

# 2022-23 Adopted Budget

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Orinda Union School District  
June 13, 2022



# Budget Development Overview

- Education Code Section 42127 requires school districts to hold a public hearing, adopt a budget and file it with the County Superintendent of Schools on or before July 1.
- The Orinda Union School District (OUSD) budget development process ensures the adopted budget is in compliance with the state standards and criteria adopted by the State Board of Education.
- The Local Control Accountability Plan (LCAP) is a component of LCFF.
- 2022-23 Budget is a starting point for anticipated revenue and expenditures.
- 2021-22 Estimated Actuals provide a projected beginning fund balance for 2022-23.
- Once the Governor signs the state budget, the District is required to revise the budget for any substantial changes, and these changes will be presented to the Board at a regularly scheduled August meeting.



# Annual Budget Cycle

2022-23 Fiscal Year Budget Cycle	
Description	Board of Trustees Meeting
District Adopted Budget	June 13, 2022
State Enacted Budget	July 1, 2022
45 Day Revise	August 2022
First Interim (as of October 31)	December 2022
Second Interim (as of January 31)	March 2023
Unaudited Actuals	September 2023
Annual Financial Audit	December 2023



# Budget and Revenue Considerations

- Proposed Budget is based on the Governor's May Revision.
- State Enacted Budget will be signed into law on July 1.
- Staff will bring revisions to the budget in August and September.
  - Staff will complete a revised 2022-23 Budget following the State's revised budget.

## Other Basic Considerations

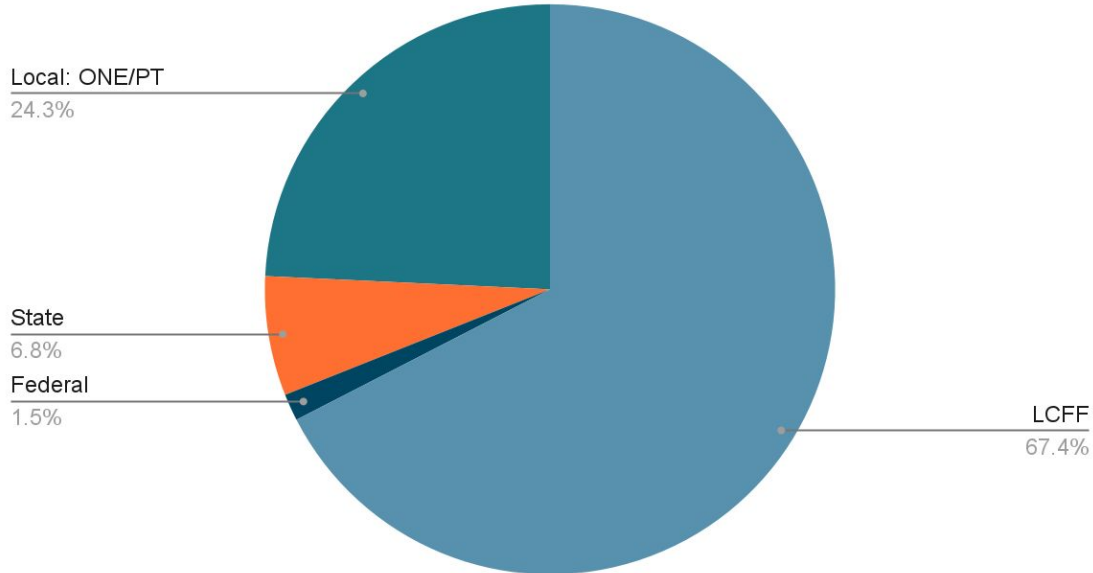
- Enrollment estimates
- Staffing changes
- Projected revenues & expenditures
- Salary increases per bargaining agreements



# Proposed Budget 2022-23 - Revenues

- Orinda USD is an LCFF funded district with 68% of revenue projected to be received from the state. Local funding is significant with 22.2% projected to be funded by the local parcel tax (~11%) and ONE foundation (~11%).

Projected Revenue - 2022-23



# Revenues - Unrestricted

Unrestricted Revenues	Estimated Actuals 2021-22	Proposed Budget 2022-23	Change	Percent Change
Local Control Funding Formula (LCFF)	\$21,484,957	\$23,955,187	\$2,470,230	10%
Federal	\$0	\$0	\$0	0%
Other State	\$479,772	\$511,245	\$31,473	6%
All Other Local	\$4,046,440	\$3,635,889	(\$410,551)	-11%
<b>REVENUES</b>	<b>\$26,011,169</b>	<b>\$28,102,321</b>	<b>\$2,091,152</b>	<b>7%</b>



# Revenues - Restricted

Restricted Revenues	Estimated Actuals 2021-22	Proposed Budget 2022-23	Change	Percent Change
Local Control Funding Formula (LCFF)	\$686,965	\$697,775	\$10,810	2%
Federal	\$1,287,102	\$558,152	(\$720,950)	-57%
Other State	\$2,998,133	\$1,965,417	(\$1,032,715)	-34%
Other Local	\$5,086,018	\$5,232,260	\$146,242	3%
<b>Revenues</b>	<b>\$10,058,218</b>	<b>\$8,453,605</b>	<b>(\$1,604,613)</b>	<b>-16%</b>



# Revenues - Combined

Revenues Combined	Estimated Actuals 2021-22	Proposed Budget 2022-23	Change	Percent Change
Local Control Funding Formula (LCFF)	\$22,171,922	\$24,652,962	\$2,481,040	11%
Federal	\$1,287,102	\$558,152	(\$728,950)	-57%
Other State	\$3,477,905	\$2,476,662	(\$1,001,242)	-29%
All Other Local	\$9,132,458	\$8,868,149	(\$264,309)	-3%
<b>REVENUES</b>	<b>\$36,069,387</b>	<b>\$36,555,926</b>	<b>\$486,539</b>	<b>1%</b>

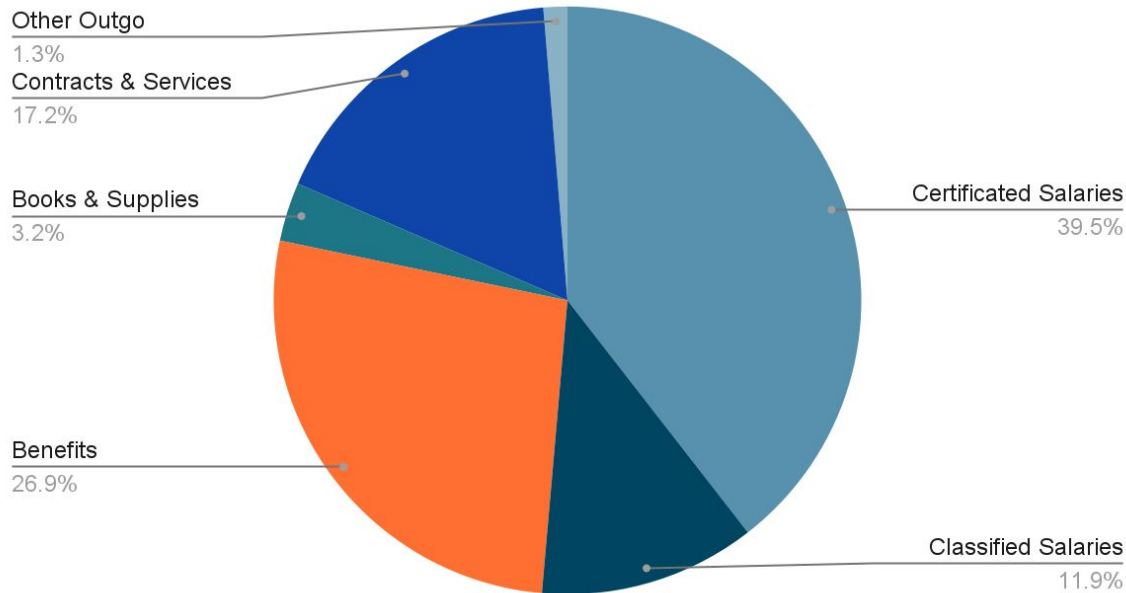




# Proposed Budget 2022-23 - Expenditures

- Projected expenses have increased due to the rise in operational and cost of living increases.
- 78% of Orinda USD expenditures are dedicated to staff compensation (salaries and benefits.)

Proposed Expenditures - 2022-23



# Expenditures - Unrestricted

Unrestricted Expenditures	Estimated Actuals 2021-22	Proposed Budget 2022-23	Change	Percent Change
Certificated Salaries	\$10,125,583	\$11,282,155	\$1,156,572	10%
Classified Salaries	\$2,823,035	\$3,086,017	\$262,982	9%
Employee Benefits	\$5,099,748	\$6,509,783	\$1,410,034	22%
Books and Supplies	\$978,121	\$752,142	(\$225,979)	-30%
Contracts and Services	\$2,199,972	\$3,219,524	\$1,019,552	32%
Capital Outlay	\$237,944	\$0	(\$237,944)	-
Other Outgo	\$269,342	\$269,342	\$0	0%
Indirect Support Costs	(\$202,529)	(\$51,978)	\$150,551	-
<b>EXPENDITURES</b>	<b>\$21,531,216</b>	<b>\$25,066,986</b>	<b>\$3,535,770</b>	<b>14%</b>

# Expenditures - Restricted

Unrestricted Expenditures	Estimated Actuals 2021-22	Proposed Budget 2022-23	Change	Percent Change
Certificated Salaries	\$4,655,200	\$4,105,721	(\$549,479)	-12%
Classified Salaries	\$1,379,565	\$1,558,223	\$178,659	13%
Employee Benefits	\$3,803,513	\$3,966,341	\$162,829	4%
Books and Supplies	\$721,751	\$507,632	(\$214,118)	-30%
Contracts and Services	\$4,726,825	\$3,479,086	(\$1,247,738)	-26%
Capital Outlay	\$83	\$87	\$4	5%
Other Outgo	\$334,327	\$244,341	(\$89,986)	-27%
Indirect Support Costs	\$202,529	\$51,978	(\$150,551)	-74%
<b>EXPENDITURES</b>	<b>\$15,823,793</b>	<b>\$13,913,412</b>	<b>(\$1,910,381)</b>	<b>-12%</b>

# Expenditures - Combined

Expenditures Combined	Estimated Actuals 2021-22	Proposed Budget 2022-23	Change	Percent Change
Certificated Salaries	\$14,780,783	\$15,387,876	\$607,093	4%
Classified Salaries	\$4,202,600	\$4,644,241	\$441,641	11%
Employee Benefits	\$8,903,261	\$10,476,125	\$1,572,863	18%
Books and Supplies	\$1,699,872	\$1,259,775	(\$440,097)	-26%
Contracts and Services	\$6,926,797	\$6,698,611	(\$228,186)	-3%
Capital Outlay	\$238,027	\$87	(\$237,940)	-
Other Outgo	\$603,669	\$513,683	(\$89,986)	-15%
<b>EXPENDITURES</b>	<b>\$37,355,009</b>	<b>\$38,980,399</b>	<b>\$1,625,390</b>	<b>3%</b>

# Other Funds - Separate From General Fund

<b>2021-2022 Ending Fund Balances Estimated Actuals (Through June 30, 2022)</b>	
<b>Fund Name</b>	<b>Estimated Actuals</b>
21 - Building Fund (Measure E and I)	\$44,740,999
25 - Capital Facilities (Developer Fees)	\$681,343
40 - Special Reserve (Capital Outlay)	\$2,977,988
51 - Bond Interest and Redemption	\$184,541
71 - Retiree Benefit Fund (OPEB Trust)	\$1,247,585



## Multi-Year Projections - Planning Factors

Major Assumptions	2022-23	2023-24	2024-25
Enrollment	2,499	2,499	2,499
Estimated ADA based on enrollment	2,420	2,420	2,420
Cost of Living Adjustment (COLA) for LCFF per pupil funding	6.56%	5.38%	4.02%
Unduplicated Pupil Count (UPP) and Percentage	97 (3.71%)	97 (3.71%)	97 (3.71%)
Step & Column Increase	1.0%	1.0%	1.0%
CalSTRS Employer Rate	19.10%	19.10%	19.10%
CalPERS Employer Rate	25.37%	25.20%	24.60%
Consumer Price Index	6.11%	3.14%	1.97%
Books & Supplies	CPI	CPI	CPI

## 2022-23 Multi Year Projections (MYP) (Combined)

Description	2021-22 Estimated Actuals	2022-23 Budget Proposal	2023-24 Budget Projection	2024 - 25 Budget Projection
REVENUES	\$36,069,387	\$36,555,926	\$38,777,280	\$40,777,006
EXPENDITURES	\$37,355,009	\$38,980,399	\$39,283,926	\$39,604,976
Net Increase (Decrease) in Fund Balance	(\$1,285,622)	(\$2,424,473)	(\$506,646)	\$1,172,029
Net Beginning Fund Balance	\$8,101,782	\$6,850,004	\$4,459,375	\$3,986,573
Ending Fund Balance, June 30	\$6,850,004	\$4,459,375	\$3,986,573	\$5,192,446
Designated for Economic Uncertainties (9%)	<b>\$3,358,905</b>	<b>\$3,505,190</b>	<b>\$3,532,507</b>	<b>\$3,561,402</b>
Unassigned Reserve	<b>\$2,264,301</b>	<b>\$1,209,546</b>	<b>\$1,076,799</b>	<b>\$3,152,895</b>
<b>Total Fund Balance (Reserve)</b>	<b>\$5,629,946</b>	<b>\$261,047</b>	<b>\$365</b>	<b>\$745,844</b>
Estimated Fund Balance	18.4%	11.4%	10.2%	13.1%



# Multi-Year Projections - Additional Considerations

- Multi-year projection (MYP) include salary increases in 2021-22. The MYP does not include future salary increases.
- Orinda USD is assuming flat enrollment. Enrollment had decline in past years but is projected to increase. Should it increase above 2,500, the District will have to maintain at reserve under 10%.
- The District continues to experience structural deficit. The increase in COLA funds from the state did not match increase in cost of living and operation expenses.
- District is expecting to complete a 45-day budget revise based on the Governor's Adopted Budget in July. Revised budget will be presented at the August Board meeting.





# Overview of Changes based on Public Hearing Input

## Summary of Changes:

- Lower expenditures within the Contracts and Services due to projected positions covered by OUSD staff instead of outside organizations (lower expenditures), and unfunded COVID related positions
- Lower expenditures are projected within the “books and supplies” category due to COVID related supplies.

# Budget Adoption

Staff is recommending that the Board of Trustees approve the 2022-23 Budget.

