

PIEDMONT UNIFIED SCHOOL DISTRICT

Review of the 2015-16 Working
Budget

Board Meeting
October 28, 2015

Support Information:

- June 24, 2015, Governor Brown signed the 2015-16 State Budget into law which includes amendments to SB 97 reflecting reductions in LCFF gap funding, one-time discretionary funding, child care and preschool slot increases, and other funding areas. Some of these changes were applicable to PUSD and the net effect was \$26k which was reported to the Board on August 26, 2015
- This Working Budget includes the Governor's funding adjustments, **PLUS** one-time local funds, staff changes from August & September, benefit adjustments, and step & column/longevity calculations
- Presenting the Working Budget in October is a new practice to the District:
 - it enables staff to make all necessary budget changes based on the final figures on staffing, step & column, longevity, and benefit adjustments
 - It allows the Board to provide direction to staff on any budget considerations and/or changes prior to the official First Interim reporting in December
- The Working Budget will become Revised Budget once the Board approves all the budget adjustments as presented

Budget Advisory Committee

- The Budget Advisory Committee (BAC) met last Thursday, October 22, 2015 and had a chance to review the Working Budget
- The BAC, consisting of representatives from all stakeholders in the District meets regularly to discuss the District Budget and provide recommendations to the Board of Education in the budget development process
- Below are future scheduled Budget Advisory Committee meeting dates:
 - Thursday, December 3, 2015 (prior to the First Interim presentation to the Board)
 - Thursday, January 31, 2016
 - Thursday, March 3, 2016
 - Thursday, April 21, 2016
 - Thursday, May 19, 2016

GENERAL FUND: Multi Year Projections

**PIEDMONT UNIFIED SCHOOL DISTRICT
2015-2016 COMBINED GENERAL FUND - WORKING BUDGET
MULTI-YEAR PROJECTION REPORT
Board Meeting: October 28, 2015**

BUDGET	2014-15	2015-2016	2015-2016	2016-2017	2017-2018
	Unaudited Actuals	Revised Budget: 9/9/15	Working Budget	Projected Budget	Projected Budget
A) REVENUES:					
LOCAL CONTROL FUNDING FORMULA	17,903,647	19,587,621	19,541,188	20,129,924	20,713,439
FEDERAL REVENUES	686,611	725,348	719,706	719,706	719,706
STATE REVENUES	1,151,444	2,498,078	2,522,003	1,147,246	1,175,698
LOCAL REVENUES	13,804,132	13,049,654	13,461,370	13,461,370	13,461,370
TRFS APPORT. FR DISTRICTS	1,059,044	1,072,011	1,072,011	1,089,163	1,116,174
TOTAL REVENUES:	34,604,879	36,932,712	37,316,278	36,547,409	37,186,387
B) EXPENDITURES:					
CERTIFICATED SALARIES	17,098,985	17,234,939	17,339,052	17,599,137	17,634,132
CLASSIFIED SALARIES	5,400,007	5,582,134	5,346,179	5,407,628	5,414,256
EMPLOYEE BENEFITS	6,393,474	7,351,277	7,358,575	7,995,491	8,280,093
CalSTRS/CalPERS costs: cumulative	125,490			448,578	839,216
POST EMPLOYEE BENEFITS	401,959	425,000	414,945	414,945	414,945
BOOKS AND SUPPLIES*	2,059,148	1,215,650	1,801,807	1,460,953	1,466,639
SERVICES/OPERATING EXP.	4,098,771	3,805,106	4,299,631	4,353,619	4,530,498
CAPITAL OUTLAY	143,228	-	98,447	33,184	28,000
TRANSFER OUT PARCEL TAX INC	-	191,968	191,968	-	-
TRANSFER TO CAPITAL FACILITIES	-	50,000	50,000	50,000	50,000
TRANSFER TO ADULT ED.	335,463	-	-	-	-
TRANSFER TO DEFERRED MAINT.	190,000	190,000	190,000	190,000	190,000
TRANSFER TO SELF INSURANCE	10,000	10,000	10,000	10,000	10,000
DIRECT SUPPORT/INDIRECT COSTS	-	(120,000)	(120,000)	(120,000)	(120,000)
TOTAL EXPENDITURES:	36,131,035	35,936,074	36,980,604	37,394,957	37,898,564
C) NET INCREASE (DECREASE)					
IN FUND BALANCE (A-B)	(1,526,156)	996,638	335,674	(847,548)	(712,176)
D) FUND BALANCE, RESERVES					
BEGINNING BALANCE	4,373,315	2,847,159	2,847,159	3,182,833	2,335,284
ADJUSTMENT TO BEG. BALANCE					
NET BEGINNING BALANCE	<u>4,373,315</u>	<u>2,847,159</u>	<u>2,847,159</u>	<u>3,182,833</u>	<u>2,335,284</u>
E) ENDING BALANCE JUNE 30	2,847,159	3,843,797	3,182,833	2,335,284	1,623,108
COMPONENTS OF ENDING BALANCE:					
a) Reserved Amounts:					
Revolving Cash	25,000	25,000	25,000	25,000	25,000
b) Economic Uncertainties : 4%	1,445,241	1,437,443	1,479,224	1,495,798	1,515,943
Restricted Ending Balances	344,345	344,345			
c) Reserve Fund Balance for 2015-16	1,032,572	2,037,009			
d) Reserve Fund Balance for 2016-17			1,678,608		
e) Reserve Fund Balance for 2017-18				814,486	
e) Reserve Fund Balance for 2018-19					82,165

Revenues Only:

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TOTAL REVENUES:	34,604,879	36,932,712	37,316,278	36,547,409	37,186,387

2015-16: One-time funds of \$530 per ADA for a total of \$1,393,000;
 Not projecting any one-time funds for subsequent fiscal years

Expenditures: Salaries and Benefits

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	Unaudited Actuals				
EXPENDITURES:					
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CLASSIFIED SALARIES	5,400,007	5,582,134	5,346,179	5,407,628	5,414,256
EMPLOYEE BENEFITS	6,393,474	7,351,277	7,358,575	7,995,491	8,280,093
CalSTRS/CalPERS costs: cummulative	125,490		448,578	839,216	1,271,025
POST EMPLOYEE BENEFITS	401,959	425,000	414,945	414,945	414,945

- Increase of Employee Benefits of \$965K:
 - CalSTRS \$433k (45% of the increase; 1.85% Employer’s cost increase per year until 2020-21)
 - CalPERS \$34k
 - Health & welfare \$364k
 - Medicare \$11k
 - Workers compensation cost \$123k

Books & Supplies and Services/Operating Expenditures:

BUDGET	2014-15 Unaudited Actuals	2015-2016 Revised Budget: 9/9/15	2015-2016 Working Budget	2016-2017 Projected Budget	2017-2018 Projected Budget
BOOKS AND SUPPLIES*	2,059,148	1,215,650	1,801,807	1,460,953	1,466,639
SERVICES/OPERATING EXP.	4,098,771	3,805,106	4,299,631	4,353,619	4,530,498
CAPITAL OUTLAY	143,228	-	98,447	33,184	28,000

2015-16 Working Budget as compared to 2015-16 Revised Budget 9/9/15: \$1.2M

- Carryover funds of \$344k from 2014-15 are now part of books & supplies and/or services/operating expenditures
- One-time local revenues (PEF, parent club donations, etc) of \$412k with corresponding expenditures
- Increase in expenditures :
 - Special Ed contract services & transportation \$278k
 - Professional Development & training & contract services \$168k

Fund Balance

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Net increase/decrease in Fund Balance, i.e. deficit spending:

- 2015-16 Working Budget shows a surplus (income over expenditures) of \$335,674, primarily due to one time funds of \$1,393,900
- Projected deficit spending in 2016-17 and 2017-18 albeit it's declining as compared to 2014-15
- No increase of Parcel Tax, 2%, is included in the assumptions
- No salary or employer paid health benefit increases is included in the projections