

**2020-2021**

## **Budget & LCAP Adoption Process**

**Adoption of Budget for  
Fiscal Year  
2020-2021**

**June 23, 2020**

# 2020-2021 Budget & LCAP Adoption Process

## Agenda

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

# 2020-2021 Budget – Second Interim Update

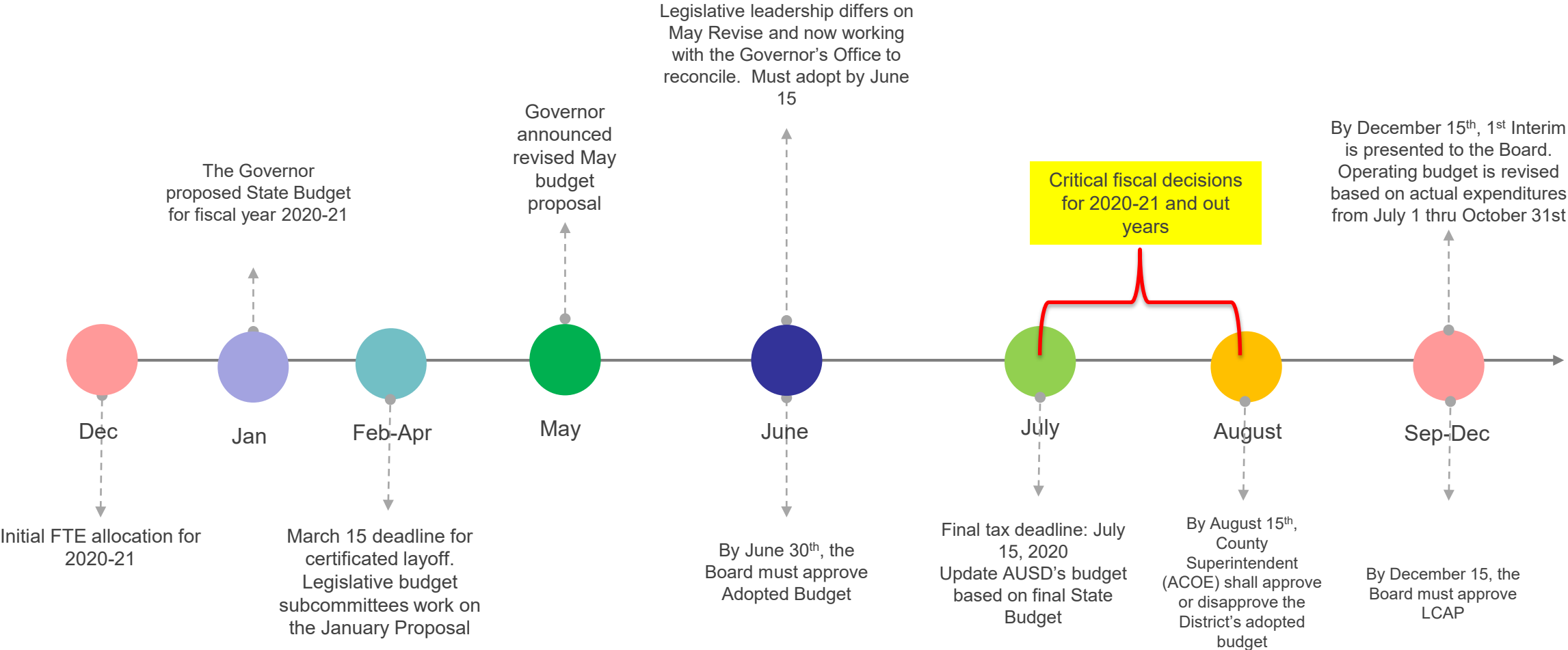
## Background

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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
- Staff recommends a positive certification.
  - Significant budgetary challenges remain
  - Collaborative work to be done with bargaining unit partners



# 2020-2021 Budget & LCAP Adoption Process Timeline





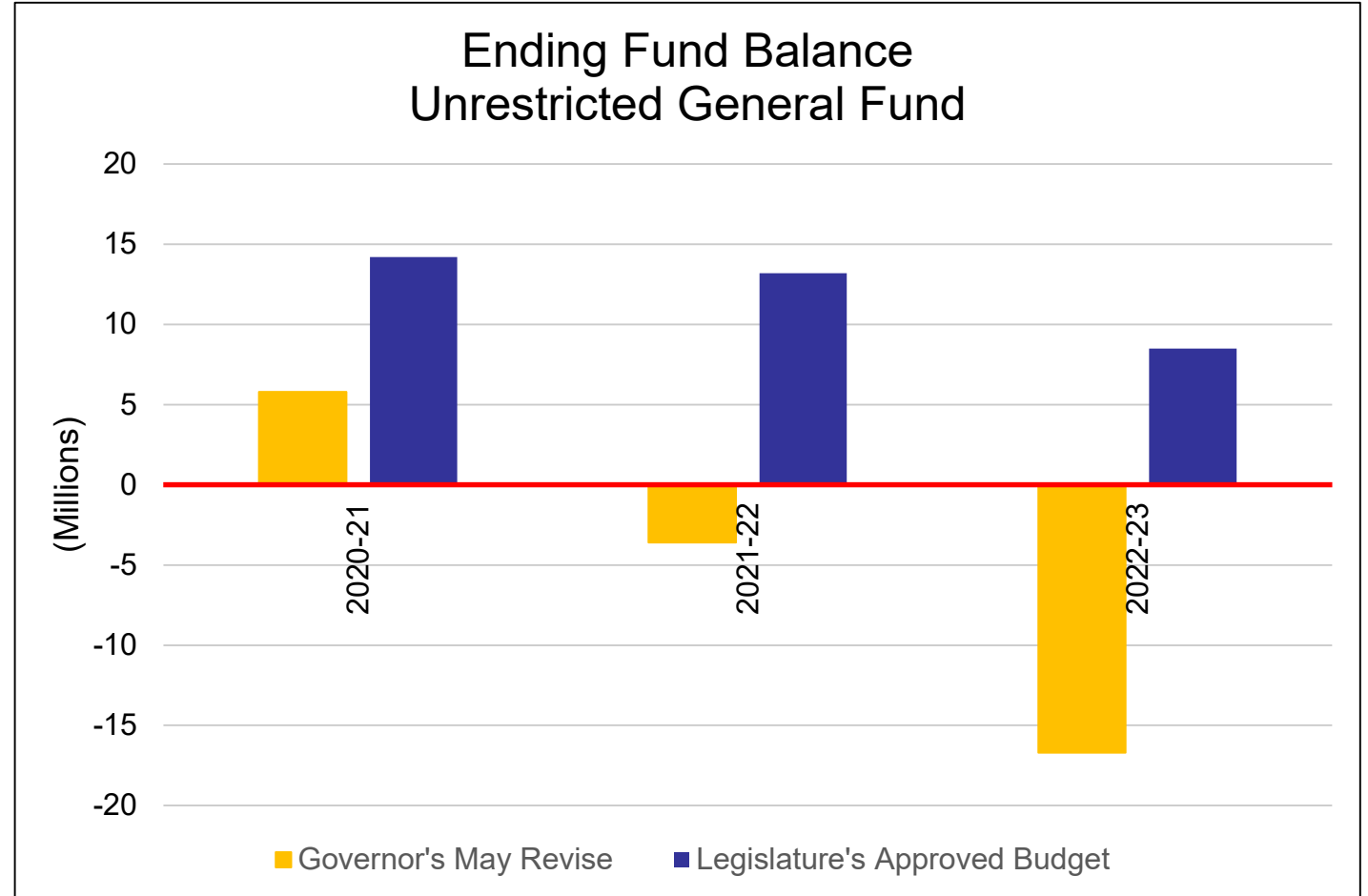
# 2020-2021 Budget & LCAP Adoption Process Assumptions

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

## No California Budget Deal Yet!

Categories	Governor's May Revise	Legislature's Proposal
LCFF COLA	-7.92%, Reduction of \$8.3M	2.31%, Increase of approx. \$1.4M
Distribution of \$1.5B in CARES Act. CRF	\$1.9M	
Distribution of \$2.8B in CARES Act CRF	\$ -	\$3.7M
Cares Act, ESSER Funds	\$800K	
STRS/PERS Rate Reduction	\$1.7M each in 2020-21 and 2021-22	
Special Education AB602 Adjustment	\$592K	Not clear



# 2020-2021 Budget & LCAP Adoption Process

## Development of FY 20-21 Budget & Budget Reductions Implemented

	FY 20-21 Budget Projection at 2nd Interim of FY 2019-20 (Millions)	FY 20-21 Budget Projection at 2nd Interim of FY 2019-20 + P.TAX (Millions)	Proposed Budget for FY 20-21 (Millions)	Comments
<b>REVENUES</b>				
LCFF	\$ 85.0	\$ 85.0	\$ 76.7	
State Categorical	\$ 1.8	\$ 1.8	\$ 1.4	
Parcel Tax	\$ 13.6	\$ 24.2	\$ 23.0	
Local	\$ -	\$ -	\$ 1.0	
<b>Total - Revenue</b>	<b>\$ 100.4</b>	<b>\$ 111.0</b>	<b>\$ 102.0</b>	
<b>EXPENDITURES</b>				
Certificated Salaries	\$ 42.7	\$ 46.3	\$ 44.6	Reduction of \$1.7M
Classified Salaries	\$ 10.8	\$ 11.7	\$ 11.7	
Benefits	\$ 16.7	\$ 17.9	\$ 14.9	Reduction of \$3M
Books & Supplies	\$ 1.1	\$ 1.1	\$ 1.1	
Services & Op. Expenses	\$ 8.5	\$ 8.7	\$ 8.2	Reduction of \$500K
Capital Outlay	\$ 0.0	\$ 0.0	\$ -	
Transfers and Other outgo	\$ (1.7)	\$ (0.7)	\$ (0.8)	
<b>Expenditures</b>	<b>\$ 78.1</b>	<b>\$ 85.0</b>	<b>\$ 79.7</b>	
Contribution to Special Education	\$ (24.7)	\$ (27.0)	\$ (25.7)	
Contribution to Routine Maintenance	\$ (3.6)	\$ (3.6)	\$ (3.6)	
<b>Net Inc. (Dec) in Fund Bal.</b>	<b>\$ (6.0)</b>	<b>\$ (4.6)</b>	<b>\$ (7.0)</b>	

# 2020-2021 Budget & LCAP Adoption Process

## Proposed Budget for FY 2020-2021

	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	\$ 2,114,856	\$ 4,352,891
State Categorical Revenue	\$ 1,394,275	\$ -	\$ -	\$ 1,064,583	\$ 5,664,939	\$ 8,123,797
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>\$ 8,144,944</b>	<b>\$ 119,510,305</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	\$ 2,470,300	\$ 4,042,240
Services & Op. Expenses	\$ 7,468,805	\$ 438,207	\$ 283,000	\$ 9,999,498	\$ 653,809	\$ 18,843,319
Capital Outgo & Transfers	\$ (2,883,000)	\$ 295,736	\$ 1,754,401	\$ 1,846,515	\$ 284,814	\$ 1,298,466
<b>Expenditures</b>	<b>\$ 52,213,569</b>	<b>\$ 4,514,509</b>	<b>\$ 22,990,911</b>	<b>\$ 34,657,634</b>	<b>\$ 11,937,181</b>	<b>\$ 126,313,804</b>
Other Sources (Uses)	\$ (29,313,654)	\$ -	\$ -	\$ 25,262,546	\$ 3,669,305	\$ (381,803)
<b>Net Inc. (Dec) in Fund Bal.</b>	<b>\$ (6,981,637)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (80,733)</b>	<b>\$ (122,932)</b>	<b>\$ (7,185,302)</b>
<b>Beginning Balance</b>	<b>\$ 13,003,504</b>	<b>\$ 196,751</b>	<b>\$ -</b>	<b>\$ 91,878</b>	<b>\$ 4,493,719</b>	<b>\$ 17,785,852</b>
<b>Ending Balance</b>	<b>\$ 6,021,867</b>	<b>\$ 196,751</b>	<b>\$ -</b>	<b>\$ 11,145</b>	<b>\$ 4,370,787</b>	<b>\$ 10,600,550</b>

Addition of  
\$800K CARES  
Act Funding

Increase of \$400K  
in Beginning Fund  
Balance



# 2020-2021 Budget & LCAP Adoption Process

## MYP Unrestricted General Fund – Without Budget Adjustments

Line		2020-2021	2021-2022	2022-2023
		Proposed Budget	Projected	Projected
A	<b>Beginning Balance, July 1</b>	\$ 13,200,255	\$ 6,218,618	\$ (3,280,093)
B	Revenues	\$ 102,051,006	\$ 101,828,266	\$ 101,661,274
C1	Expenditures	\$ 79,718,989	\$ 81,250,925	\$ 83,774,163
C2	Contribution to Restricted Programs	\$ 29,313,654	\$ 30,076,052	\$ 30,961,603
D = B-C	Surplus (Deficit)	\$ (6,981,637)	\$ (9,498,711)	\$ (13,074,492)
E = A+D	Ending Balance	\$ 6,218,618	\$ (3,280,093)	\$ (16,354,585)
F	Assignments/Commitments	\$ 353,600	\$ 353,600	\$ 353,600
G = E-F	<b>Unassigned/Unappropriated Ending Fund Balance</b>	<b>\$ 5,865,018</b>	<b>\$ (3,633,693)</b>	<b>\$ (16,708,185)</b>

# 2020-2021 Budget & LCAP Adoption Process

## MYP Unrestricted General Fund – With Budget Adjustments

Line		2020-2021	2021-2022	2022-2023
		Proposed Budget	Projected	Projected
A	<b>Beginning Balance, July 1</b>	\$ 13,200,255	\$ 6,218,618	\$ 3,530,257
B	Revenues	\$ 102,051,006	\$ 101,828,266	\$ 101,661,274
C1	Expenditures	\$ 79,718,989	\$ 81,250,925	\$ 83,774,163
C2	Contribution to Restricted Programs	\$ 29,313,654	\$ 30,076,052	\$ 30,961,603
C3	Budget Adjustments in 21-22		\$ (6,810,350)	\$ (6,810,350)
C4	Budget Adjustments in 22-23			\$ (3,280,000)
D = B-C	Surplus (Deficit)	\$ (6,981,637)	\$ (2,688,361)	\$ (2,984,142)
E = A+D	Ending Balance	\$ 6,218,618	\$ 3,530,257	\$ 546,115
F	Assignments/Commitments	\$ 353,600	\$ 353,600	\$ 353,600
G = E-F	<b>Unassigned/Unappropriated Ending Fund Balance</b>	\$ 5,865,018	\$ 3,176,657	\$ 192,515

# 2020-2021 Budget & LCAP Adoption Process

## Public Hearing of Budget Proposal - Reserves

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

- Fund 17: Minimum reserve level, required by law, is \$3,800,868.
- Fund 17: Additional committed reserves, equal to three weeks payroll, of \$4,860,701, per Board Policy 3100. (\$1.2M short of three weeks payroll)
- Fund 1: The amount of assigned and unassigned ending fund balance that exceeds the minimum reserve is \$10,725,719.
- Greater than minimum reserves are required in 2020-21 to keep the District solvent in fiscal year 2020-21, 2021-22, and 2022-23.

# 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