



Rescue Union School District

2022-23 2nd Interim Update



Board of Trustees

Michael Gordon, President Kim White, Vice-President
Michelle Bebout, Member Jamie Hunter, Clerk Michael Flaherty, Member



The promise of public education is for every child to succeed in school and life. To realize this promise, every child must be given resources, support, and interventions based on his or her needs. Our school district is uniquely positioned to fulfill this promise to all of our students.

The concept of educational equity can mean different things to different people so the Rescue Union School District Board of Trustees and Superintendent want to be very clear with our intention:

- ✦ We affirm in our actions that each student can, will, and shall learn.
- ✦ We believe educational equity is the intentional allocation of resources, instruction, and opportunities according to need.
- ✦ We affirm that factors including but not limited to disability, race, ethnicity, and socio-economic status, should not affect our students rights to quality educational opportunities.



Timeline and Certifications

School Districts and county offices of education are required to file two reports during the fiscal year (interim reports) on the status of their financial health.

- The ***first interim report is due by December 15*** and the ***second interim report is due by March 15***.
- These reports must include a certification of whether a school district is able to meet its financial obligations. The certifications are classified as positive, qualified, or negative.
 - A ***positive*** certification is assigned when the district will meet its financial obligations for the current and two subsequent fiscal years.
 - A ***qualified*** certification is assigned when the district may not meet its financial obligations for the current or two subsequent fiscal years.
 - A ***negative*** certification is assigned when a district will be unable to meet its financial obligations for the remainder of the current year or for the subsequent fiscal year.
- The county superintendent of schools determines the validity of a school district's certification, and may reclassify a district's certification from positive to qualified or negative.



Timeline and Certifications

Financial Cycle for 2022-23

- ✓ **June 14, 2022** – Public Hearing
- ✓ **June 28, 2022** – Board Approval/Budget Adoption
- ✓ **August/September 2022** - If there are material changes in the District budget due to state budget adoption or revision, budget revisions are due 45 days afterwards.
- ✓ **December 2022** - First Interim Budget
- ✓ **March 2023** - Second Interim Budget
- ✦ **June 2023** - June Budget Update (with 2023-24 budget adoption)
- ✦ **September 2023** - Unaudited Actual Financials
- ✦ **December 2023** - Audit Report



2022-23

2nd Interim Budget

- This revision includes:
 - Updated budget assumptions
 - Multi-year budget assumptions
 - Including updated attendance and enrollment
 - Historical Enrollment and Attendance
 - Updated revenues
 - Updated expenditures
 - STRS/PERS update
 - A look into the future
 - Updated cash-flow (separate report)
 - Detail Multi-year projections (separate report)
 - All fund summary report (separate report)
- Next budget update June 2023 (with 2023-24 budget adoption)



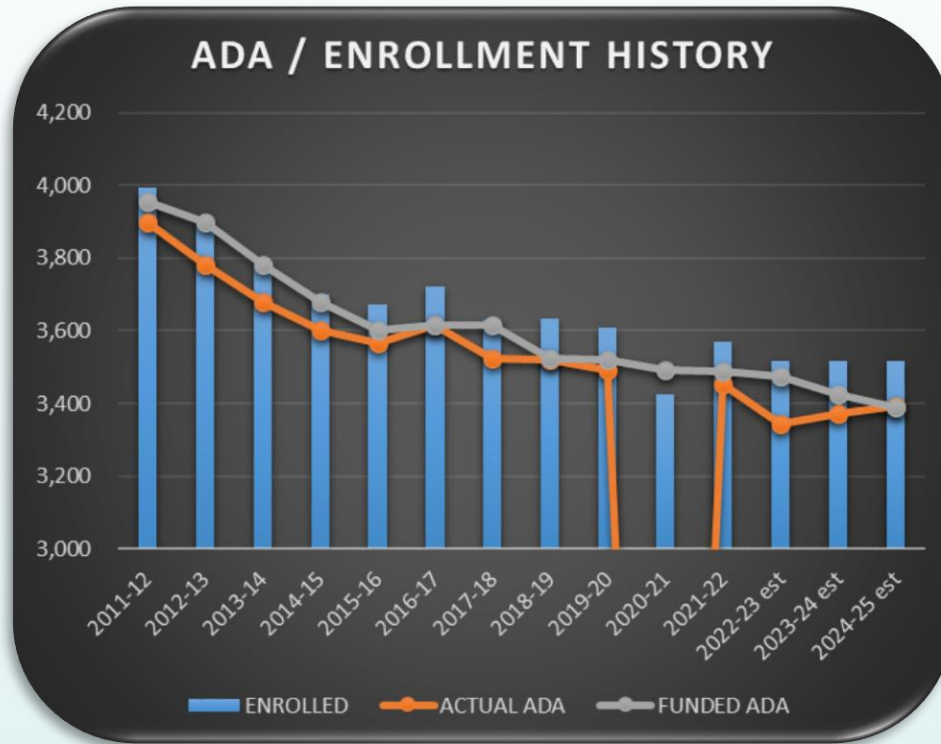


Multi-Year Budget Assumptions

ASSUMPTIONS	2022-23	2023-24	2024-25
<u>COLA</u>	6.56%	8.13%	3.54%
<u>ENROLLED / ADA</u>	3,518 / 3,343.00	3,518 / 3,372.77	3,518 / 3,391.50
<u>FUNDED ADA</u>	3,501.59	3,452.92	3,417.46
<u>UPC %</u>	18.83%	18.69%	17.87%
<u>STRS RATE / PERS RATE</u>	19.10% / 25.37%	19.10% / 27.00%	19.10% / 28.10%
<u>NEGOTIATION STATUS</u>	SETTLED	NOT SETTLED	NOT SETTLED
<u>ONE-TIME FUNDS</u>	CARES - \$1.6 mil	EEF - Year 3 \$188k	EEF - Year 3 \$188k
	EEF - Year 2 \$188k	Est Retirees: 5	Est Retirees: 3



RUSD Enrollment History



School Districts receive funding on the greater of current or prior year average daily attendance (ADA), with some annual adjustments.

We have had an annual average decline of 1% in ADA since 2013. Using our grade level average changes year to year and the Demographic Study, we are projecting flat enrollment combined with improving attendance.



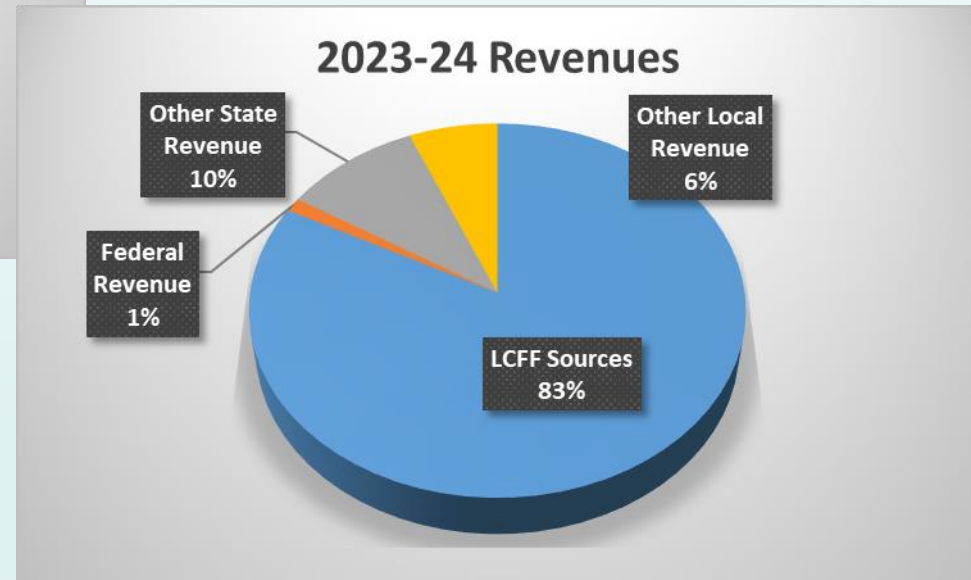
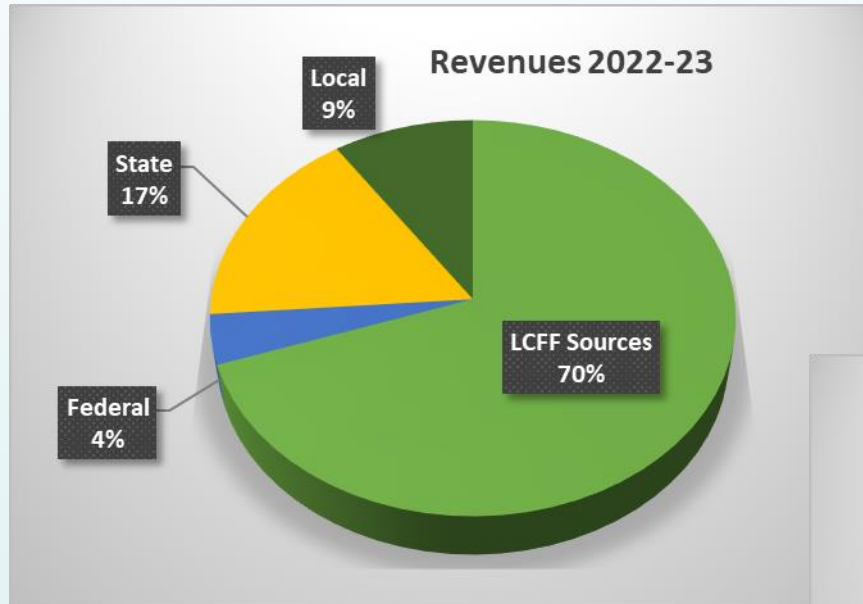
General Fund

Rescue Union District Financial Status Comparison 2022-23										
	b	c	d	e	f	g	h	i	j	k
		<u>1st Interim</u> <u>2022-23</u>			<u>2nd Interim</u> <u>2022-23</u>			<u>Compare</u> <u>1st Interim to 2nd Interim</u>		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted Variance	Restricted Variance	Total Variance
4										
5										
6	Revenue Detail									
7	LCFF Sources (8010-8099)	36,328,149	-	36,328,149	36,141,809	-	36,141,809	(186,340)	-	(186,340)
8	Federal Revenue (8100-8299)	-	2,097,885	2,097,885	-	2,102,378	2,102,378	-	4,493	4,493
9	Other State Revenue (8300-8599)	744,513	7,902,498	8,647,011	899,893	7,909,492	8,809,386	155,380	6,994	162,375
10	Other Local Revenue (8600-8799)	2,189,678	2,377,411	4,567,089	2,189,971	2,577,336	4,767,307	293	199,925	200,218
11	Total Revenue	39,262,340	12,377,794	51,640,134	39,231,673	12,589,207	51,820,880	(30,667)	211,412	180,746
12										
13	Expenditure Detail									
14	Certificated	16,322,472	2,933,824	19,256,296	16,308,620	2,990,944	19,299,564	(13,853)	57,121	43,268
15	Classified	5,099,605	2,684,752	7,784,357	5,117,973	2,773,771	7,891,744	18,368	89,019	107,387
16	Employee benefits	7,167,183	4,073,443	11,240,626	7,145,953	4,151,014	11,296,967	(21,231)	77,571	56,340
17	Books & Supplies	794,184	1,866,410	2,660,594	797,143	2,274,268	3,071,411	2,958	407,859	410,817
18	Service, Other Operating	2,117,707	3,198,346	5,316,053	2,322,285	2,726,167	5,048,451	204,577	(472,179)	(267,601)
19	Capital Outlay	1,714,670	170,852	1,885,522	1,714,670	198,355	1,913,025	-	27,503	27,503
20	Other Outgo	253,533	1,073,938	1,327,471	253,533	1,157,942	1,411,475	-	84,004	84,004
21	Indirect Costs	(187,187)	156,036	(31,151)	(194,938)	158,039	(36,899)	(7,752)	2,004	(5,748)
22	Total Expenditures	33,282,168	16,157,599	49,439,768	33,465,237	16,430,501	49,895,737	183,068	272,901	455,970
23										
24	Excess/(Deficiency)	5,980,171	(3,779,805)	2,200,366	5,766,436	(3,841,294)	1,925,142	(213,735)	(61,489)	(275,224)
25										
26	Other Financing Sources/uses									
27	Transfers In			-			-	-	-	-
28	Transfers Out	-	-	-			-	-	-	-
29	Other Sources	-	-	-			-	-	-	-
30	Other Uses	-	-	-			-	-	-	-
31	Contributions (8800-8999)	(5,681,350)	5,681,350	-	(5,315,986)	5,315,986	-	365,364	(365,364)	-
32	Total Other Sources/Uses	(5,681,350)	5,681,350	-	(5,315,986)	5,315,986	-	365,364	(365,364)	-
33										
34	Net Inc/Dcr to Fund Balance	298,821	1,901,545	2,200,366	450,450	1,474,692	1,925,142	151,629	(426,853)	(275,224)
35										
36	Beginning Balance	7,468,207	2,475,272	9,943,479	7,468,207	2,475,272	9,943,479	-	-	-
37	Ending Balance	7,767,029	4,376,817	12,143,845	7,918,658	3,949,964	11,868,621	151,629	(426,853)	(275,224)



2022-23

2nd Interim Revenue Projections

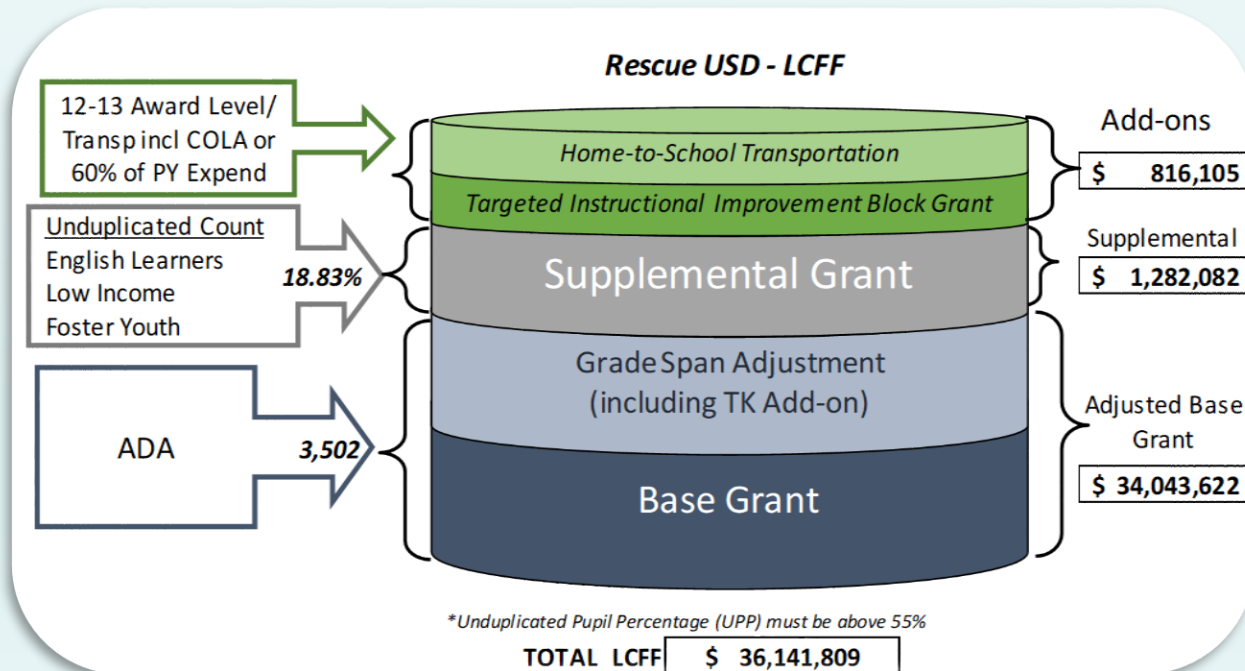


Local Control Funding Formula (LCFF) funds are our primary source of revenues. As one-time COVID and local bus grant funds are fully spent, our LCFF is 83% of our total revenue



LCFF-Local Control Funding Formula

- Base grant and Grade Span Adjustment is based on greater of current or prior year ADA
- Supplemental and concentration funding is added based on the “unduplicated count” percentage
 - ⊕ Supplemental funding is 20% of our funding by grade x our Unduplicated rate
 - ⊕ Concentration funding is available to Districts with at least 55% UPP.
- Home to school transportation and TIIG are both funded at 2012-13 funding level



LCFF Base Rates:		
*TK-3	\$	10,119
4-6	\$	9,304
7-8	\$	9,580

**includes grade span adjustment*



Revenue Changes since 1st Interim

Total Revenue Change \$180,746

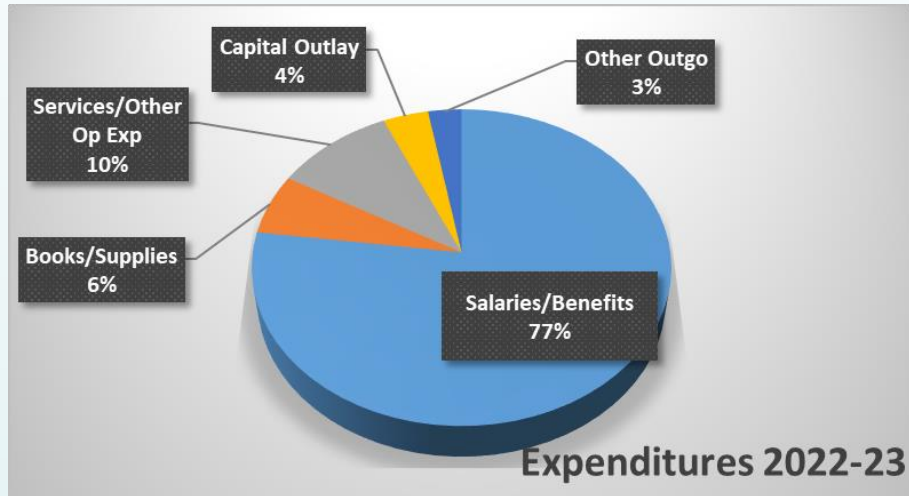
- **LCFF** \$<186,340>
 - Move \$150k to state (Home to School Transp)
- **Federal** \$4,493
 - \$4k Title I
- **State** \$162,375
 - \$13k State Lottery
 - \$150k Home to School Transp
- **Local** \$200,218
 - \$134k Donations
 - \$66k Special Education



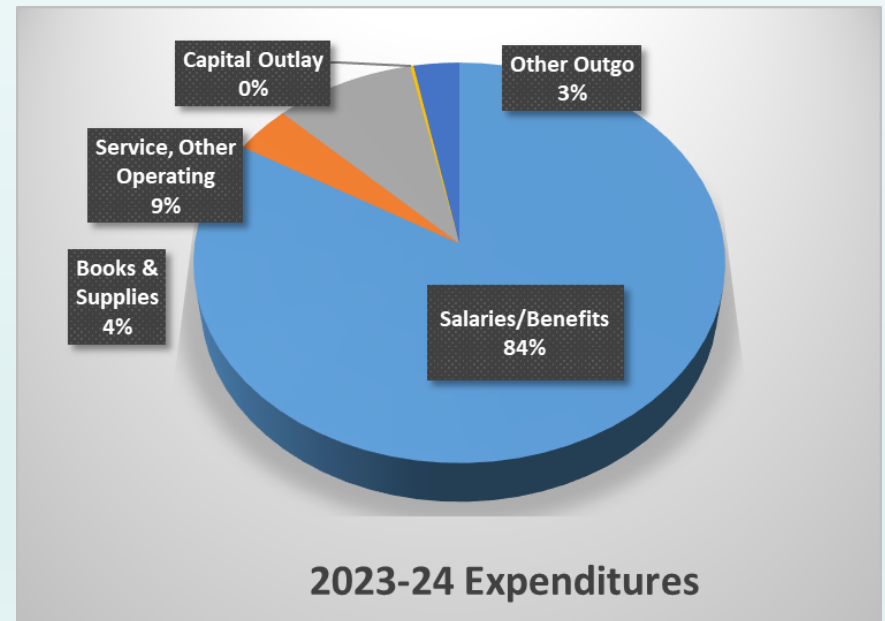


2022-23

2nd Interim Expenditure Projections



Once all of the COVID funds and one-time expenditures such as the bus purchase are completed, Salaries/Benefits will be 84% of our total expenditures





Expenditure Changes since 1st Interim

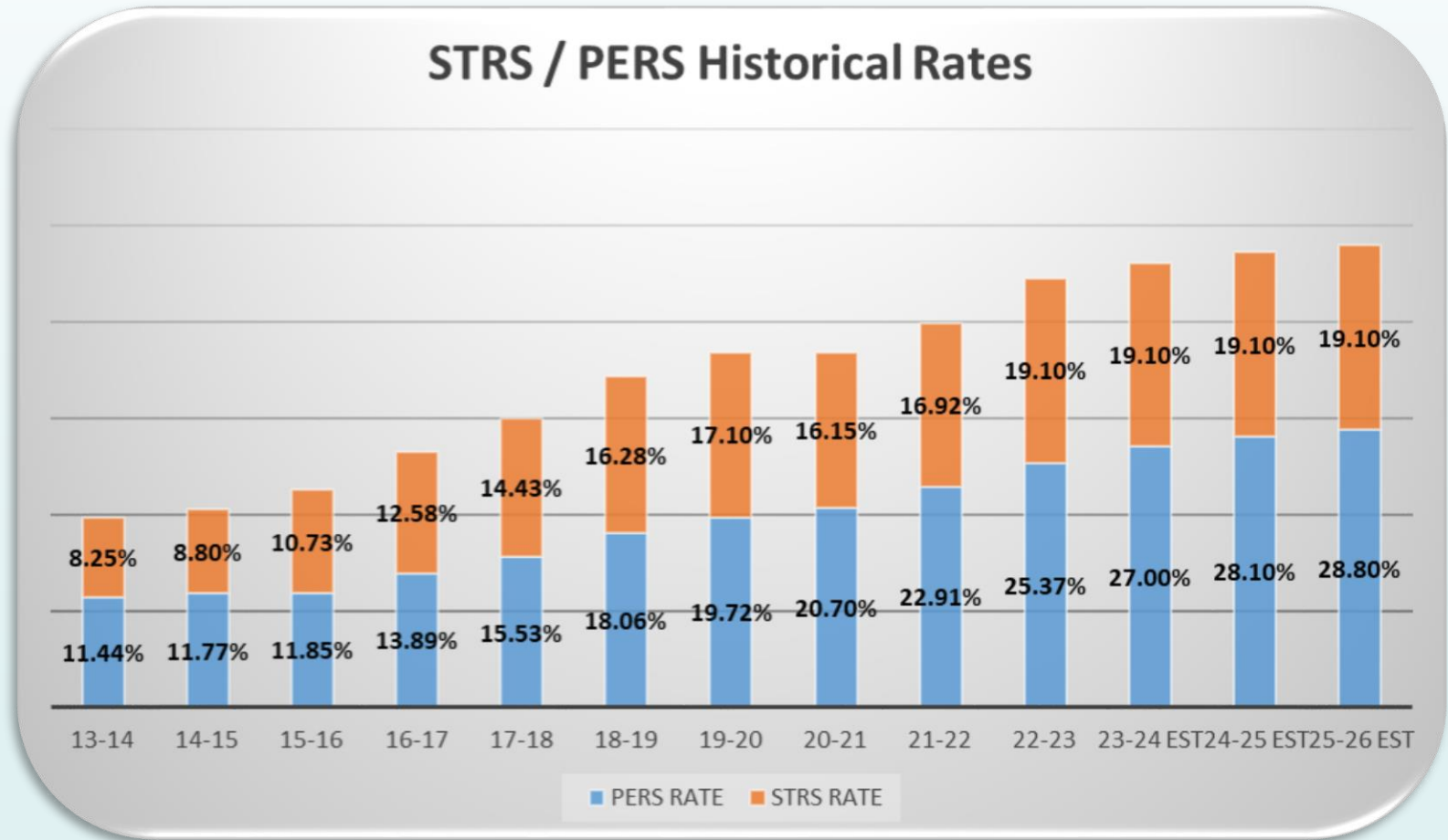
- **Salaries/Benefits** - \$206,995
 - \$67k Updated Class Summer School Salaries
 - \$40k New Hire Class updates
 - \$50k Prof Dev Cert Subs
 - \$56k Updated Benefits
- **Books/Supplies** - \$410,817
 - \$180k NGSS adoption
 - \$230k shift from Services
- **Services/Contracts** - \$<235,816.98>
 - \$240k increase to PGE
 - \$<230k> shift to Supplies
 - \$<145k> shift to salaries for Summer School
 - \$<100k> shift from maintenance to PGE
- **Capital Outlay** - \$27k
 - \$27k Floor Cleaners
- **Other Outgo** - \$84,004
 - \$84k Regional Prog Aides





STRS/PERS

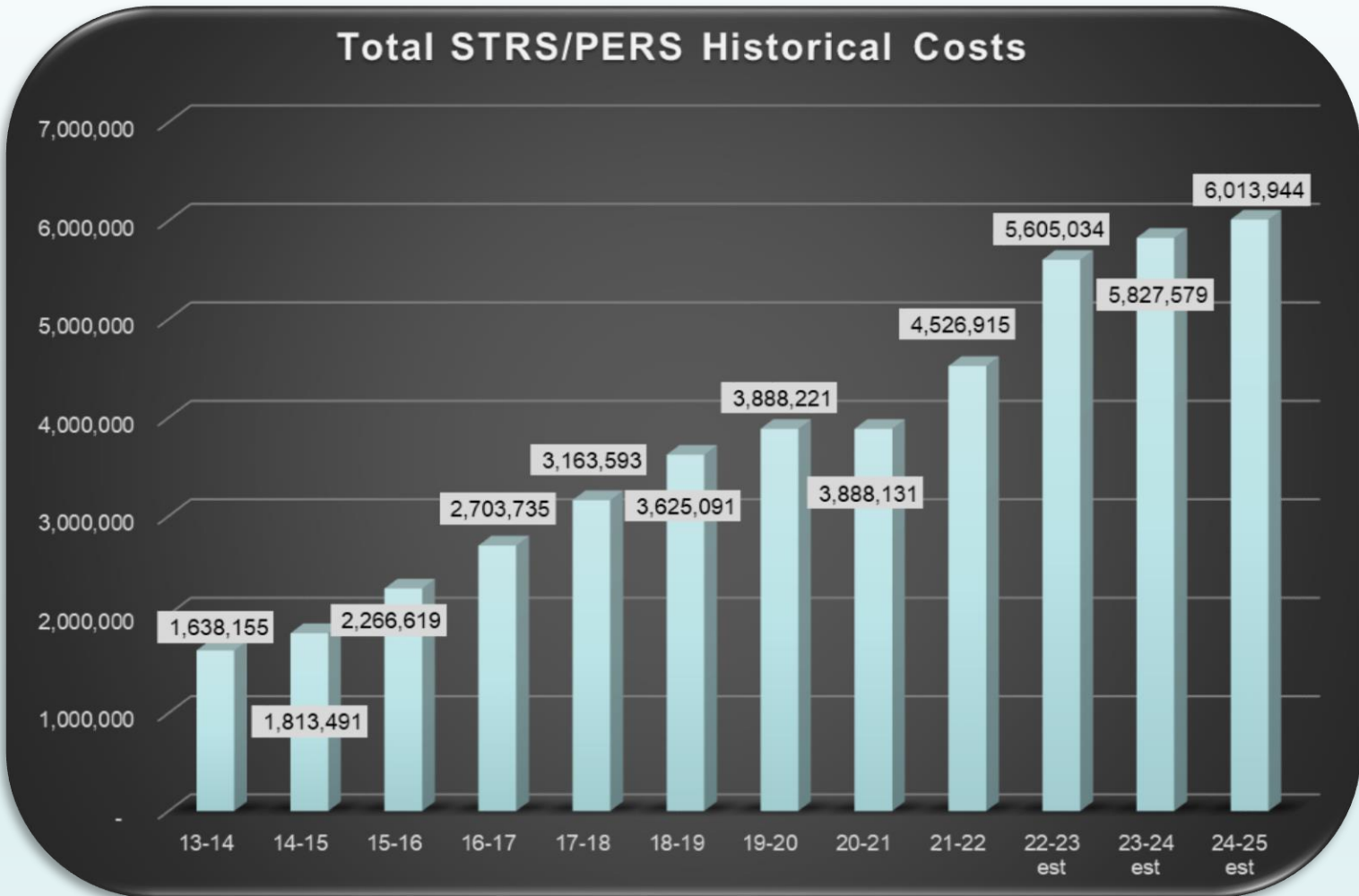
Historical rates and costs





STRS/PERS

Historical rates and costs





Multi-Year Projections (MYP)

Assumptions - Revenues

- LCFF ADA relief - \$618k
 - ⊕ Potential averaging or enrollment changes – still unknown
- Educator Effectiveness
 - ⊕ Total **\$815,622**
 - 2021-22 \$50k
 - 2022-23 to 2026-27 \$188k annually
- Learning Recovery Grant and Art/Music/Discretionary Grant
 - ⊕ Will bring plan for approval in April
 - ⊕ Plan includes board approved expenses from May 2022 study session
- Prop 28 Art/Music not yet included in
- Expanded Learning Opportunities Program (ELOP)
 - ⊕ 2022-23 **\$963,952**
 - ⊕ Requirements include
 - Offer after school programs up to a 9 hour day
 - Offer 30 additional 9 hour days (i.e. summer school)
 - Required to offer the ELOP to all TK/K-6 classroom based unduplicated pupils and provide program access to 50% of enrolled TK/K-6 classroom-based unduplicated pupils.
 - Plan to be approved by the board prior to use of funds.



Multi-Year Projections (MYP)

Assumptions – Expenditures

- Continue \$75,000 annual Tech Replacement Budget
- No changes to staffing
 - ⊕ While this budget assumes all retirees will be replaced, we need to wait for student enrollment to ensure we know where to hire (e.g. additional TK classes, LTIS, etc.)
- One-time COVID positions continue
 - ⊕ 4th Utility Technician (grounds)
 - ⊕ Roving custodian
 - ⊕ Additional Health Office Nurse (HON) time
- 3 year positions expire June 2025, so they are included in the current MYP
 - ⊕ Special Education Supports (2022-2025) \$ 600,000
 - ⊕ Deferred Maintenance Commitment \$ 350,000
 - ⊕ Prep for grades 1-3 (2022-2023 pilot) \$ 203,000
 - ⊕ Garden / Outdoor Education (2022-2025)
\$ 125,000
 - ⊕ Student Support Secretary to replace DO Clerk (2022-2025) \$ 150,000
 - ⊕ Increase all counselors at each site to full-time – on-going \$ 140,000



Multi-Year Projections (MYP) Assumptions

Expenditures

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Rescue Union School District

Multi-Year Projected Budget

2022-23 2nd Interim MYP		I 2023-24 2nd INTERIM Unrestricted	J 2023-24 2nd INTERIM Restricted	K 2023-24 2nd INTERIM Total	L DIFFERENCE K - G	M 2024-25 2nd INTERIM Unrestricted	N 2024-25 2nd INTERIM Restricted	O 2024-25 2nd INTERIM Total	P DIFFERENCE O - K
A. REVENUE:									
COLA		8.13%				3.54%			
LCFF Enrollment		3,518				3,518			
LCFF ADA:		3,452.92				3,417.46			
UPC %		18.69%				17.87%			
LCFF Sources	8010-8099	38,545,724	-	38,545,724	2,403,915	39,444,928	-	39,444,928	899,204
Federal Revenue	8100-8299	-	553,268	553,268	(1,549,111)	-	541,148	541,148	(12,120)
Other State Revenue	8300-8599	899,893	3,822,708	4,722,601	(4,086,784)	899,893	3,772,708	4,672,601	(50,000)
Local Revenue	8600-8799	572,122	2,224,215	2,796,337	(1,970,969)	425,587	2,224,215	2,649,802	(146,535)
TOTAL REVENUE		40,017,739	6,600,191	46,617,930	(5,202,949)	40,770,408	6,538,071	47,308,479	690,549
B. EXPENDITURES:									
Certificated Salaries	1000-1999	17,015,623	2,502,595	19,518,219	218,655	17,276,035	2,502,595	19,778,630	260,411
Classified Salaries	2000-2999	5,549,252	2,531,179	8,080,431	188,687	5,755,857	2,531,179	8,287,037	206,605
Benefits	3000-3999	7,659,053	3,880,561	11,539,614	242,647	7,871,436	3,880,561	11,751,997	212,383
Books & Supplies	4000-4999	1,050,882	745,288	1,796,170	(1,275,241)	1,074,981	724,046	1,799,027	2,857
Services	5000-5999	2,384,401	2,002,833	4,387,234	(661,218)	2,384,401	2,010,046	4,394,447	7,213
Capital Outlay	6000-6599	6,400	100,000	106,400	(1,806,625)	6,400	100,000	106,400	-
Other Outgo	7100-7299	267,461	1,157,942	1,425,403	13,928	278,204	1,157,942	1,436,146	10,743
Direct Support/Indirect Costs	7300-7399	(253,587)	212,908	(40,679)	(3,780)	(253,631)	212,952	(40,679)	-
TOTAL EXPENDITURES		33,679,485	13,133,307	46,812,792	(3,082,946)	34,393,683	13,119,321	47,513,004	700,212
C. EXCESS (DEFICIENCY)		6,338,254	(6,533,115)	(194,861)	(2,120,003)	6,376,725	(6,581,250)	(204,525)	(9,664)
D. OTHER FINANCING SOURCES/USES									
Interfund Transfers In	8910-8929	-	-	-	-	-	-	-	-
Interfund Transfers Out	7610-7629	-	-	-	-	-	-	-	-
Other Sources	8930-8979	-	-	-	-	-	-	-	-
Other Uses	7630-7699	-	-	-	-	-	-	-	-
Contributions	8980-8999	(5,753,177)	5,753,177	-	-	(5,780,731)	5,780,731	-	-
TOTAL SOURCES/USES		(5,753,177)	5,753,177	-	-	(5,780,731)	5,780,731	-	-
E. NET INCREASE (DECREASE)		585,077	(779,938)	(194,861)	(2,120,003)	595,994	(800,519)	(204,525)	(9,664)



Rescue Union School District

Multi-Year Projected Budget

	I 2023-24 2nd INTERIM Unrestricted	J 2023-24 2nd INTERIM Restricted	K 2023-24 2nd INTERIM Total	L DIFFERENCE K - G	M 2024-25 2nd INTERIM Unrestricted	N 2024-25 2nd INTERIM Restricted	O 2024-25 2nd INTERIM Total	P DIFFERENCE O - K
2022-23 2nd Interim MYP								
G. COMPONENTS OF THE ENDING BALANCE:								
a) Nonspendable								
Revolving Cash	6,500		6,500	-	6,500		6,500	-
Stores			-	-			-	-
Prepaid expenses			-	-			-	-
All Others			-	-			-	-
b) Restricted		3,170,025	3,170,025	(779,938)		2,369,506	2,369,506	(800,519)
Educator Effectiveness RS 6266		423,483	423,483	(187,200)		236,283	236,283	(187,200)
Lottery Instructional Materials RS 6300		4,660	4,660	(4,687)		27,085		
Learning Recover SpEd RS 6537								
CTEIG RS 9054		65,605	65,605	25,455		43,367		
Early Intervention RS 6547		204,107				192,794		
Learning Recovery Emer Grant RS 7435		425,862				-		
Arts & Music Block Grant RS 6762		2,046,309	2,046,309	(100,759)		1,869,977	1,869,977	(176,332)
c) Committed				-				
Stabilization Arrangements								
Other Commitments	3,815,956		3,815,956	893,372	4,357,964		4,357,964	542,008
Liability - Compensated Absences	100,000		100,000		100,000		100,000	
Liability - H/W Prior Year adjust	150,000		150,000		150,000		150,000	
U/R Lottery - Instr Supplies / Textbook Adopt	845,096		845,096		566,649		566,649	
MAA - Health services	71,296		71,296		50,052		50,052	
Emergency Facility Needs	500,000		500,000		500,000		500,000	
Declining Enrollment Mitigation	2,149,564		2,149,564		2,991,263		2,991,263	
d) Assigned	-		-	-	-		-	-
Assigned Descriptions:								
Liability - Compensated Absences			-	-			-	-
Liability - H/W Prior Year adjust			-	-			-	-
U/R Lottery - Instr Supplies / Textbook Adopt			-	-			-	-
Emergency Facility Needs			-	-			-	-
Misc Reserves			-	-			-	-
e) Unassigned								
Reserve for Economic Uncertainties 10%	4,681,279		4,681,279	(308,295)	4,735,265		4,735,265	53,986
Unassigned/Unappropriated			-	-			-	-
Ending Fund Balance	8,503,735	3,170,025	11,673,760	(1,088,233)	9,099,729	2,369,506	11,469,235	(568,057)



Future Budget Impacts



- Enrollment updates and impacts to LCFF
- May Revise and Final State Budget Adoption
- One-Time CARES grant fully spent
- Class Sizes return to pre-COVID sizes
- Negotiations





Questions?

