

# AUSD 2025-2026 First Interim Budget Report



AUSD Board of Trustees  
December 11, 2025

# State Budget 25-26

Overview: Governor Newsom signed an on-time budget solving an \$11.8 billion deficit while maintaining key programs.

## Key State Actions:

Mandatory withdrawal of \$455 million from the Public School System Stabilization Account (PSSSA) \$405 million to fund LCFF. The state reserves will be exhausted in 25-26.

Deferrals: A portion of the June 2026 LCFF apportionment will be deferred to July 2026.

Tax revenues are up and state may be able to replenish the reserve account 26-27. With 2 billion in one time funding to schools.



# Prop 98 Funding

Impact on Revenue – COLA & LCFF

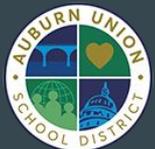
COLA Funding: The state fully funds a 2.30% COLA for 2025-26.

Future COLA Projections:

2026-27: Projected at 2.51%.

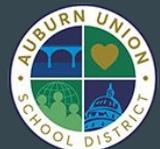
2027-28: Projected at 3.42%.

COLA funding example of how COLA effects the budget		4-6 grade funding per student ADA	ADA	LCFF Funding
25-26	2.30%	\$10,411	500	\$5,205,500
26-27	2.51%	\$10,672	480	\$5,122,712
27-28	3.42%	\$11,037	460	\$5,077,162



# Prop 98 Funding COLA Amounts and Assumptions

<i>Planning Factor</i>	2024-25	2025-26	2026-27	2027-28
<b>Dept of Finance Statutory COLA</b>	1.07%	2.30%	2.51%	3.42%
<b>STRS Employer Rates</b>	19.10%	19.10%	19.10%	19.10%
<b>PERS Employer Rates</b>	27.05%	26.81%	26.90%	27.80%
<b>SUI Employer Rates</b>	0.05%	0.05%	0.05%	0.05%
<b>Lottery – Unrestricted per ADA</b>	\$195	\$190	\$190	\$190
<b>Lottery – Prop. 20 per ADA</b>	\$88	\$82	\$82	\$82
<b>Universal TK/ADA w/o 10:1 Ratio Add-On</b>	\$3,077	N/A	N/A	N/A
<b>Universal TK/ADA w/ 10:1 Ratio Add-On</b>	N/A	\$5,545	\$5,712	\$5,907
<b>Mandate Block Grant for Districts: K-8 per ADA</b>	\$38.21	\$39.09	\$40.27	\$41.65
<b>Mandate Block Grant for Districts: 9-12 per ADA</b>	\$73.62	\$76.48	\$78.79	\$81.48
<b>Mandate Block Grant for Charters: K-8 per ADA</b>	\$20.06	\$20.52	\$21.14	\$21.86
<b>Mandate Block Grant for Charters: 9-12 per ADA</b>	\$55.76	\$58.21	\$59.97	\$62.02



# AUSD District Budget Revenue Calculation LCFF

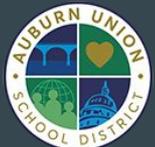
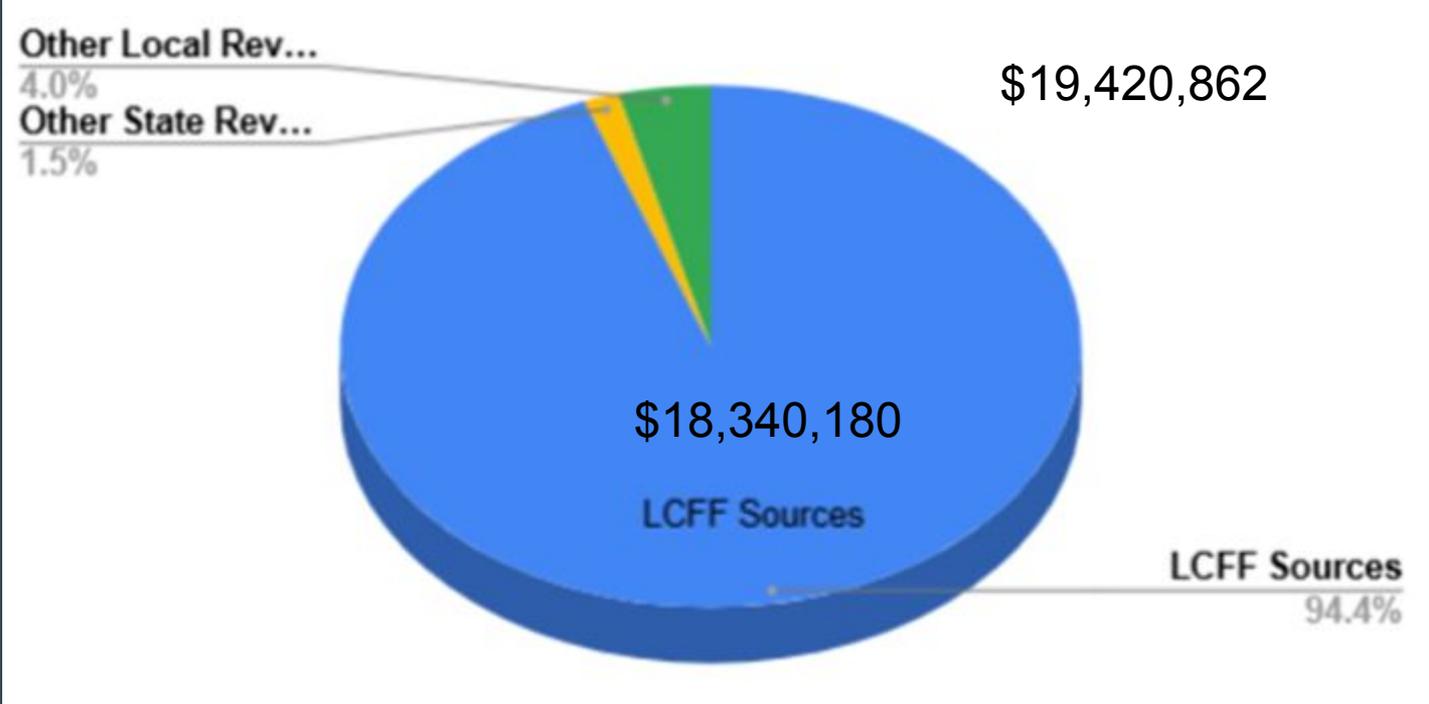
## District Budget Summary

- Funded Average Daily Attendance (ADA): 1,308.
- Unduplicated Pupil Percentage (UPP): 66.94%.  
Low Income, English Learners, Homeless and Foster Youth
- Lottery Revenue: \$190 per ADA (unrestricted), \$82 per ADA (restricted).

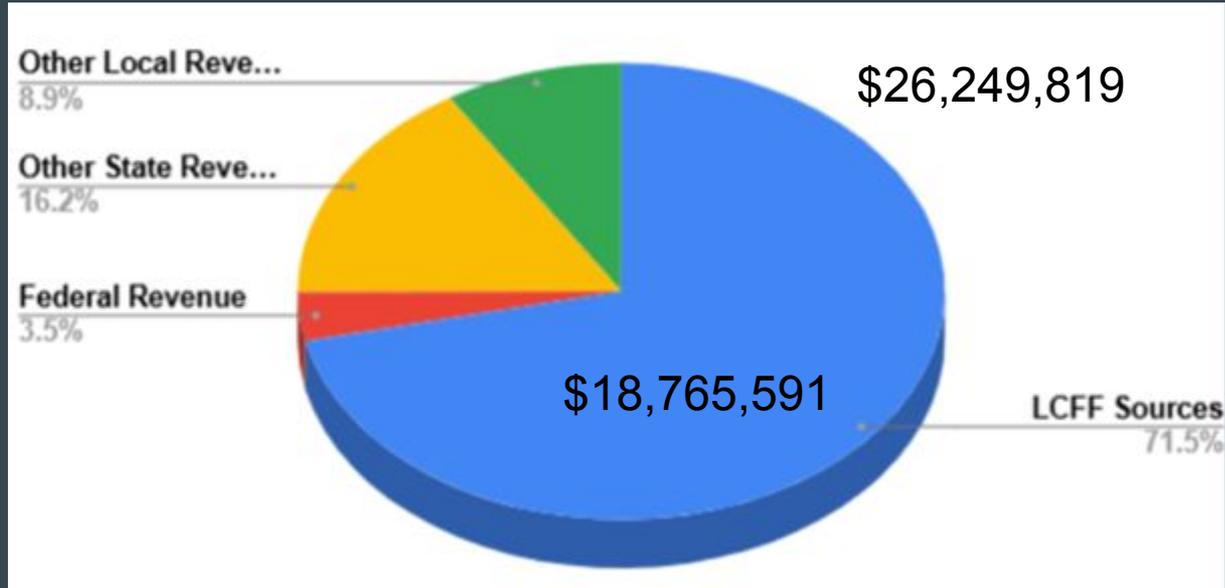
Revenues	Object Code	Unrestricted	Combined
LCFF Sources	8010-8099	18,340,180.00	18,765,591.00
Federal Revenue	8100-8299	0	906,971.00
Other State Revenues	8300-8599	298,732.00	4,240,759.00
Other Local Revenues	8600-8799	781,950.00	2,336,498.00
<b>Total, Revenue</b>		<b>19,420,862.00</b>	<b>26,249,819.00</b>



# Unrestricted Revenue



# Combined Revenue



Note: Federal Revenues are 3.5% of our annual income.

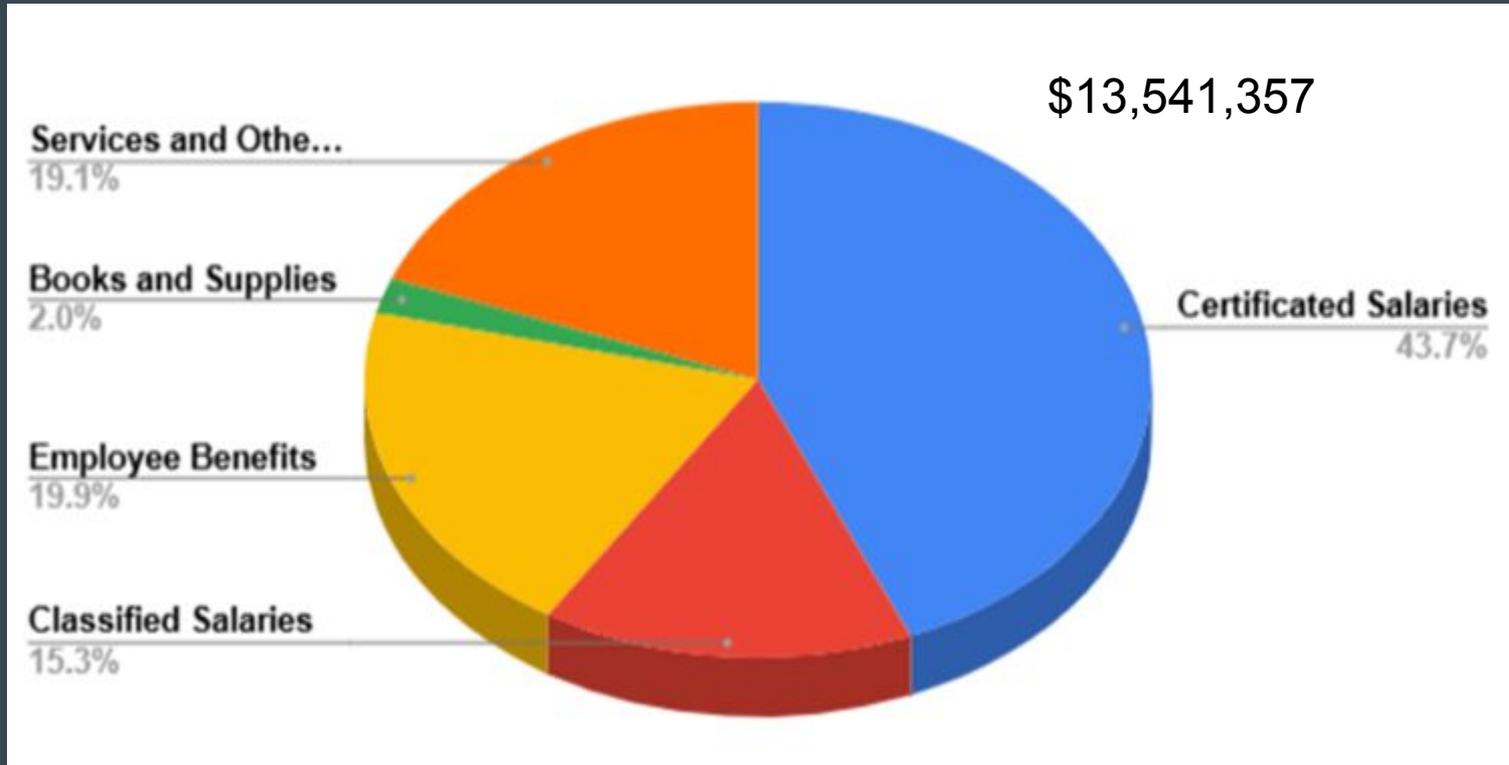


# Expenditures 25-26

Expenditures	Object	Unrestricted	Combined
Certificated Salaries	1000-1999	6,155,590.00	8,535,781.00
Classified Salaries	2000-2999	2,157,184.00	3,915,198.00
Employee Benefits	3000-3999	2,809,598.00	5,076,672.00
Books and Supplies	4000-4999	288,593.00	1,087,603.00
Services and Other Operating Expenditures	5000-5999	2,690,082.00	7,045,999.00
Capital Outlay/Depreciation	6000-6999	0	529,823.00
Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	0	1,594,181.00
Other Outgo - Transfers of Indirect Costs	7300-7399	-559,700.00	-32,500.00
Other Adjustments - Expenditures			
<b>Total, Expenditures</b>		<b>13,541,347.00</b>	<b>27,752,757.00</b>



# Unrestricted Expenditures



# Combined Expenditures

\$27,752,757

Other Outgo (exclu...

5.7%

Capital Outlay/Dep...

1.9%

Services and Other...

25.4%

Books and Supplies

3.9%

Employee Benefits

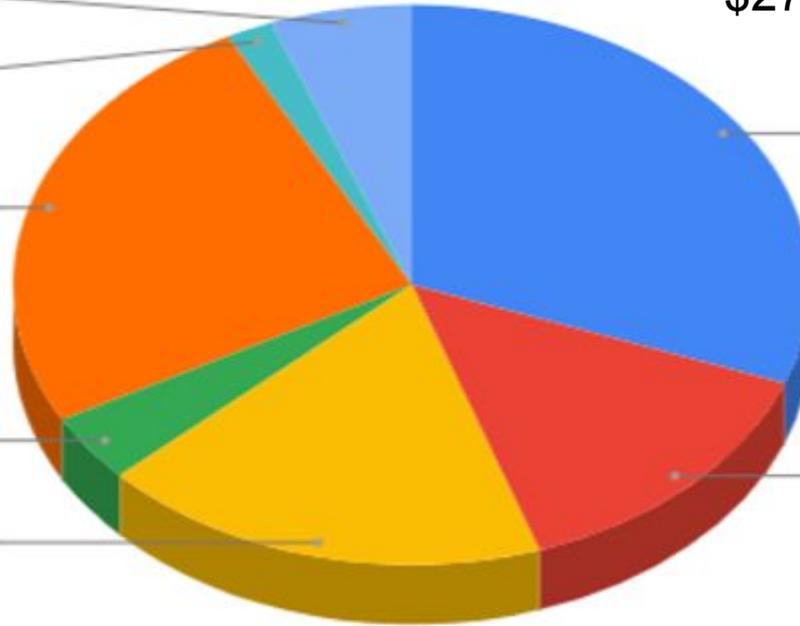
18.3%

Certificated Salaries

30.7%

Classified Salaries

14.1%



# Major Contributions from Unrestricted to Restricted Funds

The following contributions of unrestricted resources to restricted programs are necessary to cover restricted program expenditures:

Major Contributions		Increase from Original Budget
Special Education	\$4,674,886	\$610,223.00
Routine Maintenance 3%	\$766,392	
Total	\$5,441,278	

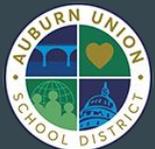


# Cash Flow and Reserve Requirements

- Positive cash balances expected in 2025-26 and through 27-28.
- 3% Reserve standard is met.
- Additional reserves for economic uncertainty are designated beyond the 3% based on board approval and to minimize effects of unexpected costs and declining enrollment.

## Projections

Multi Year Projections	25-26	26-27	27-28
Total, Expenditures	\$ 27,752,757	\$ 26,279,897	\$ 26,369,156
Reserve for Economic Uncertainties	\$ 4,628,756	\$ 6,047,041	\$ 5,862,179
Reserve Standard 3%	\$ 837,083	\$ 792,897	\$ 795,575
Reserve for Economic Uncertainties %	16.68%	23.01%	22.23%



# Changes from Original Budget to First Interim

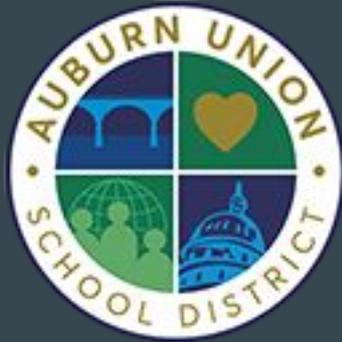
- Universal TK increase was approved 5,545 per TK student.
- AUSD went from Tier 2 to Tier 1 for ELOP Funding. \$530,609 Increase
- Student Support and Professional Development Block Grant was approved 313 per ADA. Totaling \$394,445
- Planned continued deficit spending to spend-down of expiring one-time restricted funds (Art & Music Block Grant, Educator Effectiveness Block Grant). (\$1,652,938)
- Spending carryover balances from Prop 28 and ELOP surplus.
- Structural Health: Unrestricted supplies and operating expenditures remain constant; capital outlay remains stable



# Conclusion

- Deficit spending is driven by one-time or expiring funds i.e. Educator Effectiveness Block Grant, Learning Recovery Block Grant, Art and Music In Schools Discretionary Block Grant, and ELOP funds.
- Attendance Recovery: Improvements in attendance and reduction in chronic absenteeism are increasing revenue potential.
- The multi year projection remains financially stable in current and subsequent years.
- The District has positive certification and is able to meet obligations through 2027-28.





## Board Questions & Comments



**AUBURN UNION**  
SCHOOL DISTRICT

