

Budget Sub-Committee Meeting #3

Today we'll review travel expenditures, position control aligned with enrollment, and **proposed**

Total budget reductions totaling (\$1,217,434) for fiscal year 2026-27

Ongoing reductions of (\$969,674)

We also also discuss any new 2026-27 anticipated **expenditures totaling \$73,492**

Meeting Agenda Overview



Review of Current Multi-Year Projections

Analysis of Fund 01 multi-year financial projections and reserve levels.



Travel and Conference Review

Analysis of travel and conference attendance, focusing on cost-effectiveness and district priorities.



Position Control FTE Analysis

Review of full-time equivalent staffing (FTE) aligned with enrollment data for optimal resource allocation.



Reduction Recommendations

Staff, Program and Operational reduction recommendations for 2026-27, balancing educational equity and budgetary constraints.



New Ongoing Expenditures

Review of new essential staffing costs for 2026-27 driven by student needs.



Updated Multi-Year Projections

Review of revised multi-year projections reflecting recommended budget reductions.



Budget Process Timeline

Overview of key dates and milestones for stakeholder input prior to Budget Subcommittee and Board Study Session for the 2026-27 Budget Development Process

Review of Current Multi-Year Projection Fund 01

PGUSD has been deficit spending for over 6 years with no leveling of the reserves. If we continue down this path we are staring at low single digit reserves within this plus 4 subsequent years.

Note: the state requires a 3% reserve for economic uncertainty

Metric	2026-27 Projection <i>w/ 2% increase to salary & 0.5% increase to health and welfare</i>	2027-28 Projection <i>w/ step in column only</i>
Beginning Balance (combined)	\$5,171,212	\$3,159,938
Revenue	\$49,706,432	\$51,491,996
Expenditures	\$51,407,806	\$51,887,692
Deficit	(\$1,701,373) Unrestricted: (\$978,654) Restricted: (\$722,719)	(\$695,697) Unrestricted: (\$684,742) Restricted: (\$10,955)
Ending Fund Balance	\$3,159,938	\$2,464,243
Reserve Levels	5.6%	4.6%

 ***This multi-year projection highlights a continued declining trend in reserve levels***

Travel and Conference Expenditure Analysis

This analysis addresses the committee's request to examine travel and conference patterns across the district.

Our review covers all district-funded travel including:

- Administrator conferences
- Professional development seminars
- Curriculum adoption reviews
- Mandatory compliance training

[2-Year Comparative Data](#)

Two year Budget comparison of travel and conference.

[Travel and Conference by Unit](#)

Reimbursement data for 2025-26 for all units

Position Control and Enrollment Alignment

Strategic Staffing Framework

Our position control analysis focuses on three critical components:

- **Enrollment-Based Alignment:** Matching site staffing levels with current and projected enrollment
- **Funding Source Transitions:** Addressing positions that shifted from temporary one-time resources to ongoing General Fund obligations
- **Contractual Compliance:** Ensuring all staffing decisions comply with PGTA class size ratios

Enrollment-Based Staffing

Aligning FTE allocations with actual student enrollment across all sites to optimize resource distribution

Funding Source Transitions

Address positions moved from temporary funding to Unrestricted General Fund including Special Education RS 6500

Contractual Compliance

Maintaining adherence to PGTA CBA class size ratios

Contractual Class Size Ratios

Elementary School Requirements

Goal Ratios

- **Transitional Kindergarten:** 1:24 student-to-teacher ratio
- **Kindergarten through Grade 2:** 25:1 student-to-teacher ratio
- **Grades 3-5:** 28:1 student-to-teacher ratio

Maximum Ratios

- **TK:** 1:24 certificated and 1:12 adult ratio (1:10 with early enrollment students)
- **K-2:** 27:1 maximum student-to-teacher ratio
- **Grades 3-5:** 29:1 maximum student-to-teacher ratio

Secondary School Requirements

Middle School Standards

Base ratio: 1:26 student-to-teacher ratio

Specific exceptions apply for specialized courses, intervention programs, and certain elective classes as defined in the collective bargaining agreement.

High School Standards

Base ratio: 1:28 student-to-teacher ratio

Exceptions granted for Advanced Placement courses, specialized career technical education programs, and designated intervention sections.

These contractual obligations drive our projected staffing decisions

FTE to Enrollment Analysis 2025-26

Comprehensive Site Analysis

The detailed FTE to enrollment analysis for the 2025-26 academic year provides a site-by-site comparison of staffing allocations against actual and projected student enrollment numbers.



[Access Full Data](#)

This file contains site-specific data, enrollment projections, current FTE allocations, and change of funding to FTE from one-time to general fund

5

School Sites Analyzed

Comprehensive review across all elementary, middle, and high school locations

262.4 FTE

Total FTE Positions

Full-time equivalent positions evaluated against enrollment data

4%

Enrollment Variance

Average difference between projected and actual student counts

The spreadsheet reveals several critical patterns:

- Demographic shifts have created enrollment concentration changes, with some neighborhood schools experiencing growth while others face declining student populations
- Some grade levels show disproportionate staffing relative to student numbers by site
- Specialized program enrollment has fluctuated, affecting positions tied to specific categorical funding streams

Recommendations for 2026-27 Reductions

Staff has developed a strategic approach to necessary budget reductions for 2026-27 that balances fiscal responsibility with maintaining educational quality.

Key Principles:

1. Limit encroachment of restricted resources to the Unrestricted General Fund (UGF)
2. Maintain contractual compliance
3. Prioritize sustaining core curricular programs that drive student achievement
4. Adopt a balanced budget approach that may require reducing programs when supporting revenues are in decline



Protect Unrestricted Funds

Minimize encroachment from restricted resources to preserve flexibility in the Unrestricted General Fund



Honor Contractual Obligations

Ensure all reductions comply with existing agreements and collective bargaining requirements



Safeguard Core Programs

Preserve essential curricular programs that directly support student achievement and learning outcomes



Align Resources with Revenue

Balance the budget by adjusting programs when their supporting revenue streams decline

2026-27 Budget Reductions Discussion

To address budget constraints, the following reductions are under consideration by the committee:

Personnel Reductions



1. 1.0 FTE Digital Learning Teacher - **\$152,174**
2. 1.0 FTE Elementary Spanish Teacher - **\$146,398**
3. 1.0 FTE Elementary Teacher (Staffing to Enrollment)- **\$146,398**
4. 1.0 FTE MHT Itinerant **(No UGF Relief)** - **\$174,268**
5. 1.625 FTE Adult Transition Program Paraprofessionals (Staffing to Enrollment)- **\$78,006**
6. 1.0 FTE Community High School (Staffing to Enrollment) - **\$121,378**

Operational Reductions



1. 20% reduction to travel and conference - **\$23,271**
2. 5% reduction to materials and supplies - **\$55,897**
3. 100% reduction to SRO/Safety budget - **\$90,000**
4. [Elementary Summer School Program](#) - **\$65,836**
5. Freeze on Fund 14 transfer - **\$200,000**

Revenue & Program Adjustments



1. Increase Athletics Revenue - **\$30,000** (suggest pursuit of Athletic Gate Fees)
2. Shift GATE contribution to Site Funds between HS and MS- **\$6,192**

Summary

Personnel: Ongoing Unrestricted Fund 01 Relief: -\$644,355 | One Time Reduction: -\$174,268

Operational: Ongoing Fund 01 Relief: -\$169,168 | Measured Relief: -\$200,000

Revenue & Program: Ongoing Fund 01 Relief: +\$36,192

New Ongoing Expenditures 2026-27

Despite budget reductions, the district must address new essential ongoing expenditures for 2026-27 and beyond, driven by student needs and enrollment changes. We have one identified need for staffing, but as the Budget Development process continues this may change.



1.0 FTE Classified Health Clerk (PGHS)

-\$73,492 (including statutory benefits)

District Nurse, currently covering PGHS, must maintain a Districtwide role, requiring dedicated site-level support.

Total Budget Reductions Summary

Personnel Reductions

Total: \$818,622 (inc. 1-time)

- **Ongoing** Unrestricted Fund 01 Relief: \$644,354
- **One Time** Reduction no impact to UGF: \$174,268

Operational Reductions

Total: \$435,004

- **Ongoing** Fund 01 Relief: \$169,168
- **Measured** Relief (Fund 14 UGF Transfer): \$200,000

Revenue & Program Adjustments

Total: \$36,192+

- GATE to Site Funds: \$6,192+
- Additional Revenue: \$30,000+

New Ongoing Expenditures

Classified Health Clerk (PGHS)

1.0 FTE: **-\$73,492**

These new costs will impact the overall budget relief, totaling **+\$73,492**.

Overall Budget Relief Summary

Total Budget Reductions

(\$1,217,434) inc one-time

Less: New Ongoing Expenditures

+\$73,492



Net Multi-Year UGF Relief

(\$969,674)

Review of Updated Multi-Year Projection Fund 01

If the Sub Committee's recommendations are approved by the Board as laid out in this presentation here is the new Multi Year Projections for 2-subsequent fiscal years.

NOTE: There are no planned changes to Salary Schedule /Health and Welfare in the 2027-28 year projections aside from step in column

Metric	2026-27 Projection (Current)	2026-27 Projection (With Reductions)	2027-28 Projection (Current)	2027-28 Projection (With Reductions)
Beginning Balance (combined)	\$5,171,212	\$5,171,212	\$3,159,938	\$4,339,612
Revenue	\$49,706,432	\$49,706,432	\$51,491,996	\$51,491,996
Expenditures	\$51,407,806	\$50,438,132	\$51,887,692	\$50,918,018
Deficit/Surplus <i>including transfers out</i>	(\$1,701,373) Unrestricted: (\$978,654) Restricted: (\$722,719)	(\$831,600) Unrestricted: (\$314,695) Restricted: (\$516,905)	(\$695,697) Unrestricted: (\$684,742) Restricted: (\$10,955)	\$588,063 Unrestricted: \$599,018 Restricted: (\$10,955)
Ending Fund Balance	\$3,159,938	\$4,339,612	\$2,464,243	\$4,813,590
Reserve Levels	5.6%	8.0%	4.6%	9.1%

The Sub Committee's recommendations show a significant improvement

2026-27 reserve level increasing to a projected **8.0%** from the current **5.6%** projection

2027-28 reserve level increasing to a projected **9.1%** from the current **4.6%** projection

Budget Process Timeline

January 7th: Leadership Team Meeting

- Share budget subcommittee discussion points
- Gather input on potential ongoing reductions

Meeting with PGTA & CSEA

- Gather input from Bargaining Units on ongoing reductions

January 22nd – February 5th: Site Meetings

- Discuss proposed Board Information Item
- Summarize direction from Board Study Session

February 5th: Board Meeting

- Information Item – Budget Reductions 26/27

January 13th: Budget Subcommittee

- Review restricted resource positions in General Fund
- Overview of 2-year travel & conference
- Recommendations for budget reductions

January 22nd: Board Budget Study Session

- Revenue/Expenditure forecasting (MYPs)
- Federal & State budget impacts
- Review One-time vs. Ongoing Funding
- Analyze historical enrollment to staffing ratios
- Present subcommittee recommendations

February 2nd-4th: Community Information Session

- Provide information on proposed 2026-27 reductions

Next Steps

1

Committee Direction to Staff for Budget Study Session

What recommendations should be supported and shared at the Budget Study Session?

2

Committee Recommendation to Full Board

What changes, if any, would be made by the Committee to full Board following the Budget Study Session?