



**OAKLAND UNIFIED  
SCHOOL DISTRICT**

*Community Schools, Thriving Students*

# 2017-18 1<sup>st</sup> Interim Financial Report

## Budget Update as of October 31, 2017



Presented by Budget Department

Board of Education Presentation

December 7, 2017

[www.ousd.org](http://www.ousd.org)



@OUSDnews

v.6



# Executive Summary

- What is 1<sup>st</sup> Interim
- Key Results
- Ensuring the 2% Reserve

# Executive Summary – What is a 1<sup>st</sup> Interim?

Like every District budget, the 2017-18 budget travels a 2-year journey from planning to implementation to reconciliation. The 1<sup>st</sup> Interim Report updates the 2017-18 budget from adoption in June and reflects projected adjustments through October 31, 2017.

## Oct – Dec 2016

- Enrollment Projections
- Review student results
- Revenue projections
- Prioritize Expenditures

## Jan – Mar 2017

- State’s Budget projection
- School & Dept. spending plans finalized
- Recruitment/Layoffs initiated

## Apr – Jun 2017

- Governor’s revised Budget projection
- LCAP finalized/adopted
- 2017-18 Budget Adoption

## Jul – Sep 2017

- Closing 2016-17 books
- 2017-18 actual enrollment determined
- 2017-18 actual payroll & other spending begins

## Oct – Dec 2017

- 1<sup>st</sup> Budget Revision (Oct)
- **1<sup>st</sup> Interim Report (Dec)**

## Jan – Sep 2018

- 2<sup>nd</sup> Interim report (Mar)
- 3<sup>rd</sup> Interim (May)
- Budget year ends (Jun)
- Closing 2017-18 books (Sep)

# Executive Summary – 1<sup>st</sup> Interim Key Results

---



## Key Results

- The Reserve for Economic Uncertainty is projected to fall **\$1.1M** below the **2%** minimum threshold required by the California Department of Education.
- The Ending Unrestricted General Fund Balance is projected to be approximately **\$10.1 Million**.
- The General Fund is projected to end the year with a positive cash balance of approximately **\$7.5 Million**.
- Based on the above, the General Fund Multiyear Projections and the financial position of all other funds, staff is recommending submittal of the 1<sup>st</sup> Interim Financial Report to the Alameda County Office of Education (ACOE) with a “Qualified” certification.

# Executive Summary – Ensuring the 2% Reserve



Because budget adjustments occur all year and because our reserves are now so low, we recommend savings beyond the \$1.1M minimum to ensure we can cover specified and unspecified risks and close the year above the 2% minimum reserve.

## Projected Shortfall

Amount below the 2% requirement already projected by 1<sup>st</sup> Interim.

**\$1.1M**



## Specified Risks

Costs not projected in 1<sup>st</sup> Interim, but suggested by analysis of trends in specific programs & costs.



## Unspecified Risks

Costs not projected in 1<sup>st</sup> Interim, but suggested by historic fluctuations between 1<sup>st</sup> Interim and year-end.



# General Fund

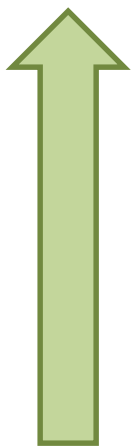
## Unrestricted General Fund

- Revenues and Expenses Summary
- Revenues and Expenses Detail
- Fund Balance Detail
- Structural Surplus/(Deficit)

# Unrestricted General Fund – Revenue Change Summary

Unrestricted revenues are projected to increase by \$3.3M from the Adopted Budget.

\$3.3M



**Revenues and Sources** projected increase of approximately **\$3.3M** based primarily on the following:

↑ **Local Control Funding Formula (LCFF) Revenues**

**\$2.2M net increase** - Higher estimated LCFF revenue is based on using the first three months of 2017-18 ADA, which is 263 ADA higher than the estimate at adoption. The ADA increase is consistent with the increase in enrollment.

↑ **Other State Revenue**

**\$141K net increase** – Due to an estimated increase in Mandated Block Grant and one-time State funds.

↑ **Local Revenue**

**\$939K net increase** - Redevelopment Agency (RDA) revenue is estimated to increase.

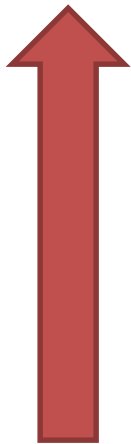
# Unrestricted General Fund – Expense Change Summary



**Unrestricted expenses and other uses are projected to increase by \$2.8 million from the Adopted Budget.**

**NET EXPENSES** increased by approximately **\$2.8M** based primarily due to the following:

**\$2.8M**



- ↑ **\$2.4M** increase in additional investments (Transportation \$1M, Beginning Teacher Support & Assessment [BTSA] \$.7M, Instructional Teacher Leaders [ITLs] \$.5M).
- ↑ **\$2.6M** increase for budgetary clean up and adjustments (Personnel Placements \$.8M; Long term substitutes \$.7M; Measure G reconciliations \$.5M; Executive Principal stipends \$.1M).
- ↑ **\$0.4M** increase to reflect expending prepaid technology licenses from 2016-17.
- ↓ **(\$1.6M)** reduction to employee costs based on the hiring freeze initiated at the beginning of year (i.e. increase in vacancy offset).
- ↓ **(\$0.5M)** increase in Indirect Costs reimbursements due to the additional budgeting of expenditures for restricted funds, which indirect cost reimbursement is charged.
- ↓ **(\$0.4M)** overall reduction to school budgets due to “20th-Day Fall Enrollment Adjustments”.

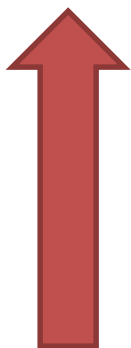


# Unrestricted General Fund – Other Uses Change Summary



Unrestricted Other Uses are projected to increase by \$1.8 million from the Adopted Budget

**\$1.8M**



**NET OTHER USES** of unrestricted funds increased by approximately \$1.8M based primarily on the following:

- ↑ **\$1.2M** net transfer increase to Food Services
- ↑ **\$0.8M** increase in additional contribution to Special Education (PEC)
- ↓ **(\$0.2M)** reduction from miscellaneous contribution

# Unrestricted General Fund – Revenues and Expenses Detail



<b>OUSD BUDGET 2017-18</b>	<b>General Unrestricted 1st Interim</b>	<b>General Unrestricted Adopted</b>	<b>General Unrestricted Change</b>
<b>Beginning Balance</b>	<b>\$ 3,420,073</b>	<b>\$ 8,431,472</b>	<b>\$ (5,011,399)</b>
<b>Income</b>			
LCFF Sources	361,813,016	359,593,984	2,219,032
Federal Revenues	63,500	63,500	-
State Revenues	13,347,383	13,205,696	141,687
Local Revenues	35,369,881	34,469,643	900,238
<b>Total Revenues</b>	<b>410,593,780</b>	<b>407,332,823</b>	<b>3,260,957</b>
<b>Expenses</b>			
Certificated Salaries	141,103,328	138,911,376	2,191,951
Classified Salaries	57,933,585	55,651,598	2,281,987
Employee Benefits	82,384,610	80,776,605	1,608,005
Supplies	8,288,944	14,538,817	(6,249,873)
Services	39,686,160	36,270,665	3,415,496
Capital Outlay	74,514	-	74,514
Other Outgo	6,087,521	6,087,521	-
Indirect Cost	(4,808,061)	(4,271,913)	(536,148)
<b>Total Expenses</b>	<b>330,750,602</b>	<b>327,964,670</b>	<b>2,785,932</b>
<b>Income less Expenditures</b>	<b>79,843,178</b>	<b>79,368,153</b>	<b>475,025</b>
<b>Transfers</b>			
Transfers In	597,844	564,067	33,777
Transfers Out	2,704,588	1,504,588	1,200,000
Other Sources/Uses	-	-	-
Contributions	(71,006,060)	(70,327,977)	(678,083)
<b>Total Transfers</b>	<b>(73,112,805)</b>	<b>(71,268,498)</b>	<b>(1,844,307)</b>
<b>Net Increase / (Decrease)</b>	<b>6,730,373</b>	<b>8,099,655</b>	<b>(1,369,282)</b>
<b>Ending Balances</b>	<b>\$ 10,150,446</b>	<b>\$ 16,531,127</b>	<b>(6,380,681)</b>

# Unrestricted General Fund – Fund Balance Detail



Unrestricted General Fund	2017-18 1st INTERIM	2017-18 ADOPTION	Diff
<b>Ending Fund Balance</b>	<b>\$ 10,150,446</b>	<b>\$ 16,531,127</b>	<b>\$ (6,380,681)</b>
<b>Components of the Ending Fund Balance:</b>			
Reserve for Economic Uncertainty	10,000,446	10,498,275	(497,829)
Reserved for Instructional Teacher Leaders		500,000	
Add'l Reserve for Closing of the books for 2016-17		5,382,852	
<b>Designated for the Following:</b>			
Revolving Cash	150,000	150,000	-
<b>Total Ending Fund Balance</b>	<b>\$ 10,150,446</b>	<b>\$ 16,531,127</b>	<b>\$ (6,380,681)</b>

The ending fund balance is projected to fall \$1.1M short of 2% of total General Fund Expenditures. At this level, the District will NOT meet the 2% minimum State requirement of Reserves for Economic Uncertainty, nor will it meet the current Board policy requirement of a 3% reserve.

# Unrestricted General Fund – Structural Deficit Review



Structural Surplus/(Deficit) for Unrestricted Gen Fund				
		2017-18 1st INTERIM	2017-18 ADOPTION	Diff
<b>Excess of revenues over expenses</b>	A	\$ 6,730,373	\$ 8,099,655	\$ (1,369,282)
<b>Less One-Time Unrestricted General Fund Revenues &amp; Expenses:</b>				
1 Central one-time support for conversion of current financial system (ESCAPE)		750,000	750,000	-
2 IFAS Licensing Agreements (Financial System Migration)		442,376	442,376	-
3 One-Time State Discretionary Funds		(5,162,146)	(5,080,855)	(81,291)
4 Year End Closing pre-paid invoices		363,174		363,174
5 Instructional Teacher Leader support		459,795		459,795
<b>One-Time Unrestricted General Fund Revenues /Expenses</b>	B	<b>(3,146,801)</b>	<b>(3,888,479)</b>	<b>741,678</b>
<b>Structural Surplus After Deducting One-Time Items</b>	A+B=C	<b>\$ 3,583,572</b>	<b>\$ 4,211,176</b>	<b>\$ (627,604)</b>

The District has an anticipated structural surplus of approximately \$3.6M for 2017-18 after adjusting for one-time revenues and expenses.



# General Fund

## Restricted General Fund

- Revenues and Expenses Summary
- Revenues and Expenses Detail & Fund Balance

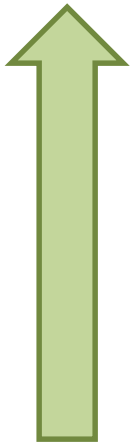
# Restricted General Fund – Revenues Change Summary



Restricted revenue is projected to increase by \$8.3M from the Adopted Budget.

**Revenues and Sources** projected increase of approximately **\$8.3M** based primarily due to the following:

**\$8.3M**



↑ **Restricted Federal Revenues \$4.2M**

\$4.2M primarily increase due to:

- \$1.5M Title I
- \$1.1M School Improvement Grant (SIG)
- \$1.6M Other Federal Revenue Apportionments

↑ **Restricted State Revenue \$3.2M**

- \$2.7M Career Technical Education (CTE) Grant
- \$0.5M Other State Apportionments

↑ **Local Revenue \$0.9M**

- \$0.9M Salesforce

# Restricted General Fund – Expenses Change Summary



Restricted expenses increased by \$27 million from the Adopted Budget.

**\$27M**



**EXPENSES** increased by approximately **\$27M** based primarily on the loading of the carry-over balances from prior year and additional revenues for the current year. The reflection of major additional expenses is listed below by resource:

- ↑ **\$9.9M** Carryover for Measure N (\$3M school site carryover; \$6.6M required reserve for out going years)
- ↑ **\$2.5M** Career Technical Education (CTE) Grant
- ↑ **\$1.4M** Title I
- ↑ **\$1.4M** Donations
- ↑ **\$1.0M** School Improvement Grant (SIG)
- ↑ **\$0.9M** Sales Force
- ↑ **\$1.0M** Oakland Ed Fund

# Restricted General Fund – Revenues and Expenses Detail



<b>OUSD BUDGET 2017-18</b>	<b>General Restricted 1st Interim</b>	<b>General Restricted Adopted</b>	<b>General Restricted Change</b>
<b>Beginning Balance</b>	<b>\$ 20,055,782</b>	<b>\$ 9,816,124</b>	<b>\$ 10,239,658</b>
<b>Income</b>	-	-	
LCFF Sources	2,412,110	2,412,110	-
Federal Revenues	48,946,353	44,694,665	4,251,688
State Revenues	50,999,310	47,847,129	3,152,181
Local Revenues	42,007,006	41,066,700	940,307
<b>Total Revenues</b>	<b>144,364,780</b>	<b>136,020,604</b>	<b>8,344,176</b>
<b>Expenses</b>			
Certificated Salaries	54,577,455	53,115,015	1,462,440
Classified Salaries	35,979,665	36,069,443	(89,779)
Employee Benefits	51,918,391	51,788,512	129,879
Supplies	30,005,731	16,264,702	13,741,029
Services	43,988,572	33,473,044	10,515,528
Capital Outlay	971,911	35,000	936,911
Other Outgo	2,040,000	2,040,000	-
Indirect Cost	3,094,969	2,658,774	436,196
<b>Total Expenses</b>	<b>222,576,694</b>	<b>195,444,489</b>	<b>27,132,205</b>
<b>Income less Expenditures</b>	<b>(78,211,914)</b>	<b>(59,423,885)</b>	<b>(18,788,029)</b>
<b>Transfers</b>			
Transfers In	-	-	-
Transfers Out	-	-	-
Other Sources/Uses	-	-	-
Contributions	71,006,060	70,327,977	678,083
<b>Total Transfers</b>	<b>71,006,060</b>	<b>70,327,977</b>	<b>678,083</b>
<b>Net Increase / (Decrease)</b>	<b>(7,205,854)</b>	<b>10,904,092</b>	<b>(18,109,946)</b>
<b>Ending Balances</b>	<b>\$ 12,849,929</b>	<b>\$ 20,720,216</b>	<b>(7,870,288)</b>

Increase in Beginning Fund Balance primarily based upon Measure N carryover - \$9M



As we move further into 2017-18, red flags are signaling caution as previously indicated at the closing for 2016-17:

- **LCFF** is close to being fully funded, which means the increases from year to year will be significantly smaller.
- **Cost of Living Adjustments (COLAs)** are not expected to keep pace with the true cost of living; meaning the increases in revenues will not be enough to pay for increases in costs.
- **Support** to Special Education, Transportation, and Child Nutrition need realigning to closely stay within each program revenue sources. **Special Education, in particular, is a program that needs to be monitored very closely.**
- **Structural Deficit** – ongoing revenues do match or exceed ongoing expenses at this time. However, on-going revenues and expenditures will need to be continually monitored to ensure the district lives within its means on an on going basis.
- **Reserve Balance** must be restored to the State required 2%. In addition more reductions should be made to ensure that as a part of closing of the books, the District has more than enough reserve to absorb any unfavorable changes in revenues and/or expenses as the year continues.

## Caution Ahead





# Appendices

---

- All Funds
- Cash flow – General Fund
- Multiyear Projections – General Fund



# Appendix

## All Funds

# All Funds – 2017-18 1<sup>st</sup> Interim Budget



<b>OUSD 1st INTERIM 2017-18</b>	<b>General Unrestricted 1</b>	<b>General Restricted 1</b>	<b>General Fund Total</b>	<b>Adult Education 11</b>	<b>Early Childhood 12</b>	<b>Food Service 13</b>	<b>Deferred Maintenance 14</b>	<b>Buliding Fund 21</b>	<b>Capital Facilities 25</b>	<b>County Schl Facilities 35</b>	<b>Spec Reserv Cap Projects 40</b>	<b>Bond Int &amp; Redemption 51</b>	<b>Self Insurance 67</b>	<b>Total Special Funds</b>	<b>ALL FUNDS TOTAL</b>
<b>Beginning Balance</b>	\$ 3,420,073	\$ 20,055,782	\$ 23,475,855	\$ 1,849,941	\$ 1,520	\$ 24	\$ 5,389	\$ 206,850,401	\$ 16,502,764	\$ 2,968,840	\$ 1,230,467	\$ 85,932,554	\$ 6,780,961	\$ 322,122,858	\$ 345,598,714
<b>Income</b>															
LCFF Sources	361,813,016	2,412,110	364,225,126	-	-	-	-	-	-	-	-	-	-	-	364,225,126
Federal Revenues	63,500	48,946,353	49,009,853	196,452	666,966	17,412,583	-	-	-	-	-	3,273,400	-	21,549,401	70,559,255
State Revenues	13,347,383	50,999,310	64,346,693	2,333,656	10,715,719	1,112,400	-	6,793	-	-	-	585,000	4,424	14,757,992	79,104,685
Local Revenues	35,369,881	42,007,006	77,376,888	136,905	172,310	524,889	80	350,000	7,848,877	8,000	202,000	82,933,997	21,921,712	114,098,770	191,475,657
<b>Total Revenues</b>	<b>410,593,780</b>	<b>144,364,780</b>	<b>554,958,559</b>	<b>2,667,013</b>	<b>11,554,995</b>	<b>19,049,872</b>	<b>80</b>	<b>356,793</b>	<b>7,848,877</b>	<b>8,000</b>	<b>202,000</b>	<b>86,792,397</b>	<b>21,926,136</b>	<b>150,406,163</b>	<b>705,364,723</b>
<b>Expenses</b>															
Certificated Salaries	141,103,328	54,577,455	195,680,783	1,345,074	2,056,072	-	-	-	-	-	-	-	500,000	3,901,146	199,581,929
Classified Salaries	57,933,585	35,979,665	93,913,250	307,048	3,289,832	6,995,851	-	3,256,553	-	1,040	37,008	-	1,177,562	15,064,893	108,978,143
Employee Benefits	82,384,610	51,918,391	134,303,001	686,298	4,110,218	3,764,880	-	1,521,021	-	120	6,500	-	540,813	10,629,850	144,932,851
Supplies	8,288,944	30,005,731	38,294,675	673,083	85,983	9,549,555	-	29,067	-	-	-	-	67,700	10,405,388	48,700,063
Services	39,686,160	43,988,572	83,674,732	77,732	1,353,596	227,362	-	13,127,693	500,000	1,913,418	-	-	19,334,061	36,533,861	120,208,594
Capital Outlay	74,514	971,911	1,046,425	1,250,000	-	41,874	-	152,856,671	9,604,391	704,175	547,535	-	-	165,004,645	166,051,070
Other Outgo	6,087,521	2,040,000	8,127,521	-	-	-	-	-	-	-	-	83,742,210	-	83,742,210	91,869,731
Indirect Cost	(4,808,061)	3,094,969	(1,713,092)	177,719	601,029	934,344	-	-	-	-	-	-	-	1,713,092	0
<b>Total Expenses</b>	<b>330,750,602</b>	<b>222,576,694</b>	<b>553,327,296</b>	<b>4,516,954</b>	<b>11,496,730</b>	<b>21,513,864</b>	<b>-</b>	<b>170,791,005</b>	<b>10,104,391</b>	<b>2,618,753</b>	<b>591,043</b>	<b>83,742,210</b>	<b>21,620,136</b>	<b>326,995,086</b>	<b>880,322,381</b>
<b>Income less Expenditures</b>	<b>79,843,178</b>	<b>(78,211,914)</b>	<b>1,631,264</b>	<b>(1,849,941)</b>	<b>58,265</b>	<b>(2,463,992)</b>	<b>80</b>	<b>(170,434,212)</b>	<b>(2,255,514)</b>	<b>(2,610,753)</b>	<b>(389,043)</b>	<b>3,050,187</b>	<b>306,000</b>	<b>(176,588,922)</b>	<b>(174,957,658)</b>
<b>Transfers</b>															
Transfers In	597,844	-	597,844	-	-	2,704,588	-	-	-	-	-	-	-	2,704,588	3,302,432
Transfers Out	2,704,588	-	2,704,588	-	57,224	240,620	-	-	-	-	-	-	300,000	597,844	3,302,432
Other Sources/Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	(71,006,060)	71,006,060	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Transfers</b>	<b>(73,112,805)</b>	<b>71,006,060</b>	<b>(2,106,744)</b>	<b>-</b>	<b>(57,224)</b>	<b>2,463,968</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(300,000)</b>	<b>2,106,744</b>	<b>-</b>
<b>Net Increase / (Decrease)</b>	<b>6,730,373</b>	<b>(7,205,854)</b>	<b>(475,481)</b>	<b>(1,849,941)</b>	<b>1,041</b>	<b>(24)</b>	<b>80</b>	<b>(170,434,212)</b>	<b>(2,255,514)</b>	<b>(2,610,753)</b>	<b>(389,043)</b>	<b>3,050,187</b>	<b>6,000</b>	<b>(174,482,178)</b>	<b>(174,957,658)</b>
<b>Ending Balances</b>	<b>\$ 10,150,446</b>	<b>\$ 12,849,929</b>	<b>\$ 23,000,375</b>	<b>\$ -</b>	<b>\$ 2,561</b>	<b>\$ (0)</b>	<b>\$ 5,469</b>	<b>\$ 36,416,189</b>	<b>\$ 14,247,249</b>	<b>\$ 358,087</b>	<b>\$ 841,424</b>	<b>\$ 88,982,741</b>	<b>\$ 6,786,961</b>	<b>\$ 147,640,681</b>	<b>\$ 170,641,055</b>

# All Funds – 2017-18 Adopted Budget



OUSD BUDGET 2017-18		General	General	General	Adult	Early	Food	Deferred	Bulding	Capital	County Schl	Spec Reserv	Bond Int &	Self	Total	ALL
		Unrestricted	Restricted	Fund	Education	Childhood	Service	Maintenance	Fund	Facilities	Facilities	Cap Projects	Redemption	Insurance	Special	FUNDS
		1	1	Total	11	12	13	14	21	25	35	40	51	67	Funds	TOTAL
Beginning Balance	a	\$ 8,431,472	\$ 9,816,124	\$18,247,596	\$ -	\$ 218,783	\$ -	\$ 5,374	\$96,122,536	\$13,065,903	\$ 874,072	\$ 932,087	\$ 70,272,857	\$12,321,140	\$ 193,812,751	\$ 212,060,347
<b>Income</b>																
LCFF Sources		359,593,984	2,412,110	362,006,094	-	-	-	-	-	-	-	-	-	-	-	362,006,094
Federal Revenues		63,500	44,694,665	44,758,165	178,330	692,949	16,912,578	-	-	-	-	-	3,273,400	-	21,057,257	65,815,422
State Revenues		13,205,696	47,847,129	61,052,825	2,488,604	10,807,841	923,257	-	6,793	-	-	-	585,000	4,424	14,815,919	75,868,744
Local Revenues		34,469,643	41,066,700	75,536,343	160,569	-	538,785	-	-	7,835,377	-	-	82,928,025	21,915,712	113,378,468	188,914,811
Total Revenues	b	407,332,823	136,020,604	543,353,427	2,827,503	11,500,791	18,374,620	-	6,793	7,835,377	-	-	86,786,425	21,920,136	149,251,644	692,605,071
<b>Expenses</b>																
Certificated Salaries		138,911,376	53,115,015	192,026,391	1,518,561	2,056,072	-	-	-	-	-	-	-	500,000	4,074,633	196,101,024
Classified Salaries		55,651,598	36,069,443	91,721,041	317,194	3,289,332	6,670,822	-	3,256,553	-	-	-	-	1,169,562	14,703,462	106,424,503
Employee Benefits		80,776,605	51,788,512	132,565,117	740,634	4,110,218	3,574,962	-	1,521,021	-	-	-	-	540,813	10,487,649	143,052,766
Supplies		14,538,817	16,264,702	30,803,519	83,735	50,000	8,262,521	-	-	-	-	-	-	365,900	8,762,156	39,565,675
Services		36,270,665	33,473,044	69,743,708	60,269	1,336,916	241,060	-	8,000,000	500,000	374,072	-	-	19,043,861	29,556,178	99,299,887
Capital Outlay		-	35,000	35,000	-	-	18,000	-	83,267,379	600,000	500,000	-	-	-	84,385,379	84,420,379
Other Outgo		6,087,521	2,040,000	8,127,521	-	-	-	-	-	-	-	-	83,742,210	-	83,742,210	91,869,731
Indirect Cost		(4,271,913)	2,658,774	(1,613,139)	107,110	601,029	905,000	-	-	-	-	-	-	-	1,613,139	0
Total Expenses	c	327,964,670	195,444,489	523,409,158	2,827,503	11,443,567	19,672,365	-	96,044,954	1,100,000	874,072	-	83,742,210	21,620,136	237,324,806	760,733,964
<b>Income less Expenditures</b>																
Income less Expenditures	b-c-d	79,368,153	(59,423,885)	19,944,269	-	57,224	(1,297,745)	-	(96,038,161)	6,735,377	(874,072)	-	3,044,215	300,000	(88,073,162)	(68,128,893)
<b>Transfers</b>																
Transfers In		564,067	-	564,067	-	-	1,504,588	-	-	-	-	-	-	-	1,504,588	2,068,655
Transfers Out		1,504,588	-	1,504,588	-	57,224	206,843	-	-	-	-	-	-	300,000	564,067	2,068,655
Other Sources/Uses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions		(70,327,977)	70,327,977	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Transfers	e	(71,268,498)	70,327,977	(940,521)	-	(57,224)	1,297,745	-	-	-	-	-	-	(300,000)	940,521	-
Net Increase / (Decrease)	d+e-f	8,099,655	10,904,092	19,003,748	-	0	(0)	-	(96,038,161)	6,735,377	(874,072)	-	3,044,215	-	(87,132,641)	(68,128,893)
<b>Ending Balances</b>																
Ending Balances	a+f-g	\$ 16,531,127	\$ 20,720,216	\$37,251,343	\$ -	\$ 218,783	\$ (0)	\$ 5,374	\$ 84,375	\$19,801,279	\$ -	\$ 932,087	\$ 73,317,072	\$12,321,140	\$ 106,680,111	\$ 143,931,454

# All Funds – 2017-18 1<sup>st</sup> Interim vs. Adoption



DIFFERENCE (Interim - Adopted)	General	General	General	Adult	Early	Food	Deferred	Buliding	Capital	County Schl	Spec Reserv	Bond Int &	Self	Total	ALL
	Fund	Fund	Fund	Education	Childhood	Service	Maintenance	Fund	Facilities	Facilities	Cap Projects	Redemption	Insurance	Special	FUNDS
	Unrestricted	Restricted	Total	11	12	13	14	21	25	35	40	51	67	Funds	TOTAL
<b>Beginning Balance</b>	\$ (5,011,399)	\$ 10,239,658	\$ 5,228,260	\$ 1,849,941	\$ (217,263)	\$ 24	\$ 14	\$ 110,727,865	\$ 3,436,861	\$ 2,094,768	\$ 298,379	\$ 15,659,697	\$ (5,540,179)	\$ 128,310,107	\$ 133,538,367
<b>Income</b>															
LCFF Sources	2,219,032	-	2,219,032	-	-	-	-	-	-	-	-	-	-	-	2,219,032
Federal Revenues	-	4,251,688	4,251,688	18,122	(25,983)	500,005	-	-	-	-	-	-	-	492,144	4,743,832
State Revenues	141,687	3,152,181	3,293,868	(154,948)	(92,122)	189,143	-	-	-	-	-	-	-	(57,927)	3,235,941
Local Revenues	900,238	940,307	1,840,545	(23,664)	172,310	(13,896)	80	350,000	13,500	8,000	202,000	5,972	6,000	720,302	2,560,847
<b>Total Revenues</b>	3,260,957	8,344,176	11,605,133	(160,490)	54,204	675,252	80	350,000	13,500	8,000	202,000	5,972	6,000	1,154,519	12,759,652
<b>Expenses</b>															
Certificated Salaries	2,191,951	1,462,440	3,654,392	(173,486)	-	-	-	-	-	-	-	-	-	(173,486)	3,480,905
Classified Salaries	2,281,987	(89,779)	2,192,208	(10,145)	500	325,029	-	-	-	1,040	37,008	-	8,000	361,431	2,553,640
Employee Benefits	1,608,005	129,879	1,737,884	(54,337)	-	189,918	-	-	-	120	6,500	-	-	142,201	1,880,086
Supplies	(6,249,873)	13,741,029	7,491,157	589,348	35,983	1,287,034	-	29,067	-	-	-	-	(298,200)	1,643,232	9,134,388
Services	3,415,496	10,515,528	13,931,024	17,463	16,680	(13,698)	-	5,127,693	-	1,539,346	-	-	290,200	6,977,683	20,908,707
Capital Outlay	74,514	936,911	1,011,425	1,250,000	-	23,874	-	69,589,292	9,004,391	204,175	547,535	-	-	80,619,266	81,630,691
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indirect Cost	(536,148)	436,196	(99,953)	70,609	-	29,344	-	-	-	-	-	-	-	99,953	0
<b>Total Expenses</b>	2,785,932	27,132,205	29,918,137	1,689,451	53,163	1,841,499	-	74,746,051	9,004,391	1,744,681	591,043	-	-	89,670,280	119,588,417
<b>Income less Expenditures</b>	475,025	(18,788,029)	(18,313,005)	(1,849,941)	1,041	(1,166,247)	80	(74,396,051)	(8,990,891)	(1,736,681)	(389,043)	5,972	6,000	(88,515,761)	(106,828,765)
<b>Transfers</b>															
Transfers In	33,777	-	33,777	-	-	1,200,000	-	-	-	-	-	-	-	1,200,000	1,233,777
Transfers Out	1,200,000	-	1,200,000	-	-	33,777	-	-	-	-	-	-	-	33,777	1,233,777
Other Sources/Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	(678,083)	678,083	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Transfers</b>	(1,844,307)	678,083	1,233,777	-	-	1,166,223	-	-	-	-	-	-	-	1,166,223	-
<b>Net Increase / (Decrease)</b>	(1,369,282)	(18,109,946)	(17,079,228)	(1,849,941)	1,041	(24)	80	(74,396,051)	(8,990,891)	(1,736,681)	(389,043)	5,972	6,000	(87,349,537)	(106,828,765)
<b>Ending Balances</b>	\$ (6,380,681)	\$ (7,870,288)	\$ (14,250,969)	\$ -	\$ (216,222)	\$ 0	\$ 94	\$ 36,331,814	\$ (5,554,030)	\$ 358,087	\$ (90,663)	\$ 15,665,669	\$ (5,534,179)	\$ 40,960,570	\$ 26,709,601



# All Funds – 2017-18 Fluctuations Explanations

---

As of 1<sup>st</sup> Interim, all funds are updated with Prior Year carry-over adjustments as of October 31, 2017.

- **Fund 11** – Increase based primarily on the carryover of \$1.8M and directed to support capital outlay projects.
- **Fund 13** – Increase in revenues adjusted based primarily on reimbursement receipts (\$675K). Increase in contribution from Unrestricted General Fund of \$1.2M to support increases in operating costs.
- **Fund 21** – Increase based primarily on carryover of \$111M and is projected to be expensed on contracted services and capital outlay projects.
- **Fund 25** – Increase based primarily on carryover of \$3.4M and is projected to be expensed on capital outlay projects.
- **Fund 35** – Increase based primarily on carryover of \$2M and is projected to be expensed on contracted services.



# Appendix

## Cash Flow – General Fund



# 2017-18 1<sup>st</sup> Interim

## Cash Flow – General Fund

---



- Cash Flow projections for 2017-2018 are based on actual receipts and disbursements from July through October and projected receipts and disbursements based on prior year actuals.
- Due to the predictable, but uneven, stream of revenue from federal and local sources, monitoring cash flow is critical to making payroll and paying vendors. To buffer against the risk of a cash shortfall, the District borrows against its tax revenues from the Alameda County Treasurer. A **\$26M** loan was taken out in October 2017 and will be repaid in April 2018. The State does not expect to defer payments due to school districts from one fiscal year to the next, which improves the District's cash position. The District does not expect to borrow across fiscal years.
- The District projects positive cash balances through the end of the fiscal year, with an ending cash balance of **\$7.5M** on June 30, 2017.

# 2017-18 1<sup>st</sup> Interim

## Cash flow – General Fund



Actual Cash Balance	July 2017 Actual	August 2017 Actual	September 2017 Actual	October 2017 Actual	November 2017 Projected	December 2017 Projected
Beginning Cash	\$ 23,822,827	\$ 13,123,012	\$ 12,139,338	\$ 16,364,564	\$ 13,001,004	\$ 16,975,995
Total Receipts	17,765,515	14,064,227	42,463,665	26,066,616	37,156,359	113,186,670
Total Disbursements	15,672,714	20,146,701	42,200,394	47,528,629	44,454,894	53,264,807
A/R & A/P	(12,792,616)	5,098,801	3,961,954	18,098,453	11,273,525	(9,689,916)
Net Increase / Decrease	(10,699,815)	(983,674)	4,225,226	(3,363,560)	3,974,990	50,231,947
<b>Ending Cash</b>	<b>\$ 13,123,012</b>	<b>\$ 12,139,338</b>	<b>\$ 16,364,564</b>	<b>\$ 13,001,004</b>	<b>\$ 16,975,995</b>	<b>\$ 67,207,942</b>
Actual Cash Balance	January 2018 Projected	February 2018 Projected	March 2018 Projected	April 2018 Projected	May 2018 Projected	June 2018 Projected
Beginning Cash	67,207,942	44,215,941	44,728,735	40,350,272	30,225,414	15,608,009
Total Receipts	29,006,473	51,233,451	43,759,885	66,631,406	33,369,962	63,587,440
Total Disbursements	50,196,149	50,607,118	49,542,193	49,189,213	49,423,940	67,896,181
A/R & A/P	(1,802,325)	(113,539)	1,403,846	(27,567,050)	1,436,573	(3,785,724)
Net Increase / Decrease	(22,992,001)	512,794	(4,378,463)	(10,124,857)	(14,617,405)	(8,094,465)
<b>Ending Cash</b>	<b>\$ 44,215,941</b>	<b>\$ 44,728,735</b>	<b>\$ 40,350,272</b>	<b>\$ 30,225,414</b>	<b>\$ 15,608,009</b>	<b>\$ 7,513,544</b>



# Appendix

## Multiyear Projections – General Fund

# 2017-18 1<sup>st</sup> Interim



## General Fund - Multiyear Assumptions

	Unrestricted General Fund			Restricted General Fund		
	2017-18	2018-19	2019-20	2017-18	2018-19	2019-20
<b>REVENUE:</b>						
ADA	35,303.78	35,052.03	35,052.03	35,303.78	35,052.03	35,052.03
LCFF Funded ADA	35,303.78	35,052.03	35,052.03	35,303.78	35,052.03	35,052.03
LCFF Revenue	\$ 361.8	\$ 371.4	\$ 381.0	\$ 2.4	\$ 2.4	\$ 2.4
Measure N (OUSD Portion)				\$ 11.6	\$ 11.6	\$ 11.6
Measure G1 (OUSD Portion)				\$ 11.6	\$ 11.6	\$ 11.6
Other Revenue COLA	1.56%	2.15%	2.35%	1.56%	2.15%	2.35%
Gap Fund Dept. of Finance	43.19%	66.12%	64.92%			
<b>EXPENSES:</b>						
<b>Salaries (Certificated &amp; Classified):</b>						
Step & Column		1.50%	1.50%		1.50%	1.50%
Salary Increase		0.00%	0.00%		0.00%	0.00%
<b>Benefits:</b>						
Salary Driven		9.80%	9.80%		9.80%	9.80%
Health & Welfare Capped		5.00%	5.00%		5.00%	5.00%
STRS	14.43%	16.28%	18.13%	14.43%	16.28%	18.13%
PERS	15.53%	18.10%	20.80%	15.53%	18.10%	20.80%
Non Salary CPI Increase:		3.35%	3.02%		3.35%	3.02%
Add'l Contributions to Programs						
Potential Central Office Cuts						
Indirect Cost	5.59%	5.59%	5.59%	5.59%	5.59%	5.59%
<b>OTHER OUTGO</b>						
Measure G to Charters	\$ -	\$ -	\$ -			
Debt Service (incl issuing a COP)	\$ 6.0	\$ 6.0	\$ 6.0			
<b>TRANSFERS IN:</b>						
From Other Funds	\$ 0.6	\$ 0.6	\$ 0.6	NA	NA	NA
<b>TRANSFERS OUT:</b>						
To Early Childhood	\$ -	\$ -	\$ -	NA	NA	NA
To Food Services	\$ 2.7	\$ 2.8	\$ 2.9	NA	NA	NA
<b>CONTRIBUTIONS:</b>						
Special Ed Program	\$ (0.0)	\$ (0.0)	\$ (0.0)	\$ 58.0	\$ 60.6	\$ 63.4
RRMA (B&G)	\$ (13.0)	\$ (13.2)	\$ (13.3)	\$ 13.0	\$ 13.2	\$ 13.3
Other	\$ 0.1	\$ 0.1	\$ 0.1	\$ (0.1)	\$ (0.1)	\$ (0.1)
<b>REDUCTIONS TO BALANCE</b>						
Salaries and Benefits		\$ (6.0)	\$ (2.6)		\$ (0.7)	\$ (5.9)
Goods & Services		\$ (1.0)	\$ (0.4)		\$ (0.3)	\$ (3.1)

# 2017-18 1<sup>st</sup> Interim



## Unrestricted General Fund - Multiyear Projections

Unrestricted General Fund		2017-18	2018-19	2019-20
Unrestricted LCFF Revenues		\$361,813,016	\$371,399,521	\$380,992,594
Other Revenue		48,780,764	43,046,652	43,613,931
Transfer-In, Sources & Contrib		(70,408,217)	(73,139,110)	(75,975,033)
<b>Total Revenues &amp; Sources</b>	<b>a</b>	<b>340,185,563</b>	<b>341,307,063</b>	<b>348,631,492</b>
Salaries,Supplies,Services & Equipment		329,471,142	335,890,866	344,437,825
Other outgo (Pass Throughs / Debt Service)		6,087,521	6,087,521	6,087,521
Indirect Cost (Expense Offset)		(4,808,061)	(4,912,772)	(4,784,670)
Transfers Out		2,704,588	2,778,153	2,859,275
<b>Total Expenses &amp; Uses</b>	<b>b</b>	<b>333,455,190</b>	<b>339,843,768</b>	<b>348,599,951</b>
Change in Fund Balance	a-b=c	6,730,373	1,463,295	31,541
Beginning Fund Balance	d	3,420,073	10,150,446	11,613,741
<b>Ending Fund Balance</b>	<b>c+d=e</b>	<b>\$ 10,150,446</b>	<b>\$ 11,613,741</b>	<b>\$ 11,645,282</b>

# 2017-18 1<sup>st</sup> Interim



## Restricted General Fund - Multiyear Projections

Restricted General Fund			2017-18	2018-19	2019-20
Restricted LCFF Revenues			\$ 2,412,110	\$ 2,412,110	\$ 2,412,110
Other Revenue			141,952,670	141,952,670	141,952,670
Transfer-In, Sources & Contrib			71,006,060	73,736,953	76,572,876
<b>Total Revenues &amp; Sources</b>		<b>a</b>	<b>215,370,840</b>	<b>218,101,733</b>	<b>220,937,656</b>
Salaries,Supplies,Services & Equipment			217,441,724	224,798,340	215,798,340
Other outgo (Pass Throughs / Debt Service)			2,040,000	2,040,000	2,040,000
Indirect Cost (Expense Offset)			3,094,969	3,199,680	3,071,578
Transfers Out			-	-	-
<b>Total Expenses &amp; Uses</b>		<b>b</b>	<b>222,576,694</b>	<b>230,038,020</b>	<b>220,909,918</b>
<b>Change in Fund Balance</b>		<b>a-b=c</b>	<b>(7,205,854)</b>	<b>(11,936,287)</b>	<b>27,738</b>
<b>Beginning Fund Balance</b>		<b>d</b>	<b>20,055,782</b>	<b>12,849,929</b>	<b>913,642</b>
Adjusted Beginning Balance			20,055,782	12,849,929	913,642
<b>Ending Fund Balance</b>		<b>c+d=e</b>	<b>\$ 12,849,929</b>	<b>\$ 913,642</b>	<b>\$ 941,380</b>

# Questions



# EVERY STUDENT THRIVES!



**OAKLAND UNIFIED  
SCHOOL DISTRICT**

*Community Schools, Thriving Students*

1000 Broadway, Suite 680, Oakland, CA 94607

[www.ousd.org](http://www.ousd.org)



@OUSDnews

Contact us for additional information [optional contact area]  
Phone: 510.555.5555 | Email: [info@ousd.org](mailto:info@ousd.org)