



Alvord Unified School District

Our Promise: All students will realize their unlimited potential.

2021/22 Second Interim Budget & Financial Report

March 17, 2022

Presented by

Dusty Nevatt, Chief Business Officer

Anthony Warnecke, Director III, Fiscal Services



Second Interim Report

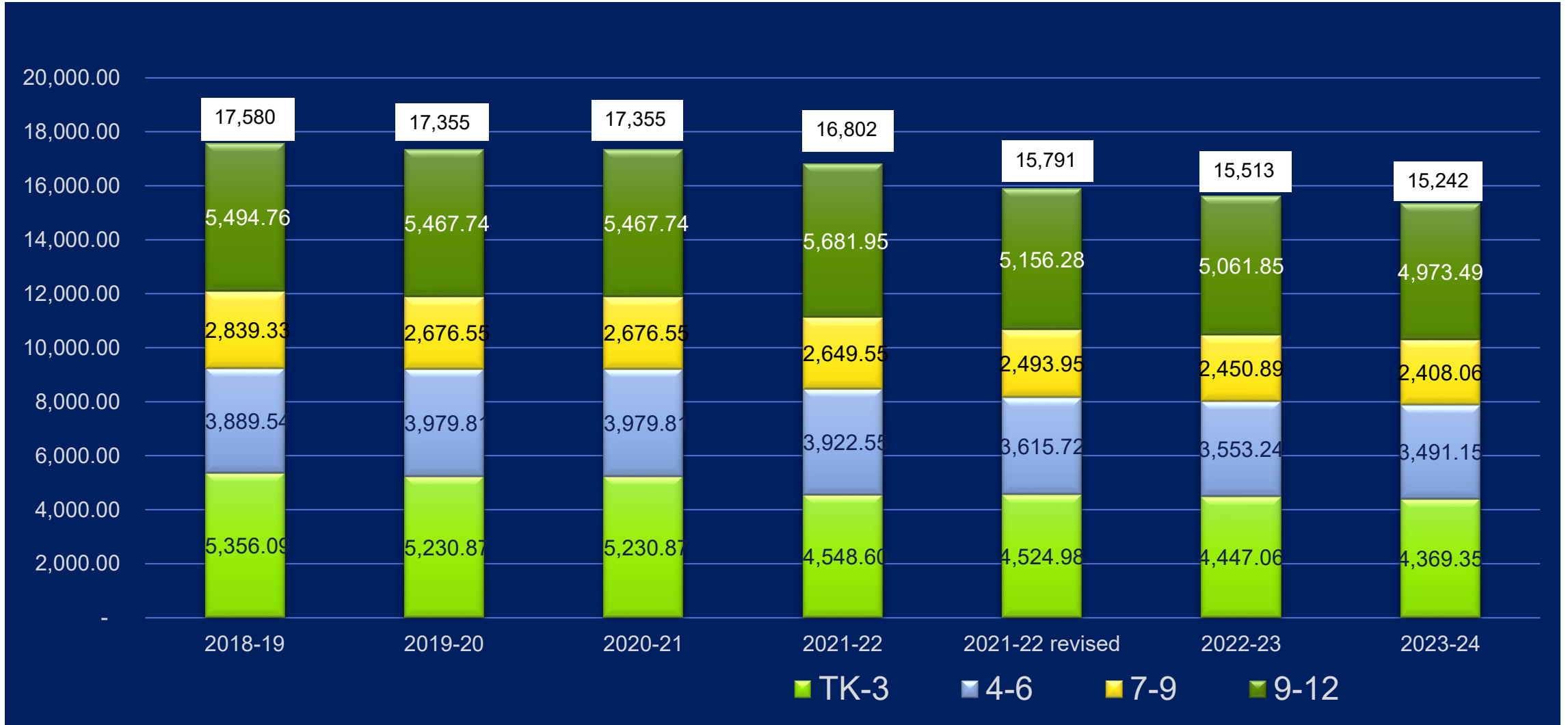
Interim Report Purpose:

- The Second Interim Report represents the district's official revision to the approved First Interim Budget and includes actual financial data through January 31, 2022. It includes revised enrollment & ADA and budget projections for the remainder of this fiscal year.
- Each school district is required to certify its financial condition twice during the fiscal year. This certification addresses the district's ability to meet its financial obligations for the current year and the next two school years.

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



P-2 Average Daily Attendance (ADA)



THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



2021/22 Revised Budget General Fund Revenues

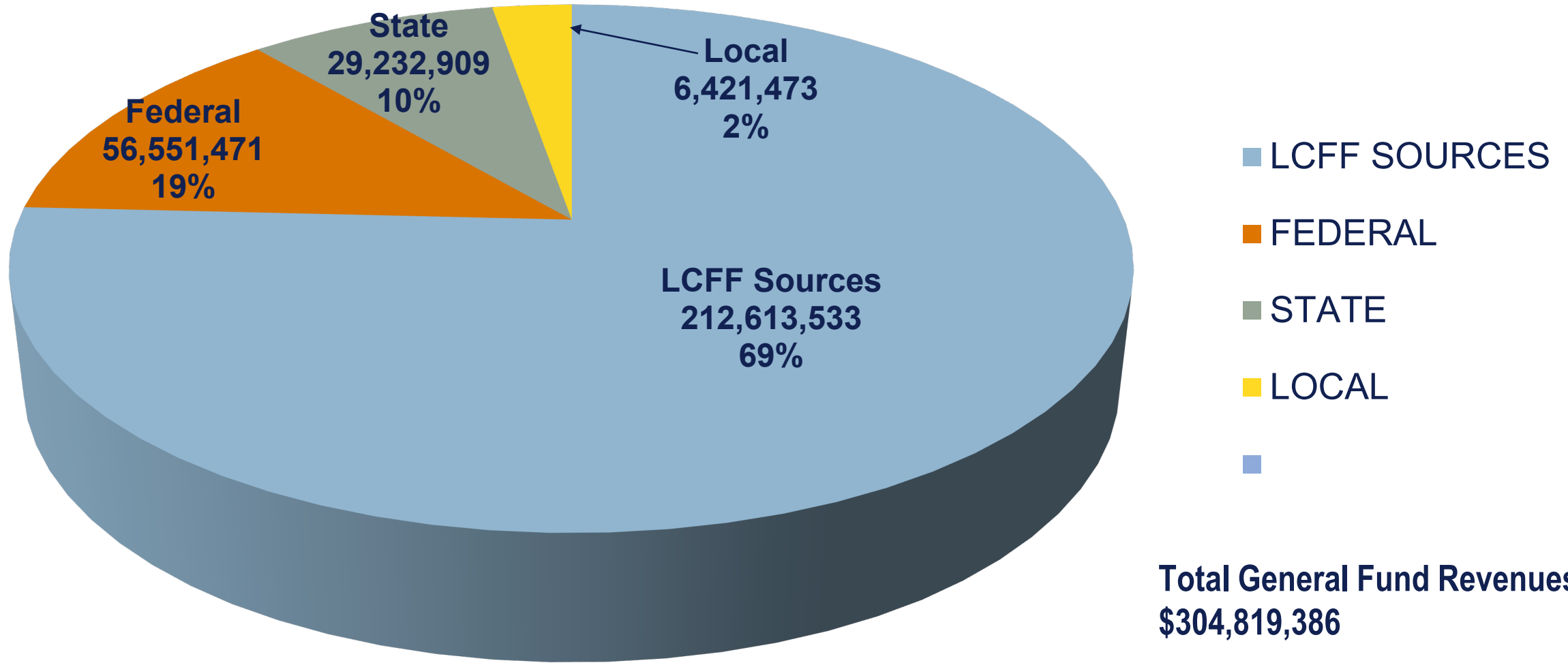
	2021/22 First Interim	2021/22 Second Interim	Change	
LCFF Sources*	\$212,968,228	\$212,613,533	(\$354,695)	Adjustment to County ADA
Federal	\$20,828,446	\$56,551,471	\$35,723,025	Primarily ESSER II & III, and ELO-ESSER ELO moved to Federal, SPED ADR & Educator Effectiveness
State	\$31,363,807	\$29,232,909	(2,130,898)	
Local	\$6,305,779	\$6,421,473	\$115,694	AEF Grants & Other Donations
Total Revenue	\$271,466,260	\$304,819,386	\$33,353,126	

*LCFF = Local Control Funding Formula – dollars are generated by students attending school each day

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Second Interim 2021/22 Total General Fund Revenues



THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



One-Time Grant Awards - Federal

	Amount	Amount Spent	Spend by	Major Use
ESSER I (Federal)	\$4.5 M	100%	Sept. 30, 2022	PPE, Learning Loss
GEER I (Federal)	\$1.1 M	100%	Sept. 30, 2022	Learning Loss Mitigation
CARES Act (Federal)	\$17.7 M	100%	May 31, 2021	Learning Loss Mitigation
ESSER II (ELO)	\$2.0 M	100%	Sept 30, 2023	Expanded Learning Opportunities
ESSER III (ELO)	\$3.7 M	61%	Sept 30, 2024	Expanded Learning Opportunities
ESSER II (Federal)	\$18.1 M	76%	Sept. 30, 2023	Response to pandemic
ESSER III (Federal)	\$40.7 M	38%	Sept. 30, 2024	Response to pandemic
GEER II (ELO)	\$477 K	19%	Sept. 30, 2023	Response to pandemic
TOTAL	\$88.5 M			



Grant Awards - State

	Amount	Amount Spent	Spend by	Major Use
Educator Effectiveness Block Grant	\$3.9 M	0%	2025-26	Professional Development
Expanded Learning Opportunities Program	\$4.9 M		ongoing	Before & After School Programs – total 9 hour days + additional instructional days
Prop 98 – State CARES	\$1.7 M	100%	June 30, 2021	Learning Loss Mitigation
Senate Bill 117 (State)	\$305 K	39%		Sanitation & PPE
In-Person Instruction (State)	\$6.4 M	45%	Sept. 30, 2024	School Reopening March 2021 & Summer Academy/Bootcamp
Expanded Learning Opportunities Grant (ELO)	\$7.8 M	0%	August 31, 2024	Additional Instructional Opportunities
ELO - Paraprofessionals	\$1.3 M	14%	Sept. 30, 2024	
LCFF – 15% Concentration	\$6.2 M		ongoing	Requires additional instructional staff
TOTAL	\$32.5 M			



Positions Funded with One-Time Grants

Federal

ESSER I

21.5 – Custodians

ESSER II

52 - Itinerate TK-12 Teachers

6 - COVID Call Center

2 – Additional Clerical Support

State

In-Person Instruction

1 – Special Education Teacher

Expanded Learning Opp (ELO)

3 – Early Literacy Teacher

14 – Early Numeracy Teacher

7 – Intervention Teacher
(secondary level)

1 – School Psychologist

1 – Campus Supervisor

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



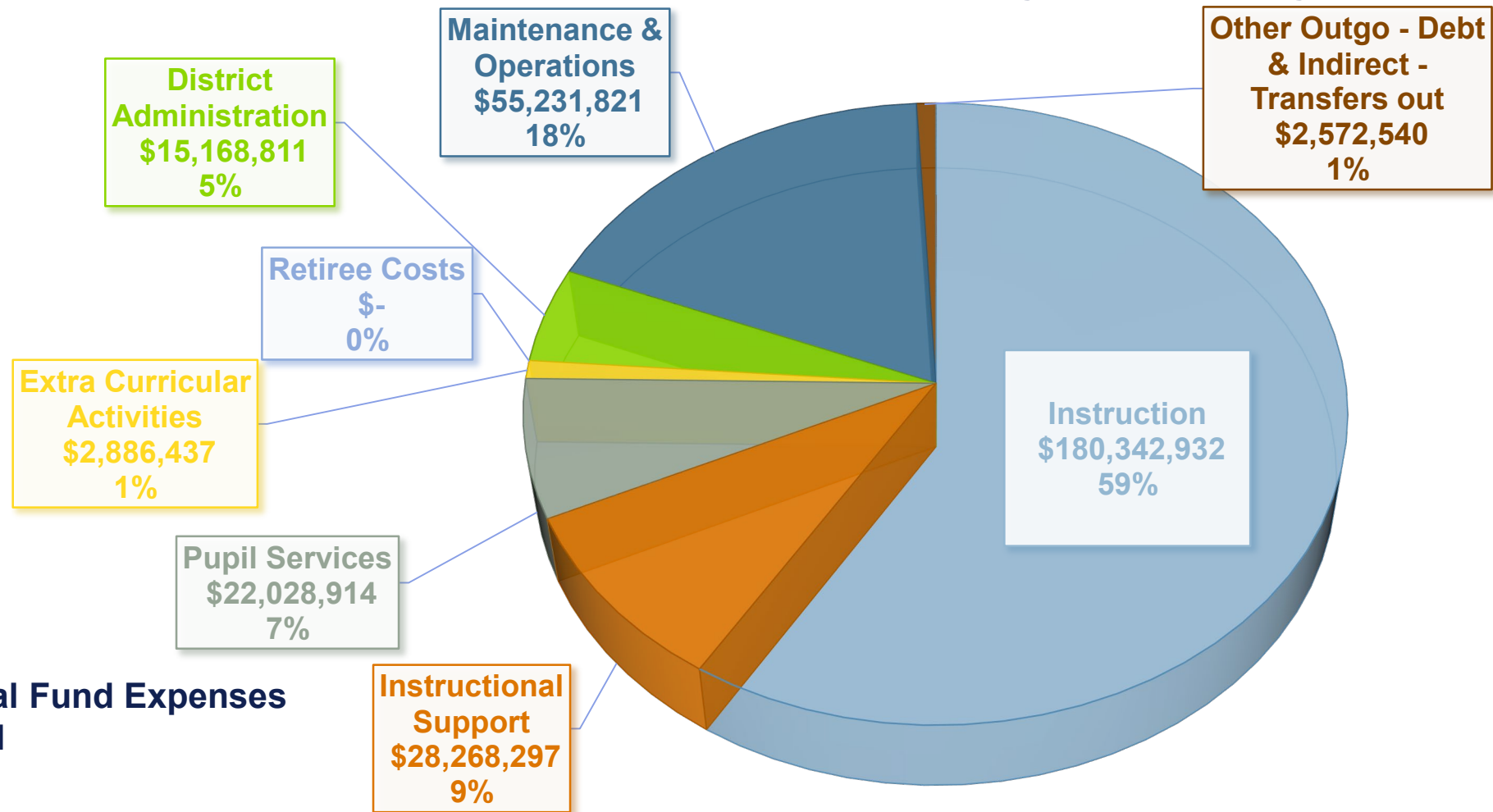
2021/22 Revised Budget General Fund Expenses

	2021/22 1 st Interim Budget	2021/22 2 nd Interim Budget	Change	
Certificated Salaries	\$121,928,175	\$121,106,628	(\$821,547)	Salary adjustment – Substitute/Hourly
Classified Salaries	\$33,209,915	\$32,856,160	(\$353,755)	Salary adjustment – Substitute/Hourly
Benefits	\$76,537,901	\$76,413,544	(\$124,357)	Employer fixed cost adjustment
Books & Supplies	\$12,303,561	\$12,534,973	\$231,412	Restricted General Fund
Professional Dev, Utilities, Contracts & Other Services	\$31,124,294	\$31,139,566	\$15,272	Restricted General Fund
Equipment	\$2,555,976	\$30,489,929	\$27,933,953	11 Shade Structures & 17 HVAC
Tuition/Indirect/Transfer Out	\$1,278,691	\$1,959,951	\$681,260	County Tuition/Athletic Field Mainten.
Total Expenditures	\$278,938,513	\$306,500,751	\$27,562,238	

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Second Interim 2021/22 General Fund Expenses by Activity



Total General Fund Expenses
\$306,500,751

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



2021/22 Second Interim Budget GF Ending Fund Balance

	2021/22 First Interim	2021/22 Second Interim	Change
GF Restricted	6,305,942	8,016,206	1,710,264
Revolving Cash	45,000	45,000	-0-
Assignments/Commitments	Assignments	Commitments	
Textbook Adoption	4,138,088	4,357,785	219,697
LCAP Carryover	7,730,426	1,497,311	-6,233,115
Donations/Alvord Cares	24,459	8,459	-16,000
Liability Checking Accounts	254,127	75,000	-177,127
Board Assign/Deficit Spending	756,014	11,408,083	10,652,069
3% Designated Reserve	9,560,000	9,195,100	-364,900
GF Ending Balance	28,812,055	34,602,944	5,790,889

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Multi-Year Projections Considerations for 22/23 & 23/24

Projections based on data, criteria, trends & negotiated items

- COLA for Student Attendance (LCFF)
- Enrollment & ADA (changes)
- Unduplicated Pupil Count & Unduplicated Pupil % (increase)
- Reduction of one-time CARES Act Revenues & Expenses
- Removal of carryovers & one-time revenue/spending from 2021/22
- Changes to LCAP due to LCFF COLA and declining student attendance

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Multi-Year Projections Considerations for 22/23 & 23/24

Projections based on data, criteria, trends & negotiated items

- Staffing Changes
 - Decreasing Enrollment
 - Implementation of full-day TK-K
 - New Positions to address the impact of Learning Loss
 - Impact of the 2021-2022 SERP
- Automatic Salary Step & Column
- Employer Fixed Charge Rate Increases
 - STRS 16.92% to 19.10%
 - PERS 22.91% to 25.40% then 25.20%
- ADA loss due to COVID absences

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



2021/22 Second Interim Budget Multi-Year Projections Revenues and Expenses

	2021/22 Second Interim	2022/23 Projection	2023/24 Projection
GF Revenues	304,819,386	289,358,314	248,401,771
GF Expenditures	306,500,751	299,769,990	252,316,017
Budget Reductions			
Deficit Spending*	(1,681,365)	(10,411,676)	(3,914,245)

*Includes spending General Fund (GF) restricted carryover balances.

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



2021/22 Second Interim Budget Multi-Year Projections – GF Ending Fund Balance

	2021/22 Second Interim	2022/23 Projection	2023/24 Projection
GF Restricted	8,016,206	7,941,758	7,928,908
Revolving Cash	45,000	45,000	45,000
Commitments			
Textbook Adoption	4,357,785	4,357,785	4,357,785
LCAP Carryover	1,497,311	1,134,947	0
Donations	8,459	8,459	8,459
Liability Checking Accounts	75,000	75,000	75,000
Board Assign/Deficit Spending	11,408,083	1,528,319	261,870
3% Designated Reserve	9,195,100	9,100,000	7,600,000
GF Ending Balance	34,602,944	24,191,268	20,277,022

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Ending Balances District Funds

Fund	First Interim	Second Interim	Change
Adult Education	\$22,791	\$22,791	\$ 0
Child Nutrition Svcs	\$1,573,714	\$1,649,388	\$75,674
Worker's Compensation Self-Insurance	\$571,500	\$571,500	\$ 0
Certificated Employee Group Self-Insurance	\$5,041,361	\$5,041,361	\$ 0
Classified Employee Group Insurance Reserve	\$407,031	\$407,031	\$ 0
Alvord Education Foundation Trust	\$227,019	\$223,269	(\$3,750)

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Ending Balances - District Funds

Fund	First Interim	Second Interim	Change
Deferred Maintenance	\$536,722	\$1,510,561	\$973,839
Building	\$ 0	\$ 0	\$ 0
Capital Facilities	\$1,260,501	\$451,439	(\$809,062)
County School Facilities	\$337,418	\$194,924	(\$142,494)
Reserve for Capital Projects	\$6,025,640	\$6,025,640	\$ 0

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Interim Certifications EC 42131

- Interim reports require a three-year (current plus two) review period
- Certification options are:
 - Positive – district **will meet** its financial obligations for the current and two subsequent fiscal years
 - Qualified – district **may not meet** its financial obligations for the current or two subsequent fiscal years
 - Negative – district will be **unable to meet** its financial obligations for the remainder of the fiscal year or two subsequent fiscal years

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Second Interim Report Recommendation

- Staff recommends a ***Positive*** Certification of the 2021-22 Second Interim Report

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.



Next Steps

- **March** Board Action - Second Interim Report
- **April – June** Budget Development
- **May** Release of Governor’s Budget - May Revision
- **June** Public Hearing 2022/23 LCAP & Adopted Budget
Board Action on 2022/23 LCAP & Adopted Budget

THE ALVORD UNIFIED SCHOOL DISTRICT PROMISE: ALL STUDENTS WILL REALIZE THEIR UNLIMITED POTENTIAL.

