



Orinda USD First Interim Report 2022-23

Board of Trustees Meeting, 12.12.2022

Orinda USD 2022–23 First Interim Budget

Introduction

Orinda USD Board of Trustees adopted the 2022-2023 budget on June 13, 2022.

Education Code Section 41230 requires school districts to prepare the First Interim Report as of the October 31st reporting period and prior to December 15th.

The First Interim report covers the financial condition of the District for the period that ended October 31, and the budget revisions through November 30, 2022.



Annual Budget Cycle

2022-2023 Fiscal Year Budget Cycle	
Description	Board of Trustees Meeting
District Adopted Budget	June 13, 2022
State Enacted Budget	July 1, 2022
*First Interim (as of October 31)	December 12, 2022
Second Interim (as of January 31)	March 13, 2023
Unaudited Actuals	September, 2023
Annual Financial Audit	January, 2024



Orinda USD First Interim: The Highlights

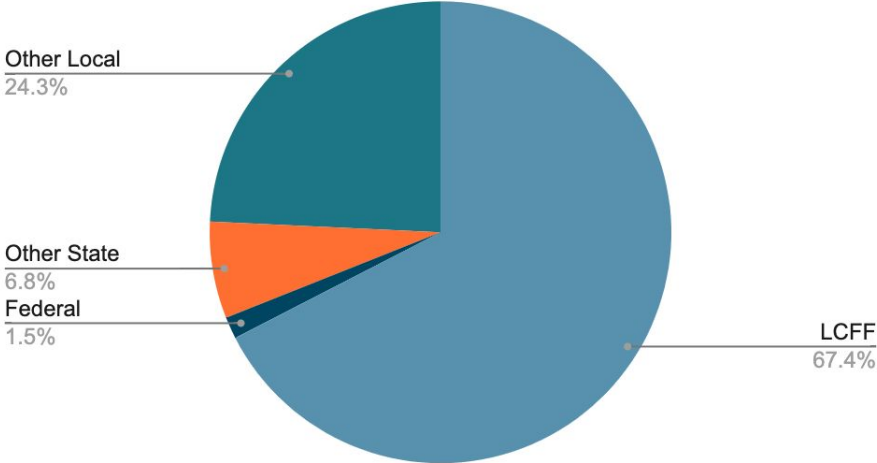
1. **2022-23:** District expects to meet all financial obligations, including the 9% Reserve for Economic Uncertainties.
2. State ongoing and one-time restricted revenues have enhanced the revenues and expenditures for the 2022-2023 school year to allow additional support for students in light of the post-pandemic and distance learning years.
3. Budget revisions resulting from the tentative agreements approved during the 12.5.2022 Board Meeting are not reflected in the First Interim and will be reflected during the Second Interim report.
4. **2023-24:** District expects to meet financial obligation.
5. **2024-25:** District expects to meet financial obligation.



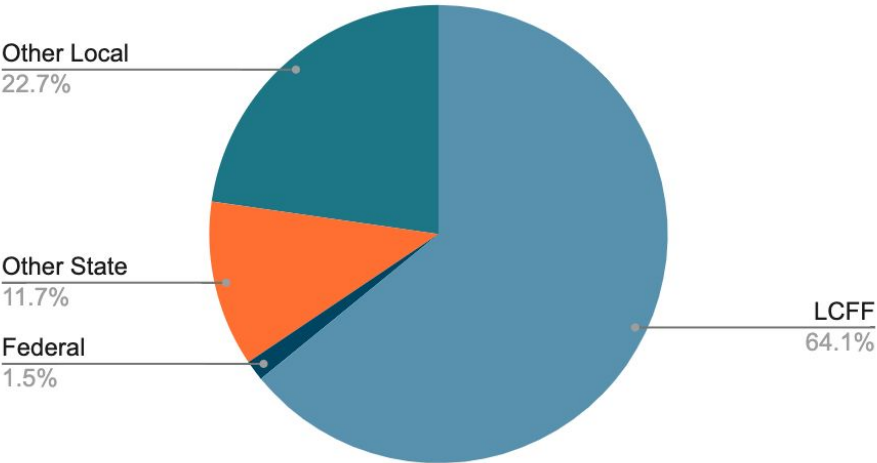
First Interim Revenue

Orinda USD is an LCFF funded district with 64% of revenue projected to be received from the State. Local funding is significant with 22.7% projected to be funded by the local parcel tax (~11%) and the ONE foundation (~11%).

OUSD Revenue Sources: Adopted Budget 2022-23



OUSD Revenue Sources: First Interim 2022-23



Revenues - Combined

Revenues Combined	Adopted Budget 2022-23	First Interim Budget 2022-23	Change	Percent Change
Local Control Funding Formula (LCFF)	\$24,652,962	\$25,033,446	\$380,484	2%
Federal	\$558,152	\$567,793	\$9,641	2%
Other State	\$2,476,662	\$4,572,593	\$2,095,930	85%
All Other Local	\$8,868,149	\$8,872,959	\$4,810	0%
REVENUES	\$36,555,926	\$39,046,791	\$2,490,865	7%



Revenues – Unrestricted

Unrestricted Revenues	Adopted Budget 2022-23	First Interim Budget 2022-23	Change	Percent Change
Local Control Funding Formula (LCFF)	\$23,955,187	\$24,329,343	\$373,156	1.56%
Federal	\$0	\$0	\$0	0%
Other State	\$511,245	\$415,592	(\$95,653)	-18.7%
All Other Local	\$3,635,889	\$3,756,001	\$120,112	3.3%
REVENUES	\$28,102,321	\$28,500,936	\$398,615	1.42%



Revenues – Restricted

Restricted Revenues	Adopted Budget 2022-23	First Interim Budget 2022-23	Change	Percent Change
Local Control Funding Formula (LCFF)	\$697,775	\$704,103	\$6,328	1%
Federal	\$558,152	\$567,793	\$9,641	2%
Other State	\$1,965,417	\$4,157,001	\$2,191,583	112%
Other Local	\$5,232,260	\$5,116,958	(\$115,302)	-2%
Revenues	\$8,453,605	\$10,545,855	\$2,092,250	25%



First Interim Revenue Highlights

- Ongoing revenues increased due to an increase in LCFF.
- Most significant revenue increase was seen in the area of restricted funding.
 - Arts, Music and Instructional Materials Block Grant - \$1,607,128 (one time)
 - Learning Recovery Emergency Block Grant - \$206,974 (one time)
 - Universal PK Planning and Implementation Grant - \$127,334 (ongoing)
 - Expanded Learning Opportunities Program Grant - \$184,917 (ongoing)



Expenditures – Combined

Expenditures Combined	Adopted Budget 2022-23	First Interim Budget 2022-23	Change	Percent Change
Certificated Salaries	\$15,387,876	\$15,283,450	(\$104,426)	-1%
Classified Salaries	\$4,644,241	\$4,875,122	\$230,881	5%
Employee Benefits	\$10,476,125	\$9,925,447	(\$550,648)	-5%
Books and Supplies	\$1,259,775	\$1,359,664	\$99,889	8%
Contracts and Services	\$6,698,611	\$6,333,630	(\$364,981)	-5%
Capital Outlay	\$87	\$42,437	\$42,350	0%
Other Outgo	\$513,683	\$566,725	\$53,042	10%
Indirect Support Cost	\$0	\$0	\$0	0%
EXPENDITURES	\$38,980,398	\$38,386,475	(\$593,923)	-2%

Expenditures – Unrestricted

Unrestricted Expenditures	Adopted Budget 2022-23	First Interim Budget 2022-23	Change	Percent Change
Certificated Salaries	\$11,282,155	\$10,737,422	(\$544,733)	-5%
Classified Salaries	\$3,086,017	\$3,391,176	\$305,159	10%
Employee Benefits	\$6,509,783	\$5,829,359	(\$680,424)	-10%
Books and Supplies	\$752,142	\$918,246	\$166,104	22%
Contracts and Services	\$3,219,524	\$2,368,620	(\$850,904)	-26%
Capital Outlay	\$0	\$19,906	\$19,906	0%
Other Outgo	\$269,342	\$268,424	(\$918)	0%
Indirect Support Costs	(\$51,978)	(\$49,717)	(\$2,261)	-4%
EXPENDITURES	\$25,066,986	\$23,483,436	(\$1,583,549)	-6%

Expenditures – Restricted

Unrestricted Expenditures	Adopted Budget 2022-23	First Interim Budget 2022-23	Change	Percent Change
Certificated Salaries	\$4,105,721	\$4,546,028	\$440,307	11%
Classified Salaries	\$1,558,223	\$1,483,946	(\$74,278)	-5%
Employee Benefits	\$3,966,341	\$4,096,088	\$129,746	3%
Books and Supplies	\$507,632	\$441,418	(\$66,215)	-13%
Contracts and Services	\$3,479,086	\$3,965,010	\$485,923	14%
Capital Outlay	\$87	\$22,531	\$22,444	0%
Other Outgo	\$244,341	\$298,301	\$53,960	22%
Indirect Support Costs	\$51,978	\$49,717	(\$2,261)	-4%
EXPENDITURES	\$13,913,412	\$14,903,039	\$989,626	7%

First Interim Expenditure Highlights

- Analysis of the budget, financials, position control and systems conducted.
- District eliminated and/or consolidated various programs and vendors resulting in savings.
- Positions not filled resulting in salary and benefit savings.
- Budget was revised due to the influx of one-time restricted funds to alleviate the pressure on the general fund.



Change in Fund Balance

COMBINED	Adopted Budget 2022-23	First Interim Budget 2022-23	Change
Total Revenues	\$36,555,926	\$39,046,791	\$2,490,865
Total Expenditures	\$38,980,398	\$38,386,150	(\$594,248)
Net Inc (Dec) in Fund Balance	(\$2,424,472)	\$660,641	\$3,085,113



Components of the Fund Balance

Description	2022-2023
RESTRICTED	
Other Restricted	\$1,916,092
UNRESTRICTED	
Revolving Cash	\$7,500
3% Reserve for Economic Uncertainties	\$1,156,094
6% Reserve	\$2,303,189
Unassigned	\$2,228.915



Other Funds – Separate From General Fund

Projected 2022-2023 Ending Fund Balances
As of June 30, 2022

Fund Name	First Interim
13 - Cafeteria Fund	In Progress
14 - Deferred Maintenance	\$130,000
21 - Building Fund (Measure E and I)	\$44,093,917
25 - Capital Facilities (Developer Fees)	\$812,519
40 - Special Reserve (Capital Outlay)	\$3,108,689
51 - Bond Interest and Redemption	\$2,562,714
71 - Retiree Benefit Fund (OPEB Trust)	\$1,393,069



Multi-Year Projection Assumptions

Major Assumptions	2022-23	2023-24	2024-25
Enrollment	2510	2525	2534
Cost of Living Adjustment (COLA) for LCFF per pupil funding	6.56%	5.38%	4.02%
Consumer Price Index	5.75%	2.58%	2.20%
CalSTRS Employer Rate	19.10%	19.10%	19.10%
CalPERS Employer Rate	25.37%	25.20%	24.60%
Medicare	1.45%	1.45%	1.45%
Health and Welfare Increase	5.0%	5.0%	5.0%



Multi Year Projections – Combined

2022-2023 Multi Year Projections (MYP) (Combined)			
Description	2022-23	2023-24	2024-25
REVENUES	\$39,090,365	\$38,811,472	\$40,381,547
EXPENDITURES	\$38,536,475	\$38,501,061	\$38,970,586
Net Increase (Decrease) in Fund Balance	\$554,159	\$310,411	\$1,410,961
Net Beginning Fund Balance	\$7,057,629	\$7,611,790	\$7,922,200
Ending Fund Balance, June 30	\$7,611,789	\$7,922,200	\$9,333,161
Unassigned	\$2,228,915	\$2,743,679	\$4,211,654
Estimated Total Fund Balance	19.8%	20.6%	23.9%
Estimated Unassigned	5.8%	7.1%	10.8%

Orinda USD First Interim Budget

Successes

- Additional revenues realized during the summer.
- Reached agreements with labor - fiscal impact will be reported during Second Interim.

Challenges

- OUSD continues to be one of the lowest funded Districts per student based on the LCFF formula.
- OUSD is prioritizing staff hiring and retention.
- Expansion of TK, need of deferred maintenance funds, impact of local fundraising efforts.
- Global and state economy are struggling and resulting in a decrease in local revenues.



Budget Certification

Orinda USD First Interim Budget Report 2022-23

Certification Positive - The District will be able to meet its financial obligations for the current and subsequent two fiscal years. Staff recommends the Board of Trustees approve the District First Interim Report.

