

Ocean View School District Of Orange County 1st Interim Budget *December 13, 2016*



Carol Hansen, Ed.D., Superintendent
Michael Conroy, Ed.D., Deputy Superintendent
Joe Webber, Director of Fiscal Services

Components of 1st Interim Budget

Budget Assumptions
General Fund Revenue
General Fund Expenses
General Fund Balance Summary
Special Education Encroachment
All Funds Ending Balances
Cash Flow

1st Interim Key Rate Assumptions

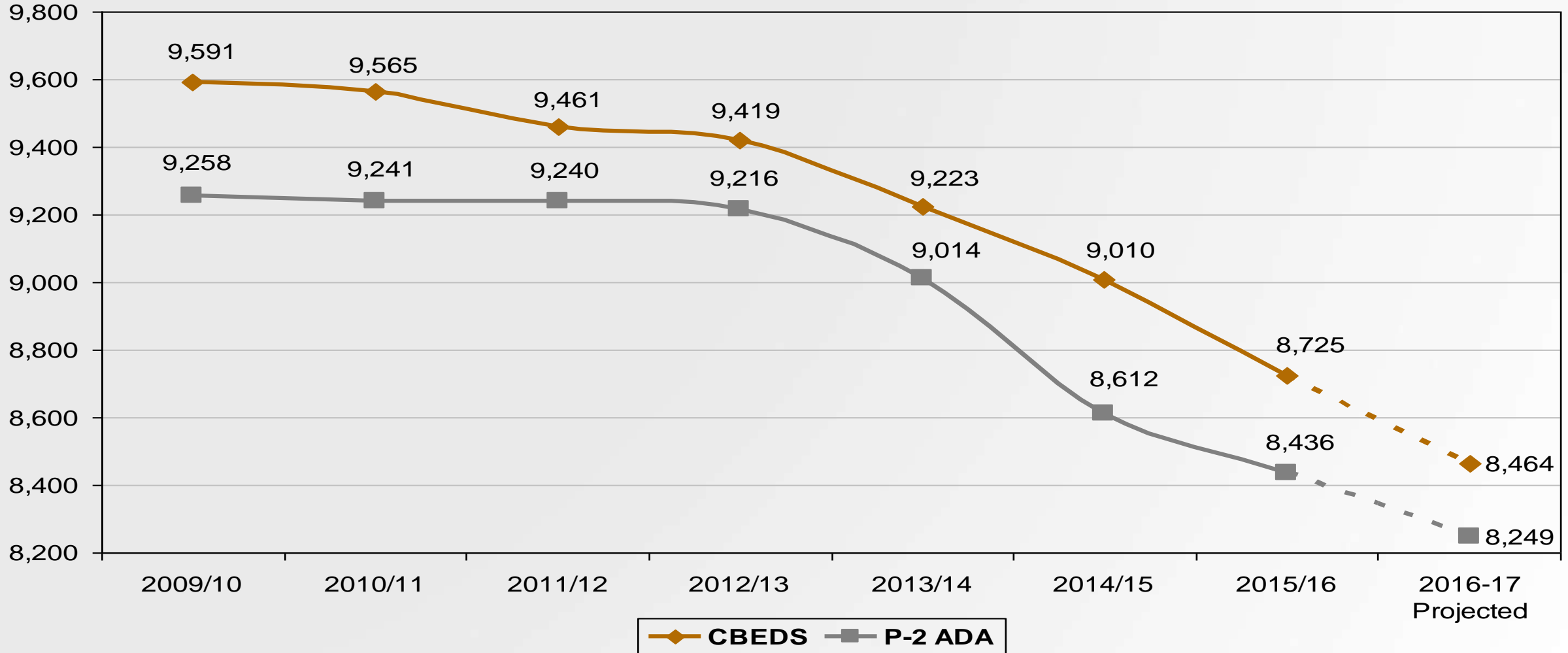
	2015-16 UA	2016-17 1 st Interim	2017-18 Projected	2018-19 Projected	2019-20 Projected
COLA (Statutory)*	1.02%	0%	1.11%	2.42%	2.67%
LCFF Gap Funding (DOF)*	52.56%	54.18%	72.99%	40.36%	73.98%
California CPI*	2.07%	2.26%	2.39%	2.46%	2.63%
STRS Employer Rates*	10.73%	12.58%	14.43%	16.28%	18.13%
PERS Employer Rates*	11.847%	13.888%	15.50%	17.10%	18.60%
One-time Discretionary Funding	\$8,589 per FY15 ADA	\$0	\$0	\$0	\$0
Educator Effectiveness Funding	\$448 per FY15 Certificated FTE	\$0	\$0	\$0	\$0

* Note—School Services of California Dartboard

- LCFF Revenue
- ADA – 97% of Enrollment
- Declining enrollment trends
 - Status quo regarding student demographics
- No one-time discretionary revenues for 2016-17
- No additional salary or benefit adjustments pending release of Governor's January Budget Proposal for 2017-18
- Step and Column salary increase estimate for both certificated 1.7% and classified 1.1% in 2017-18 and 2018-19
- Increasing Encroachment
- Prop 30 Temporary Sales Taxes expire this month
- LCAP

Enrollment-ADA Trends

Comparison CBEDS to P2 ADA



General Fund Revenue Summary

GF Combined	2015-16 UA	2016-17 1st Interim	2017-18 Projected	2018-19 Projected	2019-20 Projected
LCFF Revenues	\$66,280,168	\$68,242,552	\$69,279,076	\$68,969,608	\$70,178,143
Federal Revenues	\$4,620,201	\$4,144,154	\$4,144,154	\$4,144,154	\$4,144,154
Other State Revenues	\$10,053,206	\$7,304,838	\$5,305,539	\$5,305,539	\$5,305,539
Other Local Revenues	\$7,312,399	\$6,516,187	\$6,494,644	\$6,609,143	\$6,738,527
TOTAL Revenues	\$88,265,974	\$86,207,731	\$85,223,413	\$85,028,444	\$86,366,363

* NOTE: 1st Interim Budget Book 12-13-16, MYP tab

General Fund Revenue Per ADA

GF Combined	2015-16 UA	2016-17 1st Interim	2017-18 Projected	2018-19 Projected
Total Enrollment	8,725	8,464	8,287	8,139
ADA	8,436	8,249	8,078	7,934
Total Revenues	\$88,265,974	\$86,207,731	\$85,223,413	\$85,028,444
Total Revenue / ADA	\$10,463	\$10,451	\$10,550	\$10,717
Unrestricted Revenues	\$74,969,543	\$73,058,713	\$72,075,742	\$71,766,274
Unrest Rev / ADA	\$8,887	\$8,857	\$8,922	\$9,045

General Fund Expenditures

* NOTE: 1st Interim Budget Book 12-13-16, MYP tab

GF Combined	2015-16 UA	2016-17 1st Interim	2017-18 Projected	2018-19 Projected	2019-20 Projected
Certificated Salaries	\$40,831,541	\$41,393,499	\$41,364,246	\$41,337,753	\$41,539,183
Classified Salaries	\$15,828,089	\$16,045,672	\$15,894,652	\$16,069,494	\$16,233,258
Employee Benefits	\$17,156,283	\$18,879,834	\$19,757,485	\$20,743,546	\$21,783,777
Books & Supplies	\$3,518,465	\$3,038,425	\$3,897,228	\$2,400,596	\$2,392,804
Services & Other Operating Expenses	\$6,574,451	\$7,310,047	\$7,065,949	\$7,163,049	\$7,138,197
Capital Outlay	\$32,476	\$191,468	\$14,468	\$14,468	\$0
Other Outgo	\$406,950	\$445,945	\$445,945	\$445,945	\$429,313
Support (Indirect) Costs	(\$223,360)	(\$358,000)	(\$358,000)	(\$358,000)	(\$358,000)
TOTAL Expenditures	\$84,124,895	\$86,946,090	\$88,081,173	\$87,816,051	\$89,157,731

General Fund Summary 2016-17 and MYP

GF Combined	2015-16 UA	2016-17 1st Interim	2017-18 Projected	2018-19 Projected	2019-20 Projected
Beginning Balance	\$8,011,454	\$11,652,533	\$10,664,174	\$7,556,414	\$4,518,806
Revenues	\$88,265,974	\$86,207,731	\$85,223,413	\$85,028,444	\$86,366,363
Expenditures <small>(including Transfers In/Out)</small>	\$84,624,895	\$87,196,090	\$88,331,173	\$87,066,051	\$89,407,731
Net Inc/(Dec) in Fund Balance	\$3,641,079	(\$988,359)	(\$3,107,760)	(\$3,037,607)	(\$3,041,368)
Ending Balance	\$11,652,533	\$10,664,174	\$7,556,414	\$4,518,806	\$1,477,439
Ending Balance as % of Expenditures	13.77%	12.23%	8.55%	5.13%	1.65%

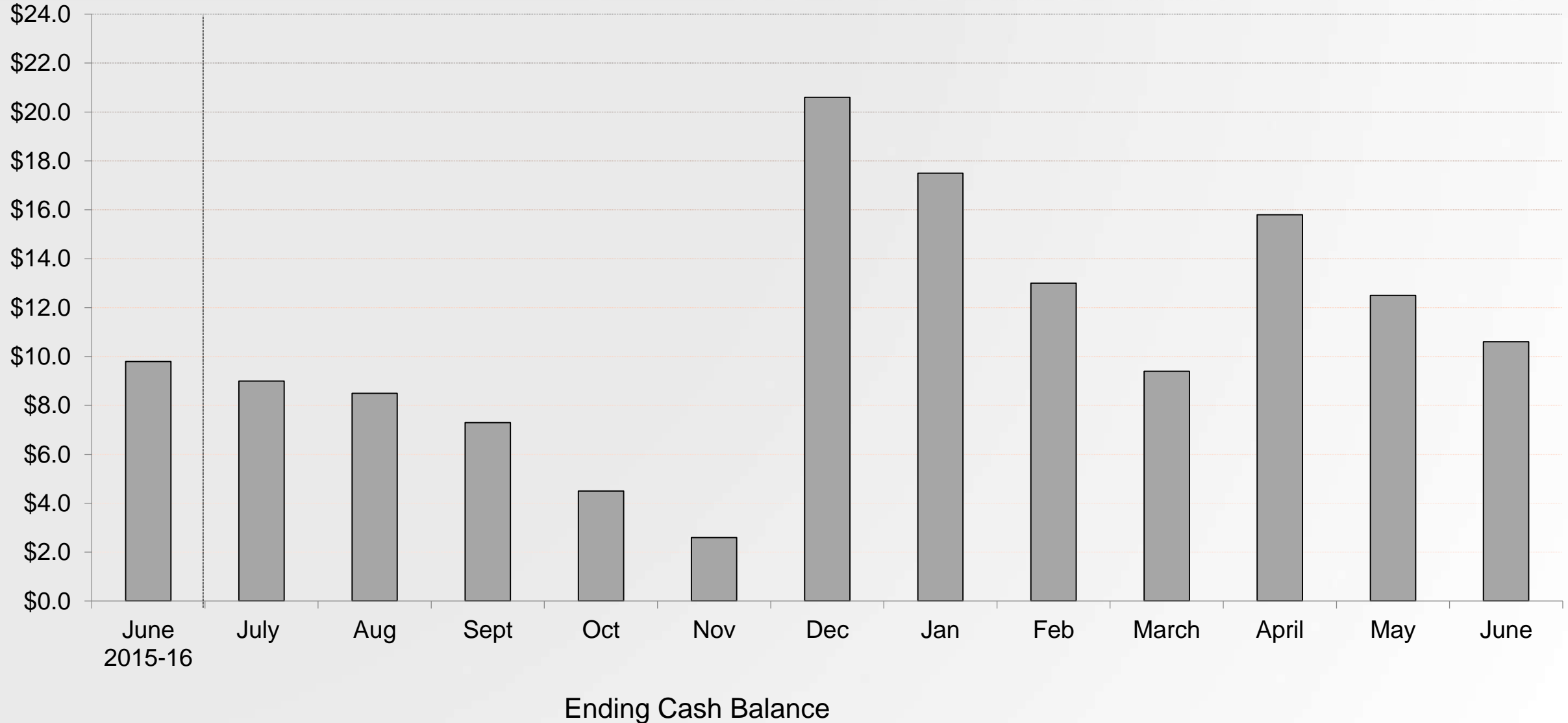
* NOTE: 1st Interim Budget Book 12-13-16, MYP tab

Contributions to Restricted Programs

	2016-17 1st Interim
Special Education	\$9,763,879
Routine Maintenance	\$2,400,382
Home-to-School Transportation	\$945,021
Special Education Transportation	\$262,718

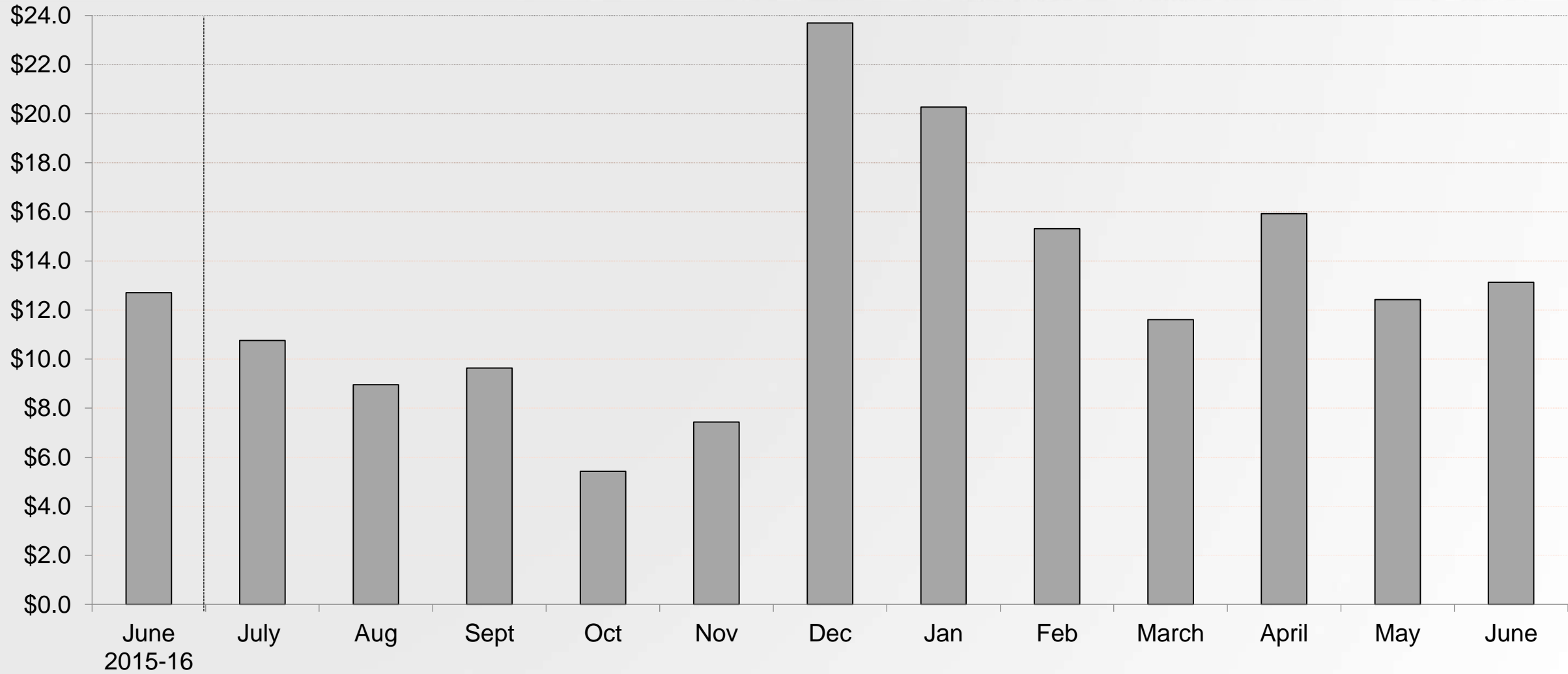
2016-17 Cash Flow Projections

Budget Adoption



2016-17 Cash Flow Projections

1st Interim Budget



Ending Cash Balance

1. Student achievement requires access to quality instructional programs implemented by highly qualified and competitively compensated staff.
2. The state of the economy and education funding continue to improve, but at a very slow rate as we approach 2020-21 and full LCFF funding.
3. Notwithstanding state revenue increases, declining enrollment has had a negative impact on per pupil funding.
4. Special education expenditures create a substantial encroachment upon unrestricted funds.
5. Economic cycles drive a need for sustainable systems, including substantial reserves and the ability to reduce programs in the event the District loses state or local funding.

Next Steps?

December 13

- 1st Interim Budget
- ✓ Tonight approve 1st Interim Budget
 - New Business, Q.1
 - “POSITIVE CERTIFICATION”

January 10, 2017

- Governor’s 2017-18 Budget Proposal Projected Release

January, 2017

- Continue Negotiations

January – May 2017

- Continue Development of 2017-18 LCAP

March 7, 2017

- 2nd Interim Budget

Questions ?

