



# Rescue Union School District

## 2023-24 1<sup>st</sup> Interim Update

December 12, 2023



### Board of Trustees

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

## Financial Cycle for 2023-24

- ✓ **June 13, 2023** – Public Hearing
- ✓ **June 27, 2023** – Board Approval/Budget Adoption
- ✓ **August 8, 2023** - If there are material changes in the District budget due to state budget adoption or revision, budget revisions are due 45 days afterwards.
- ✓ **December 12, 2023** - First Interim Budget
- ✦ **March 2024** - Second Interim Budget
- ✦ **June 2024** - June Budget Update (with 2023-24 budget adoption)
- ✦ **September 2024** - Unaudited Actual Financials
- ✦ **December 2024** - Audit Report



# 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. This presentation is a user-friendly summary of the 2023-24 First Interim Report.

- 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.



# 2023-24

## 1<sup>st</sup> 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
- 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 March 2024







# Multi-Year Assumptions

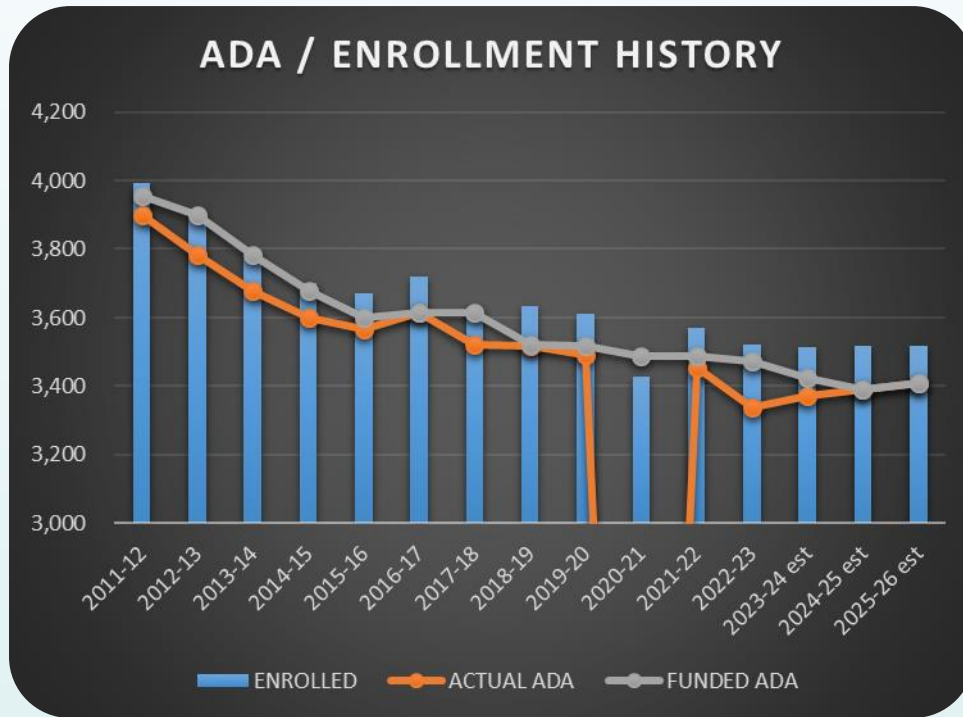
ASSUMPTIONS	2023-24	2024-25	2025-26
<u>COLA</u>	8.22%	3.94%	4.02%
<u>ENROLLED / ADA</u>	3,518 / 3,370.06	3,518 / 3,388.60	3,518 / 3,407.23
<u>FUNDED ADA</u>	3,422.64	3,388.60	3,407.23
<u>UPC %</u>	18.70%	17.89%	17.74%
<u>STRS RATE / PERS RATE</u>	19.10% / 26.68%	19.10% / 27.70%	19.10% / 28.30%
<u>NEGOTIATION STATUS</u>	SETTLED	NOT SETTLED	NOT SETTLED
<u>ONE-TIME FUNDS</u>	EEF - Year 3 \$188k	EEF - Year 4 \$188k	EEF - Year 5 \$188k
		Est Retirees: 4	Est Retirees: 4

CARES: Coronavirus Aid, Relief and Economic Security

EEF: Educator Effectiveness Funding



# RUSD Enrollment History



School Districts receive funding on the greater of current or prior year average daily attendance (ADA), with some annual adjustments. Beginning 2022-23, we can also use a 3 year average for ADA. Rescue will be funded on the three year average in 2022-23 and 2023-24. Beginning 2024-25, we expect to be funded on current year ADA.



# General Fund

Rescue Union District Financial Status Comparison 2023-24										
	b	c	d	e	f	g	h	i	j	k
		<u>Budget Adoption</u> <u>2023-24</u>			<u>1st Interim Budget</u> <u>2023-24</u>			<u>Compare</u> <u>Budget Adoption to 1st Interim</u>		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted Variance	Restricted Variance	Total Variance
4										
5										
6	Revenue Detail									
7	LCFF Sources (8010-8099)	37,457,480	-	37,457,480	38,560,671	-	38,560,671	1,103,191	-	1,103,191
8	Federal Revenue (8100-8299)	-	747,641	747,641	-	889,860	889,860	-	142,219	142,219
9	Other State Revenue (8300-8599)	946,973	3,965,193	4,912,166	975,242	4,760,176	5,735,418	28,269	794,983	823,252
10	Other Local Revenue (8600-8799)	2,142,451	2,275,771	4,418,222	2,386,026	3,323,665	5,709,691	243,575	1,047,894	1,291,469
11	Total Revenue	40,546,904	6,988,605	47,535,509	41,921,939	8,973,702	50,895,640	1,375,035	1,985,097	3,360,131
12										
13	Expenditure Detail									
14	Certificated	16,584,107	2,686,230	19,270,337	17,443,575	3,416,884	20,860,459	859,468	730,654	1,590,123
15	Classified	5,223,750	2,524,408	7,748,158	5,575,849	2,618,579	8,194,428	352,099	94,171	446,270
16	Employee benefits	6,907,872	4,191,501	11,099,373	6,587,157	4,913,890	11,501,047	(320,715)	722,389	401,674
17	Books & Supplies	800,858	1,077,414	1,878,273	852,192	1,604,576	2,456,768	51,334	527,162	578,496
18	Service, Other Operating	2,438,912	2,512,613	4,951,525	2,543,304	4,114,743	6,658,047	104,392	1,602,130	1,706,522
19	Capital Outlay	1,676,670	100,000	1,776,670	1,676,670	2,002,425	3,679,095	-	1,902,425	1,902,425
20	Other Outgo	274,270	1,347,329	1,621,599	274,270	1,349,529	1,623,799	-	2,200	2,200
21	Indirect Costs	(179,414)	138,683	(40,731)	(251,965)	211,496	(40,469)	(72,551)	72,813	262
22	Total Expenditures	33,727,024	14,578,179	48,305,203	34,701,051	20,232,123	54,933,174	974,027	5,653,944	6,627,971
23										
24	Excess/(Deficiency)	6,819,880	(7,589,574)	(769,694)	7,220,887	(11,258,421)	(4,037,534)	401,008	(3,668,847)	(3,267,839)
25										
26	Other Financing Sources/uses									
27	Transfers In			-			-	-	-	-
28	Transfers Out	230,418		230,418	703,596		703,596	473,178	-	473,178
29	Other Sources			-			-	-	-	-
30	Other Uses			-			-	-	-	-
31	Contributions (8800-8999)	(6,211,299)	6,211,299	-	(7,658,187)	7,658,187	-	(1,446,888)	1,446,888	-
32	Total Other Sources/Uses	(6,441,717)	6,211,299	(230,418)	(8,361,783)	7,658,187	(703,596)	(1,920,066)	1,446,888	(473,178)
33										
34	Net Inc/Dcr to Fund Balance	378,163	(1,378,275)	(1,000,112)	(1,140,895)	(3,600,235)	(4,741,130)	(1,519,058)	(2,221,960)	(3,741,018)
35										
36	Beginning Balance	9,241,304	7,076,441	16,317,745	9,241,304	7,076,441	16,317,745	-	-	-
37	Ending Balance	9,619,467	5,698,166	15,317,633	8,100,409	3,476,206	11,576,615	(1,519,058)	(2,221,960)	(3,741,018)

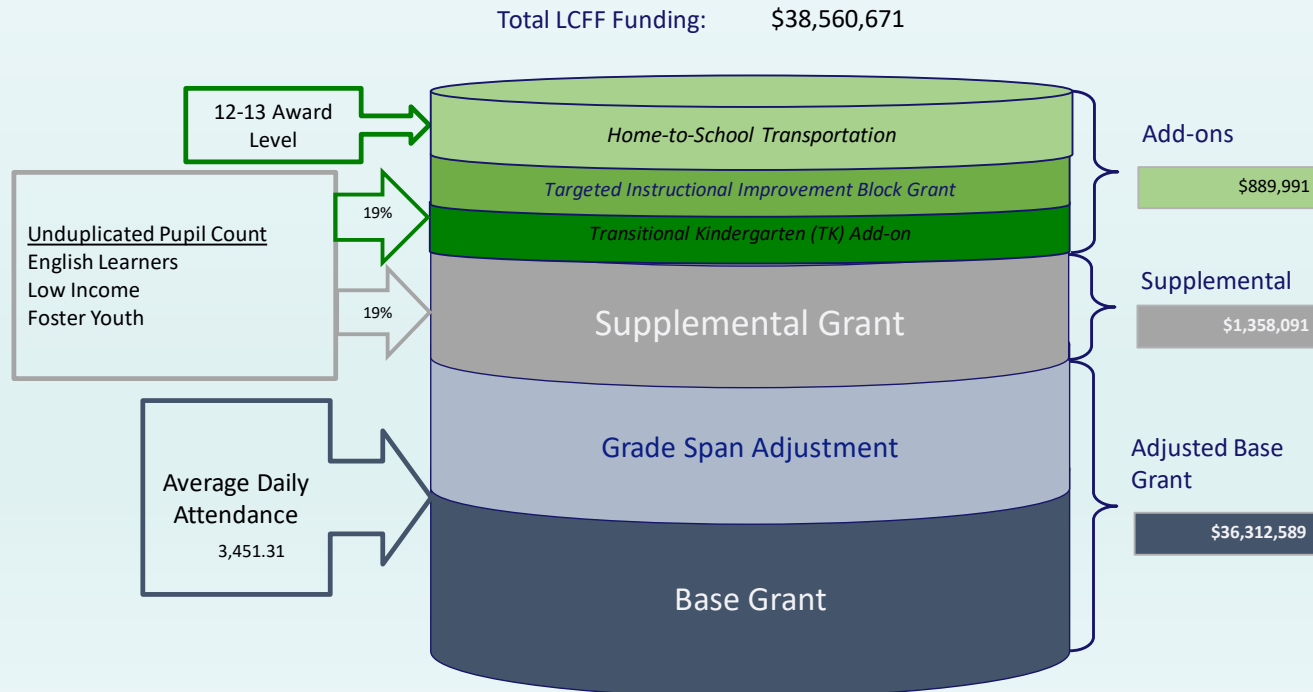




# 2023-24

## 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 (Rescue not eligible).
- Home to school transportation and TIIG are both funded at 2012-13 funding level
  - ⊕ Beginning 2022-23 transportation will be increased by the LCFF COLA and funded at no less than 60% of transportation expenditures (excluding capital outlay).





# 2023-24

## Revenue Changes since Adopted Budget

	<u>Budget Adoption</u> <b>2023-24</b>	<u>1st Interim</u> <b>2023-24</b>	<u>Compare</u> <u>Budget</u> <u>Adoption to</u> <u>1st Interim</u>
Revenue Detail	TOTAL UNRESTRICTED/ RESTRICTED	TOTAL UNRESTRICTED/ RESTRICTED	CHANGE
LCFF Sources (8010-8099)	37,457,480	38,560,671	1,103,191
Federal Revenue (8100-8299)	747,641	889,860	142,219
Other State Revenue (8300-8599)	4,912,166	5,735,418	823,252
Other Local Revenue (8600-8799)	4,418,222	5,709,691	1,291,469
<b>Total Revenue</b>	<b>47,535,509</b>	<b>50,895,640</b>	<b>3,360,131</b>

**LCFF** \$1,103,191

- Increased COLA from 5.1% to 8.22%

**Federal** \$142,219

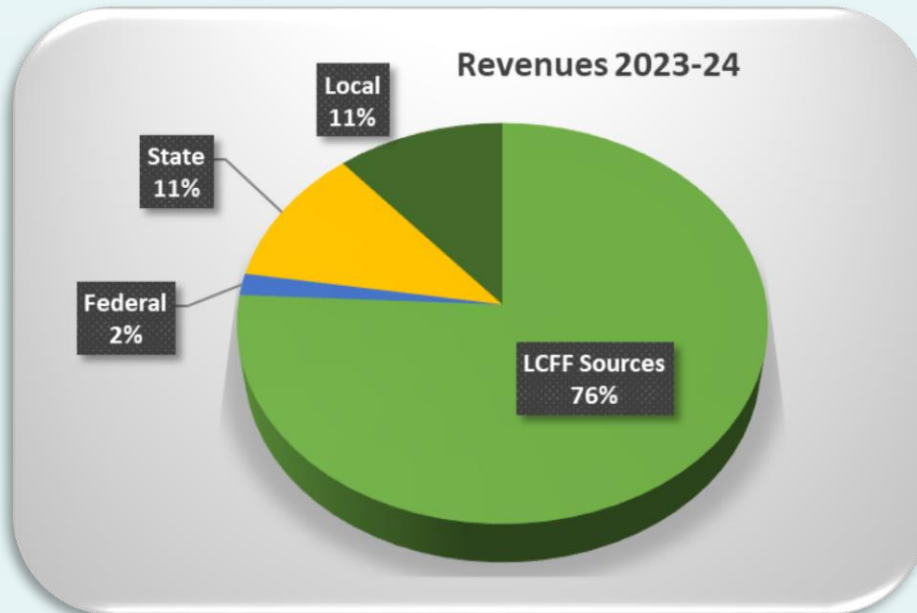
- \$120k COVID carry-over
- \$20k Title III

**State** \$823,252

- \$150k Universal Pre-K
- \$40k Early Interv Grant
- \$143k Art/Music Grant
- \$85k Learning Recovery
- \$430 Prop 28 VAPA

**Local** \$1,291,469

- \$684k Education Connectivity Grant
- \$235k Interest
- \$250k Donations
- \$80k CTEIG (Career Tech)





2023-24

## Expenditure Changes since Adopted Budget

### Salaries/Benefits - \$2,438,067

- \$2.2 mil Negotiations
- \$110 SPED TOSA
- \$50K District Counselor
- \$35 Add'l MV Counselor
- \$290k Prop 28 Estimate

### Books/Supplies - \$578,496

- \$130k Universal Pre-k Grant
- \$78k Prop 28 Estimate
- \$450k Donations

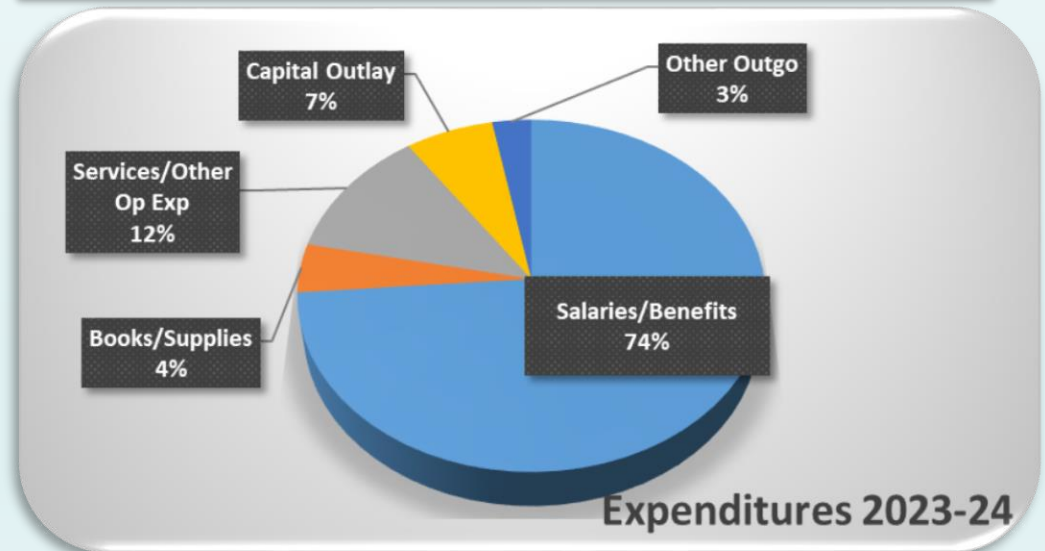
### Services/Contracts - \$1,706,522

- \$1.1 mil Residential Placements
- \$380k Site Budget Donations
- \$312k Contracted Employees  
(IIFs, Behaviorist, Psych)

### Capital Outlay - \$1,902,425

- \$680k Chromebooks (Ed Tech Grant)
- \$457k All Abilities Playground
- \$500k PG Kitchen Remodel
- \$108k PG Gym HVAC
- \$95k Emergency Radios

	<u>Budget Adoption</u> <u>2023-24</u>	<u>1st Interim</u> <u>2023-24</u>	<u>Compare</u> <u>Budget</u> <u>Adoption to</u> <u>1st Interim</u>
Expenditure Detail	TOTAL UNRESTRICTED/ RESTRICTED	TOTAL UNRESTRICTED/ RESTRICTED	CHANGE
Certificated	19,270,337	20,860,459	1,590,123
Classified	7,748,158	8,194,428	446,270
Employee benefits	11,099,373	11,501,047	401,674
Books & Supplies	1,878,273	2,456,768	578,496
Service, Other Operating	4,951,525	6,658,047	1,706,522
Capital Outlay	1,776,670	3,679,095	1,902,425
Other Outgo	1,621,599	1,623,799	2,200
Indirect Costs	(40,731)	(40,469)	262
<b>Total Expenditures</b>	<b>48,305,203</b>	<b>54,933,174</b>	<b>6,627,971</b>



\*Salaries/Benefits are 81% when adjusted for Residential placements, capital outlay, and contracted staff



# Multi-Year Projections

## Unrestricted only

### Line E. NET INCREASE (DECREASE)

Although 2023-24 and 2024-25 indicate we are deficit spending, by 2025-26, we will no longer be deficit spending.



Rescue Union School District Multi-Year Projected Budget					
		E 2023-24	H 2023-24	L 2024-25	P 2025-26
2023-24 1ST INTERIM MYP		Adopted Budget	1st INTERIM	1st INTERIM	1st INTERIM
		Unrestricted	Unrestricted	Unrestricted	Unrestricted
	COLA	5.10%	8.22%	3.94%	3.29%
	LCFF Enrollment	3,518	3,518	3,518	3,518
	LCFF ADA:	3,422.64	3,422.64	3,391.50	3,410.13
	UPC %	18.70%	18.70%	17.89%	17.74%
A. REVENUE:					
LCFF Sources	8010-8099	37,457,480	38,560,671	39,630,789	41,134,558
Federal Revenue	8100-8299	-	-	-	-
Other State Revenue	8300-8599	946,973	975,242	975,242	975,242
Local Revenue	8600-8799	2,142,451	2,386,026	311,675	295,603
TOTAL REVENUE		40,546,904	41,921,939	40,917,706	42,405,403
B. EXPENDITURES:					
Certificated Salaries	1000-1999	16,584,107	17,443,575	17,827,548	17,972,078
Classified Salaries	2000-2999	5,223,750	5,575,849	5,831,722	6,015,766
Benefits	3000-3999	6,907,872	6,587,157	6,920,071	7,812,265
Books & Supplies	4000-4999	800,858	852,192	1,318,926	829,276
Services	5000-5999	2,438,912	2,543,304	2,434,465	2,435,650
Capital Outlay	6000-6599	1,676,670	1,676,670	6,400	6,400
Other Outgo	7100-7299	274,270	274,270	274,270	274,270
Direct Support/Indirect Cos	7300-7399	(179,414)	(251,965)	(334,711)	(263,493)
TOTAL EXPENDITURES		33,727,024	34,701,051	34,278,692	35,082,213
C. EXCESS ( DEFICIENCY)		6,819,880	7,220,887	6,639,014	7,323,190
D. OTHER FINANCING SOURCES/USES					
Interfund Transfers In	8910-8929	-	-	-	-
Interfund Transfers Out	7610-7629	230,418	703,596	-	-
Other Sources	8930-8979	-	-	-	-
Other Uses	7630-7699	-	-	-	-
Contributions	8980-8999	(6,211,299)	(7,658,187)	(7,487,591)	(6,815,567)
TOTAL SOURCES/USES		(6,441,717)	(8,361,783)	(7,487,591)	(6,815,567)
E. NET INCREASE (DECREASE)		378,163	(1,140,895)	(848,576)	507,623
BEGINNING BALANCE		9,241,304	9,241,304	8,100,409	7,251,832
Audit adj		-	-	-	-
F. RESTATED BEGINNING BALANCE		9,241,304	9,241,304	8,100,409	7,251,832
PROJECTED ENDING BALANCE		9,619,467	8,100,409	7,251,832	7,759,456



# Multi-Year Projections Total U/R and Rest



Rescue Union School District Multi-Year Projected Budget					
		G 2023-24	J 2023-24	N 2024-25	R 2025-26
2023-24 1ST INTERIM MYP		Adopted Budget	1st INTERIM	1st INTERIM	1st INTERIM
		Total	Total	Total	Total
	COLA	5.10%	8.22%	3.94%	3.29%
	LCFF Enrollment	3,518	3,518	3,518	3,518
	LCFF ADA:	3,422.64	3,422.64	3,391.50	3,410.13
	UPC %	18.70%	18.70%	17.89%	17.74%
<b>A. REVENUE:</b>					
LCFF Sources	8010-8099	37,457,480	38,560,671	39,630,789	41,134,558
Federal Revenue	8100-8299	747,641	889,860	628,130	610,069
Other State Revenue	8300-8599	4,912,166	5,735,418	5,172,433	5,153,020
Local Revenue	8600-8799	4,418,222	5,709,691	2,706,819	2,690,747
<b>TOTAL REVENUE</b>		<b>47,535,509</b>	<b>50,895,640</b>	<b>48,138,171</b>	<b>49,588,395</b>
<b>B. EXPENDITURES:</b>					
Certificated Salaries	1000-1999	19,270,337	20,860,459	21,074,835	21,204,365
Classified Salaries	2000-2999	7,748,158	8,194,428	8,380,031	8,564,074
Benefits	3000-3999	11,099,373	11,501,047	11,714,297	11,897,127
Books & Supplies	4000-4999	1,878,273	2,456,768	2,193,544	1,648,544
Services	5000-5999	4,951,525	6,658,047	5,901,930	4,914,755
Capital Outlay	6000-6599	1,776,670	3,679,095	106,400	106,400
Other Outgo	7100-7299	1,621,599	1,623,799	1,550,255	1,550,255
Direct Support/Indirect Cos	7300-7399	(40,731)	(40,469)	(40,469)	(40,469)
<b>TOTAL EXPENDITURES</b>		<b>48,305,203</b>	<b>54,933,174</b>	<b>50,880,822</b>	<b>49,845,052</b>
<b>C. EXCESS ( DEFICIENCY)</b>		<b>(769,694)</b>	<b>(4,037,534)</b>	<b>(2,742,651)</b>	<b>(256,657)</b>
<b>D. OTHER FINANCING SOURCES/USES</b>					
Interfund Transfers In	8910-8929	-	-	-	-
Interfund Transfers Out	7610-7629	230,418	703,596	-	-
Other Sources	8930-8979	-	-	-	-
Other Uses	7630-7699	-	-	-	-
Contributions	8980-8999	-	-	-	-
<b>TOTAL SOURCES/USES</b>		<b>(230,418)</b>	<b>(703,596)</b>	<b>-</b>	<b>-</b>
<b>E. NET INCREASE (DECREASE)</b>		<b>(1,000,112)</b>	<b>(4,741,130)</b>	<b>(2,742,651)</b>	<b>(256,657)</b>
<b>BEGINNING BALANCE</b>		<b>16,317,745</b>	<b>16,317,745</b>	<b>11,576,615</b>	<b>8,833,964</b>
Audit adj		-	-	-	-
<b>F. RESTATED BEGINNING BALANCE</b>		<b>16,317,745</b>	<b>16,317,745</b>	<b>11,576,615</b>	<b>8,833,964</b>
<b>PROJECTED ENDING BALANCE</b>		<b>15,317,633</b>	<b>11,576,615</b>	<b>8,833,964</b>	<b>8,577,307</b>





Rescue Union School District  
Multi-Year Projected Budget

	G 2023-24	J 2023-24	N 2024-25	R 2025-26
2023-24 1ST INTERIM MYP	Adopted Budget	1st INTERIM	1st INTERIM	1st INTERIM
	Total	Total	Total	Total
<b>G. COMPONENTS OF THE ENDING BALANCE:</b>				
a) Nonspendable				
Revolving Cash	6,250	6,500	6,500	6,500
Stores	-	-	-	-
Prepaid expenses	-	-	-	-
All Others	-	-	-	-
b) Restricted	5,698,166	3,476,206	1,582,132	817,851
Expanded Learning Opportunities (ELOP) RS 2600	695,760	519,127	292,494	30,860
Educator Effectiveness RS 6266	627,066	438,404	249,742	-
Lottery Instructional Materials RS 6300	917,923	790,385	621,829	453,272
ERMHS RS 6546	301	27,289	22,361	59,882
CTEIG RS 9054	268,083	-	-	-
Early Intervention RS 6547	388,843	377,174	325,506	273,837
COVID Expanded Learning	137,989	-	-	-
Learning Recovery Emer Grant RS 7435	803,732	393,024	-	-
Medi-Cal Billing	-	43,772	-	-
TUPE	-	2,029	-	-
Arts & Music Block Grant RS 6762	1,596,682	885,001	70,200	-
c) Committed				
Stabilization Arrangements				
Other Commitments	4,759,655	2,530,232	2,173,285	2,768,451
Liability - Compensated Absences	150,000	150,000	150,000	150,000
Liability - H/W Prior Year adjust	200,000	200,000	200,000	200,000
U/R Lottery - Instr Supplies / Textbook Adopt	1,271,533	1,263,715	698,019	632,323
MAA - Health services	87,800	86,300	63,368	40,436
Emergency Facility Needs	600,000	132,425	-	-
Safety Improvements	-	50,000	-	-
CalPERS/CalSTRS	650,000	-	-	-
SPED residential reserve	-	-	-	1,000,000
Declining Enrollment Mitigation	1,800,322	647,792	1,061,899	745,692
d) Assigned	-	-	-	-
Assigned Descriptions:	-	-	-	-
e) Unassigned				
Reserve for Economic Uncertainties 10%	4,853,562	5,563,677	5,072,047	4,984,505
Unassigned/Unappropriated	-	-	-	-
<b>Ending Fund Balance</b>	<b>15,317,633</b>	<b>11,576,615</b>	<b>8,833,964</b>	<b>8,577,307</b>



# Future Budget Considerations



- Enrollment updates and impacts to LCFF
- January Budget proposal and the COLA estimates
  - ⊕ *If COLA is 2% in 2024-25, that will reduce our LCFF revenue \$1.6 mil*
  - ⊕ *If COLA is 2% in 2025-26, that will further reduce our LCFF revenue \$2 mil*
- One-Time Funding
  - ⊕ Educator Effectiveness
  - ⊕ Art, Music, and Instructional Materials Discretionary Grant
  - ⊕ Learning Recovery Grant
- We will need to explore how to fund priorities after the one-time funds have been expended:
  - ⊕ Training
  - ⊕ Staff
  - ⊕ Supplies
- Negotiations for 2024-25





# Questions?

