Alum Rock Union Elementary School District

Comprehensive Budget Solution Plan

May 9, 2024

Presented by: Kolvira Chheng, Asst. Supt., Business Services

Agenda

- Components of Budget Solution Plan
  - Savings Starting in FY 2023-24
  - Savings Starting in FY 2024-25
  - Savings Starting in FY 2025-26
  - Savings per Site by Type
  - School Consolidation Six (6) Options
  - Assumptions for FY 2026-27
  - Revenue Source Considerations Not Included in MYP
- Multi-year Projections Six (6) Options
  - Using FY 2023-24 Second Interim as a Baseline
- Next Steps and Future Considerations

Components of Budget Solution Plan

Savings Starting in FY 2023-24			
Vacancies Not Filled and Positions Shifting to Other Funds			
Positions	**2023-24**	**2024-25**	**2025-26**
Operational Manager	171,898	171,898	171,898
Director of HR	-	247,000	247,000
Coordinator of Academic Services	-	224,500	224,500
Assist Supt of Business (.25 FTE to Bonds)	80,702	80,702	80,702
Payroll Manager (.25 to FD 67)	52,000	52,000	52,000
Benefits Specialist (.25 FTE to FD 67)	34,697	34,697	34,697
State/Fed (.3 FTE Coordinator to ELOP)	59,709	62,724	62,724
State/Fed (.25 Admin Assist to ELOP)	8,302	19,830	19,830
Total	**407,308**	**893,351**	**893,351**

Components of Budget Solution Plan

LCAP Savings Starting in FY 2024-25			
Categories	2023-24	2024-25	2025-26
Staffing	-	644,233	644,233
Contracts	-	677,602	677,602
Total	-	1,321,835	1,321,835

Components of Budget Solution Plan

Savings Starting in FY 2025-26 - Staffing Reduction		
Department	FTE	Amount
Subtotal for ITSS	3.00	423,914
Subtotal for Fiscal	1.50	212,772
Subtotal for Payroll	0.50	32,647.0
Subtotal for Purchasing	0.50	47,772.0
Subtotal for Warehouse	1.00	108,598
Subtotal for Transportation	4.50	451,686
Subtotal for Maintenance	4.00	506,571
Grand Total	15.00	1,783,960

Components of Budget Solution Plan

Average Savings for Elementary Site (Exclude CCELC) =	987,627
Principal	
School Admin	
School Office Assistant	
Campus Para	
Para Educators	
Health Assistant	
Community Liaison	
.5 FTE Counselor	
Head Custodian	
Night Custodian	
Utilities	

Components of Budget Solution Plan

Average Savings for TK-8 Site =	**1,300,737**
Principal	
Vice Principal	
School Admin	
School Office Assistant	
Campus Para	
Para Educators	
Health Assistant	
Community Liaison	
1 FTE Counselor	
Head Custodian	
Night Custodian	
Utilities	

Components of Budget Solution Plan

Average Savings for Middle School =	**1,383,142**
Principal	
Vice Principal	
School Admin	
School Office Assistant	
Campus Para	
Health Assistant	
Community Liaison	
1 FTE Counselor	
Head Custodian	
Night Custodian	
Utilities	

School Consolidation Option 1	
6 Elementary	5,925,762
1 TK-8	1,300,737
3 Middle	4,149,427
Total	11,375,925

Components of Budget Solution Plan

School Consolidation Option 2	
6 Elementary	5,925,762
1 TK-8	1,300,737
2 Middle	2,766,284
*Convert 1 Addt'l Middle School to Dual Immersion (Grades 6 to 8)	-
Total	9,992,783

Components of Budget Solution Plan

School Consolidation Option 3	
6 Elementary	5,925,762
1 TK-8	1,300,737
2 Middle	2,766,284
Total	9,992,783

School Consolidation Option 4	
6 Elementary	5,925,762
1 TK-8	1,300,737
1Middle	1,383,142
*Convert 1 Addt'l Middle School to Dual Immersion (Grades 6 to 8)	-
Total	8,609,641

School Consolidation Option 5	
5 Elementary	4,938,135
1 TK-8	1,300,737
2 Middle	2,766,284
Total	9,005,156

School Consolidation Option 6	
5 Elementary	4,938,135
1 TK-8	1,300,737
1 Middle	1,383,142
*Convert 1 Addt'l Middle School to Dual Immersion (Grades 6 to 8)	-
Total	7,622,014

Other Assumptions Starting in FY 2026-27 for MYP

- LCFF revenues decrease by 2% in FY 2026-27 from FY 2025-26
- Total expenditures increase by 1% in FY 2026-27 from 2025-26
- Contributions/Transfer from Unrestricted G/F to Restricted G/F for Special Education Program increase by 2% in FY 2026-27 from FY 2025-26
- Reduction of 10 Certificated FTEs at $150K (salary and benefits) in FY 2026-27 to align with declining enrollment
- Reduction of 9 Certificated FTEs at $150K (salary and benefits) in FY 2026-27 for class loading efficiency due to fewer schools

Revenue Source Considerations Not Included in MYP

- Repurposing of excess facilities to generate facilities use or leasing revenue
- Sale of excess facilities

Snapshot of Unrestricted G/F MYP at Second Interim

	UNRESTRICTED GENERAL FUND		
	2023-24 Second Interim	2024-25 Projected	2025-26 Projected
BEGINNING BALANCE	**39,067,447**	**36,397,426**	**15,562,118**
LCFF	114,010,181	108,294,744	106,625,613
Fed	-	-	-
State	1,873,499	1,923,245	1,873,191
Local	8,472,875	8,092,245	8,014,053
TOTAL REVENUES	**124,356,555**	**118,310,234**	**116,512,857**
1xxx	46,333,011	49,539,749	49,420,095
2xxx	13,459,485	16,237,621	16,562,374
3xxx	24,727,140	27,532,008	27,697,007
4xxx	2,500,275	2,500,275	2,300,275
5xxx	12,065,438	12,065,438	12,065,438
6xxx	184,150	184,150	184,150
7xxx	(5,277,673)	(3,547,963)	(3,555,720)
Other Adjustments	-	-	(12,500,000)
TOTAL EXPENDITURES	**93,991,826**	**104,511,278**	**92,173,619**
76xx	-	-	-
89xx	(33,034,750)	(34,634,264)	(35,251,056)
TOTAL CONTRIBUTIONS/TRANSFERS	**(33,034,750)**	**(34,634,264)**	**(35,251,056)**
Surplus/(Deficit)	**(2,670,021)**	**(20,835,308)**	**(10,911,818)**
ENDING FUND BALANCE	**36,397,426**	**15,562,118**	**4,650,300**

Unrestricted G/F MYP – Option 1

	Option 1 UNRESTRICTED GENERAL FUND			
	2023-24 Second Interim	2024-25 Projected	2025-26 Projected	2026-27 Projected
BEGINNING BALANCE	**39,067,447**	**49,304,734**	**30,684,612**	**23,147,865**
LCFF	114,010,181	108,294,744	106,625,613	104,493,101
Fed	-	-	-	
State	1,873,499	1,923,245	1,873,191	1,873,191
Local	8,472,875	8,092,245	8,014,053	8,014,053
TOTAL REVENUES	**124,356,555**	**118,310,234**	**116,512,857**	**114,380,345**
1xxx	46,333,011	49,539,749	49,420,095	
2xxx	13,459,485	16,237,621	16,562,374	
3xxx	24,727,140	27,532,008	27,697,007	
4xxx	2,500,275	2,500,275	2,300,275	
5xxx	12,065,438	12,065,438	12,065,438	
6xxx	184,150	184,150	184,150	
7xxx	(5,277,673)	(3,547,963)	(3,555,720)	
Other Adjustments (Use of 1X funds previously reflected in FY 2025-26 at Second Interin	(12,500,000)	-	-	
Components of Budget Solution Plan				
Savings Starting in FY 2023-24 - Vacancies Not Filled and Costs Shift to Other Funds	(407,308)	(893,351)	(893,351)	-
Savings Starting in FY 2024-25 - LCAP Staffing	-	(644,233)	(644,233)	-
Savings Starting in FY 2024-25 - LCAP Contracts	-	(677,602)	(677,602)	-
Savings Starting in FY 2025-26 - Staffing Reduction	-	-	(1,783,960)	-
Materials/Supplies Starting in FY 2025-26	-	-	(500,000)	-
Option 1 (6 Elem, 1 TK-8 and 3 Middle)	-	-	(11,375,925)	-
Reduce 10 Cert. FTEs at 150K Each for Declining Enrollment Starting FY 2026-27	-	-	-	(1,500,000)
Additional Reduction of 9 Cert. FTEs for Class Loading Efficiency Starting in FY 2026-27	-	-	-	(1,350,000)
TOTAL EXPENDITURES	**81,084,518**	**102,296,092**	**88,798,548**	**86,836,533.47**
TOTAL CONTRIBUTIONS/TRANSFERS	**(33,034,750)**	**(34,634,264)**	**(35,251,056)**	**(35,956,077)**
Surplus/(Deficit)	**10,237,287**	**(18,620,122)**	**(7,536,747)**	**(8,412,266)**
ENDING FUND BALANCE	**49,304,734**	**30,684,612**	**23,147,865**	**14,735,599**

Unrestricted G/F MYP – Option 2

	Option 2 UNRESTRICTED GENERAL FUND			
	2023-24 Second Interim	2024-25 Projected	2025-26 Projected	2026-27 Projected
BEGINNING BALANCE	**39,067,447**	**49,304,734**	**30,684,612**	**21,764,723**
LCFF	114,010,181	108,294,744	106,625,613	104,493,101
Fed	-	-	-	-
State	1,873,499	1,923,245	1,873,191	1,873,191
Local	8,472,875	8,092,245	8,014,053	8,014,053
TOTAL REVENUES	**124,356,555**	**118,310,234**	**116,512,857**	**114,380,345**
1xxx	46,333,011	49,539,749	49,420,095	
2xxx	13,459,485	16,237,621	16,562,374	
3xxx	24,727,140	27,532,008	27,697,007	
4xxx	2,500,275	2,500,275	2,300,275	
5xxx	12,065,438	12,065,438	12,065,438	
6xxx	184,150	184,150	184,150	
7xxx	(5,277,673)	(3,547,963)	(3,555,720)	
Other Adjustments (Use of 1X funds previously reflected in FY 2025-26 at Second Interim	(12,500,000)	-	-	
Components of Budget Solution Plan				
Savings Starting in FY 2023-24 - Vacancies Not Filled and Costs Shift to Other Funds	(407,308)	(893,351)	(893,351)	-
Savings Starting in FY 2024-25 - LCAP Staffing	-	(644,233)	(644,233)	-
Savings Starting in FY 2024-25 - LCAP Contracts	-	(677,602)	(677,602)	-
Savings Starting in FY 2025-26 - Staffing Reduction	-	-	(1,783,960)	-
Materials/Supplies Starting in FY 2025-26	-	-	(500,000)	-
Option 2 (6 Elem, 1 TK-8 and 2 Middle; Convert 1 Addt'l Middle to Dual Immersion)	-	-	(9,992,783)	-
Reduce 10 Cert. FTEs at 150K Each for Declining Enrollment Starting FY 2026-27	-	-	-	(1,500,000)
Additional Reduction of 9 Cert. FTEs for Class Loading Efficiency Starting in FY 2026-27	-	-	-	(1,350,000)
TOTAL EXPENDITURES	**81,084,518**	**102,296,092**	**90,181,690**	**88,233,507**
TOTAL CONTRIBUTIONS/TRANSFERS	**(33,034,750)**	**(34,634,264)**	**(35,251,056)**	**(35,956,077)**
Surplus/(Deficit)	**10,237,287**	**(18,620,122)**	**(8,919,889)**	**(9,809,239)**
ENDING FUND BALANCE	**49,304,734**	**30,684,612**	**21,764,723**	**11,955,483**

Unrestricted G/F MYP – Option 3

	Option 3 UNRESTRICTED GENERAL FUND			
	2023-24 Second Interim	2024-25 Projected	2025-26 Projected	2026-27 Projected
BEGINNING BALANCE	**39,067,447**	**49,304,734**	**30,684,612**	**21,764,723**
LCFF	114,010,181	108,294,744	106,625,613	104,493,101
Fed	-	-	-	-
State	1,873,499	1,923,245	1,873,191	1,873,191
Local	8,472,875	8,092,245	8,014,053	8,014,053
TOTAL REVENUES	**124,356,555**	**118,310,234**	**116,512,857**	**114,380,345**
1xxx	46,333,011	49,539,749	49,420,095	
2xxx	13,459,485	16,237,621	16,562,374	
3xxx	24,727,140	27,532,008	27,697,007	
4xxx	2,500,275	2,500,275	2,300,275	
5xxx	12,065,438	12,065,438	12,065,438	
6xxx	184,150	184,150	184,150	
7xxx	(5,277,673)	(3,547,963)	(3,555,720)	
Other Adjustments (Use of 1X funds previously reflected in FY 2025-26 at Second Interim)	(12,500,000)	-	-	
Components of Budget Solution Plan				
Savings Starting in FY 2023-24 - Vacancies Not Filled and Costs Shift to Other Funds	(407,308)	(893,351)	(893,351)	-
Savings Starting in FY 2024-25 - LCAP Staffing	-	(644,233)	(644,233)	-
Savings Starting in FY 2024-25 - LCAP Contracts	-	(677,602)	(677,602)	-
Savings Starting in FY 2025-26 - Staffing Reduction	-	-	(1,783,960)	-
Materials/Supplies Starting in FY 2025-26	-	-	(500,000)	-
Option 3 (6 Elem, 1 TK-8 and 2 Middle)	-	-	(9,992,783)	-
Reduce 10 Cert. FTEs at 150K Each for Declining Enrollment Starting FY 2026-27	-	-	-	(1,500,000)
Additional Reduction of 9 Cert. FTEs for Class Loading Efficiency Starting in FY 2026-27	-	-	-	(1,350,000)
TOTAL EXPENDITURES	**81,084,518**	**102,296,092**	**90,181,690**	**88,233,507**
TOTAL CONTRIBUTIONS/TRANSFERS	**(33,034,750)**	**(34,634,264)**	**(35,251,056)**	**(35,956,077)**
Surplus/(Deficit)	**10,237,287**	**(18,620,122)**	**(8,919,889)**	**(9,809,239)**
ENDING FUND BALANCE	**49,304,734**	**30,684,612**	**21,764,723**	**11,955,483**

Unrestricted G/F MYP – Option 4

	Option 4 UNRESTRICTED GENERAL FUND			
	2023-24 Second Interim	2024-25 Projected	2025-26 Projected	2026-27 Projected
BEGINNING BALANCE	**39,067,447**	**49,304,734**	**30,684,612**	**20,381,581**
LCFF	114,010,181	108,294,744	106,625,613	104,493,101
Fed	-	-	-	-
State	1,873,499	1,923,245	1,873,191	1,873,191
Local	8,472,875	8,092,245	8,014,053	8,014,053
TOTAL REVENUES	**124,356,555**	**118,310,234**	**116,512,857**	**114,380,345**
1xxx	46,333,011	49,539,749	49,420,095	
2xxx	13,459,485	16,237,621	16,562,374	
3xxx	24,727,140	27,532,008	27,697,007	
4xxx	2,500,275	2,500,275	2,300,275	
5xxx	12,065,438	12,065,438	12,065,438	
6xxx	184,150	184,150	184,150	
7xxx	(5,277,673)	(3,547,963)	(3,555,720)	
Other Adjustments (Use of 1X funds previously reflected in FY 2025-26 at Second Interim)	(12,500,000)	-	-	
Components of Budget Solution Plan				
Savings Starting in FY 2023-24 - Vacancies Not Filled and Costs Shift to Other Funds	(407,308)	(893,351)	(893,351)	-
Savings Starting in FY 2024-25 - LCAP Staffing	-	(644,233)	(644,233)	-
Savings Starting in FY 2024-25 - LCAP Contracts	-	(677,602)	(677,602)	-
Savings Starting in FY 2025-26 - Staffing Reduction	-	-	(1,783,960)	-
Materials/Supplies Starting in FY 2025-26	-	-	(500,000)	-
Option 4 (6 Elem, 1 TK-8 and 1 Middle; Convert 1 Addt'l Middle to Dual Immersion)	-	-	(8,609,641)	-
Reduce 10 Cert. FTEs at 150K Each for Declining Enrollment Starting FY 2026-27	-	-	-	(1,500,000)
Additional Reduction of 9 Cert. FTEs for Class Loading Efficiency Starting in FY 2026-27	-	-	-	(1,350,000)
TOTAL EXPENDITURES	**81,084,518**	**102,296,092**	**91,564,832**	**89,630,481**
TOTAL CONTRIBUTIONS/TRANSFERS	**(33,034,750)**	**(34,634,264)**	**(35,251,056)**	**(35,956,077)**
Surplus/(Deficit)	**10,237,287**	**(18,620,122)**	**(10,303,031)**	**(11,206,213)**
ENDING FUND BALANCE	**49,304,734**	**30,684,612**	**20,381,581**	**9,175,368**

Unrestricted G/F MYP – Option 5

	Option 5 UNRESTRICTED GENERAL FUND			
	2023-24 Second Interim	2024-25 Projected	2025-26 Projected	2026-27 Projected
BEGINNING BALANCE	**39,067,447**	**49,304,734**	**30,684,612**	**20,777,096**
LCFF	114,010,181	108,294,744	106,625,613	104,493,101
Fed	-	-	-	-
State	1,873,499	1,923,245	1,873,191	1,873,191
Local	8,472,875	8,092,245	8,014,053	8,014,053
TOTAL REVENUES	**124,356,555**	**118,310,234**	**116,512,857**	**114,380,345**
1xxx	46,333,011	49,539,749	49,420,095	
2xxx	13,459,485	16,237,621	16,562,374	
3xxx	24,727,140	27,532,008	27,697,007	
4xxx	2,500,275	2,500,275	2,300,275	
5xxx	12,065,438	12,065,438	12,065,438	
6xxx	184,150	184,150	184,150	
7xxx	(5,277,673)	(3,547,963)	(3,555,720)	
Other Adjustments (Use of 1X funds previously reflected in FY 2025-26 at Second Interim)	(12,500,000)	-	-	
Components of Budget Solution Plan				
Savings Starting in FY 2023-24 - Vacancies Not Filled and Costs Shift to Other Funds	(407,308)	(893,351)	(893,351)	-
Savings Starting in FY 2024-25 - LCAP Staffing	-	(644,233)	(644,233)	-
Savings Starting in FY 2024-25 - LCAP Contracts	-	(677,602)	(677,602)	-
Savings Starting in FY 2025-26 - Staffing Reduction	-	-	(1,783,960)	-
Materials/Supplies Starting in FY 2025-26	-	-	(500,000)	-
Option 5 (5 Elem, 1 TK-8 and 2 Middle)	-	-	(9,005,156)	-
Reduce 10 Cert. FTEs at 150K Each for Declining Enrollment Starting FY 2026-27	-	-	-	(1,500,000)
Additional Reduction of 9 Cert. FTEs for Class Loading Efficiency Starting in FY 2026-27	-	-	-	(1,350,000)
TOTAL EXPENDITURES	**81,084,518**	**102,296,092**	**91,169,317**	**89,231,010**
TOTAL CONTRIBUTIONS/TRANSFERS	**(33,034,750)**	**(34,634,264)**	**(35,251,056)**	**(35,956,077)**
Surplus/(Deficit)	**10,237,287**	**(18,620,122)**	**(9,907,516)**	**(10,806,743)**
ENDING FUND BALANCE	**49,304,734**	**30,684,612**	**20,777,096**	**9,970,353**

Unrestricted G/F MYP – Option 6

	Option 6 UNRESTRICTED GENERAL FUND			
	2023-24 Second Interim	2024-25 Projected	2025-26 Projected	2026-27 Projected
BEGINNING BALANCE	**39,067,447**	**49,304,734**	**30,684,612**	**19,393,954**
LCFF	114,010,181	108,294,744	106,625,613	104,493,101
Fed	-	-	-	-
State	1,873,499	1,923,245	1,873,191	1,873,191
Local	8,472,875	8,092,245	8,014,053	8,014,053
TOTAL REVENUES	**124,356,555**	**118,310,234**	**116,512,857**	**114,380,345**
1xxx	46,333,011	49,539,749	49,420,095	
2xxx	13,459,485	16,237,621	16,562,374	
3xxx	24,727,140	27,532,008	27,697,007	
4xxx	2,500,275	2,500,275	2,300,275	
5xxx	12,065,438	12,065,438	12,065,438	
6xxx	184,150	184,150	184,150	
7xxx	(5,277,673)	(3,547,963)	(3,555,720)	
Other Adjustments (Use of 1X funds previously reflected in FY 2025-26 at Second Interim)	(12,500,000)	-	-	
Components of Budget Solution Plan				
Savings Starting in FY 2023-24 - Vacancies Not Filled and Costs Shift to Other Funds	(407,308)	(893,351)	(893,351)	-
Savings Starting in FY 2024-25 - LCAP Staffing	-	(644,233)	(644,233)	-
Savings Starting in FY 2024-25 - LCAP Contracts	-	(677,602)	(677,602)	-
Savings Starting in FY 2025-26 - Staffing Reduction	-	-	(1,783,960)	-
Materials/Supplies Starting in FY 2025-26	-	-	(500,000)	-
Option 6 (5 Elem, 1 TK-8 and 1 Middle; Convert 1 Addt'l Middle to Dual Immerson)	-	-	(7,622,014)	-
Reduce 10 Cert. FTEs at 150K Each for Declining Enrollment Starting FY 2026-27	-	-	-	(1,500,000)
Additional Reduction of 9 Cert. FTEs for Class Loading Efficiency Starting in FY 2026-27	-	-	-	(1,350,000)
TOTAL EXPENDITURES	**81,084,518**	**102,296,092**	**92,552,459**	**90,627,984**
TOTAL CONTRIBUTIONS/TRANSFERS	**(33,034,750)**	**(34,634,264)**	**(35,251,056)**	**(35,956,077)**
Surplus/(Deficit)	**10,237,287**	**(18,620,122)**	**(11,290,658)**	**(12,203,716)**
ENDING FUND BALANCE	**49,304,734**	**30,684,612**	**19,393,954**	**7,190,238**

Summary of Options for FY 2026-27

	Summary of Options for FY 2026-27					
	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
BEGINNING BALANCE	23,147,865	21,764,723	21,764,723	20,381,581	20,777,096	19,393,954
TOTAL REVENUES	114,380,345	114,380,345	114,380,345	114,380,345	114,380,345	114,380,345
TOTAL EXPENDITURES	86,836,533	88,233,507	88,233,507	89,630,481	89,231,010	90,627,984
TOTAL CONTRIBUTIONS/TRANSFERS	(35,956,077)	(35,956,077)	(35,956,077)	(35,956,077)	(35,956,077)	(35,956,077)
Surplus/(Deficit)	(8,412,266)	(9,809,239)	(9,809,239)	(11,206,213)	(10,806,743)	(12,203,716)
ENDING FUND BALANCE	14,735,599	11,955,483	11,955,483	9,175,368	9,970,353	7,190,238
<u>Options</u>						
Option 1 (6 Elem, 1 TK-8 and 3 Middle)						
Option 2 (6 Elem, 1 TK-8 and 2 Middle; Convert 1 Addt'l Middle to Dual Immersion)						
Option 3 (6 Elem, 1 TK-8 and 2 Middle)						
Option 4 (6 Elem, 1 TK-8 and 1 Middle; Convert 1 Addt'l Middle to Dual Immersion)						
Option 5 (5 Elem, 1 TK-8 and 2 Middle)						
Option 6 (5 Elem, 1 TK-8 and 1 Middle; Convert 1 Addt'l Middle to Dual Immerson)						

Next Steps and Future Considerations

- May 14 – May Revision from Governor Newsom
- May 21 - Special Board Meeting to Select Option without Identifying School Sites due to Additional Analysis Needed
- May 28 – Budget Committee Meeting
- June 13 - Public Hearing for Proposed Budget for FY 2024-25
- June 27 – Adoption of FY 2024-25 Budget
- July 2024 through November 2024 – On Going Community Engagement for School Consolidation
- December 2024 or January 2025 – Resolution for School Consolidation/Staffing Reduction
- February 2025 through June 2025 – School Consolidation Logistics

Thank you and Questions

