

**2020-2021**

## **Budget & LCAP Adoption Process**

### **Public Hearing on Proposed Budget**

**June 9, 2020**

# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal - Agenda

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- Background
- Timeline
- Budget assumptions
- 2020-2021 General Fund budget & Multi-year projections
- Other Funds
- Parcel Tax

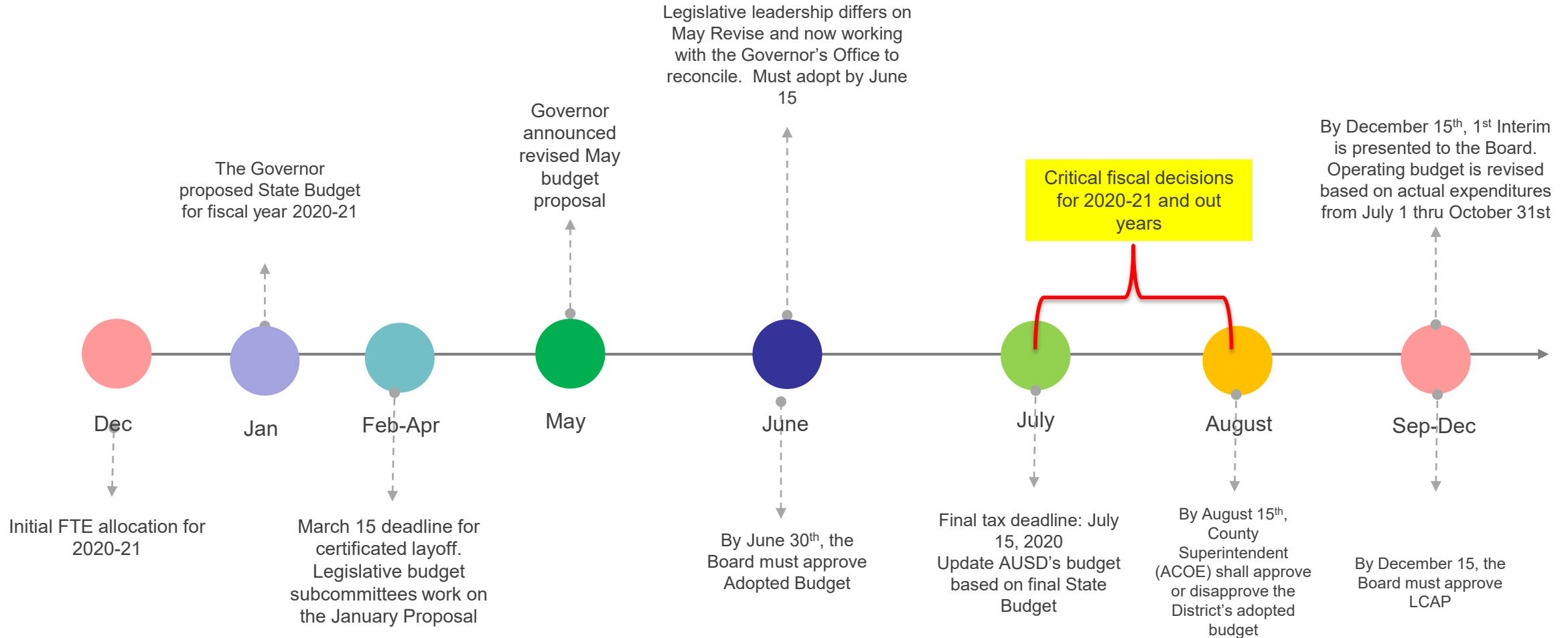
# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal - Background

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- Per State Law AUSD's Board must adopt budget and the Local Control Accountability Plan (LCAP) by June 30, 2020.
  - LCAP adoption postponed to December 15, 2020
- Board must certify that the District's projected financial outlook for 2020-2021, 2021-2022, and 2022-2023 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
- Due to uncertainties with the State budget, staff is not ready to make a recommendation at this time
  - Reclassification by ACOE would trigger review by FCMAT

# 2020-2021 Budget & LCAP Adoption Process Timeline





# 2020-2021 Budget & LCAP Adoption Process Assumptions

Categories	Source	2019-20	2020-21	2021-22	2022-23
District Enrollment	CALPADS	9,372	9,372	9,372	9,372
District Funded ADA-Actual/Projected	Projection	8,989	8,976	8,976	8,976
ADA as a Percentage of Total Enrollment	Projection	95.91%	95.77%	95.77%	95.77%
Unduplicated EL/FRM Count	CALPADS	2,936	2,816	2,709	2,606
Unduplicated EL/FRM Percentage	CALPADS	31.3%	30.0%	28.9%	27.8%
COLA	DOF	3.26%	2.31%	2.48%	3.26%
Effective Deficit Factor	SSC/AUSD	0.00%	-7.92%	-12.18%	-14.95%
Special Education AB602 Funding Increase	SSC/NRSELPA	\$ -	\$66/ADA	\$66/ADA	\$66/ADA
Elementary & Secondary School Emergency Relief Fund (ESSER)	CDE	\$ -	\$800K	\$ -	\$ -
State Teacher's Retirement System	CDE	17.10%	16.15%	16.02%	18.10%
Public Employee Retirement System	CDE	19.72%	20.70%	22.84%	25.50%
Additional Teacher FTE Contingency	AUSD	3	-	-	-
Deferred Maintenance Budget	AUSD	\$ 500,000	\$ -	\$ -	\$ -

# 2020-2021 Budget & LCAP Adoption Process

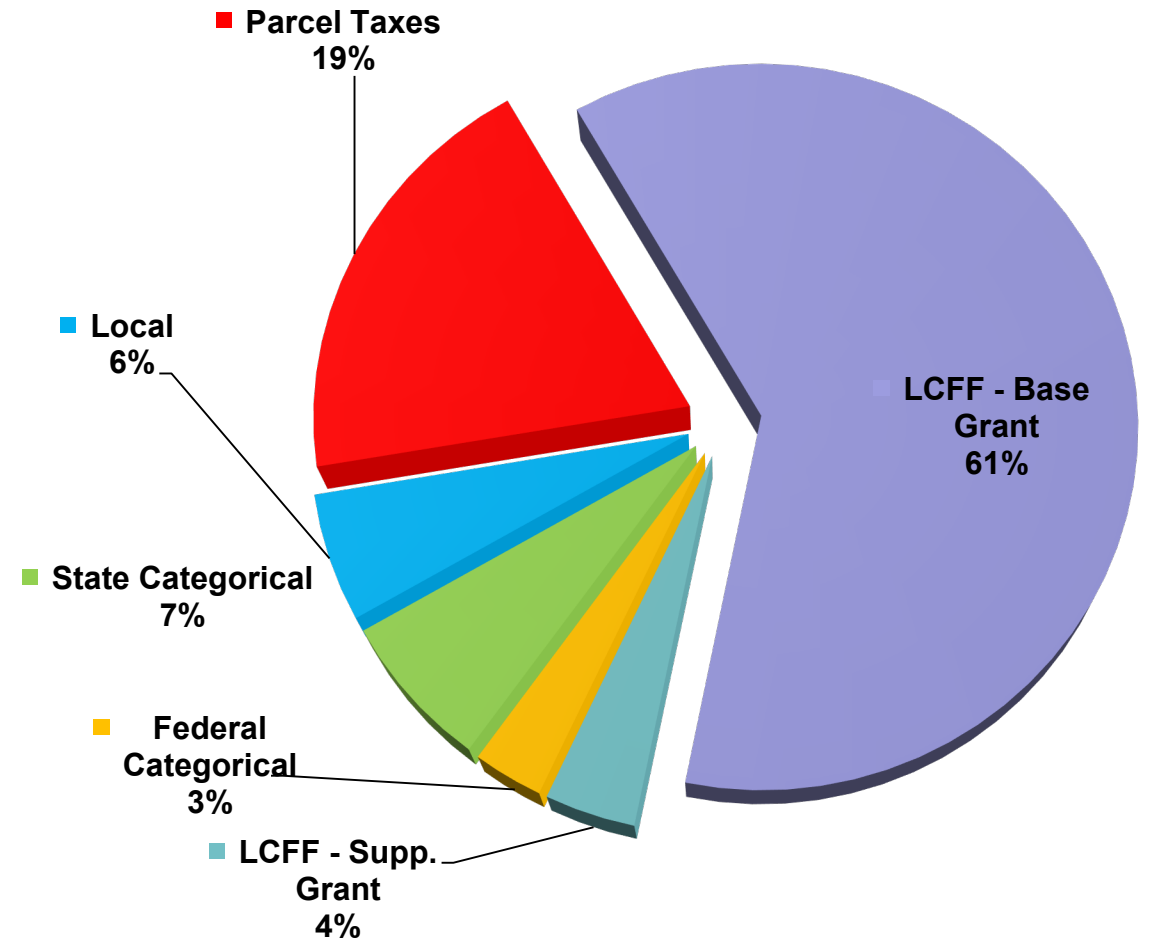
## May Revise vs. Legislative Proposal

Categories	Governor's May Revise	Legislature's Proposal	One-Time or On-Going	Comments
LCFF COLA	-7.92%, Reduction of \$8.3M	2.31%, Increase of approx. \$1.4M	Multiyear impact	AUSD's Budget proposal prepared with -7.92% COLA
Distribution of \$1.5B in CARES Act. CRF	\$1.9M		One-time	Not included in the budget proposal
Distribution of \$2.8B in CARES Act CRF	\$ -	\$3.7M	One-time	Not included in the budget proposal
Cares Act, ESSER Funds	\$800K		One-time	Being used for expenditures related to COVID-19. Not in the budget yet as we wait for the County software to be updated
STRS/PERS Rate Reduction	\$1.7M each in 2020-21 and 2021-22		Savings in 20-21 and 21-22	AUSD has recognized updated pension rates and will adjust based on final State budget
Special Education AB602 Adjustment	\$592K	Not clear	On-going	AUSD has recognized this budget and will adjust based on final State budget

# 2020-2021 Budget & LCAP Adoption Process

## General Fund Revenue (Unrestricted & Restricted)

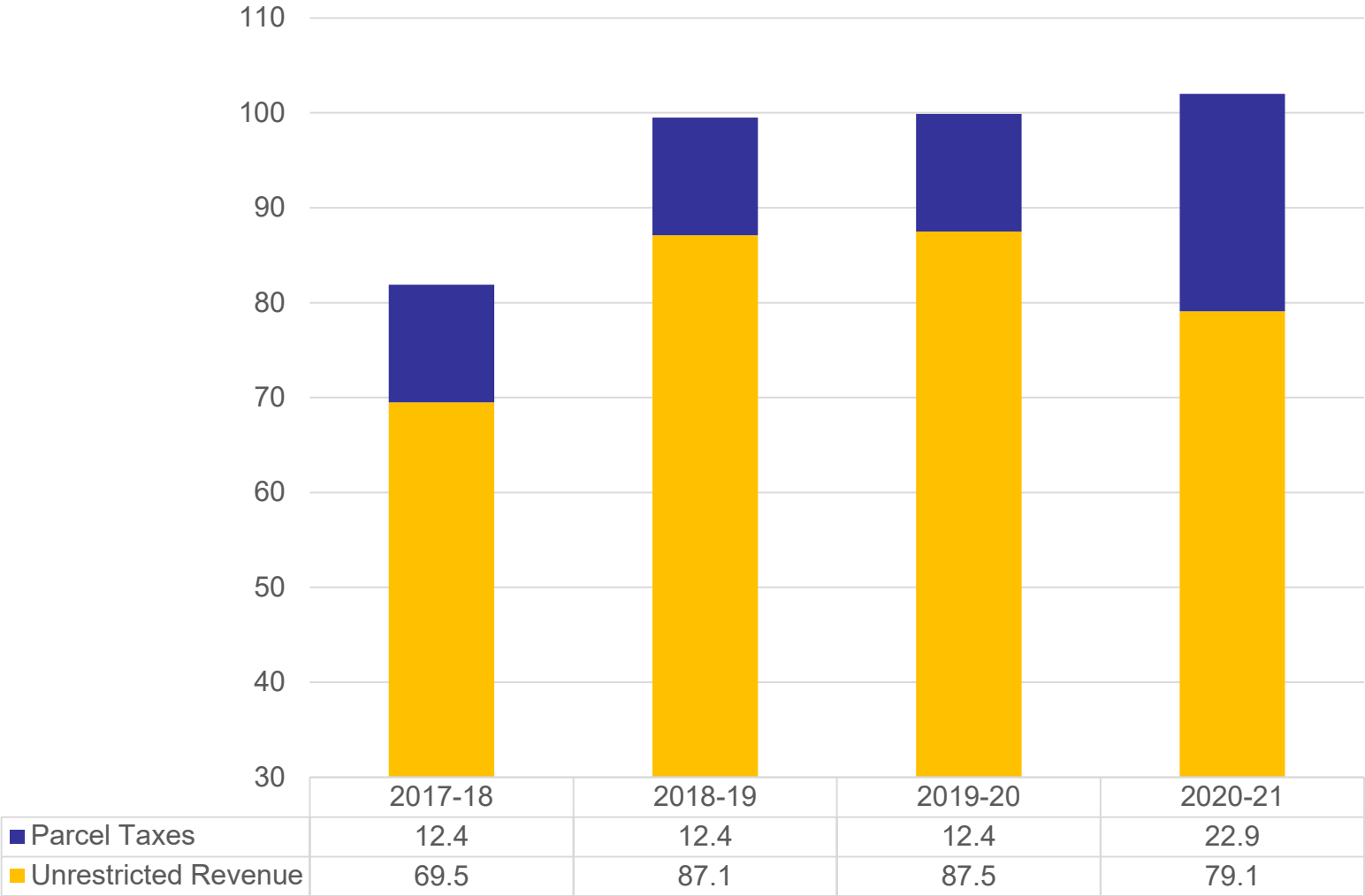
Description	Total
	(Millions)
LCFF Base Grant	\$ 72.9
LCFF Supp. Grant	\$ 4.5
Federal Revenue	\$ 3.5
Other State Revenue	\$ 8.0
Other Local Revenue	\$ 6.7
Parcel Taxes	\$ 22.9
<b>Total</b>	<b>\$ 118.5</b>





# 2020-2021 Budget & LCAP Adoption Process

## Unrestricted Revenue, Historical Data



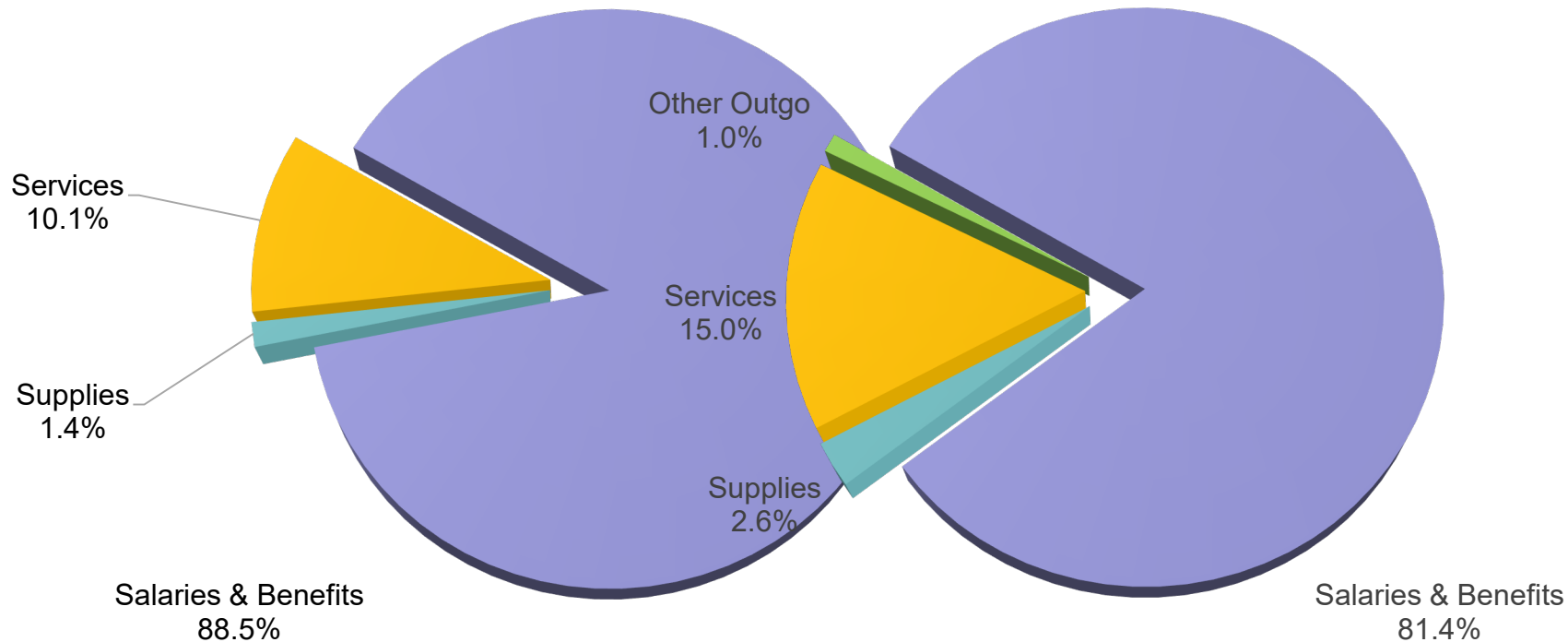
All amounts in millions



# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – General Fund Expenditures

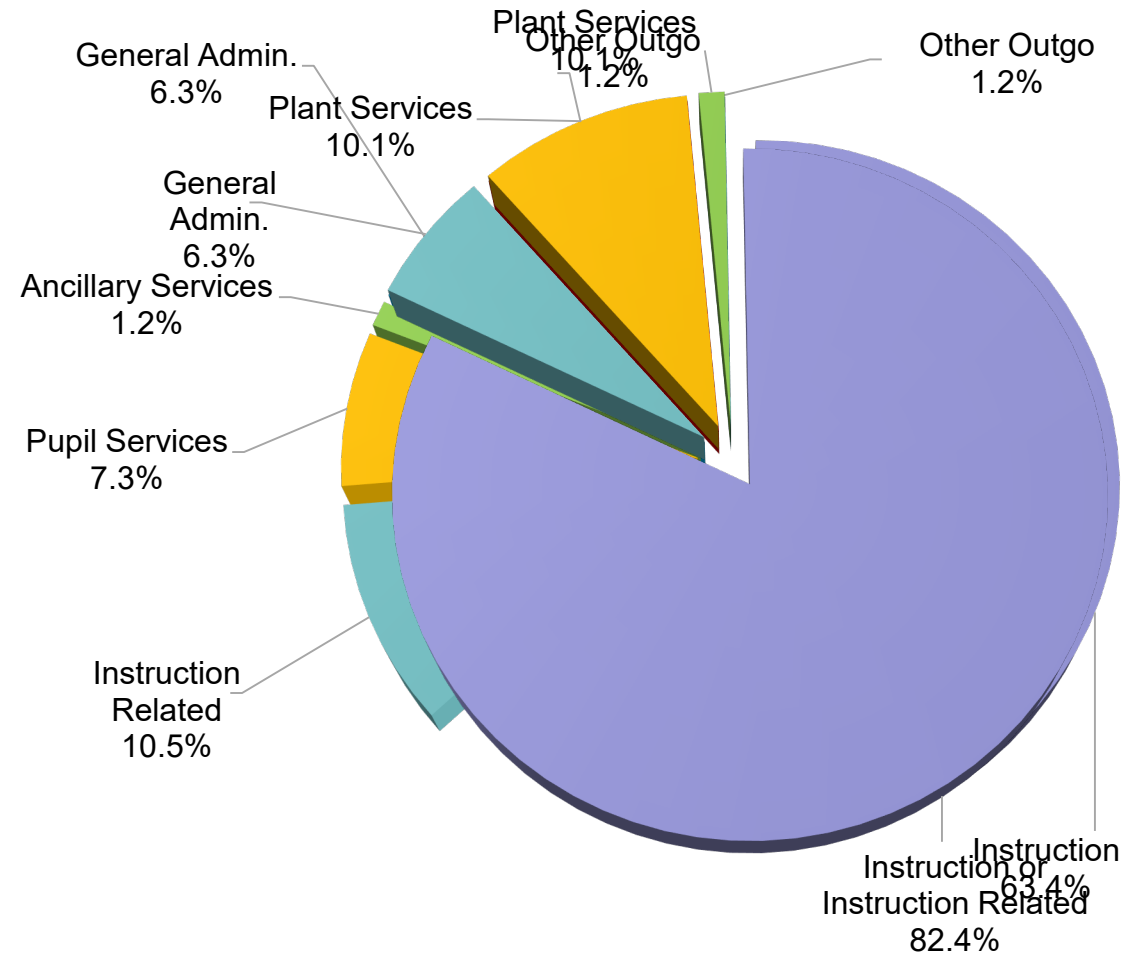
Unrestricted General Fund & Restricted & Unrestricted General Fund



# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – Expenditures

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



# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – Proposed Budget

	Unrestricted			Restricted		Total
	Totally Unrestricted	LCFF Supplemental Grant	Parcel Tax (A & B1)	Special Education	All Other	
<b>REVENUES</b>						
LCFF Revenue	\$ 72,196,548	\$ 4,514,509	\$ -	\$ 673,522	\$ -	\$ 77,384,579
Federal Categorical Revenue	\$ -	\$ -	\$ -	\$ 2,238,035	\$ 1,317,400	\$ 3,555,435
State Categorical Revenue	\$ 1,394,275	\$ -	\$ -	\$ 1,064,583	\$ 5,634,693	\$ 8,093,551
Local Revenue	\$ 954,763	\$ -	\$ 22,990,911	\$ 5,338,215	\$ 365,149	\$ 29,649,038
<b>Revenues</b>	<b>\$ 74,545,586</b>	<b>\$ 4,514,509</b>	<b>\$ 22,990,911</b>	<b>\$ 9,314,355</b>	<b>\$ 7,317,242</b>	<b>\$ 118,682,603</b>
<b>EXPENDITURES</b>						
Salaries & Benefits	\$ 46,811,123	\$ 3,649,743	\$ 20,763,510	\$ 22,377,145	\$ 8,528,258	\$ 102,129,779
Books & Supplies	\$ 816,641	\$ 130,823	\$ 190,000	\$ 434,476	\$ 1,725,014	\$ 3,296,954
Services & Op. Expenses	\$ 7,468,805	\$ 438,207	\$ 283,000	\$ 9,999,498	\$ 653,809	\$ 18,843,319
Capital Outgo & Transfers	\$ (2,830,830)	\$ 295,736	\$ 1,754,401	\$ 1,732,860	\$ 346,299	\$ 1,298,466
<b>Expenditures</b>	<b>\$ 52,265,739</b>	<b>\$ 4,514,509</b>	<b>\$ 22,990,911</b>	<b>\$ 34,543,979</b>	<b>\$ 11,253,380</b>	<b>\$ 125,568,518</b>
Other Sources (Uses)	\$ (29,243,539)	\$ -	\$ -	\$ 25,262,546	\$ 3,599,190	\$ (381,803)
<b>Net Inc. (Dec) in Fund Bal.</b>	<b>\$ (6,963,692)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,922</b>	<b>\$ (336,948)</b>	<b>\$ (7,267,718)</b>
<b>Beginning Balance</b>	<b>\$ 12,828,610</b>		<b>\$ -</b>		<b>\$ 3,686,046</b>	<b>\$ 16,514,656</b>
<b>Ending Balance</b>	<b>\$ 5,864,918</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,922</b>	<b>\$ 3,349,098</b>	<b>\$ 9,246,938</b>

# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – MYP Unrestricted General Fund

Line		2020-2021	2021-2022	2022-2023
		Proposed Budget	Projected	Projected
A	<b>Beginning Balance, July 1</b>	\$ 12,828,610	\$ 5,864,918	\$ (3,797,481)
B	Revenues	\$ 102,051,006	\$ 101,828,266	\$ 101,661,274
C1	Expenditures	\$ 79,771,159	\$ 81,407,234	\$ 84,036,340
C2	Contribution to Restricted Programs	\$ 29,243,539	\$ 30,083,431	\$ 31,058,838
D = B-C	Surplus (Deficit)	\$ (6,963,692)	\$ (9,662,399)	\$ (13,433,904)
E = A+D	Ending Balance	\$ 5,864,918	\$ (3,797,481)	\$ (17,231,385)
F	Assignments/Commitments	\$ 236,125	\$ 236,125	\$ 236,125
G = E-F	<b>Unassigned/Unappropriated Ending Fund Balance</b>	<b>\$ 5,628,793</b>	<b>\$ (4,033,606)</b>	<b>\$ (17,467,510)</b>

# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – Other Funds

	Adult Education Fund 11	Child Development Fund 12	Child Nutrition Fund 13
<b><u>REVENUES</u></b>			
Federal	\$ 288,920	\$ 288,005	\$ 1,742,000
State	\$ 787,503	\$ 1,551,775	\$ 84,400
Local	\$ 72,205	\$ 180,890	\$ 988,088
<b>Total - Revenues</b>	<b>\$ 1,148,628</b>	<b>\$ 2,020,670</b>	<b>\$ 2,814,488</b>
<b><u>EXPENDITURES</u></b>			
Salaries & Benefits	\$ 1,288,381	\$ 1,934,747	\$ 1,993,648
Supplies	\$ 31,267	\$ 50,000	\$ 1,055,500
Services & Operating Expenses	\$ 32,800	\$ 23,556	\$ 28,100
Capital Outlay			
Other Outgo & Transfers		\$ 138,974	\$ 153,862
<b>Total - Expenditures</b>	<b>\$ 1,352,448</b>	<b>\$ 2,147,277</b>	<b>\$ 3,231,110</b>
Other Sources (Measure A)	\$ 95,557	\$ 134,774	\$ 144,629
Net Inc/Dec in Fund Balance	\$ (108,263)	\$ 8,167	\$ (271,993)
<b>Beginning Balance</b>	<b>\$ 1,239</b>	<b>\$ 649,392</b>	<b>\$ 548,268</b>
<b>Ending Balance</b>	<b>\$ (107,024)</b>	<b>\$ 657,559</b>	<b>\$ 276,275</b>
<b>Restrictions/Commitments/Assignments</b>	<b>\$ (107,024)</b>	<b>\$ 657,559</b>	<b>\$ 276,275</b>
<b>Unassigned/Unappropriated</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – Solutions Under Exploration

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- Reduction in FY 2020-21 budget
  - Approximately \$3M reduction in expenditures
    - FTE allocation
  - One-time reductions that will come back in 2021-22, such as:
    - Field maintenance
    - Hourly/substitute costs
- Beginning fund balance – Approx. \$12.8M as opposed to \$10.2M projected at the second Interim
  - One-time savings in utility costs, hourly/substitute costs, and other contracts
- Usage of one-time reserve funds
  - \$4.8M
- Reduction in service days
- Salary rollbacks

# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – Board Resolution

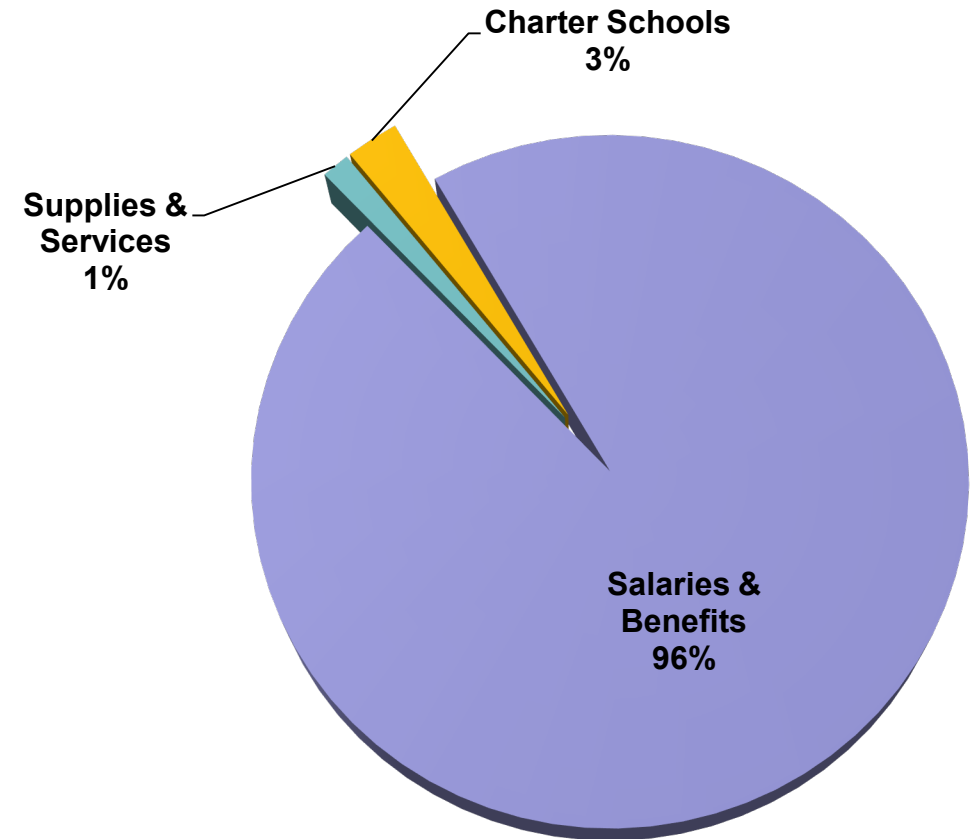
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- Board resolution required by the Alameda County Office of Education reflecting Alameda Unified's commitment to enacting a plan to address budgetary shortfalls in its multiyear analysis
- Resolution must be adopted by the Board of Education along with the budget adoption
- Identify the amount of reductions

# 2019-2020 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – Parcel Tax Measure B1

Program Description	Amount	Allowable Percentage for Expenditure	Budget, as a Percentage of Revenue
Measure B1 Projected Revenue	\$12,411,467		
Accountability & Oversight	(\$179,743)	2%	1.45%
<b>Available for Budgeting</b>	<b>\$12,231,724</b>		
Small Class Sizes in K-3	\$1,730,000	14% to 15%	14.14%
Neighborhood Elementary Schools	\$867,000	7 to 8%	7.09%
Secondary School Choice Initiative	\$977,919	7 to 8%	7.99%
Programs to Close Achievement Gap	\$1,616,658	13 to 14%	13.22%
High School Athletics	\$489,683	4%	4.00%
Enrichment Programs	\$1,139,883	9 to 10%	9.32%
Attract & Retain Excellent Teachers	\$3,697,366	30 to 31%	30.23%
Counseling & Student Support	\$734,250	6%	6.00%
Alameda Charter Schools	\$367,551	3 to 4%	3.00%
Technology	\$611,414	5%	5.00%
Adult Education	\$0	0%	0.00%
<b>Total Budgeted Expenditures</b>	<b>\$12,231,724</b>		<b>100.00%</b>

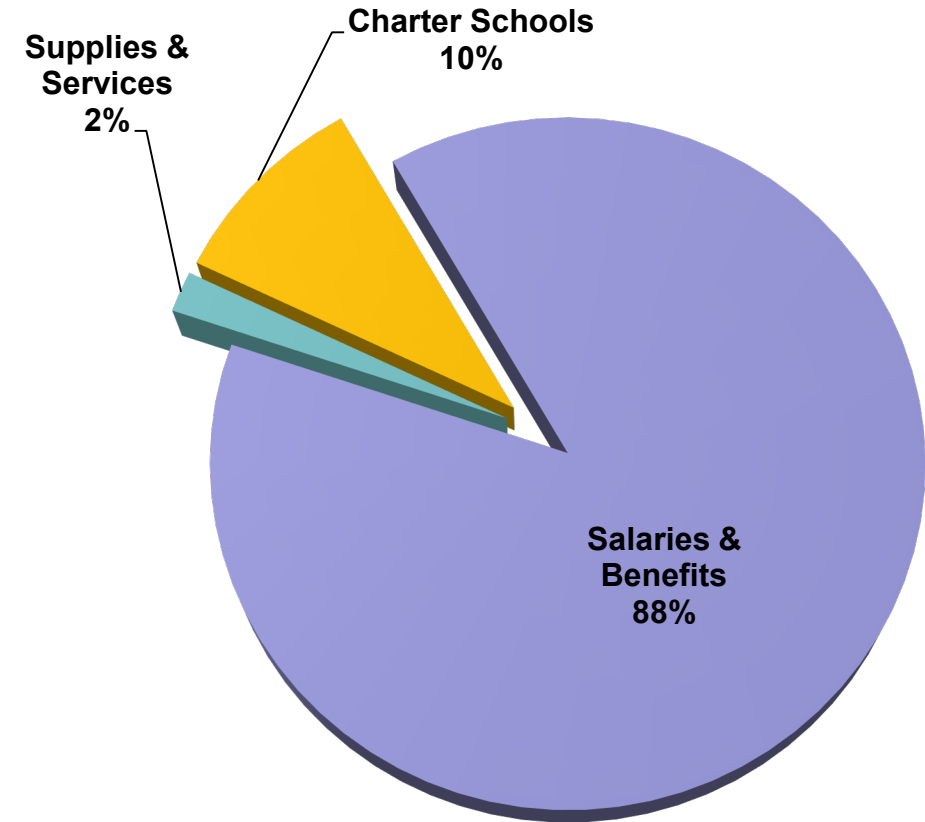




# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal – Parcel Tax Measure A

Expenditure Description	Amount
Measure A Projected Revenue	\$10,579,444
<b>Available for Budgeting</b>	<b>\$10,579,444</b>
Salaries & Benefits	\$8,972,594
County Processing Fee	\$220,000
Transfer to Other Funds for Salaries & Benefits	\$381,803
Transfer to Charter Schools	\$1,005,047
<b>Total Budgeted Expenditures</b>	<b>\$10,579,444</b>



# 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

# 2020-2021 Budget & LCAP Adoption Process

## COLA Illustration

Categories		2019-20	2020-21	2021-22	2022-23
January Proposal	COLA	3.26%	2.31%	2.48%	3.26%
	COLA Amount		\$ 2.31	\$ 2.54	\$ 3.42
	<b>Revenue after COLA</b>	<b>\$ 100.00</b>	<b>\$ 102.31</b>	<b>\$ 104.85</b>	<b>\$ 108.27</b>
May Proposal	COLA	3.26%	-7.92%	0.00%	0.00%
	COLA Amount		\$ (7.92)	\$ -	\$ -
	<b>Revenue after COLA</b>	<b>\$ 100.00</b>	<b>\$ 92.08</b>	<b>\$ 92.08</b>	<b>\$ 92.08</b>
	Revenue Loss		\$ 10.23	\$ 12.77	\$ 16.19
	Base Grant Proration Factor		-10.00%	-12.18%	-14.95%