Piedmont USD
2025-26 2nd Interim Report

Budget Advisory Committee
March 5, 2026

Agenda

- Introductions
- Purpose of BAC
- Review of 2025-26 2nd Interim Report
- Multi-Year Projections
- Formation of Parcel Tax Oversight Subcommittee
- Committee Feedback
- Adjourn

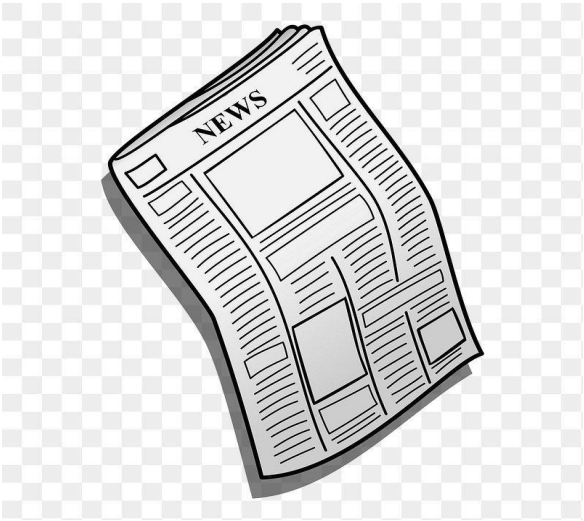
Purpose of BAC

- 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

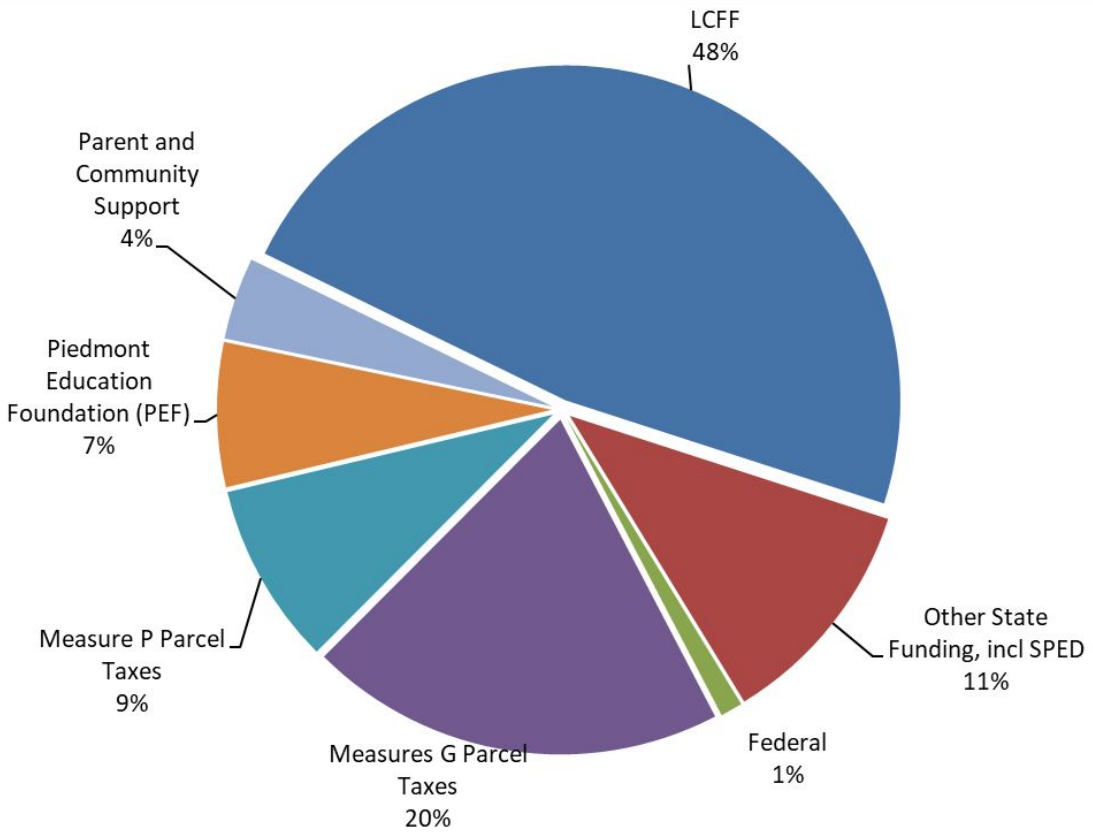
- The District is required to adopt a budget and provide updates to the Alameda County Office of Education (ACOE) by:
  - July 1 — Adopt a budget
  - December 15 — 1st Interim Report to ACOE
  - March 15 — 2nd Interim Report to ACOE
  - June 30 — Estimated Actuals
  - September 15 — Unaudited Actuals
- Also, an independent audit is conducted each year for the Board and submitted to ACOE and the State.

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



- 48% is Local Control Funding Formula (LCFF).
- 40% is locally generated - parcel taxes, PEF, parent donations.
- Per pupil, all revenue sources = **$23,954**

More on per pupil revenues later in the presentation…

Changes to Revenues

- LCFF, State and Federal revenues are updated based on P-1 ADA and grant funding that was confirmed in the past two months.
- Local funds include the continued contributions from parents and local supporters for specific programs, AP exams, DEIB, & athletics.

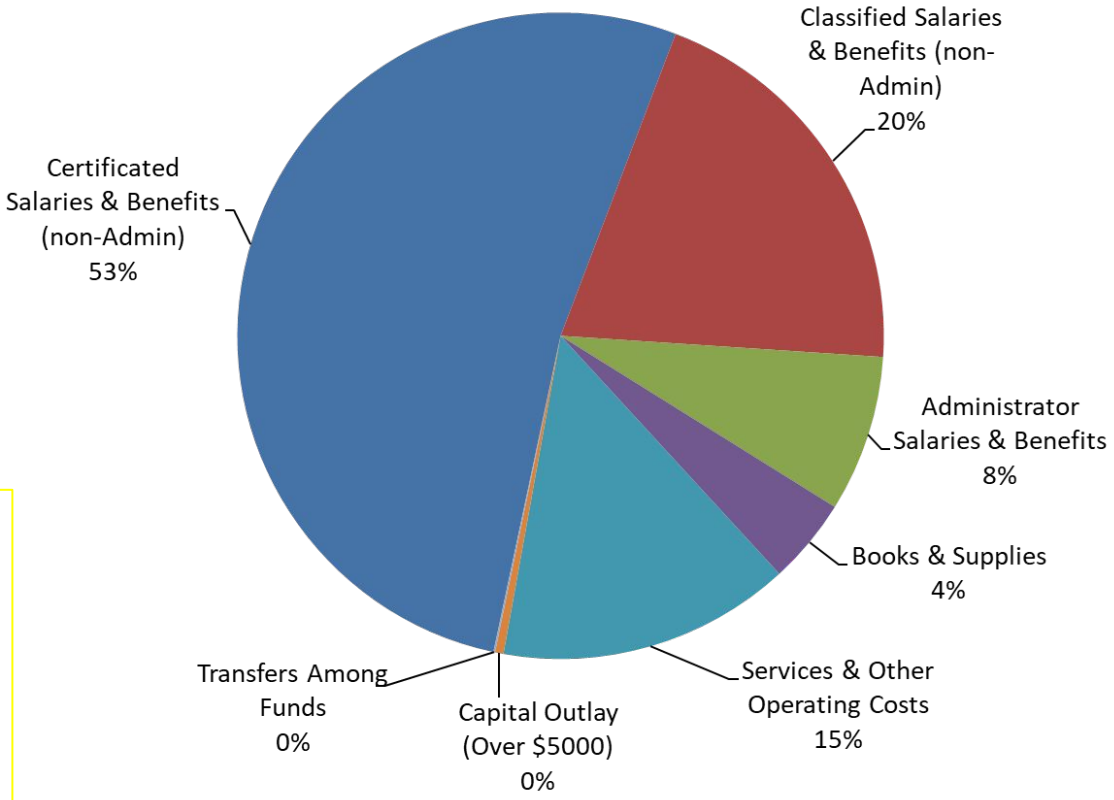
General Fund Revenues			
Revenues	2025-26 1st Interim	2025-26 2nd Interim	Difference 12/25->3/26
LCFF	$28,319,258	$ 28,328,825	$ 9,567
PARCEL TAX REVENUE	17,159,797	17,159,797	-
LOCAL REVENUES - PEF	4,137,427	4,137,427	-
LOCAL REVENUES - ALL OTHERS	1,742,597	2,353,361	610,764
STATE REVENUES	4,686,490	4,866,798	180,308
SELPA FUNDS	1,825,902	1,825,902	-
FEDERAL REVENUES	611,939	637,637	25,698
Total Revenues	**$58,483,410**	**$ 59,309,747**	**$ 826,337**

Expenditures

- 81% of expenditures are salaries and benefits.
- Overall, the District spends **$23,801** per pupil.

Personnel Costs = 81%
81% = $47.5 M

Non-Personnel Costs = 19%
19% = $11.5 M



Changes to Expenditures

- Adjustments were made to the budgets for salaries to cover add'l specialist support at Havens, athletic coaches, and substitutes.
- Benefits adjustments resulted in a net decrease due to changes in health plan selections.
- The increases to local revenues are matched with a reciprocal expense, so books & supplies has increased based on IC donations for classrooms, etc.
- The largest increases to services were for maintenance expenditures and transportation costs..

General Fund - Expenditures			
Expenditures	2025-26 1st Interim	2025-26 2nd Interim	Difference 12/25->3/26
Certificated Salaries	$ 23,655,251	$ 23,742,219	**$ 86,968**
Classified Salaries	8,430,558	8,574,203	**143,645**
Benefits	15,189,934	15,150,877	**(39,057)**
Books & Supplies	2,093,539	2,530,820	**437,281**
Services/Other Oper.	7,856,462	8,638,893	**782,431**
Capital Outlay	239,797	249,019	**9,222**
Internal Transfers	45,781	45,781	**-**
Total Expenditures	**$ 57,511,322**	**$ 58,931,812**	**$ 1,420,490**

Net Change to Fund Balance

- The District's spending is within the revenues received in this fiscal year. I.e., no deficit spending.

	2025-26 1st Interim	2025-26 2nd Interim	Difference 12/25->3/26
Beginning Balance	$ 5,989,928	$ 5,989,928	$ -
+ Revenues	58,483,410	59,309,747	826,337
- Expenditures	(57,511,322)	(58,931,812)	(1,420,490)
Rev-Exp = Surplus(Deficit)	972,088	377,935	(594,153)
Ending Fund Balance	6,962,016	6,367,863	(594,153)

Fund Balance Details

Most of the Ending Fund Balance is not available. It is either Restricted for specific uses or Reserved for unanticipated and anticipated expenses.

Total Unavailable: $3,896,210

Components of Ending Fund Balance	2025-26 1st Interim	2025-26 2nd Interim	Difference 12/25->2/26
Ending Fund Balance:	$6,962,016	$ 6,367,863	$ (594,153)
Restricted:			
Restricted - Revolving cash	44,100	44,100	-
Restricted - ELOP	257,035	207,923	(49,112)
Restricted - State Block Grant	740,641	740,641	-
Restricted - Prop 28	94,263	142,322	48,059
Restricted - Other	198,949	277,842	78,893
Reserved:			
Reserved - Anticipated SPED & Fac. Costs	1,350,000	703,382	(646,618)
Required 3% Reserve	1,730,000	1,780,000	50,000
Unrestricted:			
Unrestricted funds for 1X Board Priorities	2,547,028	**2,471,653**	(75,375)

Moving on to the MYP Update...

Multi Year Projections

The Second Interim is the basis for the 2026-27 budget.

- 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 is an estimate based on information available at this time.

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	2,390.14	2,389.22	2,380.37
COLA for LCFF per pupil funding	2.30%	2.41%	3.06%
COLA for Measure G Funds	2.00%	2.00%	2.00%
CPI increase for other expenses		3.08%	2.75%
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%

General Fund - Multiyear

- This MYP assumes 2.41% COLA in 2026-27 and stable ADA.
- A one-time State grant of $500 per ADA is included in State revenues. No expenditures are budgeted, so the grant "falls" into the Restricted ending fund balance.
- The District will meet it's commitments for this year and next two.

MULTIYEAR PROJECTIONS - 2025-26 January Update			
	2025-26	2026-27	2027-28
Beginning Balance	$ 5,989,928	$ 6,367,863	$ 7,419,539
Total Revenues	$ 59,309,747	$ 60,678,364	$ 60,674,946
Total Expenditures	58,931,812	59,626,687	60,236,954
Net Surplus (Deficit)	377,935	1,051,676	437,992
Ending Fund Balance	**$ 6,367,863**	**$ 7,419,539**	**$ 7,857,531**

MYP Ending Balance Detail

The ending balance is like the balance in a savings account. It is one-time, not ongoing. Once it is spent, there is nothing to replenish it.

Details of Ending Balance:	2025-26	2026-27	2027-28
Restricted:			
Restricted - Revolving cash	$ 44,100	$ 44,100	$ 44,100
Restricted - ELOP	207,923	307,923	407,923
Restricted - State Block Grant	740,641	1,935,711	1,935,711
Restricted - Prop 28	142,322	142,322	142,322
Restricted - Other	277,842	277,842	277,842
Reserved:			
Reserved - Anticipated SPED & Fac. Costs	703,382	703,382	703,382
Required 3% Reserve	1,780,000	1,788,801	1,807,109
Unrestricted & Unreserved:			
Unrestricted funds for 1X Board Priorities	2,471,653	2,219,459	2,539,143
Ending Fund Balance	**$6,367,863**	**$ 7,419,539**	**$ 7,857,531**

Next Steps for 2026-27 Budget

- Review personnel needs in light of:
  - Enrollment
  - Retirements
  - Course selections
  - Programmatic adjustments
- Review non-personnel budgets for adjustments based on current year experience.

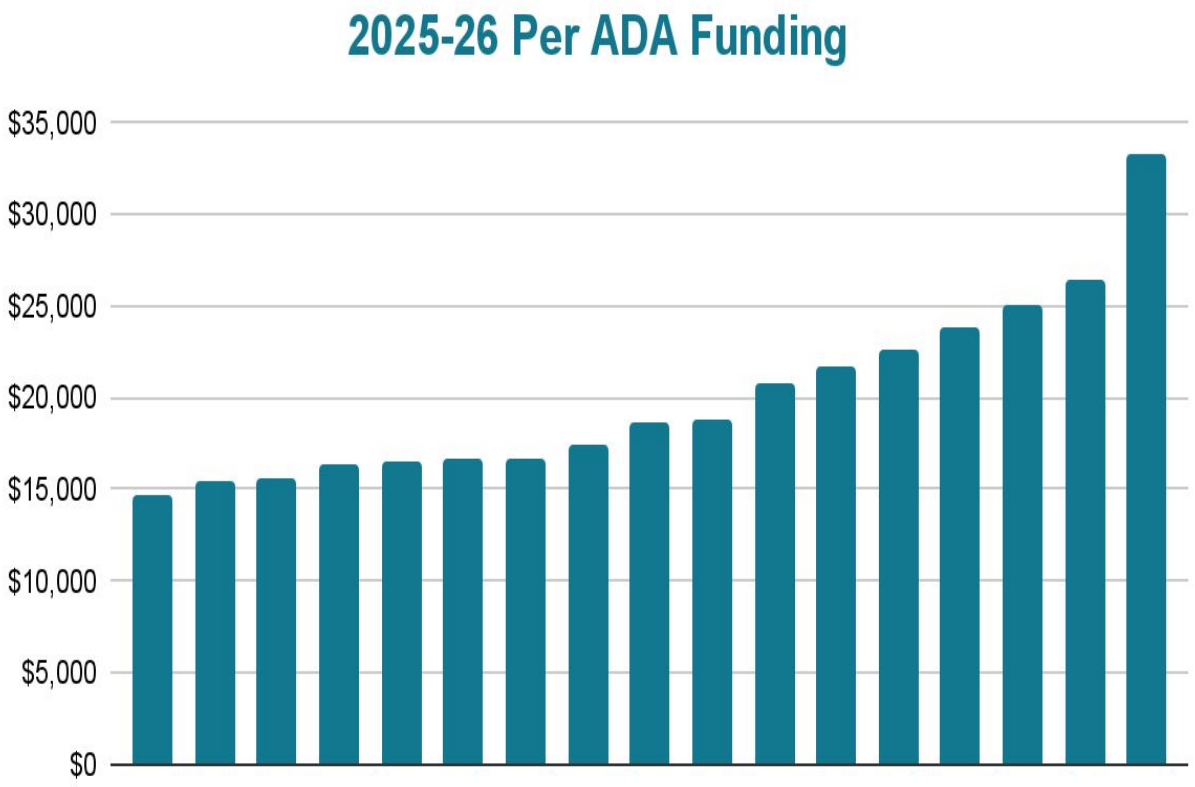


Per Pupil Revenues & Why Piedmont Relies on Parcel Taxes

Per Pupil Comparisons

- Alameda County Office of Education compiled comparative information that clearly explains the differences in funding among Alameda County School Districts.
- The following slides walk through the layers of funding to show how Piedmont's funding is substantially different from our neighboring districts.
- Note that these per pupils are based on ADA, not enrollment.

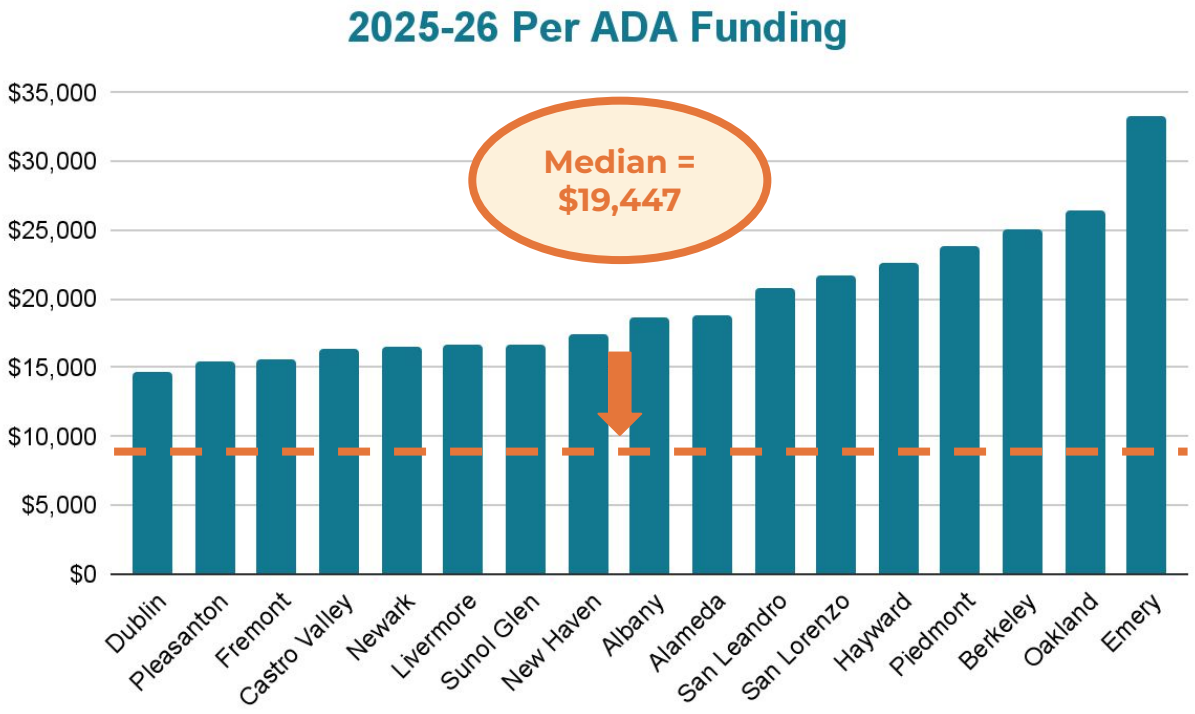
Alameda County: Funding Sources & Amounts



per ADA funding varies widely across Alameda County school districts.

Where do you think Piedmont USD lands in this continuum?

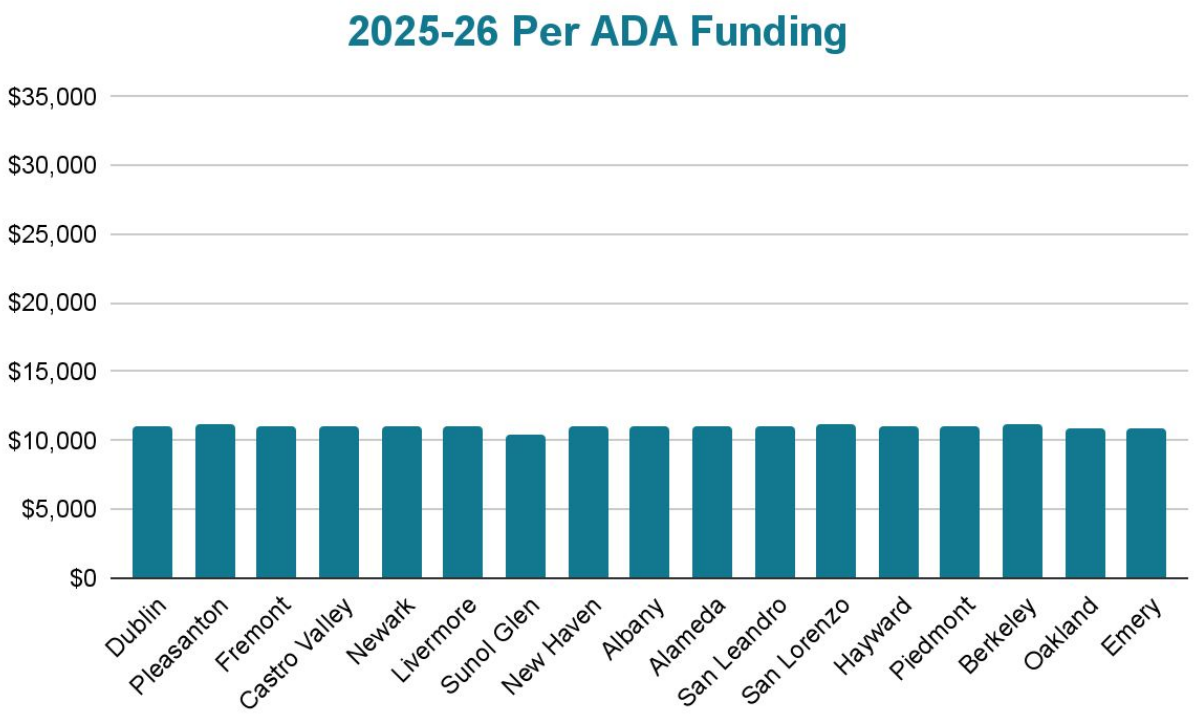
Alameda County: Funding Sources & Amounts



Any surprises?

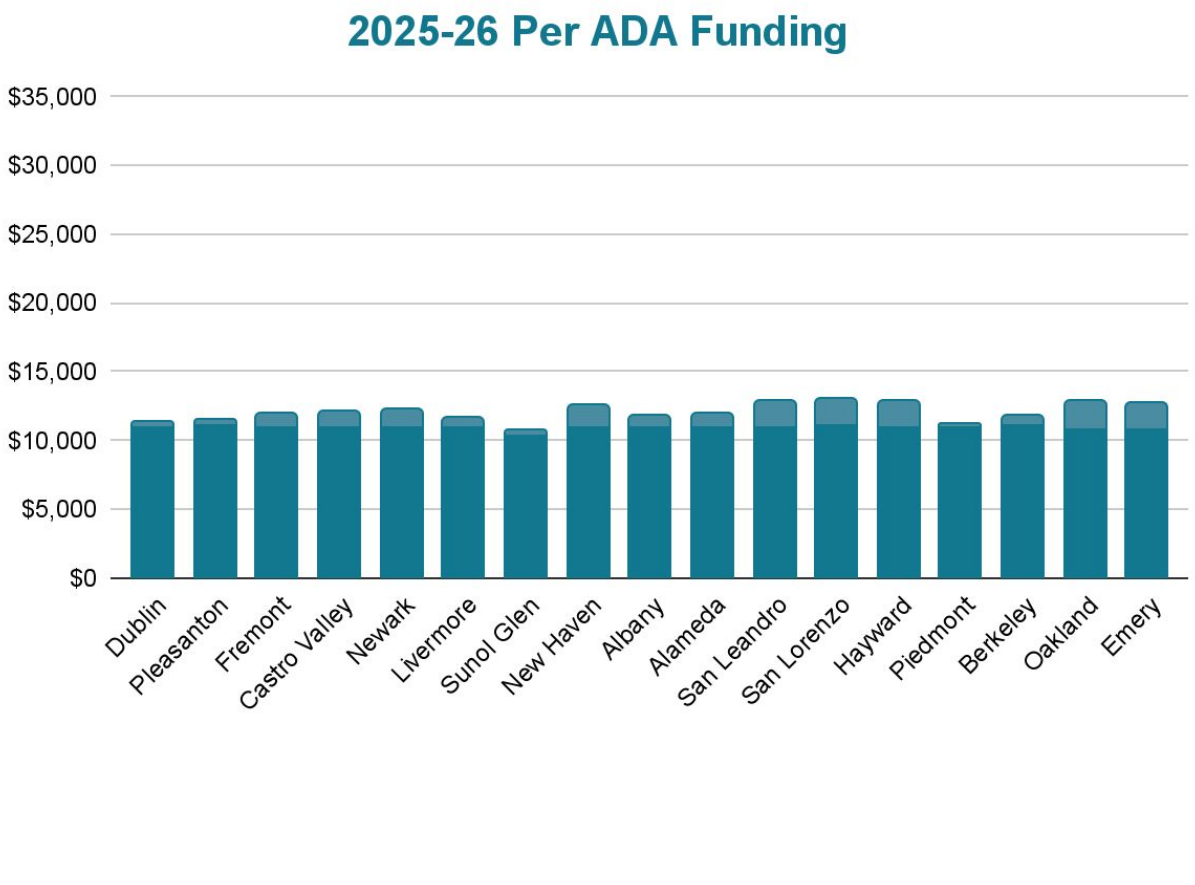
Let's look at this in more detail.....

Alameda County: Funding Sources & Amounts



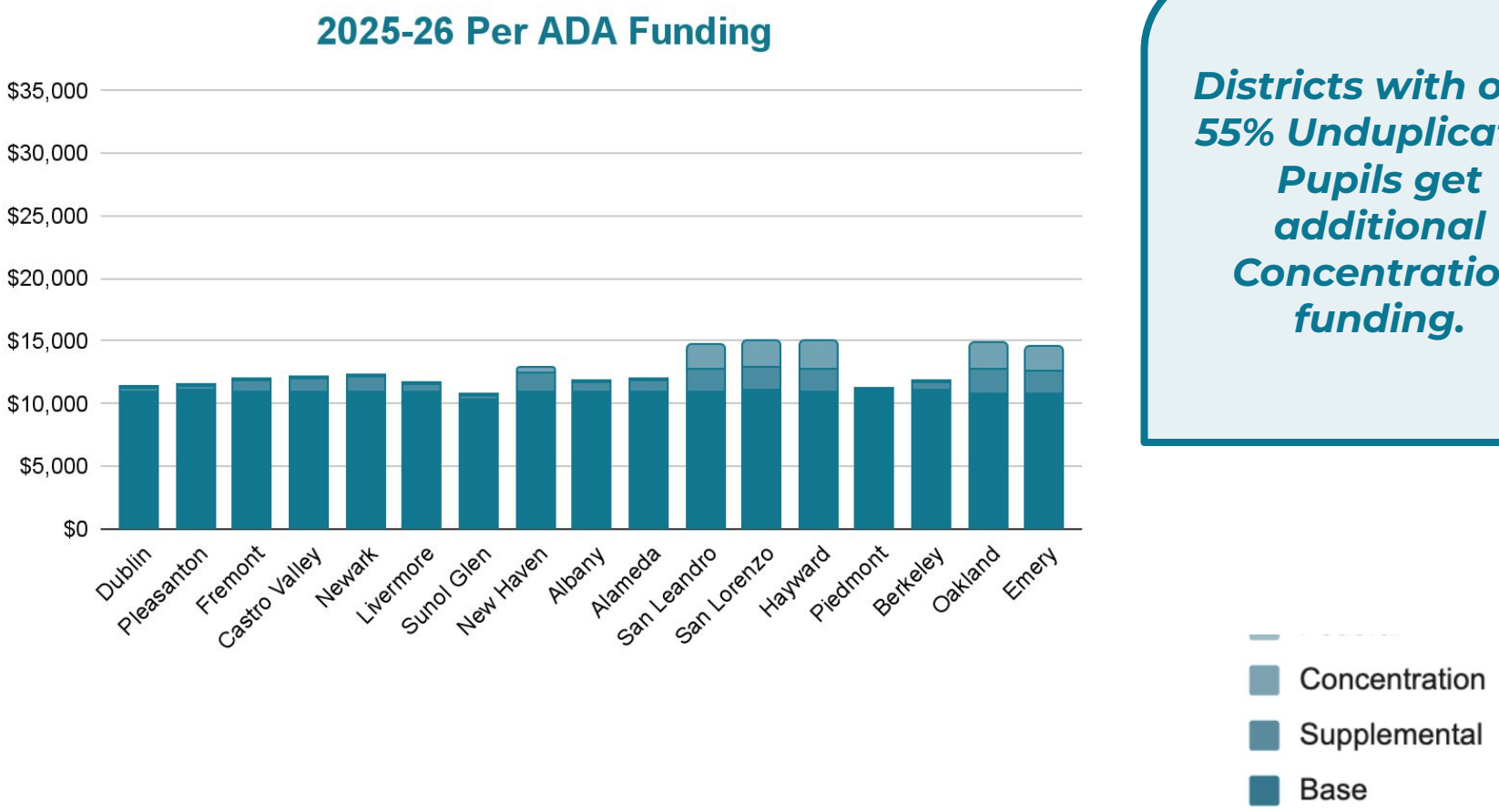
Base funding is comparable across all districts.

Alameda County: Funding Sources & Amounts



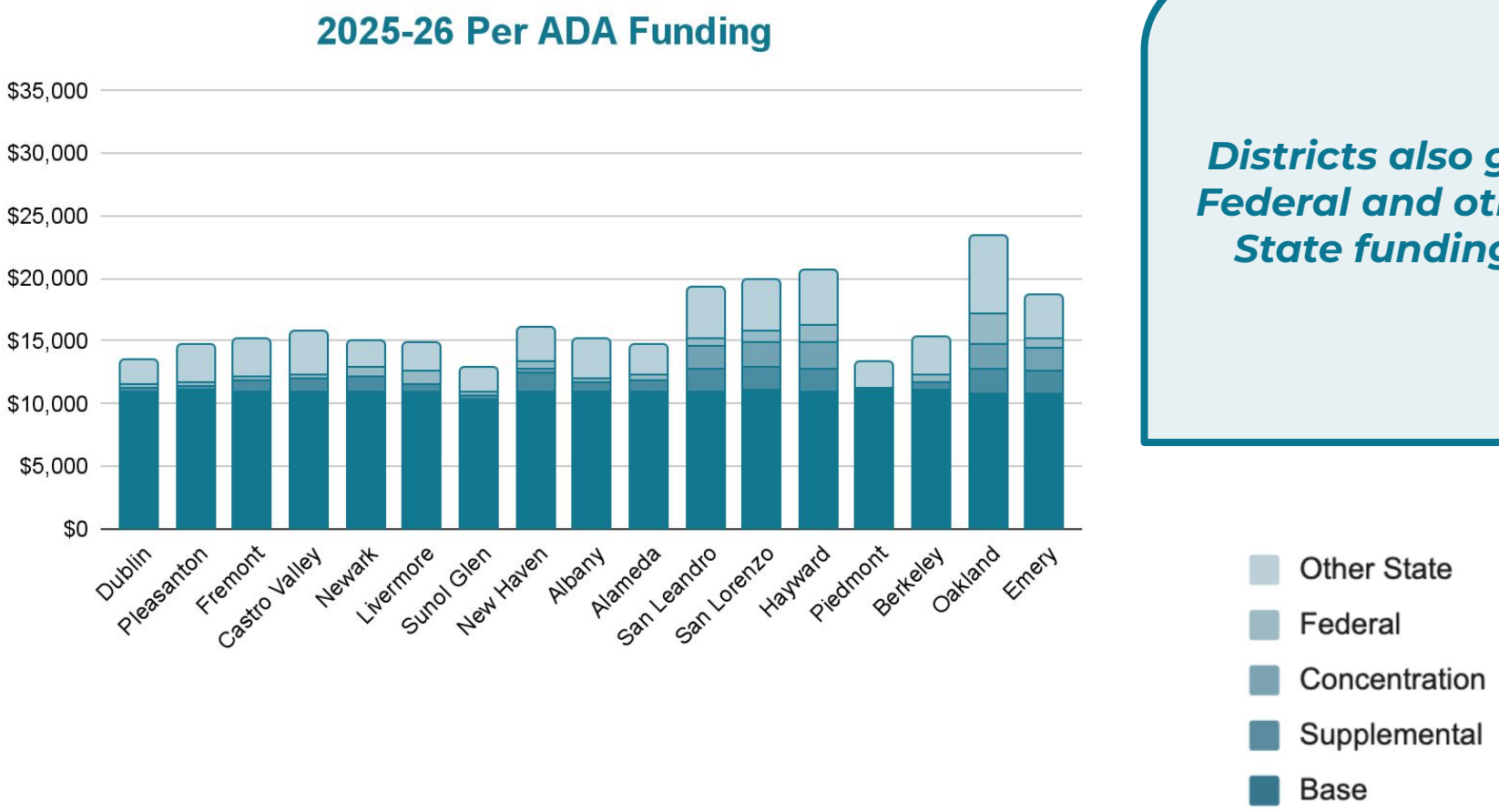
Districts with more Unduplicated Pupils get more Supplemental funding.

Alameda County: Funding Sources & Amounts



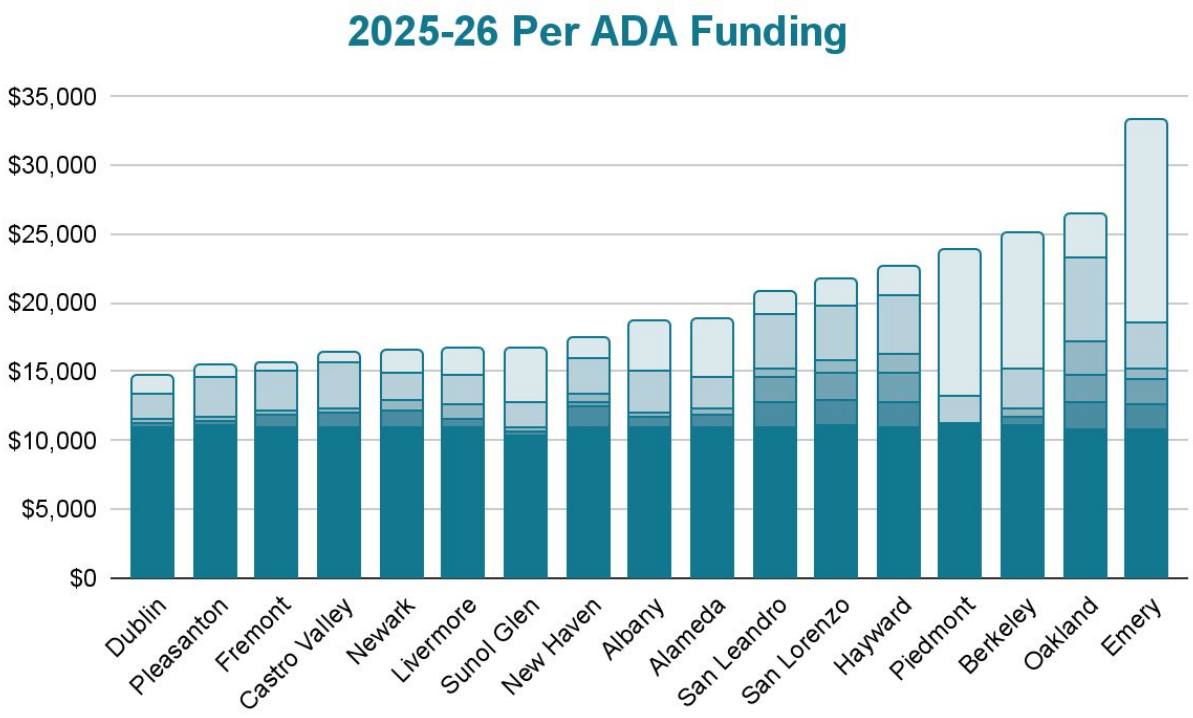
Districts with over 55% Unduplicated Pupils get additional Concentration funding.

Alameda County: Funding Sources & Amounts



Districts also get Federal and other State funding.

Alameda County: Funding Sources & Amounts



Finally, local funding varies the most widely.

From 2.3% to 44.2% of Total Revenues.

- Local
- Other State
- Federal
- Concentration
- Supplemental
- Base

Need for a BAC Subcommittee

Measure G and **Measure P** Parcel Taxes require citizen oversight through a subcommittee of the BAC. The Subcommittee's responsibilities are to:

- Prepare a report on how parcel taxes were spent in current year.
- Review need for an increase in the rate - for Measure G only, and maximum is 2%.
- Present recommendation to Board in May for upcoming tax year.
- Accountability Language (linked)
- Last Year's Report

Next Steps

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 Board action on any proposed reductions for 2026-27 & 2nd Interim Report presented with MYP Projections • **3/5 BAC Meeting** to review 2nd Interim
April	• **4/23 BAC Meeting** 2026-27 Budget Development update and review Subcommittee Report on Parcel Taxes
May	• Governor releases May Revise for 2026-27 budget • **5/20 Board receives Subcommittee Report on Parcel Taxes** • **5/21 BAC Meeting** - last meeting for the year to review 2026-27 proposed budget
June	• 6/3 Board holds public hearing on draft budget • 6/17 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