



# **2016-17 2<sup>nd</sup> INTERIM REPORT**


## **ORANGE UNIFIED SCHOOL DISTRICT**

**March 9, 2017**



# Presentation Overview

 **Budgetary Building Blocks**

 **Multi-Year Projections: 2<sup>nd</sup> Interim Report (3 years)**

 **Multi-Year Projections: 2<sup>nd</sup> Interim Report (4 years)**

 **Multi-Year Projections: Budget Reduction Target**

 **Next Steps**



# Budgetary Building Blocks

## ■ Revenues:

### ● Local Control Funding Formula

● Annual decline in enrollment of 541

● Attendance Rate: 96.3%

● Unduplicated Pupil Percentage: 49.3%

● Using School Services GAP funding

## ■ Expenditures:

● Class Size Reduction beginning 2017-18

● Step and Column Increases

● Certificated & Leadership 1.2%

● Classified 2%



# Multi-Year Projections: 2<sup>nd</sup> Interim

	2016-17	2017-18	2018-19
<b>TOTAL REVENUES</b>	280,703,438	269,599,185	268,896,496
<b>TOTAL EXPENDITURES</b>	299,058,919	287,968,031	296,439,311
INCREASE (DECREASE) IN FUND BALANCE	(18,355,481)	(18,368,846)	(27,542,815)
BEGINNING BALANCE	79,290,185	60,934,704	42,565,858
<b>PROJECTED ENDING BALANCE</b>	<b>60,934,704</b>	<b>42,565,858</b>	<b>15,023,043</b>
Adjustment to Ending Fund Balance			
Stores, Revolving Cash and Carryover	(3,550,693)	(1,104,109)	(334,295)
Reserve for STRS and PERS Increases	(10,519,262)	(7,336,793)	(5,217,105)
3% State Required Contingency	(8,971,768)	(8,639,041)	(8,893,179)
<b>Unappropriated Fund Balance Above 3%</b>	<b>37,892,981</b>	<b>25,485,915</b>	<b>578,464</b>



# Multi-Year Projections: 2<sup>nd</sup> Interim

	2016-17	2017-18	2018-19	2019-20
<b>TOTAL REVENUES</b>	280,703,438	269,599,185	268,896,496	269,681,042
<b>TOTAL EXPENDITURES</b>	299,058,919	287,968,031	296,439,311	311,784,261
INCREASE (DECREASE) IN FUND BALANCE	(18,355,481)	(18,368,846)	(27,542,815)	(42,103,219)
BEGINNING BALANCE	79,290,185	60,934,704	42,565,858	15,023,043
<b>PROJECTED ENDING BALANCE</b>	<b>60,934,704</b>	<b>42,565,858</b>	<b>15,023,043</b>	<b>(27,080,176)</b>
Adjustment to Ending Fund Balance				
Stores, Revolving Cash and Carryover	(3,550,693)	(1,104,109)	(334,295)	(334,295)
Reserve for STRS and PERS Increases	(10,519,262)	(7,336,793)	(5,217,105)	
3% State Required Contingency	(8,971,768)	(8,639,041)	(8,893,179)	(9,353,528)
<b>Unappropriated Fund Balance Above 3%</b>	<b>37,892,981</b>	<b>25,485,915</b>	<b>578,464</b>	<b>(36,767,999)</b>



# Multi-Year Projections: Budget Reduction Target

	2016-17	2017-18	2018-19	2019-20
<b>TOTAL REVENUES</b>	280,703,438	269,599,185	268,896,496	269,681,042
<b>EXPENDITURES</b>	299,058,919	287,968,031	296,439,311	311,784,261
<i>Reductions to Balance the Budget</i>		(12,200,000)	(12,200,000)	(12,200,000)
<b>TOTAL EXPENDITURES AS ADJUSTED</b>	299,058,919	275,768,031	284,239,311	299,584,261
<b>INCREASE (DECREASE) IN FUND BALANCE</b>	(18,355,481)	(6,168,846)	(15,342,815)	(29,903,219)
<b>BEGINNING BALANCE</b>	79,290,185	60,934,704	54,765,858	39,423,043
<b>PROJECTED ENDING BALANCE</b>	60,934,704	54,765,858	39,423,043	9,519,824
Adjustment to Ending Fund Balance				
Stores, Revolving Cash and Carryover	(3,550,693)	(1,104,109)	(334,295)	(334,295)
Reserve for STRS and PERS Increases	(10,519,262)	(7,336,793)	(5,217,105)	
3% State Required Contingency	(8,971,768)	(8,273,041)	(8,527,179)	(8,987,528)
<b>Unappropriated Fund Balance Above 3%</b>	37,892,981	38,051,915	25,344,464	198,001



# Next Steps

## ■ Local level

- On-going: District Staff exploring budget reduction proposals
- Demographic Study Presentation on April/May 2017
- 2017-18 Budget and LCAP Public Hearing on May 25, 2017
- Adopt 2017-18 District Budget by June 30, 2017

## ■ State level

- Budget committee hearings
- Next update – May Revision





# Multi-Year Projections: 2<sup>nd</sup> Interim

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<b>TOTAL EXPENDITURES</b>	299,058,919	287,968,031	296,439,311
INCREASE (DECREASE) IN FUND BALANCE	(18,355,481)	(18,368,846)	(27,542,815)
BEGINNING BALANCE	79,290,185	60,934,704	42,565,858
<b>PROJECTED ENDING BALANCE</b>	<b>60,934,704</b>	<b>42,565,858</b>	<b>15,023,043</b>
Adjustment to Ending Fund Balance			
Stores, Revolving Cash and Carryover	(3,550,693)	(1,104,109)	(334,295)
Reserve for STRS and PERS Increases	(10,519,262)	(7,336,793)	(5,217,105)
3% State Required Contingency	(8,971,768)	(8,639,041)	(8,893,179)
<b>Unappropriated Fund Balance Above 3%</b>	<b>37,892,981</b>	<b>25,485,915</b>	<b>578,464</b>