Alameda Unified School District

Second Interim Financial Report 2011-2012

March 13, 2012

AUSD – 2011-12 Second Interim
Outstanding Issues
Possibly Impacting the Proposed 2012-13 State Budget

Mandates: Governor proposes to eliminate half of existing reimbursable mandates and make the rest optional. LEA's that maintain services under optional mandates would receive funding through a new incentive block grant.

- **Weighted Pupil Formula:** The Governor proposes to combine revenue limit and most state categorical programs into a new funding system that would be phased in over a five-year period beginning FY 2012-13. Funds would be distributed based on a weighted allocation formula based on English Learner and low-income student populations.

- **Transitional Kindergarten:** Governor's budget does not fund the TK program and eliminates the requirement that schools provide TK beginning in FY 2012-13.

- **Child Care:** Governor's budget cuts child care by $517 million, by increasing welfare-to-work requirements, reducing income eligibility ceilings, and reduced reimbursement rates.

AUSD – 2011-12 Second Interim
Outstanding Issues
Programs which may be included in Weighted Formula

Apprentice Programs	Community Based English Tutoring
Summer School Programs	School Safety Block Grant
ROC/Ps	High School Class Size Reduction
Grade 7-12 Counseling	K-3 CSR
Foster Youth Programs (excluding county grants)	Advanced Placement Grant Programs
Specialized Secondary Program Grants	Student Leadership/CA Assoc. of Student Councils
Gifted and Talented	Pupil Retention Block Grant
Economic Impact Aid	Teacher Credentialing Block Grant
Prof. Development Institutes for Math and English	Professional Development Block Grant
Principal Training	Targeted Instructional Improvement Block Grant
Adult Education	School and Library Improvement Block Grant
Partnership Academies	School Safety Competitive Grant
Educational Technology	Physical Education Block Grant
Deferred Maintenance	Arts and Music Block Grant
Instructional Materials Block Grant	Certificated Staff Mentoring
Staff Development	Oral Health Assessments
National Board Certification	Alternative Credentialing
California School Age Families Ed. Program	District and COE Revenue Limits
California High School Exit Exam	Property Tax Revenue
Civic Education	

AUSD – 2011-12 Second Interim
Outstanding Issues
How will weighted Formula work?

- Base Grant, Per ADA	
- Supplemental Grant	37% of the "Base Grant"
- Concentration Grant	Available to districts with more than 50% of their unduplicated count of English Learners and Free & Reduced meal recipients
Phase in of the new funding formula	
2012-13	5%
2013-14	15%
2014-15	40%
2015-16	60%
2016-17	80%
2017-18	100%

AUSD – 2011-12 Second Interim
Outstanding Issues
Even if the tax initiative passes..

- "Protection" means holding general purpose funding for schools flat – but only if new temporary tax increases are passed.

- Home-to-school and special education transportation funding is totally eliminated whether the initiative passes or not.

- Even if the tax initiative passes, AUSD will still have to budget strategically to maintain solvency through state fiscal crisis.

AUSD – 2011-12 Second Interim
State Deferral Schedule for 2011-12

Month	Traditional Disbursement	Current Disbursement	Accumulated Shortfall
July	5.00%	0.00%	-5.00%
August	5.00%	0.00%	-10.00%
September	9.00%	11.70%	-7.30%
October	9.00%	0.00%	-16.30%
November	9.00%	9.00%	-16.30%
December	9.00%	9.00%	-16.30%
January	9.00%	25.30%	0.00%
February	9.00%	0.50%	-8.50%
March	9.00%	0.00%	-17.50%
April	9.00%	4.60%	-21.90%
May	9.00%	1.50%	-29.40%
June	9.00%	0.00%	-38.40%
Deferred to 2012-13	0.00%	38.40%	

AUSD – 2011-12 Second Interim
Cash Flow, General Fund, July 2011 to June 2012

Month	July 1, 2011 to October 31, 2011	November 30, 2011	December 31, 2011	January 31, 2012	February 1 to June 30, 2012
	Actual	Actual	Actual	Actual	Projected
Beginning Cash Balance	$4,579,091	$612,317	($1,955,310)	$6,093,583	$16,075,894
Total Receipts	$10,057,718	$3,802,914	$14,052,526	$16,708,287	$18,754,606
Total Disbursements	$23,342,612	$6,594,167	$2,556,663	$10,478,978	$41,971,733
Receivables	$15,591,288	$223,625	$626,301	$3,753,002	$14,519
Payables	$6,273,167		$4,073,270		$16,214
Ending Cash Balance	$612,317	($1,955,310)	$6,093,583	$16,075,894	($7,142,929)

Balances in Restricted Funds may be used to backfill cash shortage in General Fund on temporary basis. Cash may be borrowed from the Special Reserve Fund at year end.

AUSD – 2011-12 Second Interim
Multi-Year Projections and Assumptions

Categories	11/12	12/13	13/14
	(Projected)	(Projected)	(Projected)
Enrollment and ADA			
District Enrollment (CBEDS)	9,231	9,269	9,255
District ADA-Actual/Projected	8,847	8,884	8,884
K3 Class Sizes	25:1	20:1	20:1
Charter School ADA	1,338	1,480	1,552
Revenues			
Revenue Limit COLA Statutory	2.24%	3.17%	2.40%
Revenue Limit Deficit	20.60%	21.67%	21.67%
State Categorical Tiers II & III			
Trigger Cuts		($370)/ADA	($370)/ADA
Revenue Limit w/ Statutory COLA	$ 6,530.41	$ 6,738.81	$ 6,900.91
Revenue Limit w/Deficit COLA	$ 5,185.01	$ 5,278.78	$ 5,405.76
Proposed Funded RL ($370/ADA Reduction	$ 5,185.01	$ 4,908.78	$ 5,035.76

AUSD – Second Interim 2011-12,
Budget, General Fund, Combined (Including Categorical)

	Unrestricted	Tier 3	Restricted	Measure A	Total
REVENUES					
Revenue Limit	$ 45,266,184		$ 1,839,795		$ 47,105,979
Federal	$ 78,696		$ 6,017,641		$ 6,096,337
Other State	$ 3,312,419	$ 6,097,137	$ 3,288,635		$ 12,698,191
Other Local	$ 797,131		$ 6,671,008		$ 7,468,139
Old A & H	$ 375,699				$ 375,699
Parcel Tax				$ 12,164,400	$ 12,164,400
Revenues	**$ 49,830,129**	**$ 6,097,137**	**$ 17,817,079**	**$ 12,164,400**	**$ 85,908,745**
EXPENDITURES					
Salaries & Benefits	$ 37,005,289	$ 1,594,093	$ 19,109,735	$ 10,473,295	$ 68,182,412
Books/Supplies & Outlay	$ 1,663,812	$ 1,637,802	$ 3,707,227	$ 361,866	$ 7,370,707
Services & Op. Expenses	$ 6,178,400	$ 600,628	$ 7,781,537	$ 849,238	$ 15,409,803
Other Outgo & Transfers	$ 1,826,049	$ 3,028	$ 1,310,948	$ 480,000	$ 3,620,025
Expenditures	**$ 46,673,550**	**$ 3,835,551**	**$ 31,909,447**	**$ 12,164,400**	**$ 94,582,948**
Other Sources (Uses)	$ (8,017,794)	$ (3,341,292)	$ 11,359,086		$ -
Net Inc/Dec in Fund Bal.	$ (4,861,215)	$ (1,079,706)	$ (2,733,282)	$ (0)	$ (8,674,203)
Beginning Balance	**$ 10,711,460**	$ 1,079,706	$ 3,157,283		**$ 14,948,449**
Adjustments					**$ -**
Ending Balance	**$ 5,850,245**	**$ -**	**$ 424,001**	**$ (0)**	**$ 6,274,246**

AUSD – 11-12 Second Interim
Multi-Year Projections, Unrestricted General Fund, including Tier III, Prior to Contingencies

	11/12	12/13	13/14
REVENUES	**(Projected)**	**(Projected)**	**(Projected)**
Revenue Limit	$ 45,266,184	$ 43,069,642	$ 44,197,728
Federal	$ 78,696	$ 78,696	$ 78,696
Other State	$ 9,409,556	$ 10,467,602	$ 10,639,008
Other Local	$ 797,131	$ 827,131	$ 827,131
Old A & H	$ 375,699		
Revenues	**$ 55,927,266**	**$ 54,443,071**	**$ 55,742,563**
EXPENDITURES			
Salaries & Benefits	$ 38,599,382	$ 42,544,855	$ 42,946,613
Books/Supplies & Outlay	$ 3,301,614	$ 1,609,301	$ 1,647,924
Services & Operating Expenses	$ 6,779,028	$ 6,650,278	$ 6,809,885
Other Outgo & Transfers	$ 1,829,077	$ (1,390,433)	$ (1,407,782)
Expenditures	**$ 50,509,101**	**$ 49,414,001**	**$ 49,996,640**
Other Sources (Uses)	$ (11,359,086)	$ (11,980,728)	$ (12,268,265)
Net Inc/Dec in Fund Balance	$ (5,940,921)	$ (6,951,658)	$ (6,522,342)
Beginning Balance	**$ 11,791,166**	**$ 5,850,245**	**$ (1,101,413)**
Adjustments		**$ -**	**$ -**
SACS Ending Balance	**$ 5,850,245**	**$ (1,101,413)**	**$ (7,623,755)**

AUSD – 11-12 Second Interim
Contingencies to Unrestricted General Fund, Including Tier III

	11/12	12/13	13/14
CONTINGENCIES			
Revolving Cash	$ 50,000	$ 50,000	$ 50,000
Districtwide Vacation Liability	$ 556,960	$ -	$ -
Mental Health Contingency	$ 500,000	$ -	$ -
NET ENDING FUND BAL	**$ 4,743,285**	**$ (1,151,413)**	**$ (7,673,755)**

AUSD – 11-12 Second Interim
Multi-Year Projections, Unrestricted General Fund, including Tier III, Including Contingencies, without Utilizing Reserves

	11/12	12/13	13/14
REVENUES	(Projected)	(Projected)	(Projected)
Revenue Limit	$ 45,266,184	$ 43,069,642	$ 44,197,728
Federal	$ 78,696	$ 78,696	$ 78,696
Other State	$ 9,409,556	$ 10,467,602	$ 10,639,008
Other Local	$ 797,131	$ 827,131	$ 827,131
Parcel Tax (Old A & H)	$ 375,699		
Revenues	**$ 55,927,266**	**$ 54,443,071**	**$ 55,742,563**
EXPENDITURES			
Salaries & Benefits	$ 38,599,382	$ 42,544,855	$ 42,946,612
Books/Supplies & Outlay	$ 3,301,614	$ 1,609,301	$ 1,647,924
Services & Operating Expenses	$ 6,779,028	$ 6,650,278	$ 6,809,885
Other Outgo & Transfers	$ 1,829,077	$ (1,390,433)	$ (1,407,782)
Expenditures	**$ 50,509,101**	**$ 49,414,001**	**$ 49,996,639**
Other Sources (Uses)	$ (11,359,086)	$ (11,980,728)	$ (12,268,265)
Net Inc/Dec in Fund Balance	$ (5,940,921)	$ (6,951,658)	$ (6,522,342)
Beginning Balance	**$ 11,791,166**	**$ 5,850,245**	**$ (1,101,413)**
Adjustments		**$ -**	**$ -**
SACS Ending Balance	**$ 5,850,245**	**$ (1,101,413)**	**$ (7,623,755)**
Revolving Cash	$50,000	$50,000	$50,000
Districtwide Vacation Liability	$556,960	0	0
Mental Health Contingency	$500,000	0	0
NET ENDING FUND BAL	**$ 4,743,285**	**$ (1,151,413)**	**$ (7,673,755)**

AUSD – 2011-12 Second Interim
Components of Special Reserve Fund for 2011-12

Beginning Balance	$	5,719,355
Net Increase (Decrease)	$	2,927,932
Ending Balance	$	8,647,287
Components of Ending Balance		
Statutory Reserve for Economic Uncertainties	$	2,837,480
Reserve for Multiyear Commitment	$	5,809,807

AUSD – 2011-12 Second Interim
Unrestricted General Fund including Tier III , Utilizing Reserves

	11/12	12/13	13/14
REVENUES	(Projected)	(Projected)	(Projected)
Revenue Limit	$ 45,266,184	$ 43,069,642	$ 44,197,728
Federal	$ 78,696	$ 78,696	$ 78,696
Other State	$ 9,409,556	$ 10,467,602	$ 10,639,008
Other Local	$ 797,131	$ 827,131	$ 827,131
Parcel Tax (Old A & H)	$ 375,699		
Revenues	**$ 55,927,266**	**$ 54,443,071**	**$ 55,742,563**
EXPENDITURES			
Salaries & Benefits	$ 38,599,382	$ 42,544,855	$ 42,946,612
Books/Supplies & Outlay	$ 3,301,614	$ 1,609,301	$ 1,647,924
Services & Operating Expenses	$ 6,779,028	$ 6,650,278	$ 6,809,885
Other Outgo & Transfers	$ 1,829,077	$ (1,390,433)	$ (1,407,782)
Expenditures	**$ 50,509,101**	**$ 49,414,001**	**$ 49,996,639**
Other Sources (Uses)	$ (11,359,086)	$ (11,980,728)	$ (12,268,265)
Net Inc/Dec in Fund Balance	$ (5,940,921)	$ (6,951,658)	$ (6,522,342)
Beginning Balance	**$ 11,791,166**	**$ 5,850,245**	**$ (1,101,413)**
Adjustments		**$ -**	**$ -**
SACS Ending Balance	**$ 5,850,245**	**$ (1,101,413)**	**$ (7,623,755)**
Revolving Cash	$50,000	$50,000	$50,000
Districtwide Vacation Liability	$556,960	0	0
Mental Health Contingency	$500,000	0	0
NET ENDING FUND BAL	**$ 4,743,285**	**$ (1,151,413)**	**$ (7,673,755)**
Fund 17 Available Reserves	**$ 8,647,287**	**$ 8,647,287**	**$ 8,647,287**
3% Statutory Reserve	$ (2,837,488)	$ (2,800,000)	$ (2,800,000)
Reserve Balance	$ 5,809,799	$ 5,847,287	$ 5,847,287
Call on Reserve		$ (1,151,413)	$ (7,673,761)
Surplus / (Cuts)	**$ 5,809,799**	**$ 4,695,874**	**$ (1,826,474)**

AUSD – 2011-12 Second Interim, Multi-Year Projections
SACS Unrestricted General Fund including Tier III

	11/12	12/13	13/14
REVENUES			
Revenue Limit	$ 45,266,184	$ 43,069,642	$ 44,197,728
Federal	$ 78,696	$ 78,696	$ 78,696
Other State	$ 9,409,556	$ 10,467,602	$ 10,639,008
Other Local	$ 797,131	$ 827,131	$ 827,131
Old A & H	$ 375,699	$ -	$ -
Revenues	**$ 55,927,266**	**$ 54,443,071**	**$ 55,742,563**
EXPENDITURES			
Salaries & Benefits	$ 38,599,382	$ 42,544,855	$ 42,946,612
Books/Supplies & Outlay	$ 3,301,614	$ 1,609,301	$ 1,647,924
Services & Operating Expenses	$ 6,779,028	$ 6,650,278	$ 6,809,885
Other Outgo & Transfers	$ 1,829,077	$ (1,390,433)	$ (1,407,782)
Expenditures	**$ 50,509,101**	**$ 49,414,001**	**$ 49,996,639**
Other Sources (Uses)	$ (11,359,086)	$ (10,828,728)	$ (7,573,006)
Strategic Cuts Implemented in 13/14	$ -	$ -	$ (1,826,495)
Net Inc/Dec in Fund Balance	$ (5,940,921)	$ (5,799,658)	$ (587)
Beginning Balance	**$ 11,791,166**	**$ 5,850,245**	**$ 50,587**
SACS Ending Balance	**$ 5,850,245**	**$ 50,587**	**$ 50,000**
CONTINGENCIES			
Revolving Cash	$ 50,000	$ 50,000	$ 50,000
Districtwide Vacation Liability	$ 556,960	$ -	$ -
Mental Health Contingency	$ 500,000	$ -	$ -
NET ENDING FUND BAL	**$ 4,743,285**	**$ 587**	**$ -**