

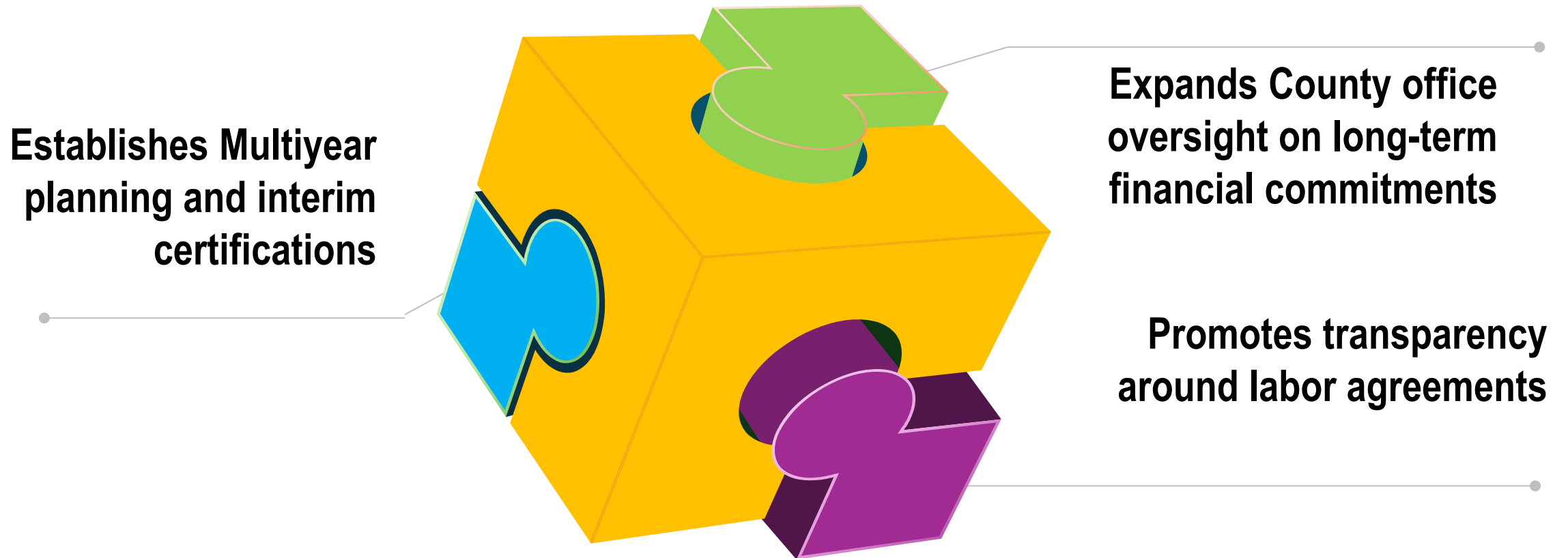
**2025-2026**

**AB 1200 Disclosure  
of  
Bargaining Unit Agreements**

**March 24, 2026**

# What is Assembly Bill (AB) 1200?

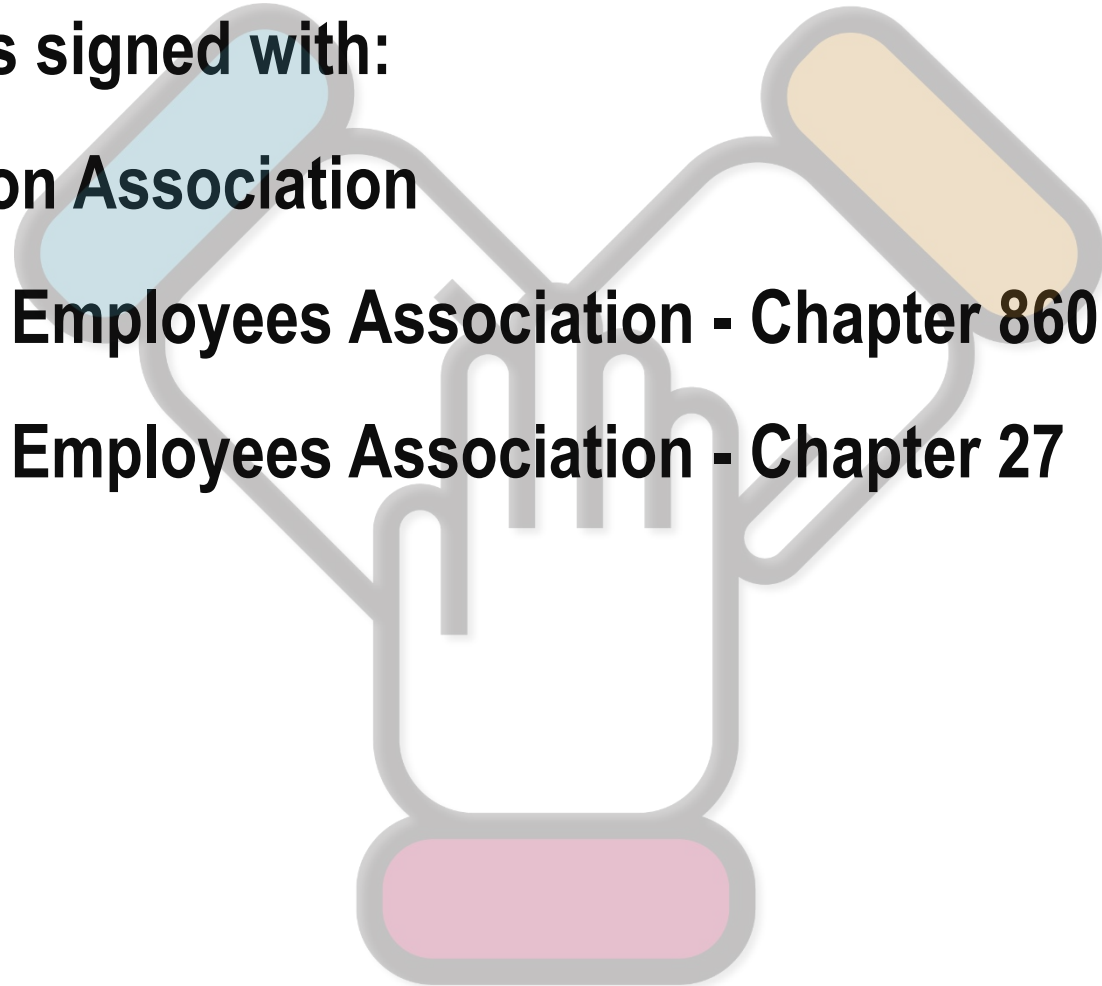
Adopted in 1991 after several California school districts experienced serious  
**fiscal crisis**



# Status of Negotiations

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- **Tentative agreements signed with:**
  - **Alameda Education Association**
  - **California School Employees Association - Chapter 860**
  - **California School Employees Association - Chapter 27**



# Summary of Collective Bargaining Unit Agreements

2025-26

- 3% ongoing salary increase effective July 1, 2025
- 1% ongoing salary increase effective January 1, 2026
- 2% one-time off schedule payment
- Increase AUSD's health contribution from \$1,021/month to \$1,168/month

2026-27

- 3% ongoing salary increase effective July 1, 2026
- Annual stipend to complete mandated trainings
- Increase AUSD's health contribution to \$1,500/month for employee only health plan
- Increase AUSD's health contribution to \$1,700/month for employee plus health plan

2027-28

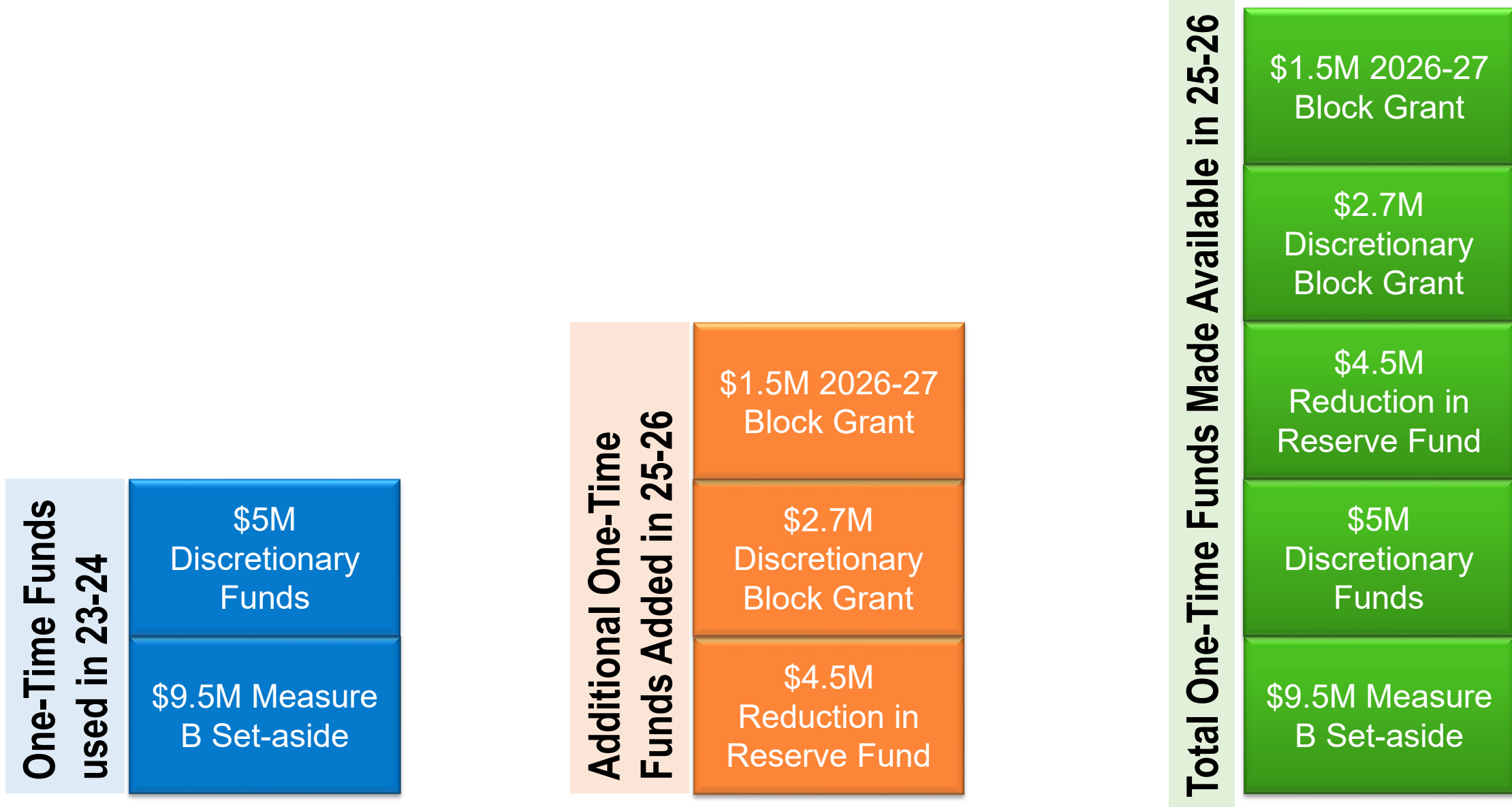
- At least a 3% ongoing salary increase effective July 1, 2027
- Increase AUSD's health contribution to \$1,800/month for employee plus health plan

# Financial Impact of the Settlement

	2025-26	2026-27	2027-28	Cumulative cost over 3 years
<b>Amount*</b> <b>(millions)</b>	<b>\$9.02</b>	<b>\$9.82</b>	<b>\$13.42</b>	<b>\$32.28</b>

\*Includes set-aside for management and unrepresented employees

# Funding Sources – Primarily One-Time Funds



# Multiyear Projections – Deficit and Ending Fund Balance

## Structural Deficit: Annual revenue less than annual expenditures

Description	2025-26	2026-27	2027-28	2028-29	2029-30
	(millions)				
Annual Increase (Decrease) in Fund Balance	\$ (7.95)	\$ (12.44)	\$ (14.47)	\$ (14.07)	\$ (14.07)

## Ending Fund Balance: Amount left at the end of the year

Description	2025-26	2026-27	2027-28	2028-29	2029-30
	(millions)				
Unassigned EFB after using One-Time Funds	22.44	10.01	0.54	4.67	(9.55)

# Options to Realign Expenditures with Revenue

## Wait

Wait until 2029-30 and make a \$9.55 Million expenditure reduction

OR

## Act Early

- Propose and implement spending reductions
- Utilize most, if not all, available one-time funds
- Direct any new ongoing revenue to reduce the deficit



# Strategies to Reduce Dependence on One-Time Funds

## Short-Term

- No additions to the budget unless there is a new restricted revenue source
- Align staffing with enrollment and contracts
- Limit sub time and overtime
- Scale back discretionary programs
- Utilize one-time funds to provide temporary relief

## Long-Term

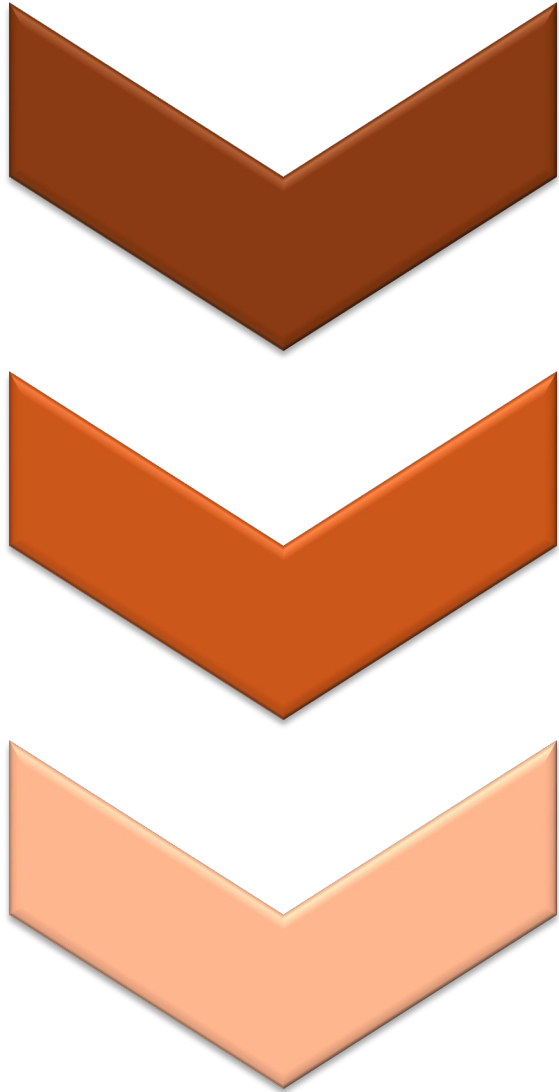
- Explore facility use and program consolidation
- Reduce or eliminate discretionary programming
- Reduction in staff

# Absorbing a Multi-Year Raise: Impact of Outside Factors

- Increase in enrollment or ADA
- Additional One-time funds
- Higher than assumed COLA or increase in base funding
- Combined effect of increase in enrollment and increase in ADA may provide an opportunity to absorb the raise within ongoing revenue

- Decline in enrollment will reduce revenue
- Lower than assumed COLA
- Combined effect of decline in enrollment and less than assumed COLA may create additional challenges

# Impact of Salary Increases on Restricted Budgets



- **Revenue for Restricted programs does not increase with salary growth**
  - Title I allocations are based on federal formulas and not local bargaining unit agreements
  - LCFF Supplemental revenue is based on number of students qualifying for unduplicated status
- **Supplemental program offerings will be reduced to keep expenditures in line with restricted revenue**
  - A site principal who used to fill 1.0 FTE of a position may now only afford 0.875 FTE.
- **The gap will widen every year as we implement the multiyear agreement**

# Upcoming Key Dates

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# **Board Discussion & Questions**