Ocean View
School District

2025-26 Second Interim Budget Report

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OVERVIEW

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Introduction

The Multi-Year Projection (MYP) projects total General Fund revenues and expenditures for the budget year and the two subsequent fiscal years. The projections are only estimates and actual outcomes could vary substantially.

The MYP forecasts are based on certain criteria, information available at the time, and assumptions rather than on exact calculations.

MYP forecasting models should be evaluated as a trend-based on certain criteria and assumptions rather than a prediction of exact numbers.

To evaluate the MYP, attention is focused on the bottom line, which demonstrates the District's undesignated, unappropriated fund balance.

Assumptions

Factors	2025-26	2026-27	2027-28	2028-29
LCFF Statutory COLA *vs. 1st Interim Projection*	2.30% *2.30%*	2.41% *3.02%*	3.06% *3.42%*	3.34% *3.31%*
District Enrollment	6,522	6,336	6,281	6,173
Average Daily Attendance (ADA)	95%	95%	95%	95%
Unduplicated Pupil Percentage	59%	59%	59%	59%
STRS	19.10%	19.10%	19.10%	19.10%
PERS	26.81%	26.40%	26.90%	26.10%
Step & Column Certificated		1.25%	1.25%	1.25%
Step & Column Classified		0.75%	0.75%	0.75%
Inflation		3.00%	3.00%	3.00%

Unrestricted Multi-Year Projections

General Fund Unrestricted (in millions)	2025-26	*Projected* 2026-27	*Projected* 2027-28
Revenues	$ 88.9 M	$ 88.6 M	$ 89.7 M
Contributions	$ (21.1) M	$ (21.5) M	$ (21.5) M
Net Revenues	$ 67.8 M	$ 67.1 M	$ 68.2 M
Expenditures	$ 73.8 M	$ 72.2 M	$ 73.9 M
Surplus/Deficit	$ (6.0) M	$ (5.1) M	$ (5.7) M
Beginning Fund Balance	$ 25.0 M	$ 19.0 M	$ 13.9 M
Ending Fund Balance	$ 19.0 M	$ 13.9 M	$ 8.2 M

Program Contributions

Contribution from the General Fund (in millions)	2025-26	*Projected* 2026-27	*Projected* 2027-28
Special Education	$ 16.2 M	$ 16.6 M	$ 16.6 M
Routine Restricted Maintenance (4%)	$ 4.9 M	$ 4.9 M	$ 4.9 M
Total Restricted Contributions	*$ 21.1 M*	*$ 21.5 M*	*$ 21.5 M*

5 Significant Budget Challenges

01 Program Contributions

02 Declining and Low School Enrollment

03 Staffing

04 Attendance

05 Economic Uncertainty

Average Daily Attendance

- Pre-pandemic ADA: 96%.
- Current ADA: 95%.

ADA and LCFF Funding:

- LCFF funding is based on the greater of:
  - Current year ADA,
  - Prior year ADA, or
  - The average of the 3-prior years ADA.

Impact of ADA Increase:

- 1% increase = $800,000+/year.
- Returning to 96% = $1.5M+/year (phased in over several years, with compounding benefits).

Academic Year	Reported ADA	Note
2014-15	95.58%	
2015-16	96.68%	
2016-17	96.90%	
2017-18	96.67%	
2018-19	96.87%	
2019-20*	96.67%	
2020-21	101.73%	Hold Harmless
2021-22*	96.67%	*Attendance Yield
2022-23	94.19%	3-year avg
2023-24	94.04%	
2024-25	94.96%	

Budget Roadmap

January
Governor releases the proposed State Budget

1

Winter/Spring
Legislature reviews the proposal in budget hearings

2

March
Districts report updated finances at Second Interim

3

Present the **positive** 2025-26 2nd interim budget report in March 2026



4

June (Early)
Legislature negotiates and adopts the State Budget

5

June 30
Final State Budget is enacted and districts finalize budgets

6

Questions?