



Orinda USD Second Interim Report 2023-24

Board of Trustees Meeting, 3.11.2024

Orinda USD 2023-24 Second Interim Budget

Introduction

Orinda USD Board of Trustees adopted the 2023-2024 budget on June 12, 2023.

Education Code Section 42130 requires school districts to prepare the Second Interim Report as of the January 31st reporting period and prior to March 15th.

The Second Interim report covers the financial condition of the District for the period that ended January 31st.



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 11, 2023 |
| Second Interim (as of January 31) | March 11, 2024 |
| Unaudited Actuals | September 9, 2024 |
| Annual Financial Audit | January, 2024 |



2023-2024 Revenues



Second Interim Revenue Highlights

- LCFF revenues adjusted upwards by **\$291.6K** for improved Average Daily Attendance (ADA) as reported in December.
- **Federal Funds** – Title II & Special Education Grants (no One-time Funds)
- **State Funds**
 - **One-Time** - Universal PreK, Educator Effectiveness, Art, Music, Instructional Material BG, & Learning Recovery BG
 - \$32K increase in Art, Music, and Instructional Material BG
 - **On-Going** – Lottery, Special Education Grants, & Arts and Music for Schools (Prop 28)
 - \$6K decrease in Lottery as prior year adjustments
- Local Funds - Reduction in Facility Use Permit revenues, Increase in interest revenues, field trips and OIS sports donations
- Contributions to Restricted Programs – Increased by \$163.5K

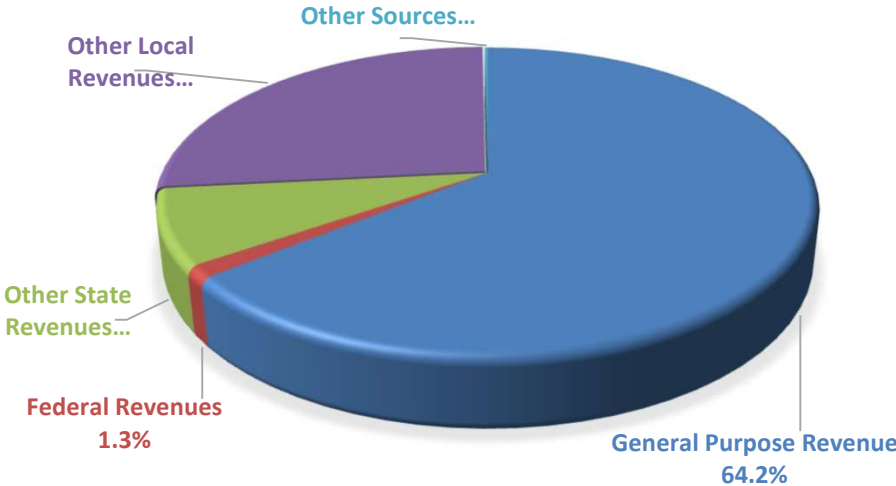


Second Interim Revenue (\$42.6M)

Orinda USD is an LCFF funded district with 64% of revenue projected to be received from the State.

Local funding is significant with 26% projected to be funded by:

- Parcel tax Measures A, B, and Z (14%)
- ONE Foundation / Parent club donations (9%)
- Special education JPA transfers for apportionment (3%)
- Other (1%)



Revenues - Combined

| Combined Revenues | Adopted Budget | First Interim | Second Interim | Change |
|-------------------------|---------------------|---------------------|---------------------|------------------|
| General Purpose Revenue | \$27,206,000 | \$27,054,000 | \$27,345,000 | \$291,000 |
| Federal Revenues | \$543,000 | \$540,000 | \$540,000 | \$0 |
| Other State Revenues | \$3,043,000 | \$3,370,000 | \$3,397,000 | \$27,000 |
| Other Local Revenues | \$11,153,000 | \$11,274,000 | \$11,268,000 | (\$6,000) |
| Other Sources | \$75,000 | \$75,000 | \$75,000 | \$0 |
| Contributions | \$0 | \$0 | \$0 | \$0 |
| Combined | \$42,020,000 | \$42,313,000 | \$42,625,000 | \$312,000 |

*Change = Change in revenue between First and Second Interim



Revenues – Unrestricted

| Unrestricted Revenues | Adopted Budget | First Interim | Second Interim | Change |
|-------------------------|---------------------|---------------------|---------------------|------------------|
| General Purpose Revenue | \$26,384,000 | \$26,253,000 | \$26,545,000 | \$292,000 |
| Federal Revenues | \$0 | \$0 | \$0 | \$0 |
| Other State Revenues | \$591,000 | \$626,000 | \$623,000 | (\$3,000) |
| Other Local Revenues | \$4,022,000 | \$4,100,000 | \$4,124,000 | \$24,000 |
| Other Sources | \$75,000 | \$75,000 | \$75,000 | \$0 |
| Contributions | (\$6,051,000) | (\$6,242,000) | (\$6,405,000) | (\$163,000) |
| Unrestricted | \$25,021,000 | \$24,812,000 | \$24,962,000 | \$150,000 |



Revenues – Restricted

| Restricted Revenues | Adopted Budget | First Interim | Second Interim | Change |
|-------------------------|---------------------|---------------------|---------------------|------------------|
| General Purpose Revenue | \$822,000 | \$801,000 | \$801,000 | \$0 |
| Federal Revenues | \$543,000 | \$540,000 | \$540,000 | \$0 |
| Other State Revenues | \$2,452,000 | \$2,744,000 | \$2,774,000 | \$30,000 |
| Other Local Revenues | \$7,131,000 | \$7,174,000 | \$7,144,000 | (\$30,000) |
| Other Sources | \$0 | \$0 | \$0 | \$0 |
| Contributions | \$6,051,000 | \$6,242,000 | \$6,405,000 | \$163,000 |
| Restricted | \$16,999,000 | \$17,501,000 | \$17,664,000 | \$163,000 |



2023-2024 Expenditures



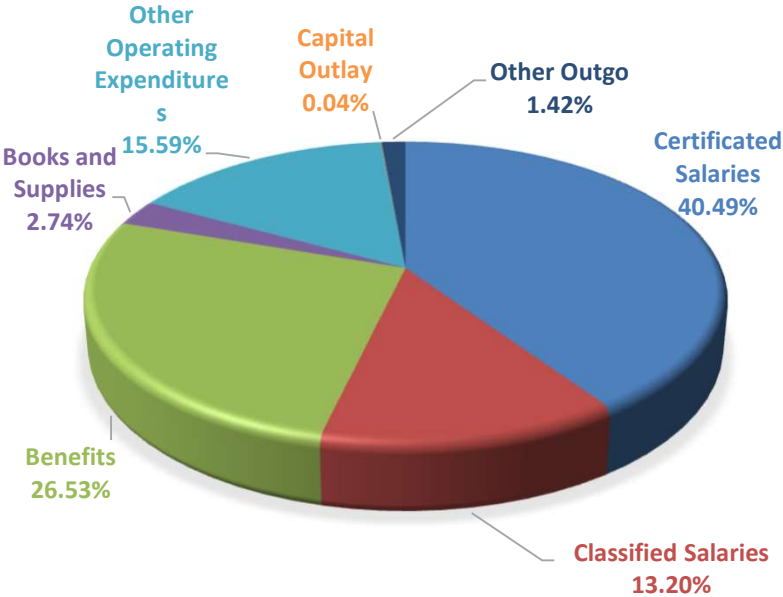
Second Interim 2023–24 Expenditure Highlights

- One-Time Universal Prekindergarten Grant funds 0.9 TK Teacher FTE
- One-Time Learning Recovery Emergency Block Grant funds 0.67 TOSA FTE
- One-Time Arts, Music, and Instructional Materials Discretionary Block Grant funds 3.0 Wellness Counselor FTE
- Prop 28 Art and Music in School apportionment to fund 3.0 Art/Music teacher FTE
- One-Time Educator Effectiveness Grant and Arts, Music, Instructional BG funds Teacher professional developments, trainings, TIP mentors, and new curriculum implementation costs
- Increase in tech equipment costs to schools
- Legal and Nurse contracts and travel/conference costs reduced to reflect actual use
- Increase in Special Education contract costs and settlement costs
- Budgets in donation accounts were increased as revenues were collected



Second Interim Expenditures (\$42.8M)

- Measure Z funds, along with Measures A and B, are fully utilized to fund certificated and classified employee salaries and benefits



Expenditures – Combined

| Combined | Adopted Budget | First Interim | Second Interim | Change |
|-----------------------|---------------------|---------------------|---------------------|--------------------|
| Certificated Salaries | \$16,823,000 | \$17,355,000 | \$17,332,000 | (\$23,000) |
| Classified Salaries | \$5,813,000 | \$5,605,000 | \$5,651,000 | \$46,000 |
| Employee Benefits | \$11,212,000 | \$11,401,000 | \$11,355,000 | (\$46,000) |
| Books and Supplies | \$1,215,000 | \$1,126,000 | \$1,172,000 | \$46,000 |
| Contracts & Services | \$5,623,000 | \$6,835,000 | \$6,674,000 | (\$161,000) |
| Capital Outlay | \$33,000 | \$33,000 | \$17,000 | (\$16,000) |
| Other Outgo | \$574,000 | \$589,000 | \$606,000 | \$17,000 |
| Combined | \$41,293,000 | \$42,944,000 | \$42,807,000 | (\$137,000) |

*Change = Change in expenditures between First and Second Interim



Expenditures – Unrestricted

| Unrestricted | Adopted Budget | First Interim | Second Interim | Change |
|-----------------------|---------------------|---------------------|---------------------|--------------------|
| Certificated Salaries | \$12,182,000 | \$10,853,000 | \$10,801,000 | (\$52,000) |
| Classified Salaries | \$3,720,000 | \$3,802,000 | \$3,793,000 | (\$9,000) |
| Employee Benefits | \$6,497,000 | \$6,246,000 | \$6,148,000 | (\$98,000) |
| Books and Supplies | \$771,000 | \$733,000 | \$782,000 | \$49,000 |
| Contracts & Services | \$2,286,000 | \$2,864,000 | \$2,709,000 | (\$155,000) |
| Capital Outlay | \$0 | \$0 | \$0 | \$0 |
| Other Outgo | \$209,000 | \$200,000 | \$229,000 | \$29,000 |
| Unrestricted | \$25,665,000 | \$24,697,000 | \$24,462,000 | (\$235,000) |



Expenditures – Restricted

| Restricted | Adopted Budget | First Interim | Second Interim | Change |
|-----------------------|---------------------|---------------------|---------------------|-----------------|
| Certificated Salaries | \$4,641,000 | \$6,502,000 | \$6,531,000 | \$29,000 |
| Classified Salaries | \$2,092,000 | \$1,803,000 | \$1,859,000 | \$56,000 |
| Employee Benefits | \$4,715,000 | \$5,155,000 | \$5,206,000 | \$51,000 |
| Books and Supplies | \$445,000 | \$394,000 | \$391,000 | (\$3,000) |
| Contracts & Services | \$3,337,000 | \$3,971,000 | \$3,965,000 | (\$6,000) |
| Capital Outlay | \$33,000 | \$33,000 | \$17,000 | (\$16,000) |
| Other Outgo | \$365,000 | \$389,000 | \$377,000 | (\$12,000) |
| Restricted | \$15,629,000 | \$18,247,000 | \$18,345,000 | \$98,000 |



Fund Balances



Change in Fund Balance

| COMBINED | Adopted | First Interim | Second Interim | Change |
|--|-------------------|---------------------|---------------------|-------------------|
| Total Revenues | \$ 42,020,283 | \$ 42,312,658 | \$ 42,625,323 | \$ 312,665 |
| Total Expenditures | \$ 41,293,443 | \$ 42,944,004 | \$ 42,806,841 | \$ (137,163) |
| Net Increase/Decrease in Fund Balance | \$ 726,840 | \$ (631,346) | \$ (181,518) | \$ 449,828 |

*Change = Change in fund balance between First and Second Interim



Components of the Fund Balance

| Description | 2023-24 |
|--|---------------------|
| Combined Beginning Fund Balance | \$ 7,609,285 |
| Plus: Net Change | \$ (181,518) |
| Combined Ending Fund Balance | \$ 7,427,767 |
| Minus: Non-Spendable | \$ 97,500 |
| Minus: Restricted | \$ 1,389,738 |
| Minus: Reserve for Economic Uncertainties (3%) | \$ 1,284,205 |
| Minus: Committed (6% Reserve) | \$ 2,568,410 |
| Minus: Assigned | \$ 434,441 |
| Unassigned: | \$ 1,653,472 |



Other Funds – Separate From General Fund

| Fund | 2023-24 |
|--|--------------|
| SACS Fund 01 - General Fund | \$7,427,767 |
| SACS Fund 13 - Cafeteria Special Revenue Fund | \$734,899 |
| SACS Fund 14 - Deferred Maintenance Fund | \$128,495 |
| SACS Fund 21 - Building Fund (Measures E & I) | \$40,682,353 |
| SACS Fund 25 - Capital Facilities Fund (Developer Fee) | \$760,261 |
| SACS Fund 40 - Special Reserve Fund for Capital Outlay Projects | \$3,106,065 |
| SACS Fund 51 - Bond Interest and Redemption Fund (Debt Services) | \$4,997,083 |
| SACS Fund 63 - Other Enterprise Fund (Before/After School Care) | \$435,260 |
| SACS Fund 71 - Retiree Benefit Fund (Retiree Benefit Trust) | \$1,393,123 |



Multi-Year Projections



Multi-Year Projection Assumptions

| Major Assumptions | 2023-24 | 2024-25 | 2025-26 |
|--|-------------|-------------|-------------|
| Enrollment | 2,554 (+38) | 2,586 (+32) | 2,618 (+32) |
| Average Daily Attendance Percentage | 96.50% | 96.60% | 96.60% |
| Step and Column Increase | 1.50% | 1.50% | 1.50% |
| Cost of Living Adjustment (COLA) for LCFF per pupil funding * | 8.22% | 0.76% | 2.73% |
| Consumer Price Index (CPI) * | 3.36% | 2.83% | 2.70% |
| CalSTRS Employer Rate | 19.10% | 19.10% | 19.10% |
| CalPERS Employer Rate * | 26.68% | 27.80% | 28.50% |

* Assumptions are based on the School Services Dartboard.



Multi-Year Projection Assumptions-cont.

- Decrease budget for 2.0 teacher FTE and 0.5 TOSA FTE in 24-25
- Increase budget for 1.0 Campus Supervisor FTE in 24-25, that is vacant in 23-24
- Move budget for 0.9 TK teacher FTE from One-time funds to General Fund in 24-25
- Increase budget for 2.0 teacher FTE in 25-26
- Move budget for 0.67 TOSA FTE and 3.0 Wellness Counselors FTE from One-time funds to General Fund in 25-26
- Nurse contract to increase in 24-25, that is a half-year contract in 23-24
- Election costs, Social Study adoption, Math Expression costs are added to 24-25
- Interfund transfer to Deferred Maintenance Funds in 24-25 and 25-26
- General cost increases per Consumer Price Index



Multi Year Projections - Combined

| Description | 2023-24 | 2024-25 | 2025-26 |
|---|--------------|--------------|--------------|
| Net Beginning Fund Balance | \$7,609,285 | \$7,427,767 | \$7,203,647 |
| REVENUES | \$42,625,323 | \$43,105,555 | \$44,298,609 |
| EXPENDITURES | \$42,806,841 | \$43,329,675 | \$43,909,841 |
| Net Increase (Decrease) in Fund Balance | (\$181,518) | (\$224,120) | \$388,769 |
| Ending Fund Balance, June 30 | \$7,427,767 | \$7,203,647 | \$7,592,416 |
| Nonspendable / Restricted | \$1,487,238 | \$719,069 | \$642,974 |
| Committed / Reserve (6% + 3%) | \$3,852,615 | \$3,899,671 | \$3,951,886 |
| Assigned | \$434,441 | \$337,628 | \$263,535 |
| Unassigned | \$1,653,472 | \$2,247,279 | \$2,734,020 |
| Fund Balance to Expenditure | 17.4% | 16.6% | 17.3% |
| Unassigned to Expenditure | 3.9% | 5.2% | 6.2% |



Orinda USD Second Interim Budget Review

- Average Daily Attendance (ADA) improved at the latest report in December
- Cost of Living Adjustment (COLA) for 24-25 is currently estimated at 0.76%, which could change
- Current 0.76% COLA in 24-25 does not cover increases in Step/Column, CalPERS, Worker's Comp, Health & Welfare, and Insurance premium costs.
- One-Time grants are expiring in 24-25 and 25-26, and costs will be transferred to General Fund
- Increasing Special Education costs
- Increasing facility repair costs



Budget Certification

Orinda USD Second Interim Budget Report 2023-24

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.

