

# 2020-21 FIRST INTERIM REPORT AND BUDGET OVERVIEW FOR PARENTS

December 15, 2020



# Presentation Overview



**First Interim Reports**



**Budget Overview for Parents**



**State Budget Update**



**Next Steps**



# 2020-21 FIRST INTERIM REPORT



# Budgetary Building Blocks - Revenues

- **Local Control Funding Formula**
  - Annual decline in Student Enrollment: 661 students in 2020-21 and 361 students per year for each of the next two years
  - Attendance Rate: 96%
  - Hold Harmless funding provision for 2020-21 and 2021-22
  - Unduplicated Pupil Percentage: 50.87%
  - Cost of Living Adjustment: zero all years
- **One-Time Federal and State Funding**
  - COVID-19 Relief Funds \$20.7 million fully budgeted





# Budgetary Building Blocks – Expenditures

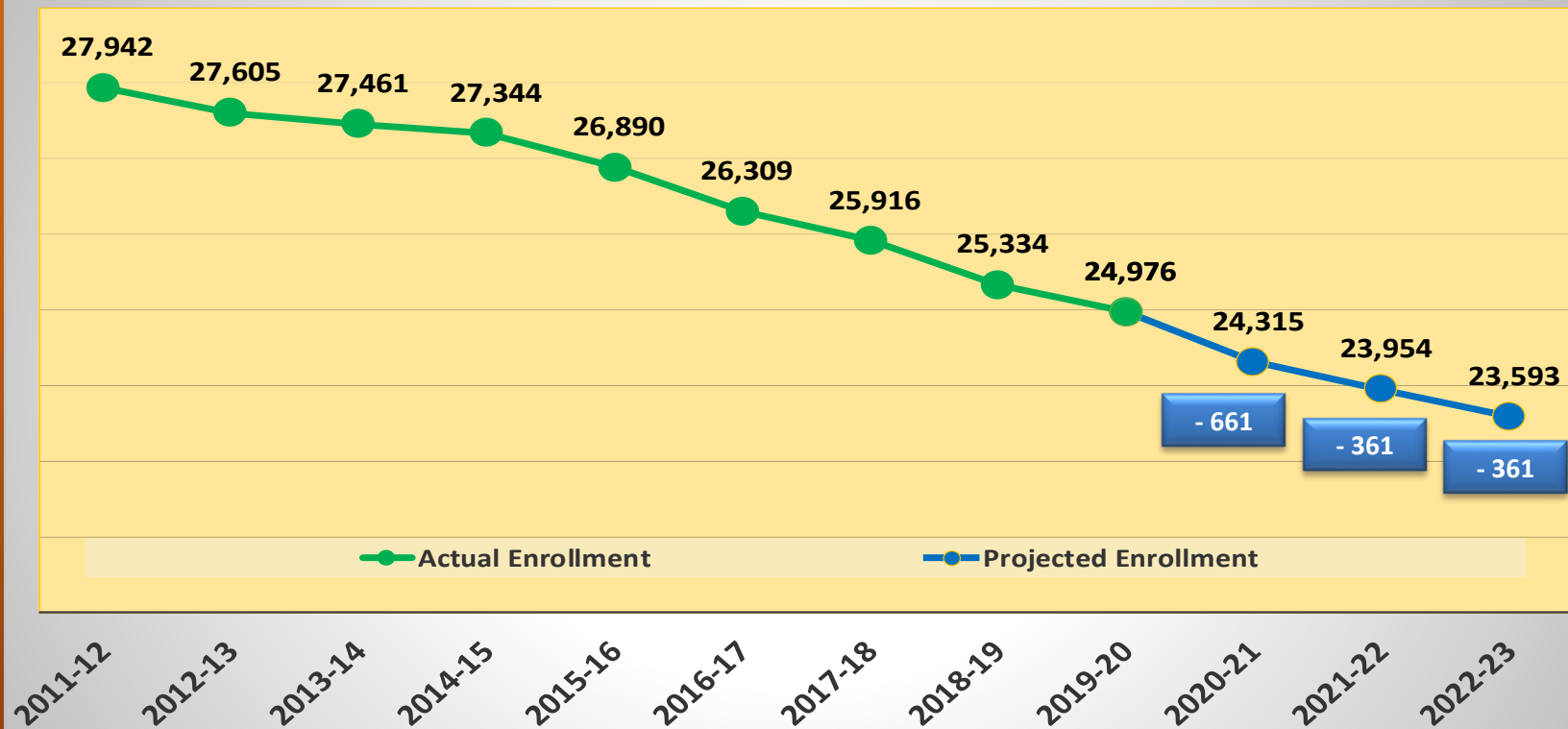
## Expenditures:

- Outcome of Collective Bargaining Agreements approved in September and October
- Step and Column Increases:
  - Certificated & Leadership 1.2%
  - Classified 2%
- Updated employer contribution rates to retirement systems

	2020-21	2021-22	2022-23
CalSTRS (certificated employees)	16.15%	16.00%	18.10%
CalPERS (classified employees)	20.70%	23.00%	26.30%

# OUSD Historical Enrollment

## (Excluding Charter Schools)



# Multi-Year Projections

	2020-21	2021-22	2022-23
<b>TOTAL REVENUES</b>	323,790,736	295,492,592	289,731,219
<b>TOTAL EXPENDITURES</b>	340,850,850	300,249,883	304,499,477
<b>DECREASE IN FUND BALANCE</b>	(17,060,114)	(4,757,291)	(14,768,258)
<b>BEGINNING BALANCE</b>	78,021,109	60,960,995	56,203,704
<b>PROJECTED ENDING BALANCE</b>	60,960,995	56,203,704	41,435,446
Adjustment to Ending Fund Balance			
Restrictions to Ending Fund Balance	(17,215,890)	(16,130,578)	(11,548,857)
3% State Required Contingency	(10,225,526)	(9,007,496)	(9,134,984)
<b>Unappropriated Fund Balance Above 3%</b>	<b>33,519,579</b>	<b>31,065,630</b>	<b>20,751,605</b>



# 2020-21 BUDGET OVERVIEW FOR PARENTS





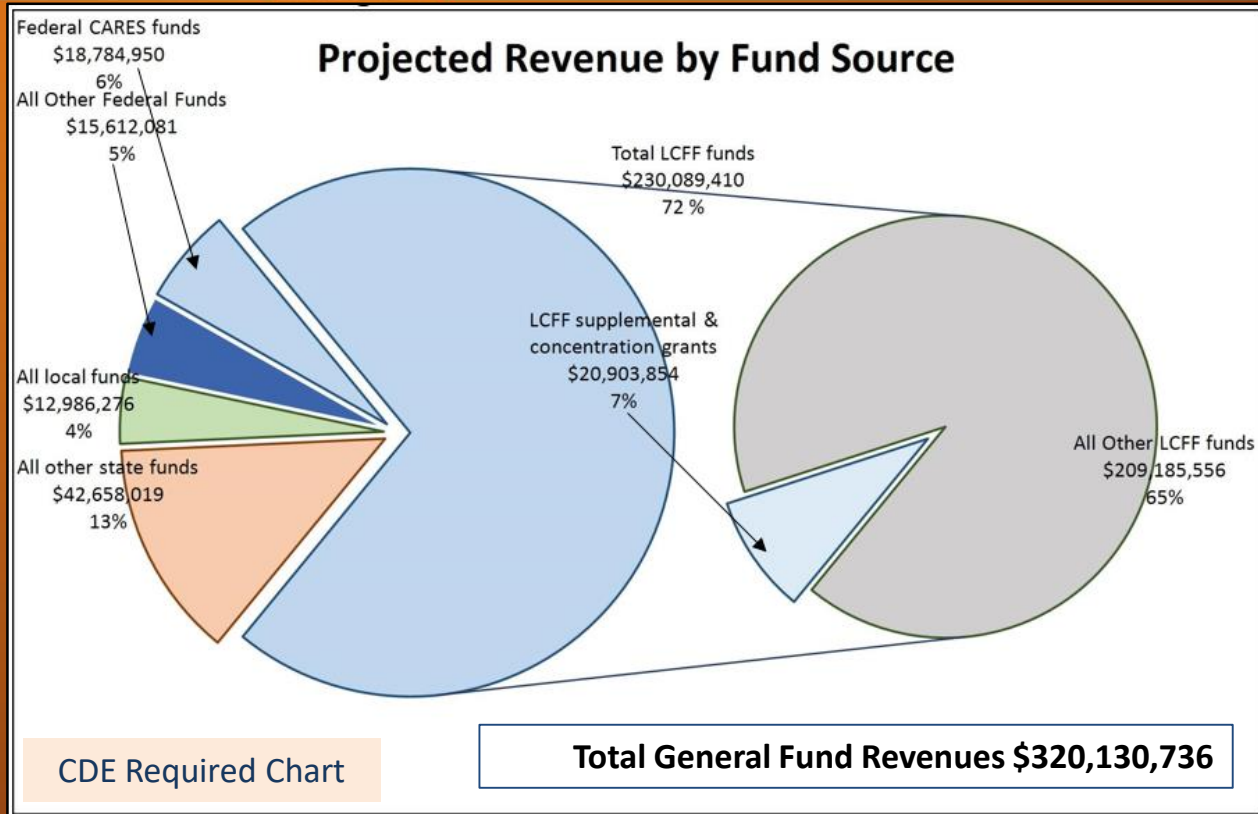
# Budget Overview for Parents

## A document to provide fiscal transparency to stakeholders

- Beginning 2019-20, local education agencies were required to develop the Budget Overview for Parents along with the Local Control and Accountability Plan (LCAP)
- Due to the COVID-19 Pandemic, the requirement to adopt the 2020-21 LCAP has been waived
- Districts were required by September 30, 2020 to develop the Learning Continuity and Attendance Plan (LCP)
  - Outlining the plan of providing a high-quality education, social-emotional supports, and nutrition to students during COVID-19 Pandemic
  - Plan was Board Approved at the September 24 Meeting
- Now Districts are required to adopt the 2020-21 Budget Overview for Parents by Dec 15, 2020 with the filing of the First Interim Report

# Budget Overview for Parents

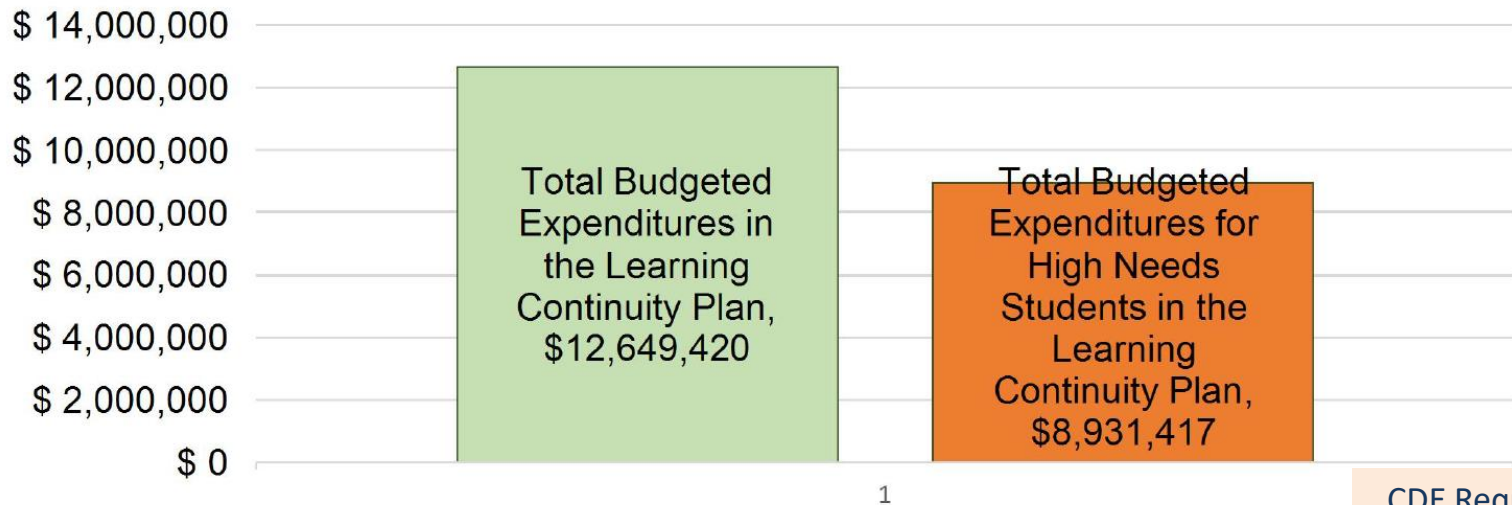
## General Fund Revenues



# Budget Overview for Parents

## Expenditures in the Learning Continuity Plan

Budgeted Expenditures in the Learning Continuity Plan

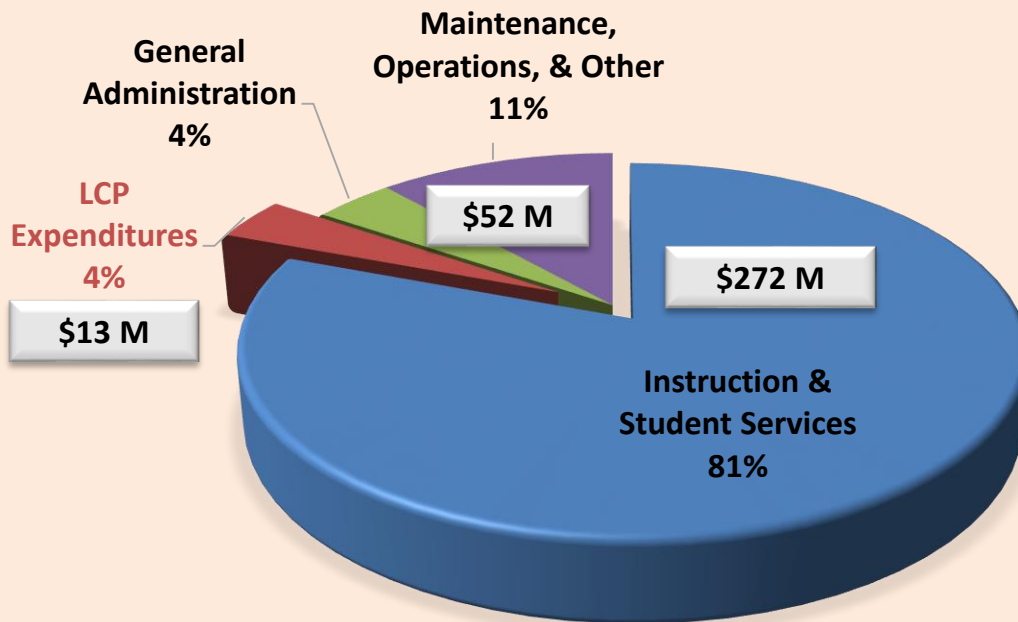


CDE Required Chart

This chart provides a quick summary of how much Orange Unified School District plans to spend for planned actions and services in the Learning Continuity Plan for 2020-2021 and how much of the total is tied to increasing or improving services for high needs students.

# Budget Overview for Parents

## General Fund Expenditures



OUSD Chart

Total General Fund Expenditures \$337,180,450



# STATE BUDGET UPDATE





## State Budget Update

- Legislative Analyst's Office Report (November)
  - State Revenues are \$26 billion above projections
    - Tax Receipts are 22% higher or \$11 billion
    - Unemployment rate is 11%, down from 25% projected (SBA)
    - Rapid Economic Recovery
    - Consumer Spending is within 10% of Pre-Pandemic Levels



# State Budget Update

- Based on LAO Estimates, the State owes Proposition 98 Education Funding approximately \$13.7 billion in one-time settle-up payments
- Governor Newsom Budget Proposal for 2021-22
  - Published by mid-January
  - Based on Department of Finance Budget Estimates
  - Outlines governance priorities and budgetary allocations
  - Uncertainty about any additional COVID-19 Relief Funding (Federal and State)
- Budget Estimates may widely change



# Next Steps

## State level

- Governor's January Budget Proposal for FY 2021-22
- Governor's May Revision

## Local level

- Update Budget Stabilization Plan
  - Revenue Enhancements
  - Strategies to retain and attract students
  - Operational Efficiencies
- 2020-21 Second Interim Reports by March 15, 2021

# Board Member Questions or Comments

