Piedmont USD
45 Day Budget Update

2026-27 Budget

Presentation to Board
August 12, 2026

What, Why?

- The District Board approved the 2026-27 Budget before the State Legislature and Governor had finalized the State budget. As a result, there are changes that need to be incorporated into the District's Budget.
- In addition, the Board approved the agreements with it's employee groups after the budget was developed and approved for 2026-27. The financial impacts of the settlements need to be incorporated into the District's budget, along with the state updates.

Headlines

The final State budget results in an additional **$3.4 million** in resources for the District:

- Additional ongoing state funds - augmented COLA, add'l SPED funds -**$1.2 million**
- One-Time block grant - approx. $915 per student - **$2.2 million**

The settlements with the employee groups result in additional ongoing and one-time costs totaling **$3.1 million** in 2026-27.

- 3% salary increases for APT plus other schedule and stipend adjustments
- 3.5% for CSEA & APSA
- Add'l District contribution to health benefits, beginning January 1, 2027
- One-time $2,000 per employee, paid out over the school year.

Difference in Revenues

The table below breaks out the additional revenue into unrestricted and restricted, and one-time and ongoing.

Additional State Resources	Unrestricted Ongoing	Restricted Ongoing	Restricted One-Time	TOTAL
Augmented COLA (add'l 1.44%)	**$398,318**			**$398,318**
SPED Increase in per pupil funding ($999 goes to $1340)		**$794,428**		**$794,428**
Discretionary Block Grant (Approx. $915 per ADA)			**$2,180,851**	**$2,180,851**
Learning Recovery Emerg Block Grant (LREBG)			**$15,900**	**$15,900**
TOTAL	**$398,318**	**$794,428**	**$2,196,751**	**$3,389,497**

Difference in Revenues

The table below puts all of the revenue sources together.

GENERAL FUND REVENUES		2026-27 Adopted	2026-27 45-Day Update	Difference
	LCFF	$29,301,759	$29,700,077	$398,318
	Parcel Tax Revenues	17,529,079	17,529,079	$0
	Local Revenues - PEF	4,325,000	4,355,000	$30,000
	Local Revenues - All Others	1,353,271	1,353,271	$0
	State Revenues	4,190,931	6,387,682	$2,196,751
	SELPA (SPED) Funds	2,060,064	2,854,492	$794,428
	Federal Revenues	583,436	583,436	$0
TOTAL Revenues		**$59,343,540**	**$62,763,037**	**$3,419,497**

Difference in Expenses

Salary and benefit increases add $2.4 M to the 2026-27 budget that continue in the MYP.

The one-time off-schedule payment adds $700,000 to the 2026-27 budget.

Employee Group	Salary-Related Increases (incl salary-driven benefits)	Health Benefit increases	One-Time Payment from Block Grant	TOTAL
APT	$998,367	$535,398	$380,000	$1,913,765
CSEA	$386,932	$297,546	$287,400	$971,878
APSA	$122,225	$54,582	$33,600	$210,407
TOTAL	**$1,507,524**	**$887,526**	**$701,000**	**$3,096,050**

Difference in Expenses

The table below shows all expenses together. Salary and benefit increases add $3.1 M to the 2026-27 budget.

GENERAL FUND EXPENDITURES		2026-27 Adopted	2026-27 45-Day Update	Difference
	Certificated Salaries & Benefits (non-Admin)	$31,946,487	$33,860,252	$1,913,765
	Classified Salaries & Benefits (non-Admin)	12,169,132	13,141,010	971,878
	Administrator Salaries & Benefits	4,624,242	4,834,649	210,407
	Books & Supplies	1,842,755	1,842,755	0
	Services & Other Operating Costs	7,520,241	7,520,241	0
	Capital Outlay (Over $5000)	45,587	45,587	0
	Transfers Among Funds	-25,657	-25,657	0
TOTAL Expenditures		**$58,122,787**	**$61,218,837**	**$3,096,050**

Difference in Fund Balance

The revised fund balance is broken out to show that most of the balance is restricted, committed to cover the salary increases in future years, or reserves.

	2026-27
Beginning Balance	$5,919,821
Total Revenues	$62,763,037
Total Expenditures	(61,218,837)
Net Surplus (Deficit)	1,544,200
Ending Fund Balance	**$7,464,021**

Components of Ending Fund Balance:	
Restricted Funds	649,273
2026-27 One-Time Grant	1,468,851
Committed Funds	**2,589,048**
Required Reserve	1,836,565
Add'l Unassigned	920,284
Ending Fund Balance	**$7,464,021**

Multiyear Projections

Based on how things look now, the District will start deficit spending next year - expenses will be greater than revenues.

MULTI-YEAR PROJECTIONS - 2026-27 45-Day Update			
	2026-27	**2027-28**	**2028-29**
Beginning Balance	$5,919,821	$7,464,022	$6,659,878
Total Revenues - Original 26-27 Budget	$59,343,540	$60,733,978	$61,990,327
Add'l Revenues 45 Day Budget	3,419,497	932,502	1,094,168
Revised Total Revenues	**62,763,037**	**61,666,480**	**63,084,495**
Total Expenditures - Original 26-27 Budget	(58,122,787)	(58,763,142)	(59,298,538)
2026-27 Add'l Salaries & Benefits	(3,096,049)	(2,395,949)	(2,395,949)
2027-28 Add'l Salaries & Benefits		(1,311,533)	(1,311,533)
2028-29 Add'l Salaries & Benefits			(1,277,516)
Revised Total Expenditures	**(61,218,836)**	**(62,470,624)**	**(64,283,535)**
Net Surplus (Deficit)	1,544,201	**(804,144)**	**(1,199,040)**
Ending Fund Balance	**$7,464,022**	**$6,659,878**	**$5,460,838**

Fund Balance Depleted Over 3 Years

The Ending Fund Balance is the District's only available resource to cover expenses not covered by annual revenues. It will be substantially depleted over the next three years.

Components of Ending Fund Balance:			
Restricted Funds	649,273	799,273	949,273
2026-27 One-Time Grant	1,468,851	1,468,851	1,468,851
Committed Funds	**2,589,048**	**1,277,515**	**0**
Required Reserve	1,836,565	1,874,119	1,928,506
Add'l Unassigned	920,285	1,240,121	1,114,208
Ending Fund Balance	**$7,464,022**	**$6,659,878**	**$5,460,838**

Questions?