

2021-2022 Second Interim Budget

March 9, 2022



Presentation by:
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Objectives

- 2021-22 Second Interim Budget Overview
- 5-Year Multi-Year Projection
- Commit Ending Fund Balance
- Important Issues
- Next Steps

2021-22 Second Interim

- OUSD will meet financial obligations in the current and two subsequent fiscal years which includes maintaining a state required reserve of at least 3% = Positive Certification
- Overall financial picture is encouraging with the following concerns:
 - Only minor changes since First Interim
 - Average Daily Attendance
 - Special Education
 - Implementation of new programs and requirements

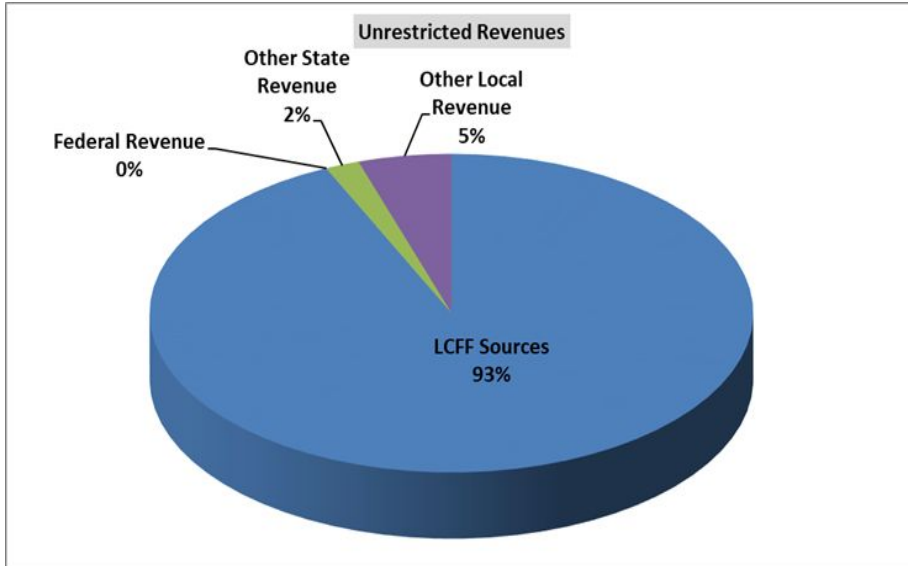
Factors Impacting ADA

Lower ADA is being driven by several factors:

- Declining Enrollment
 - Still projecting a decline of 90 students per year
- Lower rate of Attendance
 - Significant change from previous years
 - Rate of Attendance was around 95.5% for the District
 - As of December 31, 2022 it is 91%
 - Hopefully lower rate in January will be balanced out by higher rates of attendance in the spring.
 - Unlikely to see a significant rebound for 21-22 because ADA is an average of the school year
- Governor's Budget Proposal includes a provision for a three year average on attendance.
 - Possibility that there will be some relief to help ease the drop in funding due to the combined impact of declining enrollment and lower rates of attendance

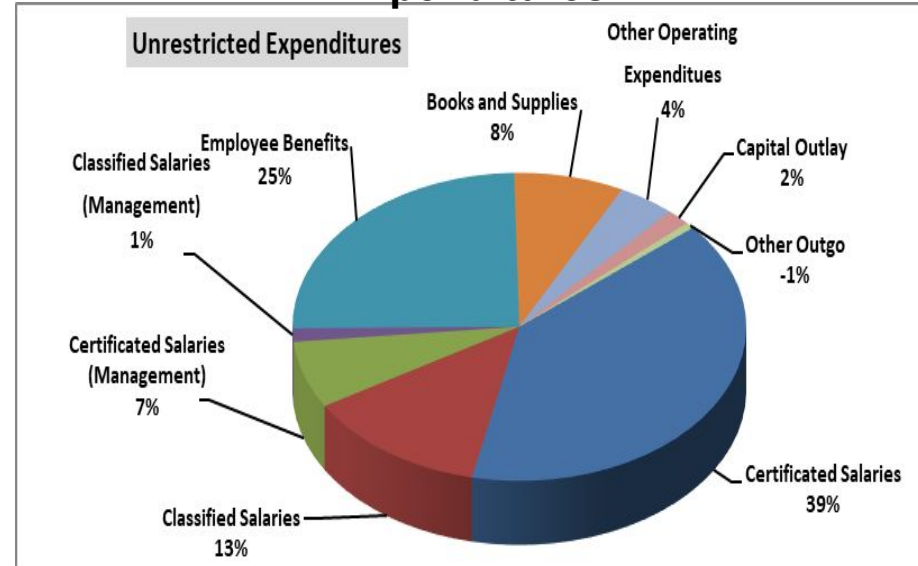
General Fund - Unrestricted

Revenue



\$ 41,874,340

Expenditures

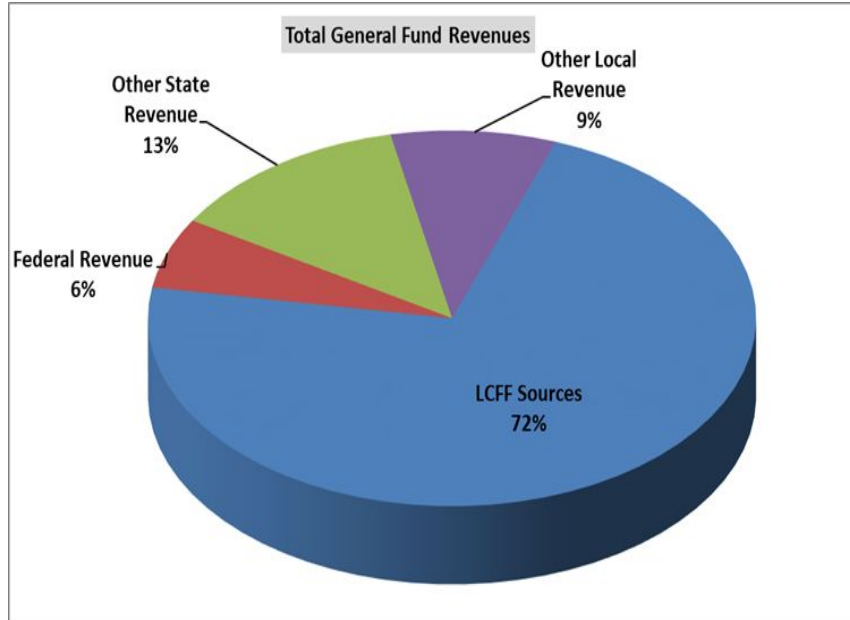


\$ 34,260,399

**87% of the unrestricted expenditures is spent on staffing. Increased revenue and expenditures for technology and the new bus skewed the percentage this year.*

General Fund Unrestricted and Restricted

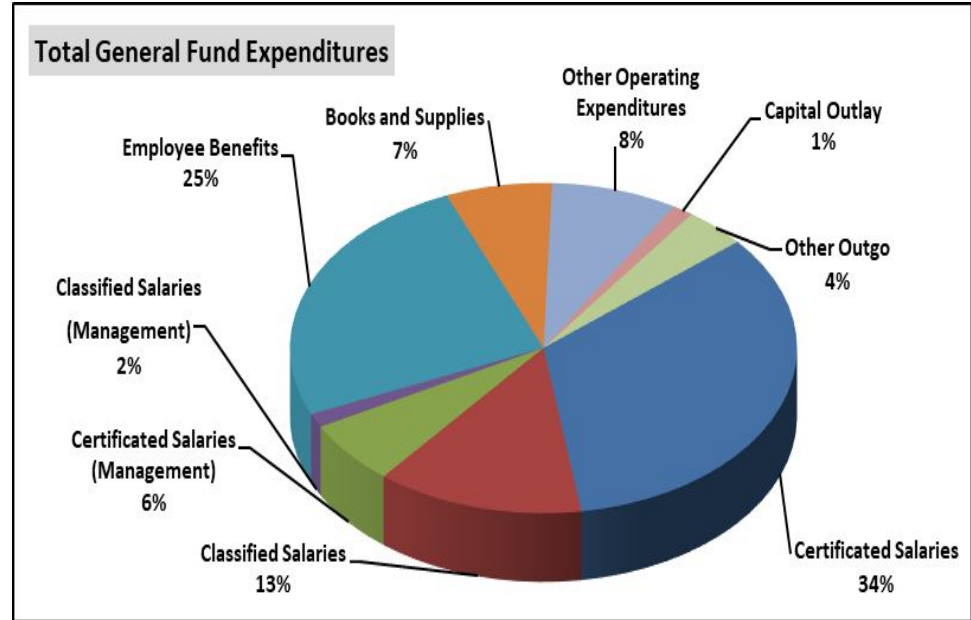
Revenue



\$ 56,016,276

(includes Restricted Categorical funding and Contributions)

Expenditures



\$ 51,887,955



General Fund Fund Balance (one-time dollars)

	Nonspendable	Restricted	Committed	Assigned	Unassigned
Revolving Cash and Stores	\$46,959				
Restricted (Categoricals)		\$3,528,131			
Reserve for Economic Downturn/Declining Enrollment			\$5,076,615		
Technology Update			\$1,000,000		
Textbook Adoption(s)			\$1,000,000		
Strategic Plan			\$3,000,000		
TK Expansion Planning			\$1,500,000		
LCAP Carryover				\$1,214,534	
CTE match requirement				\$68,000	
Site Donation Accounts				\$200,000	
Compensated Absences				\$50,000	
Reserve for Economic Uncertainty (minimum 3% - State Required)					\$1,605,000
Unassigned / Unappropriated					\$0



MYP at Second Interim 21-22

	2021-22	2022-23	2023-24	2024-25	2025-26
Total Revenues	41,874,340	37,548,832	38,871,923	40,186,345	39,900,588
Total Expenditures	35,260,400	32,081,400	32,974,353	34,668,069	36,108,497
Contributions	-5,950,877	-6,115,707	-6,454,759	-6,827,144	-7,176,359
<i>Net Increase (Decrease) In Fund Balance/Net Position</i>	663,063	-648,275	-557,188	-1,308,868	-3,384,268



Orcutt Academy Charter Budget

Biggest change to the Charter budget is due to a decrease in ADA:

- Lower rate of Attendance
 - Significant change from previous years
 - Rate of Attendance is historically around 96% for the Charter
 - As of December 31, 2022 it is 89% for OAK-8 and 94% for OAHS
 - Hopefully lower rate in January will be balanced out by higher rates of attendance in the spring, but unlikely to see a significant rebound since ADA is an average
- Charter is funded on current year ADA - no hold harmless. Total decrease in ADA of 14.52 from First Interim, which is a decrease in funding of \$148,359 in the current year.
- Transfer of Casmalia independent study program ADA was included at First Interim
- The charter received approximately \$1 million in COVID relief funding, which is being spent this year as well as the next two years.
- Charter is not deficit spending this year and is adding \$192,000 to their ending fund balance. The Charter is carrying forward \$482,000 in restricted funds to use in the next few years.

New for 2022-23

- Universal TK Implementation - facilities, staffing and program
 - Increased funding for lower student to adult ratio: preliminary proposal of over \$2,000 per TK ADA.
- A-G Completion grant for OAHS
- Expanded Learning Opportunity Grant
 - Goal is a 9-hour instructional day TK-6 and summer programming
 - Program to be implemented starting in 22-23
- Increased funding
 - Special Education, Preschool and ASES

QUESTIONS