



Orinda USD Proposed Budget 2023-24

Board of Trustees Meeting, 6.05.2023 & 6.12.2023

Orinda USD 2023–24 Proposed Budget

Introduction

Education Code Section 42127 (a) (2), requires school districts to adopt a budget and file it with the county superintendent of schools within five days of adoption or by July 1, whichever occurs first.

The steps to adopt the budget include the governing board holding a public hearing on or before July 1 of each year.

Per Education Code section 42127 (d), the county superintendent shall approve, conditionally approve or disapprove the adopted budget on or before September 15.



Annual Budget Cycle

2023-2024 Fiscal Year Budget Cycle	
Description	Board of Trustees Meeting
Proposed Budget Public Hearing	June 5, 2023
District Adopted Budget	June 12, 2023
State Enacted Budget	July 1, 2023
First Interim (as of October 31)	December 15, 2023
Second Interim (as of January 31)	March 15, 2024
Unaudited Actuals	September 13, 2024
Annual Financial Audit	January, 2024



Governor's May Revision Highlights

- Cost of Living Adjustment (COLA) increased to 8.22% for 2023-24
- Commitment to fund the LCFF Equity Multiplier
- 50% reduction in Arts, Music, and Instructional Discretionary Block Grant
- 30% reduction in Learning Recovery Implementation Block Grant
- No withdrawals from the reserve (Rainy Fund Reserve)



Orinda USD Proposed Budget: The Highlights

1. District expects to meet all financial obligations, including the 9% Reserve for Economic Uncertainties.
2. COLA for 2023-24 increased from 8.13% to 8.22%.
3. Projected enrollment increased by 46 from the prior year.
4. Measure Z Parcel Tax revenue projection has been added.
5. **2024-25:** District expects to meet financial obligation.
6. **2025-26:** District expects to meet financial obligation.

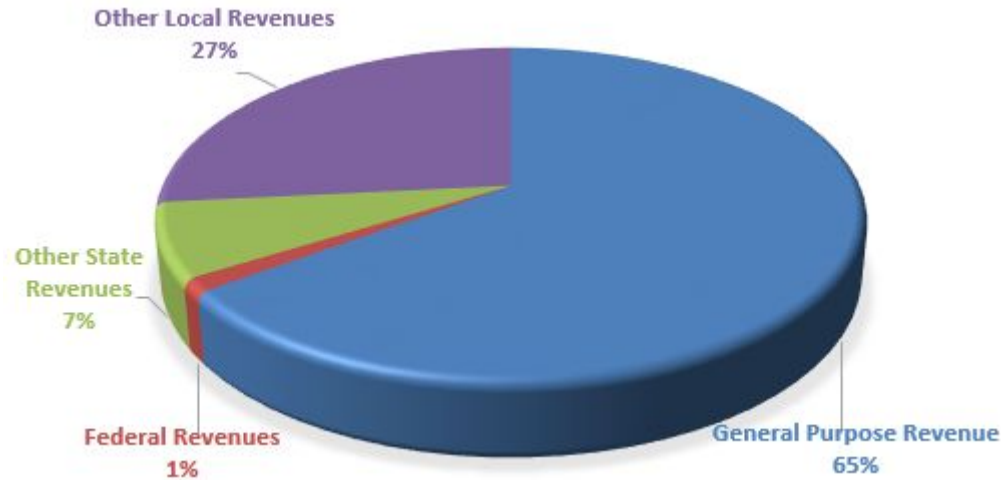


2023-24 Revenues

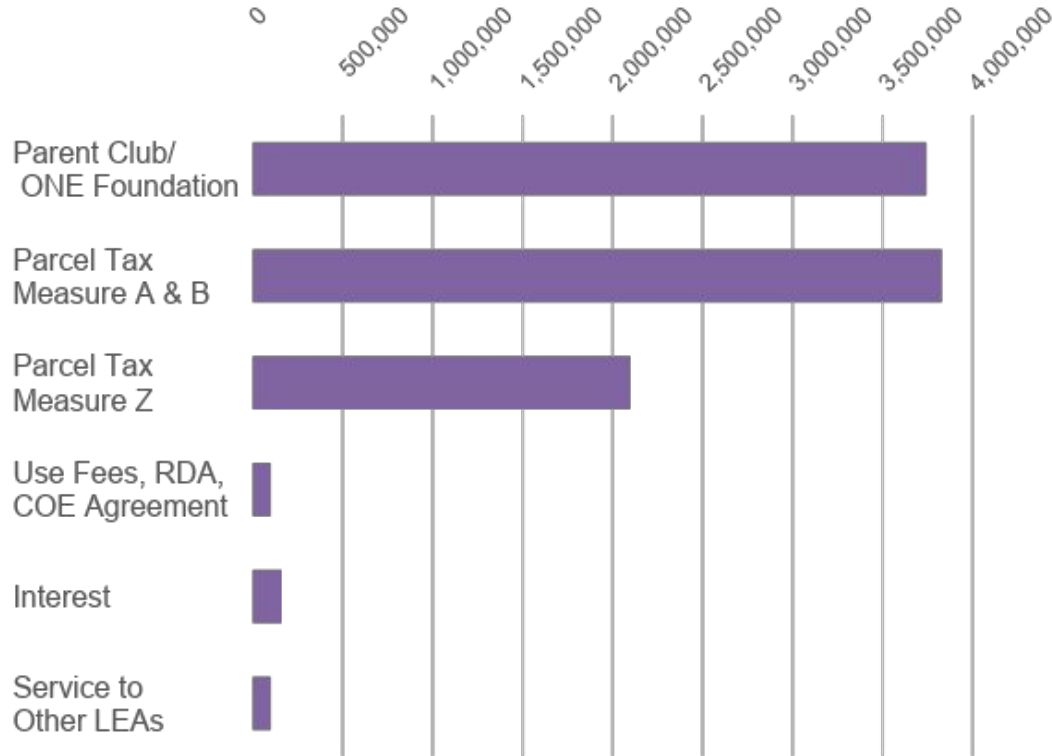


2023-24 Projected Revenues (\$41.9M)

- Orinda USD is an LCFF funded district
- 65% of revenue projected to be received from the State.
- 27% of revenue projected to be received from Local Sources (9% Parent Donations, 14% Parcel Tax, and 4% combination of Redevelopment Agency, Interest, Use Fees, etc.)



Components of Local Revenues (27%)



Revenues

Description	Unrestricted	Restricted	Total	%
General Purpose Revenue	\$26,383,888	\$821,621	\$27,205,509	65%
Federal Revenues	-	\$543,107	\$543,107	1%
Other State Revenues	\$590,812	\$2,452,489	\$3,043,301	7%
Other Local Revenues	\$4,022,042	\$7,131,002	\$11,153,044	27%
Contributions	\$ (6,051,155)	\$ 6,051,155	-	0%
Total	\$24,945,587	\$16,999,374	\$41,944,961	100%



Proposed Budget Revenue Highlights

- Ongoing revenues increased due to an **increase** in LCFF.
- Federal revenues no longer have COVID one-time funds
- State Restricted revenue no longer have:
 - Prekindergarten Planning & Implementation Grant - \$117,899 (one-time)
 - Arts, Music and Instructional Materials Block Grant - \$803,564 (one-time)
 - Learning Recovery Emergency Block Grant - \$206,974 (one-time)
- Projected Measure Z funds are added to the restricted Local funds



2023-24 Expenditures



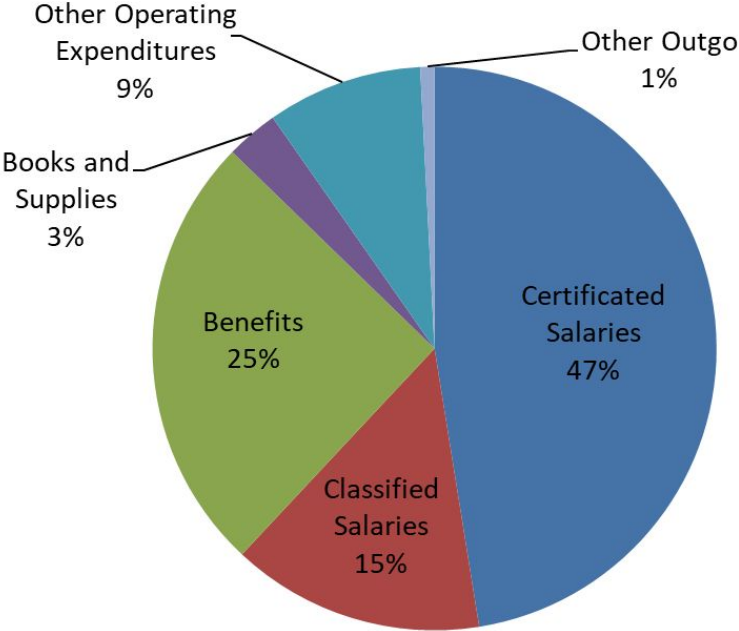
Expenditures

Description	Unrestricted	Restricted	Total	%
Certificated Salaries	\$12,182,075	\$4,641,404	\$16,823,479	41%
Classified Salaries	\$3,720,451	\$2,092,135	\$5,812,586	14%
Benefits	\$6,496,525	\$4,715,447	\$11,211,972	27%
Books and Supplies	\$770,555	\$444,847	\$1,215,402	3%
Other Operating Expenditures	\$2,286,368	\$3,336,670	\$5,623,038	14%
Capital Outlay	\$0	\$33,000	\$33,000	0%
Other Outgo	\$208,900	\$365,066	\$573,966	1%
TOTAL	\$25,664,874	\$15,628,569	\$41,293,443	100%

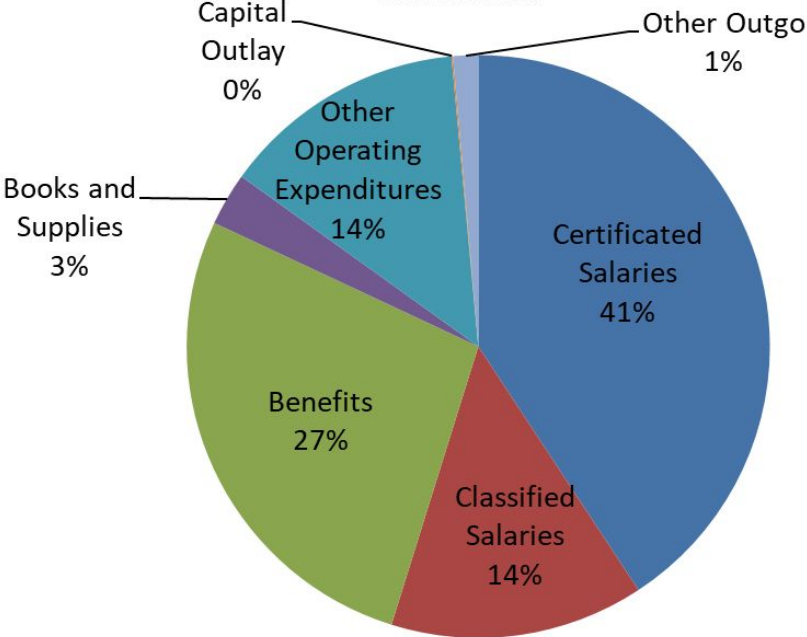


Expenditures

Unrestricted



Combined



Expenditure Highlights

- Salary and benefit budgets were adjusted to reflect the Step & Column increase
- Four Teacher Positions were added to reflect an enrollment increase
- Several Special Ed positions were created to replace costly contracts
- PreK Planning grant was fully spent as of 6/30/2023
- Art, Music, and Instructional Mat'l grant amount is adjusted to 50% of original allocation, and it will be fully spent by the end of 23-24.
- Learning Recovery Emergency grant amount is adjusted to 70% of original allocation, and it will be fully spent by the end of 23-24.
- Estimated Prop 28 Art & Music grant was added to budget
- Several movements of FTE funding sources to accommodate funding changes



Fund Balances



Change in Fund Balance

COMBINED	Unrestricted	Restricted	Total
Total Revenues	\$25,020,909	\$16,999,374	\$42,020,283
Total Expenditures	\$25,664,874	\$15,628,569	\$41,293,443
Net Inc (Dec) in Fund Balance	-\$643,965	\$1,370,805	\$726,840



2022-23 Estimated Actuals

COMBINED	Unrestricted	Restricted	Total
Total Revenues	\$23,103,259	\$16,202,313	\$39,305,572
Total Expenditures	\$24,908,892	\$15,769,413	\$40,678,305
Net Inc (Dec) in Fund Balance	-\$1,805,633	\$432,900	-\$1,372,733



Components of the Fund Balance

Description	2023-2024
RESTRICTED	
Other Restricted	\$2,620,923
UNRESTRICTED	
Revolving Cash	\$7,500
3% Reserve for Economic Uncertainties	\$1,238,803
6% Reserve	\$2,477,607
Unassigned	\$5,740



Other Funds – Separate From General Fund

Projected 2023-2024 Ending Fund Balances	
Fund Name	As of 6/30/24
13 - Cafeteria Fund	\$504,862
14 - Deferred Maintenance	\$20,875
21 - Building Fund (Measure E and I)	\$17,580,453
25 - Capital Facilities (Developer Fees)	\$794,055
40 - Special Reserve (Capital Outlay)	\$2,973,261
51 - Bond Interest and Redemption	\$10,838,543
63 - Other Enterprise Fund (BASC)	\$0.00
71 - Retiree Benefit Fund (OPEB Trust)	\$1,393,069



Multi-Year Projections (MYP)



Multi-Year Projection Assumptions

Major Assumptions	2023-24	2024-25	2025-26
Enrollment	2,562 (+46)	2,620 (+58)	2,665 (+45)
Cost of Living Adjustment (COLA) for LCFF per pupil funding	8.22%	3.94%	3.29%
Consumer Price Index	3.54%	3.02%	2.64%
CalSTRS Employer Rate	19.10%	19.10%	19.10%
CalPERS Employer Rate	26.68%	27.70%	28.30%
Unemployment Insurance Rate	0.05%	0.05%	0.05%



Multi-Year Projection Assumptions-cont.

- Continue with an enrollment growth
- 2022-23 P2 Average Daily Attendance Percentage to continue
- Step and Column increase of 1.5% in 23-24 and 24-25
- Increase two teacher positions to accommodate increased enrollments in 24-25 and 25-26.
- Reduction of one TOSA position and four Wellness Counselor positions reflecting ending of supplemental funds (*District is committed to finding ways to return these positions*)
- Stable STRS rates, but increasing PERS rates
- General cost increases per Consumer Price Index



Multi Year Projections - Combined

Description	2023-24	2024-25	2025-26
REVENUES	\$42,020,283	\$43,706,382	\$46,339,900
EXPENDITURES	\$41,293,443	\$41,113,107	\$41,953,543
Net Increase (Decrease) in Fund Balance	\$726,840	\$2,593,275	\$3,386,356
Net Beginning Fund Balance	\$5,623,733	\$6,350,573	\$8,943,848
Ending Fund Balance, June 30	\$6,350,573	\$8,943,848	\$12,330,204
Non-Spendable / Restricted	\$2,628,423	\$4,666,917	\$6,765,177
Committed / Reserve (6% + 3%)	\$3,716,410	\$3,700,180	\$3,775,820
Unassigned	\$5,740	\$576,750	\$1,789,207
Estimated Total Fund Balance	15.38%	21.75%	29.39%
Estimated Unassigned	0.01%	1.40%	4.26%



Orinda USD Proposed Budget

Successes

- Continue being able to set aside 9% reserve (6% above the state requirement) as designated by the Board of Trustees
- Passing of the Measure Z Parcel Tax

Challenges

- Average Daily Attendance (ADA) has been the lowest of past 5 years
- PERS rates continue to increase 23-24 (+1.31%), 24-25 (+1.02%), 25-26 (+0.6%)
- Deferred maintenance facility needs
- Lower LCFF base rates and a lack of supplemental funds - Continues to be one of the lowest funded Districts per student
- Ending (reduction) of supplemental funds
- Increased mental health needs with lack of funds



Next Step...

Budget Adoption: June 12, 2023

State Enacted Budget: July 1, 2023

45-Day Budget Revision(?): with significant changes (+/- \$4M in revision)

