



2nd Interim Budget Report 2023-24

March 12, 2024

Presented by:

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Overview

- Assumptions
- Declining Enrollment Impact on COLA
- Multi-Year Projection
- Contributions
- Cash Flow Analysis
- Roadmap
- 5 Significant Challenges

Assumptions

Factors	2023-24	2024-25	2025-26	2026-27
LCFF Statutory COLA	8.22%	0.76%	2.73%	3.11%
District Enrollment	6,724	6,524	6,404	6,284
Average Daily Attendance (ADA)	94%	94%	94%	94%
Unduplicated Pupil Percentage	59%	59%	59%	59%
STRS	19.10%	19.10%	19.10%	19.10%
PERS	26.68%	27.80%	28.50%	28.90%
Step & Column (CE)		1.50%	1.50%	1.50%
Step & Column (CL)		0.75%	0.75%	0.75%
Inflation		3%	3%	3%

Declining Enrollment Impact on COLA

Assumption	2023-24	2024-25	2025-26	2026-27
LCFF Statutory COLA	8.22%	0.76%	2.73%	3.11%
OVSD Revenue	\$84.9m	\$81.0m	\$80.9m	\$81.7m
<i>Change in Revenue from PY</i>	<i>\$2.8m</i>	<i>-\$3.9m</i>	<i>-\$0.1m</i>	<i>\$0.8m</i>
% of COLA Realized*	3.45%	-4.64%	-0.13%	1.04%

*Note: Realized means the amount of money the district actually receives. If declining enrollment and average daily attendance were flat, then the district would realize the full 8.22% COLA. Since we experience declining enrollment, we only receive a fraction of the COLA.

Second Interim Multi-Year Projection

		<i>Projected</i>	<i>Projected</i>
General Fund Unrestricted	2023-24	2024-25	2025-26
Revenues	\$90,354,337	\$84,628,238	\$84,521,356
Contributions	(\$16,901,998)	(\$16,379,166)	(\$16,275,166)
Net Revenues	\$73,452,339	\$68,249,072	\$68,246,190
Expenditures	\$72,558,605	\$69,903,149	\$73,403,308
Surplus/Deficit	\$893,733.91	(\$1,654,077)	(\$5,157,118)
Beginning Fund Balance	\$22,273,019	\$23,166,753	\$21,512,676
Ending Fund Balance	\$23,166,753	\$21,512,676	\$16,355,558

Note: 2024-25 uses \$3 Million Art Music Discretionary Block Grant for Operations Costs

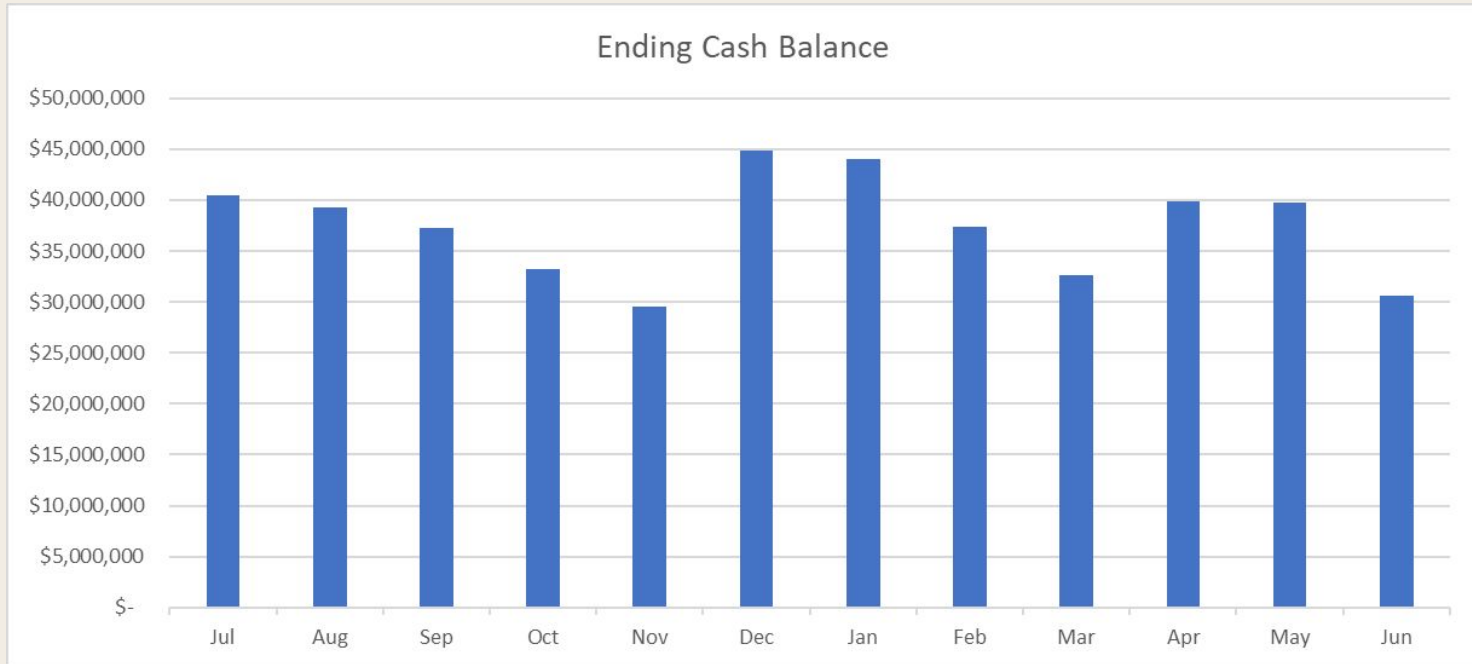
Second Interim Multi-Year Projection

		<i>Projected</i>	<i>Projected</i>	<i>Projected</i>
General Fund Unrestricted	2023-24	2024-25	2025-26	2026-27
Revenues	\$90,354,337	\$84,628,238	\$84,521,356	\$85,364,686
Contributions	(\$16,901,998)	(\$16,379,166)	(\$16,275,166)	(\$16,295,166)
Net Revenues	\$73,452,339	\$68,249,072	\$68,246,190	\$69,069,520
Expenditures	\$72,558,605	\$69,903,149	\$73,403,308	\$74,061,790
Surplus/Deficit	\$893,733.91	(\$1,654,077)	(\$5,157,118)	(\$4,992,270)
Beginning Fund Balance	\$22,273,019	\$23,166,753	\$21,512,676	\$16,355,558
Ending Fund Balance	\$23,166,753	\$21,512,676	\$16,355,558	\$11,363,288

Contributions

		<i>Projected</i>	<i>Projected</i>
Contribution from the General Fund	2023-24	2024-25	2025-26
Special Education	\$12,437,166	\$12,437,166	\$12,437,166
Routine Restricted Maintenance	\$4,464,832	\$3,942,000	\$3,838,000
Total Restricted Contributions	\$16,901,998	\$16,379,166	\$16,275,166

Cash Flow Analysis



Roadmap

Approved the 2023-24
Adopted Budget in June 2023.



Governor's January
budget proposal for
2024-25.



Budget development for
2024-25 from March to May.



Approved the 2023-24 1st
interim budget with a positive
certification.



Present the 2023-24 2nd
interim budget report in
March.



Governor's May Revise, then
2024-25 Adopted Budget
proposal in June 2024.



5 Significant Budget Challenges

- Declining Enrollment
- Low School Enrollment
- Staffing
- Program Contributions
- Economic Uncertainty



Questions?