

Alameda Unified School District

2012-13 Second Interim Financial Report

March 12, 2013

Fiscal Update

- Local Control Funding Formula
 - Hold harmless
 - Restoration of Base Revenue
 - District Funding Targets
 - 5 Year Cap on English Language Learner (ELL) Eligibility
 - Programs outside of LCFF
 - Federally Funded Programs
 - Special Education
 - After School Education & Safety
 - Child Nutrition
 - Preschool
 - Mandate Block Grant
 - Transportation
 - Targeted Instructional Improvement Grant (TIIG)

Fiscal Update (Continued)

Program Funds Included in the Local Control Funding Formula (LCFF)	
Administrator Training Program	Civic Education
Adult Education	Community-Based English Tutoring
Adults in Correctional Facilities	Deferred Maintenance
Advanced Placement Grant	Revenue Limit
Agricultural Vocational Education	Economic Impact Aid
Alternative Credentialing	Educational Technology
Apprentice Programs	Gifted & Talented Education
Art & Music Block Grant	Grade 7-12 Counseling
CA High School Exit Exam	High School Class Size Reduction
CA School Age Families Education	Instructional Materials Block Grant
Certificated Staff Mentoring	K-3 Class Size Reduction
Charter Schools Block Grant	National Board Certification

Fiscal Update (Continued)

- Growth of \$1.6 Billion in Proposition 98 Funding
- Usage of \$2.2 Billion of one time revenue to buy down inter-year deferrals; elimination of inter-year deferrals by 2016-17
- Additional Funding for Mandates in 13-14
- 1.65% Cost of Living Adjustment (COLA)

Assumptions

- Maintains implementation of the Board Policy 3100 to reserve the equivalent of at least one month's salary and benefits' cost in 2012-13
- Ongoing eRate credits in 2013-14 & 2014-15
- Ongoing mandated block grant funding in 2013-14 and 2014-15
- Ongoing strategic budget realignment of \$1.2Million in 2013-14 & 2014-15
- Does not include financial impact of the AUSD-AEA Tentative Agreement signed on February 28, 2013

Assumptions (Continued)

- Sixty eight (68) I-20 students for 2012-13, twenty (20) each in 2013-14 & 2014-15
- Includes on-going 1.5% salary increase for CSEA 860 & 27 bargaining units approved on May 15th and May 22nd, 2012, respectively
- Seven (7) FTE teacher contingencies budgeted in 2013-14 & 2014-15
- K3-Class Size Reduction (CSR) flexibility removed in 2014-15, pending further clarification from the State
- Contribution to parcel tax in 2012-13, 2013-14 & 2014-15

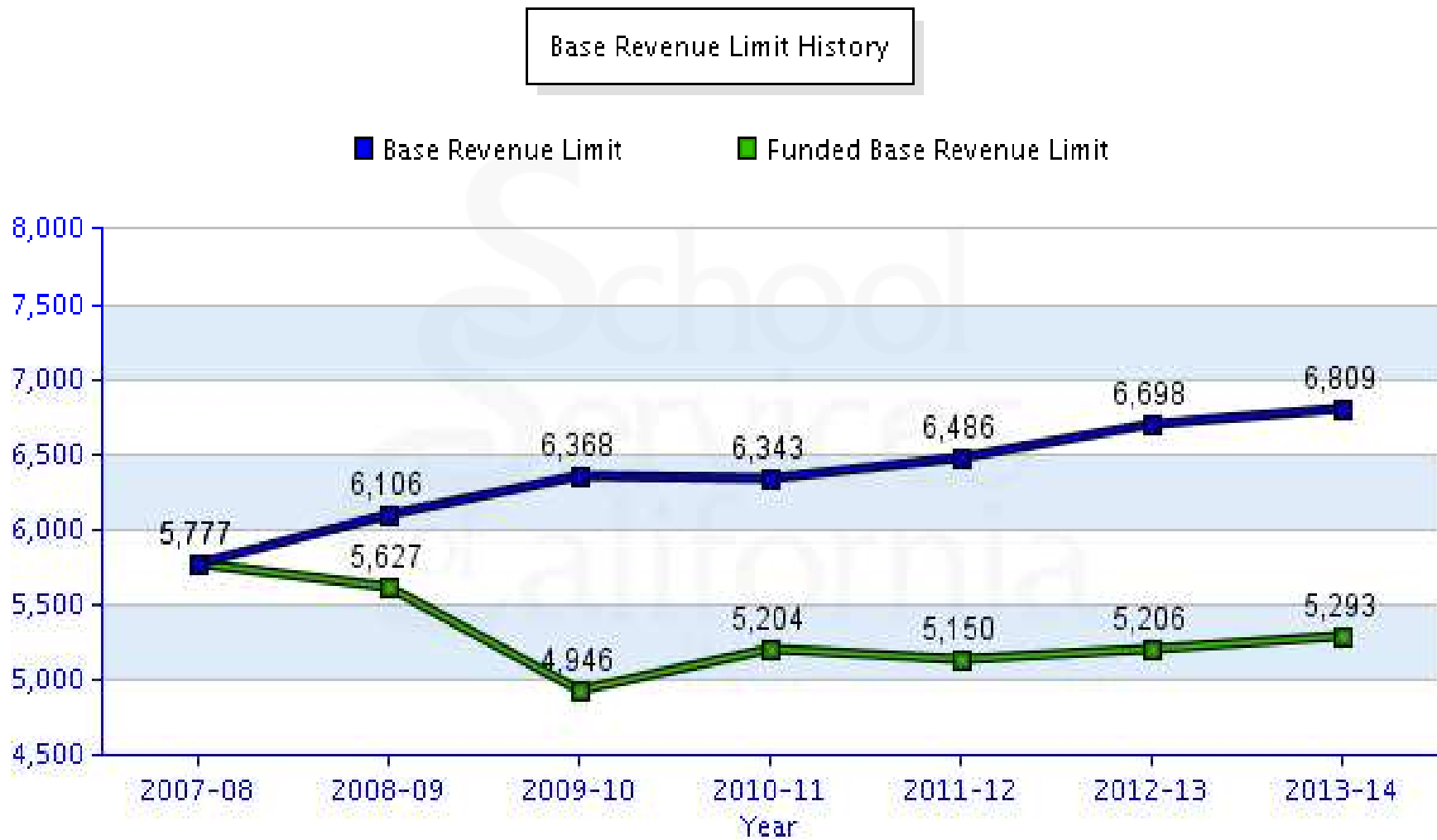
Glossary of Terms

Certificated	Teachers, Substitute Teachers, Counselors, Principals, Vice Principals, Nurses, Psychologists, Ed. Services Mgmt., Superintendent, etc.
Classified	Office Managers, Accountants, Custodians, Food Service Assistants, Business Services Mgmt., etc.
Benefits	Unemployment Insurance, Retirement Contributions, Workers' Compensation, Social Security, etc.
Supplies	Classroom Supplies, Text Books, Janitorial Supplies, Office Supplies, Technology Equipment, etc.
Services	Utility Bills, Insurance, Field Trips, Special Education Non-Public Schools, Duplication, Legal Fees, etc.
Other Outgo	Transfer of indirect cost from Restricted to Unrestricted funds, Debt Payment, etc.
Other Sources & Uses	Contribution to Restricted Programs, primarily Special Education and Special Education Transportation, WoodStock Child Development Center, etc.

Glossary of Terms

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

Base Revenue Limit History



2012-2013, Second Interim

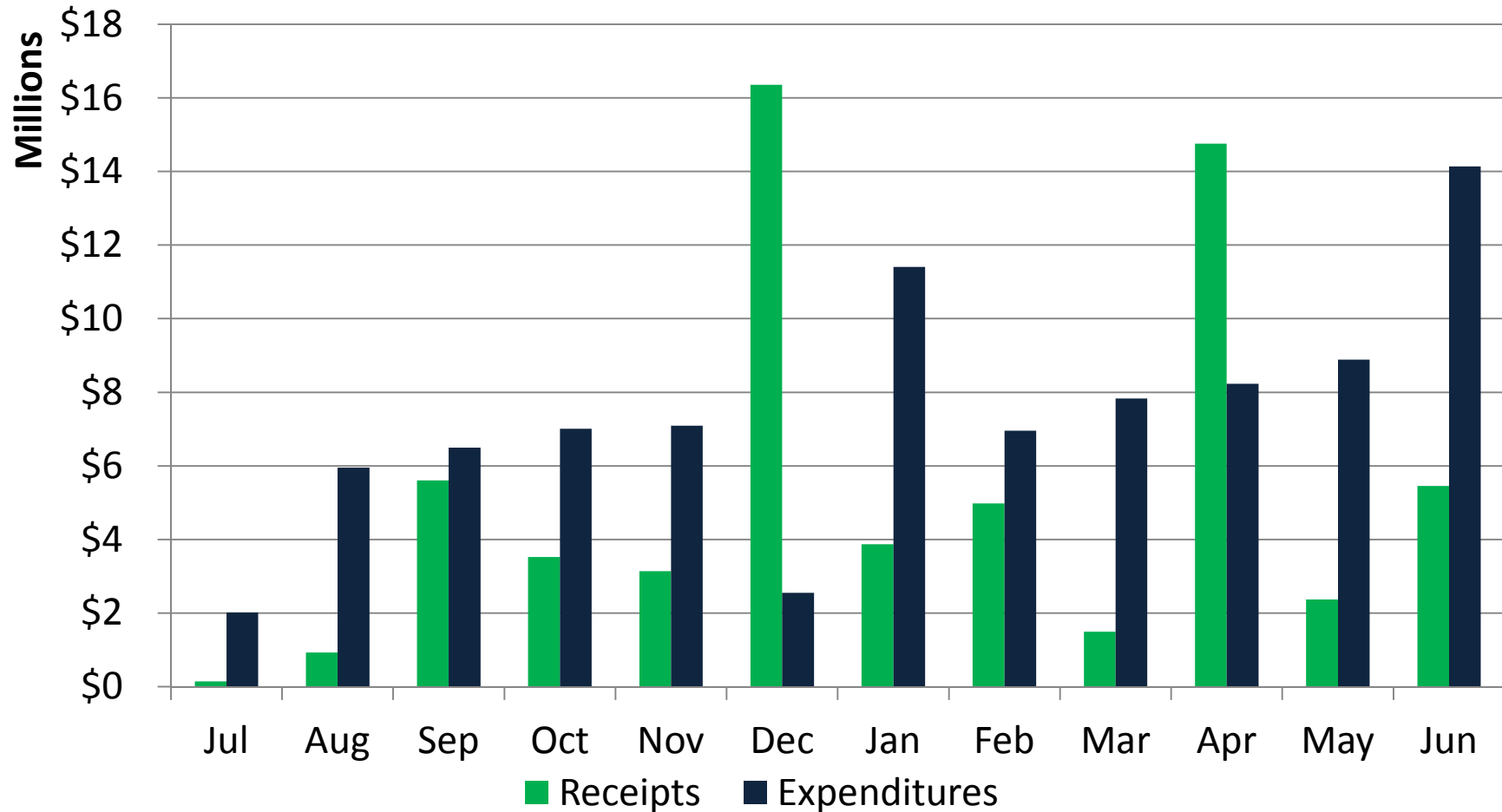
Cash Flow, General Fund

Month	July 1, 2012 - Jan 31, 2013	February	March	April	May	June 30, 2013
	Actual	Projected	Projected	Projected	Projected	Projected
Beginning Cash Balance	\$1,640,024	\$6,183,471	\$4,176,529	(\$1,894,682)	\$4,888,127	(\$1,370,873)
Receipts:						
Current Year	\$33,575,133	\$4,976,569	\$1,496,659	\$14,752,903	\$2,368,410	\$2,506,462
Prior Year Activity in Current Year	\$21,377,352	\$259,437	\$259,437	\$259,437	\$259,437	\$259,437
Disbursements:						
Current Year	(\$42,527,917)	(\$6,959,135)	(\$7,827,767)	(\$8,229,531)	(\$8,886,847)	(\$14,136,927)
Prior Year Activity in Current Year	(\$7,881,121)	(\$283,813)	\$460	\$0	\$0	\$0
Ending Cash Balance	\$6,183,471	\$4,176,529	(\$1,894,682)	\$4,888,127	(\$1,370,873)	(\$12,741,901)

Cash Shortages are caused by the “deferral” program implemented by the State of California to address the State’s ongoing cash shortage by delaying the payment to the School District. Cash balances in the AUSD’s Restricted Funds may be used to backfill cash shortage in General Fund on temporary basis

2012-2013, Second Interim

Current Yr. Receipts vs. Expenditures



2012-2013, Second Interim

Effect of Loss in State Funding

	2011-12	2012-13	2013-14	2014-15
District ADA	8889	8889	8889	8889
Base Revenue Limit	\$ 6,530	\$ 6,744	\$ 6,856	\$ 6,959
Deficit Factor	20.60%	22.27%	22.27%	22.27%
Deficit Amount per ADA	\$ (1,345)	\$ (1,502)	\$ (1,527)	\$ (1,550)
Funded Revenue Limit	\$ 5,185	\$ 5,242	\$ 5,329	\$ 5,409

	2011-12	2012-13	2013-14	2014-15
Loss in Revenue Limit due to Deficit Factor	\$ 11,955,705	\$ 13,351,278	\$ 13,573,503	\$ 13,777,950
Cumulative Funding Loss	\$ 11,955,705	\$ 25,306,983	\$ 38,880,486	\$ 52,658,436

Multi-Year Projections & Assumptions

Categories	2012-13	2013-14	2014-15
	Projected	Projected	Projected
Enrollment & ADA			
District Enrollment (CBEDS)	9,295	9,295	9,295
District ADA	8,889	8,889	8,889
District ADA-Funded	8,889	8,889	8,889
Charter Schools Resident ADA	1,398	1,470	1,473
Revenues			
Revenue Limit COLA Statutory	3.240%	1.650%	2.200%
Revenue Limit Deficit	22.272%	22.272%	22.272%
Revenue Limit Net Change	1.080%	1.650%	2.200%
State Categorical Tier II & III	0.000%	1.650%	2.200%
Base Revenue Limit w/ Statutory COLA	\$ 6,744	\$ 6,856	\$ 7,007
Base Revenue Limit Funded	\$ 5,242	\$ 5,329	\$ 5,446

2012-2013, Second Interim

Budget – General Fund

	Unrestricted		Restricted		Total
	Unrestricted without Tier III	Tier III	Restricted without Parcel Tax	Parcel Tax	General Fund
REVENUES					
Revenue Limit	\$ 45,872,075		\$ 1,836,081		\$ 47,708,156
Federal	\$ 64,518		\$ 4,749,728		\$ 4,814,246
Other State	\$ 3,568,575	\$ 6,272,582	\$ 3,790,041		\$ 13,631,198
Other Local	\$ 1,902,905		\$ 5,447,810	\$ 23,153	\$ 7,373,868
Parcel Tax	\$ 94		\$ -	\$ 11,870,947	\$ 11,871,041
Revenues - Total	\$ 51,408,167	\$ 6,272,582	\$ 15,823,660	\$ 11,894,100	\$ 85,398,509
EXPENDITURES					
Salaries & Benefits	\$ 38,388,019	\$ 1,494,303	\$ 17,855,026	\$ 10,582,319	\$ 68,319,667
Books/Supplies & Capital Exp.	\$ 2,294,924	\$ 994,102	\$ 5,824,707	\$ 594,101	\$ 9,707,834
Services & Op. Exp.	\$ 5,996,474	\$ 669,238	\$ 6,719,838	\$ 417,328	\$ 13,802,878
Other Outgo & Transfers	\$ (1,362,880)		\$ 1,429,166	\$ 835,200	\$ 901,486
Expenditures - Total	\$ 45,316,537	\$ 3,157,643	\$ 31,828,737	\$ 12,428,948	\$ 92,731,865
Other Sources (Uses)	\$ (8,841,331)	\$ (3,582,044)	\$ 12,078,265	\$ 345,110	\$ -
Net Inc (Dec) in Fund Bal.	\$ (2,749,701)	\$ (467,105)	\$ (3,926,812)	\$ (189,738)	\$ (7,333,356)
Beginning Balance	\$ 11,616,431	\$ 467,105	\$ 3,926,812	\$ 189,738	\$ 16,200,086
Ending Balance	\$ 8,866,730	\$ -	\$ -	\$ -	\$ 8,866,730

2012-2013, Second Interim

Changes - 1st Interim to 2nd Interim Reporting

Restoration of Tier III due to increased Categorical funding	\$ 333,059
Revenue Limit, State Aid (Prior Year)	\$ 78,512
Increase in Other State Funding (Adult Education, ROP & Supplemental Funding)	\$ 92,133
Other Local	\$ 74,818
Special Ed. Vacancy & NPS Contract Savings	\$ 478,114
Utilities Adjustments	\$ 167,575
Parcel Tax Contributions	\$ (224,404)
eRate Credits (Prior Years)	\$ 219,700
Restoration of Unrestricted General Fund due to McKinney Vento Entitlement	\$ 52,496
Miscellaneous Savings (ROP Oversight, Inter-Program)	\$ 30,963
Total, Unrestricted General Fund Savings	\$ 1,302,966

2012-2013, Second Interim

Multi-Year Projections, Unrestricted General Fund, Including Tier III

	2012-13	2013-14	2014-15
REVENUES			
Revenue Limit	\$ 45,872,075	\$ 46,565,739	\$ 47,609,172
Federal	\$ 64,518	\$ 64,518	\$ 64,518
Other State	\$ 9,841,157	\$ 10,000,733	\$ 7,988,222
Other Local	\$ 1,902,999	\$ 1,548,081	\$ 1,548,081
Revenues - Total	\$ 57,680,749	\$ 58,179,071	\$ 57,209,993
EXPENDITURES			
Salaries & Benefits	\$ 39,882,322	\$ 40,567,994	\$ 41,018,596
Books/Supplies & Capital Expenditures	\$ 3,289,026	\$ 1,370,839	\$ 1,403,739
Services & Operating Expenditures	\$ 6,665,712	\$ 6,458,308	\$ 6,060,905
Other Outgo & Transfers	\$ (1,362,880)	\$ (1,369,520)	\$ (1,369,520)
Expenditures - Total	\$ 48,474,180	\$ 47,027,621	\$ 47,113,720
Other Sources (Uses)	\$ (12,423,375)	\$ (12,704,569)	\$ (13,079,064)
Net Inc (Dec) in Fund Balance	\$ (3,216,806)	\$ (1,553,119)	\$ (2,982,791)
Beginning Balance	\$ 12,083,536	\$ 8,866,730	\$ 7,313,611
Ending Balance	\$ 8,866,730	\$ 7,313,611	\$ 4,330,820
Components of Ending Fund Balance			
Revolving Cash	\$ 50,000	\$ 50,000	\$ 50,000
Innovative Schools	\$ 544,143		
Unassigned/Unappropriated	\$ 8,272,587	\$ 7,263,611	\$ 4,280,820

2012-2013, Second Interim

Fund 17, Special Reserve Fund for Other than Capital 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	\$ 2,781,956	\$ 2,800,000	\$ 2,800,000
Supplemental Reserve per Board Policy 3100*	\$ 5,894,465	\$ 5,876,421	\$ 5,876,421
Interfund Transfer to General Fund	\$ -	\$ -	\$ -
Unassigned/Unappropriated	\$ -	\$ -	\$ -
*Supplemental Reserve equal to one month's salary			

2012-2013, Second Interim

Multi-Year Projections, Restricted General Fund, Incl. Parcel Tax

	2012-13	2013-14	2014-15
REVENUES			
Revenue Limit	\$ 1,836,081	\$ 1,836,081	\$ 1,836,081
Federal	\$ 4,749,728	\$ 4,450,652	\$ 4,450,652
Other State	\$ 3,790,041	\$ 3,790,041	\$ 3,790,041
Other Local	\$ 5,470,962	\$ 4,759,538	\$ 4,759,538
Parcel Tax	\$ 11,870,947	\$ 11,870,947	\$ 11,870,947
Revenues - Total	\$ 27,717,759	\$ 26,707,259	\$ 26,707,259
EXPENDITURES			
Salaries & Benefits	\$ 28,437,345	\$ 28,177,405	\$ 28,444,674
Books/Supplies & Capital Expenditures	\$ 6,418,808	\$ 3,563,539	\$ 3,605,676
Services & Operating Expenditures	\$ 7,137,166	\$ 5,513,304	\$ 5,578,393
Other Outgo & Transfers	\$ 2,264,366	\$ 2,157,580	\$ 2,157,580
Expenditures - Total	\$ 44,257,685	\$ 39,411,828	\$ 39,786,323
Other Sources (Uses)	\$ 12,423,375	\$ 12,704,569	\$ 13,079,064
Net Increase (Dec) in Fund Balance	\$ (4,116,551)	\$ -	\$ -
Beginning Balance	\$ 4,116,551	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -
Legally Restricted Fund Balance	\$ -	\$ -	\$ -
Unassigned/Unappropriated	\$ -	\$ -	\$ -

2012-2013, Second Interim

Multi-Year Projections, Combined Gen. Fund

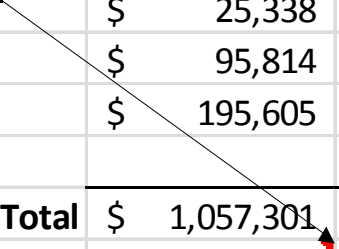
	2012-13	2013-14	2014-15
REVENUES			
Revenue Limit	\$ 47,708,156	\$ 48,401,820	\$ 49,445,253
Federal	\$ 4,814,246	\$ 4,515,170	\$ 4,515,170
Other State	\$ 13,631,198	\$ 13,790,774	\$ 11,778,263
Other Local	\$ 7,373,961	\$ 6,307,619	\$ 6,307,619
Parcel Tax	\$ 11,870,947	\$ 11,870,947	\$ 11,870,947
Revenues - Total	\$ 85,398,508	\$ 84,886,330	\$ 83,917,252
EXPENDITURES			
Salaries & Benefits	\$ 68,319,667	\$ 68,745,399	\$ 69,463,270
Books/Supplies & Capital Expenditures	\$ 9,707,834	\$ 4,934,378	\$ 5,009,415
Services & Operating Expenditures	\$ 13,802,878	\$ 11,971,612	\$ 11,639,298
Other Outgo & Transfers	\$ 901,486	\$ 788,060	\$ 788,060
Expenditures - Total	\$ 92,731,865	\$ 86,439,449	\$ 86,900,043
Net Increase (Dec) in Fund Balance	\$ (7,333,357)	\$ (1,553,119)	\$ (2,982,791)
Beginning Balance	\$ 16,200,087	\$ 8,866,730	\$ 7,313,611
Ending Balance	\$ 8,866,730	\$ 7,313,611	\$ 4,330,820
Components of Ending Fund Balance			
Revolving Cash	\$ 50,000	\$ 50,000	\$ 50,000
Innovative Schools	\$ 544,144		
Legally Restricted Fund Balance	\$ -		
Unassigned/Unappropriated	\$ 8,272,586	\$ 7,263,611	\$ 4,280,820

2012-2013, Second Interim

Budget – Other Funds

	Adult Education Fund 11	Child Development Fund 12	Child Nutrition Fund 13
REVENUES			
Federal	\$ 191,617	\$ -	\$ 1,431,528
Other State		\$ 1,088,629	\$ 100,000
Other Local	\$ 136,938	\$ 141,402	\$ 534,306
Revenues - Total	\$ 328,555	\$ 1,230,031	\$ 2,065,834
EXPENDITURES			
Salaries & Benefits	\$ 740,544	\$ 1,215,361	\$ 1,116,908
Supplies	\$ 25,338	\$ 7,135	\$ 917,471
Services & Operating Expenditures	\$ 95,814	\$ 1,679	\$ 32,613
Capital Outlay	\$ 195,605	\$ 48,000	\$ 310,915
Other Outgo & Transfers		\$ 86,347	\$ 92,120
Expenditures - Total	\$ 1,057,301	\$ 1,358,522	\$ 2,470,027
Other Sources (Uses)	\$ 480,000	\$ 124,279	
Net Inc (Dec) in Fund Balance	\$ (248,746)	\$ (4,212)	\$ (404,193)
Beginning Balance	\$ 249,685	\$ 70,791	\$ 917,226
Legally Restricted Fund Balance	\$ 939	\$ 66,579	\$ 513,033
Unassigned/Unappropriated	\$ -	\$ -	\$ -

Parcel Tax Transfer



2012-2013, Second Interim

Budget – Other Funds (Continued)

	Deferred Maintenance Fund 14	Building Measure C Fund 21	Capital Facilities Fund 25	School Facilities Fund 35	Special Res. Capital Outlay Fund 40
REVENUES					
Federal					
Other State	\$ 371,548			\$ 2,000,000	
Other Local	\$ 3,313		\$ 281,449	\$ 692	\$ 409,713
Revenues - Total	\$ 374,861	\$ -	\$ 281,449	\$ 2,000,692	\$ 409,713
EXPENDITURES					
Salaries & Benefits	\$ -				\$ 100,373
Supplies			\$ 4,799		\$ 1,095
Services & Operating Expenditures	\$ 25,000	\$ 39,500	\$ 102,950		\$ 408,816
Capital Outlay	\$ 263,800	\$ 2,693,240	\$ 19,853		\$ 1,387,855
Other Outgo & Transfers			\$ 29,179		\$ -
Expenditures - Total	\$ 288,800	\$ 2,732,740	\$ 156,781	\$ -	\$ 1,898,139
Other Sources (Uses)					
Net Increase (Dec) in Fund Balance	\$ 86,061	\$ (2,732,740)	\$ 124,668	\$ 2,000,692	\$ (1,488,426)
Beginning Balance	\$ 1,486,861	\$ 2,732,740	\$ 1,601,081	\$ -	\$ 4,344,302
Legally Restricted Fund Balance	\$ 1,572,922	\$ -	\$ 1,725,749	\$ 2,000,692	\$ 2,855,876
Unassigned/Unappropriated	\$ -	\$ -	\$ -	\$ -	\$ -