

May Revise Budget Update Report 2020-21

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May 19, 2020

OCEAN VIEW SCHOOL DISTRICT
EDUCATION CENTER



ORIGINAL
OCEAN VIEW SCHOOL DISTRICT
1977
MADE IN BRILLIANT

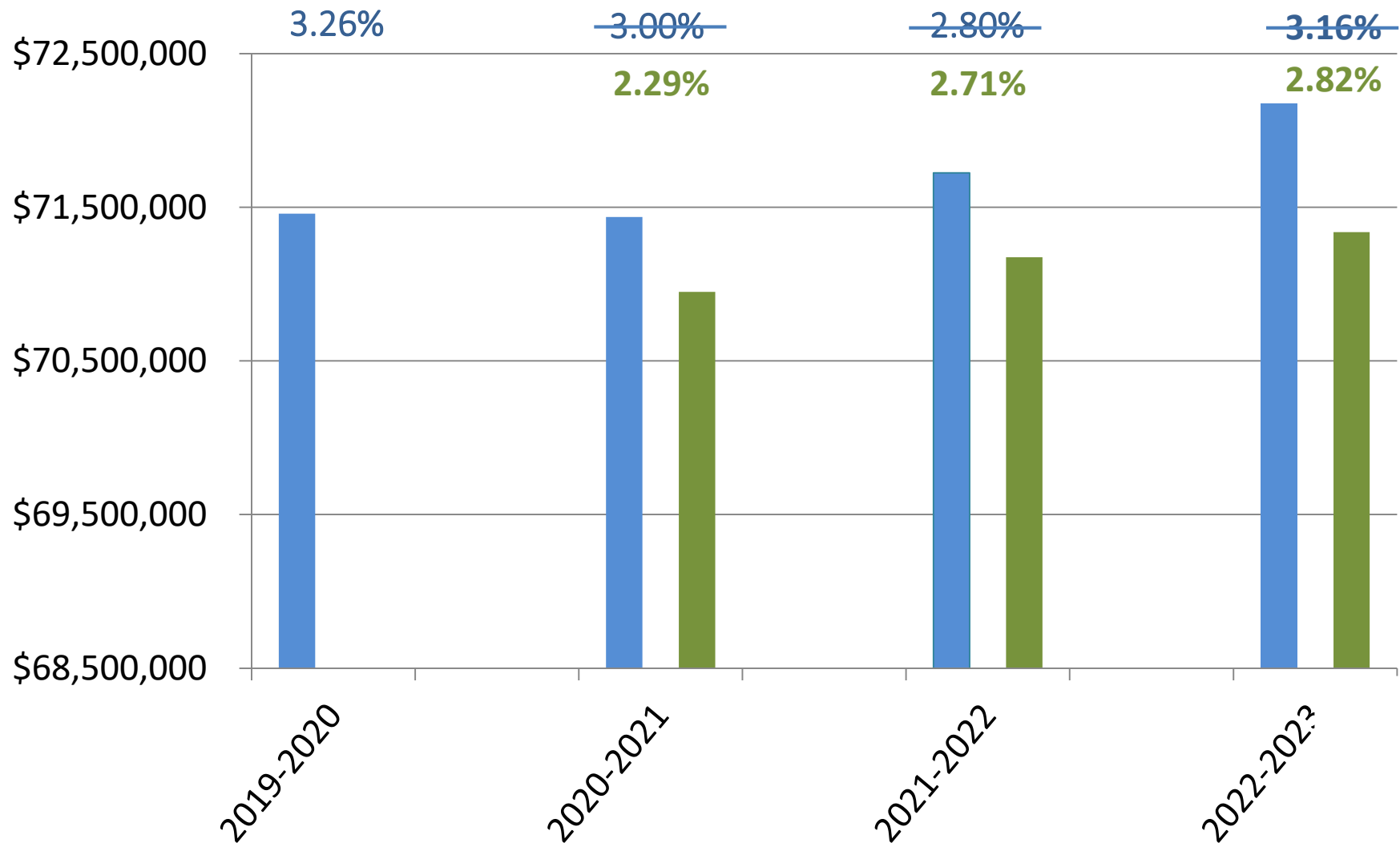
Topics

- Revenue/COLA Scenarios
 - 2nd Interim
 - Board approved budget reductions included in 2nd Interim
 - Transportation \$1,100,000
 - Title III IAs \$ 100,000
 - Fee Base Preschool \$ 250,000
 - May Revise
- Budget Impact
- Expenditure Priorities

2nd Interim Budget LCFF Revenue Projections

Multi-Year COLA projections for Budget
Year LCFF Revenue Impact

- 1st Interim Projections
- 2nd Interim Projections



Combined General Fund Balance Summary and MYP

GF Combined	2019-20 2nd Interim	2020-21 Projected	2021-22 Projected	2022-23 Projected
Revenues	\$89,995,683	\$87,502,386	\$87,727,009	\$87,940,676
Expenditures <i>(including Transfers In/Out)</i>	\$90,994,551	\$91,155,828	\$90,587,152	\$90,650,151
Net Inc / (Dec) in Fund Balance	\$(998,869)	\$(3,653,442)	\$(2,860,143)	\$(2,709,475)
Beginning Balance	\$13,702,900	\$12,704,031	\$9,050,590	\$6,190,447
Ending Balance <i>(% of Expenditures)</i>	\$12,704,031 13.96%	\$9,050,590 9.93%	\$6,190,447 6.83%	\$3,480,972 3.94%
3% REU	\$2,734,837	\$2,739,675	\$2,722,615	\$2,724,505
Emergency Reserve <i>(% of Expenditures)</i>	\$6,739,360 7.41%	\$4,219,089 4.63%	\$1,683,665 1.86%	\$368,947 0.40%

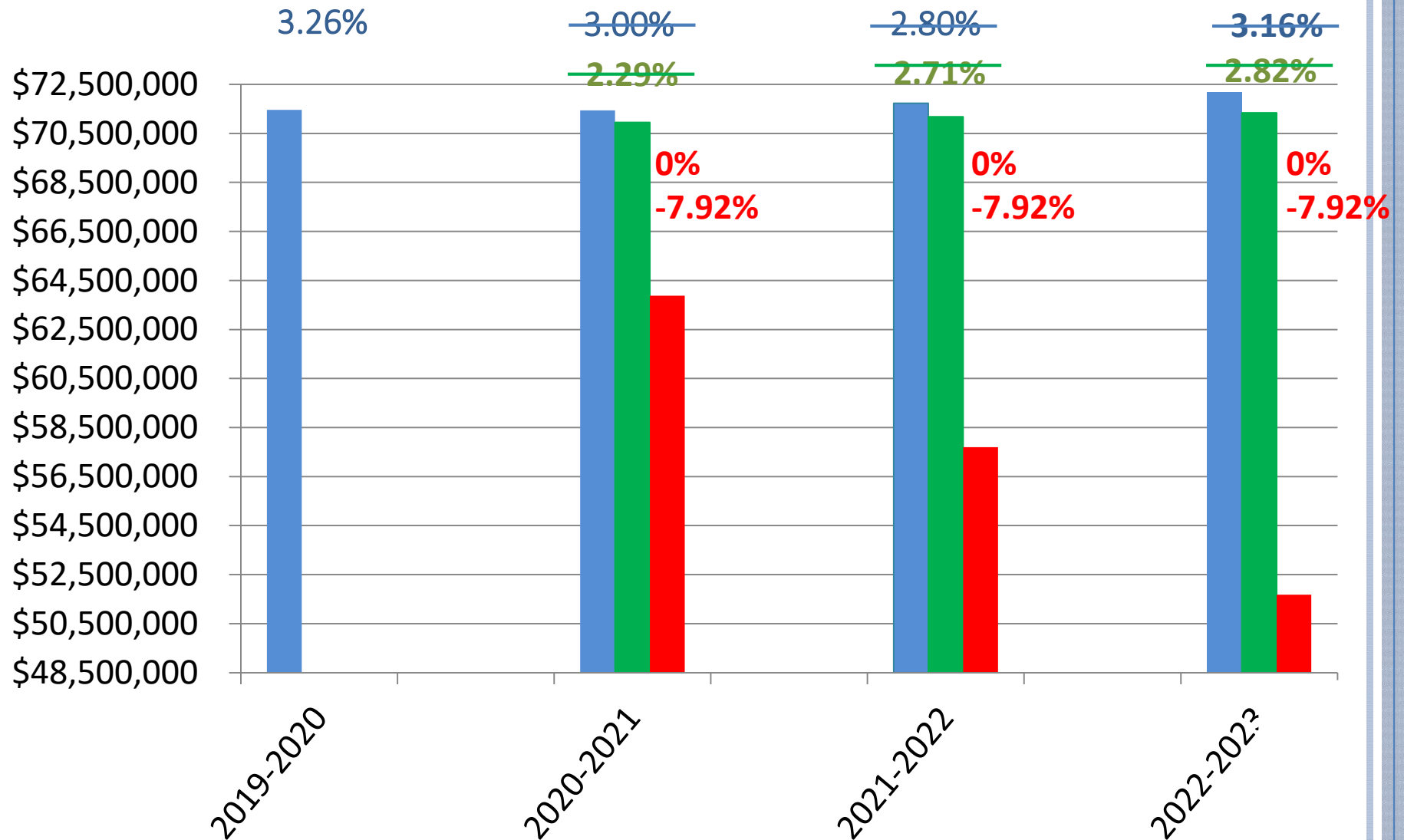
May Revise Budget Implications

- 2020-21 Adopted Budget
 - 3-Year Multi-Year Projection, each year
 - 0.00% COLA
 - -7.92% Reduction
- Apportionments Deferred
 - 2019-20 June deferred to July
 - 2020-21 April, May, June deferred to July (?)
- Lower STRS and PERS District Contribution
 - 2020-21
 - 2021-22
 - Increases 2022-23

LCFF Revenue Projection

2020-21 MYP COLA 0.00% and
-7.92% Reduction

- 1st Interim Projections
- 2nd Interim Projections
- May Revise

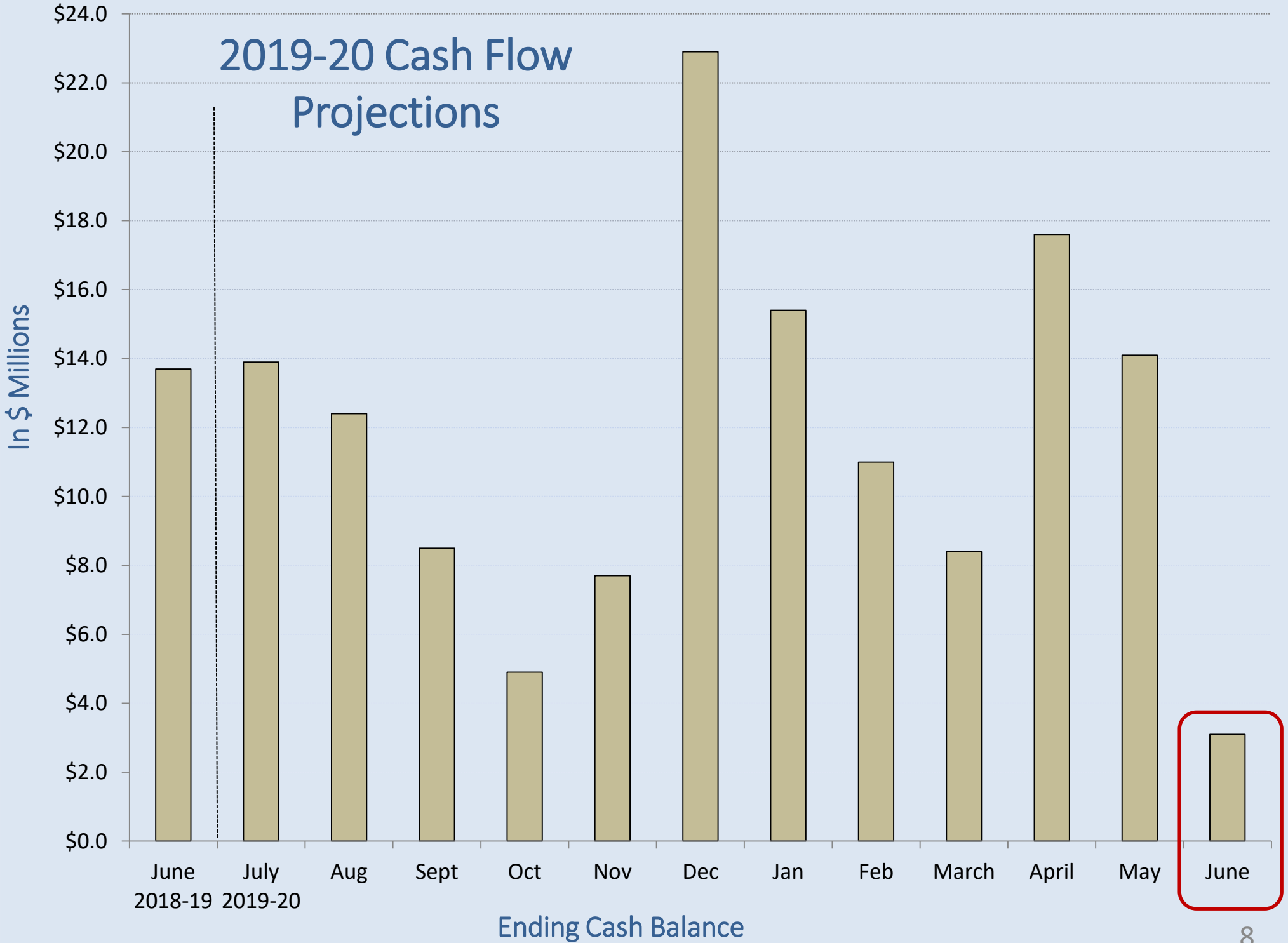


Combined General Fund Balance Summary and MYP

2020-21 MYP COLA 0.00% and -7.92% Reduction

GF Combined	2019-20 2nd Interim	2020-21 Projected	2021-22 Projected	2022-23 Projected
Revenues	\$89,995,683	\$80,426,993	\$74,251,640	\$68,235,991
Expenditures <i>(including Transfers In/Out)</i>	\$90,994,551	\$89,918,297	\$89,381,153	\$90,087,091
Net Inc / (Dec) in Fund Balance	\$(998,869)	\$(9,491,034)	\$(15,129,513)	\$(21,851,100)
Beginning Balance	\$13,702,900	\$12,704,031	\$3,212,728	\$(11,916,785)
Ending Balance <i>(% of Expenditures)</i>	\$12,704,031 13.96%	\$3,212,728 3.57%	\$(11,916,785) (13.3%)	\$(33,767,885) (37.5%)
3% REU	\$2,734,837	\$2,702,548	\$2,686,435	\$2,707,613
Emergency Reserve <i>(% of Expenditures)</i>	\$6,739,360 7.41%	\$6,067 0.01%	\$(14,763,493) (16.5%)	\$(36,691,932) (40.7%)

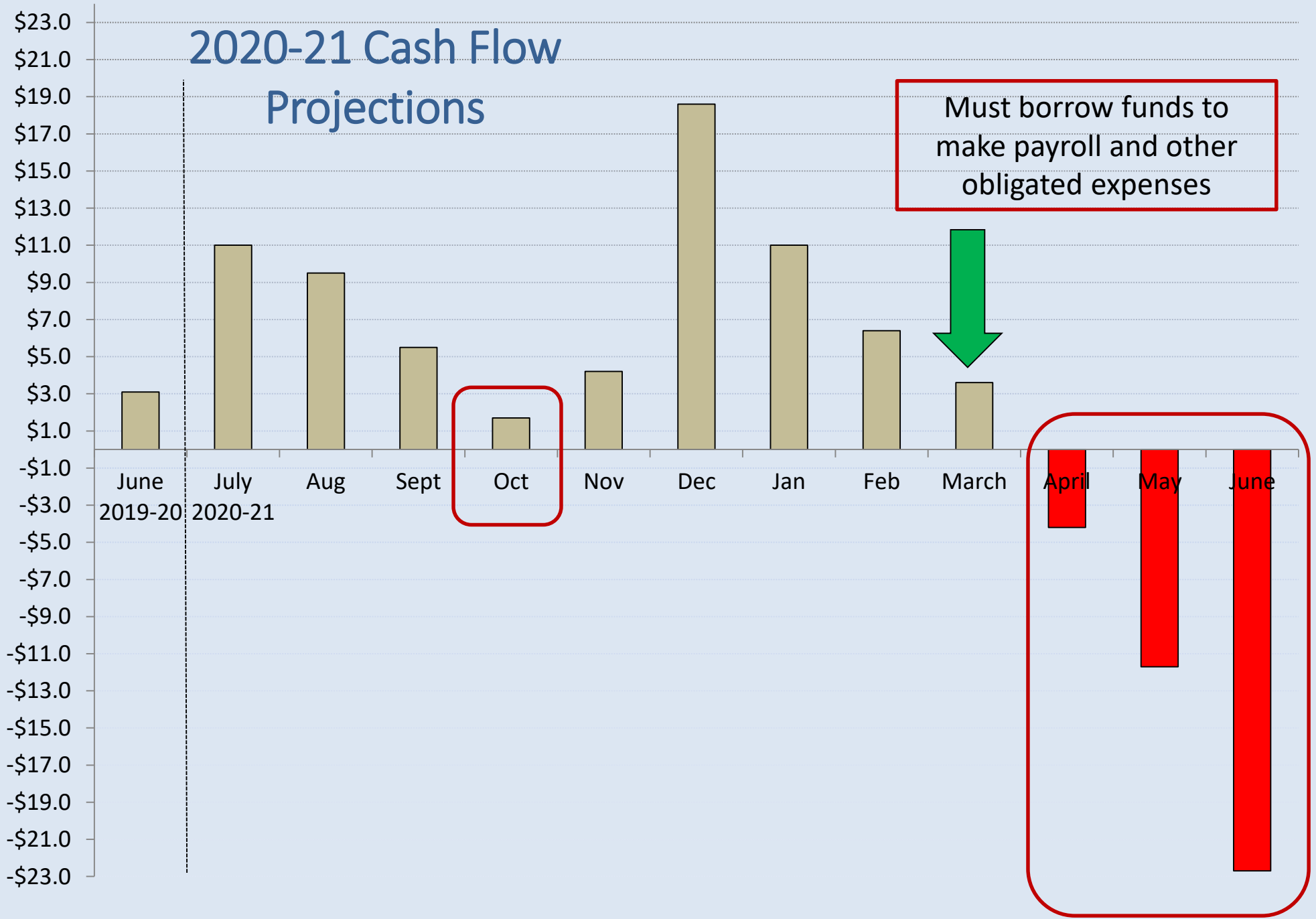
2019-20 Cash Flow Projections



Ending Cash Balance

2020-21 Cash Flow Projections

In \$ Millions



Must borrow funds to make payroll and other obligated expenses

Ending Cash Balance

Priority of Expenditures

Essential – absolutely must have to operate district or school, i.e. classroom teacher salary

Necessary – important component to operate district or school but could do without, i.e. replacement technology, Facilities vehicle

Discretionary -- nice to have, routine and everyday expenditures, i.e. office supplies, photo copies, new technology

Questions to ask:

Will this expenditure improve student learning? If so, how?

Is this expenditure aligned to school/department vision?

Is this expenditure sustainable?

Is there another way to get the same outcome?

Which Priority does this expenditure meet?

Questions?