



2016-17 1ST INTERIM REPORT

Orange Unified School District

December 8, 2016

Presentation Overview



Budgetary Building Blocks for 2016-17 1st Interim



Historical Average Daily Attendance (ADA) Projections



Historical District Contributions to CalSTRS and CalPERS



Multi-Year Projections



Next Steps



Budgetary Building Blocks

- **Revenues:**

- Local Control Funding Formula

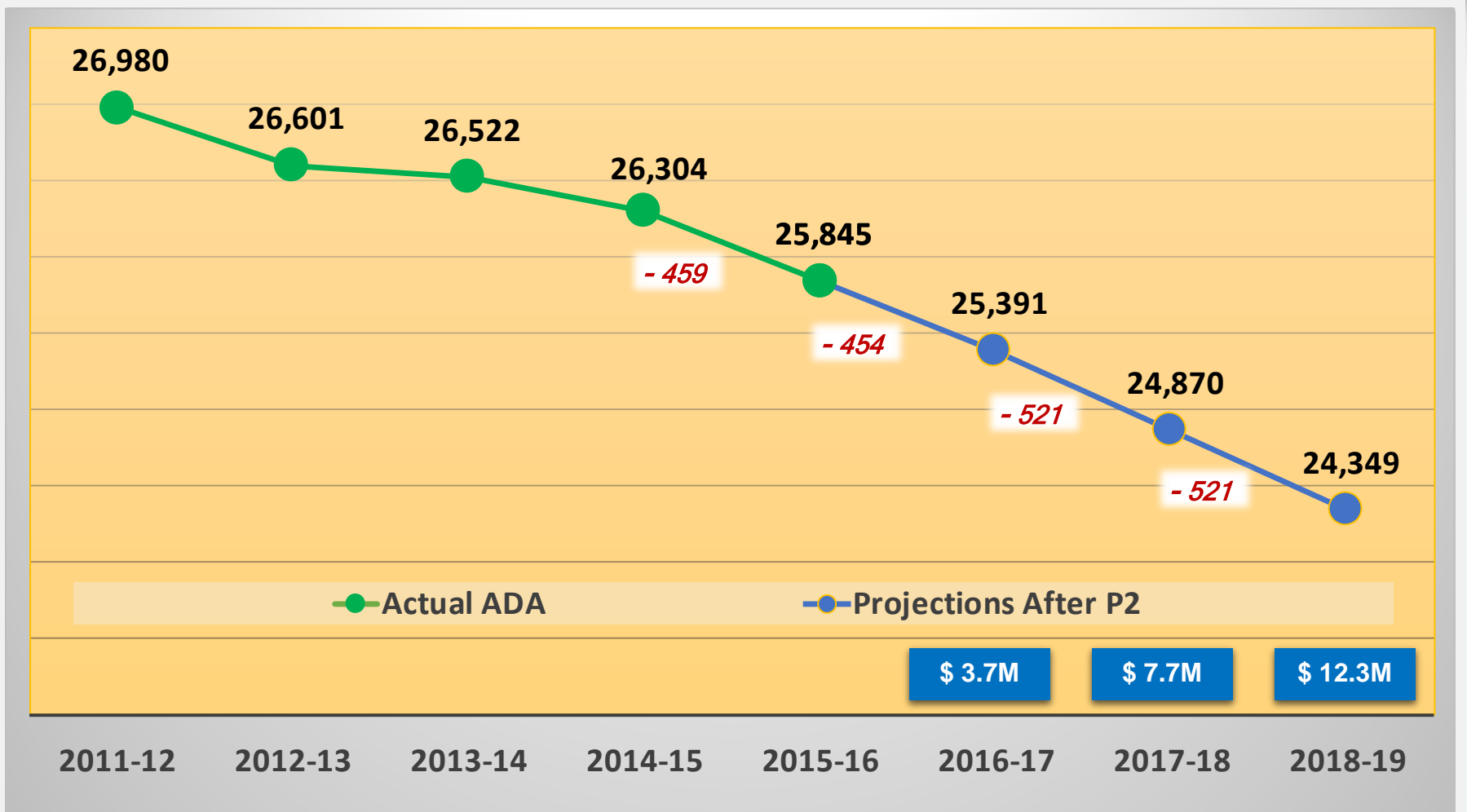
- Annual decline in enrollment of 541
- Attendance Rate: 96.3%
- Unduplicated Pupil Percentage: 49.35% (3-year rolling percentage)
- Using School Services GAP Funding

A close-up photograph of a hand holding a black pen with a gold nib, writing on a document. The document has a grid pattern, and some numbers are visible, such as '07.95', '10.50', and '25'. The background is blurred.

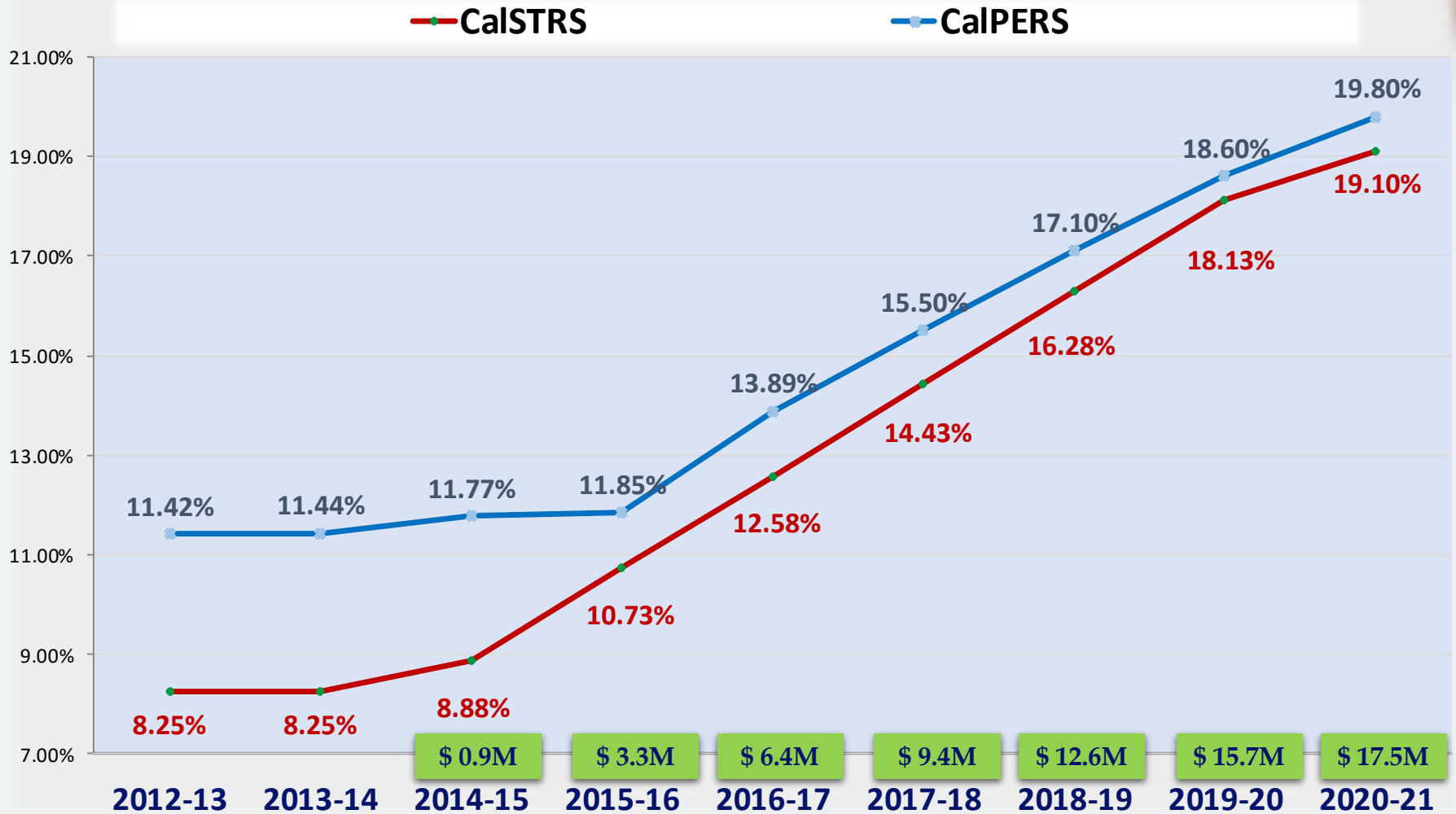
Budgetary Building Blocks

- **Expenditures:**
 - Class Size Reduction beginning 2017-18
 - Step and Column Increases
 - Certificated & Leadership 1.2%
 - Classified 2%
 - Increases in STRS and PERS employer contribution rates


Historical Average Daily Attendance ADA Projections



Historical District Contributions to CalSTRS and CalPERS




Example of District Contributions to CalSTRS



	2012-13 8.25%	2013-14 8.25%	2014-15 8.88%	2015-16 10.73%	2016-17 12.58%	2017-18 14.43%	2018-19 16.28%	2019-20 18.13%	2020-21 19.10%
Base Salary	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Employer Contribution	\$ 6,188	\$ 6,188	\$ 6,660	\$ 8,048	\$ 9,435	\$ 10,823	\$ 12,210	\$ 13,598	\$ 14,325
Total	\$ 81,188	\$ 81,188	\$ 81,660	\$ 83,048	\$ 84,435	\$ 85,823	\$ 87,210	\$ 88,598	\$ 89,325

Example of District Contributions to CalPERS



	2012-13 11.42%	2013-14 11.44%	2014-15 11.77%	2015-16 11.85%	2016-17 13.89%	2017-18 15.50%	2018-19 17.10%	2019-20 18.60%	2020-21 19.80%
Base Salary	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Employer Contribution	\$ 5,710	\$ 5,720	\$ 5,886	\$ 5,924	\$ 6,944	\$ 7,750	\$ 8,550	\$ 9,300	\$ 9,900
Total	\$ 55,710	\$ 55,720	\$ 55,886	\$ 55,924	\$ 56,944	\$ 57,750	\$ 58,550	\$ 59,300	\$ 59,900

Multi-Year Projections - 1st Interim

	2016-17	2017-18	2018-19
Statutory COLA	0.00%	1.11%	2.42%
DECLINING ADA	-454	-521	-521
REVENUES	283,245,800	265,270,113	270,247,031
<i>Declining Enrollment</i>	<i>(3,752,574)</i>	<i>(7,675,220)</i>	<i>(12,286,807)</i>
TOTAL REVENUES AS ADJUSTED	279,493,226	257,594,893	257,960,224
EXPENDITURES	291,814,269	265,958,168	268,065,622
<i>Increase in STRS & PERS Contributions</i>	<i>6,372,244</i>	<i>9,440,222</i>	<i>12,558,895</i>
<i>Class Size Reduction Program Cost</i>		<i>2,446,584</i>	<i>4,924,248</i>
TOTAL EXPENDITURES	298,186,513	277,844,974	285,548,765
INCREASE (DECREASE) IN FUND BALANCE	(18,693,287)	(20,250,081)	(27,588,541)
BEGINNING BALANCE	79,290,185	60,596,898	40,346,817
PROJECTED ENDING BALANCE	60,596,898	40,346,817	12,758,276
Adjustment to Ending Fund Balance			
Stores, Revolving Cash	(250,000)	(250,000)	(250,000)
Reserve for CSR	(3,210,488)	(763,904)	
Reserve for STRS & PERS Increases	(9,304,092)	(6,236,114)	(3,121,879)
Assigned Reserves and Carryover	(84,295)	(84,295)	(84,295)
3% State Required Contingency	(8,945,596)	(8,335,349)	(8,566,463)
Unappropriated Fund Balance Above 3%	38,802,427	24,677,155	735,639



Next Steps

State Level

- Governor's Proposals for the 2017-18 Budget by January 10, 2017
- State Budget is enacted by June 30, 2017

Local Level

- Adopt 2016-17 2nd Interim Reports by March 15, 2017
- 2016-17 Estimated Actuals and 2017-18 District Budget First Hearing by May 31, 2016
- Adopt 2017-18 District Budget by June 30, 2017