

Ocean View School District Budget Update

November 13, 2018



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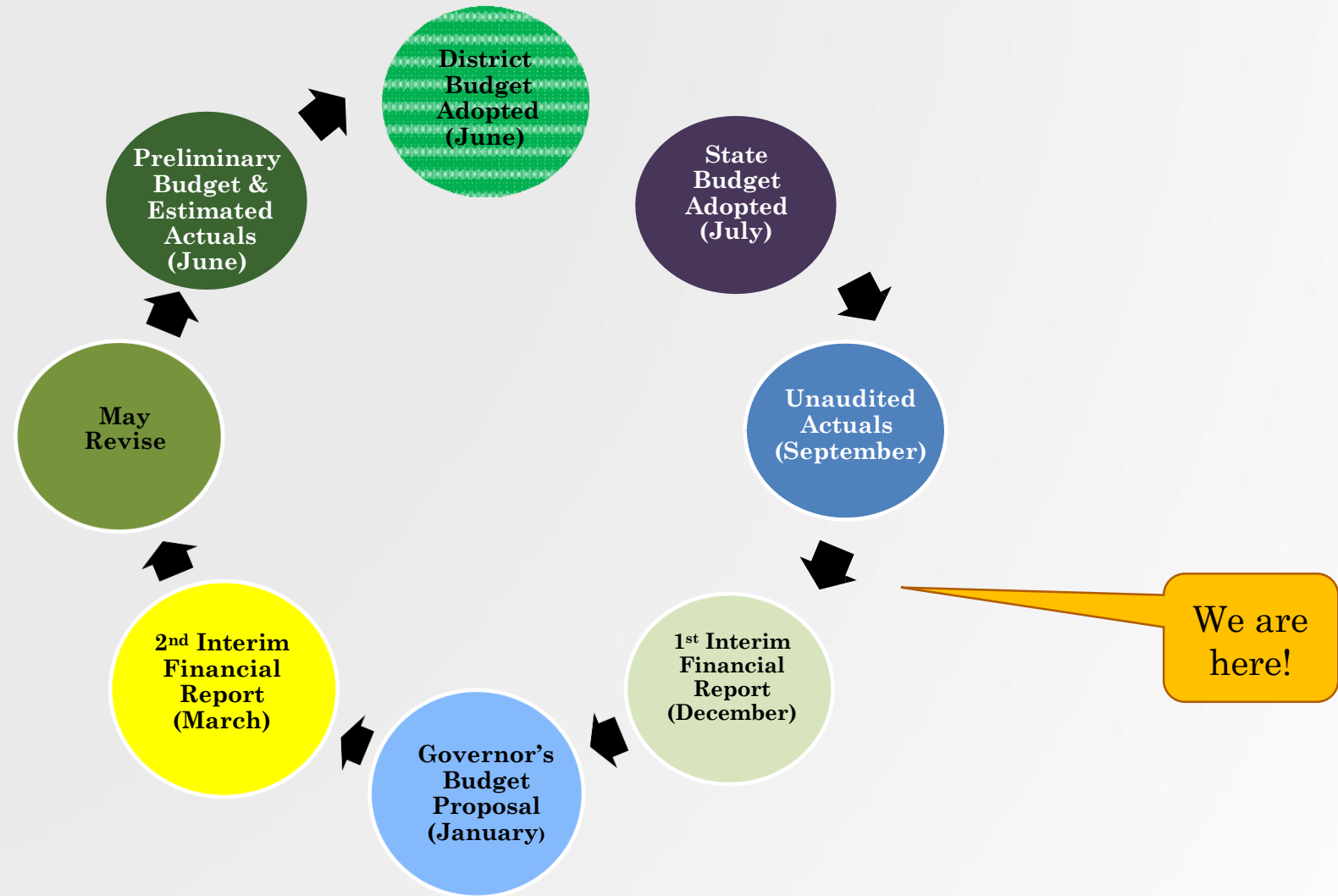
Objective of Presentation



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- ❖ Clarify budget related questions
 - ❖ Budget Development Timeline
 - ❖ 2018-19 Budget Adoption
 - ❖ 2017-18 Unaudited Actuals
 - ❖ Budgetary Savings

Annual Budget Cycle

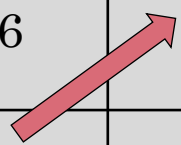


2017-18 Budget Timeline

- ❖ **1st Interim** - Due December 15th for the period ending October 31
(Board approved December 11, 2017)
- ❖ **2nd Interim** - Due March 17th for the period ending January 31
(Board approved March 6, 2018)
- ❖ **Preliminary Budget** (which includes Estimated Actuals) – Public review prior to the Board adopting the Budget (June 12, 2018 Board Meeting)
- ❖ **Adopted Budget** - Due July 1 for the next fiscal year
(Board approved June 21, 2018)
- ❖ **Unaudited Actuals** - Due September 15th for the previous fiscal year ending June 30, 2018 (Board approved September 4, 2018)

Combined Budget Comparisons

GF Combined	2017-18 Estimated Actuals 6-12-2018	2018-19 Budget Adoption 6-21-2018	2017-18 Unaudited Actuals 9-4-2018
Revenues	\$86,180,489	\$86,728,119	\$87,042,954
Expenditures	\$90,593,465	\$86,406,591	\$88,249,776
Net Increase / Decrease in Fund Balance	(\$4,662,976)	\$71,528	(\$1,456,821)
Beginning Fund Balance	\$13,043,306	\$8,064,359	\$13,043,306
Ending Fund Balance	\$8,064,359*	\$8,135,886	\$11,270,514



Combined Budget Comparisons

GF Combined	2017-18 Estimated Actuals 6-12-2018	2017-18 Unaudited Actuals 9-4-2018	Difference EA to UA
Revenues	\$86,180,489	\$87,042,954	+\$862,464
Expenditures <i>(including Transfers In/Out)</i>	\$90,593,465	\$88,249,776	<\$2,343,689>
Surplus/ (Structural Deficit)	(\$4,662,976)	(\$1,456,821)	+\$3,206,153
Beginning Fund Balance	\$13,043,306	\$13,043,306	\$0
Ending Fund Balance	\$8,064,359	\$11,270,514	+\$3,206,155

Combined Budget Comparisons

GF Combined	2017-18 Estimated Actuals	2017-18 Unaudited Actuals	Difference
LCFF Revenues	\$68,263,236	\$68,185,761	<\$77,475>
Federal Revenues	\$4,542,800	\$4,779,648	\$236,847
Other State Revenues	\$7,134,040	\$7,106,030	<\$28,010>
Other Local Revenues	\$6,240,413	\$6,971,515	\$731,102
TOTAL Revenues	\$86,180,489	\$87,042,954	\$862,464

Primary Revenue Differences, unbudgeted yet received

❖ Federal Revenue \$236,847 increase:

- ❖ \$219,000 Title I Deferred Revenue, revenue received after budget adoption

❖ Local Revenue \$731,102 increase:

- ❖ \$147,000 increase in interest earned (interest rates higher than previous year)
- ❖ \$285,000 increase in State Aid Special Education apportionment received
- ❖ \$ 73,000 increase in facilities actual fees received
- ❖ \$ 66,000 increase in E-Rate savings
- ❖ \$142,000 increase in Education Donations

Combined Budget Comparisons

GF Combined	2017-18 Estimated Actuals	2017-18 Unaudited Actuals	Difference
Certificated Salaries	\$41,132,907	\$40,940,779	<\$173,128>
Classified Salaries	\$15,697,263	\$16,103,583	\$406,320
Employee Benefits	\$20,042,074	\$19,857,746	<\$184,328>
Supplies	\$5,486,547	\$4,059,729	<\$1,426,818>
Services	\$8,039,382	\$7,103,401	<\$935,981>
Capital Outlay	\$131,544	\$109,825	<\$21,719>
Other Outgo	\$438,806	\$419,749	<\$19,057>
Support Costs	(\$375,058)	(\$364,036)	\$11,022
TOTAL Expenditures	\$90,593,465	\$88,249,776	<\$2,343,689>

Primary Expenditure Differences, budgeted but unspent

❖ Classified Salaries \$406,320 increase:

❖ Primarily resulting from increase in Classified Clerical and Support Salaries

❖ Supplies \$1,426,818 decrease (budget savings):

❖ Budgeted but not spent

❖ \$133,000 PTO

❖ \$236,000 Donations

❖ \$215,000 Site/Departments

❖ \$ 57,000 Medi-Cal

❖ \$159,000 One-Time Discretionary

Primary Expenditure Differences, budgeted but unspent

❖ Services \$935,981 decrease (budget savings):

❖ Budgeted but not spent

- ❖ \$147,000 Speech Consultant
- ❖ \$ 56,000 Special Education Administration
- ❖ \$ 40,000 Information Technology
- ❖ \$ 70,000 District Utilities
- ❖ \$ 74,000 District Operations
- ❖ \$420,000 Legal

Additional Questions

❖ Why are these funds not identified sooner?

- ❖ Staff provide budget presentation that correspond to state required budget reports (1st and 2nd Interim, Preliminary Budget, Adopted Budget, and Unaudited Actuals) are a point in time, based on the information we know at the time.
- ❖ Preliminary Budget is based on March financial date being compared to Unaudited Actuals through year-end June 30th, but audited/analyzed in July/August after the fiscal year has ended.
- ❖ Any savings is not realized until Unaudited Actuals to reflect the actual revenues and expenditure of the previous school year.
- ❖ Any increase in the Net Fund Balance increases the District's Reserves.

Additional Questions

❖ Is our declining ADA number being improperly manipulated??

- ❖ ADA drives funding, great focus goes into enrollment projections.
- ❖ Staff are constantly monitoring reviewing on a monthly basis both the enrollment and ADA since both affect our funding.
- ❖ The District is also independently audited, which includes a full review of our attendance numbers by our independent auditing firm - VTD.

Additional Questions

- ❖ Are the accounts where this "new money" came from going to be back-filled with Measure R money?
- ❖ There is no “new money”, just budgetary savings.
- ❖ Measure R funds are not comingled with the General Fund.
- ❖ Measure R is being accounted for separately in Fund 21.
- ❖ Measure R is also independently audited by our independent auditing firm – VTD, in addition to the review of all expenditures by the Citizens Oversight Committee.

Questions ?

