Orange Unified School District

2017-18 Unaudited Actuals
2018-19 Revised Budget

September 6, 2018

David Rivera
Assistant Superintendent/CBO

Jenny Delgado
Administrative Director,
Business Services

Presentation Overview

- State Enacted Budget
- FY 17-18 General Fund and Facilities Funds
- Multi-Year Projections
- Enrollment Projections
- Rising Cost of Doing Business
- Next Steps

January Budget and May Revision vs. Enacted Budget

Item	January Budget	May Revision	Enacted Budget
LCFF Gap Funding	100% or $2.9 billion	100% or $3.2 billion	100% or $3.6 billion
Proposition 98 Minimum Funding Guarantee 2016-17 2017-18 2018-19	 $71.4 billion $75.2 billion $78.3 billion	 $71.6 billion $75.6 billion $78.4 billion	 $71.6 billion $75.6 billion $78.4 billion
2018-19 LCFF Augmented COLA	2.51%	3.00%	3.70%
2018-19 COLA	2.51%	2.71%	2.71%
One-Time Discretionary Funds for 2018-19	$1.8 billion $295 per ADA	$2.02 billion $344 per ADA	$1.1 billion $184 per ADA

© 2018 School Services of California, Inc.

2017-18 General Fund (in Millions)

	Unrestricted	Restricted	Total
Revenues			
LCFF	$ 223.53	$ -	$ 223.53
Federal	$ 0.18	$ 13.70	$ 13.88
State Revenues	$ 8.86	$ 31.66	$ 40.52
Other Local	$ 4.72	$ 2.79	$ 7.51
Total Revenues	**$ 237.29**	**$ 48.15**	**$ 285.44**
Expenditures			
Salaries & Benefits	$ 178.09	$ 66.07	$ 244.16
Supplies	$ 5.58	$ 5.19	$ 10.77
Services	$ 13.23	$ 10.21	$ 23.44
Capital Outlay	$ 0.11	$ -	$ 0.11
Other Outgo/Ind. Cost	$ 3.65	$ 3.47	$ 7.12
Total Expenditures	**$ 200.66**	**$ 84.94**	**$ 285.60**
Transfers Out	$ 3.78	$ 0.01	$ 3.79
Contributions	$ (36.82)	$ 36.82	$ -
Net Increase/Decrease	**$ (3.97)**	**$ 0.02**	**$ (3.95)**

Changes in General Fund Balance for 2017-18 (in Millions)

	Unrestricted	Restricted	Total
Unaudited Actuals	$ 57.57	$ 1.44	$ 59.01
Estimated Actuals	$ 54.22	$ 0.77	$ 54.99
Change in Fund Balance	**$ 3.35**	**$ 0.67**	**$ 4.02**

General Fund Balance Designations:

- 3% Reserve Requirement $8.68 million
- Revolving Cash, Stores, & Prepaid Items $1.85 million
- Restricted Program Reserves $1.44 million
- Site/Department Carryover & Other Assignments $1.56 million
- STRS/PERS Increases $9.43 million
- Uncommitted Funds $36.05 million

Deferred Maintenance Fund 14

Deferred maintenance funds may be used for the major repair or replacement of plumbing, heating, air conditioning, electrical, roofing, flooring systems, and the exterior and interior painting of school buildings.

	2017-18	
Beginning Balance	$	8,299,389
Revenues	$	4,385,206
Expenditures	$	5,484,092
Surplus (Deficit)	$	(1,098,886)
Ending Fund Balance	**$**	**7,200,503**

Building Fund 21 (GO Bond – Measure S)

The Building Fund is used primarily to separately account for proceeds from the sale of bonds and may not be used for any purposes other than those for which the bonds were issued.

	2017-18
Beginning Balance	$ 2,045,847
Transfer In – From Special Reserve Fund	$ 8,730,000
Bond Sale	$ 188,000,000
Expenditures	$ 9,792,103
Transfer Out – Repayment to Sp. Reserve	$ 12,730,450
Surplus (Deficit)	$ 174,207,447
Ending Fund Balance	**$ 176,253,294**

2016-17	$ 4,000,450
2017-18	$ 8,730,000

Capital Facilities Fund 25

The Capital Facilities Fund exits primarily to account separately for moneys received from fees levied on developers or other agencies as a condition of approving development. Interest earned in the Capital Facilities Fund is restricted to that fund.

	2017-18
Beginning Balance	$ 7,026,355
Revenues	$ 1,705,417
Expenditures	$ 22,928
Surplus (Deficit)	$ 1,682,489
Ending Fund Balance	**$ 8,708,844**

Special Reserve for Capital Outlay Projects Fund 40

The Special Reserve Fund for Capital Outlay Projects exists primarily to provide for the accumulation of General Fund monies for capital outlay purposes and the proceeds from the sale of real property.

	2017-18
Beginning Balance	$ 36,587,860
Revenues	$ 2,309,283
Transfer In – From Building Fund Measure S	$ 12,730,450
Transfer In – Mandated Cost one-time Funds	$ 3,725,687
COP 2018 Proceeds	$ 9,884,619
Capital Projects including Prop 39 Energy	$ 2,802,738
Cost of Issuance - $188 million Bond	$ 376,400
Transfer Out – Building Fund Measure S	$ 8,730,000
Transfer Out – Advancement El Rancho Gym	$ 2,390,201
Transfer Out – Deferred Maintenance	$ 4,194,939
Surplus (Deficit)	$ 10,155,761
Ending Fund Balance	**$ 46,743,621**

Capital Projects Fund 49

The Capital Project Fund for Blended Component Units is used to account for capital projects financed by Mello-Roos Community Facilities Districts (CFD's) and similar entities that are considered blended component units of the District.

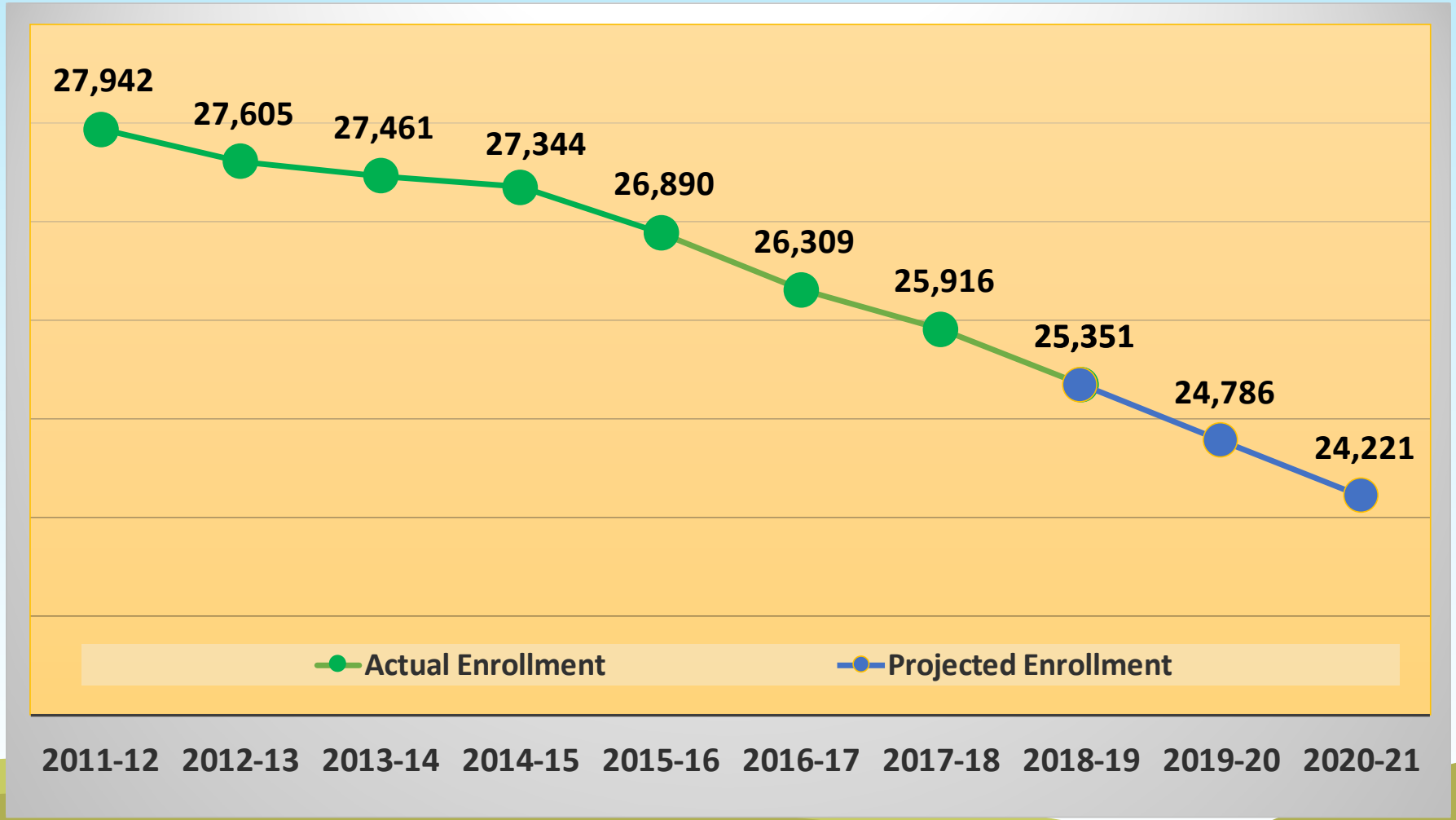
	2017-18
Beginning Balance	$ 4,192,938
Revenues	$ 54,608
Expenditures	$ 147,583
Surplus (Deficit)	$ (92,975)
Ending Fund Balance	**$ 4,099,963**

Impacted boundaries: Fletcher, Cerro Villa, Villa Park High School, Running Springs, and Canyon High School

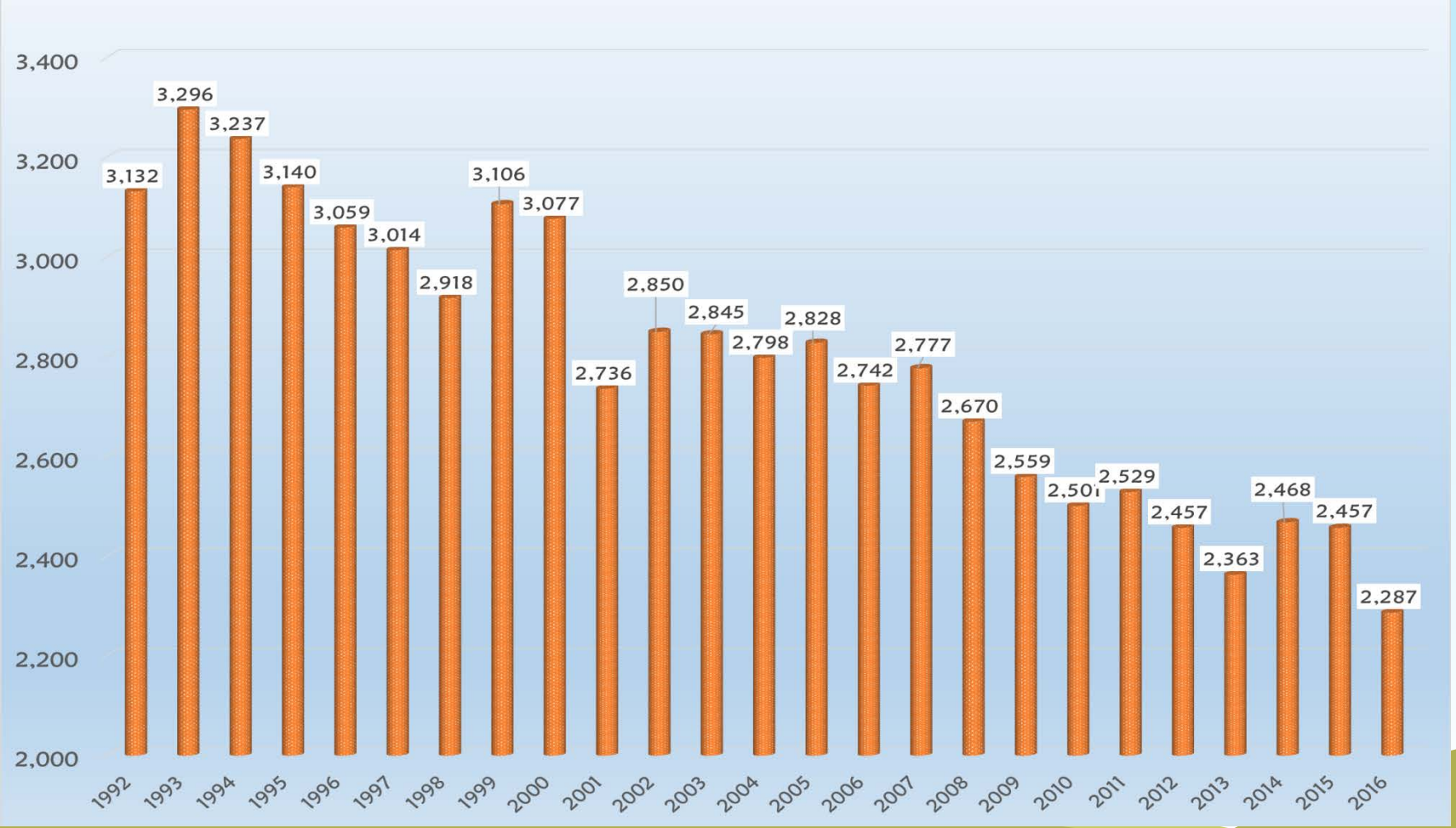
Multi-Year Projections – Revised Budget

	2018-19	2019-20	2020-21
REVENUES	**289,522,961**	**287,606,738**	**288,194,303**
One-Time Mandated Cost Funds	*4,549,343*		
Additional LCFF Revenues	*2,233,212*	*2,533,000*	*2,266,546*
TOTAL REVENUES AS ADJUSTED	**296,305,516**	**290,139,738**	**290,460,849**
EXPENDITURES	**299,834,198**	**307,061,355**	**305,684,987**
INCREASE (DECREASE) IN FUND BALANCE	(3,528,682)	(16,921,617)	(15,224,138)
BEGINNING BALANCE	59,015,961	55,487,279	38,565,662
PROJECTED ENDING BALANCE	**55,487,279**	**38,565,662**	**23,341,524**
Adjustment to Ending Fund Balance			
Stores, Revolving Cash and Carryover	(334,295)	(334,295)	(334,295)
Reserve for STRS and PERS Increases	(6,506,776)	(3,267,312)	(1,049,408)
3% State Required Contingency	(8,995,026)	(9,211,841)	(9,170,550)
One-Time Mandated Cost Funds	(4,549,343)	(4,549,343)	(4,549,343)
Unappropriated Fund Balance Above 3%	**35,101,839**	**21,202,871**	**8,237,928**

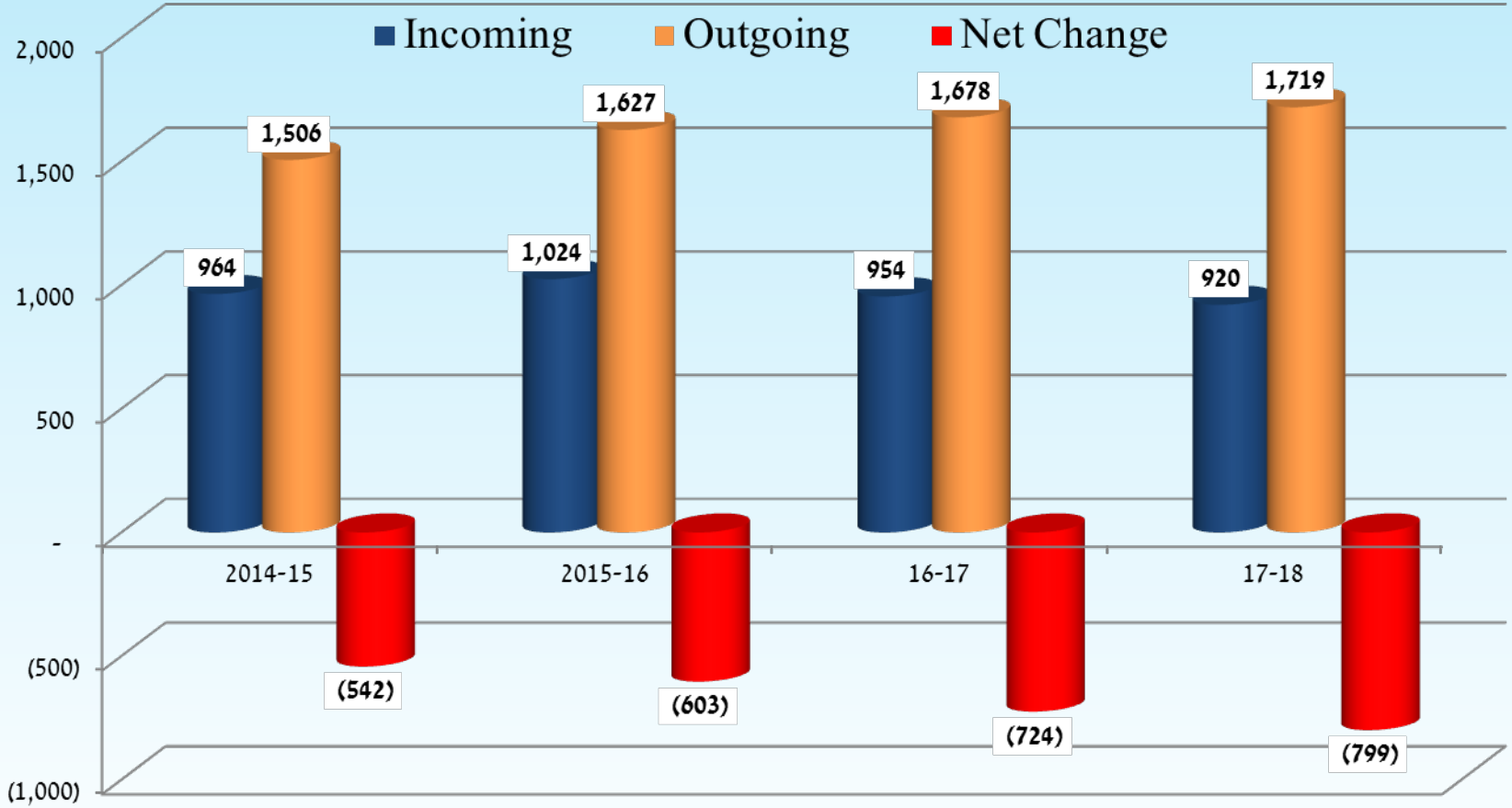
Historical Enrollment (Excluding Charter Schools)



OUSD - Historical Birth Rates

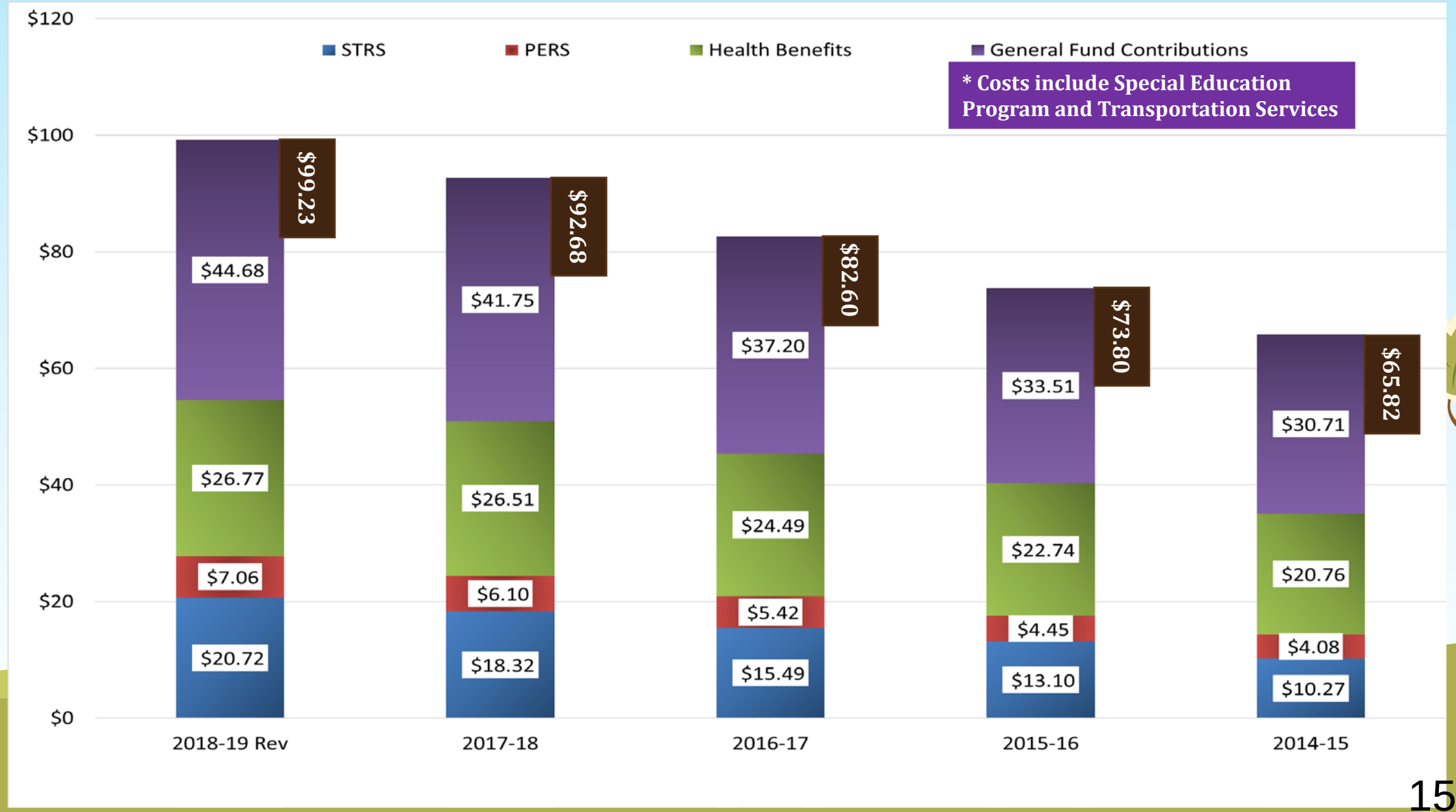


Orange USD- Student Permit Data (14-15 to 17-18)



1,719 outgoing students = $15.3 million in loss revenues
799 net permits = $7.1 million in loss revenue

Rising "Cost of Doing Business" (in Millions)



Next Steps

Business Office

- File financial documents with Orange County Department of Education

External Auditors and Business Office

- Complete the financial audit and present the Audit Report by December 15

Superintendent's Cabinet and Board

- Work on Phase II Plan for Measure S

District Leadership and Board

- Develop a Strategic Plan to attract and retain students

District Leadership, Board, and Communication Firm

- Work closely on marketing efforts

Questions or Comments

