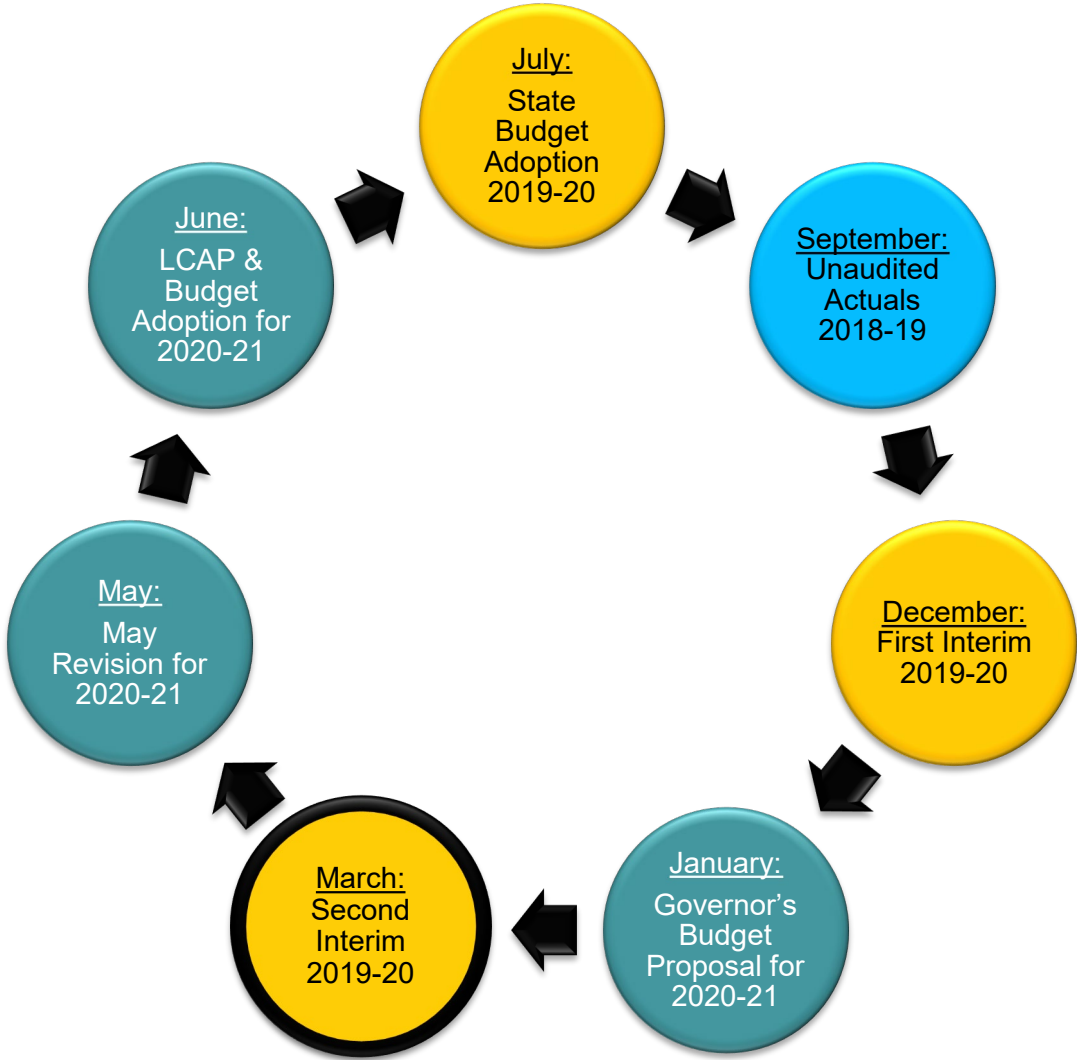


2019-2020

Second Interim Budget Update

March 10, 2020

2019-2020 Budget – Second Interim Update



2019-2020 Budget – Second Interim Update

Agenda

- Background
- Updated budget assumptions
- 2019-20 budget update for General Fund
- Multi-year projections

2019-2020 Budget – Second Interim Update

Background

- Covers budget changes up to January 31, 2020.
- Per state law, AUSD's Board must pass Second Interim budget update by March 15 of each year.
- Board must certify that the District's projected financial outlook for 2019-20, 2020-21, and 2021-22 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.

2019-2020 Budget – Second Interim Update

Significant Changes Since First Interim

- Vacancies - Certificated & Classified
- One-time reduction in benefits
- Affordable Care Act penalties
- Reduction in COLA for out years
- Increase in PERS contribution

2019-2020 Budget – Second Interim Update

Assumptions

Line #	Categories	Source	2018-19	2019-20	2019-20	2020-21	2021-22
			Actual	Budget Adoption	Second Interim	Projected	Projected
1	District Enrollment	AUSD	9,383	9,380	9,358	9,358	9,358
2	District ADA-Actual/Projected	AUSD	8,979	8,979	8,946	8,946	8,946
3	ADA as a Percentage of Total Enrollment	AUSD	95.69%	95.72%	95.60%	95.60%	95.60%
4	Unduplicated EL/FRM Count (Count)	CALPADS	3,144	3,049	2,927	2,816	2,709
5	Unduplicated EL/FRM Count (Percentage)	CALPADS	33.51%	32.51%	31.28%	30.09%	28.95%
6	Unduplicated EL/FRM Count (3-yr rolling %)	CDE					
7	COLA	DOF	3.70%	3.26%	3.26%	2.29%	2.71%
8	LCFF GAP Funding Percentage	DOF	42.97%	100.00%	100.00%		
9	District's contribution to:						
10	State Teachers Retirement (STRS)	STRS	16.28%	16.70%	17.10%	18.40%	18.10%
11	Public Employees Retirement (PERS)	PERS	18.06%	20.73%	19.72%	22.80%	24.90%
12	One-time Funds		\$1.6M		\$691K		

2019-2020 Budget – Second Interim Update

General Fund

Line #		Unrestricted			Restricted	Total
		Totally Unrestricted	LCFF Supplemental Grant	Parcel Tax (Measure B1)	Restricted	General Fund
1	REVENUES					
2	LCFF Revenue	\$ 78,064,899	\$ 5,226,740		\$ 673,523	\$ 83,965,162
3	Federal				\$ 4,252,431	\$ 4,252,431
4	Other State	\$ 2,520,590			\$ 6,990,350	\$ 9,510,940
5	Other Local	\$ 1,600,118		\$ 12,562,724	\$ 6,178,229	\$ 20,341,071
6	Revenues	\$ 82,185,607	\$ 5,226,740	\$ 12,562,724	\$ 18,094,533	\$ 118,069,604
7	EXPENDITURES					
8	Salaries & Benefits	\$ 50,129,462	\$ 4,608,365	\$ 11,789,007	\$ 27,154,062	\$ 93,680,896
9	Books, Supplies, & Capital	\$ 993,175	\$ 163,988	\$ 238,599	\$ 4,714,063	\$ 6,109,825
10	Services & Op. Expenses	\$ 7,900,338	\$ 822,948	\$ 157,821	\$ 14,162,712	\$ 23,043,819
11	Other Outgo & Transfers	\$ (2,463,727)	\$ 350,538	\$ 372,372	\$ 2,099,616	\$ 358,799
12	Expenditures	\$ 56,559,248	\$ 5,945,839	\$ 12,557,799	\$ 48,130,453	\$ 123,193,339
13						
14	Other Sources (Uses)	\$ (26,596,237)	\$ -	\$ -	\$ 26,588,731	\$ (7,506)
15	Net Inc. (Dec) in Fund Bal.	\$ (969,878)	\$ (719,099)	\$ 4,925	\$ (3,447,189)	\$ (5,131,241)
16						
17	Beginning Balance	\$ 11,247,810	\$ 725,390	\$ -	\$ 8,205,622	\$ 20,178,822
18						
19	Ending Balance	\$ 10,277,932	\$ 6,291	\$ 4,925	\$ 4,758,433	\$ 15,047,581

2019-2020 Budget – Second Interim Update

Multiyear Projections – Unrestricted General Fund

Line		2019-2020	2020-2021	2021-2022
		Proposed Budget	Projected	Projected
A	Beginning Balance, July 1	\$ 11,973,200	\$ 10,289,148	\$ 4,264,806
B	Revenues	\$ 99,975,071	\$ 100,443,292	\$ 102,475,425
C1	Expenditures	\$ 75,069,191	\$ 78,170,632	\$ 79,124,938
C2	Contribution to Restricted Programs	\$ 26,589,932	\$ 28,297,002	\$ 29,918,513
D = B-C	Surplus (Deficit)	\$ (1,684,052)	\$ (6,024,342)	\$ (6,568,026)
E	Strategic Budget Reduction			\$ 2,400,000
F=A+D+E	Ending Balance	\$ 10,289,148	\$ 4,264,806	\$ 96,780
G	Assignments/Commitments	\$ 50,000	\$ 50,000	\$ 50,000
H=F-G	Unassigned/Unappropriated Ending Fund Balance	\$ 10,239,148	\$ 4,214,806	\$ 46,780

2019-2020 Budget – Second Interim Update

- Next Steps

Acronyms

AB	Assembly Bill	CPI	Consumer Price Index	LEA	Local Educational Agency
ACA	Affordable Care Act	CTE	Career Technical Education	LRE	Least Restrictive Environment
ADA	Average Daily Attendance	DOF	Department of Finance	MAA	Medi-Cal Administrative Activities
AP	Advanced Placement	DSA	Division of the State Architect	MOU	Memorandum of Understanding
API	Academic Performance Index	EC	Education Code	MTSS	Multi-Tiered Systems of Support
AYP	Adequate Yearly Progress	EL	English Learner	MYP	Multiyear Projection
BTSA	Beginning Teacher Support and Assessment	EPA	Education Protection Account	OPEB	Other Postemployment Benefits
CAASPP	California Assessment of Student Performance and Progress	ERAF	Education Revenue Augmentation Fund	OPSC	Office of Public School Construction
CALPADS	California Longitudinal Pupil Achievement Data System	ESL	English as a Second Language	P-1	First Principal (Apportionment)
CalPERS	California Public Employees Retirement System	ESSA	Every Student Succeeds Act	P-2	Second Principal (Apportionment)
CalSTRS	California State Teachers Retirement System	ESY	Extended School Year	PAR	Peer Assistance and Review
CALTIDES	California Longitudinal Teacher Integrated Data Education System	FAPE	Free and Appropriate Public Education	PD	Professional Development
CARS	Consolidated Application and Reporting System	FCMAT	Fiscal Crisis & Management Assistance Team	PI	Program Improvement
CASEMIS	California Special Education Management Information System	FERPA	Family Educational Rights and Privacy Act	PTA	Parent Teachers Association
CBA	Collective Bargaining Agreement	FRPM	Free and Reduced-Price Meals	RDA	Redevelopment Agency
CBEDS	California Basic Educational Data System	FTE	Full-Time Equivalent	SACS	Standardized Account Code Structure
CCSS	Common Core State Standards	GAAP	Generally Accepted Accounting Principles	SBE	State Board of Education
CDE	California Department of Education	GASB	Governmental Accounting Standards Board	SDC	Special Day Class
CELDT	California English Language Development Test	IEP	Individualized Education Program	SELPA	Special Education Local Plan Area
CNIPS	Child Nutrition Information Payment System	LAO	Legislative Analyst's Office	SPSA	Single Plan for Student Achievement
COE	County Office of Education	LCAP	Local Control and Accountability Plan	TK	Transitional Kindergarten
COLA	Cost-of-Living Adjustment	LCFF	Local Control Funding Formula	TRANS	Tax and Revenue Anticipation Notes
COP	Certificate of Participation			UPP	Unduplicated Pupil Percentage