

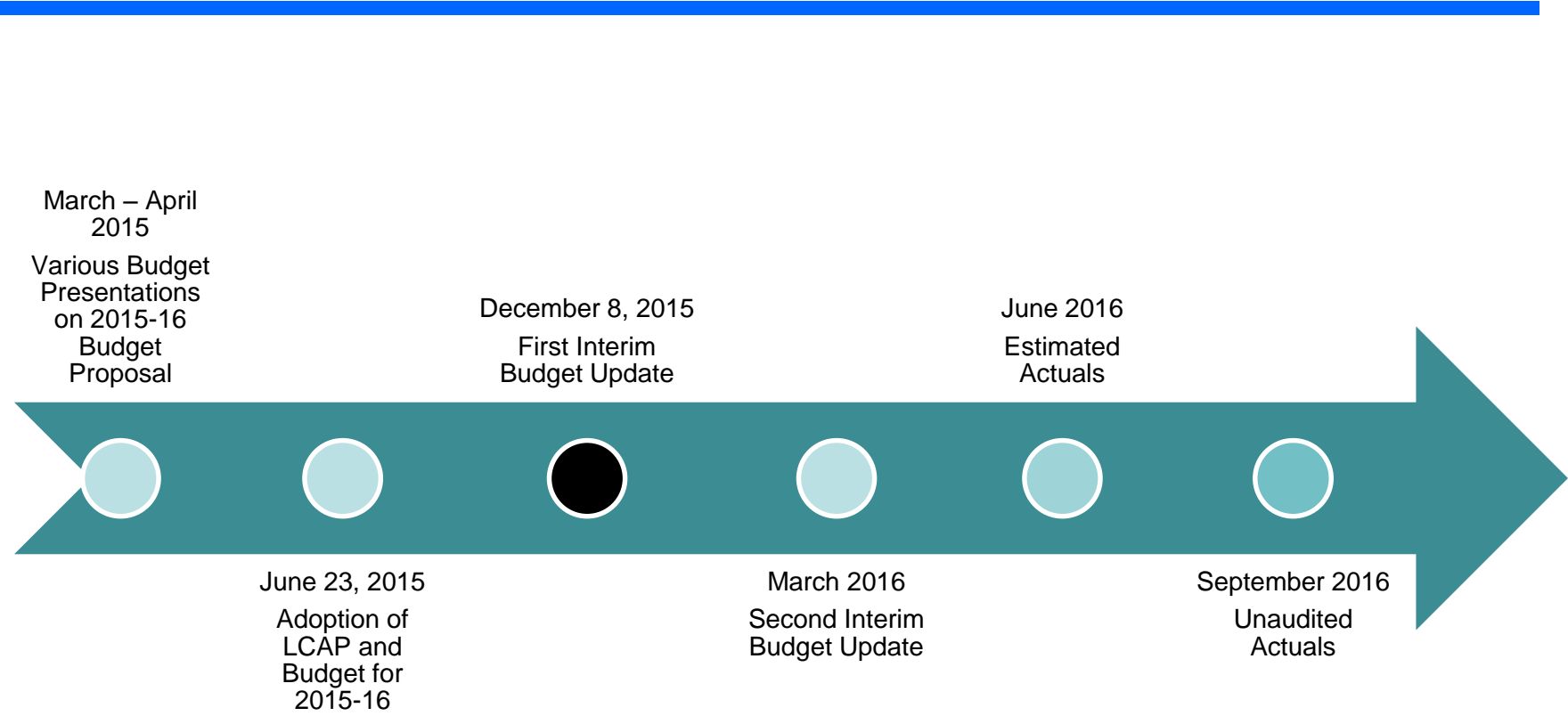
2015-2016

First Interim

Budget Update

December 8, 2015

2015-2016 Budget – First Interim Update



2015-2016 Budget – First Interim Update

Agenda

- Background
- Budget update assumptions
- 2015-16 Budget update for General Fund
- Multi-year projections
- Additional material
 - General fund details
 - Other funds
 - Glossary of terms

2015-2016 Budget – First Interim Update

Background

- Per State Law, AUSD's Board must pass First Interim budget update by December 15 of each year.
- Board must certify that the District's projected financial outlook for 2015-16, 2016-17, and 2017-18 is one of the following:
 - **Positive: WILL MEET** the financial obligations for the current and two subsequent years
 - **Qualified: MAY NOT MEET** the financial obligations for the current and two subsequent fiscal years
 - **Negative: WILL BE UNABLE TO MEET** the financial obligations for the remainder of the current fiscal year and two subsequent fiscal years



- Staff recommends a positive certification

2015-2016 Budget – First Interim Update

Changes from Budget Adoption

- One time revenue reduced from \$601/ADA to \$530/ADA
 - “Other State Revenue” dropped by \$651K
- Contribution to Adult Education removed
 - Decrease in unrestricted expenditures by \$480K
 - Combined three year impact of \$1.4M after reallocation
- Savings from positions eliminated at the District Office
 - Decrease in expenditures by \$500K
- Beginning Teacher Support & Assessment (BTSA) transferred from unrestricted to the restricted budget

2015-2016 Budget – First Interim Update

Changes from Budget Adoption (Continued)

- Restricted revenue and expenditures increase by \$2.5M to show STRS on-behalf payment
 - No cash implication
- Components of Ending Fund Balance from 2014-15 unaudited actuals are now part of 2015-16 budget
 - Summer construction projects \$941K (increase in Capital Outlay)
 - Textbook purchases \$608K

2015-2016 Budget – First Interim Update

Assumptions

Categories	Source	2014-15	2015-16	2016-17	2017-18	2018-19
District Enrollment	CALPADS	9,499	9,453	9,453	9,453	9,453
→ District Funded ADA- Actual/Projected	Projection	9,091	9,056	9,056	9,056	9,056
ADA as a Percentage of Total Enrollment	Projection	95.71%	95.80%	95.80%	95.80%	95.80%
→ Unduplicated EL/FRM Count	CALPADS	3,690	3,207	3,207	3,207	3,207
COLA	SSC	0.85	1.02%	1.60%	2.48%	2.87%
LCFF GAP Funding Percentage	DOF/SSC	30.16	51.52%	35.55%	18.11%	20.42%
→ Public Employee Retirement	COE Advisory	11.77%	11.85%	13.05%	16.60%	18.20%
→ State Teacher's Retirement	COE Advisory	8.88%	10.73%	12.58%	14.43%	16.28%

2015-2016 Budget – First Interim Update

General Fund

	Unrestricted		Restricted		Total General Fund
	Totally Unrestricted	LCFF Supplemental Grant	Restricted without Parcel Tax	Parcel Tax	
REVENUES					
LCFF Revenue	\$ 67,488,845	\$ 4,092,200	\$ 406,281	\$ -	\$ 71,987,326
Federal	\$ 16,195		\$ 4,064,915	\$ -	\$ 4,081,110
Other State	\$ 6,344,165		\$ 5,294,220	\$ -	\$ 11,638,385
Other Local	\$ 1,150,885		\$ 6,581,183	\$ -	\$ 7,732,068
Parcel Tax	\$ -	\$ -	\$ -	\$ 12,212,774	\$ 12,212,774
Revenues	\$ 75,000,090	\$ 4,092,200	\$ 16,346,599	\$ 12,212,774	\$ 107,651,663
EXPENDITURES					
Salaries & Benefits	\$ 47,722,084	\$ 3,205,747	\$ 22,386,032	\$ 11,109,577	\$ 84,423,441
Books/Supplies & Outlay	\$ 2,740,100	\$ 50,362	\$ 6,417,422	\$ 670,571	\$ 9,878,455
Services & Op. Expenses	\$ 8,180,237	\$ 343,812	\$ 5,915,131	\$ 234,570	\$ 14,673,750
Other Outgo & Transfers	\$ (1,650,835)		\$ 1,668,973	\$ 362,181	\$ 380,319
Expenditures	\$ 56,991,586	\$ 3,599,921	\$ 36,387,558	\$ 12,376,899	\$ 109,355,965
Other Sources (Uses)	\$ (18,042,493)		\$ 17,105,012		\$ (937,481)
Net Inc. (Dec) in Fund Bal.	\$ (33,989)	\$ 492,279	\$ (2,935,947)	\$ (164,125)	\$ (2,641,782)
Beginning Balance	\$ 9,759,580	\$ -	\$ 3,922,163	\$ 164,125	\$ 13,845,869
Ending Balance	\$ 9,725,591	\$ 492,279	\$ 986,216	\$ 0	\$ 11,204,086

2015-2016 Budget – First Interim Update

General Fund

	8799	18,161,746.00	19,944,842.07	2,589,404.33	
Description		103,158,897.00	107,651,663.44	18,984,246.19	Actuals To Date (C)
A. REVENUES					
1) LCFF Sources					15,048,641.98
2) Federal Revenue	1999	50,839,781.00	49,212,211.88	11,989,191.39	428,703.68
3) Other State Revenue					917,496.20
4) Other Local Revenue	2999	16,279,682.00	16,588,329.09	4,615,798.05	2,589,404.33
5) TOTAL REVENUE	3999	16,483,138.00	18,622,899.53	4,614,845.48	18,984,246.19
B. EXPENDITURES					
1) Certificated Salaries	4999	3,581,297.00	6,083,399.04	1,181,772.42	11,989,191.39
2) Classified Salaries	5999	13,282,491.00	14,673,750.19	3,139,325.06	4,615,798.05
3) Employee Benefits	6999	417,500.00	3,795,056.00	1,258,107.41	4,614,845.48
4) Books and Supplies					1,181,772.42
5) Services and Other	7299				3,139,325.06
6) Capital Outlay	7499	481,391.00	582,775.00	50,174.98	1,258,107.41
7) Other Outgo (excl Costs)	7399	(202,456.00)	(202,456.00)	0.00	50,174.98
8) Other Outgo - Trans					0.00
9) TOTAL EXPENDITURE		101,162,824.00	109,355,964.73	26,849,214.79	26,849,214.79
C. EXCESS (DEFICIENCY) OVER EXPENDITURE FINANCING SOURCE					
		1,996,073.00	(1,704,301.29)	(7,864,968.60)	(7,864,968.60)

2015-2016 Budget – First Interim Update

MYP (Summary), Unrestricted Gen. Fund

Line		2015-16	2016-17	2017-18	2018-19
		Budgeted	Projected	Projected	Projected
A	Beginning Balance, July 1	\$ 9,759,580	\$ 10,217,870	\$ 8,435,269	\$ 4,358,682
B	Revenues	\$ 79,092,290	\$ 75,532,873	\$ 75,688,656	\$ 77,196,252
C	Expenditures	\$ 60,591,507	\$ 59,504,504	\$ 61,211,470	\$ 62,768,233
D	Contribution to Restricted Fund	\$ 18,042,493	\$ 17,810,970	\$ 19,453,773	\$ 32,269,966
E	Strategic Budget Reduction			\$ (900,000)	\$ (900,000)
F = B-C-D-E	Surplus (Deficit)	\$ 458,290	\$ (1,782,601)	\$ (4,076,587)	\$ (16,941,947)
F = A+E	Ending Balance	\$ 10,217,870	\$ 8,435,269	\$ 4,358,682	\$ (12,583,265)
G	Components of Ending Fund Bal. (EFB)	\$ 3,776,860	\$ 4,205,949	\$ 4,348,883	\$ 4,513,329
H = F - G	Unassigned/Unappropriated Ending Fund Balance	\$ 6,441,010	\$ 4,229,320	\$ 9,799	\$ (17,096,594)

2015-2016 Budget – First Interim Update

Unrestricted Gen. Fund – Operational Budget

Excluding One Time Revenues & Expenditures

	2015-16 First Interim Budget	2015-16 One Time Revenue & Expenditures	2015-16 Operational Budget
Revenues	\$ 79,092,290	\$ (4,800,000)	\$ 74,292,290
Expenditures	\$ 60,591,507	\$ (1,600,000)	\$ 59,041,507
Contribution to Restricted Fund	\$ 18,042,493		\$ 18,042,493
Surplus (Deficit)	\$ 458,290	\$ (3,200,000)	\$ (2,791,710)

One time funds
set aside for
textbook
adoptions

2015-2016 Budget – First Interim Update

Components of Ending Fund Balance (EFB)*

Description	2015-2016	2016-2017	2017-2018
Ending Fund Balance**	\$ 10,217,870	\$ 8,435,269	\$ 4,358,682
Components of Ending Fund Balance			
Revolving Cash	\$ 50,000	\$ 50,000	\$ 50,000
Textbook Adoptions	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000
Additional LCFF Supplemental Fund	\$ 492,279	\$ 886,788	\$ 995,141
Healthy Families Act (sick leave for substitute employees)	\$ 34,581	\$ 69,161	\$ 103,742
Total - Components	\$ 3,776,860	\$ 4,205,949	\$ 4,348,883
Net Unassigned Ending Fund Balance	\$ 6,441,010	\$ 4,229,320	\$ 9,799

*Also known as set-asides

**2017-18 Ending Fund Balance after \$900K in strategic budget reductions

ADDITIONAL MATERIALS

2015-2016 Budget – First Interim Update

MYP (Details), Unrestricted Gen. Fund

	2015-16	2016-17	2017-18	2018-19
REVENUES				
LCFF	\$ 71,581,045	\$ 72,796,393	\$ 72,952,176	\$ 74,459,772
Federal	\$ 16,195	\$ 17,000	\$ 17,000	\$ 17,000
Other State	\$ 6,344,165	\$ 1,519,480	\$ 1,519,480	\$ 1,519,480
Other Local	\$ 1,150,885	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Revenues	\$ 79,092,290	\$ 75,532,873	\$ 75,688,656	\$ 77,196,252
EXPENDITURES				
Salaries & Benefits	\$ 50,927,831	\$ 51,730,469	\$ 53,195,157	\$ 54,503,101
Books/Supplies & Outlay	\$ 2,790,462	\$ 1,460,153	\$ 1,489,452	\$ 1,519,542
Services & Operating Expenses	\$ 8,524,049	\$ 7,888,086	\$ 8,101,064	\$ 8,319,793
Other Outgo & Transfers	\$ (1,650,835)	\$ (1,574,203)	\$ (1,574,203)	\$ (1,574,203)
Strategic Budget Reduction			\$ (900,000)	\$ (900,000)
Expenditures	\$ 60,591,507	\$ 59,504,505	\$ 60,311,470	\$ 61,868,233
Other Sources (Uses)	\$ (18,042,493)	\$ (17,810,970)	\$ (19,453,773)	\$ (32,269,966)
Net Inc/Dec in Fund Balance	\$ 458,290	\$ (1,782,602)	\$ (4,076,587)	\$ (16,941,947)
Beginning Balance	\$ 9,759,580	\$ 10,217,870	\$ 8,435,269	\$ 4,358,683
Ending Balance	\$ 10,217,870	\$ 8,435,268	\$ 4,358,682	\$ (12,583,264)
Components of Ending Fund balance				
Assigned / Legally Restricted	\$ 3,776,860	\$ 4,205,949	\$ 4,348,883	\$ 4,513,329
Unassigned/Unappropriated EFB	\$ 6,441,010	\$ 4,229,319	\$ 9,799	\$ (17,096,593)

2015-2016 Budget – First Interim Update

MYP (Details), Restricted Gen. Fund

	2015-16	2016-17	2017-18	2018-19
REVENUES				
LCFF transfers from Unrestricted	\$ 406,281	\$ 402,331	\$ 402,331	\$ 402,331
Federal	\$ 4,064,915	\$ 3,623,023	\$ 3,623,023	\$ 3,623,023
Other State	\$ 5,294,220	\$ 4,385,385	\$ 4,385,385	\$ 4,385,385
Other Local	\$ 6,637,523	\$ 4,922,301	\$ 4,862,787	\$ 4,862,787
Parcel Tax	\$ 12,156,434	\$ 12,141,814	\$ 12,141,814	\$ -
Revenues	\$ 28,559,373	\$ 25,474,854	\$ 25,415,340	\$ 13,273,526
EXPENDITURES				
Salaries & Benefits	\$ 33,495,609	\$ 34,264,144	\$ 35,092,920	\$ 35,906,203
Books/Supplies & Outlay	\$ 7,087,993	\$ 2,592,326	\$ 2,662,318	\$ 2,734,201
Services & Operating Expenses	\$ 6,149,701	\$ 5,122,432	\$ 5,260,737	\$ 5,402,777
Other Outgo & Transfers	\$ 2,031,154	\$ 1,853,138	\$ 1,853,138	\$ 1,500,311
Expenditures	\$ 48,764,457	\$ 43,832,040	\$ 44,869,113	\$ 45,543,492
Other Sources (Uses)	\$ 17,105,012	\$ 17,810,970	\$ 19,453,773	\$ 32,269,966
Net Inc/Dec in Fund Balance	\$ (3,100,072)	\$ (546,216)	\$ -	\$ -
Beginning Balance	\$ 4,086,288	\$ 986,216	\$ 440,000	\$ 440,000
Legally Restricted Fund Balance*	\$ 986,216	\$ 440,000	\$ 440,000	\$ 440,000
Unassigned/Unappropriated	\$ -	\$ -	\$ -	\$ -

2015-2016 Budget – First Interim Update

MYP (Details), Combined Gen. Fund

	2015-16	2016-17	2017-18	2018-19
REVENUES				
LCFF	\$ 71,987,326	\$ 73,198,724	\$ 73,354,507	\$ 74,862,103
Federal	\$ 4,081,110	\$ 3,640,023	\$ 3,640,023	\$ 3,640,023
Other State	\$ 11,638,385	\$ 5,904,865	\$ 5,904,865	\$ 5,904,865
Other Local	\$ 7,788,408	\$ 6,122,301	\$ 6,062,787	\$ 6,062,787
Parcel Tax	\$ 12,156,434	\$ 12,141,814	\$ 12,141,814	\$ -
Revenues	\$ 107,651,663	\$ 101,007,727	\$ 101,103,996	\$ 90,469,778
EXPENDITURES				
Salaries & Benefits	\$ 84,423,441	\$ 85,994,614	\$ 88,288,076	\$ 90,409,304
Books/Supplies & Outlay	\$ 9,878,455	\$ 4,052,479	\$ 4,151,770	\$ 4,253,743
Services & Operating Expenses	\$ 14,673,750	\$ 13,010,518	\$ 13,361,802	\$ 13,722,570
Other Outgo & Transfers	\$ 380,319	\$ 278,935	\$ 278,938	\$ (73,892)
Strategic Budget Reduction			\$ (900,000)	\$ (900,000)
Expenditures	\$ 109,355,965	\$ 103,336,546	\$ 105,180,586	\$ 107,411,725
Other Sources (Uses)	\$ (937,481)			
Net Inc/Dec in Fund Balance	\$ (2,641,783)	\$ (2,328,819)	\$ (4,076,590)	\$ (16,941,947)
Beginning Balance	\$ 13,845,869	\$ 11,204,086	\$ 8,875,268	\$ 4,798,679
Ending Balance	\$ 11,204,086	\$ 8,875,267	\$ 4,798,678	\$ (12,143,268)
Components of Ending Fund balance				
Assigned / Legally Restricted	\$ 4,763,076	\$ 4,645,949	\$ 4,788,882	\$ 4,953,329
Unassigned/Unappropriated EFB	\$ 6,441,010	\$ 4,229,318	\$ 9,796	\$ (17,096,597)

2015-2016 Budget – First Interim Update

Fund 11, 12 & 13

	Adult Education Fund 11	Child Development Fund 12	Child Nutrition Fund 13
<u>REVENUES</u>			
Federal	\$ 256,361	\$ 468,454	\$ 1,552,000
State	\$ 653,329	\$ 914,749	\$ 93,700
Local	\$ 80,200	\$ 181,098	\$ 641,600
Revenues	\$ 989,890	\$ 1,564,301	\$ 2,287,300
<u>EXPENDITURES</u>			
Salaries & Benefits	\$ 844,480	\$ 1,376,819	\$ 2,037,403
Supplies	\$ 35,522	\$ 90,573	\$ 33,350
Services & Operating Expenses	\$ 30,601	\$ 5,100	\$ 100,127
Capital Outlay		\$ 3,120	
Other Outgo & Transfers		\$ 91,809	\$ 110,647
Expenditures	\$ 910,603	\$ 1,567,421	\$ 2,281,527
Other Sources (Uses)		\$ -	
Net Inc/Dec in Fund Balance	\$ 79,287	\$ (3,120)	\$ 5,773
Beginning Balance	\$ 65,538	\$ 86,914	\$ 749,965
Ending Balance	\$ 144,825	\$ 83,794	\$ 755,738
Restrictions/Commitments/Assignments			
Legally Restricted Ending Fund Balance	\$ 144,825	\$ 83,794	\$ 755,738
Unassigned/Unappropriated	\$ (0)	\$ (0)	\$ 0

2015-2016 Budget – First Interim Update

Fund 14, 17, 21, 25 & 40

	Deferred Maintenance Fund 14	Special Reserve Non-Capital Outlay Fund 17	Building Fund (Measure I Proceeds) Fund 21	Capital Facilities Fund 25	Special Reserve Capital Outlay Fund 40
REVENUES					
LCFF Sources	\$ 968,768				
State					
Local	\$ 250	\$ 14,800	\$ 154,000	\$ 206,000	\$ 483,256
Revenues	\$ 969,018	\$ 14,800	\$ 154,000	\$ 206,000	\$ 483,256
EXPENDITURES					
Salaries & Benefits			\$ 299,730		\$ 114,251
Supplies			\$ 3,227		
Services & Operating Exp.			\$ 53,499	\$ 24,214	\$ 570,000
Capital Outlay	\$ 17,741		\$ 12,439,614	\$ 348,846	
Other Outgo & Transfers				\$ 613,104	
Expenditures	\$ 17,741	\$ -	\$ 12,796,070	\$ 986,164	\$ 684,251
Other Sources (Uses)		\$ 937,481			
Net Inc/Dec in Fund Balance	\$ 951,277	\$ 952,281	\$ (12,642,070)	\$ (780,164)	\$ (200,995)
Beginning Balance	\$ 483,765	\$ 8,733,667	\$ 89,425,676	\$ 4,031,040	\$ 1,534,289
Ending Balance	\$ 1,435,042	\$ 9,685,948	\$ 76,783,606	\$ 3,250,876	\$ 1,333,294
Restrictions/Commitments/Assignments					
Facilities Related Projects	\$ 1,435,042		\$ 76,783,606	\$ 3,250,876	\$ 133,294
Additional Reserve Equal to One Month's Payroll		\$ 6,420,462			
District Office Rental Reserve					\$ 1,200,000
Reserved for Economic Uncertainties		\$ 3,265,486			
Unassigned/Unappropriated	\$ (0)	\$ 0	\$ (0)	\$ (0)	\$ -

2015-2016 Budget – First Interim Update

Glossary of Terms

ACA	Affordable Care Act aka Obama Care
ACOE / COE	Alameda County Office of Education / County Office of Education
CBEDS	California Basic Educational Data Systems
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
COLA	Cost of Living Allowance
Contributions	General fund cash transfer to a restricted program which is unable to meet its expenditures
CPI	Consumer Price Index
DOF	Depart of Finance
EFB	Ending Fund Balance
EL	English Learners
FCMAT	Fiscal Crisis and Management Assistance Team
FRM	Free or Reduced Priced Meal
FTE	Full Time Equivalent
LCAP	Local Control Accountability Plan
LCFF	Local Control Funding Formula
MYP	Multi Year Projections
Other Outgo & Uses	Transfer of Indirect cost from restricted to unrestricted funds, Debt Payment Contribution to restricted programs, primarily Special Education, Student Transportation
RL	Revenue Limit (old State funding formula for Education)
Services	Utility Bills, Legal Fees, Insurance, Software Subscriptions, Internet Access, Special Education Non Public Schools
SSC	School Services of California
Supplies	Classroom Supplies, Textbooks, Janitorial Supplies, Office Supplies, Technology Equipment