



Rescue Union School District 2024-25 1st Interim Update

December 13, 2024



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 2024-25

- ✓ **June 11, 2024** – Public Hearing
- ✓ **June 25, 2024** – Board Approval/Budget Adoption
- ✓ **December 13, 2024** - First Interim Budget
- ✚ **March 2025** - Second Interim Budget
- ✚ **June 2025** - June Budget Update (with 2025-26 budget adoption)
- ✚ **September 2025** - Unaudited Actual Financials
- ✚ **December 2025** - 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 2024-25 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.



2024-25 1st 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 2025





Multi-Year Assumptions

ASSUMPTIONS	2024-25	2025-26	2026-27
<u>COLA</u>	1.07%	2.08%	2.08%
<u>ENROLLED / ADA</u>	3,545 / 3,424.08	3,545 / 3,424.08	3,545 / 3,424.08
<u>FUNDED ADA</u>	3,424.08	3,424.08	3,424.08
<u>UPC %</u>	18.22%	18.27%	18.21%
<u>STRS RATE / PERS RATE</u>	19.10% / 27.05%	19.10% / 27.60%	19.10% / 28.0%
<u>NEGOTIATION STATUS</u>	NOT SETTLED	NOT SETTLED	NOT SETTLED
<u>ONE-TIME FUNDS</u>	EEF - Year 4 \$188k	EEF - Year 5 \$188k	EEF – N/A
		Est Retirees: 4	Est Retirees: 4

EEF: Educator Effectiveness Funding



RUSD Enrollment/ADA Update

Our original budget assumed we were going to decline. However, we continue to have new enrollments, including many inter-district transfers.

While our estimated current year ADA is 110 more than projected, our FUNDED ADA is approx. 20 more than projected. This is due to the difference of the 3 year average ADA vs current year ADA.

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 has been funded on the three year average in 2022-23 and 2023-24. Beginning 2024-25, we will be funded on current year ADA.





RUSD Enrollment/ADA Update

2023-24 CALPADS											
Name	Grade TK	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Total
	143	295	334	386	379	385	379	386	431	394	3512
2024-25 ESTIMATED PROJECTIONS											
Name	Grade TK	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Total
	137	302	301	346	394	381	396	381	386	435	3459
2024-25 FALL 1											
Name	Grade TK	Grade K	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Total
	156	333	303	347	401	387	399	382	404	437	3549
VARIANCE TO ESTIMATED	19	31	2	1	7	6	3	1	18	2	90
VARIANCE TO PY	13	38	-31	-39	22	2	20	-4	-27	43	37

Projecting enrollment has been tricky!

Although we have 37 more students than last year as a District, our 1st and 2nd grade total is 70 less students.



RUSD Enrollment/ADA Update

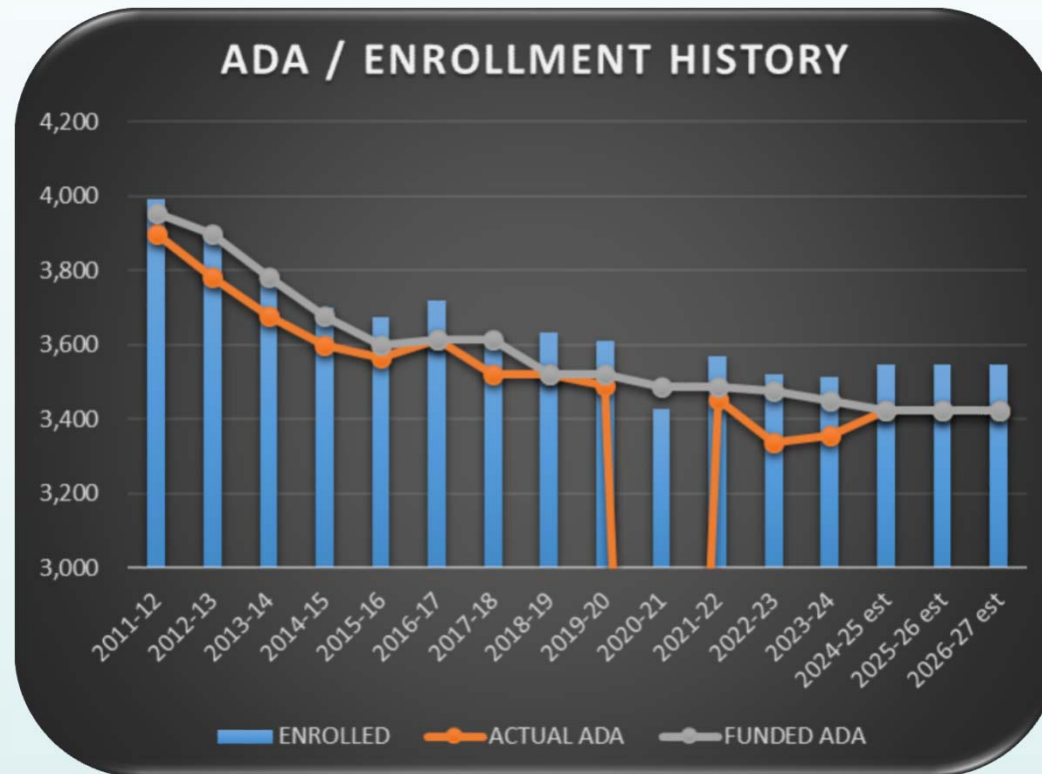
ACTUAL ENROLLMENT/ADA			
	2024-25	2025-26	2026-27
Budget Enrollment	3459	3372	3327
Budget ADA	3,313.72	3,240.27	3,206.88
Budget ADA Rate	0.9580	0.9609	0.9639
1st Interim Enrollment	3545	3545	3545
1st Interim ADA	3,424.08	3,424.08	3,424.08
1st Interim Rate	0.9659	0.9659	0.9659
Enrollment Variance	86.00	173.00	218.00
ADA Variance	110.36	183.81	217.20
FUNDED ADA			
	2024-25	2025-26	2026-27
Budget FUNDED ADA	3,403.46	3,358.59	3,327.68
	3-PY Average	3-PY Average	3-PY Average
1st Interim FUNDED ADA	3,424.08	3,424.08	3,424.08
	Current Year	Current Year	Current Year
Variance	20.62	65.49	96.40

Projecting enrollment has been tricky!

Although we have 37 more students than last year as a District, our 1st and 2nd grade total is 70 less students.



RUSD Enrollment/ADA History



While Rescue USD's trend has shown a decline since 2011-12 school year, since 2022-23 school year, our enrollment has been a little more stable. We will continue to monitor enrollment and attendance, however we are currently using flat enrollment and attendance in our budget assumptions.



General Fund

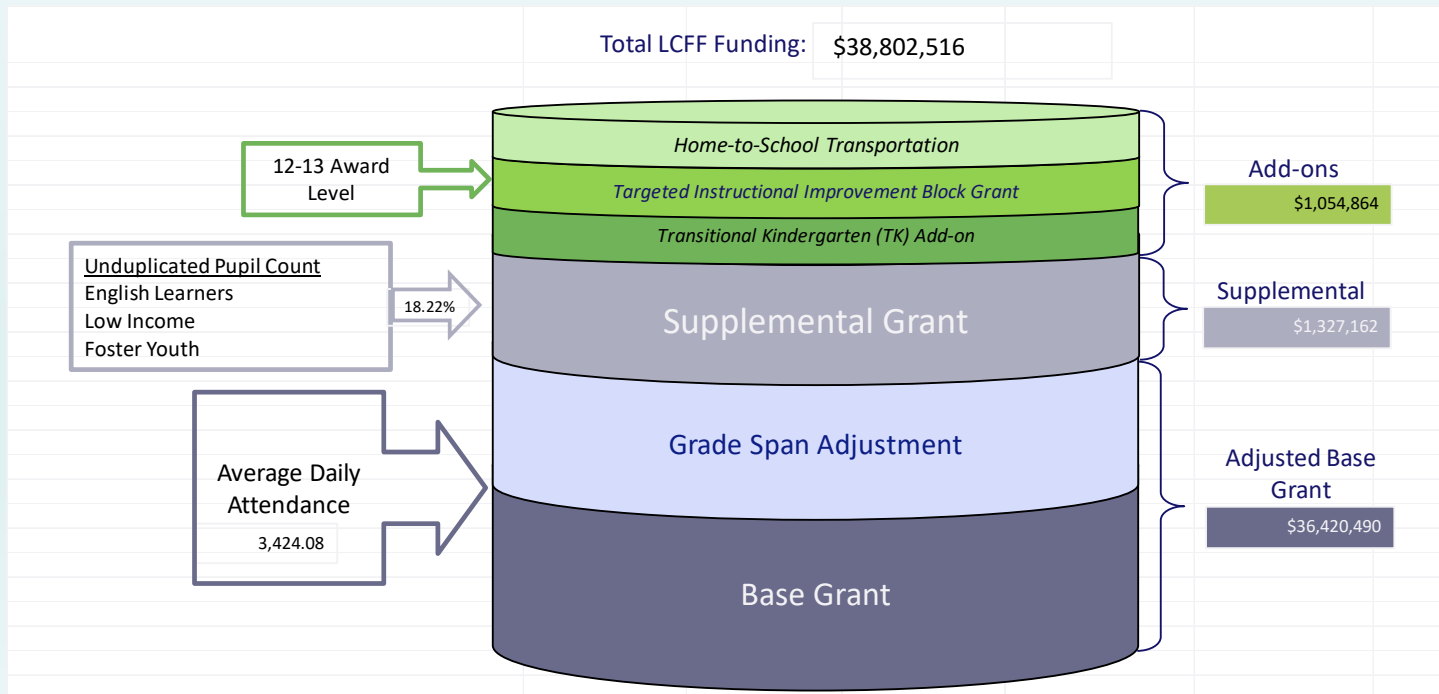
Rescue Union District Financial Status Comparison 2024-25										
	b	c	d	e	f	g	h	i	j	k
		<u>Budget Adoption</u> <u>2024-25</u>			<u>1st Interim</u> <u>2024-25</u>			<u>Compare</u> <u>Budget Adoption to 1st Interim</u>		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted Variance	Restricted Variance	Total Variance
4										
5										
6	Revenue Detail									
7	LCFF Sources (8010-8099)	38,563,378	-	38,563,378	38,802,516	-	38,802,516	239,138	-	239,138
8	Federal Revenue (8100-8299)	-	808,804	808,804	-	658,936	658,936	-	(149,868)	(149,868)
9	Other State Revenue (8300-8599)	1,136,150	4,343,255	5,479,405	1,159,286	4,206,377	5,365,663	23,136	(136,878)	(113,742)
10	Other Local Revenue (8600-8799)	819,000	2,604,799	3,423,799	1,363,372	2,946,694	4,310,065	544,372	341,894	886,266
11	Total Revenue	40,518,528	7,756,858	48,275,386	41,325,174	7,812,007	49,137,181	806,646	55,149	861,795
12										
13	Expenditure Detail									
14	Certificated	17,810,419	3,102,405	20,912,824	17,812,794	3,057,855	20,870,648	2,375	(44,551)	(42,176)
15	Classified	5,679,881	2,530,777	8,210,658	5,699,354	2,550,938	8,250,293	19,473	20,161	39,635
16	Employee benefits	6,833,295	4,783,334	11,616,629	6,786,524	4,791,068	11,577,592	(46,770)	7,733	(39,037)
17	Books & Supplies	1,441,035	957,051	2,398,086	1,472,821	1,373,900	2,846,720	31,786	416,849	448,634
18	Service, Other Operating	3,011,068	3,595,020	6,606,088	3,010,965	4,176,327	7,187,291	(103)	581,307	581,203
19	Capital Outlay	-	685,035	685,035	688,895	784,708	1,473,603	688,895	99,673	788,568
20	Other Outgo	274,270	1,551,679	1,825,949	319,599	1,569,410	1,889,009	45,329	17,731	63,060
21	Indirect Costs	(267,280)	222,280	(45,000)	(298,719)	253,719	(45,000)	(31,440)	31,440	-
22	Total Expenditures	34,782,688	17,427,581	52,210,269	35,492,233	18,557,924	54,050,157	709,545	1,130,343	1,839,888
23										
24	Excess/(Deficiency)	5,735,840	(9,670,723)	(3,934,883)	5,832,941	(10,745,917)	(4,912,976)	97,101	(1,075,194)	(978,093)
25										
26	Other Financing Sources/uses									
27	Transfers In	-	-	-	-	-	-	-	-	-
28	Transfers Out	792,624	-	792,624	792,624	-	792,624	-	-	-
29	Other Sources	-	-	-	-	-	-	-	-	-
30	Other Uses	-	-	-	-	-	-	-	-	-
31	Contributions (8800-8999)	(7,437,064)	7,437,064	-	(7,654,693)	7,654,693	-	(217,629)	217,629	-
32	Total Other Sources/Uses	(8,229,688)	7,437,064	(792,624)	(8,447,317)	7,654,693	(792,624)	(217,629)	217,629	-
33										
34	Net Inc/Dcr to Fund Balance	(2,493,848)	(2,233,659)	(4,727,507)	(2,614,375)	(3,091,224)	(5,705,600)	(120,527)	(857,566)	(978,093)
35										
36	Beginning Balance	8,580,767	4,384,758	12,965,526	11,268,243	5,568,420	16,836,662	2,687,475	1,183,661	
37	Ending Balance	6,086,919	2,151,099	8,238,019	8,653,867	2,477,195	11,131,062	2,566,948	326,096	2,893,044



2024-25

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 is increased by the LCFF COLA and funded at no less than 60% of transportation expenditures (excluding capital outlay).

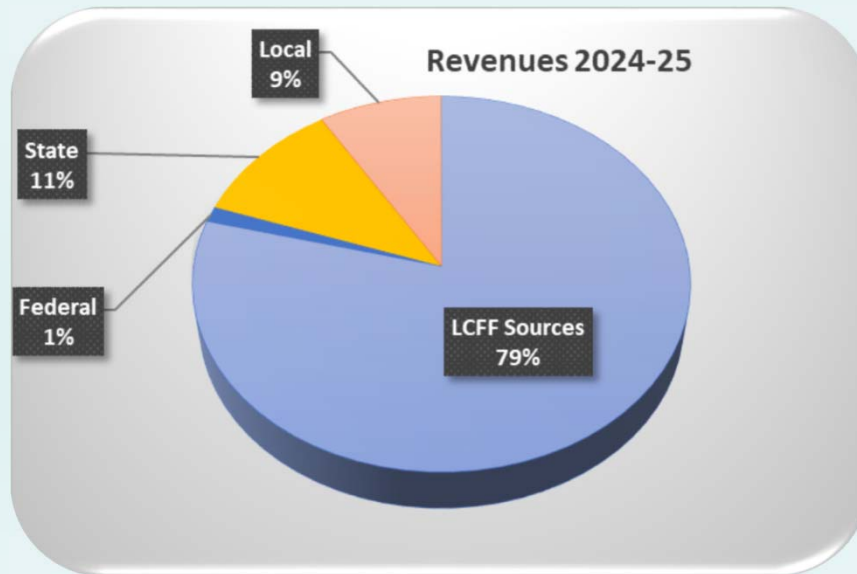




2024-25

Revenue Changes since Adopted Budget

	<u>Budget Adoption</u> <u>2024-25</u>	<u>1st Interim</u> <u>2024-25</u>	<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)	38,563,378	38,802,516	239,138
Federal Revenue (8100-8299)	808,804	658,936	(149,868)
Other State Revenue (8300-8599)	5,479,405	5,365,663	(113,742)
Other Local Revenue (8600-8799)	3,423,799	4,310,065	886,266
Total Revenue	48,275,386	49,137,181	861,795



LCFF \$240k

- Increased ADA

Federal <\$150k>

- <135k> Title I
- <15k> Title II

State <\$113k>

- <113k> ELOP
- <\$20k> Lottery
- \$26k Early Intervention
- <\$6k> Special Ed

Local \$886k

- \$550k Bus Grant
- \$75k Special Ed
- \$267k Site Donations



2024-25

Expenditure Changes since Adopted Budget

Salaries/Benefits - <\$42k>

- <\$42k> Cert Prop 28 to supplies
- \$30k Class Prop 28
- \$20k Class New positions
- <\$40k> Related Benefits and clean up some budget data

Books/Supplies - \$450k

- \$50k Prop 28
- \$50k Summer Facilities
- \$350k Donations Carry over

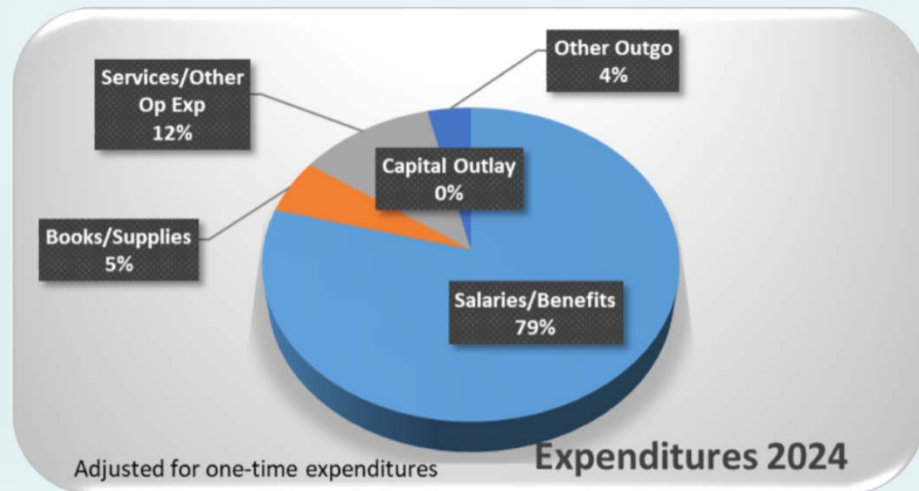
Services/Contracts - \$581k

- \$225k Summer Facility Projects
- \$400k Site Budget Donations Carry over
- <\$40k> NPS placements

Capital Outlay - \$788k

- \$70k Summer Tech Carry over
- \$670 Bus Purchase (Grant)
- \$53k Summer Facility Project

	<u>Budget Adoption</u> <u>2024-25</u>	<u>1st Interim</u> <u>2024-25</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	20,912,824	20,870,648	(42,176)
Classified	8,210,658	8,250,293	39,635
Employee benefits	11,616,629	11,577,592	(39,037)
Books & Supplies	2,398,086	2,846,720	448,634
Service, Other Operating	6,606,088	7,187,291	581,203
Capital Outlay	685,035	1,473,603	788,568
Other Outgo	1,825,949	1,889,009	63,060
Indirect Costs	(45,000)	(45,000)	-
Total Expenditures	52,210,269	54,050,157	1,839,888



*Salaries/Benefits are 79% when adjusted for Residential placements and capital outlay



Multi-Year Projections

Unrestricted only

Line E. NET INCREASE (DECREASE)

We are projected to deficit spend over the next three years, however we are still meeting our minimum reserve levels.



12/11/2024

Rescue Union School District Multi-Year Projected Budget					
2024-25 1st INTERIM		E 2024-25	H 2024-25	L 2025-26	P 2026-27
		Budget Adoption	1st Interim	1st Interim	1st Interim
		Unrestricted	Unrestricted	Unrestricted	Unrestricted
COLA		1.07%	1.07%	2.08%	2.08%
LCFF Enrollment		3,488	3,574	3,574	3,574
LCFF ADA:		3,403.46	3,424.08	3,424.08	3,424.08
UPC %		18.26%	18.22%	18.27%	18.21%
A. REVENUE:					
LCFF Sources	8010-8099	38,563,378	38,802,516	39,610,311	40,430,850
Federal Revenue	8100-8299	-	-	-	-
Other State Revenue	8300-8599	1,136,150	1,159,286	1,159,286	1,159,286
Local Revenue	8600-8799	819,000	1,363,372	770,498	735,563
TOTAL REVENUE		40,518,528	41,325,174	41,540,095	42,325,699
B. EXPENDITURES:					
Certificated Salaries	1000-1999	17,810,419	17,812,794	17,858,832	18,062,597
Classified Salaries	2000-2999	5,679,881	5,699,354	5,911,051	6,083,458
Benefits	3000-3999	6,833,295	6,786,524	7,729,454	7,872,582
Books & Supplies	4000-4999	1,441,035	1,472,821	985,823	990,389
Services	5000-5999	3,011,068	3,010,965	2,513,346	2,013,346
Capital Outlay	6000-6599	-	688,895	18,689	18,689
Other Outgo	7100-7299	274,270	319,599	319,599	319,599
Direct Support/Indirect Cos	7300-7399	(267,280)	(298,719)	(277,557)	(267,868)
TOTAL EXPENDITURES		34,782,688	35,492,233	35,059,238	35,092,793
C. EXCESS (DEFICIENCY)		5,735,840	5,832,941	6,480,857	7,232,906
D. OTHER FINANCING SOURCES/USES					
Interfund Transfers In	8910-8929	-	-	-	-
Interfund Transfers Out	7610-7629	792,624	792,624	500,000	500,000
Other Sources	8930-8979	-	-	-	-
Other Uses	7630-7699	-	-	-	-
Contributions	8980-8999	(7,437,064)	(7,654,693)	(7,823,904)	(7,928,688)
TOTAL SOURCES/USES		(8,229,688)	(8,447,317)	(8,323,904)	(8,428,688)
E. NET INCREASE (DECREASE)		(2,493,848)	(2,614,375)	(1,843,047)	(1,195,782)
BEGINNING BALANCE		8,580,767	11,268,243	8,653,867	6,810,820
Audit adj		-	-	-	-
F. RESTATED BEGINNING BALANCE		8,580,767	11,268,243	8,653,867	6,810,820
PROJECTED ENDING BALANCE		6,086,919	8,653,867	6,810,820	5,615,038



Multi-Year Projections Total U/R and Rest



12/11/2024

Rescue Union School District Multi-Year Projected Budget					
2024-25 1st INTERIM		G 2024-25 Budget Adoption	J 2024-25 1st Interim	N 2025-26 1st Interim	R 2026-27 1st Interim
		Total	Total	Total	Total
COLA		1.07%	1.07%	2.08%	2.08%
LCFF Enrollment		3,488	3,574	3,574	3,574
LCFF ADA:		3,403.46	3,424.08	3,424.08	3,424.08
UPC %		18.26%	18.22%	18.27%	18.21%
A. REVENUE:					
LCFF Sources	8010-8099	38,563,378	38,802,516	39,610,311	40,430,850
Federal Revenue	8100-8299	808,804	658,936	601,300	599,247
Other State Revenue	8300-8599	5,479,405	5,365,663	5,147,809	5,079,289
Local Revenue	8600-8799	3,423,799	4,310,065	3,449,935	3,415,000
TOTAL REVENUE		48,275,386	49,137,181	48,809,355	49,524,387
B. EXPENDITURES:					
Certificated Salaries	1000-1999	20,912,824	20,870,648	20,890,778	21,075,683
Classified Salaries	2000-2999	8,210,658	8,250,293	8,369,562	8,541,969
Benefits	3000-3999	11,616,629	11,577,592	11,732,795	11,871,778
Books & Supplies	4000-4999	2,398,086	2,846,720	1,851,258	1,849,324
Services	5000-5999	6,606,088	7,187,291	6,037,877	5,355,096
Capital Outlay	6000-6599	685,035	1,473,603	214,231	95,711
Other Outgo	7100-7299	1,825,949	1,889,009	1,889,009	1,889,009
Direct Support/Indirect Cos	7300-7399	(45,000)	(45,000)	(45,000)	(45,000)
TOTAL EXPENDITURES		52,210,269	54,050,157	50,940,511	50,633,571
C. EXCESS (DEFICIENCY)		(3,934,883)	(4,912,976)	(2,131,156)	(1,109,184)
D. OTHER FINANCING SOURCES/USES					
Interfund Transfers In	8910-8929	-	-	-	-
Interfund Transfers Out	7610-7629	792,624	792,624	500,000	500,000
Other Sources	8930-8979	-	-	-	-
Other Uses	7630-7699	-	-	-	-
Contributions	8980-8999	-	-	-	-
TOTAL SOURCES/USES		(792,624)	(792,624)	(500,000)	(500,000)
E. NET INCREASE (DECREASE)		(4,727,507)	(5,705,600)	(2,631,156)	(1,609,184)
BEGINNING BALANCE		12,965,526	16,836,662	11,131,062	8,499,907
Audit adj		-	-	-	-
F. RESTATED BEGINNING BALANCE		12,965,526	16,836,662	11,131,062	8,499,907
PROJECTED ENDING BALANCE		8,238,019	11,131,062	8,499,907	6,890,722



Rescue Union School District
Multi-Year Projected Budget

	G 2024-25 Budget Adoption	J 2024-25 1st Interim	N 2025-26 1st Interim	R 2026-27 1st Interim
2024-25 1st INTERIM				
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	2,151,099	2,477,195	1,689,087	1,275,684
Expanded Learning Opportunities (ELOP) RS 2600	343,574	256,333	51,838	-
Educator Effectiveness RS 6266	207,934	213,633	-	-
Lottery Instructional Materials RS 6300	690,636	850,308	585,242	320,177
ERMHS RS 6546	78,442	-	-	-
CTEIG RS 9054	-	251,141	204,119	157,096
Early Intervention RS 6547	390,170	424,209	312,695	201,181
Medi-Cal Billing	8,467	6,416	-	-
TUPE	-	2,000	-	-
Arts & Music In Schools (Prop 28) RS 6770	431,875	473,154	535,192	-
Kitchen Infrastructure RS 7032	-	-	-	-
c) Committed				
Stabilization Arrangements				
Other Commitments	780,130	3,163,089	1,660,269	495,181
Liability - Compensated Absences	41,861	54,915	54,915	54,915
Liability - H/W Prior Year adjust	-	200,000	-	-
U/R Lottery - Instr Supplies / Textbook Adopt	693,207	943,697	866,995	440,266
MAA - Health services	45,063	55,730	13,915	-
Emergency Facility Needs	-	132,425	-	-
Safety Improvements	-	50,000	-	-
CalPERS/CalSTRS	-	-	-	-
SPED residential reserve	-	-	-	-
Declining Enrollment Mitigation	0	1,726,323	724,444	0
d) Assigned	-	-	-	-
Assigned Descriptions:	-	-	-	-
e) Unassigned				
Reserve for Economic Uncertainties 10%	5,300,289	5,484,278	5,144,051	5,113,357
Unassigned/Unappropriated	-	-	-	-
Ending Fund Balance	8,238,019	11,131,062	8,499,907	6,890,722



Future Budget Considerations



- Enrollment updates and impacts to LCFF
 - ✦ *While our assumptions have been conservative, we have been fortunate to not see the decline trend continue. We will continue to monitor, however projections have been tricky.*
- January Budget proposal and the COLA estimates
 - ✦ *COLA is currently estimated between 2% and 2.46% for 2025-26*
 - ✦ *COLA estimates for out years are still unknown. The last two years have been forecasted to be between 3.5% and 4% but have been 2% or less. We are taking a conservative approach*
- One-Time Funding – all are ending in 2024-25 and 2025-26
 - ✦ *We have projected maintaining the staff funded with one-time funds excluding the Special Ed TOSA*
 - ✦ *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 and future years



Questions?

