



**OAKLAND UNIFIED
SCHOOL DISTRICT**

Community Schools, Thriving Students

2017-18 2nd Interim Financial Report

Budget Update as of January 31, 2018



Presented by Budget Department

Board of Education Presentation

March 14, 2018

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Executive Summary

- What is 2nd Interim
- Key Results

Executive Summary – What is 2nd Interim



The 2nd Interim report is a snapshot in time financial budget update and is dated as of January 31, 2018.

Executive Summary – 2nd Interim Key Results



Key Results

- The Reserve for Economic Uncertainty is projected to meet the **2%** minimum threshold required by the California Department of Education.
- The Ending Unrestricted General Fund Balance is projected to be approximately **\$14.6 Million**.
- The General Fund is projected to end the year with a positive cash balance of approximately **\$23.8 Million**.
- Based on the above, the General Fund Multiyear Projections and the financial position of all other funds, staff is recommending submittal of the 2nd Interim Financial Report to the Alameda County Office of Education (ACOE) with a “Qualified” certification.



General Fund

Unrestricted General Fund

- Revenues and Expenses Summary
- Unrestricted Highlights

Unrestricted General Fund – Revenue & Expense Summary

General Fund Unrestricted

Unrestricted	Budget Adoption	Revision 1	Revision 2	First Interim	Revision 3	Budget	Second Interim	Note
	6/30/2017	10/25/2017	11/22/2017	12/13/2017	1/24/2018	Differences	3/14/2018	#
A. REVENUE								
1. LCFF Sources	359,593,984	361,628,956	361,813,016	361,813,016	361,813,016	420,197	362,233,213	
2. Federal	63,500	63,500	63,500	63,500	63,500	-	63,500	
3. State	13,205,696	13,414,311	13,347,383	13,347,383	13,347,383	-	13,347,383	
<i>1a. 1X Funds - Obj 8550</i>								
4. Local	34,469,643	35,408,904	35,369,881	35,369,881	35,369,881	-	35,369,881	
Total Revenue	407,332,823	410,515,671	410,593,780	410,593,780	410,593,780	420,197	411,013,977	1
B. EXPENDITURES								
1. Certificated	138,911,376	140,307,572	141,103,328	141,103,328	139,759,705	(138,271)	139,621,434	
2. Classified	55,651,598	55,931,598	57,933,585	57,933,585	57,218,123	(52,707)	57,165,415	
3. Benefits	80,776,605	81,894,069	82,384,610	82,384,610	47,024,452	4,499	47,028,951	
<i>3a. H&W Costs</i>					34,673,100	(227,671)	34,445,429	
4. Books & Supplies	14,538,817	14,538,817	8,288,944	6,153,274	5,601,475	15,912	5,617,387	
4a. Midyear Adjustments	-	-	-	-	2,658,068	(2,448,038)	210,030	
4b. Surplus	-	-	-	2,135,670	1,844,376	(14,398)	1,829,978	
5. Contracts & Services	36,270,665	37,870,665	39,686,160	39,686,160	39,054,547	(70,587)	38,983,960	
<i>5a. Sub Agreements</i>						-		
6. Capital Outlay	-	-	74,514	74,514	69,816	39	69,854	
7. Other Outgo	6,087,521	6,087,521	6,087,521	6,087,521	6,087,521	-	6,087,521	
8. Direct Support/Indirect Costs	(4,271,913)	(4,271,913)	(4,808,061)	(4,808,061)	(4,867,377)	(68,034)	(4,935,411)	
9. Interfund Transfers (Trnsf Out-In)	940,521	940,521	2,106,744	2,106,744	2,106,744	546,650	2,653,394	
10. Contributions to Restricted Prog	70,327,977	70,327,977	71,006,060	71,006,060	71,006,060	-	71,006,060	3
Total Expenditures	399,233,168	403,626,827	403,863,407	403,863,407	402,236,610	(2,452,607)	399,784,003	2
C. Net Incr/Decr to Fund Balance	8,099,655	6,888,844	6,730,373	6,730,373	8,357,170	2,872,804	11,229,974	
D. Fund Balance, Reserves								
1. Beginning Fund Balance	8,431,472	3,420,073	3,420,073	3,420,073	3,420,073	-	3,420,073	
Assigned: LCFF-S&C								
2. Ending Balance (C+D1)	16,531,127	10,308,916	10,150,446	10,150,446	11,777,243	2,872,804	14,650,047	4
3. Revolving Cash	150,000	150,000	150,000	150,000	150,000	-	150,000	
4. Reserve Economic Uncertainty	10,498,275	10,158,916	10,000,446	10,000,446	11,627,243	2,872,804	14,500,047	4
5. % Reserve Economic Uncertainty	2.00%	1.85%	1.80%	1.80%	2.03%	0.64%	2.66%	

Unrestricted General Fund – Highlights

Notes to Budget 2nd Interim General Fund Unrestricted		
Note #	Comments	Amount \$ in millions
1	Revenues	
	<i>LCFF Sources -Increase in 20 Enrollment Counts (19) plus increase in unduplicated enrollment counts</i>	\$ 0.42
2	Expenses	
	Midyear reductions were formally reduced from school budgets	\$ (3.00)
	Increased transfer to Fund 13 Nutritional Services	\$ 0.55
		\$ (2.45)
3	Contributions - to Restricted Programs	
	<i>No Change</i>	\$ -
4	Change in Fund Balance	
	Increase/(Decrease) in Fund Balance	\$ (2.87)



General Fund

Restricted General Fund

- Revenues and Expenses Summary
- Restricted Highlights

Restricted General Fund – Revenue & Expense Summary

General Fund Restricted

Restricted	Budget Adoption 6/30/2017	Revision 1 10/25/2017	Revision 2 11/22/2017	First Interim 12/13/2017	Revision 3 1/24/2018	Budget Differences	Second Interim 3/14/2018	Note #
A. REVENUE								
1. LCFF Sources	2,412,110	2,412,110	2,412,110	2,412,110	2,412,110	478,824	2,890,934	
2. Federal	44,694,665	44,694,665	48,946,353	48,946,353	49,147,289	(112,247)	49,035,041	
3. State	47,847,129	47,847,129	50,999,310	50,999,310	57,490,457	486,167	57,976,624	
4. Local	41,066,700	41,066,700	42,007,006	42,007,006	42,545,761	(729,283)	41,816,478	
Total Revenue	136,020,604	136,020,604	144,364,779	144,364,779	151,595,616	123,461	151,719,077	1
B. EXPENDITURES								
1. Certificated	53,115,015	52,950,134	54,577,455	54,577,455	55,105,032	(146,981)	54,958,051	
2. Classified	36,069,443	36,069,443	35,979,665	35,979,665	36,435,299	145,496	36,580,795	
3. Benefits	51,788,512	51,727,400	51,918,391	51,918,391	33,500,040	75,592	33,575,632	
3a. H&W Costs					19,114,720	(471,666)	18,643,054	
4. Books & Supplies	16,264,702	16,264,702	30,005,731	22,628,279	22,047,687	(8,031,833)	14,015,853	
4a. Midyear Adjustments	-	-	-	-	11,845	0	11,845	
4b. Surplus	-	-	-	7,377,452	6,429,343	(348,466)	6,080,877	
5. Contracts & Services	33,473,044	33,473,044	43,988,572	43,988,572	45,603,775	19,135	45,622,910	
6. Capital Outlay	35,000	35,000	971,911	971,911	1,037,790	(100)	1,037,690	
7. Other Outgo	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	448,928	2,488,928	
8. Direct Support/Indirect Costs	2,658,774	2,658,774	3,094,969	3,094,969	3,186,521	9,543	3,196,064	
9. Interfund Transfers (Trnsf Out-In)	-	-	-	-	-	-	-	
10. Contributions to Restricted Prog	(70,327,977)	(70,327,977)	(71,006,060)	(71,006,060)	(71,006,060)	0	(71,006,060)	3
Total Expenditures	125,116,513	124,890,520	151,570,634	151,570,634	153,505,992	(8,300,354)	145,205,639	2
C. Net Incr/Decr to Fund Balance	10,904,091	11,130,084	(7,205,855)	(7,205,855)	(1,910,376)	8,423,814	6,513,438	
D. Fund Balance, Reserves								
1. Beginning Fund Balance	-	-	20,055,782	20,055,782	20,055,782	-	20,055,782	
2. Ending Balance (C+D1)	10,904,091	11,130,084	12,849,927	12,849,927	18,145,407	8,423,814	26,569,220	4

Restricted General Fund – Highlights

Notes to Budget 2nd Interim General Fund Restricted		
Note #	Comments	Amount \$ in millions
1	Revenues	
	LCFF Sources - Updated Property Tax Transfers - Special Education	\$ 0.48
	Federal - CA Math & Science award reconciled to correct amount	\$ (0.11)
	State - Prop 47 LSSSP	\$ 1.42
	State - PEC	\$ (0.93)
	Local - Sales Force grant was adjusted to true up grant documents received	\$ (0.78)
		\$ 0.07
2	Expenses	
	Measure N - reclassification to legally restricted funds instead of supplies expense item	\$ (7.40)
	Measure N - Transfer to true up charter amount	\$ (0.40)
	Sales Force	\$ (0.49)
		\$ (8.29)
3	Contributions - to Restricted Programs	\$ -
	<i>No Change</i>	\$ -
4	Change in Fund Balance	
	Due to increase in restricted revenue	\$ 8.40

General Fund

Combined General Fund

- Revenues and Expenses Summary

Combined General Fund – Revenue & Expense Summary

General Fund Combined Unrestricted & Restricted								
Combined	Budget Adoption 6/30/2017	Revision 1 10/25/2017	Revision 2 11/22/2017	First Interim 12/13/2017	Budget Differences	Revision 3 1/24/2018	Budget Differences	Second Interim 3/14/2018
A. REVENUE								
1. LCFF Sources	362,006,094	364,041,066	364,225,126	364,225,126	-	364,225,126	899,021	365,124,147
2. Federal	44,758,165	44,758,165	49,009,853	49,009,853	200,936	49,210,789	(112,247)	49,098,541
3. State	61,052,825	61,261,440	64,346,693	64,346,693	6,491,147	70,837,840	486,167	71,324,007
4. Local	75,536,343	76,475,604	77,376,887	77,376,887	538,755	77,915,642	(729,283)	77,186,359
Total Revenue	543,353,427	546,536,275	554,958,559	554,958,559	7,230,837	562,189,396	543,658	562,733,054
	543,353,427.00							
B. EXPENDITURES								
1. Certificated	192,026,391	193,257,706	195,680,783	195,680,783	(816,046)	194,864,737	(285,252)	194,579,485
2. Classified	91,721,041	92,001,041	93,913,250	93,913,250	(259,828)	93,653,422	92,789	93,746,211
3. Benefits	132,565,117	133,621,469	134,303,001	134,303,001	(53,778,509)	80,524,492	80,091	80,604,583
3a. H&W Costs						53,787,821	(699,338)	53,088,483
4. Books & Supplies	30,803,519	30,803,519	38,294,675	28,781,553	(1,132,392)	27,649,161	(8,015,922)	19,633,240
4a. Midyear Adjustments	-	-	-	-	2,669,913	2,669,913	(2,448,038)	221,875
4b. Surplus	-	-	-	9,513,122	(1,239,403)	8,273,719	(362,864)	7,910,855
5. Contracts & Services	69,743,709	71,343,709	83,674,732	83,674,732	983,590	84,658,322	(51,452)	84,606,870
6. Capital Outlay	35,000	35,000	1,046,425	1,046,425	61,180	1,107,605	(61)	1,107,544
7. Other Outgo	8,127,521	8,127,521	8,127,521	8,127,521	-	8,127,521	448,928	8,576,449
8. Direct Support/Indirect Costs	(1,613,139)	(1,613,139)	(1,713,092)	(1,713,092)	32,236	(1,680,856)	(58,491)	(1,739,347)
9. Interfund Transfers (Trnsf Out-In)	940,521	940,521	2,106,744	2,106,744	-	2,106,744	546,650	2,653,394
10. Contributions to Restricted Prog	-	-	-	-	-	-	0	0
Total Expenditures	524,349,681	528,517,347	555,434,040	555,434,040	308,562	555,742,602	(10,752,960)	544,989,642
C. Net Incr/Decr to Fund Balance	19,003,746	18,018,927	(475,482)	(475,482)	6,922,276	6,446,794	11,296,618	17,743,412
D. Fund Balance, Reserves								
1. Beginning Fund Balance	8,431,472	3,420,073	23,475,855	23,475,855	0	23,475,855	-	23,475,855
2. Ending Balance (C+D1)	27,435,218	21,439,000	23,000,373	23,000,373	6,922,276	29,922,650	11,296,617	41,219,267



General Fund

Multiyear Projections



2017-18 2nd Interim



Unrestricted General Fund - Multiyear Projections

General Fund Unrestricted				MYP				
Unrestricted	Revision 3 1/24/2018	Budget Differences	Second Interim 3/14/2018	18-19 Inc/Dcr	18-19 Projection	19-20 Inc/Dcr	19-20 Projected	
A. REVENUE								
1. LCFF Sources	361,813,016	420,197	362,233,213	15,360,238	377,593,451	5,383,999	382,977,450	A
2. Federal	63,500	-	63,500	-	63,500	-	63,500	
3. State	13,347,383	-	13,347,383	(6,146,134)	7,201,249	173,550	7,374,799	B
<i>1a. 1X Funds - Obj 8550</i>				10,336,850	10,336,850	(10,336,850)	-	C
4. Local	35,369,881	-	35,369,881	-	35,369,881	-	35,369,881	
Total Revenue	410,593,780	420,197	411,013,977	19,550,954	430,564,931	(4,779,301)	425,785,630	
B. EXPENDITURES								
1. Certificated	139,759,705	(138,271)	139,621,434	(1,515,402)	138,106,032	(6,645,784)	131,460,248	D
2. Classified	57,218,123	(52,707)	57,165,415	(1,475,823)	55,689,593	(1,944,911)	53,744,682	E
3. Benefits	47,024,452	4,499	47,028,951	5,853,453	52,882,404	2,211,776	55,094,180	F
<i>3a. H&W Costs</i>	<i>34,673,100</i>	<i>(227,671)</i>	<i>34,445,429</i>	<i>1,792,159</i>	<i>36,237,588</i>	<i>953,617</i>	<i>37,191,205</i>	
4. Books & Supplies	5,601,475	15,912	5,617,387	(157,124)	5,460,262	(376,494)	5,083,769	G
4a. Midyear Adjustments	2,658,068	(2,448,038)	210,030	5,000,000	5,210,030	-	5,210,030	H
4b. Surplus	1,844,376	(14,398)	1,829,978	(1,829,978)	-	-	-	I
5. Contracts & Services	39,054,547	(70,587)	38,983,960	(90,422)	38,893,538	(2,201,715)	36,691,823	J
<i>5a. Sub Agreements</i>								
6. Capital Outlay	69,816	39	69,854	-	69,854	-	69,854	
7. Other Outgo	6,087,521	-	6,087,521	1,700,000	7,787,521	-	7,787,521	K
8. Direct Support/Indirect Costs	(4,867,377)	(68,034)	(4,935,411)	-	(4,935,411)	-	(4,935,411)	
9. Interfund Transfers (Trnsf Out-In)	2,106,744	546,650	2,653,394	9,573,333	12,226,728	-	12,226,728	L
10. Contributions to Restricted Prog	71,006,060	-	71,006,060	7,033,649	78,039,709	7,803,971	85,843,680	M
Total Expenditures	402,236,610	(2,452,607)	399,784,003	25,883,846	425,667,849	(199,540)	425,468,309	
C. Net Incr/Decr to Fund Balance	8,357,170	2,872,804	11,229,974	(3,460,088)	4,897,082	(4,579,761)	317,321	
D. Fund Balance, Reserves								
1. Beginning Fund Balance	3,420,073	-	3,420,073		14,650,047		19,547,129	
Assigned: LCFF-S&C					2,000,000		2,000,000	
2. Ending Balance (C+D1)	11,777,243	2,872,804	14,650,047		17,547,129		17,864,450	
3. Revolving Cash	150,000	-	150,000		150,000		150,000	
4. Reserve Economic Uncertainty	11,627,243	2,872,804	14,500,047		17,397,129		17,714,450	
					19,547,129		19,864,450	
5. % Reserve Economic Uncertainty	2.03%	0.64%	2.66%	0	3.08%	0	3.14%	

2017-18 2nd Interim



Unrestricted General Fund - Multiyear Assumptions

Notes to Budget 2nd Interim General Fund Unrestricted - Multiyear Projections			
		\$ in Millions	
Note #	Comments	18-19 Inc/Dcr	19-20 Inc/Dcr
REVENUES			
A	LCFF Sources - Assumes declining enrollment, but applies annual COLA	15.36	5.38
B	State - Decrease in one time funds from 17/18 in 18/19; Standard COLA applied	(6.15)	0.17
C	1X Funds out years assumes \$10.3m in 18/19 and -\$10.3m in 19/20	10.34	(10.34)
Subtotal Change in Revenue Highlights		19.55	(4.78)
EXPENSES			
D	Certificated Salaries - Contains approx. Step and Column for each year however additional reductions were estimated based on outlook	(1.52)	(6.65)
E	Classified Salaries - Contains approx. Step and Column for each year however additional reductions were estimated based on outlook	(1.48)	(1.94)
F	Benefits - Change represents an approx. net affect of changes in benefit rates plus additional reductions were estimated based on budget outlook	7.65	3.17
G	Books & Supplies - Reductions were estimated based on budget outlook	(0.16)	(0.38)
H	Midyear Adjustments - Assumes 17/18 mid year cuts from schools will be re-instituted in 18/19	5.00	-
I	Surplus - Assumption is that carryover would be reallocated to an expense line item and would not carry forward	(1.83)	-
J	Contracted Services - Reductions were estimated based on budget outlook	(0.09)	(2.20)
K	Other Outgo - Approximated for HBGB	1.70	-
L	Interfund Transfers (Transfers Out - In) - Estimated funds for replenishing self insurance fund and routine repairs & maintenance	9.57	-
M	Contributions to Restricted Programs - Based on historical trends approximated 10% increase each year	7.03	7.80
Subtotal Change in Expense Highlights		25.88	(0.20)

2017-18 2nd Interim



Restricted General Fund - Multiyear Projections

General Fund Restricted								
Restricted	Revision 3 1/24/2018	Budget Differences	Second Interim 3/14/2018	18-19 Inc/Dcr	18-19 Projection	19-20 Inc/Dcr	19-20 Projection	
A. REVENUE								
1. LCFF Sources	2,412,110	478,824	2,890,934	-	2,890,934	-	2,890,934	
2. Federal	49,147,289	(112,247)	49,035,041	(6,634,284)	42,400,758	(4,240,076)	38,160,682	A
3. State	57,490,457	486,167	57,976,624	(461,202)	57,515,422	(2,875,771)	54,639,651	B
4. Local	42,545,761	(729,283)	41,816,478	(4,011,399)	37,805,078	-	37,805,078	C
Total Revenue	151,595,616	123,461	151,719,077	(11,106,885)	140,612,192	(7,115,847)	133,496,345	
					-7.3%			
B. EXPENDITURES								
1. Certificated	55,105,032	(146,981)	54,958,051	219,832	55,177,883	220,712	55,398,595	D
2. Classified	36,435,299	145,496	36,580,795	69,288	36,650,083	403,151	37,053,234	E
3. Benefits	33,500,040	75,592	33,575,632	3,113,300	36,688,932	3,177,533	39,866,464	F
3a. H&W Costs	19,114,720	(471,666)	18,643,054	1,491,444	20,134,498	1,610,760	21,745,258	
4. Books & Supplies	22,047,687	(8,031,833)	14,015,853	451,310	14,467,164	439,802	14,906,965	G
4a. Midyear Adjustments	11,845	0	11,845	(11,845)	-	-	-	
4b. Surplus	6,429,343	(348,466)	6,080,877	(6,080,877)	-	-	-	H
5. Contracts & Services	45,603,775	19,135	45,622,910	1,469,058	47,091,968	1,431,596	48,523,564	I
6. Capital Outlay	1,037,790	(100)	1,037,690	33,414	1,071,103	32,562	1,103,665	
7. Other Outgo	2,040,000	448,928	2,488,928	-	2,488,928	-	2,488,928	
8. Direct Support/Indirect Costs	3,186,521	9,543	3,196,064	(233,974)	2,962,090	-	2,962,090	
9. Interfund Transfers (Trnsf Out-In)	-	-	-	-	-	-	-	
10. Contributions to Restricted Prog	(71,006,060)	0	(71,006,060)	(7,033,649)	(78,039,709)	(7,803,971)	(85,843,680)	J
Total Expenditures	153,505,992	(8,300,354)	145,205,639	(6,512,699)	138,692,940	(487,857)	138,205,083	
C. Net Incr/Decr to Fund Balance	(1,910,376)	8,423,814	6,513,438	(4,594,185)	1,919,253	(6,627,990)	(4,708,737)	
D. Fund Balance, Reserves								
1. Beginning Fund Balance	20,055,782	-	20,055,782	6,513,438	26,569,220	1,919,253	28,488,473	
2. Ending Balance (C+D1)	18,145,407	8,423,814	26,569,220	1,919,253	28,488,473	(4,708,737)	23,779,736	

2017-18 2nd Interim



Restricted General Fund - Multiyear Assumptions

Notes to Budget 2nd Interim General Fund Restricted - Multiyear Projections			
Note #	Comments	\$ in Millions	
		18-19 Inc/Dcr	19-20 Inc/Dcr
REVENUES			
A	Federal - Reduces carryover amount in out years expiring grants, and approximates a 10% reduction based on information from CDE and SSC workshops	(6.63)	(4.24)
B	State - Reduces carryover amount in out years expiring grants, and approximates a 5% reduction based on information from CDE & SSC	(0.46)	(2.88)
C	Local - One time resources were reduced from the out years	(4.01)	-
Subtotal Change in Revenue Highlights		(11.11)	(7.12)
EXPENSES			
D	Certificated Salaries - Contains approx. Step and Column for each year	0.22	0.22
E	Classified Salaries - Contains approx. Step and Column for each year; classified layoffs from 17/18 were reduced in the out years	0.07	0.40
F	Benefits - Change represents an approx. net affect of changes in benefit rates plus additional reductions were estimated based classified layoffs	4.60	4.79
G	Books & Supplies - Increase represents CPI (Consumer Price Index) Increase	0.45	0.44
H	Surplus - Assumes surplus from 17/18 will be distributed to expenditures in out years	(6.08)	-
I	Contracts & Services - Increase represents CPI (Consumer Price Index) Increase	1.47	1.43
J	Contributions to Restricted Programs - Based on historical trends approximated 10% increase each year	(7.03)	(7.80)
Subtotal Change in Expense Highlights		(6.30)	(0.52)

2017-18 2nd Interim



Combined General Fund - Multiyear Projections

General Fund Combined Unrestricted & Restricted							
Combined	Revision 3	Budget	Second Interim	18-19	18-19	19-20	19-20
	1/24/2018	Differences	3/14/2018	Inc/Dcr	Projection	Inc/Dcr	Projection
A. REVENUE							
1. LCFF Sources	364,225,126	899,021	365,124,147	15,360,238	380,484,385	5,383,999	385,868,384
2. Federal	49,210,789	(112,247)	49,098,541	(6,634,284)	42,464,258	(4,240,076)	38,224,182
3. State	70,837,840	486,167	71,324,007	3,729,514	75,053,521	(13,039,071)	62,014,450
4. Local	77,915,642	(729,283)	77,186,359	(4,011,399)	73,174,959	-	73,174,959
Total Revenue	562,189,396	543,658	562,733,054	8,444,069	571,177,123	(11,895,148)	559,281,975
B. EXPENDITURES							
1. Certificated	194,864,737	(285,252)	194,579,485	(1,295,570)	193,283,915	(6,425,073)	186,858,842
2. Classified	93,653,422	92,789	93,746,211	(1,406,535)	92,339,676	(1,541,760)	90,797,916
3. Benefits	80,524,492	80,091	80,604,583	8,966,752	89,571,336	5,389,309	94,960,645
3a. H&W Costs	53,787,821	(699,338)	53,088,483	3,283,604	56,372,086	2,564,377	58,936,463
4. Books & Supplies	27,649,161	(8,015,922)	19,633,240	294,186	19,927,426	63,308	19,990,734
4a. Midyear Adjustments	2,669,913	(2,448,038)	221,875	4,988,155	5,210,030	-	5,210,030
4b. Surplus	8,273,719	(362,864)	7,910,855	(7,910,855)	-	-	-
5. Contracts & Services	84,658,322	(51,452)	84,606,870	1,378,636	85,985,506	(770,119)	85,215,387
6. Capital Outlay	1,107,605	(61)	1,107,544	33,414	1,140,958	32,562	1,173,519
7. Other Outgo	8,127,521	448,928	8,576,449	1,700,000	10,276,449	-	10,276,449
8. Direct Support/Indirect Costs	(1,680,856)	(58,491)	(1,739,347)	(233,974)	(1,973,320)	-	(1,973,320)
9. Interfund Transfers (Trnsf Out-In)	2,106,744	546,650	2,653,394	9,573,333	12,226,728	-	12,226,728
10. Contributions to Restricted Prog	-	0	0	(0)	-	-	-
Total Expenditures	555,742,602	(10,752,960)	544,989,642	19,371,146	564,360,788	(687,397)	563,673,392
C. Net Incr/Decr to Fund Balance	6,446,794	11,296,618	17,743,412	(10,927,077)	6,816,335	(11,207,751)	(4,391,416)
D. Fund Balance, Reserves							
1. Beginning Fund Balance	23,475,855	-	23,475,855	6,513,438	41,219,267	1,919,253	48,035,602
2. Ending Balance (C+D1)	29,922,650	11,296,617	41,219,267	1,919,253	48,035,602	(4,708,737)	43,644,186

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.**
- **Reserve Balance** must be maintain 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



Appendix

All Funds

All Funds – 2017-18 2nd Interim Budget



OUSD 2nd INTERIM 2017-18	General	General	General	Adult	Early	Food	Deferred	Building	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	\$ 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
Income															
LCFF Sources	362,233,213	2,890,934	365,124,147	-	-	-	-	-	-	-	-	-	-	-	365,124,147
Federal Revenues	63,500	49,035,041	49,098,541	206,854	666,966	17,643,536	-	-	-	-	-	3,515,994	-	22,033,350	71,131,891
State Revenues	13,347,383	57,976,624	71,324,007	2,333,656	11,273,219	1,163,162	-	6,793	-	261,354	73,305	442,000	4,424	15,557,914	86,881,920
Local Revenues	35,369,881	41,816,478	77,186,359	137,286	341,150	803,606	80	800,000	7,898,877	13,000	205,500	56,604,339	21,921,712	88,725,549	165,911,908
Total Revenues	411,013,977	151,719,077	562,733,054	2,677,796	12,281,335	19,610,304	80	806,793	7,898,877	274,354	278,805	60,562,332	21,926,136	126,316,813	689,049,867
Expenses															
Certificated Salaries	139,621,434	54,958,051	194,579,485	1,411,151	2,071,607	-	-	-	-	-	-	-	200,528	3,683,287	198,262,772
Classified Salaries	57,165,415	36,580,795	93,746,211	305,572	3,315,832	7,225,275	-	3,256,553	-	1,040	53,798	-	1,450,042	15,608,111	109,354,322
Employee Benefits	81,474,380	52,218,686	133,693,066	670,690	4,153,958	3,848,126	-	1,521,021	-	120	6,027	-	582,804	10,782,747	144,475,813
Supplies	7,657,395	20,108,575	27,765,970	622,257	78,446	10,157,691	-	29,067	-	-	-	-	67,700	10,955,161	38,721,131
Services	38,983,960	45,622,910	84,606,870	88,921	1,996,592	263,415	-	13,864,910	500,000	2,096,478	-	-	19,854,413	38,664,730	123,271,600
Capital Outlay	69,854	1,037,690	1,107,544	1,251,300	-	171,574	-	127,984,807	9,834,391	713,775	808,000	-	-	140,763,846	141,871,390
Other Outgo	6,087,521	2,488,928	8,576,449	-	-	-	-	-	-	-	-	75,268,586	-	75,268,586	83,845,035
Indirect Cost	(4,935,411)	3,196,064	(1,739,347)	177,846	606,635	954,866	-	-	-	-	-	-	-	1,739,347	-
Total Expenses	326,124,548	216,211,699	542,336,247	4,527,737	12,223,070	22,620,946	-	146,656,359	10,334,391	2,811,413	867,825	75,268,586	22,155,488	297,465,815	839,802,063
Income less Expenditures	84,889,428	(64,492,622)	20,396,806	(1,849,941)	58,265	(3,010,642)	80	(145,849,566)	(2,435,514)	(2,537,059)	(589,020)	(14,706,254)	(229,352)	(171,149,002)	(150,752,196)
Transfers															
Transfers In	597,844	-	597,844	-	-	3,251,238	-	-	-	-	-	-	-	3,251,238	3,849,082
Transfers Out	3,251,238	-	3,251,238	-	57,224	240,620	-	-	-	-	-	-	300,000	597,844	3,849,082
Other Sources/Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	(71,006,060)	71,006,060	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Transfers	(73,659,455)	71,006,060	(2,653,394)	-	(57,224)	3,010,618	-	-	-	-	-	-	(300,000)	2,653,394	-
Net Increase / (Decrease)	11,229,974	6,513,438	17,743,412	(1,849,941)	1,041	(24)	80	(145,849,566)	(2,435,514)	(2,537,059)	(589,020)	(14,706,254)	(529,352)	(168,495,608)	(150,752,196)
Ending Balances	\$ 14,650,047	\$ 26,569,220	\$ 41,219,267	\$ -	\$ 2,561	\$ (0)	\$ 5,469	\$ 61,000,835	\$ 14,067,249	\$ 431,781	\$ 641,447	\$ 71,226,300	\$ 6,251,609	\$ 153,627,250	\$ 194,846,518

All Funds – 2017-18 1st Interim Budget



OUSD 1st INTERIM 2017-18	General	General	General	Adult	Early	Food	Deferred	Buliding	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	\$ 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
Income															
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
Total Revenues	410,593,780	144,364,780	554,958,559	2,667,013	11,554,995	19,049,872	80	356,793	7,848,877	8,000	202,000	86,792,397	21,926,136	150,406,163	705,364,723
Expenses															
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
Total Expenses	330,750,602	222,576,694	553,327,296	4,516,954	11,496,730	21,513,864	-	170,791,005	10,104,391	2,618,753	591,043	83,742,210	21,620,136	326,995,086	880,322,381
Income less Expenditures	79,843,178	(78,211,914)	1,631,264	(1,849,941)	58,265	(2,463,992)	80	(170,434,212)	(2,255,514)	(2,610,753)	(389,043)	3,050,187	306,000	(176,588,922)	(174,957,658)
Transfers															
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	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Transfers	(73,112,805)	71,006,060	(2,106,744)	-	(57,224)	2,463,968	-	-	-	-	-	-	(300,000)	2,106,744	-
Net Increase / (Decrease)	6,730,373	(7,205,854)	(475,481)	(1,849,941)	1,041	(24)	80	(170,434,212)	(2,255,514)	(2,610,753)	(389,043)	3,050,187	6,000	(174,482,178)	(174,957,658)
Ending Balances	\$ 10,150,446	\$ 12,849,929	\$ 23,000,375	\$ -	\$ 2,561	\$ (0)	\$ 5,469	\$ 36,416,189	\$ 14,247,249	\$ 358,087	\$ 841,424	\$ 88,982,741	\$ 6,786,961	\$ 147,640,681	\$ 170,641,055

All Funds – 2017-18 2nd Interim vs. 1st Interim



DIFFERENCE (1st Interim vs 2nd)	General	General	General	Adult	Early	Food	Deferred	Building	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
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income															
LCFF Sources	420,197	478,824	899,021	-	-	-	-	-	-	-	-	-	-	-	899,021
Federal Revenues	-	1,634,338	-	10,402	-	230,953	-	-	-	-	-	242,594	-	483,949	572,637
State Revenues	-	65,779	-	-	557,500	50,762	-	-	-	261,354	73,305	(143,000)	-	799,921	7,777,235
Local Revenues	-	448,928	-	381	168,840	278,717	-	450,000	50,000	5,000	3,500	(26,329,659)	-	(25,373,221)	(25,563,750)
Total Revenues	420,197	-	11,605,133	10,783	726,340	560,432	-	450,000	50,000	266,354	76,805	(26,230,065)	-	(24,089,351)	(16,314,856)
Expenses															
Certificated Salaries	(1,481,894)	-	-	66,077	15,535	-	-	-	-	-	-	-	(299,472)	(217,859)	(1,319,157)
Classified Salaries	(768,170)	13,719,292	-	(1,477)	26,000	229,424	-	-	-	-	16,791	-	272,480	543,218	376,179
Employee Benefits	(910,230)	-	-	(15,608)	43,740	83,246	-	-	-	-	(473)	-	41,992	152,897	(457,038)
Supplies	(631,549)	-	-	(50,826)	(7,537)	608,137	-	-	-	-	-	-	-	549,774	(9,978,932)
Services	(702,201)	1,634,338	932,138	11,189	642,996	36,053	-	737,218	-	183,060	-	-	520,352	2,130,869	3,063,007
Capital Outlay	(4,660)	65,779	61,119	1,300	-	129,700	-	(24,871,864)	230,000	9,600	260,465	-	-	(24,240,799)	(24,179,680)
Other Outgo	-	448,928	448,928	-	-	-	-	-	-	-	-	(8,473,624)	-	(8,473,624)	(8,024,696)
Indirect Cost	(127,350)	101,095	(26,255)	127	5,606	20,522	-	-	-	-	-	-	-	26,255	(0)
Total Expenses	(4,626,054)	-	29,918,137	10,783	726,340	1,107,082	-	(24,134,646)	230,000	192,660	276,782	(8,473,624)	535,352	(29,529,271)	(40,520,319)
Income less Expenditures	5,046,251	-	(18,313,005)	-	(0)	(546,650)	-	24,584,646	(180,000)	73,694	(199,977)	(17,756,441)	(535,352)	5,439,920	24,205,462
Transfers															
Transfers In	-	-	-	-	-	546,650	-	-	-	-	-	-	-	546,650	546,650
Transfers Out	546,650	-	546,650	-	-	-	-	-	-	-	-	-	-	-	546,650
Other Sources/Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Transfers	(546,650)	-	546,650	-	-	546,650	-	-	-	-	-	-	-	546,650	-
Net Increase / (Decrease)	4,499,601	(18,109,946)	(17,079,228)	-	(0)	-	-	24,584,646	(180,000)	73,694	(199,977)	(17,756,441)	(535,352)	5,986,570	24,205,462
Ending Balances	\$ 4,499,601	\$ 13,719,292	\$ 18,218,892	\$ -	\$ (0)	\$ -	\$ -	\$ 24,584,646	\$ (180,000)	\$ 73,694	\$ (199,977)	\$ (17,756,441)	\$ (535,352)	\$ 5,986,570	\$ 24,205,462



All Funds – 2017-18 Fluctuations Explanations

As of 2st Interim, all funds are updated with current documented assumptions as of January 31, 2018.

- **Fund 12** – Increase based primarily on updated notification of contract and is reflected as an increase to State Revenues and Services
- **Fund 13** – Increase in revenues adjusted based primarily on reimbursement receipts (\$560K). Increase in contribution from Unrestricted General Fund of \$550K to support increases in operating costs.
- **Fund 21** – Decrease in expenses based primarily on updating project commitments. The net change places \$24m back into fund balance.
- **Fund 51** – Decrease based primarily on updated estimates from ACOE. 1st Interim was based on year end FY16/17 estimate.
- **Fund 67** – Increase in expenses primarily due to vendor cost updates for Seagal, Communications, and parking.



Appendix

Cash Flow – General Fund

2017-18 2nd Interim

Cash Flow – General Fund



Cash flow for projected months (11/01/17 to 06/30/18) are primarily based on Federal, State and Local cash payment schedules and prior year actuals.

To have sufficient cash on hand to close out the current fiscal year (2017-18) and to meet financial obligations, the District temporarily borrowed \$26 million in October 2017. The temporary loan is scheduled to be paid back in April of 2018.

Although the Deferrals were eliminated the past few years, State funding are still apportioned over twelve uneven payments. The temporary borrowing has helped OUSD meet some of its cash needs for the fiscal year.

With repayment of temporary borrowing, the 2017-18 Cash Flow projections reflect positive cash balance of \$23.84 million.

2017-18 2nd Interim

Cash flow – General Fund



Actual Cash Balance	July 2017 Actual	August 2017 Actual	September 2017 Actual	October 2017 Actual	November 2017 Actual	December 2017 Actual
Beginning Cash	\$ 23,822,827	\$ 13,123,012	\$ 12,139,338	\$ 16,364,564	\$ 13,005,105	\$ 7,101,630
Total Receipts	17,765,515	14,064,227	42,463,665	26,066,616	27,793,928	103,206,461
Total Disbursements	15,672,714	20,146,701	42,200,394	47,528,629	47,619,170	46,754,583
A/R & A/P	(12,792,616)	5,098,801	3,961,954	18,102,554	13,921,767	(12,091,897)
Net Increase / Decrease	(10,699,815)	(983,674)	4,225,226	(3,359,459)	(5,903,475)	44,359,982
Ending Cash	\$ 13,123,012	\$ 12,139,338	\$ 16,364,564	\$ 13,005,105	\$ 7,101,630	\$ 51,461,612

Actual Cash Balance	January 2018 Actual	February 2018 Projected	March 2018 Projected	April 2018 Projected	May 2018 Projected	June 2018 Projected
Beginning Cash	51,461,612	47,241,535	46,805,938	37,466,416	40,654,580	24,151,649
Total Receipts	39,382,656	38,811,946	39,993,004	78,777,293	40,217,351	69,902,208
Total Disbursements	44,523,825	46,144,455	51,401,577	51,998,130	53,904,494	61,559,089
A/R & A/P	921,093	6,896,912	2,069,051	(23,590,999)	(2,815,788)	(8,650,795)
Net Increase / Decrease	(4,220,077)	(435,597)	(9,339,522)	3,188,164	(16,502,931)	(307,675)
Ending Cash	\$ 47,241,535	\$ 46,805,938	\$ 37,466,416	\$ 40,654,580	\$ 24,151,649	\$ 23,843,973

Questions



EVERY STUDENT THRIVES!



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