Budget & LCAP Adoption Process

Public Hearing on Proposed Budget for Fiscal Year 2026-2027

June 9, 2026

Agenda

Background & Timeline

Overview of budget requirements and key dates in the adoption process.

Budget 2026-27

Assumptions and General Fund budget

Multiyear Projections

Will our current financial plan put the district at risk in the short-term?

Background

Legal Requirements

State law mandates AUSD's Board adopt both budget and LCAP by June 30, 2026.

Certification Options

Board must certify the district's three-year financial outlook as positive, qualified, or negative.

Staff Recommends a positive certification

Timeline

State Budget Timeline	Date	AUSD Budget Timeline
Governor's Budget Proposal for 2026-27	Jan – Apr 2026	Start of District's Budget Process – Budget Assumptions
State Legislative Process	May 12, 2026	Categorical Programs
Governor's Revised Budget Proposal for 2026-27	May 26, 2026	Budget Details by School, Department, & Major Programs
Vote on State Budget by Legislature	Jun 9, 2026	Public Hearing of District's LCAP and Budget
Action on State Budget by the Governor	Jun 23, 2026	Adoption of District's LCAP and Budget
	Aug 11, 2026	45-Day Budget Revision

Budget Components

Beginning Balance

Ending Fund Balance from 2025-26 is the starting point for 2026-27.

Revenues

Projected income for 2026-27.

Expenditures

Budgeted expenditures for 2026-27.

Ending Balance

Funds left at the end of 2026-27.

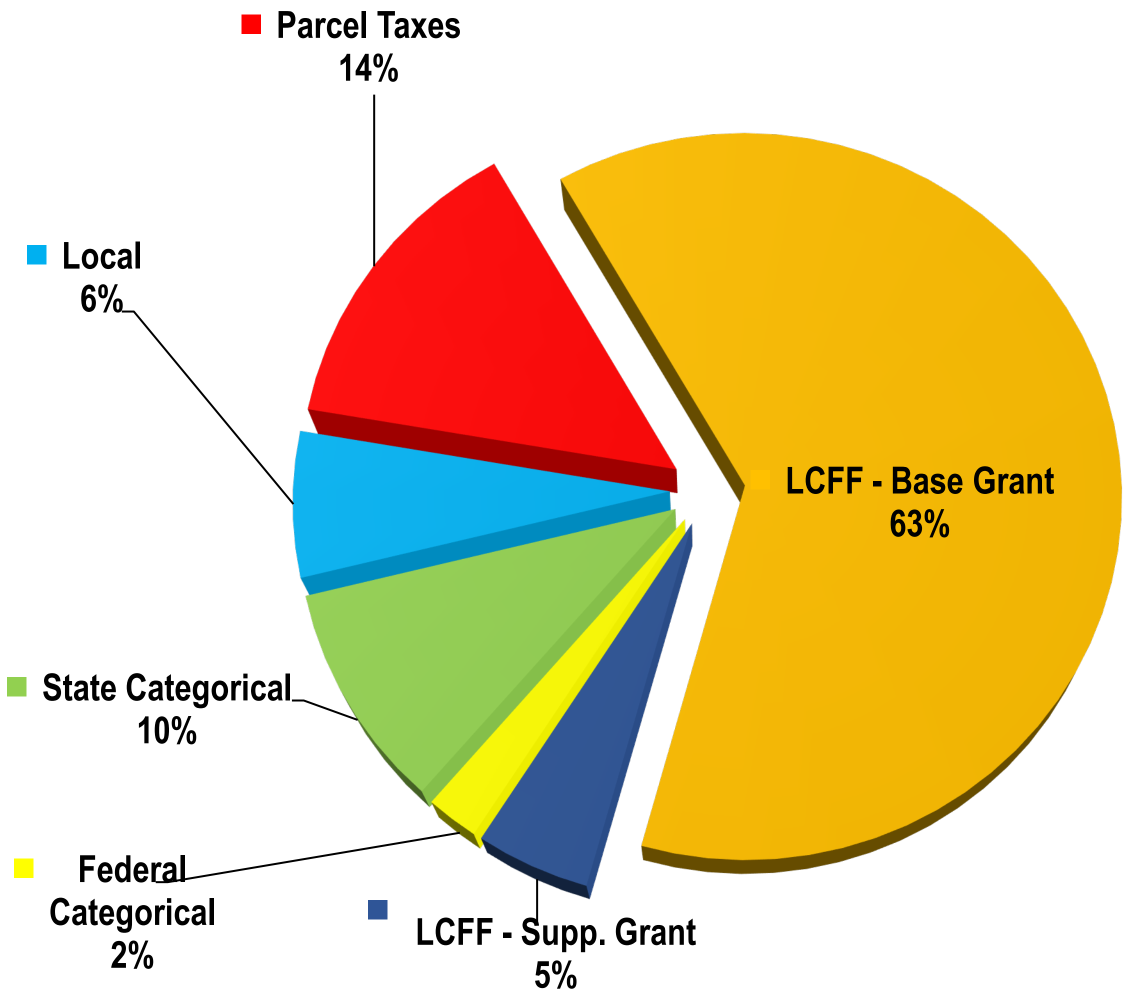
- Estimated Actuals project the Ending Fund Balance before the books are officially closed in September
- Influences the 3-year out Ending Fund Balance that becomes the basis of positive, qualified, or a negative certification

Summary of Assumptions

Categories	Source	2025-26 Actual	2026-27 Projected MYP Year 1	2027-28 Projected MYP Year 2	2028-29 Projected MYP Year 3
District Enrollment	Projection	9,361	9,361	9,174	8,990
ADA - Actual/Projected		8,898	8,898	8,720	8,545
Actual ADA as a %age of Enrollment		95.1%	95.1%	95.1%	95.1%
Funded ADA-Actual/Projected		8,898	8,898	8,898	8,837
Funded ADA as a %age of Enrollment		95.1%	95.1%	97.0%	98.3%
Unduplicated EL/FRPM Count		3,703	3,703	3,629	3,556
Unduplicated EL/FRPM Percentage		40%	40%	40%	40%
Measure E Parcel Tax		$24M	$24M	$24M	$24M
COLA	ACOE	2.30%	2.87%	3.30%	3.09%
COLA Augmentation			0.00%		
Increase in Consumer Price Index (CPI)		3.25%	3.76%	3.18%	2.76%
State Teacher's Retirement System	ACOE	19.1%	19.1%	19.1%	19.1%
Public Employee Retirement System	CalPERS	26.8%	26.4%	26.8%	25.9%
Deferred Maintenance Budget	AUSD	$ 500,000	$ 500,000	$ 500,000	$ 500,000

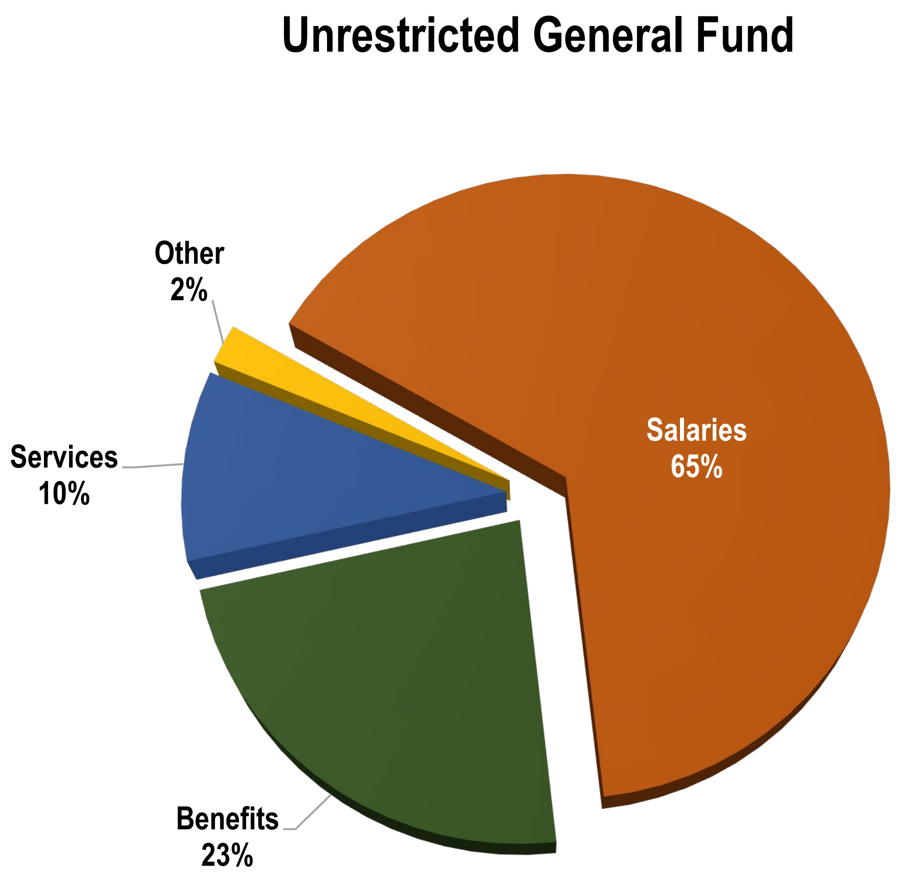
General Fund Revenue (Unrestricted & Restricted)

Description	Total (Millions)	
LCFF Base Grant	$	107.5
LCFF Supp. Grant		8.2
Federal Revenue		3.8
Other State Revenue		16.9
Other Local Revenue		11.1
Parcel Taxes		24.0
Total	$	171.6



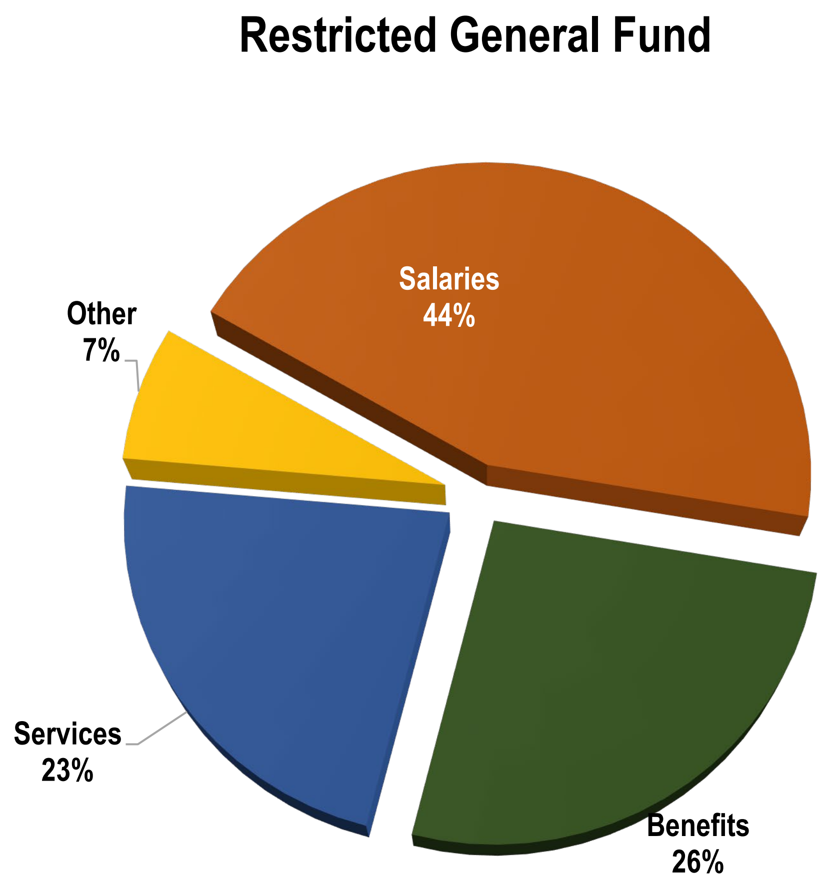
General Fund Expenditures - Unrestricted

Description	Total	
	(Millions)	
Certificated Salaries	$	57.9
Classified Salaries		16.4
Employee Benefits		26.6
Books & Supplies		4.4
Services & Op. Exp.		11.3
Capital Outlay		0.1
Other Outgo		(2.1)
Total	$	114.5



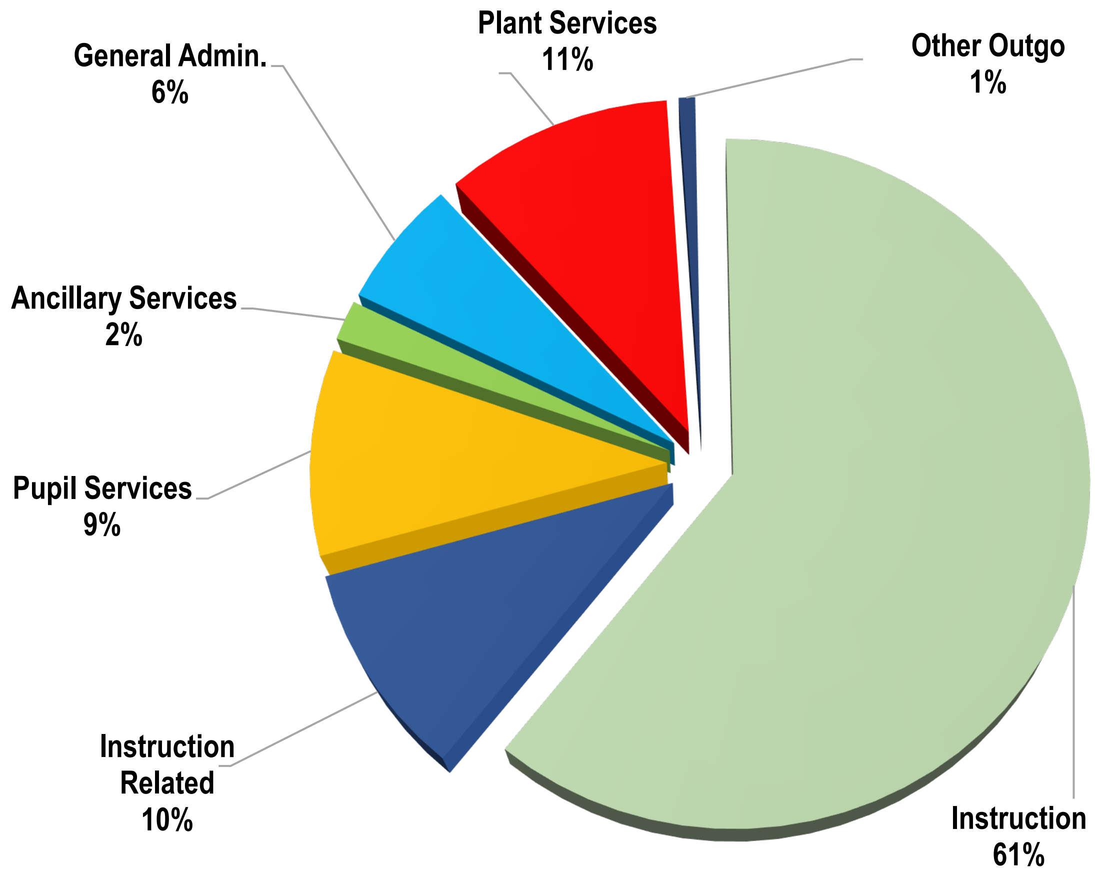
General Fund Expenditures - Restricted

Description	Total	
	(Millions)	
Certificated Salaries	$	18.2
Classified Salaries		13.3
Employee Benefits		18.7
Books & Supplies		1.7
Services & Op. Exp.		15.9
Capital Outlay		0.4
Other Outgo		2.9
Total	$	71.2



Expenditures – Major Operational Areas

Major Operational Areas	
Instruction	Activities dealing directly with the interaction between teachers and students
Instruction Related	Library & Media teachers, School Administration, Teaching Staff Development
Pupil Services	Counselors, Psychologists, Specialized Special Ed. Services, Transportation, Health Services
Ancillary Services	Athletics, After School Services
General Admin.	Fiscal Services, Technology Services, Insurance, Human Resources, Legal, Superintendent
Plant Services	Utilities, Custodial Services, Maintenance Staff



Full Time Equivalent (FTE) Employees

Employee Category	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26			2026-27
							Adoption	First Interim	Second Interim	Budgeted
Certificated Non-Management	542	520	518	507	531	548	563	561	560	557
Classified Non-Management	332	306	296	326	341	352	357	373	366	367
Certificated Management	39	40	40	41	45	42	42	43	43	42
Classified Management	19	18	19	19	19	19	19	19	19	19
Total FTE	932	884	873	893	936	961	980	995	988	985

Full Time Equivalent (FTE) Employees

- Includes 12 FTE that are funded by one-time funds
- Approximately 9 FTE positions will be closed at the end of 2026-27, and
- Another 3 FTE at the end of 2027-28

Multiyear Projections - Unrestricted General Fund

Line	Description	2026-27 Proposed Amount (Millions)	2027-28 Projected Amount (Millions)	2028-29 Projected Amount (Millions)
A	Beginning Fund Bal., July 1	$ 21.10	$ 9.98	$ (3.14)
B1	Revenues	$ 143.99	$ 147.90	$ 150.75
C1	Expenditures	$ (114.46)	$ (118.36)	$ (120.22)
C3	Contribution to Restricted	$ (40.65)	$ (42.66)	$ (43.66)
D = B - C	Surplus (Deficit)	$ (11.12)	$ (13.12)	$ (13.13)
E = A + D	Projected Ending Bal., June 30	$ 9.98	$ (3.14)	$ (16.27)
F	Assignments/Commitments	$ (1.10)	$ (1.10)	$ (1.10)
G = E - F	Unassigned/Unappropriated Ending Fund Balance	$ 8.88	$ (4.24)	$ (17.36)

Multiyear Projections - Unrestricted Gen Fund – One-Time Funds

Total One-Time Funds Made Available in 25-26

- $1.5M 2026-27 Block Grant
- $2.7M Discretionary Block Grant
- $4.5M Reduction in Reserve Fund
- $5M Discretionary Funds
- $9.5M Measure B Set-aside

Line	Description	2026-27 Proposed Amount (Millions)	2027-28 Projected Amount (Millions)	2028-29 Projected Amount (Millions)
A	Beginning Fund Bal., July 1	$ 21.10	$ 9.98	$ 11.69
B1	Revenues	$ 143.99	$ 147.90	$ 150.75
B2	Transfer from Reserve Fund		$ 9.50	
C1	Expenditures	$ (114.46)	$ (118.36)	$ (120.22)
C2	Transfer Expenditures to Restricted to use 2025-26			$ 2.71
C3	Contribution to Restricted	$ (40.65)	$ (42.66)	$ (43.66)
C4	Reduction in SPED Contribution by using the Disc. Block Grant		$ 5.33	
D = B - C	Surplus (Deficit)	$ (11.12)	$ 1.71	$ (10.42)
E = A + D	Projected Ending Bal., June 30	$ 9.98	$ 11.69	$ 1.27
F	Assignments/Commitments	$ (1.10)	$ (1.10)	$ (1.10)
G = E - F	Unassigned/Unappropriated Ending Fund Balance	$ 8.88	$ 10.60	$ 0.17

Multiyear Projections - Unrestricted General Fund

Most Probably:

- Revenue will change
- Usage of one-time funds to balance the MYP will change

Line	Description	2026-27 Proposed Amount (Millions)	2027-28 Projected Amount (Millions)	2028-29 Projected Amount (Millions)
A	Beginning Fund Bal., July 1	$ 21.10	$ 9.98	$ 11.69
B1	Revenues	$ 143.99	$ 147.90	$ 150.75
C1	Expenditures	$ (114.46)	$ (118.36)	$ (117.51)
C3	Contribution to Restricted	$ (40.65)	$ (27.83)	$ (43.66)
D = B - C	Surplus (Deficit)	$ (11.12)	$ 1.71	$ (10.42)
E = A + D	Projected Ending Bal., June 30	$ 9.98	$ 11.69	$ 1.27
F	Assignments/Commitments	$ (1.10)	$ (1.10)	$ (1.10)
G = E - F	Unassigned/Unappropriated Ending Fund Balance	$ 8.88	$ 10.60	$ 0.17

Multiyear Projections - Unrestricted General Fund

Strategic usage of new one-time or ongoing funds may help us balance the MYP in out years

Line	Description	2026-27		2027-28		2028-29		2029-30	
		Proposed Amount (Millions)		Projected Amount (Millions)		Projected Amount (Millions)		Projected Amount (Millions)	
A	Beginning Fund Bal., July 1	$	21.10	$	9.98	$	11.69	$	1.27
B1	Revenues		143.99		147.90		150.75		152.86
C1	Expenditures		(114.46)		(118.36)		(117.51)		(122.49)
C3	Contribution to Restricted		(40.65)		(27.83)		(43.66)		(44.48)
D = B - C	Surplus (Deficit)	$	(11.12)	$	1.71	$	(10.42)		(14.11)
E = A + D	Projected Ending Bal., June 30	$	9.98	$	11.69	$	1.27	$	(12.84)
F	Assignments/Commitments	$	(1.10)	$	(1.10)	$	(1.10)	$	(1.10)
G = E - F	Unassigned/Unappropriated Ending Fund Balance	$	8.88	$	10.60	$	0.17	$	(13.93)

Public Hearing of Budget Proposal - Reserves

As required by Senate Bill (SB) 858, the Alameda Unified School District has determined:

- **Fund 17**
  - **Minimum 3% reserve level, required by law, is $5,581,058**
  - **Additional committed reserves needed to , equal to three weeks payroll, of $9,342,248, per BP 3100**

- **Greater than minimum reserves, in the amount of $19,938,452 are required in 2026-27 to account for LCFF/Supplemental carryover, revolving fund, and to pay for compensation and healthcare costs in future years**

Fund Balance Commitments

Purpose	Justification	Fund 1	Fund 17	Total
LCFF Supplemental	Approximate carryover from 2026-27 to 2027-28, per education code 42238.07	$ 1,046,204	$ -	$ 1,046,204
Revolving Fund	Revolving Fund Set-Aside	50,000		50,000
Employee Compensation	Set-aside for already negotiated compensation increase for all employees		9,500,000	9,500,000
State Reserve Requirement	3% reserve mandated by the State		5,581,058	5,581,058
To Maintain Fiscal Solvency &	Additional reserves to protect the district against unforseen circumstances		9,342,248	9,342,248
	Total Commitments	$ 1,096,204	$ 24,423,306	$ 25,519,510

Timeline

Date	State Budget Timeline	AUSD Budget Timeline
Jan – Apr 2026	Governor's Budget Proposal for 2026-27	Start of District's Budget Process – Budget Assumptions
May 12, 2026	State Legislative Process	Categorical Programs
May 26, 2026	Governor's Revised Budget Proposal for 2026-27	Budget Details by School, Department, & Major Programs
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The Road Ahead

- Items to watch
  - COLA Augmentation
  - Discretionary Block Grant
  - Additional funding for Special Education
  - Learning Recovery Block Grant (LRBG) adjustments
  - Literacy and Math block grants

- Ending fund balance for 2025-26
  - Opportunity to transfer expenditures to categorical programs as part of closing fiscal year 25-26 and provide a one-time boost to the ending fund balance

Board Discussion & Questions

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	ESSER	Elementary & Secondary School Emergency Relief	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	LCFF/S	Local Control Funding Formula/Supplemental	UPP	Unduplicated Pupil Percentage