



Alum Rock Union Elementary School District

2024-25

Second Interim Budget Summary for the Budget Committee Meeting

March 26, 2025

Presented by: Teresa DeCelles, CPA

Asst. Supt., Business Services

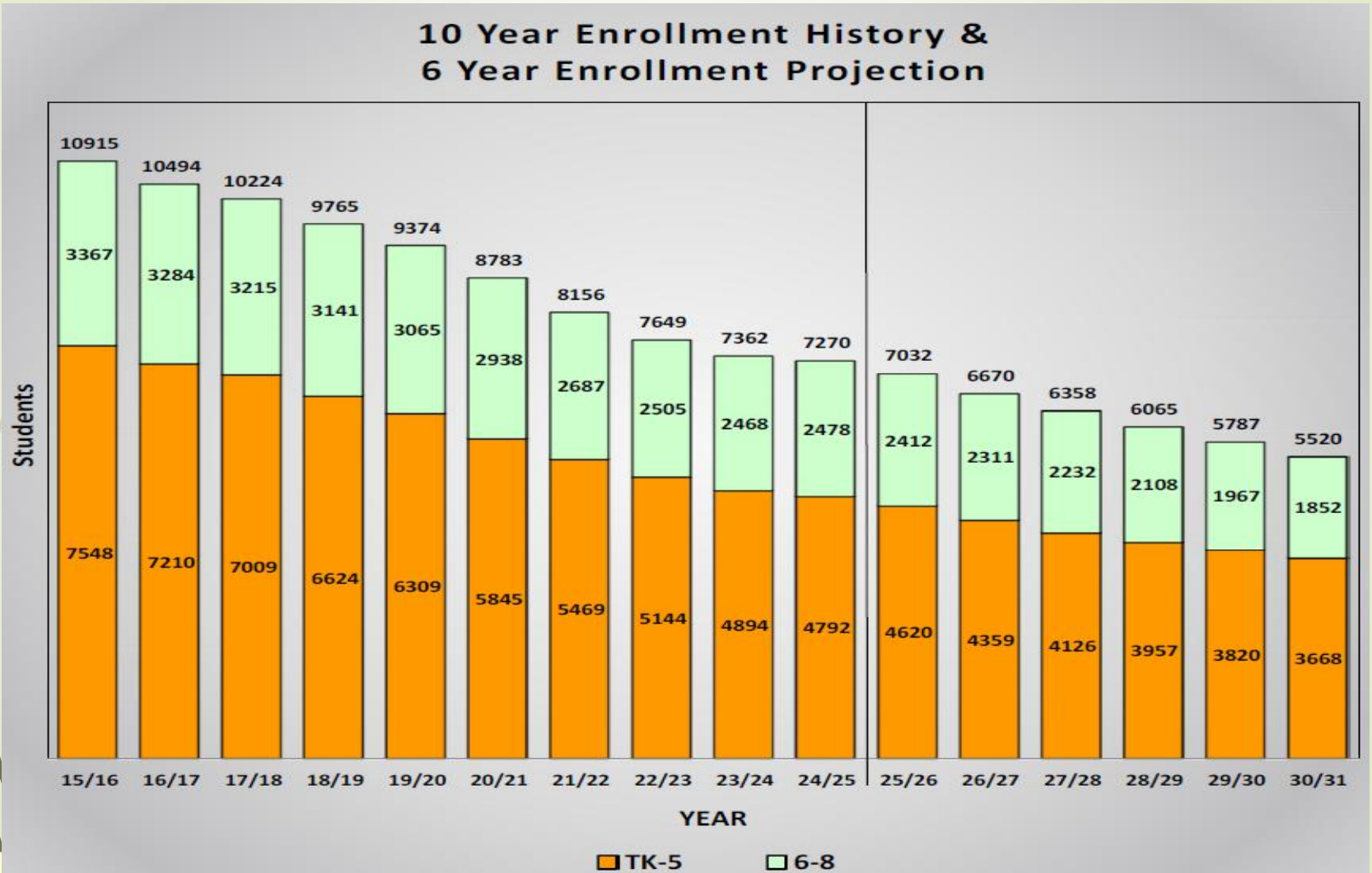


Overview

- Enrollment History and Projections
- Key Assumptions
- Second Interim Multi-Year Projections
- Considerations – Not Included in Second Interim
- Potential Surprises (Good and Bad)



Enrollment History and Projections per SchoolWorks





Key Assumptions

- **The Multi-Year Projections (MYP) includes the board approved School Closure/Consolidation Plan.**
- **The MYP includes the board approved Fiscal Stabilization Plan submitted to the Santa Clara County Office of Education (SCCOE).**
- **The MYP includes an additional potential 300 * student decrease (total decrease of approximately 540 students) due to school closures and projected enrollment drop.**

* Most recent FY 25-26 enrollment information from Student Services.

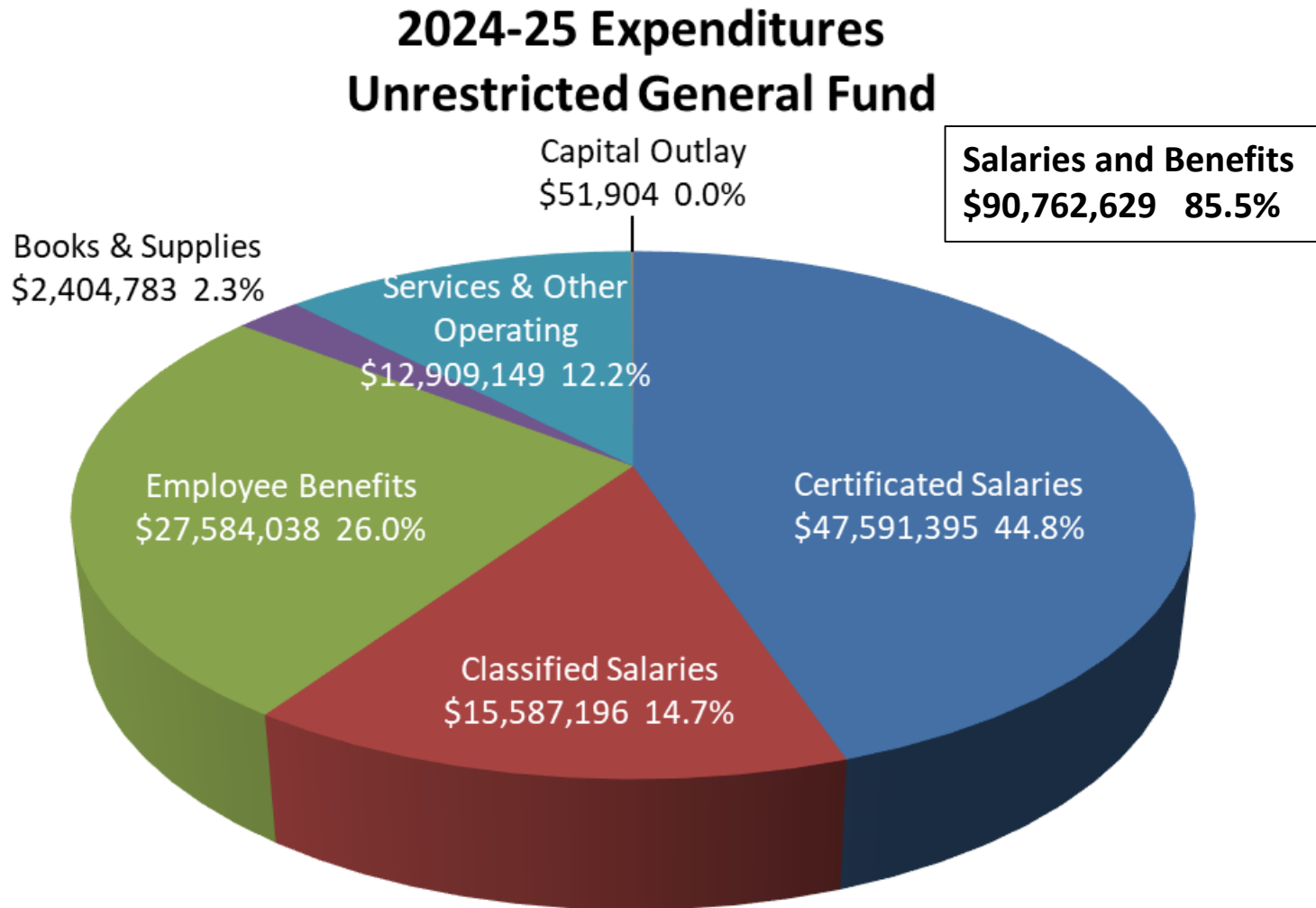


Multi-Year Projection – Unrestricted General Fund

	UNRESTRICTED GENERAL FUND		
	2024-25	2025-26	2026-27
	Second Interim	Projected	Projected
BEGINNING FUND BALANCE	50,687,744	32,975,091	23,565,819
LCFF	106,946,778	107,665,101	108,827,243
State	2,210,680	2,114,638	2,031,852
Local	9,128,189	8,464,078	8,444,061
TOTAL REVENUES	<u>118,285,647</u>	<u>118,243,817</u>	<u>119,303,156</u>
Certificated Salaries	47,591,395	44,058,383	43,290,464
Classified Salaries	15,587,196	13,320,225	13,259,493
Employee Benefits	27,584,038	24,442,731	24,080,649
Books and Supplies	2,404,783	2,404,783	2,404,783
Services and Other Operating Expenditures	12,909,149	11,541,860	11,629,379
Capital Outlay	51,904	51,904	51,904
Other Outgo	39,000	39,000	39,000
Other Outgo - Indirect Costs	<u>(8,403,346)</u>	<u>(4,624,327)</u>	<u>(4,640,920)</u>
TOTAL EXPENDITURES	<u>97,764,119</u>	<u>91,234,559</u>	<u>90,114,752</u>
Contribution	<u>(38,234,181)</u>	<u>(36,418,530)</u>	<u>(36,988,869)</u>
Surplus/(Deficit)	<u>(17,712,653)</u>	<u>(9,409,272)</u>	<u>(7,800,465)</u>
ENDING FUND BALANCE	<u>32,975,091</u>	<u>23,565,819</u>	<u>15,765,354</u>



FY 24-25 Second Interim Unrestricted General Fund Expenditures





Multi-Year Projection – Restricted General Fund

	RESTRICTED GENERAL FUND		
	2024-25	2025-26	2026-27
	First Interim	Projected	Projected
BEGINNING FUND BALANCE	26,844,713	-	-
LCFF	-	-	-
Fed	8,445,945	6,732,385	6,592,462
State	37,364,501	24,237,613	23,725,786
Local	1,664,075	712,392	704,275
TOTAL REVENUES	47,474,521	31,682,390	31,022,523
Certificated Salaries	20,431,971	17,921,434	18,190,255
Classified Salaries	13,880,717	13,404,843	13,671,939
Employee Benefits	21,000,032	18,270,749	18,462,343
Books and Supplies	18,977,889	1,459,249	1,316,701
Services and Other Operating Expenditures	27,626,279	10,187,137	9,496,053
Capital Outlay	-	-	-
Other Outgo	2,679,160	2,679,160	2,679,160
Other Outgo - Indirect Costs	7,957,367	4,178,348	4,194,941
TOTAL EXPENDITURES	112,553,415	68,100,920	68,011,392
Contribution	38,234,181	36,418,530	36,988,869
Surplus/(Deficit)	(26,844,713)	-	-
ENDING FUND BALANCE	-	-	-



Multi-Year Projection – Combined General Fund

	UNRESTRICTED/RESTRICTED GENERAL FUND		
	2024-25	2025-26	2026-27
	Second Interim	Projected	Projected
BEGINNING FUND BALANCE	77,532,457	32,975,091	23,565,819
Local Control Funding Formula (LCFF)	106,946,778	107,665,101	108,827,243
Federal Revenue	8,445,945	6,732,385	6,592,462
Lottery Revenues	1,411,255	1,369,775	1,274,500
Other State Revenues	38,163,926	24,982,476	24,483,138
Other Local Revenues	10,792,264	9,176,470	9,148,336
TOTAL REVENUES	165,760,168	149,926,207	150,325,679
Certificated Salaries	68,023,366	61,979,817	61,480,719
Classified Salaries	29,467,913	26,725,068	26,931,432
Employee Benefits	48,584,070	42,713,480	42,542,992
Books and Supplies	21,382,672	3,864,032	3,721,484
Services and Other Operating Expenditures	40,535,428	21,728,997	21,125,432
Capital Outlay	51,904	51,904	51,904
Other Outgo	2,718,160	2,718,160	2,718,160
Indirect Costs	(445,979)	(445,979)	(445,979)
TOTAL EXPENDITURES	210,317,534	159,335,479	158,126,144
Surplus/(Deficit)	(44,557,366)	(9,409,272)	(7,800,465)
ENDING FUND BALANCE	32,975,091	23,565,819	15,765,354



Considerations – Not Included in Second Interim MYP

- **Future Revenue** - Repurposing of excess facilities to generate leasing revenue or possible sale/land swap of excess facilities.
- **Expenditures** – Negotiations are not settled for the current year or future years, therefore, raises and/or off salary schedule increases are not included in the multi-year projection.

	ARUSD - Salary Increases Summary				
	2020-21	2021-22	2022-23	2023-24	Total
On-Going (AREA)	0.00%	3.25%	5.00%	8.20%	16.45%
On-Going (Others)	0.00%	3.25%	5.00%	7.10%	15.35%
One-Time (AREA)	0.00%	3.00%	0.00%	0.00%	3.00%
One-Time (Others, not AREA)	0.00%	3.00%	0.00%	2.00%	5.00%
One-Time in \$ (All)	2,000	-	-	-	2,000

- **Expenditures** – Transition costs are estimated at \$200,000 each for FY 24-25 and FY 25-26. Actual costs may be higher or lower.



Other Potential Surprises (Good and Bad)

- COLA for the out years may change
- ADA may decrease due to school closures
- Potential Litigation
- Special Education MOE (Maintenance of Effort) Considerations
- Uncertainty regarding federal funding
- The Governor's Proposed Budget includes a one time discretionary block grant



Thank you and Questions

ANY
QUESTIONS

