

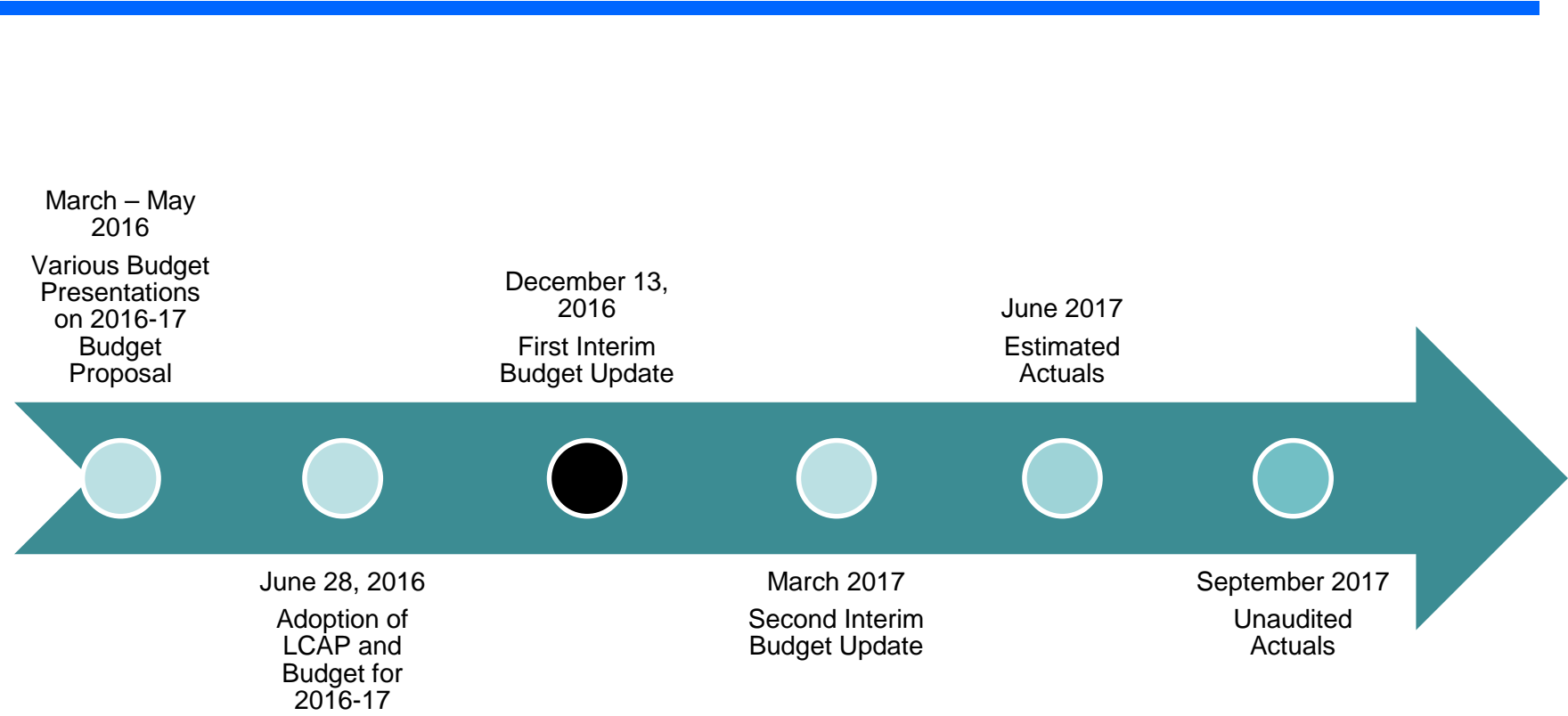
2016-2017

First Interim

Budget Update

December 13, 2016

2016-2017 Budget – First Interim Update



2016-2017 Budget – First Interim Update

Agenda

- Background
- Budget update assumptions
- 2016-17 Budget update for General Fund
- Multi-year projections
- Additional material
 - General fund details
 - Other funds
 - Glossary of terms

2016-2017 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 2016-17, 2017-18, and 2018-19 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

2016-2017 Budget – First Interim Update

Changes from Budget Adoption

- Measure B1 Parcel Tax
- Financial impact of bargaining unit agreements
 - CSEA 27
 - AEA
 - CSEA 860 & unrepresented employees
- Savings from vacancies and unused FTEs
- Carried over restricted funds have been budgeted.

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Assumptions

Categories	Source	2014-15	2015-16	2016-17	2017-18	2018-19
District Enrollment	CALPADS	9,499	9,454	9,481	9,481	9,481
District Funded ADA- Actual/Projected	Projection	9,093	9,078	9,103	9,103	9,103
ADA as a Percentage of Total Enrollment	Projection	95.73%	96.02%	96.01%	96.01%	96.01%
Unduplicated EL/FRM Count	CALPADS	3,690	3,385	3,297	3,297	3,297
COLA	SSC	0.85	1.02%	0.00%	1.11%	2.42%
LCFF GAP Funding Percentage	DOF	30.16	52.56%	54.18%	72.99%	40.36%
Public Employee Retirement	COE Advisory	11.77%	11.85%	13.88%	15.50%	17.10%
State Teacher's Retirement	COE Advisory	8.88%	10.73%	12.58%	14.43%	16.28%

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General Fund

	Unrestricted		Restricted		Total General Fund
	Totally Unrestricted	LCFF Supplemental Grant	Restricted without Parcel Tax	Parcel Tax	
REVENUES					
LCFF Revenue	\$ 70,683,808	\$ 4,767,714	\$ 495,338	\$ -	\$ 75,946,860
Federal	\$ 13,414		\$ 4,081,497	\$ -	\$ 4,094,911
Other State	\$ 3,810,627		\$ 6,518,452	\$ -	\$ 10,329,079
Other Local	\$ 1,190,655		\$ 5,026,843	\$ -	\$ 6,217,498
Parcel Tax	\$ -	\$ -	\$ -	\$ 12,171,528	\$ 12,171,528
Revenues	\$ 75,698,504	\$ 4,767,714	\$ 16,122,130	\$ 12,171,528	\$ 108,759,876
EXPENDITURES					
Salaries & Benefits	\$ 46,900,950	\$ 4,174,370	\$ 24,023,521	\$ 11,304,698	\$ 86,403,539
Books/Supplies & Outlay	\$ 3,290,526	\$ 78,569	\$ 4,244,378	\$ 411,173	\$ 8,024,646
Services & Op. Expenses	\$ 8,596,957	\$ 737,909	\$ 6,435,999	\$ 136,580	\$ 15,907,445
Other Outgo & Transfers	\$ (1,746,546)		\$ 1,744,792	\$ 360,831	\$ 359,077
Expenditures	\$ 57,041,887	\$ 4,990,848	\$ 36,448,690	\$ 12,213,281	\$ 110,694,706
Other Sources (Uses)	\$ (18,643,427)		\$ 18,643,427		\$ -
Net Inc. (Dec) in Fund Bal.	\$ 13,190	\$ (223,134)	\$ (1,683,133)	\$ (41,753)	\$ (1,934,830)
Beginning Balance	\$ 13,992,692	\$ 555,301	\$ 3,311,661	\$ 41,753	\$ 17,901,407
Ending Balance	\$ 14,005,882	\$ 332,167	\$ 1,628,528	\$ -	\$ 15,966,577

2016-2017 Budget – First Interim Update

MYP (Summary), Unrestricted Gen. Fund

Line		2016-17	2017-18	2018-19
		Budgeted	Projected	Projected
A	Beginning Balance, July 1	\$ 14,547,993	\$ 14,338,049	\$ 8,222,351
B	Revenues	\$ 80,466,218	\$ 78,580,037	\$ 79,692,065
C	Expenditures	\$ 62,032,735	\$ 64,077,441	\$ 65,174,753
D	Contribution to Restricted Fund	\$ 18,643,427	\$ 20,618,294	\$ 21,556,773
E	Strategic Budget Reduction			
F = B-C-D-E	Surplus (Deficit)	\$ (209,944)	\$ (6,115,698)	\$ (7,039,461)
F = A+E	Ending Balance	\$ 14,338,049	\$ 8,222,351	\$ 1,182,890
G	Components of Ending Fund Bal. (EFB)			
	Unassigned/Unappropriated			
H = F - G	Ending Fund Balance	\$ 10,397,305	\$ 4,281,607	\$ (2,757,854)

2016-2017 Budget – First Interim Update

Components of Ending Fund Balance (EFB)*

Description	2016-2017	2017-2018	2018-2019
Ending Fund Balance**	\$ 14,338,049	\$ 8,222,351	\$ 1,182,890
Components of Ending Fund Balance			
Revolving Cash	\$ 50,000	\$ 50,000	\$ 50,000
MAA Set-Aside	\$ 41,429	\$ 41,429	\$ 41,429
Salary Set-Aside	\$ 1,937,148	\$ 1,937,148	\$ 1,937,148
Textbook Adoptions	\$ 1,580,000	\$ 1,580,000	\$ 1,580,000
LCFF Supplemental Funds	\$ 332,167	\$ 332,167	\$ 332,167
Total - Components	\$ 3,940,744	\$ 3,940,744	\$ 3,940,744

*Also known as set-asides

ADDITIONAL MATERIALS

2016-2017 Budget – First Interim Update

MYP (Details), Unrestricted Gen. Fund

	2016-17	2017-18	2018-19
<u>REVENUES</u>			
LCFF	\$ 75,451,522	\$ 75,503,111	\$ 76,615,139
Federal	\$ 13,414	\$ 13,414	\$ 13,414
Other State	\$ 3,810,627	\$ 1,872,857	\$ 1,872,857
Other Local	\$ 1,190,655	\$ 1,190,655	\$ 1,190,655
Revenues	\$ 80,466,218	\$ 78,580,037	\$ 79,692,065
<u>EXPENDITURES</u>			
Salaries & Benefits	\$ 51,075,320	\$ 54,519,073	\$ 55,856,334
Books/Supplies & Outlay	\$ 3,369,095	\$ 1,939,337	\$ 1,466,184
Services & Operating Expenses	\$ 9,334,866	\$ 9,365,578	\$ 9,598,781
Other Outgo & Transfers	\$ (1,746,546)	\$ (1,746,546)	\$ (1,746,546)
Strategic Budget Reduction			
Expenditures	\$ 62,032,735	\$ 64,077,442	\$ 65,174,753
Other Sources (Uses)	\$ (18,643,427)	\$ (20,618,294)	\$ (21,556,773)
Net Inc/Dec in Fund Balance	\$ (209,944)	\$ (6,115,699)	\$ (7,039,461)
Beginning Balance	\$ 14,547,993	\$ 14,338,050	\$ 8,222,352
Ending Balance	\$ 14,338,049	\$ 8,222,351	\$ 1,182,891
Components of Ending Fund balance			
Assigned / Legally Restricted	\$ 3,940,744	\$ 3,940,744	\$ 3,940,744
Unassigned/Unappropriated EFB	\$ 10,397,305	\$ 4,281,607	\$ (2,757,853)

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MYP (Details), Restricted Gen. Fund

	2016-17	2017-18	2018-19
REVENUES			
LCFF transfers from Unrestricted	\$ 495,338	\$ 495,338	\$ 495,338
Federal	\$ 4,081,497	\$ 3,757,440	\$ 3,848,370
Other State	\$ 6,518,452	\$ 6,528,578	\$ 6,550,900
Other Local	\$ 5,106,743	\$ 4,647,229	\$ 4,647,229
Parcel Tax	\$ 12,091,628	\$ 12,091,628	\$ 12,091,628
Revenues	\$ 28,293,658	\$ 27,520,213	\$ 27,633,465
EXPENDITURES			
Salaries & Benefits	\$ 35,328,219	\$ 36,813,877	\$ 37,638,552
Books/Supplies & Outlay	\$ 4,655,550	\$ 2,821,337	\$ 2,891,589
Services & Operating Expenses	\$ 6,572,579	\$ 6,423,685	\$ 6,580,491
Other Outgo & Transfers	\$ 2,105,623	\$ 2,079,607	\$ 2,079,607
Expenditures	\$ 48,661,971	\$ 48,138,506	\$ 49,190,239
Other Sources (Uses)	\$ 18,643,427	\$ 20,618,294	\$ 21,556,773
Net Inc/Dec in Fund Balance	\$ (1,724,886)	\$ 1	\$ (1)
Beginning Balance	\$ 3,353,414	\$ 1,628,528	\$ 1,628,529
Legally Restricted Fund Balance*	\$ 1,628,528	\$ 1,628,529	\$ 1,628,528
Unassigned/Unappropriated	\$ -	\$ -	\$ -

2016-2017 Budget – First Interim Update

MYP (Details), Combined Gen. Fund

	2016-17	2017-18	2018-19
REVENUES			
LCFF	\$ 75,946,860	\$ 75,998,449	\$ 77,110,477
Federal	\$ 4,094,911	\$ 3,770,854	\$ 3,861,784
Other State	\$ 10,329,079	\$ 8,401,435	\$ 8,423,757
Other Local	\$ 6,297,398	\$ 5,837,884	\$ 5,837,884
Parcel Tax	\$ 12,091,628	\$ 12,091,628	\$ 12,091,628
Revenues	\$ 108,759,876	\$ 106,100,250	\$ 107,325,530
EXPENDITURES			
Salaries & Benefits	\$ 86,403,539	\$ 91,332,949	\$ 93,494,888
Books/Supplies & Outlay	\$ 8,024,645	\$ 4,760,674	\$ 4,357,772
Services & Operating Expenses	\$ 15,907,445	\$ 15,789,264	\$ 16,179,272
Other Outgo & Transfers	\$ 359,077	\$ 333,061	\$ 333,061
Strategic Budget Reduction			
Expenditures	\$ 110,694,706	\$ 112,215,948	\$ 114,364,993
Other Sources (Uses)			
Net Inc/Dec in Fund Balance	\$ (1,934,830)	\$ (6,115,698)	\$ (7,039,463)
Beginning Balance	\$ 17,901,407	\$ 15,966,578	\$ 9,850,881
Ending Balance	\$ 15,966,577	\$ 9,850,880	\$ 2,811,418
Components of Ending Fund balance	\$ 3,940,744	\$ 3,940,744	\$ 3,940,744
Assigned / Legally Restricted	\$ 1,628,528	\$ 1,628,528	\$ 1,628,528
Unassigned/Unappropriated EFB	\$ 10,397,305	\$ 4,281,608	\$ (2,757,854)

2016-2017 Budget – First Interim Update

Fund 11, 12 & 13

	Adult Education Fund 11	Child Development Fund 12	Child Nutrition Fund 13
REVENUES			
Federal	\$ 313,612	\$ 257,949	\$ 1,610,000
State	\$ 788,340	\$ 1,182,203	\$ 93,000
Local	\$ 14,079	\$ 361,936	\$ 876,202
Revenues	\$ 1,116,031	\$ 1,802,088	\$ 2,579,202
EXPENDITURES			
Salaries & Benefits	\$ 988,562	\$ 1,652,030	\$ 1,475,383
Supplies	\$ 105,716	\$ 46,952	\$ 955,444
Services & Operating Expenses	\$ 31,751	\$ 4,932	\$ 33,960
Capital Outlay			\$ 26,000
Other Outgo & Transfers		\$ 97,964	\$ 120,929
Expenditures	\$ 1,126,029	\$ 1,801,878	\$ 2,611,716
Other Sources (Uses)		\$ -	
Net Inc/Dec in Fund Balance	\$ (9,998)	\$ 210	\$ (32,514)
Beginning Balance	\$ 141,515	\$ 104,799	\$ 628,565
Ending Balance	\$ 131,517	\$ 105,009	\$ 596,051
Restrictions/Commitments/Assignments			
Legally Restricted Ending Fund Balance	\$ 131,517	\$ 105,009	\$ 596,051
Unassigned/Unappropriated	\$ (0)	\$ 0	\$ 0

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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	\$ 500,000				
State					
Local	\$ 874	\$ 21,975	\$ 168,620	\$ 109,640	\$ 471,264
Revenues	\$ 500,874	\$ 21,975	\$ 168,620	\$ 109,640	\$ 471,264
EXPENDITURES					
Salaries & Benefits			\$ 414,242		\$ 120,078
Supplies					
Services & Operating Exp.			\$ 145,401	\$ 73,667	\$ 600,000
Capital Outlay	\$ 623,239		\$ 55,519,824	\$ 7,146	
Other Outgo & Transfers					
Expenditures	\$ 623,239	\$ -	\$ 56,079,467	\$ 80,813	\$ 720,078
Other Sources (Uses)					
Net Inc/Dec in Fund Balance	\$ (122,365)	\$ 21,975	\$ (55,910,847)	\$ 28,827	\$ (248,814)
Beginning Balance	\$ 1,386,099	\$ 8,055,174	\$ 83,353,509	\$ 4,277,363	\$ 1,262,385
Ending Balance	\$ 1,263,734	\$ 8,077,149	\$ 27,442,662	\$ 4,306,190	\$ 1,013,571
Restrictions/Commitments/Assignments					
Facilities Related Projects	\$ 1,263,734		\$ 27,442,662	\$ 4,306,190	
Additional Reserve Equal to Three Weeks Payroll		\$ 4,806,684			
District Office Rental Reserve					\$ 1,013,571
Reserved for Economic Uncertainties		\$ 3,270,465			
Unassigned/Unappropriated	\$ (0)	\$ 0	\$ (0)	\$ 0	\$ (0)

2016-2017 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