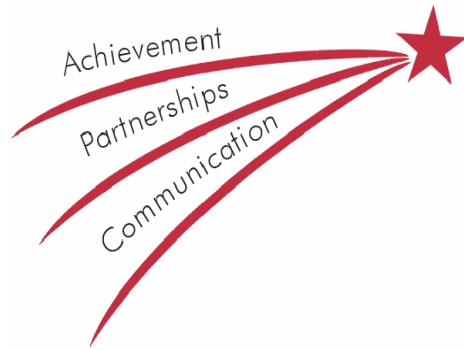


Pleasanton Unified School District



2022/23 Second Interim Budget Report

March 9, 2023
Board of Trustees Meeting

Pleasanton Unified School District



Business Services Memorandum

To: Board of Trustees

From: Ahmad Sheikholeslami, Assistant Superintendent of Business Service
Thomas Gray, Executive Director of Fiscal Services

Date: 3/9/2023

Re: 2022/23 Second Interim Budget Report

Executive Summary

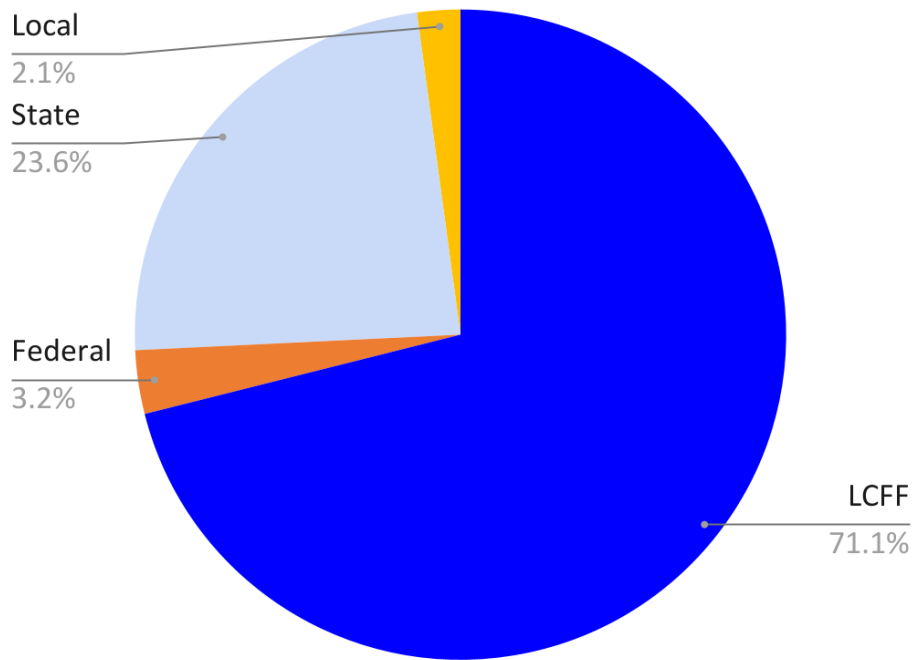
The Second Interim Report is the second of two updates to the 2022/23 Adopted Budget. The Board of Trustees is required to certify the financial condition of the District for the current and two subsequent fiscal years when the budget is adopted (June) and at the two interim reporting periods during the school year (December and March).

The Second Interim Report reflects updates to the 2022/23 budget through January 31, 2023. The Second Interim Report includes updates to the MYP with updated COLA estimates for 2023/24 and 2024/25 per the Governor's January Budget. The staff has also updated the LCFF calculations to reflect both the updated 2023 Demographic Projection Study and the consideration of recent gains in enrollment. These changes are highlighted below and details are included in the attached reports.

The Second Interim Report indicates that the District **can maintain the required 3% reserves for economic uncertainties** for the current fiscal year and through 2024/25 meeting the required budget certification requirement.

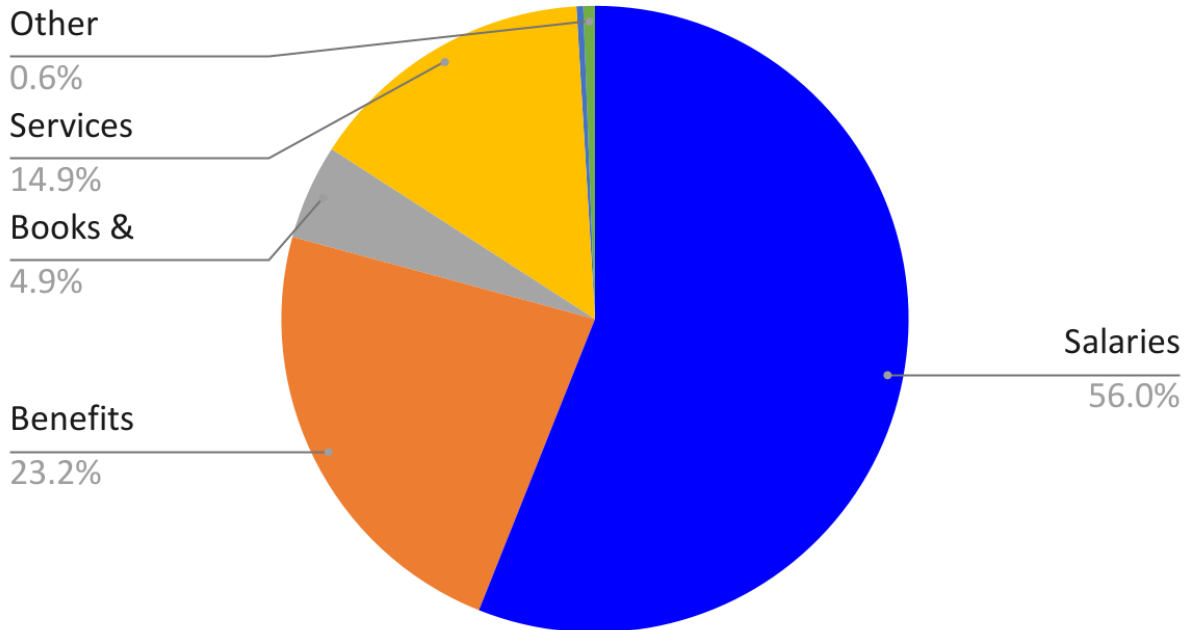
The District's total Second Interim General Fund revenue is \$221,861,091 of which \$55,956,268 or about 25% is from restricted sources. The revenues include significant restricted one-time funds from the Enacted 2022/23 State Budget. The District heavily depends on State funding, with the Local Control Funding Formula (LCFF)/Property Tax making up 71.1% of the total funding. Local Property taxes make up about 58.6% of the total LCFF apportionment. It is important to note that the share of Federal and State revenues is higher in 2022/23 due to one-time funds associated with the pandemic and new one-time State grants for 2022/23. Based on current economic conditions and the Governor's January Budget proposal new one-time funding revenues will not continue in 2023/24.

Pleasanton USD 2022/23 Revenue Sources



The District's General Fund expenditures are \$217,514,989 with about 79.2% of District expenditures allocated to District personnel. The percentage of expenditures in Books/Supplies and Services is greater due to one-time spending related to both one-time pandemic-related funds and 2021/22 carryover funds. In the unrestricted expenditures, the share of salaries and benefits cost is about 87% of total unrestricted expenditures. There is a net increase in restricted end fund balance because the expenditure allocation of the one-time funds is yet to be determined and will be spread over a 3-4 year timeline.

Pleasanton USD 2022/23 Expenditures



Summary of Second Interim Budget Adjustments

The Second Interim Budget includes the following changes from the First Interim Report. Key changes are highlighted below (amounts are rounded and see attached variance report for details):

- \$1,338,001 net increase in revenue - key items listed below
 - Reduction of \$197K in LCFF funding due to actual attendance
 - Increase of \$822K in Other State for recognition of prior years revenues in the lottery and summer assistance program
 - Increase of \$619K from mainly local restricted donations
- \$3,002,828 in increased expenditures - key items listed below
 - Reduction in salaries and benefits in the amount \$221,873
 - Increase in Services in the amount of \$3,557,738 mainly in restricted and Special Education expenditures

Budget Model and Multi-Year Projection

While the annual budget and updates provide important information for the current year's planning it is also extremely important to evaluate the District's multi-year budget planning to be able to assess the fiscal health of the District. The multi-year budgets are also part of the State budget submission requirement. The budget model includes the following key assumptions:

- **One-time Funding**

- **Art, Music, and Instructional Materials Discretionary Block Grant**

- The Enacted State Budget included one-time restricted funds for arts and music programming, professional development, acquiring instructional materials, developing diverse book collections, operational costs, and expenses related to the pandemic. PUSD allocation is about \$8.96M. The funds must be encumbered through 2025-26, and the Board must approve the expenditure plan for these funds. During the last several months input has been gathered from our educational partners and a plan will be presented to the Board for approval in March/April 2023. It's critical to note while these funds are allowed to be expended over 3-4 years but they are one-time in nature. Without ongoing funds in the future, programs and staff funded by this program will need to end once the funding is used.

- In the Governor's January 2023/24 Budget proposal, the Governor proposed reducing this allocation by 1/3. Staff will develop a plan for the reduced funding amount and a list of secondary programs/expenditures if the full funding is received.

- On November 8, 2023, voters also approved Proposition 28 which will provide ongoing funds to schools for art and music. PUSD allocation for all the schools is estimated to be about \$1.6M. These new funds will be included in the 2023/24 Budget and are currently not included in the MYP.

- **Learning Recovery Block Grant**

- The Enacted State Budget included one-time restricted funds to assist with increasing instructional learning time, closing the achievement gap, providing support to address the barrier to learning, credit recovery, and additional academic services to students. PUSD allocation is about \$5.38M. The funds must be expended through the 2027-28 school year, Expenditure of these funds do not require Board approval, however, staff will develop a plan and seek Board input. During the last several months input has been gathered from our educational partners and a plan will be

presented to the Board in March/April 2023. It's critical to note while these funds are allowed to be expended over 3-4 years they are one-time in nature. Without ongoing funds in the future, programs and staff funded by this program will need to end once the funding is used.

- **COVID-19 Pandemic Impacts**

Since the start of the COVID pandemic in March 2020, the District has received a variety of one-time restricted State and Federal funds to support remote learning, reopen schools safely, keep schools open, address the learning loss, and support the social and emotional needs of the students. These one-time restricted funds continue to fund critical staff and programs; including the Pleasanton Virtual Academy, elementary school counselors, additional social workers, psychologists, nurse and health clerks, pandemic coordinators, credit recovery programs, and additional hours for paraeducators. These grants help fund a total of about 28.2 FTE. As these funds become fully expended, the district will evaluate to determine which of these services should continue and possibly extend their funding through the new one-time grants.

Below is a summary of these funds and their status:

Fund	Spending Deadline	PUSD Award Amount	Committed in FY 22/23	Remaining Funds
Governor's Emergency Education Relief (GEER)	9/30/2022	\$620,555	\$0	\$0
CARES Act	5/31/2021	\$4,179,788	\$0	\$0
Learning Loss Mitigation	6/30/2021	\$1,155,871	\$0	\$0
Federal ESSER I	9/30/2022	\$238,255	\$238,235	\$0
Federal ESSER II	9/30/2023	\$944,476	\$1,825	\$0
Federal ESSER III	9/30/2024	\$2,121,154	\$434,094	\$6,746
Senate Bill 117	None	\$251,691	\$4,041	\$0
In-Person Instruction Grant	9/30/2024	\$5,169,502	\$1,469,311	\$806,346
Expanded Learning Opportunities Grant (ELOG)	9/30/2024	\$9,391,472	\$3,251,357	\$394,961

- **Enrollment and Average Daily Attendance (ADA)**

The LCFF formula is driven by the average daily attendance (ADA). As part of the Enacted Budget, the State implemented an option to use the higher of a three-year rolling average ADA (prior two and current fiscal year ADA) or the prior or current year ADA. The use of the three-year rolling average is extremely helpful to declining enrollment in school districts like PUSD.

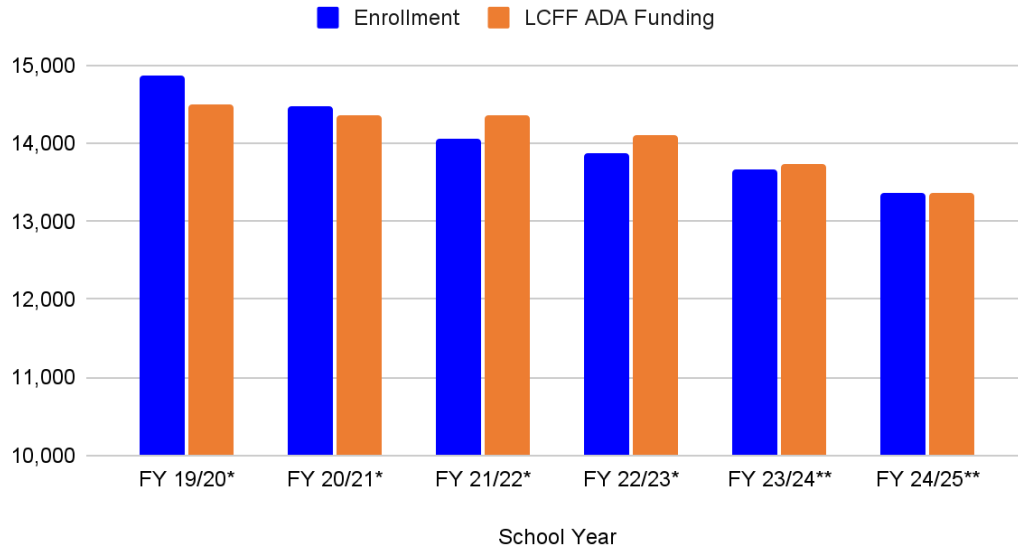
Since the pandemic, PUSD has had three consecutive years of declining enrollment. The 2022/23 enrollment as of the CBEDS (TK-12) date of October 5, 2022, was 13,872. This is about a 1,000 student decline from 2019/20 levels. PUSD, similar to the majority of school districts in California, have seen declines in enrollment as a result of the pandemic, lower birth rates, immigration, housing costs, and availability of new housing. The majority of the districts in the State have seen about a 3-5% decline over the last two years in enrollment and these trends are projected to continue. With lower enrollment/ADA, PUSD will see lower LCFF revenues. The rolling average will help soften the landing over several years; however revenues will decline and adjustments to staff and programs will need to be made.

The Demographic Projections were updated in January 2023, which confirmed the continued enrollment decline even as we expanded with TK and new housing for the next seven years. Actual enrollment data is trending slightly better(enrollment has increased about 100 students since October 2023), however, actual enrollments in TK/Kindergarten are lower than projections. Enrollment gains have been observed in other grades. For the Second Interim Report, staff has used the estimates that considers demographer's projections and recents gains to include a slightly more optimistic outlook in the enrollment estimates in the LCFF funded ADA. Its important to also note that Funded ADA numbers are higher than enrollment for 2022/23, 2023/24 and 2024/25 because of the hold harmless ADA that districts were allowed to use for 2020/21 and 2021/22.

PUSD Projected Enrollment and ADA						
	FY 19/20	FY 20/21*	FY 21/22*	FY 22/23*	FY 23/24**	FY 24/25**
Total Enrollment	14,879	14,464	14,060	13,872	13,655	13,358
ADA (Funding)	14,490	14,355	14,355	14,102	13,740	13,365

* Actual ** Projections

Enrollment and LCFF ADA Funding



The chart below shows the key LCFF assumption that drives funding. Critical to the estimated revenues are the projected Cost of Living Adjustment (COLA). Staff is using the COLA assumptions from the Governor's January Budget of 8.13% for 2023/24 and Department of Finance assumption for 2024/25. The final Statutory COLA will not be determined until the May Revise. A cautionary note needs to be added in regards to the COLA assumption for 2023/24. The State is facing a significant shortfall in its revenues in 2022/23. The Legislative Analyst Office (LAO) analysis of the Governor's January Budget projects an 80% chance that state revenues will be at least \$5 billion below the Governor's January estimates, which will result in a commensurate downward adjustment of the minimum guarantee of approximately \$2 billion for each of fiscal years 2022-23 and 2023-24. LAO also recommends that the Legislature consider further reducing the Funded COLA to avoid relying on one-time resources for ongoing costs and deficit spending altogether. Eliminating the use of \$1.4 billion to cover LCFF costs would require reducing the Funded COLA by 1.7% to 6.4%. Until the State enacts the 2023/24 budget and the final Funded COLA is determined there are risks associated with the Funded COLA assumptions in our MYP.

Local Control Funding Formula Assumptions 2022/23			
School Year	FY 22/23*	FY 23/24**	FY 24/25**
Enrollment	13,872	13,655	13,358
LCFF ADA Funding	14,102	13,740	13,365
Funded COLA	6.56%	8.13%	3.54%
Unduplicated as % Enrollment	16.39%	16.11%	15.94%

Grades K-3 \$/per Student*	\$9,166	\$9,911	\$10,262
Grades 4-6 \$/per Student*	\$9,304	\$10,060	\$10,416
Grades 7-8 \$/per Student*	\$9,580	\$10,359	\$10,725
Grades 9-12 \$/per Student*	\$11,102	\$12,005	\$12,430
K-3 Grade Span Adj \$/per Student	\$953	\$1,031	\$1,067
9-12 Grade Span Adj \$/per Student	\$289	\$312	\$323
TK Add on \$/Student	\$2,813	\$3,042	\$3150
TOTAL LCFF Funding PUSD	\$156,660,207	\$165,265,362	\$166,805,608

* Includes 2022/23 additional base grant increase of 6.7%

** Assumptions based on Governor's January 2023/24 Budget Proposal

Other State Funding

- Expanded Learning Opportunities Program (ELOP)
In 2021/22 the State initiated the ELOP to support TK-6 grade unduplicated (UPP) students (English learners, unhoused, foster youth, and low socio-economic students) with extended after school academic support. In the Enacted 2022/23 State Budget, funding was increased to \$1,250 per UPP student for districts with less than 75% UPP. For PUSD this will provide an annual revenue of \$2,130,000. These funds are restricted in nature and must be spent on allowable ELOP expenditures. The State is providing school districts an additional year to implement the ELOP program before it begins to audit expenditures in 2023/24. Unused funds will have to be returned to the State.
- Lottery and Mandated Block Grant
The total estimated Lottery Grant (unrestricted and restricted) is \$237 per ADA. For the Mandated Block Grant, the current rate is \$34.94 per ADA for grades TK-8 and \$67.31 per ADA per grades 9-12.
- Educator Effectiveness Block Grant
In the 2021/22 Budget, the district received \$2.9M of one-time funds to be spent on various programs to support educators with coaching, mentoring, induction, and professional development. The District developed a five-year plan to spend down the funds by 2025/26. PUSD is in the second year of its plan. \$701K have been spent through the 2022/23 Second Interim.
- Special Education Related One-time Pandemic Funds
The State provides specific one-time funds for learning recovery and settlements in 2021/22. The District received a total of \$1.2M and has spent \$600K to date.

- **Special Education**

In 2022/23 the funding for Special Education is \$820 per ADA. This level of funding falls short of the need to serve our students, for 2022/23 the budgeted contribution from the General Fund is about \$25.3M. This amount will increase by the COLA for 2023/24. While comparatively, the Special Education costs for PUSD is less than most comparable districts, expenditures have increased. Since 2019/20 the General Fund contribution has increased by 3.8% compared to the overall unrestricted expenditures. This reflects increased need and services to our students. Special Education costs account for about 21% of all expenditures.

- **Staffing**

Between First Interim and Second Interim Report, the district's staffing grew by 13.281 FTE for a total of 1,329.993 FTE. The additional staffing since the First Interim is mainly in classified staffing related to categorical programs and special education. Reference attached staffing report for detailed breakdown and changes. There are also a large number of vacancies and unfilled positions.

- Certificated: 0 FTE
- Classified: +13.281 FTE

Based on latest enrollment projections there will be another 600-700 student decline over the next two school years, staffing adjustments will need to be made to right-size the staff; the budget model has a reduction of 22 FTE reduction for 2023/24 and 10 FTE in 2024/25. These reductions can be achieved through normal attrition and temporary employees. The budget also removes all one-time funded positions in the out years. 28.2 FTE are funded by one-time funds. Based on actual expenditures of the one-time funds and new one-time funding sources, some of these positions can be extended. If the district is unable to find alternative ongoing funding sources, the staff and programs that these funds support will need to be cut back.

- **Salaries and Compensation**

Salaries and benefits make up approximately 80-85% of operating expenses. Compensation increases include several components. The first component is employee movement on the salary schedule. When hired, staff are placed on a salary schedule depending on their experience and education. Certificated staff (teachers) can move on this schedule both in experience (steps) and increased education (columns). There are 20 steps and 5 columns. Column movements are based on earned education credits. The classified and management salary schedule have annual step increases, 5 and 10 steps

respectively, after which longevity increases occur every five years for classified staff. Based on historical data the District has budgeted 1.75% in salary increases for step/column movement of staff.

The second component is negotiated compensation increases. The District has settled for 2022/23. In order to reflect a more accurate budget model, the Second Interim includes a placeholder amount for compensation for 2023/24 using the School Services of California Fair Share Model. Based on the formula new revenues from the unrestricted LCFF are divided between salaries/benefits and all other expenses less any increased cost obligations. The budgeted placeholder includes salaries, benefits and staffing adjustments. Compensation is a mandatory subject of bargaining, and any compensation changes negotiated with the bargaining units require Board approval to become effective. Approved compensation increases generally reflect the District's consideration of the factors identified in Government Code Section 3548.2, including the interests and welfare of the public and the District's financial ability to pay, total compensation comparability with similar districts, and the Consumer Price Index. At the time of preparation of this report the district is negotiating with both bargaining units (APT and CSEA) for compensation adjustments for 2023/24.

Over the past several years we have observed increased salary costs related to leaves, absences, and substitute teacher costs for a variety of reasons including the pandemic. Due to the staffing shortage, we have increased the rates for substitute teachers to ensure we attract substitute teachers. District substitute costs have grown from \$775K in FY 18/19 to \$2.3M in FY 21/22 and for FY 22/23 the projected costs are \$2.6M.

Reductions

With declining enrollment the District also needs to include adjustments to staffing to right-size. The model includes a reduction of \$2,200,000 or 22 FTE in 2023/24 and another 1,000,000 or 10 FTE in 2024/25.

Early Retirement Incentive (PARS) Obligation

At the end of 2021/22 fiscal year the District offered an early retirement incentive program in which 108 employees took advantage of. The district has a 5 year annual obligation to make payments of \$882,000 to cover the PARS benefits. The last year of the obligations is July 2026. The District is realizing savings through the hiring of new staff that are earlier in their career and non-replacement. Staff plans to do further analysis to determine actual savings versus projections.

- **Benefits and Pension Cost**

The District participates in two State pensions: the State Teachers' Retirement System (STRS) for credentialed personnel and the Public Employees' Retirement

System (PERS) for non-credentialed personnel. Certificated salaries, which are subject to STRS, make up approximately half of total District expenditures and almost 80% of total salaries.

Since 2014/15 STRS rates per Assembly Bill 1469 have risen from 8% to 19.1%. PERS has also been increasing to ensure the long-term stability of that pension program. PERS rates can be adjusted annually and are currently at 25.37%. These rates are projected to increase to above 28% by 2024/25. These pension systems provide unique benefits and deferred compensation to staff but reduce our ability to provide greater compensation in salaries as compared to the private employers that generally don't have these obligations.

Actual and Projected Employer Contribution Rates

Pension Program	2022/23	2023/24*	2024/25*
STRS Employer Rates (Approx)	19.10%	19.10%	19.10%
PERS Employers Rates (Approx)	25.37%	27.00%	28.10%

* Projection

Health and Welfare Benefits

The District provides health and welfare benefits to its staff. Employees in the CSEA bargaining unit and management receive coverage that covers the single employee Kaiser Plan, dental and vision coverage. Members of APT that select the District provided medical programs receive up to \$5,000 toward a health care plan. Staff that choose non District medical plans are eligible for cash-in-lieu options. Adjustments are made to coverage and compensation based on FTE. The budget includes these costs in the multi year projections.

Multi-Year Projection Reserves

This First Interim Report projects an ending fund balance of \$32,961,064 of which \$20,791,317 are restricted. The projected total reserve (economic uncertainty and undesignated/unassigned) is 5.32% of total expenditures. In 2023/24 and 2024/25 we are projecting a moderate level of deficit spending that will reduce our reserve levels.

Fiscal Year	2022/23	2023/24	2024/25
Total Reserves* % of Expense	5.32%	5.18%	4.58%
Unrestricted Operating Surplus/Deficit	(\$4,249,761)	(\$795,272)	(\$1,138,150)
Projected Reserve Totals	\$11,574,073	\$10,778,801	\$9,640,650

* Economic Uncertainty and Undesignated/Unassigned

Summary of Restricted Ending Fund Balance

Over the past several years the state has expanded its categorical.restricted funding programs. While these funds are welcomed they do require significant additional work, staffing, and programming effort. Below is a recap of the major restricted programs and projected ending fund balances.

Restricted Programs	Projected Ending Fund Balance
Expanded Learning Opportunities Program	\$1,577,360
ESSA: Title III, English Learner Student Program	\$8
Educator Effectiveness, FY 2021-22	\$1,637,293
Special Education	\$125,994
Special Ed: Dispute Prevention and Dispute Resolution	\$426,275
Special Education Early Intervention Preschool Grant	\$140,330
Arts, Music, and Instructional Materials Discretionary Block Grant*	\$8,952,988*
A-G Access/Success Grant	\$294,679
A-G Learning Loss Mitigation Grant	\$61,761
Expanded Learning Opportunities (ELO) Grant: Paraprofessional Staff	\$328,267
Learning Recovery Emergency Block Grant	\$5,375,380
Other Restricted State	\$128,190
Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)	\$1,271,457
Other Restricted Local	\$471,335
Total, Restricted Balance	\$20,791,317

* Governor has proposed to reduce this funding by 1/3 in his 2023/24 Budget proposal

Other Funds

In the attachments is a report detailing out all of the district's other funds that cover specific programs and restricted funds. The district has nine other restricted funds that are for specific programs or functions such as Child Nutritional Services, Kids Club/Steam/Horizon, Adult Education, Facilities, and Other Post Employment Benefits. The details of the funds are attached in the appendix.

Conclusion

The Second Interim Report validates the district's positive certification and fiscal health. The State has provided significant one-time funds the last several years which has allowed the District to expand its services. The District must continue to carefully use

these funds to support its most critical programs. In addition to the current planning around the Block Grants, the District should also see the benefits of Proposition 28 which will provide funding to the schools for the Arts and Music Programs. These funds and programs should be leveraged to enhance the educational experience and support our most vulnerable students. Based on the current economic indicators and the Governors January 2023/24 Budget proposal it is clear that we are moving away from new large programs and there is a shift to maintain and sustain current programs. The State currently plans to fund the Statutory COLA at 8.13%. The LAO's Analysis indicates a cautionary note in the State's ability to fully fund the COLA if State revenue targets fall below assumptions. PUSD's Second Interim Report includes the assumption the State can fund the COLA at 8.13% and we have planned in our expenditures for 2023/24 a placeholder for negotiated compensation that uses a fairshare formula based on the 8.13% COLA. We believe this will help with our multi-year planning and make our budget more resilient. As we move into 2023/24 Budget Development we need to continue to maximize the use of one time funds while prudently planning ongoing expenditures to ensure prudent planning and fiscal resiliency as we head into more challenging economic times.

Attachments

- Multi-Year Budget - Attachment A
- General Fund Variance Report - Attachment B
- Staffing Report - Attachment C
- All Funds Report - Attachment D

Description	2022/2023			2023/2024			2024/2025		
	Projection			Projection			Projection		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
REVENUE									
LCFF	156,660,207	1,031,951	157,692,158	165,265,362	1,031,951	166,297,313	166,805,608	1,031,951	167,837,559
Federal		7,007,054	7,007,054		1,975,841	1,975,841		1,975,841	1,975,841
State	7,619,247	44,794,964	52,414,211	7,463,067	28,473,098	35,936,165	7,423,027	28,473,098	35,896,125
Local	1,625,369	3,122,299	4,747,668	1,518,985	1,493,069	3,012,054	1,518,985	1,493,069	3,012,054
TOTAL REVENUE	165,904,823	55,956,268	221,861,091	174,247,414	32,973,959	207,221,373	175,747,620	32,973,959	208,721,579
EXPENDITURES									
Certificated	77,391,294	18,752,995	96,144,289	80,443,662	18,557,467	99,001,129	80,833,926	18,882,223	99,716,149
Classified	14,723,662	11,011,271	25,734,933	15,725,636	11,559,955	27,285,592	16,000,835	11,762,254	27,763,089
Benefits	29,196,234	21,255,305	50,451,539	30,766,575	21,568,265	52,334,840	31,071,940	21,801,473	52,873,414
Books & Supplies	4,891,678	5,758,352	10,650,030	2,900,000	1,273,972	4,173,972	2,980,330	1,300,000	4,280,330
Services, Other Operating Expenses	14,280,501	18,196,582	32,477,083	14,148,938	9,377,103	23,526,041	14,540,864	9,425,000	23,965,864
Capital Outlay	338,223	414,238	752,461	50,000	500,000	550,000	50,000	500,000	550,000
Other Outgo	1,367,527	200,000	1,567,527	1,367,527	200,000	1,567,527	1,367,527	200,000	1,567,527
Direct Support/Indirect Costs	(2,294,652)	2,031,779	(262,873)	(2,294,652)	1,953,470	(341,182)	(2,294,652)	1,953,470	(341,182)
TOTAL EXPENDITURES	139,894,467	77,620,522	217,514,989	143,107,686	64,990,233	208,097,919	144,550,770	65,824,421	210,375,191
EXCESS OF REVENUES OVER EXPENDITURES	26,010,356	(21,664,254)	4,346,102	31,139,728	(32,016,274)	(876,546)	31,196,850	(32,850,462)	(1,653,612)
OTHER FINANCING SOURCES/USES									
Transfers In	729,218	-	729,218	65,000	-	65,000	65,000	-	65,000
Transfers Out	-	-	-	-	-	-	-	-	-
Sources									
Uses									
Cont. to Rest. Programs	(30,989,335)	30,989,335	-	(32,000,000)	32,000,000	-	(32,400,000)	32,400,000	-
Special Education	(25,304,691)	25,304,691	-	(26,200,000)	26,200,000	-	(26,500,000)	26,500,000	-
Restricted Routine Repair	(5,684,644)	5,684,644	-	(5,800,000)	5,800,000	-	(5,900,000)	5,900,000	-
Other Restricted									
TOTAL OTHER FIN. SOURCE/USES	(30,260,117)	30,989,335	729,218	(31,935,000)	32,000,000	65,000	(32,335,000)	32,400,000	65,000
NET INCREASE (DECREASE) IN FUND BALANCE	(4,249,761)	9,325,081	5,075,320	(795,272)	(16,274)	(811,546)	(1,138,150)	(450,462)	(1,588,612)
Beginning Fund Balance	16,419,508	11,466,236	27,885,744	12,169,747	20,791,317	32,961,064	11,374,475	20,775,044	32,149,518
Other Adjustment									
Audit Adjustments									
Other Restatements									
ENDING BALANCE, JUNE 30	12,169,747	20,791,317	32,961,064	11,374,475	20,775,044	32,149,518	10,236,324	20,324,582	30,560,907

Components of Fund Balance								
Revolving Cash	40,150		40,150	40,150		40,150	40,150	40,150
Stores	555,524		555,524	555,524		555,524	555,524	555,524
Prepaid Expenditures	-		-	-		-	-	-
General Reserve								
Legally Restricted Balances		20,791,317	20,791,317		20,775,044	20,775,044		20,324,582
Designated for:								
Econ. Uncertainties	6,525,450		6,525,450	6,242,938		6,242,938	6,311,256	6,311,256
Additional Board Designated Reserve - AR 3100	1,566,040		1,566,040	1,566,040		1,566,040	1,556,040	1,556,040
Undesignated / Unappropriated	3,482,583	-	3,482,583	2,969,823		2,969,823	1,773,355	1,773,355
TOTAL EXPENDITURES	217,514,989			208,097,919			210,375,191	
Adjusted Total Expenditures	217,514,989			208,097,919			210,375,191	
3.00% Minimum Reserve	6,525,450			6,242,938			6,311,256	
Over (Under) reserves	3,482,583			2,969,823			1,773,355	
	1.60%			1.43%			0.84%	
Total Reserve (Economic Uncertainty and Undesignated/Unappropriated)	11,574,073			10,778,801			9,640,650	
	5.32%			5.18%			4.58%	

**PLEASANTON UNIFIED SCHOOL DISTRICT
Variance Report - 2022/2023**

Unrestricted & Restricted General Fund	Original Budget	First Interim	Second Interim	Increase / (Decrease)	Percentage
BEGINNING FUND BALANCE	\$27,885,747	\$27,885,747	\$27,885,747	\$ -	0.00%
REVENUE					
LCFF Sources/Property Taxes (1)	153,037,845	157,888,876	157,692,158	(196,718)	-0.12%
Federal Revenues	6,055,715	6,913,373	7,007,054	93,681	1.36%
Other State Revenue (2)	33,558,759	51,592,609	52,414,211	821,602	1.59%
Other Local Revenue (3)	2,912,054	4,128,232	4,747,668	619,436	15.00%
TOTAL REVENUE	\$195,564,373	\$220,523,090	\$221,861,091	1,338,001	0.61%
EXPENDITURES					
Certificated Salaries (4)	94,738,878	95,921,971	96,144,289	222,318	0.23%
Classified Salaries (4)	26,884,840	26,096,469	25,734,933	(361,536)	-1.39%
Employee Benefits (4)	50,505,269	50,534,194	50,451,539	(82,655)	-0.16%
Books and Supplies (5)	6,999,762	10,676,635	10,650,030	(26,605)	-0.25%
Services, Operating Expenses (5)	21,871,863	28,919,345	32,477,083	3,557,738	12.30%
Capital Outlay	795,500	946,524	752,461	(194,063)	-20.50%
Other Outgo	1,567,527	1,567,527	1,567,527	-	0.00%
Direct Support/Indirect Costs	-150,504	-150,504	-262,873	(112,369)	74.66%
TOTAL EXPENDITURES	203,213,135	214,512,161	217,514,989	3,002,828	1.40%
OTHER FINANCING SOURCES					
Transfers In	531,000	540,278	729,218	9,278	1.75%
Contributions	-	-	-	-	-
Transfers Out and Other Uses	-	-	-	-	-
INCOME minus EXPENSES & TRANSFERS	(7,117,762)	6,551,207	5,075,320	(1,655,549)	23.26%
ENDING FUND BALANCE	\$20,767,985	\$34,436,954	\$32,961,067	(1,475,887)	-7.11%

- 1 Adjustment to revenue based upon current average daily attendance
- 2 Recognition of prior year revenue from lottery and summer assistance program
- 3 Increase in local revenue from donations
- 4 Changes to Salaries and Benefits including the recognition of savings on vacant positions, transfer of budget to contracted services, an additional cost from substitutes
- 5 Increase in costs for contracted services mainly related to Special Education

Designations	Original Budget	First Interim	Second Interim		
Nonspendable	\$660,300	\$653,472	\$595,674		
Tech Plan	\$0	\$0	\$0		
Textbooks	\$0	\$0	\$0		
Board Designation AR 3100	\$0	\$1,566,040	\$1,566,040		
LCAP					
Truck Replacement					
MAA					
Site (0207)					
Tech Plan					
Economic Uncertainties	\$6,098,394	\$6,435,365	\$6,525,450		
Restricted Fund	\$6,676,770	\$22,804,996	\$20,791,317		
Undesignated	\$14,009,291	\$2,977,081	\$7,531,531		

Unrestricted General Fund - 2022/23	Original Budget	First Interim	Second Interim	Increase / (Decrease)	Percentage
BEGINNING FUND BALANCE	16,419,511	16,419,511	16,419,511		0.00%
REVENUE					
LCFF Sources/Property Taxes	152,005,894	156,856,925	156,660,207	(196,718)	-0.13%
Federal Revenues	-	-	-	-	
Other State Revenue	6,339,237	7,368,995	7,619,247	250,252	3.40%
Other Local Revenue	1,418,985	1,507,068	1,625,369	118,301	7.85%
TOTAL REVENUE	159,764,116	165,732,988	165,904,823	171,835	0.10%
EXPENDITURES					
Certificated Salaries	75,733,477	76,556,731	77,391,294	834,563	1.09%
Classified Salaries	15,574,058	14,886,207	14,723,662	(162,545)	-1.09%
Employee Benefits	28,920,184	28,948,891	29,196,234	247,343	0.85%
Books and Supplies	4,647,636	5,716,697	4,891,678	(825,019)	-14.43%
Services, Operating Expenses	12,220,487	13,970,814	14,280,501	309,687	2.22%
Capital Outlay	195,500	341,300	338,223	(3,077)	-0.90%
Other Outgo	1,367,527	1,367,527	1,367,527	-	0.00%
Transfers of Indirect Costs	(2,152,972)	(2,103,974)	(2,294,652)	(190,678)	9.06%
TOTAL EXPENDITURES	136,505,897	139,684,193	139,894,467	210,274	0.15%
OTHER FINANCING SOURCES					
Transfers In/Out	531,000	540,278	729,218	188,940	35.58%
Other Sources/Uses				-	
Contributions	(31,190,606)	(31,376,626)	(30,989,335)	387,291	-1.24%
Categorical Programs				-	
Special Education	(25,505,692)	(25,694,982)	(25,304,691)	390,291	-1.53%
Restricted Routine Repair	(5,684,644)	(5,684,644)	(5,684,644)	-	0.00%
Transfers Out and Other Uses	-			-	
TOTAL - OTHER FINANCING	(30,659,606)	(30,836,348)	(30,260,117)	576,231	-1.88%
INCOME <i>minus</i> EXPENSES & TRANSFERS	(7,401,387)	(4,787,553)	(4,249,761)	537,792	
ENDING FUND BALANCE	9,018,124	11,631,958	12,169,750	537,792	5.96%

Restricted General Fund - 2022/23	Original Budget	First Interim	Second Interim	Increase / (Decrease)	Percentage
BEGINNING FUND BALANCE	\$11,466,236	\$11,466,236	\$11,466,236		0.00%
REVENUE					
LCFF Sources/Property Taxes	1,031,951	1,031,951	1,031,951	-	0.00%
Federal Revenues	6,055,715	6,913,373	7,007,054	93,681	1.36%
Other State Revenue	27,219,522	44,223,614	44,794,964	571,350	1.29%
Other Local Revenue	1,493,069	2,621,164	3,122,299	501,135	19.12%
TOTAL REVENUE	35,800,257	54,790,102	55,956,268	1,166,166	2.13%
EXPENDITURES					
Certificated Salaries	19,005,401	19,365,240	18,752,995	(612,245)	-3.16%
Classified Salaries	11,310,782	11,210,262	11,011,271	(198,991)	-1.78%
Employee Benefits	21,585,085	21,585,303	21,255,305	(329,998)	-1.53%
Books and Supplies	2,352,126	4,959,938	5,758,352	798,414	16.10%
Services, Operating Expenses	9,651,376	14,948,531	18,196,582	3,248,051	21.73%
Capital Outlay	600,000	605,224	414,238	(190,986)	-31.56%
Other Outgo	200,000	200,000	200,000	-	0.00%
Direct Support/Indirect Costs	2,002,468	1,953,470	2,031,779	78,309	4.01%
TOTAL EXPENDITURES	66,707,238	74,827,968	77,620,522	2,792,554	3.73%
OTHER FINANCING SOURCES					
Transfers In	-	-	-	-	
Contributions	31,190,606	31,376,626	30,989,335	(387,291)	-1.23%
Categorical Programs*					
Special Education	25,505,692	25,694,982	25,304,691	(390,291)	-1.52%
Restricted Routine Repair	5,684,644	5,684,644	5,684,644	-	0.00%
Transfers Out and Other Uses	-	-	-	-	
INCOME minus EXPENSES & TRANSFERS	283,625	11,338,760	9,325,081		
ENDING FUND BALANCE	11,749,861	22,804,996	20,791,317	(2,013,679)	-17.14%

Job Classification	Unrestricted General Fund	Supplemental Grant	Special Education	Routine Restricted	Categorical Programs	Donations/ Outside Billing	2022-23 2nd Interim	2022-23 1st Interim	increase (Decrease)
Superintendent	1.000	-	-	-	-	-	1.000	1.000	-
Deputy Superintendent	1.000	-	-	-	-	-	1.000	1.000	-
Assist Superintendent	2.000	-	-	-	-	-	2.000	2.000	-
Sr. Dir. HR	1.000	-	-	-	-	-	1.000	1.000	-
Sr. Dir. SPED/SELPA	-	-	2.000	-	-	-	2.000	2.000	-
Dir. Adult Ed and CTE	1.000	-	-	-	-	-	1.000	1.000	-
Dir. Elementary Curriculum	0.890	0.110	-	-	-	-	1.000	1.000	-
Dir. Secondary Curriculum	0.840	0.110	-	-	0.050	-	1.000	1.000	-
Dir. Educational Options	1.000	-	-	-	-	-	1.000	1.000	-
Dir. HR	1.000	-	-	-	-	-	1.000	1.000	-
Dir. Student Services	1.000	-	-	-	-	-	1.000	1.000	-
Assist Dir. SPED/SELPA	-	-	2.000	-	-	-	2.000	2.000	-
Coor HR/Induction	1.000	-	-	-	1.000	-	2.000	2.000	-
Coor Operations HS	2.000	-	-	-	-	-	2.000	2.000	-
Coor Early Literacy & Numeracy	0.500	0.500	-	-	-	-	1.000	1.000	-
Coor Student Services	2.000	-	-	-	-	-	2.000	2.000	-
Coor Innovation & Distance Lrn	1.000	-	-	-	-	-	1.000	1.000	-
Coor Equity & Access	-	0.200	0.800	-	-	-	1.000	1.000	-
Coor Projects	0.500	1.000	-	-	0.500	1.000	3.000	3.000	-
Principal Elem	9.000	-	-	-	-	-	9.000	9.000	-
Vice Principal Elem	9.000	-	-	-	-	-	9.000	9.000	-
Principal Middle S	3.000	-	-	-	-	-	3.000	3.000	-
Vice Principal Middle & Alter Ed	7.000	-	-	-	-	-	7.000	7.000	-
Principal HS	2.000	-	-	-	-	-	2.000	2.000	-
Vice Principal HS	7.000	-	-	-	-	-	7.000	7.000	-
Program Specialist -SPED	-	-	5.000	-	-	-	5.000	5.000	-
Subtotal CE-MG & Cabinet	54.730	1.920	9.800	-	1.550	1.000	69.000	69.000	-
Apt President	0.351	-	-	-	-	0.649	1.000	1.000	-
Behavior Specialist	-	-	7.000	-	-	-	7.000	8.000	(1.000)
Counselor 9-12	14.502	-	-	-	1.100	0.398	16.000	16.000	-
Counselor K-8	12.500	-	-	-	5.500	-	18.000	18.000	-
Dist Career Readiness Spec	0.200	0.300	-	-	-	0.500	1.000	1.000	-
Librarian	2.000	-	-	-	-	-	2.000	2.000	-
Mental Health Clinician	-	-	10.500	-	-	-	10.500	10.500	-
Nurse	3.000	-	-	-	3.000	-	6.000	6.000	-
Program Specialist	-	-	-	-	-	1.000	1.000	1.000	-
Psychologist	-	-	15.800	-	-	-	15.800	16.800	(1.000)
School Social Worker	1.000	3.000	-	-	1.000	-	5.000	5.000	-
Speech Therapist	-	-	18.300	-	-	-	18.300	18.300	-
Teacher	557.751	2.987	-	-	11.200	1.930	573.868	572.268	1.600
Teacher - SPED	-	-	81.400	-	-	-	81.400	80.200	1.200
TOSA Coach	-	-	-	-	5.000	-	5.000	5.000	-
TOSA	3.190	11.340	1.000	-	-	1.670	17.200	18.000	(0.800)
Subtotal APT	594.494	17.627	134.000	-	26.800	6.147	779.068	779.068	-
Certificated Staff (FTE)	649.224	19.547	143.800	-	28.350	7.147	848.068	848.068	-

Job Classification	Unrestricted General Fund	Supplemental Grant	Special Education	Routine Restricted	Categorical Programs	Donations/ Outside Billing	2022-23 2nd Interim	2022-23 1st Interim	increase (Decrease)
Assist Superintendent	1.000	-	-	-	-	-	1.000	1.000	-
Admin Assistant	4.000	-	-	-	-	-	4.000	4.000	-
Exec. Assistant Suplnt	1.000	-	-	-	-	-	1.000	1.000	-
Exec. Dir Research	0.800	0.100	-	-	0.100	-	1.000	1.000	-
Exec. Dir Operations	0.100	-	0.100	0.800	-	-	1.000	1.000	-
Exec. Dir Facilities Const	-	-	-	0.100	-	-	0.100	0.100	-
Exec. Dir Fiscal Services	1.000	-	-	-	-	-	1.000	1.000	-
CTO	1.000	-	-	-	-	-	1.000	1.000	-
Dir. Communications	1.000	-	-	-	-	-	1.000	1.000	-
Coor Benefit & Risks	1.000	-	-	-	-	-	1.000	1.000	-
Coor Custodian	0.800	-	-	0.200	-	-	1.000	1.000	-
Coor Fiscal Services	1.000	-	-	-	-	-	1.000	1.000	-
Coor HR Leaves	1.000	-	-	-	-	-	1.000	1.000	-
Coor IT/Data Tech	2.000	-	-	-	-	-	2.000	2.000	-
Coor Maint & Trans	-	-	-	1.000	-	-	1.000	1.000	-
Coor Pandemic	-	-	-	-	1.000	-	1.000	1.000	-
Coor Purchasing	1.000	-	-	-	-	-	1.000	1.000	-
Project Manager - Facilities	-	-	-	0.100	-	-	0.100	0.100	-
Subtotal CL-MG & Cabinet	16.700	0.100	0.100	2.200	1.100	-	20.200	20.200	-
Account Specialist	-	-	1.000	-	-	-	1.000	1.000	-
Admin Secretary	16.200	-	1.000	1.000	-	-	18.200	18.200	-
AP/AR	2.000	-	-	-	-	-	2.000	2.000	-
Assess Acctability Assistant	0.950	-	-	-	0.050	-	1.000	1.000	-
Assess Acctability Specialist	1.075	-	-	-	0.050	-	1.125	1.000	0.125
Assessment Analyst	0.500	0.500	-	-	-	-	1.000	1.000	-
Behavior Tech	-	-	11.375	-	-	-	11.375	10.563	0.813
Budget Analyst	3.000	-	-	-	-	-	3.000	3.000	-
Campus Safety Monitor -Sec	8.625	-	-	-	0.750	-	9.375	6.375	3.000
Child Welfare & Attend Spec.	1.750	0.875	-	-	-	-	2.625	2.625	-
Communication/EngagementAsst	1.000	-	-	-	-	-	1.000	1.000	-
Data Entry Technician	0.500	-	-	-	-	-	0.500	0.500	-
District Parent Liaison	-	8.000	-	-	1.000	-	9.000	8.000	1.000
Executive Secretary	6.500	-	2.000	1.900	-	-	10.400	9.400	1.000
Facilities Support Specialist	-	-	-	0.100	-	-	0.100	0.100	-
Graphics Specialist	1.000	-	-	-	-	-	1.000	1.000	-
Health Care Technician	-	-	1.625	-	1.000	-	2.625	2.625	-
Health Services Assistant	6.925	-	-	-	0.500	-	7.425	7.425	-
HR Analyst	4.000	-	-	-	-	-	4.000	4.000	-
HR Technician	3.000	-	-	-	-	-	3.000	3.000	-
HR Sub Services	1.000	-	-	-	-	-	1.000	1.000	-
Instructional Asst-Classroom	6.313	-	-	-	0.750	-	7.063	7.063	-
Instructional Materials Tech	1.000	-	-	-	-	-	1.000	1.000	-
IT Data Admin	1.000	-	-	-	-	-	1.000	1.000	-
IT Network Admin	2.000	-	-	-	-	-	2.000	2.000	-
IT Sr. Systems Admin	1.000	-	-	-	-	-	1.000	1.000	-
IT Student Infor Specialist	1.000	-	-	-	-	-	1.000	1.000	-
IT System Admin	1.000	-	-	-	-	-	1.000	1.000	-
IT Tech Specialist I	10.000	-	-	-	-	-	10.000	10.000	-
IT Tech Specialist II	2.000	-	-	-	-	-	2.000	2.000	-
IT Tech Specialist III	1.000	-	-	-	-	-	1.000	1.000	-
EEL ExpLrning Educator	-	-	-	-	2.250	-	2.250	0.500	1.750
EEL ExpLrning Site Lead	-	-	-	-	0.500	-	0.500	0.500	-
Library Media Assistant	10.000	-	-	-	-	2.625	12.625	12.625	9/2023 -
LD Library Media Support	1.000	-	-	-	-	-	1.000	1.000	-

Job Classification	Unrestricted General Fund	Supplemental Grant	Special Education	Routine Restricted	Categorical Programs	Donations/ Outside Billing	2022-23 2nd Interim	2022-23 1st Interim	increase (Decrease)
LD Graphics Specialist	1.000	-	-	-	-	-	1.000	1.000	-
LVN	1.000	-	2.438	-	-	-	3.438	2.625	0.813
MOT Custodian-I	21.200	-	-	5.300	-	-	26.500	26.500	-
MOT Custodian-II	8.000	-	-	2.000	-	-	10.000	10.000	-
MOT General Maint Worker	-	-	-	3.000	-	-	3.000	3.000	-
MOT GroundsKeeper	-	-	-	7.000	-	-	7.000	7.000	-
MOT HD Cust I	8.000	-	-	2.000	-	-	10.000	10.000	-
MOT HD Cust II	2.400	-	-	0.600	-	-	3.000	3.000	-
MOT HD Cust III	1.600	-	-	0.400	-	-	2.000	2.000	-
MOT HVAC	-	-	-	1.000	-	-	1.000	-	1.000
MOT LD Grounds Maint Worker	-	-	-	1.000	-	-	1.000	1.000	-
MOT LD Maint Worker	-	-	-	1.000	-	-	1.000	1.000	-
MOT LD Warehouse Worker	0.800	-	-	-	-	-	0.800	0.800	-
MOT Mechanic	0.300	-	0.700	-	-	-	1.000	1.000	-
MOT Night Lead Cust HS	1.600	-	-	0.400	-	-	2.000	2.000	-
MOT Skilled Maint Worker	-	-	-	6.000	-	-	6.000	7.000	(1.000)
MOT Van Driver	-	-	0.625	-	-	-	0.625	0.625	-
MOT BusDriver Safety Trner	-	-	1.000	-	-	-	1.000	-	1.000
MOT Warehouse Driver	2.000	-	-	-	-	-	2.000	2.000	-
Occupational Therapist	-	-	3.288	-	-	-	3.288	3.288	-
Office Specialist	1.406	-	-	-	1.000	-	2.406	2.406	-
Para I 504	0.813	-	-	-	-	-	0.813	3.938	(3.125)
Para III 504	4.625	-	-	-	-	-	4.625	2.313	2.313
Instructional Para	-	-	39.075	-	-	-	39.075	38.325	0.750
Para Mild/Mod	-	-	37.250	-	-	-	37.250	36.125	1.125
Para ExtendSupNeed	-	-	84.063	-	-	-	84.063	81.344	2.719
Para Specialty	-	-	2.438	-	-	-	2.438	2.438	-
Payroll Retirement Analyst	3.000	-	-	-	-	-	3.000	3.000	-
Preschool Assistant	0.750	-	3.000	-	-	-	3.750	3.750	-
Purchasing Specialist I	1.000	-	-	-	-	-	1.000	1.000	-
Purchasing Specialist II	2.000	-	-	-	-	-	2.000	2.000	-
Reading Intervention Supp Spec	-	6.750	0.750	-	0.750	-	8.250	8.250	-
Receptionist	1.000	-	-	-	-	-	1.000	1.000	-
Registrar	2.000	-	-	-	-	-	2.000	2.000	-
School Bus Driver	-	-	6.250	-	-	-	6.250	6.250	-
School Secretary	32.656	-	0.125	-	-	-	32.781	32.781	-
SPED Info System Specialist	-	-	2.000	-	-	-	2.000	2.000	-
Speech Lang Pathology Assist	-	-	2.438	-	-	-	2.438	2.438	-
Wellness Cntr Sup Spec	-	-	-	-	2.000	-	2.000	2.000	-
Workability Specialist	-	-	1.000	-	-	-	1.000	1.000	-
Workability Training Specialist	-	-	0.750	-	-	0.500	1.250	1.250	-
Workability Assistant	-	-	0.500	-	-	-	0.500	0.500	-
Youth Development Specialist	-	-	-	-	2.000	-	2.000	2.000	-
Subtotal CSEA	192.487	16.125	204.688	32.700	12.600	3.125	461.725	448.444	13.281
Classified Staff (FTE)	209.187	16.225	204.788	34.900	13.700	3.125	481.925	468.644	13.281
Total Certificated and Classified Staff (FTE)	858.411	35.772	348.588	34.900	42.050	10.272	1,329.993	1,316.712	13.281

**Pleasanton Unified School District
FY 22/23 Second Interim**

Special Revenue Funds	Adult Ed Fund 11	Child Development Fund 12	Cafeteria Fund 13	Enterprise Fund 63
BEGINNING FUND BALANCE	\$99,490	\$0	\$2,920,621	\$177,465
Revenue	\$1,056,678	\$1,475,716	\$5,775,364	\$5,418,420
Expenditures	\$1,053,438	\$1,475,716	\$5,407,192	\$4,602,830
Revenue Over (under) Expenses	3,240	-	368,172	815,590
Transfers In (Out)	\$0	\$0	\$0	-
ENDING FUND BALANCE	\$102,730	\$0	\$3,288,793	\$993,055

Special Reserve Funds	Non-Capital Fund 17	Non-Capital PSEE Fund 17	OPEB Fund 71	Capital Fund 40
BEGINNING FUND BALANCE	\$ 579,363	\$ 80,687	\$ 6,079,397	\$ 4,304,553
Revenue	\$1,000	\$100	\$150,000	\$32,490,304
Expenditures				\$31,268,316
Revenue Over (under) Expenses	\$1,000	\$100	\$150,000	\$1,221,988
Transfers In (Out)	\$ (580,363)	\$ (80,787)		\$ -
ENDING FUND BALANCE	\$0	\$0	\$6,229,397	\$5,526,541

Capital Outlay Funds	Capital Sycamore Fund 40	Deferred Maintenance Fund 14	Measure 11 Fund 21	Capital Facilities Fund 25
BEGINNING FUND BALANCE	\$ 7,205,646	\$114,378	\$104,673,463	\$1,648,922
Revenue	\$50,000	\$1,000	\$600,000	\$600,000
Expenditures	\$0	\$0	\$66,275,396	\$426,425
Revenue Over (under) Expenses	\$50,000	\$1,000	(65,675,396)	173,575
Transfers In (Out)	(50,000)	\$0	\$0	(17,700)
ENDING FUND BALANCE	\$7,205,646	\$115,378	\$38,998,067	\$1,804,797