



2025-26 1st Interim Report

Piedmont USD Budget Advisory Committee
December 4, 2025

Agenda

- Introductions
- Purpose of BAC
- Review of 2025-26 1st Interim Report
 - Budget and Actuals to Date
 - Multi-Year Projections
- Formation of Revenue Generation Subcommittee
- Committee Feedback
- 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.

Required Reports

- The District is required to adopt a budget and provide updates to the Alameda County Office of Education (ACOE) by:

- July 1 Adopt a budget

→ ○ December 15 1st Interim Report to ACOE

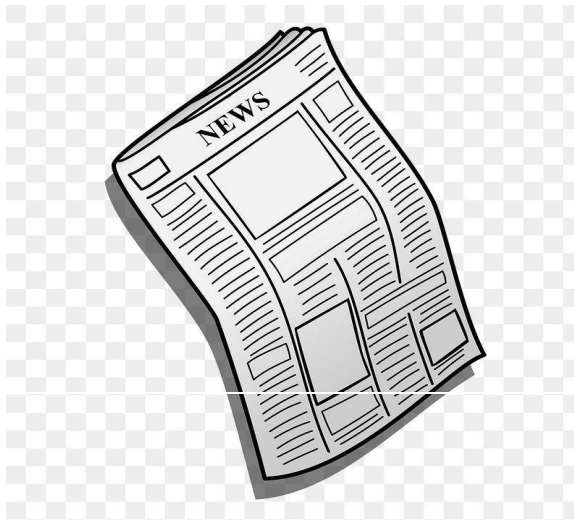
- March 15 2nd Interim Report to ACOE

- June 30 Estimated Actuals

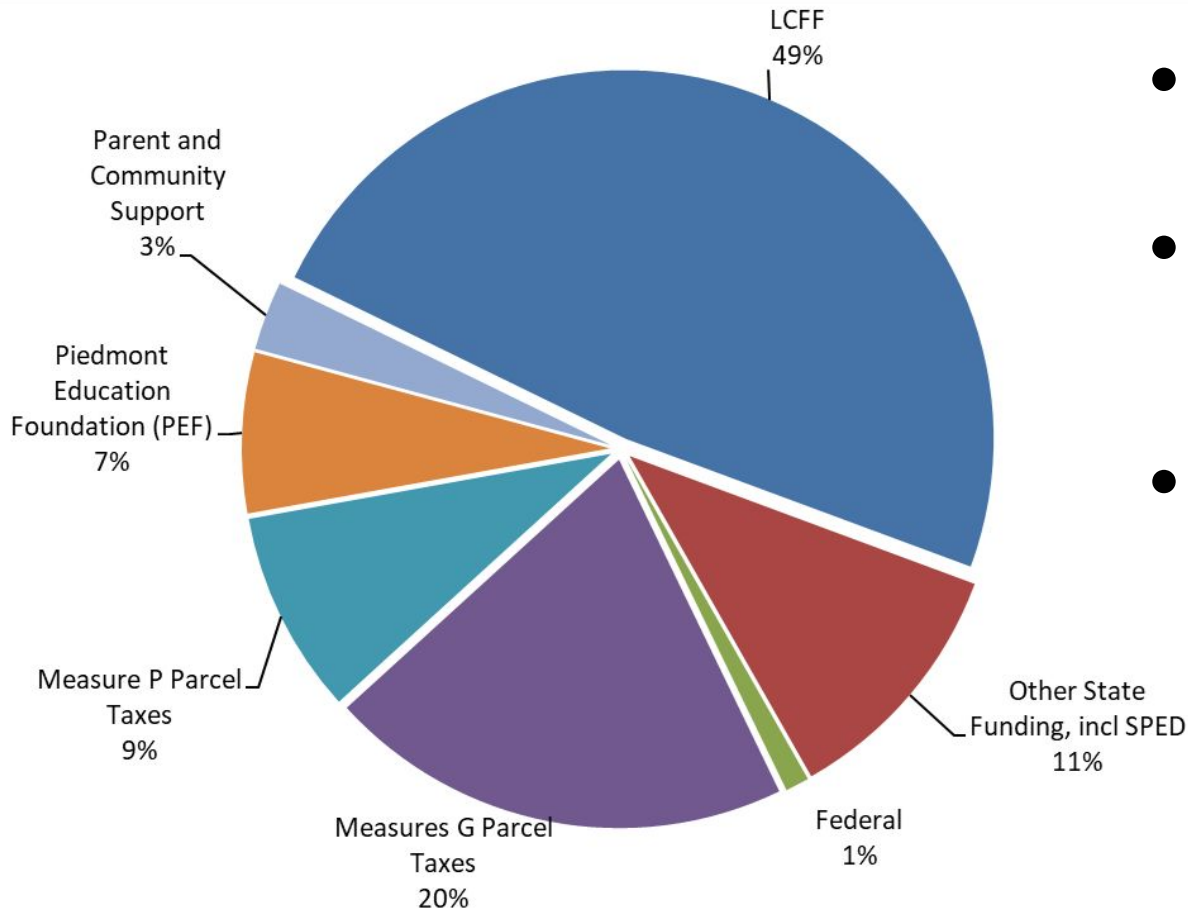
- September 15 Unaudited Actuals

Headlines

- The District expects to meet all financial obligations, including the requirement for a 3% reserve.
- As usual at this time, uncertainty about next year's budget requires caution, but the District expects to be able to meet all obligations for this year and the next two.



Revenues



- 49% is Local Control Funding Formula (LCFF).
- 39% is locally generated - parcel taxes, PEF, parent donations.
- Per pupil, all revenue sources = **\$23,620**

Changes to Revenues

- LCFF and State revenues are adjusted based on final State Budget.
- Add'l local funds include Athletics funds previously held by ASB transfer to separate accounts in the District's general fund, and parent contributions over original estimates.
- Increase in Other State revenues includes 1x Block Grant & Mandated Costs Reimbursement.

Revenues	General Fund Revenues		Difference 6/25->12/25
	2025-26 Adopted Budget	2025-26 1st Interim	
LCFF	\$ 28,099,231	\$ 28,319,258	\$ 220,027
PARCEL TAX REVENUE	17,159,797	17,159,797	-
LOCAL REVENUES - PEF	4,054,062	4,116,427	62,365
LOCAL REVENUES - ALL OTHERS	1,174,734	1,763,597	588,863
STATE REVENUES	3,734,886	4,686,490	951,604
SELPA FUNDS	1,748,206	1,825,902	77,696
FEDERAL REVENUES	607,278	611,939	4,661
Total Revenues	\$ 56,578,194	\$ 58,483,410	\$ 1,905,216

Expenditures

- 82% of expenditures are salaries and benefits.
- Overall, the District spends **\$23,230** per pupil.

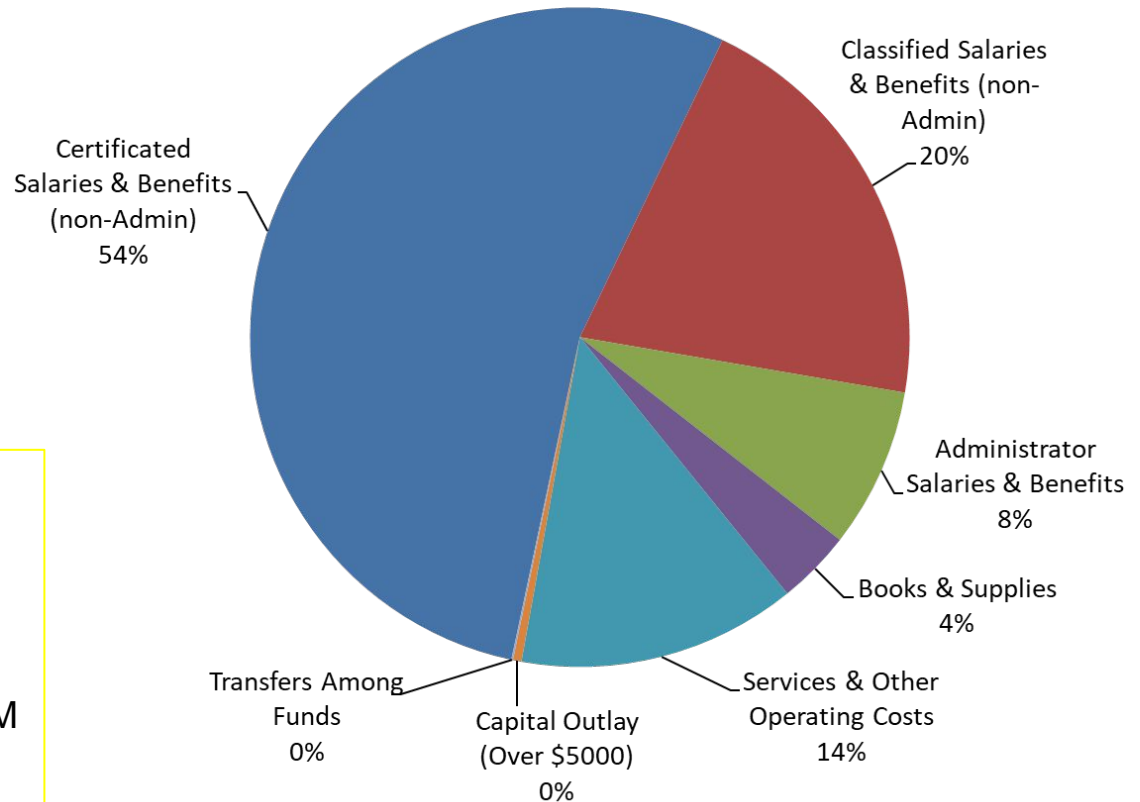
Personnel Costs = 82%

82% = \$47.3 M

Non-Personnel Costs = 18%

18% = \$10.2 M

Unrestricted portion = 44% or \$4.5M



Changes to Expenditures

- As vacant positions are filled, the actual salaries and benefits are updated.
- Approximately \$630 K in carryover balances from prior year are incorporated into the budget as books & supplies or services.
- The increases to local revenues are tied to expenses, so books & supplies has increased based on IC donations for classrooms, etc.

General Fund - Expenditures			
Expenditures	Adopted Budget	2025-26 1st Interim	Difference 6/25->12/25
Certificated Salaries	\$ 23,582,467	\$ 23,655,251	\$ 72,784
Classified Salaries	8,340,096	8,430,558	90,462
Benefits	15,559,945	15,189,934	(370,011)
Books & Supplies	1,166,456	2,093,539	927,083
Services/Other Oper.	7,305,672	7,856,462	550,790
Capital Outlay	59,484	239,797	180,313
Internal Transfers	46,658	45,781	(877)
Total Expenditures	\$ 56,060,778	\$ 57,511,322	\$ 1,450,544

Net Change to Fund Balance

- The reserve requirement is met.
- Restricted and unspent grant funds, including the 1X State Grant, are held in the Restricted EFB.

	Ending Fund Balance		
	2025-26 Adopted Budget	2025-26 1st Interim	Difference 6/25->12/25
Beginning Balance	\$ 3,692,501	\$ 5,989,928	\$ 2,297,427
+ Revenues	56,578,194	58,483,410	1,905,216
- Expenditures	(56,060,778)	(57,511,322)	(1,450,544)
Rev-Exp = Surplus(Deficit)	517,416	972,088	454,672
Ending FB	4,209,917	6,962,016	2,752,099
3% Minimum Reserve	1,691,340	1,730,000	38,660
Restricted & Revolving	542,468	1,334,093	791,625
Committed/not available	489,737	1,350,000	860,263
Over (Under) Reserve	1,486,372	2,547,923	1,061,551

Multi Year Projections

The First Interim is when we start to adjust plans for 2026-27

- Certain assumptions are not likely to shift much between now and June:
 - Measure G and Measure P amounts
 - STRS & PERS rates
 - Cost of step & column increases
 - Enrollment projections overall
- Other assumptions are very likely to shift:
 - COLA
 - Actual Enrollment
 - Additional salary increases
- The following MYP assumptions show what is used in the 1st Interim and the range of how much revenues and expenses could shift.

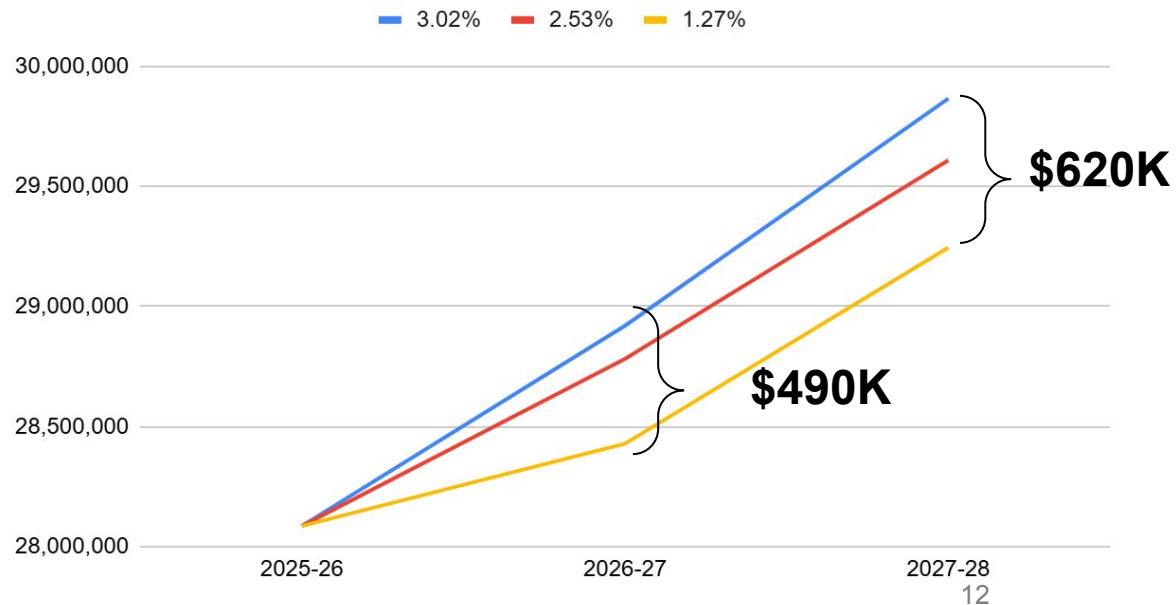
LCFF COLA

The Cost of Living Adjustment (COLA) is applied to the base LCFF formula to determine how much more we will have in future years.

Each increase/decrease of 0.5% = +/- \$142,000 for Piedmont.

- **3.02%** - assumed by the State in the 2025-26 State budget for 2026-27. This is what's used in the 1st Interim.
- **2.53%** - Mid-range projection
- **1.27%** - Low-end projection

COLAs Scenarios



Enrollment Assumptions

	TK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total	% Change	# change
2022	46	153	147	163	142	167	176	183	161	169	191	224	207	215	2,344	-0.17%	(4)
2023	48	135	156	152	169	144	174	177	186	170	166	193	226	212	2,308	-1.54%	(36)
2024	79	160	156	170	161	187	167	193	189	194	201	173	198	227	2,455	6.37%	147
2025	72	172	168	162	188	166	192	185	190	190	220	198	173	200	2,476	0.86%	21
2026	72	154	172	168	162	188	179	192	191	190	210	220	198	174	2,470	-0.24%	(6)
2027	72	154	154	172	168	162	188	179	192	191	209	210	220	199	2,470	0.00%	-
2028	72	154	154	154	172	168	175	188	196	192	206	209	210	220	2,470	0.00%	-

Green boxes are grades that may need to add students to existing cohorts.

TK (4 classes)
and K (7 classes)
at capacity

Maintain 7
"sections" per
grade at PMS

Maintain 200
per grade at
PHS + 75 at
MHS

Cost of Enrollment Fluctuation

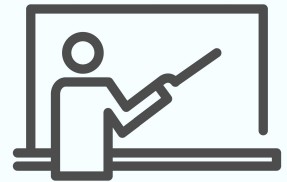
Enrollment is declining throughout California. In Piedmont, we have been able to maintain overall enrollment and anticipate being able to keep enrollment steady at 2,470 students. The table below demonstrates the amount of state funding tied to each student.

2025-26 State Funding Per Pupil (ADA)				
	LCFF	Other State*	SPED**	Total Per Pupil
Grade TK	\$16,868	\$311	\$918	\$18,097
Grades 1-3	\$11,323	\$311	\$918	\$12,552
Grades 4-6	\$10,411	\$311	\$918	\$11,640
Grades 7-8	\$10,719	\$311	\$918	\$11,948
Grades 9-12	\$12,746	\$348	\$918	\$14,012
		Average:		\$13,650
* Other State Funds include Lottery and Mandated Costs Reimbursements				
** SPED funding is based on prior year enrollment, not ADA.				

People-Related Costs

The following assumptions are in the MYP:

- Step & Column increases based on salary schedules
 - 1.15% for Certificated
 - 1% for Classified
- Additional FTE for Board Approved Classes:
 - .6 Elementary Latin Teacher
 - .6 Middle School Languages
 - 1.0 High School new courses, honors & APs
- No assumptions are included related to the Supplementary Retirement Plan (SRP).
- A 1% salary increase will cost \$380 K *ongoing*.



General Fund - Multiyear

- This MYP assumes 3.02% COLA in 2026-27. If COLA is less than that, the Net Surplus can change to a Net Deficit.
- District is able to meet all commitments for this year and next two.

MULTIYEAR PROJECTIONS - 2025-26 First Interim			
	2025-26	2026-27	2027-28
Beginning Balance	\$ 5,989,928	\$ 6,962,016	\$ 7,564,876
Total Revenues	\$ 58,483,410	\$ 58,819,805	\$ 60,140,005
Total Expenditures	57,511,322	58,216,945	58,994,306
Net Surplus (Deficit)	972,088	602,860	1,145,699
Ending Fund Balance	\$ 6,962,016	\$ 7,564,876	\$ 8,710,575
<u>Components of Ending Balance:</u>			
Restricted / Committed	\$ 2,427,158	\$ 2,427,158	\$ 2,427,158
Required Reserve	1,730,000	1,746,508	1,769,829
Add'l Unassigned	2,547,823	2,984,175	3,956,552
Ending Fund Balance	\$ 6,704,981	\$ 7,157,841	\$ 8,153,540

General Fund MYP Assumptions

The following assumptions were used in the MYP:

Assumption	2025-26	2026-27	2027-28
Enrollment	2,476	2,470	2,470
ADA used for LCFF calculations	2,389.76	2,388.73	2,380.37
COLA for LCFF per pupil funding	2.30%	3.02%	3.42%
COLA for Measure G Funds	2.00%	2.00%	2.00%
CPI increase for other expenses		2.82%	2.72%
Natural progression (Step & Column) in Employee Salaries	APT: 1.15% CSEA: 1.00%	APT: 1.15% CSEA: 1.00%	APT: 1.15% CSEA: 1.00%
STRS Rate	19.10%	19.10%	19.10%
PERS Rate (as of 11/13/25)	26.81%	26.40%	26.90%

Ideas for One-Time Funds

One-time funds, such as the State's Discretionary Block Grant, are intended to be used for **one-time investments** that will support all District programs. Some ideas are:

- Invest in IT infrastructure
 - Move server room to STEAM building
 - Upgrade / replace failing classroom projectors and teacher laptops
- Invest in Facilities infrastructure
 - Old boilers are using gas and requiring repairs
 - Crumbling asphalt on PE hill is used daily by hundreds of student
 - Solar panels + storage battery could reduce future costs



Next Steps

December	• 12/3 BAC Meeting to review 1st Interim • 12/10 1st Interim Report presented with MYP Projections
January	• 1/10 Governor's Budget Proposal released • 1/21 Board review of how Gov's Budget will affect PUSD • 1/23 Board Budget Workshop • 1/29 BAC Meeting to review Governor's Budget Proposal
February	• 2/11 Board action on Supplementary Retirement Plan & Public Hearing on any proposed reductions
March	• 3/4 BAC Meeting to review 2nd Interim • 3/4 Board action on any proposed reductions for 2026-27 & 2nd Interim Report presented with MYP Projections • 3/15 If required, March 15 notices mailed
May	• Governor releases May Revisions to budget proposal for 2026-27
June	• Board holds public hearing on draft budget • Final budget adopted by Board

Acknowledgments

Thank you to the Business Services Team!

Payroll: Jennifer Lee, Cindy Brown

Accounting / Accounts Receivable: Julie Kim

Accounts Payable: Upexa Captan

Recordkeeping Technician: Shamaree Worley

Operations Coordinator: Jennifer Stahl

Fiscal Services Manager: Denise Mandap