
Budget Planning and Recommendations for Reductions

— February 28th, 2024 —

Agenda

Part 1: Summary of the State's budget and impact on PUSD

- COLA and Actual/Local COLA, Impact of Reduced COLA for 2024-2025 and 2025-2026, Impact of Enrollment and Average Daily Attendance
- Summary of One-time Funds Timeline

Part 2: Our Guiding Principles in Budgeting and in Reductions

- How our guiding principles were applied to these recommendations

Part 3: Recommended Reductions

- Non-personnel, Personnel, Budget Shifts, Summary

Discussion and Direction

Some Terms/Context

MYP: Multi-Year Projections. School Districts are required to submit 3-year budgets for approval.

COLA: Cost of Living Adjustment

Step and Column: Employees advance automatically each year based on a salary schedule, approximately 1.5%. This is not a raise.

Health Benefit Contribution: Health benefits are calculated each year by the insurance agency and rates are adjusted in January of each year. For ex, this year starting in January, the rates increase by about 11%. PUSD pays 100% of Health benefits, so employees did not feel that increase of \$107-\$279 per month (\$1,284-\$3,348 annually).

One-Time Funds: Various funds from State and Federal funds allocated during the pandemic to use for additional supports and services on a temporary basis.

Parcel Tax: PUSD has a Parcel Tax that expires June, 2024 for Arts, Music, and Athletics.

Summary of the State's budget and impact on PUSD

- State COLA

	2024-25	2025-26	2026-27
Jan 2024	0.76%	2.73%	3.11%
Jun 2023	3.94%	3.29%	3.19%
Variance	-3.18%	-0.56%	-0.08%

- Local COLA

Local Cola is the actual additional revenue the district receives compared to last year after taking State COLA, our enrollment and average daily attendance into consideration

LCFF Entitlement

2023-24	152,164,769	
2022-23	145,035,981	
Difference	7,128,788	4.92%

Example: How is Local COLA calculated

	Enrollment	ADA	Students Funded		Base Grant Rate	=	Total
2022-23	10,000	95%	9,500	x	10,099	=	\$ 95,935,750
2023-24	9,900	92%	9,108	x	10,099		
				+	830 (COLA 8.22%)		
					10,929	=	\$ 99,537,659
				Variance	\$		3,601,909

2022-23
 Enrollment 10,000
 Average Daily Attendance = 95%

2023-24
 Enrollment decreases by 1% (100 students less) = 9,900
 Average Daily Attendance decreases to 92%

For 2022-23

- 10,000 students X 95% attendance = 9,500 students funded
- 9,500 funded students x Rate 10,099 = 95,935,750 Revenue

For 2023-24

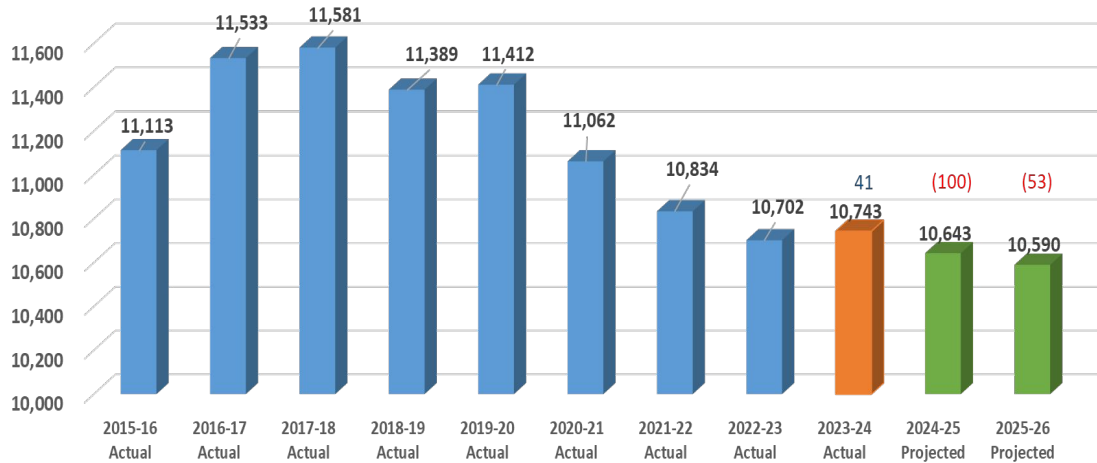
- 9,900 students X 92% attendance = 9,108 students funded
- Rate increase = 10,099 + 8.22% increase = 10,929 (New rate)
- 9,108 funded students x New Rate 10,929 = 99,537,659 Revenue

Local Cola

- Change in revenue from last year
- 99,537,750 - 95,935,750 = 3,601.909
- 3,601.909 divided by 95,935,750 = 3.8%
- We received only 3.8% increase to revenue from last year compared to the states 8.22% COLA
- This is because of declining enrollment and lower attendance

3.8%

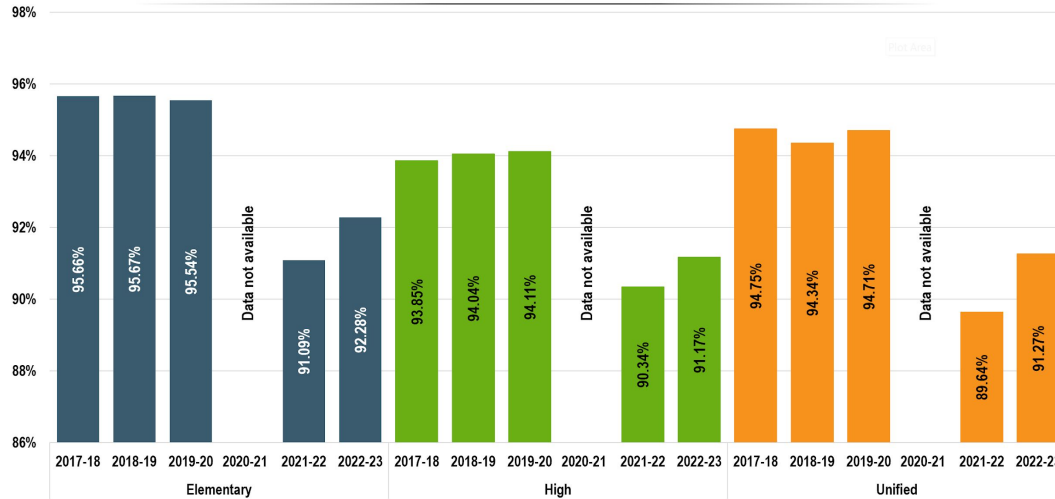
Impact of Enrollment



- First Interim shows declining enrollment of 153 students as depicted in the chart
- Conservative projections for 2024-25 show a decline of 216 students
- Moderate projections for 2024-25 show an increase of 62 students

Average Daily Attendance (ADA)

P-2 ADA to Enrollment Trends—2017-18 to 2022-23



Source: Second Principal Apportionment (P-2) ADA and CALPADS

- The state's average daily attendance was 95.6% pre-covid
- The state's average daily attendance was 91.2% for 2022-23
- PUSD pre-COVID ADA was 94.75%
- PUSD ADA for 2022-23 was 89.5%
- Current PUSD ADA is 91.2%

ADA projections

- 91.2 % Shortfall of \$20.4M
- 92.5 % Shortfall of \$17.3M
- 93.5 % Shortfall of \$14.9M

Timeline for One-Time Funds: One-Time Positions

ESSER III Expires in September, 2024 (contains one-time positions)

Learning Recovery Block Grant Expires in September, 2028 (will be fully spent in 2026 under current budget and staffing plan)

Arts, Music, Instruction Block Grant; Expires in June, 2026 (under current budget and staffing plan, continues funding of one-time positions through 2026)

PUSD Parcel Tax for Arts, Music, Athletics: Expires in June, 2024, carryover planned to support funding through 2024-2025, contains some positions.

Ending Fund Balance: Lottery Example

We receive approximately 2.6million in lottery funds each year (restricted and unrestricted).

We use these funds primarily for textbooks.

Physics adoption not completed in 2022-2023, so we carried over estimated cost.

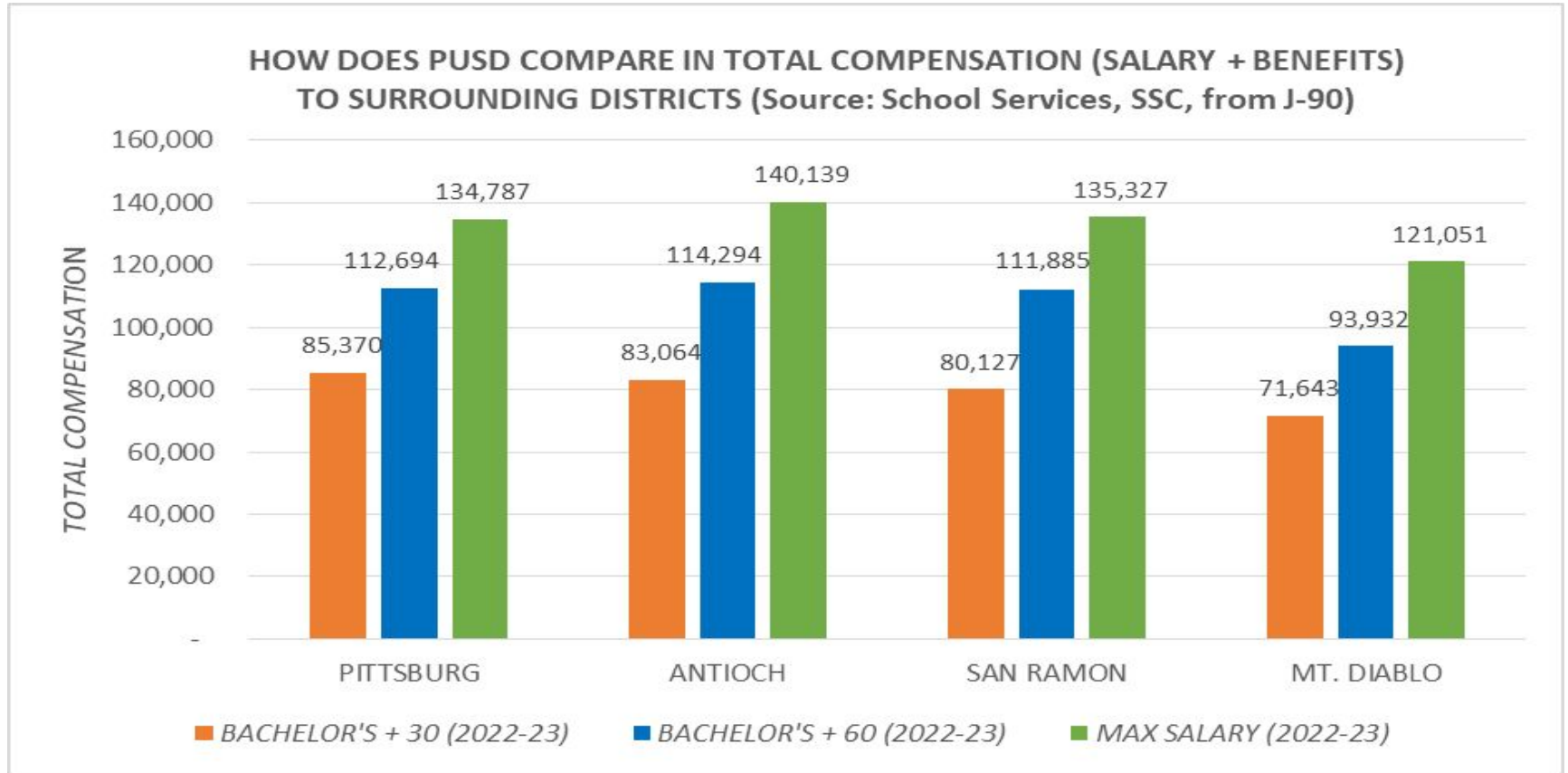
Math adoption process taking place, so we carry over funds to “save up” for the purchase.

4.1 million for textbooks (Math, World Language, Physics, ELD Supplemental Materials) will be used in June, 2024.

What may look like a large amount in an ending fund balance is often good, long-term budget planning.

Salary Comparison

(Full County comparisons are attached to Board item)



Benefits (Medical, Dental and Vision) 100% District Paid

Rates increased over 11% effective Jan 1, 2024 – Employees already received this benefit since its 100% District Paid

	Employee	Employee + 1	Employee + 2 or more	
2024 Rates	13,683.48	25,940.40	33,294.60	
2023 Rates	12,391.44	23,356.32	29,935.20	
Annual Increase	1,292.04	2,584.08	3,359.40	11.22%
Monthly Increase	107.67	215.34	279.95	

Guiding Principles

Students at the center

Keep services as long as possible

Keep our current employees as long as possible

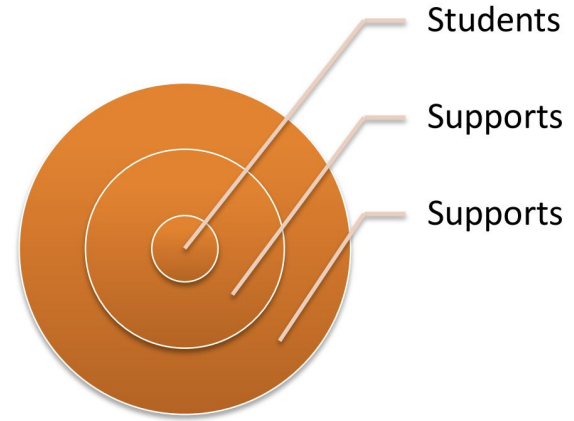
Maintain competitive total compensation

Law/Compliance/Labor Contracts

Maintain Fiscal Solvency

Use the Board Reserve as needed to protect positions

Consider Feedback over the years



Based on our Guiding Principles: What is included in this proposed budget recommendation?

- Costs for Step and Column
- 3% ongoing Salary Increase for all Employees, retro to July 1,2023
- Increased Health Care Costs (equivalent to 1.6%) bringing the total Salary and Benefit increase to 4.6%
- Reduced COLA for 2024-2025 and 2025-2026 as of Gov's January Budget
- Based on ADA of 92.5% and First Interim Enrollment (not Conservative Enrollment for 2024-25)
- Contains the Board's Contribution of the Board Reserve for the MYP

Based on our Guiding Principles: What is included in this proposed budget recommendation?

- No current Classified (CSEA) or Certificated (PEA) employee would lose their job. (School site-funded positions may have an impact on this).
- Services at sites would remain through 2024-2025
- Safety and Mental Health Services remain
- Protects funds for textbook adoptions and technology (1:1) replacement
- Professional Development: Focus on Math, Early Literacy, ELD, and Supports for Students with Disabilities, Grading Policy, and Ethnic Studies
- Positions in one-time funds are budgeted to continue through 2025-2026; ***these or their equivalent will have to be reduced or brought in to ongoing funding before the end of 2025-2026 school year***

Examples of Some Positions/Services in One-Time Funds

Elementary CRAs

Additional Secondary CRAs

Elementary Counselors

Full Time Nursing

Teachers on Special Assignment

Behaviorists

Behavior Support Aides, Instructional Aides

Music Teachers

Budget Reduction Recommendations

SUMMARY

	2023-2024	2024-2025	2025-2026	2026-2027	MYP
LCAP Carryover	1.6M	1.6M	1.6M		4.8M
Lottery Carryover					2.7M
ESSER					1M
Technology Replacement					2M
TOTAL					10.5M
Non-Personnel Reductions		330K	330K	330K	990K
Personnel reductions	300K	1.22M	1.22M	1.22M	3.96M
Personnel and Non Personnel Shift to Other Funding Source		840K	840K	840K	2.5M
TOTAL					7.45M
GRAND TOTAL					17.95M

Non-Personnel Reductions

Activity	Approximate Amount	Current Budget Source	Impact	
Pittsburg PD contract reduction	100K	LCAP/General Fund	None; Pittsburg PD is absorbing this cost	
Reduce Admin Coaching	50K	Title II	Less outside coaching for school site leaders	
Reduce Conference Attendance and Professional Development	100K	LCAP/Title II	Less PD	

Activity	Approximate Amount	Current Budget Source	Impact	
Reduce Contracted Services for Mentoring	80K	LCAP	Evaluate effectiveness and greatest impact	
Maintenance and Operations Reductions/ Contracted services	250K	Gen Fund/One Time	Minimal: less reliance on contracted services due to staffing	
TOTAL: Non-Personnel Reductions	580K 330K budget impact			MYP: 990K

Personnel Reductions

Activity	Approximate Amount	Current Budget Source	Impact	
5 FTE Reduction using Attrition and decreased enrollment (2024-2025)	500K	LCAP/Gen Fund	Staffing close to class size maxs in contract, some TK/K combos	
Current 2023-2024 Unfilled Positions (3 FTE)	300K	LCAP		
Do not fill unfilled positions of PAFL/Custodian	250K	LCAP/ 2FTE One time	Less direct site services; No one in current position loses job	Possibility of Community Schools Grant

Activity	Approximate Amount	Current Budget Source	Impact	
Ed Services Reduction	100k	LCAP		
End Ed Tech Mentors	70K	LCAP	Less Support at site for Ed tech	Stipends, not positions
Total Personnel Reductions	1.220M			MYP: 3.660M

Personnel and Non-Personnel Shift to Other Funding Source

Activity	Approximate Amount	Current Budget Source	New Budget Source	Impact
College and Career EAOP: Central contribution	50K	LCAP	A-G Grant	Expires 2025-2026
College and Career: UCAN fair; HBCU tour; 7th grade college field trips	60K	LCAP	A-G Grant	Expires 2025-2026
PHS Arts Positions	210K	LCAP/Gen Fund	Prop 28 Arts	
Garden Supervisor Cost Share with CNS	70K	LCAP	.5 LCAP; .5 CNS 2025-2026 1.0 CNS	

Activity	Approximate Amount	Current Budget Source	New Budget Source	Impact
Shift Time for Elementary Library Media Specialists to include after school hours	150K	LCAP/One time	LCAP/ELO-P	Reduce overall costs by sharing with after school; savings zeroed in 2025-2026 when one-time expires *CSEA consult
Off Set Costs of Lincoln Center and Mindful Life with ELO-P	250K	LCAP	LCAP/ELO-P	Less direct services during academic day
TOTAL:	790K	790K	710K	2.29M

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Board Discussion and Recommendations

Any Reductions in Personnel that Require a Lay-Off Notice, Must be Made by March 15th (March 6th Board Meeting).

Personnel Reductions After March 6th Board Meeting Would Have to be via Attrition (For ex: moving current staff to an open position).

Using the Conservative Enrollment Projections Would Require an Approximate Additional 1m in Reductions.

- ***If our ADA does not go up from 92.5%, we will need further reductions***
- ***If our ADA goes up from 92.5%, recommend using the increase to move positions from one-time to ongoing funding and offset increases***
- ***If State budget for schools worsens, we will need to make additional reductions***

Budget Process Dates:

March 6th Board Meeting: Reductions
for Board Approval

March 6th: 2nd Interim Budget Due

May-June: State Budget

June: MYP Budget for 2024-25 Due

**2024-2025: Continue reduction
process; move one-time positions
to ongoing funds**