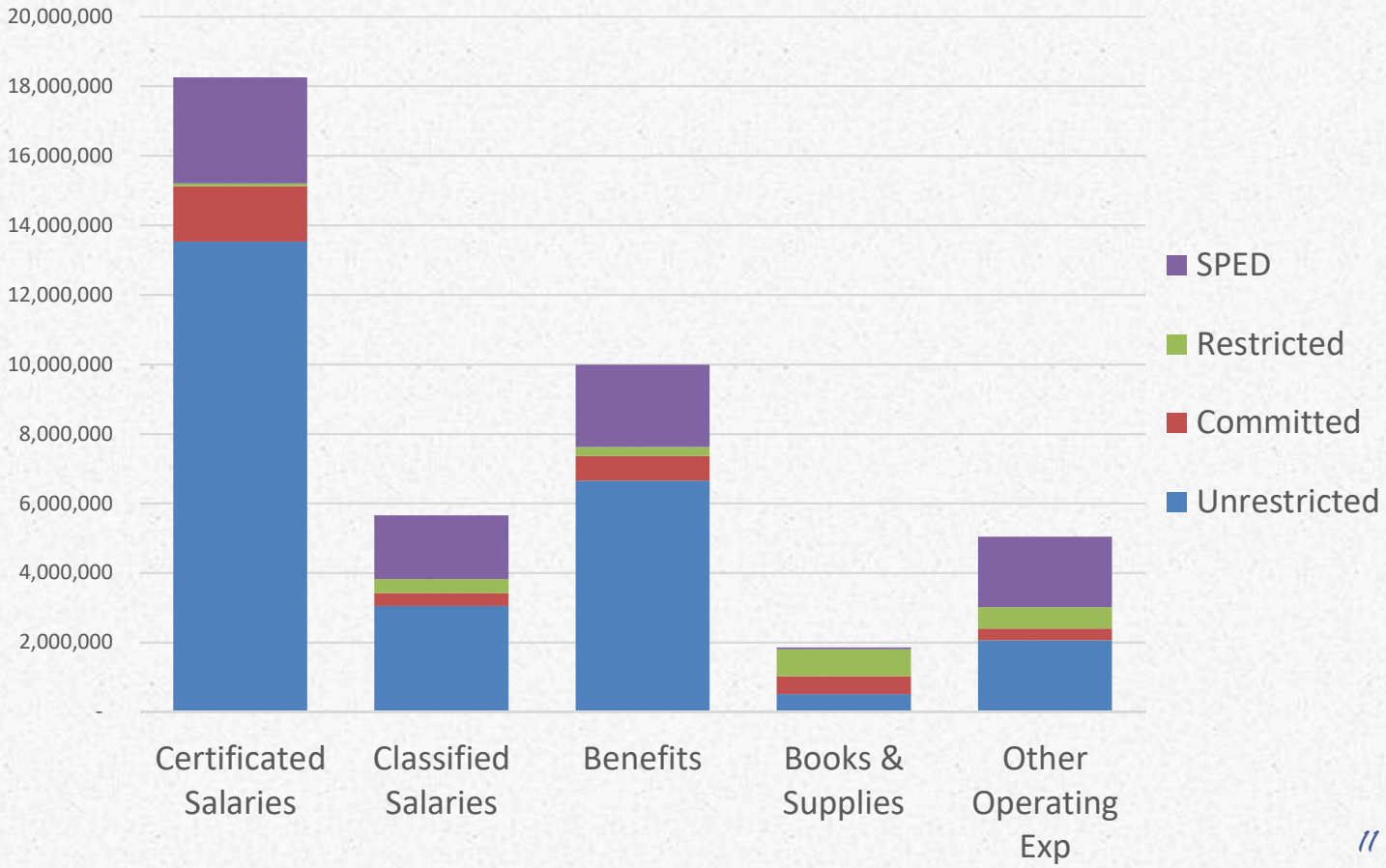
* COVID Funding is "parked" in Supplies, but will eventually spread out into other categories

General Fund Expenditures & Annual Growth Rates



Source: 2014/15 through 2019/20, Unaudited Actuals; 2020/21, Revised Budget

Distributed by Revenue Type



Salaries – Certificated

	Teachers	School Counselors	Librarians	Support Services (Nurse, Psychologist)	Admin-istrators
# of FTE	162.1	7.4	3.8	10.3	11
Salary Range (FT)	$62,847 - $106,649	$83,601- $106,092	$80,662 - $101,677	$81,756 – $113,408	$137,495 - $158,323
Average Salary	$88,452	$93,201	$94,324	$96,813	$138,128
Days/year	188 193 SPED, Site Techs	188 Elem 198 Sec	188 Elem 193 Sec	188 Nurse 198 Psych	210-220

Salaries - Classified

	Para-Educators	Admin. Support	Custodians & Grounds	Business & IT	Facilities Maint.	Other Services
# of FTE	59.76	16.02	16.05	13.37	5.2	8.41
Salary Range	$24,070 - $34,324	$33,204- $87,771	$44,185- $55,236	$50,914- $87,771	$48,018- 148,143	N.A.
Average Salary	$25,345	$53,037	$46,407	$58,174	$80,085	$47,934
Hours/week	30	37.5	40	37.5	40	Varies
Days/year	207	207 Sites 238 Sites 260 DO	260	220 Mgr 238 Sites 260 DO	260	Varies

Step & Column Movement

PIEDMONT UNIFIED SCHOOL DISTRICT
TEACHERS' SALARY SCHEDULE 2020-21
188 WORK DAYS
(includes 3 add'l days for 20-21)
Increase of 3.50% over 2019-20

APPENDIX A-1

STEP	COLUMN A	A.B. + 1-29 COLUMN B	Daily Rate	A.B. + 30 or M.A. COLUMN C	Daily Rate	A.B.+ 45 or A.B. + 30 with M.A. COLUMN D	Daily Rate	A.B.+ 60 or A.B. + 45 with M.A. COLUMN E	Daily Rate	A.B.+ 75 or A.B. + 60 with M.A. COLUMN F	Daily Rate
1	D	57,580	306.27	60,212	320.28	62,847	334.29	65,476	348.27	68,113	362.31
	E										
2	L	57,580	306.27	60,212	320.28	62,847	334.29	65,476	348.27	68,113	362.31
	E										
3	T	57,580	306.27	60,212	320.28	62,847	334.29	65,476	348.27	68,113	362.31
	E										
4	D	57,580	306.27	60,212	320.28	62,847	334.29	65,476	348.27	68,113	362.31
5	J	57,580	306.27	60,212	320.28	62,847	334.29	65,476	348.27	68,113	362.31
	U										
6	N	60,212	320.28	62,847	334.29	65,476	348.27	68,113	362.31	70,740	376.28
	E										
7		62,847	334.29	65,476	348.27	68,113	362.31	70,740	376.28	73,371	390.27
	2001										
8		65,476	348.27	68,113	362.31	70,740	376.28	73,371	390.27	76,001	404.26
9		68,113	362.31	70,740	376.28	73,371	390.27	76,001	404.26	78,641	418.30
10				73,371	390.27	76,001	404.26	78,641	418.30	81,276	432.32
11						78,641	418.30	81,276	432.32	83,908	446.32
12						81,276	432.32	83,908	446.32	86,535	460.29
14										89,012	473.47
16										91,489	486.65
18										93,967	499.82
20										96,447	513.02
22										98,923	526.19
24										101,404	539.38
25										103,886	552.59

- A teacher is initially placed in a column based on education, and in a row based on years of experience.
  - *e.g., College degree + 45 add'l credits and 5 years of work experience places a new teacher at 5/D.*
- Every year, the employee moves down a row.
- With additional coursework, an employee can also move to another column.
- For budgeting purposes, we assume the step & column movement will result in a natural increase in salaries of 1.00% each year.

Statutory Benefits Employer Portion

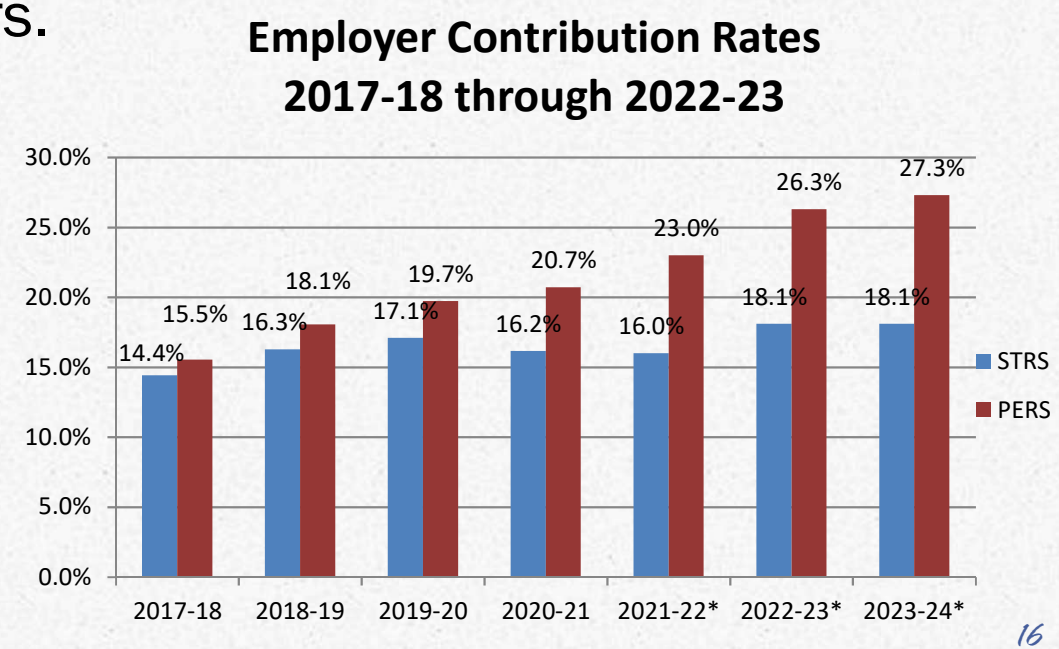
Certificated		Classified	
STRS Pension	16.15%	PERS Pension	20.70%
State Unemployment Ins	0.05%	State Unemployment Ins	0.05%
Medicare	1.45%	Medicare	1.45%
Worker's Comp	1.82%	Worker's Comp	1.82%
Social Security	0.00%	Social Security	6.20%
	19.47%		30.22%

e.g., Teacher making the average salary costs:

Salary	$88,238
+ 19.47%	17, 180
=	$105,418
+ health	?

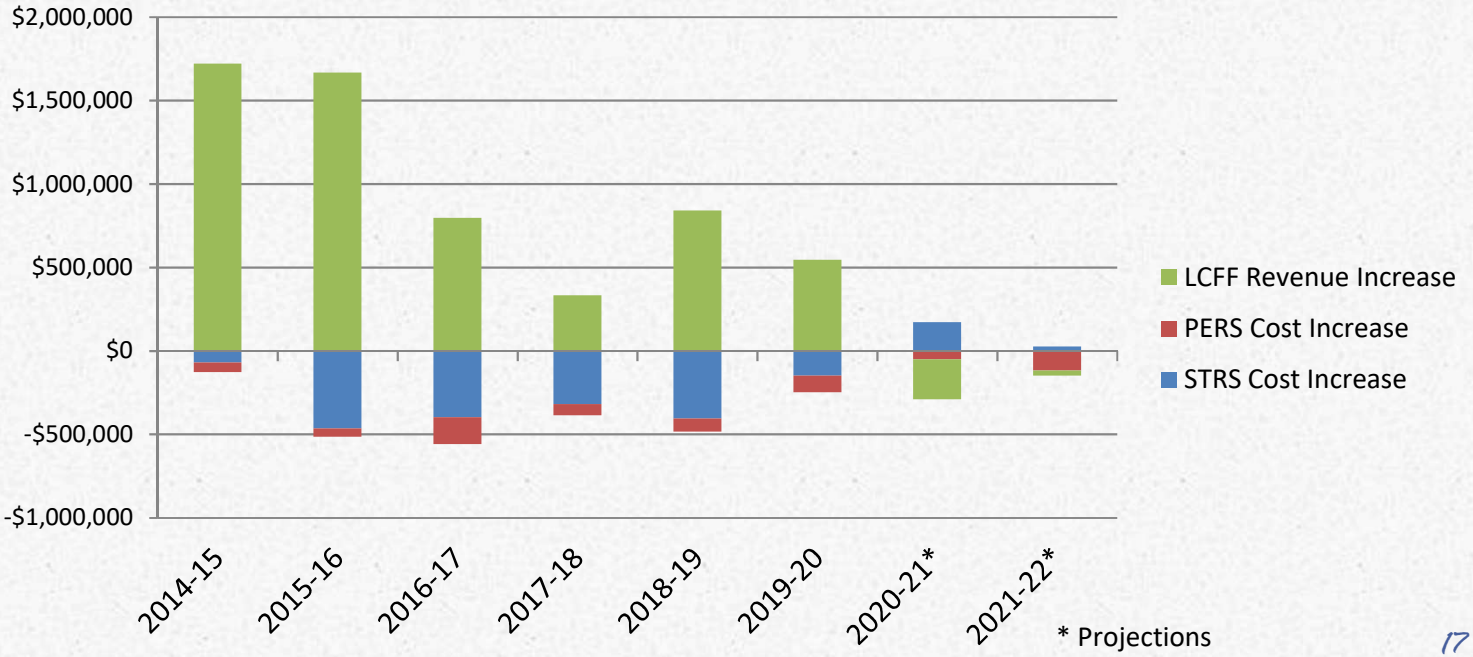
Rising Pension Costs

- STRS and PERS have unfunded liabilities that they are trying to "fund" by increasing state, employer and employee contributions over the next few years.
- STRS rates are set in statute through 2020-21.
- PERS rates are adjusted every year based on investment earnings.



Increase in LCFF Revenues versus Increase in STRS & PERS Costs

- The increase in base LCFF funding may not generate enough additional revenues to cover the increase in STRS & PERS payments.



Employee Costs – Health Benefits

- District contribution towards medical, vision, and dental is capped:

	Medical	Dental	Vision
Single	$7,300	$587	0
Two Party	14,300	1,171	0
Family	19,800	1,661	0

- Employees pay from $51 to $223 per month.
- Employees that "opt out" of district coverage receive $2,300
- Total Cost to District: **$4,416,901**

Cost of 1% Salary Increase

Certificated	
Total Salaries	$19,072,091
1% Increase	190,721
Statutory Benefits	37,133
Total	**227,854**
Classified	
Total Salaries	5,883,181
1% Increase	58,832
Statutory Benefits	17,779
	76,611
Combined:	**$304,465**

Retirees

- Bargaining Unit Contracts provide for certain benefits to employees at retirement.
- Benefit coverage depends on (1) when an employee joined the district and (2) what the contract stipulated when the employee retired.
- Other Post Employment Benefits (OPEB) costs are $366,000 for 2020-21.

Books & Supplies

- Budget as of 11/1/2020 is $1.86 M. (Reflects actual COVID reserves expenditures so far.)

Books & Supplies	Unrestricted	Committed	Restricted	Total
Materials & Supplies	$274,011	$397,637	$122,744	$794,392
Books	52,195	16,114	110,426	178,735
Computers & Supplies	29,849	98,540	225,814	354,203
Bldgs & Vehicle Supplies	3,058	2,076	163,790	168,924
Equip. (over $500)	7,213	155,986	47,949	211,148
Custodial Supplies	92,406		29,004	121,410
Testing materials	2,000		19,000	21,000
Graduation Expense	12,500			12,500
TOTAL	$473,232	$670,353	$718,727	$1,862,312

Services & Other Operating Expenses

- Budget as of 11/1/2020 is $5.00M. (Reflects actual COVID reserves expenditures so far.)

Services & Other Op. Exp.	Unrestricted	Committed	Restricted	Total
SPED Contracts	$251,680		$1,621,327	$1,873,007
Contracts for Services	481,497	231,117	266,374	978,988
Utilities	513,085		1,547	514,632
Communications / Data /Internet	468,621	30,061	123,873	622,555
Insurance	369,595			369,595
Rentals & Repairs – Equip, Facilities, Copiers, Buses	161,906	4,000	95,282	261,188
Travel & Conf, Mbrshps	50,380	71,535	20,359	142,274
Legal, Audit, Election, Ads	119,350		125,040	244,390
TOTAL	$2,416,114	$336,713	$2,253,802	$5,006,629

Other than the General Fund

- The expenditures in the Other Funds are tied directly to the income in those funds and will not be covered today:
  - Adult Education
  - Child Nutrition
  - Special Reserve (Parcel Tax/Noda)
  - Facilities-related Funds:
    - Deferred Maintenance
    - Building (Bonds)
    - Special Reserve for Facilities
    - County-State Building Funds
  - Self-Insurance



Appreciations

Thank you to the entire Business Services team who haven't missed a beat while working from home since March.

Fiscal

Upexa Captan
Cheryl Kaiser
Julie Kim
Terra Salazar
Jennifer Stahl

Payroll

Cherrie Deangkinay
Cindy Sivilaythong

HR

Suzanne Binder
Kim Randlett

Questions / Discussion

Appendix

School District Financial Reports

- California public school districts are required to report financial data:
  - Following the California School Accounting Manual (**CSAM**),
  - Using the "Standardized Account Code Structure" (**SACS**),
  - To the County Office of Education by specific dates:
    - **Adopted Budget** by July 1
    - **1st Interim** by Dec 15 for actuals thru Oct 31
    - **2nd Interim** by March 15 for actuals thru Jan 31
    - **Estimated Actuals** with next year's budget
    - **Unaudited Actuals** by Sept 15 for actuals thru June 30
    - **Audit** by December 15 to CDE; by January 30 to Board

Budget Terminology

- Budget – *Plan* of how financial resources will be spent. Indicates priorities and estimates.
- Budget authority – spending approved by board and allocated to a budget code that indicates goal, function, spending type, etc.
- Ongoing– funding or spending that is expected to continue indefinitely.
- One-time – funding or spending for which there is no ongoing commitment.

District Basics

- # of School Sites: 6
- # of Students: 2,469
  (Enrollment on Census Day, October 7)
- Attendance as % of Enrollment: 97%
- # of Employees: 350
- # of Full-Time Equivalents (FTE): 333.45