
Public Hearing and Approval of First Interim Budget

December 11, 2012

Fiscal Update

Proposition 30

- Passage is a step in the right direction. It's a TIE!
- No new Programmatic Funding
- Temporary Funding
 - Sales Tax increase expires at the end of 2016 & Income Tax increase expires at the end of 2018
- Flat funding for 2012-13, still below 2007-08 level
- The State will set up Education Protection Account (EPA). Guidance on the handling of EPA Funds is forthcoming

Fiscal Update (Continued)

- Change in Base Revenue Limit calculation - Weighted Student Formula
- Federal Crisis “Fiscal Cliff”
 - Title 1 and IDEA Funding may be reduced by up to 8%
- Tier III Flexibility ends at the end of FY 14-15
- K3-CSR Flexibility ends at the end of FY 13-14
- Cash Management continues to be a challenge and will be monitored closely
- Cautious approach with focus on multi-year strategy

AUSD – 2012-2013, First Interim Assumptions

- Proposition 30 increase, approximately \$4Million
- 68 I-20 Foreign Students for 2012-13, 20 each in 2013-14 and 2014-15
- CSEA salary increase is recognized in 2013-14 and 2014-15
- 7 FTE teacher contingencies budgeted in 2013-14 and 2014-15
- K3-CSR flexibility removed in 2014-15
- Contribution to Parcel Tax in 2012-13, 2013-14 and 2014-15
- Implementation of Board Policy 3100 to reserve the equivalent of at least one month's salary and benefit's cost in 2012-13

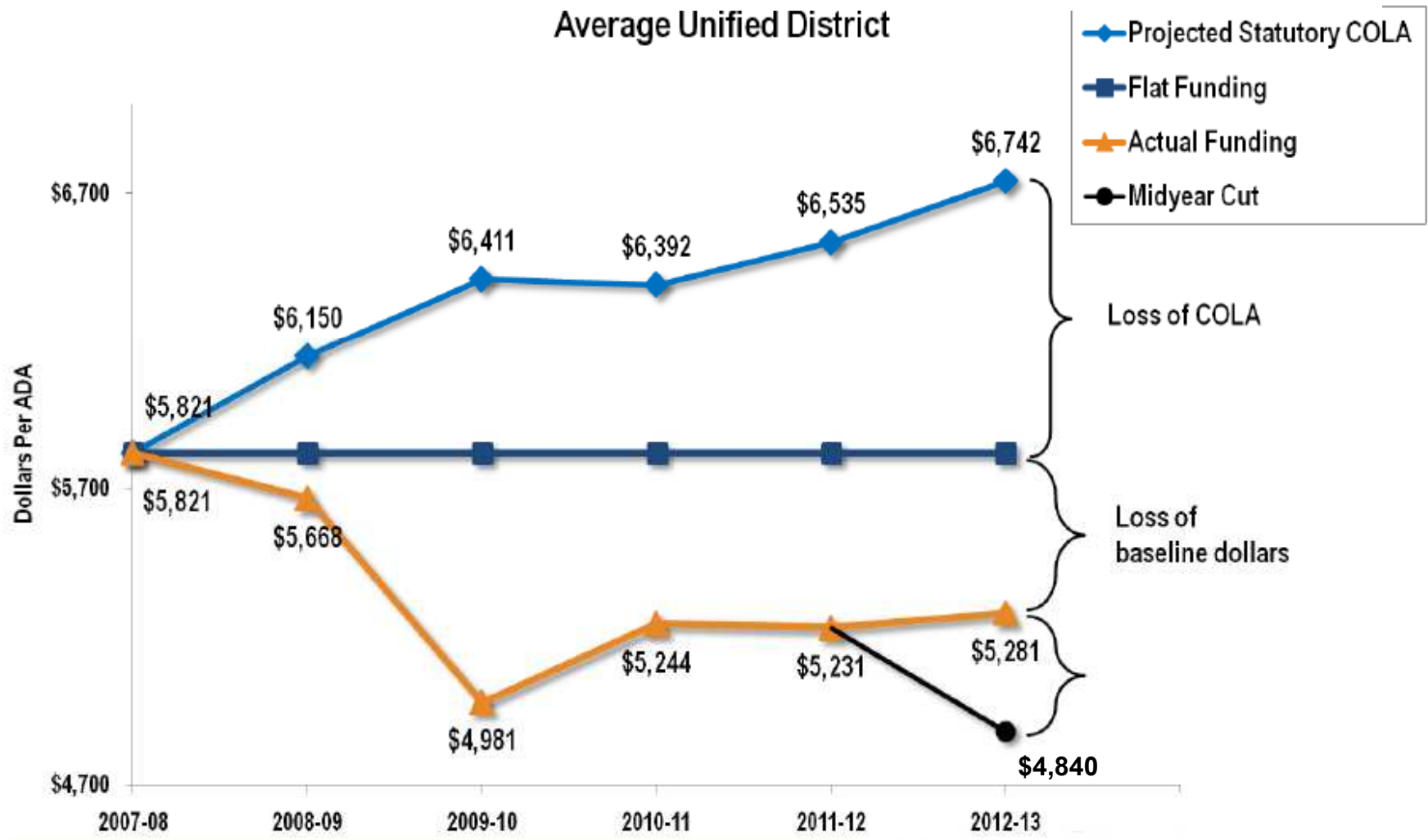
AUSD – 2012-2013 , First Interim Glossary of Terms

Certificated	Teachers, Substitute Teachers, Counselors, Principals, Vice-Principals, Nurses, Psychologists, Directors in Education Services, Superintendent
Classified	Office Managers, Accountants, Custodians, Food Service Assistants, Directors in Business Services
Supplies	Classroom Supplies, Textbooks, Janitorial Supplies, Office Supplies, Technology Equipment
Services	Utility Bills, Legal Fees, Insurance, Software Subscriptions, Internet Access, Special Education Non-Public Schools
Other Outgo	Transfer of Indirect Cost from Restricted to Unrestricted Funds, Debt Payment
Other Sources & Uses	Contribution to Restricted Programs, primarily Special Education, Student Transportation

AUSD – 2012-2013 , First Interim Multi-Year Projections and Assumptions

Benefit	Percentage	Employee Group
State Teachers' Retirement System	8.25%	Certificated
Public Employees' Retirement System	13.02%	Classified
Social Security (FICA)	6.20%	Classified
Medicare	1.45%	Certificated & Classified
Health & Welfare	Varies	Certificated & Classified
State Unemployment Insurance	1.23%	Certificated & Classified
Workers' Comp	2.02%	Certificated & Classified
Other Post Employment Benefits	1.08%	Certificated & Classified

Prop. 30 Update



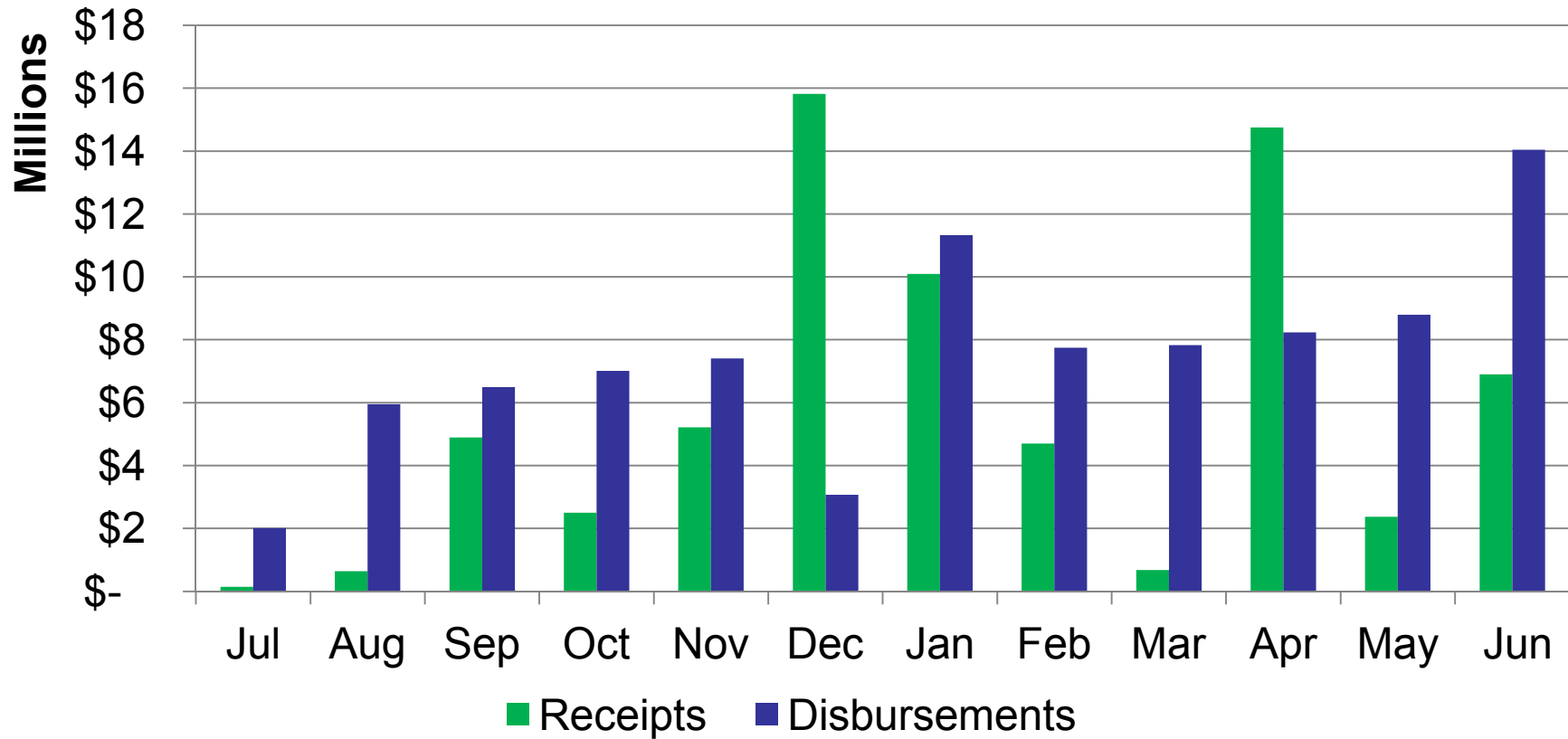
AUSD – 12-13 First Interim Cash Flow, General Fund

Month	Jul	Aug	Sep	Oct	Nov	Dec-Jun
	Actual	Actual	Actual	Actual	Projected	Projected
Beginning Cash Balance	\$1,640,024	\$5,515,541	\$1,075,227	\$241,165	(\$4,350,712)	(\$6,111,564)
Receipts:						
Current Year	\$145,009	\$639,573	\$4,896,178	\$2,495,173	\$5,213,183	\$55,309,410
Prior Year Activity in Current Year	\$10,998,514	\$1,525,853	\$651,165	\$660,811	\$1,028,306	\$6,191,873
Disbursements:						
Current Year	(\$2,014,582)	(\$5,951,585)	(\$6,498,280)	(\$7,011,912)	(\$7,403,973)	(\$61,029,606)
Prior Year Activity in Current Year	(\$5,253,424)	(\$654,155)	\$116,875	(\$735,949)	(\$598,368)	(\$1,039,453)
Ending Cash Balance	\$5,515,541	\$1,075,227	\$241,165	(\$4,350,712)	(\$6,111,564)	(\$6,679,340)

Cash Balances in Restricted Funds may be used to backfill cash shortage in General Fund on temporary basis

AUSD – 12-13 First Interim

Current Year Receipts vs. Current Year Expenditures



AUSD – 2012-2013, First Interim Effect of Loss in State Funding

	2011-12	2012-13	2013-14	2014-15
District ADA	8889	8889	8889	8889
Deficit	20.60%	22.27%	22.27%	22.27%
Deficit Amount per ADA	(1,345)	(1,502)	(1,540)	(1,581)
Base Revenue Limit	6,530	6,744	6,912	7,098
Funded Revenue Limit	5,185	5,242	5,372	5,517
Funding Shortfall / ADA	1,345	1,502	1,540	1,581
Loss in RL due to deficit	(11,955,705)	(13,351,278)	(13,689,060)	(14,053,509)
Cumulative Funding Loss	(11,955,705)	(25,306,983)	(38,996,043)	(53,049,552)

What if ?

Loss without the passage of Prop 30	(11,955,705)	(17,395,773)	(17,733,555)	(18,098,004)
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AUSD – 2012-2013, First Interim Multi-Year Projections and Assumptions

Categories	11/12	12/13	13/14	14/15
	Actual	Projected	Projected	Projected
Enrollment and ADA				
District Enrollment (CBEDS)	9,231	9,295	9,295	9295
District ADA-Actual/Projected	8,889	8,889	8,889	8889
District ADA-Funded	8,889	8,889	8,889	8889
Charter Schools Resident ADA	1,030	1,135	1,153	1169
Revenues				
Revenue Limit COLA Statutory	2.24%	3.24%	2.00%	2.30%
Revenue Limit Deficit	20.602%	22.272%	22.272%	22.272%
Revenue Limit Net Change	-1.06%	1.08%	0.00%	2.30%
State Categorical Tiers II and III	2.24%	3.24%	2.00%	2.30%
Base Revenue Limit w/Statutory COLA	\$6,530	\$6,744	\$6,912	\$7,098
Base Revenue Limit Funded	\$0	\$5,242	\$5,372	\$5,517

AUSD – 2012-2013 , First Interim Budget – General Fund

	Unrestricted		Restricted		Total
	Unrestricted without Tier III	Tier III	Restricted without Parcel Tax	Parcel Tax	General Fund
REVENUES					
Revenue Limit	\$ 45,795,991		\$ 1,849,738		\$ 47,645,729
Federal	\$ 64,518		\$ 4,741,439		\$ 4,805,957
Other State	\$ 3,568,576	\$ 6,180,448	\$ 3,710,315		\$ 13,459,339
Other Local	\$ 1,828,087		\$ 5,182,817		\$ 7,010,904
Parcel Tax	\$ 94			\$ 12,118,504	\$ 12,118,598
Revenues	\$ 51,257,266	\$ 6,180,448	\$ 15,484,309	\$ 12,118,504	\$ 85,040,527
EXPENDITURES					
Salaries & Benefits	\$ 38,382,140	\$ 1,807,066	\$ 17,727,651	\$ 10,560,089	\$ 68,476,946
Books/Supplies & Outlay	\$ 2,475,554	\$ 890,495	\$ 5,977,949	\$ 614,352	\$ 9,958,350
Services & Op. Expenses	\$ 6,394,074	\$ 701,007	\$ 6,838,022	\$ 419,307	\$ 14,352,410
Other Outgo & Transfers	\$ (1,494,239)		\$ 1,422,558	\$ 355,200	\$ 283,519
Expenditures	\$ 45,757,529	\$ 3,398,568	\$ 31,966,180	\$ 11,948,948	\$ 93,071,225
Other Sources (Uses)	\$ (9,552,410)	\$ (3,248,985)	\$ 12,556,410	\$ (359,294)	\$ (604,279)
Net Inc/Dec in Fund Bal.	\$ (4,052,673)	\$ (467,105)	\$ (3,925,461)	\$ (189,738)	\$ (8,634,977)
Beginning Balance	\$ 11,616,431	\$ 467,105	\$ 3,926,812	\$ 189,738	\$ 16,200,087
Ending Balance	\$ 7,563,758	\$ -	\$ 1,352	\$ -	\$ 7,565,110

AUSD – 2012-2013 , First Interim Multi-Year Projections Unrestricted General Fund, including Tier III

	2012-13	2013-14	2014-15
<u>REVENUES</u>			
Revenue Limit	\$ 45,795,991	\$ 46,728,186	\$ 47,820,330
Federal	\$ 64,518	\$ 64,518	\$ 64,518
Other State	\$ 9,749,024	\$ 9,488,600	\$ 7,643,109
Other Local	\$ 1,828,181	\$ 1,473,263	\$ 1,473,263
Revenues	\$ 57,437,714	\$ 57,754,567	\$ 57,001,220
<u>EXPENDITURES</u>			
Salaries & Benefits	\$ 40,189,206	\$ 41,235,471	\$ 41,643,472
Books/Supplies & Outlay	\$ 3,366,049	\$ 1,562,343	\$ 1,601,402
Services & Operating Expenses	\$ 7,095,081	\$ 7,250,657	\$ 6,874,177
Other Outgo & Transfers	\$ (1,369,960)	\$ (1,369,960)	\$ (1,369,960)
Expenditures	\$ 49,280,376	\$ 48,678,511	\$ 48,749,091
Other Sources (Uses)	\$ (12,677,116)	\$ (12,924,748)	\$ (13,059,833)
Net Inc/Dec in Fund Balance	\$ (4,519,778)	\$ (3,848,692)	\$ (4,807,704)
Beginning Balance	\$ 12,083,536	\$ 7,563,758	\$ 3,715,067
Ending Balance	\$ 7,563,758	\$ 3,715,066	\$ (1,092,637)
<u>CONTINGENCIES</u>			
Revolving Cash	\$ 50,000	\$ 50,000	\$ 50,000
Innovative Schools	\$ 544,144	\$ -	\$ -
Planned Unfunded COLA		\$ 932,154	\$ 1,864,308
Unassigned/Unappropriated	\$ 6,969,614	\$ 2,732,912	\$ (3,006,945)

AUSD – 2012-2013 , First Interim Components of Fund Balance – Unrestricted General Fund

	2012-13	2013-14	2014-15
Beginning Fund Balance, July 1	\$12,083,536	\$7,563,758	\$3,715,066
Net Increase (Decrease) in Fund Balance	(\$4,519,778)	(\$3,848,692)	(\$4,807,704)
Ending Fund Balance, June 30	\$7,563,758	\$3,715,066	(\$1,092,638)
Components of Ending Fund Balance			
Revolving Cash	\$50,000	\$50,000	\$50,000
Innovative Schools	\$544,144		
Planned Unfunded COLA		\$932,154	\$1,864,308
Unassigned/Unappropriated	\$6,969,614	\$2,732,912	-\$3,006,946

AUSD – 2012-2013 , First Interim Fund 17, Special Reserve Fund for other than Capital Outlay Projects

	2012-13	2013-14	2014-15
Fund 17, Ending Fund Balance, June 30	\$ 8,676,421	\$ 8,676,421	\$ 8,676,421
Statutory Reserve for Economic Uncertainty	\$ 2,810,265	\$ 2,810,265	\$ 2,810,265
Supplemental Reserve per Board Policy 3100*	\$ 5,866,156	\$ 5,866,156	\$ 2,859,211
Interfund Transfer to General Fund	\$ -	\$ -	3,006,945
Unassigned/Unappropriated	0	0	0
*Supplemental Reserver equal to one month's salary			

Reserve Fund will be \$3 Million less than what is required by the AUSD Board of Education

AUSD – 2012-2013 , First Interim Multi-Year Projections 2012-13 through 2014-15 Unrestricted General Fund, including Tier III (SACS Format)

	2012-13	2013-14	2014-15
REVENUES			
Revenue Limit	\$ 45,795,991	\$ 46,728,186	\$ 47,820,330
Federal	\$ 64,518	\$ 64,518	\$ 64,518
Other State	\$ 9,749,024	\$ 9,488,600	\$ 7,643,109
Other Local	\$ 1,828,181	\$ 1,473,263	\$ 1,473,263
Revenues	\$ 57,437,714	\$ 57,754,567	\$ 57,001,220
EXPENDITURES			
Salaries & Benefits	\$ 40,189,206	\$ 41,235,471	\$ 41,643,472
Books/Supplies & Outlay	\$ 3,366,049	\$ 1,562,343	\$ 1,601,402
Services & Operating Expenses	\$ 7,095,081	\$ 7,250,657	\$ 6,874,177
Other Outgo & Transfers	\$ (1,494,239)	\$ (1,369,960)	\$ (1,369,960)
Expenditures	\$ 49,156,097	\$ 48,678,511	\$ 48,749,091
Other Sources (Uses)	\$ (12,801,395)	\$ (12,924,748)	\$ (10,052,888)
Net Inc/Dec in Fund Balance	\$ (4,519,778)	\$ (3,848,692)	\$ (1,800,759)
Beginning Balance	\$ 12,083,536	\$ 7,563,758	\$ 3,715,067
Ending Balance	\$ 7,563,758	\$ 3,715,066	\$ 1,914,308
CONTINGENCIES			
Revolving Cash	\$ 50,000	\$ 50,000	\$ 50,000
Innovative Schools	\$ 544,144	\$ -	\$ -
Planned Unfunded COLA		\$ 932,154	\$ 1,864,308
Unassigned/Unappropriated	\$ 6,969,614	\$ 2,732,912	\$ 0

Includes
\$3 Million
Transfer from
Special Res.,
Fund 17

AUSD – 2012-2013 , First Interim Multi-Year Projections 2012-13 through 2014-2015 Restricted General Fund (SACS Format)

	2012-13	2013-14	2014-15
<u>REVENUES</u>			
Revenue Limit	\$ 1,849,738	\$ 1,849,738	\$ 1,849,738
Federal	\$ 4,741,439	\$ 4,442,363	\$ 4,482,590
Other State	\$ 3,710,315	\$ 3,778,003	\$ 3,857,401
Other Local	\$ 5,182,817	\$ 4,736,385	\$ 4,736,385
Parcel Tax	\$ 12,118,504	\$ 12,164,000	\$ 12,164,000
Revenues	\$ 27,602,813	\$ 26,970,489	\$ 27,090,114
<u>EXPENDITURES</u>			
Salaries & Benefits	\$ 28,287,740	\$ 28,061,790	\$ 28,330,041
Books/Supplies & Outlay	\$ 6,592,301	\$ 3,837,676	\$ 3,838,548
Services & Operating Expenses	\$ 7,257,329	\$ 5,846,150	\$ 5,830,386
Other Outgo & Transfers	\$ 1,777,758	\$ 2,150,972	\$ 2,150,972
Expenditures	\$ 43,915,128	\$ 39,896,589	\$ 40,149,947
Other Sources (Uses)	\$ 12,197,116	\$ 12,924,748	\$ 13,059,833
Net Inc/Dec in Fund Balance	\$ (4,115,199)	\$ (1,352)	\$ -
Beginning Balance	\$ 4,116,550	\$ 1,352	\$ (0)
Legally Restricted Fund Balance*	\$ 1,352	\$ (0)	\$ (0)
Unassigned/Unappropriated	\$ -	\$ -	\$ -

AUSD – 2012-2013 , First Interim Multi-Year Projections 2012-13 through 2014-15 Combined General Fund (SACS Format)

	2012-13	2013-14	2014-15
REVENUES			
Revenue Limit	\$ 47,645,729	\$ 48,577,924	\$ 49,670,068
Federal	\$ 4,805,957	\$ 4,506,881	\$ 4,547,108
Other State	\$ 13,459,339	\$ 13,266,603	\$ 11,500,510
Other Local	\$ 7,010,998	\$ 6,209,648	\$ 6,209,648
Parcel Tax	\$ 12,118,504	\$ 12,164,000	\$ 12,164,000
Revenues	\$ 85,040,527	\$ 84,725,056	\$ 84,091,334
EXPENDITURES			
Salaries & Benefits	\$ 68,476,946	\$ 69,297,261	\$ 69,973,513
Books/Supplies & Outlay	\$ 9,958,350	\$ 5,400,019	\$ 5,439,950
Services & Operating Expenses	\$ 14,352,410	\$ 13,096,807	\$ 12,704,563
Other Outgo & Transfers	\$ 283,519	\$ 781,012	\$ 781,012
Expenditures	\$ 93,071,225	\$ 88,575,099	\$ 88,899,038
Other Sources (Uses)	\$ (604,279)	\$ -	\$ 3,006,944 *
Net Inc/Dec in Fund Balance	\$ (8,634,977)	\$ (3,850,043)	\$ (1,800,760)
Beginning Balance	\$ 16,200,087	\$ 7,565,110	\$ 3,715,068
Ending Balance	\$ 7,565,110	\$ 3,715,067	\$ 1,914,308
CONTINGENCIES			
Revolving Cash	\$ 50,000	\$ 50,000	\$ 50,000
Innovative Schools	\$ 544,144	\$ -	\$ -
Planned Unfunded COLA		\$ 932,154	\$ 1,864,308
Legally Restricted Fund balance	\$ 1,352		
Unassigned/Unappropriated	\$ 6,969,614	\$ 2,732,913	\$ (0)

\$3 Million
Transfer from
Special Res.,
Fund 17

*Slide revised from the original on 12/11/12 to reflect transfer from Fund 17

AUSD – 2012-2013 , First Interim

OTHER FUNDS

	Adult Education	Child Development	Child Nutrition
	Fund 11	Fund 12	Fund 13
REVENUES			
Federal	\$ 191,617		\$ 1,431,528
State		\$ 1,088,629	\$ 100,000
Local	\$ 136,000	\$ 140,600	\$ 533,955
Revenues	\$ 327,617	\$ 1,229,229	\$ 2,065,483
EXPENDITURES			
Salaries & Benefits	\$ 740,544	\$ 1,214,685	\$ 1,116,908
Supplies	\$ 25,909	\$ 7,242	\$ 827,644
Services & Operating Expenses	\$ 90,067	\$ 1,448	\$ 36,700
Capital Outlay	\$ 200,781	\$ 48,000	\$ 400,000
Other Outgo & Transfers		\$ 86,347	\$ 92,120
Expenditures	\$ 1,057,301	\$ 1,357,722	\$ 2,473,372
Parcel Tax Transfer			
Other Sources (Uses)	\$ 480,000	\$ 124,279	
Net Inc/Dec in Fund Balance	\$ (249,684)	\$ (4,214)	\$ (407,889)
Beginning Balance	\$ 249,684	\$ 70,791	\$ 917,226
Ending Balance	\$ -	\$ 66,577	\$ 509,337
Commitments & Assignments			
Legally Restricted Ending Fund Balance	\$ -	\$ 66,577	\$ 509,337
Unassigned/Unappropriated	\$ -	\$ -	\$ -

AUSD – 2012-2013 , First Interim

OTHER FUNDS (cont.)

	Deferred Maintenance Fund 14	Building Measure C Fund 21	Capital Facilities Fund 25	School Facilities Fund 35	Special Reserve Capital Outlay Fund 40
REVENUES					
Federal					
State	\$ 371,548			\$ 2,000,000	
Local		\$ 2,500	\$ 278,527		\$ 409,710
Parcel Tax					
Revenues	\$ 371,548	\$ 2,500	\$ 278,527	\$ 2,000,000	\$ 409,710
EXPENDITURES					
Salaries & Benefits					\$ 100,373
Supplies			\$ 4,799		\$ 1,095
Services & Operating Expenses	\$ 25,000	\$ 39,500	\$ 102,950		\$ 408,816
Capital Outlay	\$ 263,800	\$ 2,695,740	\$ 19,853		\$ 1,387,855
Other Outgo & Transfers			\$ 29,179		
Expenditures	\$ 288,800	\$ 2,735,240	\$ 156,781	\$ -	\$ 1,898,139
Other Sources (Uses)					
Net Inc/Dec in Fund Balance	\$ 82,748	\$ (2,732,740)	\$ 121,746	\$ 2,000,000	\$ (1,488,429)
Beginning Balance	\$ 1,486,861	\$ 2,732,740	\$ 1,601,081		\$ 4,344,302
Ending Balance	\$ 1,569,609	\$ -	\$ 1,722,827	\$ 2,000,000	\$ 2,855,873
Commitments & Assignments					
Facilities Related Projects	\$ 1,569,609				\$ 2,855,873
COP Loan Repayment			\$ 1,169,784		
Boys & Girls Club Pass Through				\$ 2,000,000	
Legally Restricted Ending Fund Balance			\$ 553,043		
Unassigned/Unappropriated	\$ -	\$ -	\$ -	\$ -	\$ 0