



Oregon City School District No. 62

Learning to be our Best

PO Box 2110 (1417 12th St.), Oregon City, Oregon 97045-5010

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Larry Didway, Superintendent

DATE: September 27, 2021

TO: Board Members

FROM: Susan Dodd, CFO

RE: Financial Update for the Year Ended June 30, 2021 – QTR 4

The attached report summarizes updated preliminary financial statements since March 2021 for the General Fund prior to the completion of our audit for fiscal 2020-21. While we are not expecting any material adjustments resulting from our audit, we always expect some adjustments as we prepare for the year-end close. The Comprehensive Annual Financial Report (CAFR) will be the final report to the Board for fiscal 2020-21. As of June 30, 2021, the District's projected ending fund balance is at \$4.5 million. It is \$.5 million over what was projected for the beginning fund balance for the 2021-22 budget.

Comparison of the 2020-21 Budget to Projected Financial Results

- **Revenue** – There is a \$3.7 million decrease in revenue collections over the prior quarter which includes a \$3.6 million dollar decrease in State School Fund Revenue for the General Fund. It is comprised of a \$1.3 million dollar decrease for the May Adjustment mainly due to a reduction in the transportation expense reimbursement. The district covered a \$.3 million dollar deficit for its Nutrition Services Program and a \$.2 million dollar deficit for its charter school operations. The remainder of the \$1.8 million dollar difference is due to an enrollment drop. The district's 2020-21 budget assumed that school would resume onsite for fiscal year 2020-21 and was based on expected increased enrollment. Actual enrollment for 2020-21 was much lower than projected. The remaining total decrease of \$.1 million resulted from lower student fees collections netted with an increase in Intermediate Revenues from the Clackamas Educational Service District.
- **Expenditures** - Expenditures are \$5.1 million dollars under budget. Wage and associated payroll costs account for \$3.9 million of the decrease, and the remaining \$1.2 million is for purchased services and supplies attributable to the closure of onsite operations related to the COVID virus outbreak.
- **Summary and Look Ahead** – In the most recent legislative session, \$9.3 billion was approved for K-12 state funding for the 2021-23 biennium. This funding allocation does not support current operational service levels. Student enrollment for the district is a major concern. We are 700 students lower than our budgeted students for 2021-22 as of the current date. Enrollment for all Oregon School Districts has not yet stabilized, and the Oregon Department of Education indicated in late September that because district enrollment appears to be decreasing statewide, state school fund distributions will likely be reallocated in October. This may increase the share of the district's state school funding. The district will provide enrollment updates over the next few weeks.

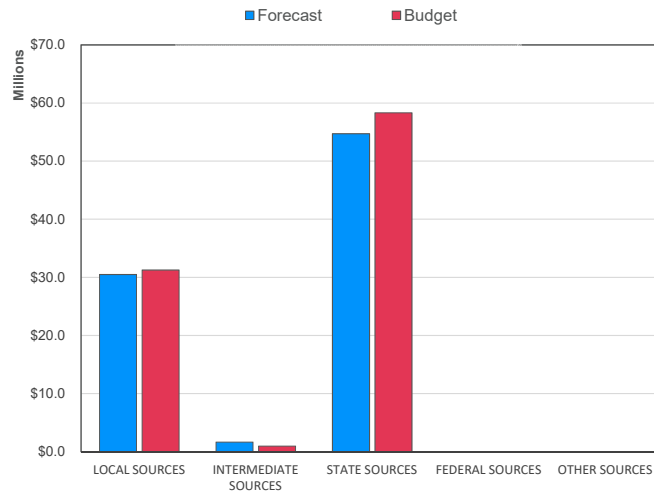
OREGON CITY SCHOOL DISTRICT #62 - PRE-AUDIT PROJECTION

100 General Fund | Financial Projection by Object

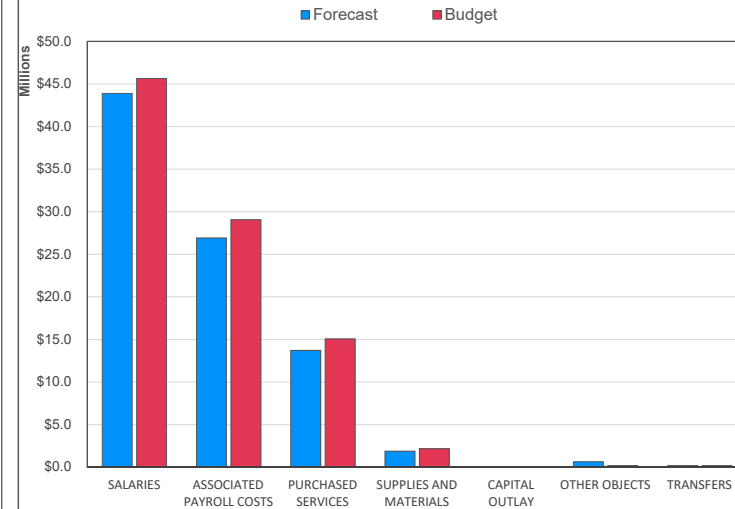
For the Period Ending June 30, 2021

	Prior YTD	Current Year Budget	Current YTD	% of Budget	Annual Forecast	Variance Fav / (Unfav)
RESOURCES						
Operating Revenues						
Local Sources	\$ 29,508,979	\$ 31,260,900	\$ 30,366,380	97.14%	\$ 30,476,380	\$ (784,520)
Intermediate Sources	1,563,669	947,000	1,638,683	173.04%	1,638,683	691,683
State Sources	53,996,410	58,308,900	54,699,650	93.81%	54,699,650	(3,609,250)
Federal Sources	7,111	1,900	-	0.00%	-	(1,900)
Other Sources	-	-	-	0.00%	-	-
Total Operating Revenues	\$ 85,076,169	\$ 90,518,700	\$ 86,704,713	95.79%	\$ 86,814,713	\$ (3,703,987)
Beginning Fund Balance	6,571,097	5,000,000	5,009,912	100.20%	5,009,912	9,912
TOTAL RESOURCES	\$ 91,647,266	\$ 95,518,700	\$ 91,714,625	96.02%	\$ 91,824,625	\$ (3,694,075)
REQUIREMENTS						
Operating Expenditures						
Salaries	\$ 43,013,961	\$ 45,652,120	\$ 43,892,824	96.15%	\$ 43,892,824	\$ 1,759,296
Associated Payroll Costs	26,300,799	29,058,074	26,925,770	92.66%	26,925,770	2,132,304
Purchased Services	14,351,154	15,070,196	13,723,006	91.06%	13,723,006	1,347,190
Supplies and Materials	1,823,525	2,177,270	1,883,898	86.53%	1,883,898	293,372
Capital Outlay	192,281	49,680	64,697	130.23%	64,697	(15,017)
Other Objects	555,634	195,188	639,387	327.57%	639,387	(444,199)
Transfers	400,000	200,000	200,000	100.00%	200,000	-
Total Operating Expenditures	\$ 86,637,354	\$ 92,402,528	\$ 87,329,581	94.51%	\$ 87,329,581	\$ 5,072,946
Contingencies	-	3,116,172	-	0.00%	-	3,116,172
Unappropriated Ending Fund Balance	-	-	-	0.00%	-	-
TOTAL REQUIREMENTS	\$ 86,637,354	\$ 95,518,700	\$ 87,329,581	91.43%	\$ 87,329,581	\$ 8,189,119
Ending Fund Balance	\$ 5,009,912	\$ 4,385,044	\$ 4,385,044		\$ 4,495,044	\$ 4,495,044
OPERATING SURPLUS / (DEFICIT)	\$ (1,561,185)	\$ (1,883,828)	\$ (624,868)		\$ (514,868)	\$ 1,368,959
(Operating Revenue less Operating Expenses)						

Revenues by Source | Forecast vs. Budget



Expenditures by Object | Forecast vs. Budget



100 General Fund

For the Period Ending June 30, 2021

Month-End Fund Balances



Oregon City School District General Fund Financial Statements

2020-21 GENERAL FUND BALANCE JUNE 30, 2021							
	2018-19	2019-20	2020-21	2020-21	2020-21	2020-21	2020-21
	Audited	Audited	Qtr 1 Projection	Qtr 2 Projection	Qtr 3 Projection	Qtr 4 Projection	Budget
							<i>Adopted</i>
TOTAL RESOURCES	86,203,215	91,647,266	95,144,816	95,189,398	92,535,591	91,824,625	95,518,700
TOTAL EXPENDITURES	79,632,119	86,637,354	91,567,304	90,452,915	88,511,545	87,329,581	95,518,700
FUND BALANCE	6,571,096	5,009,912	3,577,512	4,736,483	4,024,046	4,495,044	-
As a % of Total Resources	7.62%	5.47%	3.76%	4.98%	4.35%	4.90%	
FUND BALANCE BUDGETED FOR NEXT YEAR	5,000,000					4,024,000	
DIFFERENCE AVAILABLE FOR 2020-21	9,912					471,044	



OCSD - General Obligation Bond Summary - Expenses Nov. 2018 Through June 2021 - Fund 418

		Revision as of June 2021		Inception to Date - Audit			Total Budget Remaining
				Audit Jun-19	Audit Jun-20	Prelim Jun-21	Jun-21
Total Bond Budget							
Budgeted Resources		\$ 173,721,944	\$ 177,985,961				
Total Resources Available - Collected				\$ 161,883,907	\$ 162,413,088	\$ 177,542,298	
							\$ 49,238,763
		Original Expenses	Revised Expenses				Expenses
Project Description	Location	Overall Budget	Overall Budget	Amount		Amount	Budget Balance
1 Gardiner Replacement	Gardiner	\$ 82,093,293	\$ 89,439,938	\$ 1,233,477	\$ 11,370,309	\$ 64,944,532	\$ 24,495,406
2 Ogden Renovation	Ogden	\$ 31,399,384	\$ 44,711,889	\$ 554,773	\$ 6,365,119	\$ 36,392,468	\$ 8,319,421
3 Future Ogden Middle School Land	Ogden	\$ 4,000,000	\$ 7,153,162	\$ 116,390	\$ 11,673	\$ 197,339	\$ 6,955,823
4 Safety & Security	All Locations	\$ 9,831,650	\$ 19,174,076	\$ 311,661	\$ 5,905,324	\$ 19,255,848	\$ (81,772)
5 Capital Upgrades - Other - To Date	Barclay, Jackson, IMC, Other	\$ 3,000,000	\$ 8,217,461	\$ 121,989	\$ 353,589	\$ 853,712	\$ 7,363,749
6 CTE Planning and Prototypes - To Date	Jackson (CAIS), OCHS, Other	\$ 4,459,711	\$ 4,389,676	\$ 138,381	\$ 380,715	\$ 2,069,138	\$ 2,320,538
7 Bond Management & Bond Office Construction	District-Wide	\$ 11,774,173	\$ 4,975,211	\$ 1,213,876	\$ 1,484,888	\$ 4,042,958	\$ 932,253
Contingency - Budget		\$ 26,120,790	\$ 933,344	\$ -	\$ -	\$ -	\$ 933,344
Total Bond Project Expenses Nov. 2018 Through June 30 2021		\$ 172,679,001	\$ 178,994,757	\$ 3,690,547	\$ 25,871,617	\$ 127,755,995	\$ 51,238,762
Bond Issuance Costs - Related to Bond Projects		\$ 1,042,943	\$ 991,204	\$ 991,204	\$ -	\$ 991,204	\$ -
Total Costs to Date		\$ 173,721,944	\$ 179,985,961	\$ 4,681,750	\$ 25,871,617	\$ 128,747,198	\$ -

Oregon City School District #62 Investment Report QTR 4 2021

		Issuer	Book Value	Percentage of Portfolio	Maximum allowed per Policy	Over	Weighted Ave Yield
June 30, 2021							
US Gov't Treasuries							
	US Gov't Treasury	\$	34,412,408.27	40.66%	100.00%		2.33%
	Sub Total	\$	34,412,408.27	40.66%	100.00%		
US Gov't Agencies							
	Federal Home Loan Bank	\$	8,893,205.19	10.51%	100.00%	N/A	2.66%
	Sub Total	\$	8,893,205.19	10.51%	100.00%	N/A	2.66%
Total Investment Portfolio		\$	43,305,613.46	51.17%			2.40%
Banks/LGIP							
	US Bank - Bond Checking	\$	466,866.52				
	US Bank - General Checking	\$	2,294,754.58				
	US Bank - Nutrition Services	\$	591,521.41				
	US Bank - Payroll	\$	223,081.91				
	Sub Total - banks	\$	2,761,621.10				
					LGIP Limit	Under/Over	
	LGIP 6102 Bond Fund 418	\$	23,981,610.61	28.34%	50,400,000	26,418,389	0.75%
	LGIP 4358 Debt Service Fund 300	\$	1,038,427.87	1.23%	50,400,000	49,361,572	0.75%
	LGIP 4344 General Fund 100	\$	13,539,734.18	16.00%	50,400,000	36,860,266	0.75%
	Total Cash and Equivalents	\$	38,559,772.66	45.56%			
Grand Total		\$	84,627,007.22				1.23%