



Orange Unified School District

2019 -2020 Second Interim Budget Report

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David Rivera
Assistant Superintendent/CBO
Business Services





Presentation Overview



Budgetary Building Blocks: Revenues



Enrollment Projections



Budgetary Building Blocks: Expenditures



Rising Cost of Doing Business



Multi-Year Projections



Novel Coronavirus (COVID-19)



Next Steps

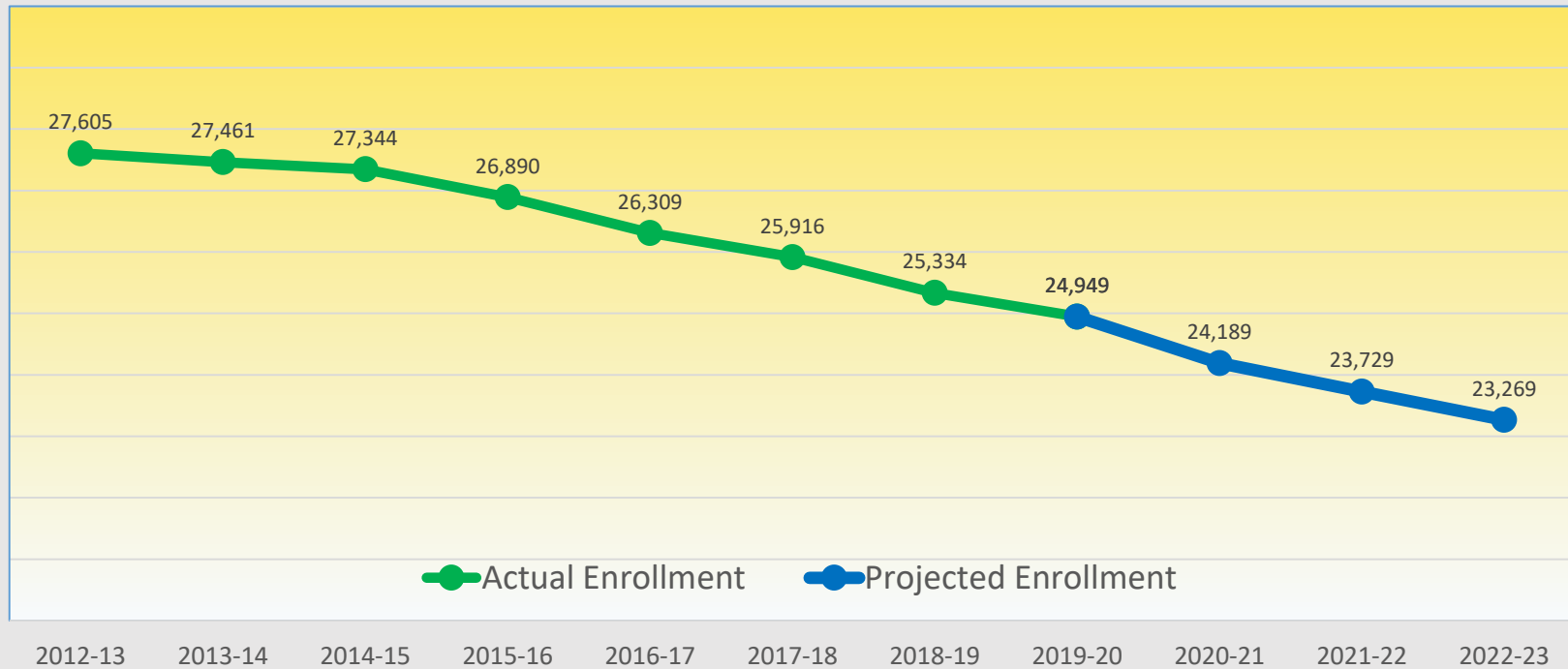


Budgetary Building Blocks

Revenues:

- Local Control Funding Formula
 - Annual decline in enrollment & ADA
 - 2020-21 760 students, 2021-22 and 2022-23 460 students
 - Attendance Rate: 96.02%
 - Unduplicated Pupil Percentage: 51.70%
- Governor Newsom's Budget Proposal for 2020-21:
 - COLA @ 2.29%
 - Special Education One-Time and ongoing Funding (Not Budgeted)

Enrollment Projections



Presentation Overview

Expenditures:

“

- Step and Column Increases:

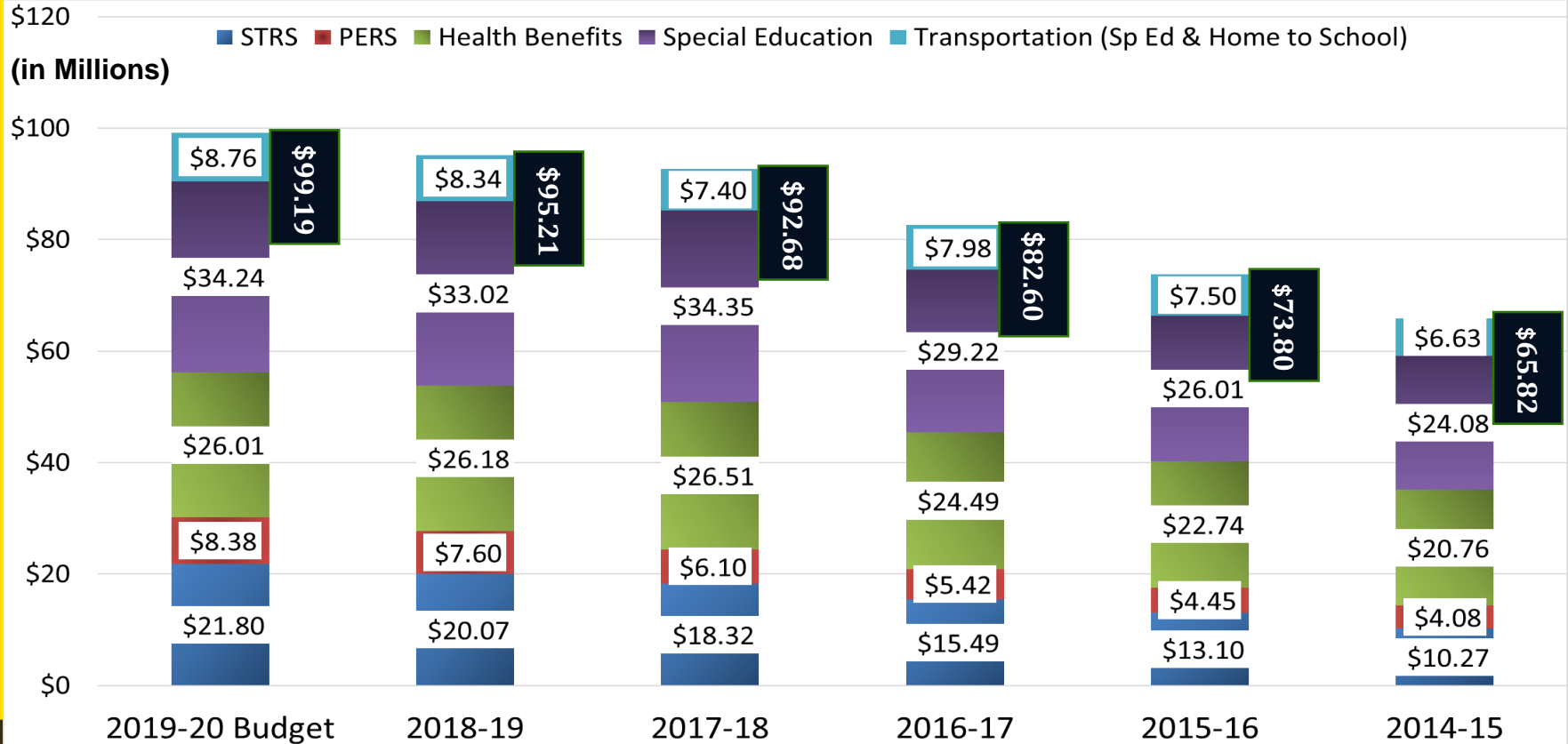
- Certificated & Leadership 1.2%
- Classified 2%

- Increases in STRS and PERS employer contribution rates

	2019-20	2020-21	2021-22	2022-23
CalSTRS	17.10%	18.40%	18.10%	18.10%
CalPERS	19.72%	22.80%	24.90%	25.90%

- Reflect changes actuals vs budgeted salaries

Rising Cost of Doing Business



Multi-Year Projections



	2019-20	2020-21	2021-22	2022-23
TOTAL REVENUES	305,748,701	299,940,144	301,842,700	304,263,366
TOTAL EXPENDITURES	317,835,750	304,944,266	306,077,837	311,460,334
DECREASE IN FUND BALANCE ➡	(12,087,049)	(5,004,122)	(4,235,137)	(7,196,968)
BEGINNING BALANCE	68,346,962	56,259,913	51,255,791	47,020,654
PROJECTED ENDING BALANCE	56,259,913	51,255,791	47,020,654	39,823,686
Adjustment to Ending Fund Balance				
Stores, Revolving Cash and One-Time Mandated Funds Reserve	(4,583,638)	(4,383,638)	(4,183,638)	(3,983,638)
Reserve for STRS and PERS Increases	(3,887,977)	(1,360,678)	(959,890)	(581,068)
3% State Required Contingency	(9,535,073)	(9,148,328)	(9,182,335)	(9,343,810)
Unappropriated Fund Balance Above 3%	38,253,225	36,363,147	32,694,791	25,915,170

Structural Deficit requires a Budget Stabilization Plan



Novel Coronavirus (COVID-19)

- Health and Safety Issues
- Economic Impact
 - Stock Markets
 - Consumer Purchases
 - Travel / Entertainment
 - Sporting Events

Next Steps

Local level

- On-going: District Staff Will update Budget Stabilization Plan
- Submit Interim Report to Orange Department of Education for authorization

State level

- Governor's May Revision



Questions

David A. Rivera

Assistant Superintendent
Business Services/CBO

