



**OAKLAND UNIFIED  
SCHOOL DISTRICT**

*Community Schools, Thriving Students*

# 2018-19 Budget Revision #3

Addressing the Board Resolution on Fiscal Solvency

Wednesday, February 13, 2019



Presented to the Board of Education

Marcus Battle, CBO

Ofelia Roxas, CFO

February 13, 2019

# Executive Summary

The 2018-19 Budget Revision #3 reflects budget adjustments as of January 31, 2019

## Significant Changes

- Decline of Enrollment and ADA (Certified CALPADS)
- Reserve for Economic Uncertainty is **2.56%** an improvement of 0.31%
- Unrestricted Revenue decreased by \$1.25M
- Unrestricted Expenses decreased by \$3.31M
- Unrestricted Fund Balance decreased by \$4.54M
- Audit Adjustment of \$5.4M - prior year ADA correction (from reserve)
- Audit Adjustment of \$1.2M – prior year transportation contract (reversal of current year entry)

# FY2018-19 Budget

## General Fund Unrestricted



	Budget Adoption 6/27/2018	Revision 1 10/15/2018	Revision 2 1st Interim 10/31/2018	Revision 3 1/31/2019	Increase (Decrease) Revision 3 vs Revision 2	Note
<b>REVENUE</b>						
LCFF	\$ 383,400,666	\$ 386,861,424	\$ 382,931,254	\$ 381,194,554	\$ (1,736,700)	
FEDERAL	\$ 5,500	\$ 5,500	\$ 5,500	\$ -	\$ (5,500)	
OTHER STATE	\$ 20,107,523	\$ 14,424,598	\$ 14,620,546	\$ 14,683,181	\$ 62,635	
LOCAL	\$ 33,298,572	\$ 12,910,257	\$ 13,168,758	\$ 13,593,758	\$ 425,000	
<b>TOTAL</b>	<b>\$ 436,812,261</b>	<b>\$ 414,201,779</b>	<b>\$ 410,726,058</b>	<b>\$ 409,471,493</b>	<b>\$ (1,254,565)</b>	<b>1</b>
<b>EXPENDITURES</b>						
CERTIFICATED	\$ 145,139,650	\$ 134,618,780	\$ 133,631,768	\$ 133,560,745	\$ (71,024)	2
CLASSIFIED	\$ 57,905,137	\$ 56,472,387	\$ 57,517,218	\$ 56,797,719	\$ (719,499)	2
BENEFITS	\$ 94,878,983	\$ 88,585,092	\$ 88,637,389	\$ 86,885,751	\$ (1,751,637)	2
Books & Supplies	\$ 9,456,785	\$ 7,006,811	\$ 6,440,855	\$ 6,862,781	\$ 421,926	2
Contracts and Services	\$ 39,823,821	\$ 39,874,646	\$ 38,059,602	\$ 36,891,297	\$ (1,168,306)	2
Capital Outlays	\$ 47,950	\$ 44,809	\$ 84,968	\$ 125,887	\$ 40,919	2
Other Outgoing	\$ 3,270,979	\$ 2,834,754	\$ 2,702,577	\$ 2,634,763	\$ (67,814)	2
<b>TOTAL</b>	<b>\$ 350,523,304</b>	<b>\$ 329,437,280</b>	<b>\$ 327,074,377</b>	<b>\$ 323,758,942</b>	<b>\$ (3,315,435)</b>	<b>2</b>
<b>Excess (Deficit)</b>	<b>\$ 86,288,957</b>	<b>\$ 84,764,499</b>	<b>\$ 83,651,681</b>	<b>\$ 85,712,551</b>	<b>\$ 2,060,870</b>	
Other Financing (Sources)Uses	\$ (1,225,933)	\$ (1,225,933)	\$ (1,225,933)	\$ (1,225,933)	\$ -	
Contributions to Restricted	\$ (76,196,230)	\$ (80,104,691)	\$ (80,104,691)	\$ (80,104,691)	\$ -	
<b>NET INCREASE (DECREASE)</b>	<b>\$ 8,866,794</b>	<b>\$ 3,433,875</b>	<b>\$ 2,321,057</b>	<b>\$ 4,381,927</b>	<b>\$ 2,060,870</b>	
<b>FUND BALANCE</b>						
Beginning Balance	\$ 5,847,721	\$ 17,974,960	\$ 17,974,960	\$ 11,370,175	\$ (6,604,785)	4
Ending Fund Balance	<b>\$ 14,714,516</b>	<b>\$ 21,408,835</b>	<b>\$ 20,296,018</b>	<b>\$ 15,752,103</b>	<b>\$ (4,543,915)</b>	<b>4</b>
<b>Component of EFB</b>						
Non-Spendable	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	
Committed	\$ 350,000	\$ -	\$ -	\$ -	\$ -	
Assigned-ADA Adjustments Prior Year	\$ -	\$ 6,023,564	\$ 5,379,785	\$ -	\$ (5,379,785)	
Assigned- Technology Refresh	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)	
Reserve for Economic Uncertainty	\$ 14,214,516	\$ 14,235,271	\$ 13,766,233	\$ 15,602,103	\$ 1,835,870	
<b>Unassigned</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0)</b>	
REU Rate	2.61%	2.35%	2.25%	2.56%	0.31%	

# Unrestricted Highlights



Notes #	Comments	Amounts in Millions
1	<b>Revenue</b>	
	LCFF	\$ (1.70)
	Interest Income	\$ 0.35
	Others	\$ 0.14
		\$ (1.21)
2	<b>Expenses</b>	
	Salary Savings	\$ (0.79)
	Benefits	
	STRS	\$ (0.33)
	PERS	\$ (0.47)
	SSS/Medi	\$ (0.19)
	Health & Welfare	\$ (0.48)
	Workers Compensation	\$ (0.28)
		\$ (1.75)
	Books & Supplies	
	Books, Materials, Supplies	\$ 0.15
	Office Supplies	\$ (0.28)
	Computer and Equipments	\$ 0.55
		\$ 0.42
	Contracts & Services	
Prior Year Transportation Contract-Audit Adjustment	\$ (1.23)	
Others	\$ 0.03	
	\$ (1.20)	
<b>Total</b>	\$ (3.31)	
3	<b>Contributions</b>	
	No Change	\$ -
4	<b>Change in Fund Balance</b>	
	Increase for the period (July18-Jan19)	\$ 2.06
	Audit Adjustments (Decrease in Beginning FB)	
	ADA Correction 2017-18	\$ (5.38)
	Prior Year Transportation Contract-Audit Adjustment	\$ (1.23)
	\$ (6.60)	
Net Decrease in Fund Balance	\$ (4.54)	

# FY2018-19 Budget Report

## Changes in LCFF

	Enrollment	Funded ADA	LCFF
Revision 3 (CALPADS Certified)	36468	34851	\$ 381,194,554
Revision 2 1st Interim	36708	34989	\$ 382,931,254
	-240	-138	<b>\$ (1,736,700)</b>

# FY2018-19 Budget Report

## General Fund - Restricted



	<b>Budget Adoption 6/27/2018</b>	<b>Revision 1 10/15/2018</b>	<b>Revision 2 1st Interim 10/31/2018</b>	<b>Revision 3 1/31/2019</b>	<b>Increase (Decrease) Revision 3 vs Revision 2</b>	<b>Notes</b>
<b>REVENUE</b>						
LCFF	\$ 3,278,309	\$ 3,278,309	\$ 3,278,309	\$ 3,278,309	\$ -	
FEDERAL	\$ 41,478,296	\$ 50,546,547	\$ 50,637,753	\$ 50,569,980	\$ (67,773)	
OTHER STATE	\$ 46,646,898	\$ 50,108,859	\$ 56,581,692	\$ 56,626,900	\$ 45,208	
LOCAL	\$ 38,310,651	\$ 64,171,543	\$ 64,729,221	\$ 65,768,117	\$ 1,038,896	1
<b>TOTAL</b>	<b>\$ 129,714,155</b>	<b>\$ 168,105,258</b>	<b>\$ 175,226,975</b>	<b>\$ 176,243,306</b>	<b>\$ 1,016,331</b>	
<b>EXPENDITURES</b>						
CERTIFICATED	\$ 50,633,452	\$ 64,632,988	\$ 65,596,053	\$ 65,773,787	\$ 177,734	2
CLASSIFIED	\$ 35,000,315	\$ 37,571,551	\$ 36,983,960	\$ 36,935,464	\$ (48,496)	2
BENEFITS	\$ 53,208,370	\$ 61,856,940	\$ 63,292,330	\$ 63,130,385	\$ (161,945)	2
Books & Supplies	\$ 10,162,422	\$ 42,249,932	\$ 40,716,611	\$ 37,153,550	\$ (3,563,061)	2
Contracts and Services	\$ 39,020,757	\$ 46,512,858	\$ 52,483,145	\$ 56,847,516	\$ 4,364,371	2
Capital Outlays	\$ -	\$ 6,964,811	\$ 7,292,221	\$ 7,424,565	\$ 132,344	2
Other Outgoing	\$ 4,290,830	\$ 14,577,758	\$ 14,560,702	\$ 14,599,483	\$ 38,781	
<b>TOTAL</b>	<b>\$ 192,316,147</b>	<b>\$ 274,366,838</b>	<b>\$ 280,925,022</b>	<b>\$ 281,864,750</b>	<b>\$ 939,728</b>	
Excess (Deficit)	\$ (62,601,992)	\$ (106,261,580)	\$ (105,698,047)	\$ (105,621,444)	\$ 76,603	
Other Financing Sources	\$ -	\$ -	\$ -	\$ -	\$ -	
Contributions from Unrestricted	\$ 76,196,230	\$ 80,104,691	\$ 80,104,691	\$ 80,104,691	\$ (0)	
Net Increase (Decrease)	\$ 13,594,238	\$ (26,156,889)	\$ (25,593,356)	\$ (25,516,753)	\$ 76,603	
<b>FUND BALANCE</b>						
Beginning Balance	\$ 19,860,529	\$ 38,612,895	\$ 38,612,894	\$ 38,612,894	\$ (0)	
Ending Fund Balance	\$ 33,454,766	\$ 12,456,005	\$ 13,019,539	\$ 13,096,141	\$ 76,602	
<b>Component of EFB</b>						
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	
Restricted	\$ 33,454,767	\$ 12,456,005	\$ 13,019,539	\$ 13,096,141	\$ 76,603	
Committed	\$ -	\$ -	\$ -	\$ -	\$ -	
Assigned	\$ -	\$ -	\$ -	\$ -	\$ -	
Assigned-ADA Adj Low income	\$ -	\$ -			\$ -	
Assigned- Technology Refresh	\$ -	\$ -			\$ -	
Reserve for Economic Uncertainty	\$ -	\$ -			\$ -	
Unassigned	\$ (0)	\$ -	\$ -	\$ -	\$ (0)	

# Restricted Highlights



Notes #	Comments	Amounts in Millions
<b>1</b>	<b>Revenue</b>	
	Local Revenue	\$ 1.00
<b>2</b>	<b>Expenses</b>	
	Books & Supplies	
	Books Materials Supplies	\$ 0.84
	Computer and Equipments	\$ 0.60
	Carryover	\$ (5.00)
		<b>\$ (3.56)</b>
	Contracts & Services	
	Contracts/Subagreements	\$ 2.65
	Repairs	\$ 0.90
	Bus Passes	\$ 0.57
	Conferences	\$ 0.25
		<b>\$ 4.36</b>
<b>3</b>	<b>Contributions</b>	
	No Change	\$ -
<b>4</b>	<b>Change in Fund Balance</b>	
	Increase for the period (July18-Jan19)	\$ 0.07

# FY2018-19 Budget Report

## General Fund - Combined



**OAKLAND UNIFIED  
SCHOOL DISTRICT**

Community Schools, Thriving Students

	Budget Adoption 6/27/2018	Revision 1 10/15/2018	Revision 2 1st Interim 10/31/2018	Revision 3 1/31/2019	Increase (Decrease) Revision 3 vs Revision 2
<b>REVENUE</b>					
LCFF	\$ 386,678,975	\$ 390,139,733	\$ 386,209,563	\$ 384,472,863	\$ (1,736,700)
FEDERAL	\$ 41,483,796	\$ 50,552,047	\$ 50,643,253	\$ 50,569,980	\$ (73,273)
OTHER STATE	\$ 66,754,422	\$ 64,533,457	\$ 71,202,238	\$ 71,310,081	\$ 107,843
LOCAL	\$ 71,609,223	\$ 77,081,800	\$ 77,897,979	\$ 79,361,875	\$ 1,463,896
<b>TOTAL</b>	<b>\$ 566,526,416</b>	<b>\$ 582,307,037</b>	<b>\$ 585,953,033</b>	<b>\$ 585,714,799</b>	<b>\$ (238,234)</b>
<b>EXPENDITURES</b>					
CERTIFICATED	\$ 195,773,102	\$ 199,251,768	\$ 199,227,821	\$ 199,334,532	\$ 106,710
CLASSIFIED	\$ 92,905,452	\$ 94,043,938	\$ 94,501,178	\$ 93,733,183	\$ (767,995)
BENEFITS	\$ 148,087,353	\$ 150,442,032	\$ 151,929,719	\$ 150,016,136	\$ (1,913,582)
Books & Supplies	\$ 19,619,207	\$ 49,256,743	\$ 47,157,466	\$ 44,016,331	\$ (3,141,135)
Contracts and Services	\$ 78,844,578	\$ 86,387,504	\$ 90,542,747	\$ 93,738,813	\$ 3,196,065
Capital Outlays	\$ 47,950	\$ 7,009,620	\$ 7,377,189	\$ 7,550,452	\$ 173,263
Other Outgoing	\$ 7,561,809	\$ 17,412,512	\$ 17,263,279	\$ 17,234,246	\$ (29,033)
<b>TOTAL</b>	<b>\$ 542,839,451</b>	<b>\$ 603,804,118</b>	<b>\$ 607,999,399</b>	<b>\$ 605,623,692</b>	<b>\$ (2,375,707)</b>
<b>Excess (Deficit)</b>	<b>\$ 23,686,965</b>	<b>\$ (21,497,081)</b>	<b>\$ (22,046,366)</b>	<b>\$ (19,908,893)</b>	<b>\$ 2,137,473</b>
Other Financing (Sources)Uses	\$ (1,225,933)	\$ (1,225,933)	\$ (1,225,933)	\$ (1,225,933)	\$ -
Contributions	\$ -	\$ -	\$ -	\$ 0	\$ -
<b>NET INCREASE (DECREASE)</b>	<b>\$ 22,461,032</b>	<b>\$ (22,723,014)</b>	<b>\$ (23,272,299)</b>	<b>\$ (21,134,826)</b>	<b>\$ 2,137,473</b>
<b>FUND BALANCE</b>					
Beginning Balance	\$ 25,708,250	\$ 56,587,855	\$ 56,587,855	\$ 49,983,070	\$ (6,604,785)
<b>Ending Fund Balance</b>	<b>\$ 48,169,282</b>	<b>\$ 33,864,841</b>	<b>\$ 33,315,556</b>	<b>\$ 28,848,244</b>	<b>\$ (4,467,312)</b>
<b>Component of EFB</b>					
Non-Spendable	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ -
Restricted	\$ 33,454,767	\$ 12,456,005	\$ 13,019,536	\$ 13,096,141	\$ 76,605
Committed	\$ 350,000	\$ -	\$ -	\$ -	\$ -
Assigned-Prior Year ADA Adjustment	\$ -	\$ 6,023,564	\$ 5,379,785	\$ -	\$ (5,379,785)
Assigned- Technology Refresh	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Reserve for Economic Uncertainty	\$ 14,214,515	\$ 14,235,271	\$ 13,766,235	\$ 15,602,103	\$ 1,835,868
Unassigned	\$ 1	\$ 0	\$ -	\$ -	\$ (0)
REU Rate	2.62%	2.35%	2.26%	2.57%	0.31%



## Next Step

Second Interim Report will be presented to the Board on March 13<sup>th</sup> for approval.

# Recommendation

Approval of the Budget Revision No. 3 for Fiscal Year 2018-19 reflecting up-to-date budget information as of January 31, 2019.