



Orinda USD Budget Proposal 2025-26

Board of Trustees Meeting, 6.02.2025 & 6.09.2025

Orinda USD 2025-26 Budget Proposal

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

2025-26 Fiscal Year Budget Cycle	
Description	Board of Trustees Meeting
Proposed Budget Public Hearing	June 2, 2025
District Adopted Budget	June 9, 2025
State Enacted Budget	July 1, 2025
First Interim (as of October 31)	By December 15, 2025
Second Interim (as of January 31)	By March 15, 2026
Unaudited Actuals	By September 15, 2026
Annual Financial Audit	January, 2026



Governor's May Revision Highlights

- Cost of Living Adjustment (COLA) decreased from 2.43% to 2.30%
- Decrease in TK Add-on rate from \$6,404 to \$5,545, which may be further decreased
- TK 10:1 student-to-teacher ratio takes effect regardless of funding
- Student Support & Professional Development Discretionary Block Grant (one-time) reduced from \$1.8B to \$1.7B
- Learning Recovery Emergency Block Grant (one-time) reinstated for another round
- The governor will “settle up” the Prop 98 amount
- Rainy-day Reserve is projected to be depleted at the end of 25-26
- Special Education, Child Nutrition, and Mandated Block Grant will receive 2.30% COLA as well



2025-26 Revenues



Proposed Budget Revenue Highlights

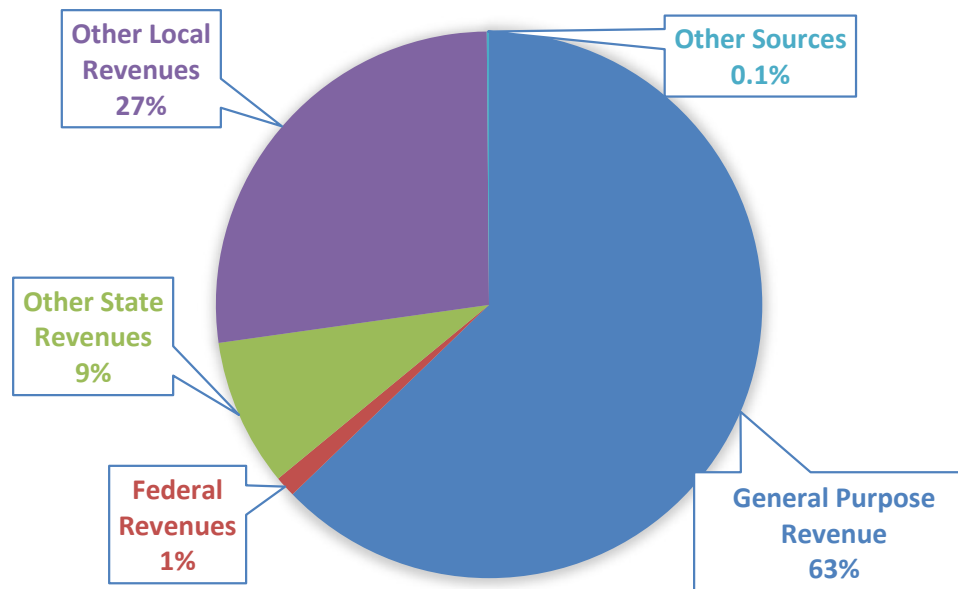
- The LCFF revenues have increased about \$1.6M from 2024-25 to 2025-26
 - Increase due to COLA and enrollment increase (+78 students)
- Federal Mental Health and Preschool Entitlement decreased slightly
- State reimbursement for the prior year's transportation costs is expected to increase
- Learning Recovery Emergency Block Grant to support TOSA
- Excluded:
 - Proposed increase in the TK Add-on rate
 - Proposed One-time Discretionary Grant
- Local revenues will be adjusted as received



2025-26 Projected Revenues (\$47.5M)

- 63% of revenue projected to be received from the State.
- 27% of revenue projected to be received from Local Sources (10% Parent Donations, 12% Parcel Tax, and 5% combination of SELPA, CCTA, Redevelopment Agency, Interest, Use Fees, etc.)

COMBINED REVENUES



Revenues

Revenue (Rounded to the Nearest 1000's)	Unrestricted	Restricted	Combined	%
General Purpose Revenue	\$ 28,883,000	\$ 926,000	\$ 29,809,000	62.8%
Federal Revenues	\$ -	\$ 590,000	\$ 590,000	1.2%
Other State Revenues	\$ 662,000	\$ 3,489,000	\$ 4,150,000	8.7%
Other Local Revenues	\$ 4,587,000	\$ 8,269,000	\$ 12,855,000	27.1%
Other Sources	\$ 67,000	\$ -	\$ 67,000	0.1%
Contributions	\$ (6,872,000)	\$ 6,872,000	\$ -	

\$ 27,327,000 \$ 20,145,000 \$ 47,472,000



2025-26 Expenditures



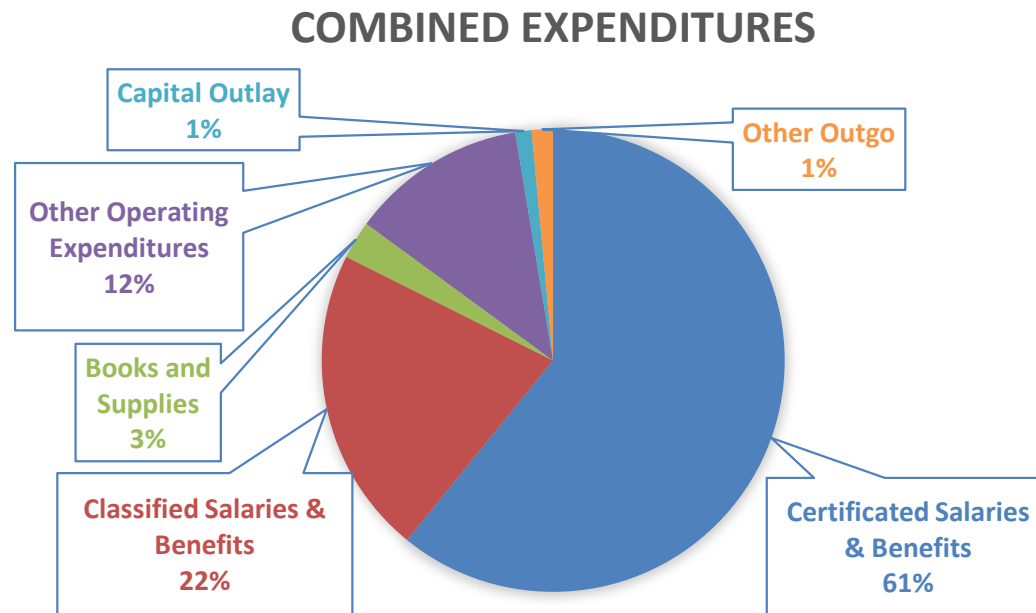
Proposed Budget Expenditure Highlights

- The certificated and classified salary and benefit budgets increased by 6%
- Certificated salaries/benefits budget increased for 5.5 FTE positions to accommodate anticipated enrollment increase and program needs
- In addition to ongoing funds, one-time funds, such as Educator Effectiveness funds, are utilized to fund certificated positions, professional development, and workshops
- The stipend costs for the district-level committees increased, and reading intervention curriculum costs were added to the budget
- Property liability insurance costs are projected to increase by 15%
- Special Education Contracts reduced to reflect hiring of staff and program needs



2025-26 Projected Expenditures (\$48.1M)

- Certificated salaries/benefits are 61%, Classified salaries/benefits are 22% of the total budget



Expenditures

Expenditures (Rounded to the Nearest 1000's)	Unrestricted	Restricted	Combined	%
Certificated Salaries & Benefits	\$17,619,000	\$11,679,000	\$29,298,000	61%
Classified Salaries & Benefits	\$6,631,000	\$3,718,000	\$10,349,000	22%
Books and Supplies	\$901,000	\$384,000	\$1,285,000	3%
Contracts & Services	\$2,544,000	\$3,381,000	\$5,925,000	12%
Capital Outlay	\$0	\$555,000	\$555,000	1%
Other Outgo	\$213,000	\$498,000	\$711,000	1%
	\$27,908,000	\$20,215,000	\$48,123,000	



Fund Balances



Components of the Fund Balance

Description	2024-25 Estimated Actuals	2025-26 Adopted Budget	Changes
REVENUES	45,133,000	47,472,000	2,339,000
EXPENDITURES	46,689,000	48,122,000	1,434,000
Net Increase/Decrease in Fund Balance	(1,556,000)	(651,000)	905,000
Ending Fund Balance	5,981,000	5,331,000	(651,000)
Restricted	950,000	774,000	(176,000)
Designated for Economic Uncertainties (9%)	4,202,000	4,331,000	129,000
Assigned	830,000	226,000	(604,000)
Unassigned	-	-	-
Surplus/Deficit Percentage	-3.4%	-1.4%	2.1%



Other Funds - Separate From General Fund

Projected 2025-26 Ending Fund Balances	
13 - Cafeteria Fund	\$668,381
14 - Deferred Maintenance	\$0
21 - Building Fund (Measure E and I)	\$7,846,355
25 - Capital Facilities (Developer Fees)	\$6,300
40 - Special Reserve (Capital Outlay)	\$2,793,575
51 - Bond Interest and Redemption (Debt Services)	\$4,820,701
63 - Other Enterprise Fund (BASC)	\$18,526
71 - Retiree Benefit Fund (OPEB Trust)	\$1,689,799



Multi-Year Projections (MYP)



Multi-Year Projection Assumptions

Major Assumptions	2025-26	2026-27	2027-28
Enrollment	2,672 (+78)	2,748 (+76)	2,813 (+65)
Step and Column Increase	1.50%	1.50%	1.50%
Cost of Living Adjustment (COLA) for LCFF per pupil funding	2.30%	3.02%	3.42%
Consumer Price Index (CPI)	3.42%	2.98%	2.77%
CalSTRS Employer Rate	19.10%	19.10%	19.10%
CalPERS Employer Rate	26.81%	26.90%	27.80%
Transitional Kindergarten (TK) Add-On	\$ 3,148	\$ 3,243	\$ 3,354



Multi-Year Projection Assumptions-cont.

- Enrollment projection is based on the actual sign-ups as of May 17th and cohort survival, birth rates, and historical trends
- Average Daily Attendance Percentage 96.2% to continue
- TK Add-on rate to only have COLA increases
- Teacher FTE to increase by 3.0 FTE in 2026-27 and 2.0 FTE in 2027-28 reflecting enrollment increase
- 0.67 FTE Intervention TOSA to be paid by Unrestricted Fund starting 2027-28
- TIP mentor stipends & TIP program costs to be paid by Unrestricted Fund starting 2026-27
- California Principals Support Network three-year program to end in 2025-26
- Health benefit costs increase by 5%



Multi Year Projections

Description	2025-26	2026-27	2027-28
Net Beginning Fund Balance	\$5,981,428	\$5,330,848	\$5,379,932
REVENUES	\$47,471,748	\$48,753,646	\$50,687,781
EXPENDITURES	\$48,122,328	\$48,704,562	\$49,959,391
Net Increase (Decrease) in Fund Balance	(\$650,580)	\$49,084	\$728,390
Ending Fund Balance, June 30	\$5,330,848	\$5,379,932	\$6,108,322
Non-Spendable / Restricted	\$774,090	\$851,882	\$950,403
Committed / Reserve (6% + 3%)	\$4,331,010	\$4,383,411	\$4,496,346
Assigned	\$225,748	\$144,639	\$383,090
Unassigned	\$0	\$0	\$278,483
Surplus/Deficit Percentage	-1.4%	0.1%	1.4%



Orinda USD Budget Proposal Summary

- Cost of Living Adjustment (COLA) for 25-26 is currently estimated at 2.30%, which is most likely to stay
- Enrollment is projected to increase for several years and slows down
- Average Daily Attendance (ADA) improved in 2023-24 (96.5%), but it went down in 2024-25 (96.2%) - historical level was 96.9%
- Current one-time grants are expiring in 25-26, and costs will be transferred to Unrestricted General Fund
- Unknown decisions on TK Add-on rate and Discretionary Grant
- Increasing facility repair needs with no funding



Next Step...

Budget Adoption: June 9, 2025

State Enacted Budget: July 1, 2025

45-Day Budget Revision (?): with significant changes (+/- \$5M in revision)

