FIRST INTERIM 2024-2025

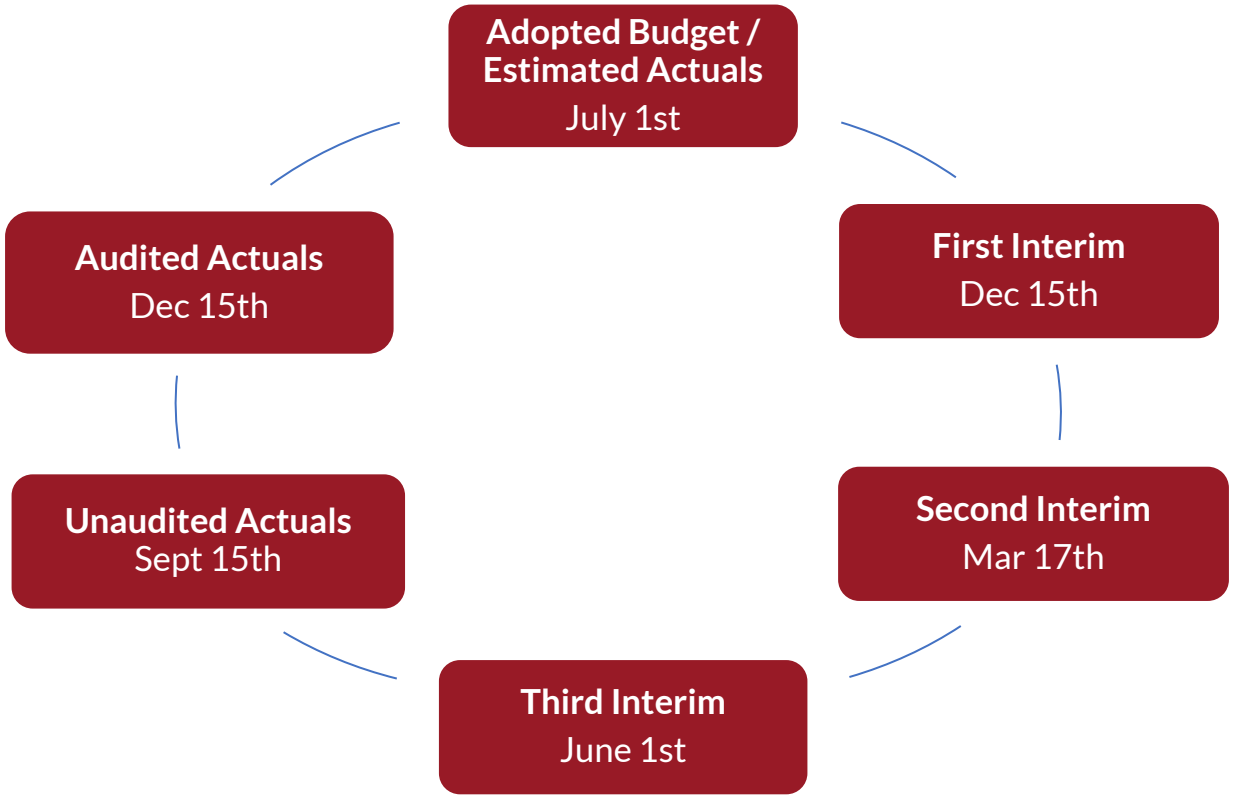
PRESENTED BY
ERIN POWER
ASSISTANT SUPERINTENDENT
BUSINESS SERVICES

DECEMBER 19, 2024



RUSD RIVERSIDE UNIFIED SCHOOL DISTRICT

FINANCIAL REPORTING & ACCOUNTABILITY



FINANCIAL REPORTING AND ACCOUNTABILITY

- First Interim Period: July 1, 2024 through October 31, 2024
- Positive certification = Able to meet financial obligations in each of the next three years



2024-25 BOARD PRIORITIES

MULTI-YEAR ASSUMPTIONS

	2024/2025 Adopted Budget	2024/2025 First Interim	2025/2026 Projected	2026/2027 Projected
District Enrollment	38,364	38,120	37,438	36,787
Average Daily Attendance (ADA) %	93.50%	93.62%	93.62%	93.62%
Funded Average Daily Attendance (ADA)	36,842	36,854	36,162	35,716
Cost of Living Adjustment (COLA)	1.07%	1.07%	2.93%	3.08%
Unduplicated Pupil % (Single Yr)*	75.65%	75.64%	75.64%	75.64%
State Teachers' Retirement (STRS)	19.10%	19.10%	19.10%	19.10%
Public Employees' Retirement (PERS)	27.05%	27.05%	27.40%	27.50%

*Percentage of students who are low-income, English learners or foster youth, with each student counted only once



CHANGES TO ASSUMPTIONS

	2024/2025	2025/2026	2026/2027
Enrollment			
Budget	38,364	38,441	38,172
1st Interim	38,120	37,438	36,787
Difference	(244)	(1,003)	(1,385)
ADA			
Budget	93.50%	93.50%	93.50%
1st Interim	93.62%	93.62%	93.62%
Difference	0.12%	0.12%	0.12%
Funded ADA			
Budget	36,842	36,211	36,063
1st Interim	36,854	36,162	35,716
Difference	12	(49)	(346)

LCFF REVENUE - COLA UNCERTAINTY

IF 25/26 COLA COMES IN AT 1.79% INSTEAD OF 2.93% AS PLANNED:

COLA/LCFF	2024/2025	2025/2026	2026/2027
2.93% (PLANNED)	$538,771,450	$546,321,751	$556,078,755
1.79%	$538,771,450	$540,276,561	$549,929,448
REVENUE CHANGE	**$0**	**($6,045,190)**	**($6,149,307)**

PLANNED DEFICIT	**($16.9)**	**($7.3)**	**($3.2)**
POSSIBLE DEFICIT	**($16.9)**	**($13.3)**	**($9.3)**

MAJOR CHANGES- UNRESTRICTED REVENUE

Revenues increased by $5.8M

- Interest
- State Teachers Retirement System (STRS) refund
- Lottery
- Safety Credits
- Riverside Educational Enrichment Foundation grants



UNRESTRICTED REVENUE

	2024/2025 Adopted Budget	2024/2025 First Interim
LCFF Sources*	$538,628,352	$538,771,450
Federal Revenue	402,639	402,639
State Revenue	17,133,052	17,667,635
Local Revenue	8,227,158	13,401,837
Total	**$564,391,201**	**$570,243,561**

*Local Control Funding Formula

MAJOR CHANGES- UNRESTRICTED EXPENSES

Expenditures increased by $11.3M

Carryover:

- Furniture Replacement
- Facilities Master Plan
- School Site Discretionary
- Safety and Security

Added:

- One-Time Technology
- Substitutes for Special Education



UNRESTRICTED EXPENDITURES

	2024/2025 Adopted Budget	2024/2025 First Interim
Certificated Salaries	$220,406,614	$220,391,986
Classified Salaries	67,617,114	67,538,948
Benefits	113,718,823	113,166,872
Books & Supplies	27,587,342	30,283,905
Services	53,943,099	56,466,150
Capital Outlay	11,260,000	18,194,840
Other Outgo	205,681	205,681
Support Costs / Indirect	(13,948,709)	(14,115,975)
Total	**$480,789,964**	**$492,132,407**

MULTI-YEAR PROJECTIONS- UNRESTRICTED

	2024/2025 Adopted Budget	2024/2025 First Interim	2025/2026	2026/2027
Beginning Fund Balance	$189.7	$229.6	$212.6	$205.4
Revenue	564.4	570.2	573.3	583.0
Expenditures	(480.8)	(492.1)	(483.3)	(487.3)
Contributions	(93.4)	(95.1)	(97.2)	(98.9)
Surplus/(Deficit)	(9.8)	(17.0)	(7.3)	(3.2)
Ending Fund Balance	$179.9	$212.6	$205.4	$202.2



MAJOR CHANGES- RESTRICTED REVENUE

Revenues increased by $13.8M

Carryover/Plan Adjustments:

- Title Grants
- Elementary & Secondary School Emergency Relief (ESSER)
- CTE & Strong Workforce Grant

Award Adjustments:

- Redevelopment
- Golden State Pathway Award
- Nursing Pathways Award



RESTRICTED REVENUE

	2024/2025 Adopted Budget	2024/2025 First Interim
Federal Revenue	$41,836,546	$42,676,759
State Revenue	118,830,508	126,962,012
Local Revenue	10,448,390	15,345,944
Total	**$171,115,444**	**$184,984,715**

MAJOR CHANGES- RESTRICTED EXPENSES

Expenditures increased by $14M

Carryover:

- Routine Restricted Maintenance
- Title Grants
- Career Technical Education
- Shade Structures

Plan Adjustments:

- Educator Effectiveness Block Grant
- Expanded Learning Opportunities Plan



RESTRICTED EXPENDITURES

	2024/2025 Adopted Budget	2024/2025 First Interim
Certificated Salaries	$75,231,925	$75,743,722
Classified Salaries	45,024,455	43,728,050
Benefits	76,793,216	76,297,774
Books & Supplies	25,810,497	29,111,464
Services	33,395,494	40,164,961
Capital Outlay	20,538,355	25,311,912
Other Outgo	-	246,267
Support Costs / Indirect	12,269,255	12,524,963
Total	**$289,063,197**	**$303,129,112**

MULTI-YEAR PROJECTIONS- RESTRICTED

	2024/2025 Adopted Budget	2024/2025 First Interim	2025/2026	2026/2027
Beginning Fund Balance	$130.3	$139.5	$116.5	$68.7
Revenue	171.1	185.0	156.6	157.0
Expenditures	(289.1)	(303.1)	(301.6)	(280.7)
Contributions	93.4	95.1	97.2	98.9
Surplus/(Deficit)	(24.5)	(23.1)	(47.7)	(24.8)
Ending Fund Balance	$105.7	$116.5	$68.7	$43.9



FUND BALANCE CHANGES

Category	2023/2024 Unaudited Actuals	2024/2025 First Interim	Difference
Non-Spendable	$294,666	$294,666	$-
Restricted	139,514,889	116,459,029	(23,055,860)
Committed	157,237,663	180,537,216	23,299,553
Assigned	43,252,024	-	(43,252,024)
Reserve for Economic Uncertainty (Required 4%)	28,835,375	31,810,461	2,975,086
Total	**$369,134,617**	**$329,101,372**	**$(40,033,244)**

MAJOR CHANGES RESTRICTED FUND BALANCE

	2023/2024 Unaudited Actuals	2024/2025 First Interim	Difference
Restricted	**$139,514,889**	**$116,459,029**	**$(23,055,860)**

Carryover added to expenditure budget:

- Expanded Learning Opportunities Program
- Educator Effectiveness Block Grant
- Special Education Mental Health Services
- Learning Recovery Emergency Block Grant
- A-G Completion Grant
- Routine Restricted Maintenance

MAJOR CHANGES ASSIGNED FUND BALANCE

	2023/2024 Unaudited Actuals	2024/2025 First Interim	Difference
Assigned	**$ 43,252,024**	**$ -**	**$ (43,252,024)**

Reallocated total Assigned Balance to Committed Balance

From Deficit Spending due to Reductions in Planned Revenues to Strategic Reserve for Uncertainties

MAJOR CHANGES COMMITTED FUND BALANCE

	2023/2024 Unaudited Actuals	2024/2025 First Interim	Difference
Committed	**$157,237,663**	**$180,537,216**	**$23,299,553**

Combined Reserve for Deficit Spending and Enrollment and ADA Revenue Loss Mitigation into Strategic Reserve for Uncertainties

- Best practice is maintaining a reserve for uncertainties of 17%
- 17% is approximately 2 months of operating expenditures = $136M
- 1 month of payroll = $52M to $57M
- Target Reserve for Uncertainties range for RUSD is between 9% and 17% ($72M and $136M)

MAJOR CHANGES COMMITTED FUND BALANCE

Other Changes:

- Moved Funds from Fund Balance to Expenditure Budget to Spend
- Increased Facilities Planning for Consolidated District Office
  - 78,000 square feet plus possible tenant improvements and moving costs
- Increased Deferred Maintenance for HVAC and Roofing Projects
- Increased Site Needs & New Elementary Start Up Costs
- Added Funding for Districtwide Staff Computer Replacement
- Added Staffing Protection and Combination Class Support
- Added Funding for CTE Culinary Facilities

COMMITTED FUND BALANCE

	2023/2024 Unaudited Actuals	2024/2025 First Interim	Difference
Anna Street Renovations	$ 3,000,000	$ -	$ (3,000,000)
COVID Tracing Nurses	350,000	-	(350,000)
CTE Culinary Facilities	-	5,600,000	5,600,000
Declining Enrollment & ADA Revenue Loss Mitigation	64,752,681	-	(64,752,681)
Deferred Maintenance	7,270,169	10,288,650	3,018,481
Districtwide Staff Tech Replacement Program	-	4,250,000	4,250,000
E-Rate & Technology Infrastructure	3,202,796	1,292,232	(1,910,564)
Electric Vehicle & Infrastructure Mandate	900,000	600,000	(300,000)
Employee Compensation & Benefit Liabilities	25,185,207	22,604,929	(2,580,278)
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COMMITTED FUND BALANCE

	2023/2024 Unaudited Actuals	2024/2025 First Interim	Difference
Facilities Enhancement/New Principals	165,031	-	(165,031)
Facilities Planning	5,453,667	19,024,000	13,570,333
Facilities - Repair of Office Buildings	5,000,000	-	(5,000,000)
Fixtures, Furniture & Equipment Reserve	4,240,000	1,000,000	(3,240,000)
Medi-Cal Admin Activities (MAA)	988,174	488,174	(500,000)
New Elementary School Startup Costs	1,500,000	2,500,000	1,000,000
Safety & Security Set-Aside	4,909,864	1,139,864	(3,770,000)
School Site & Department Carryover	2,736,506	332,018	(2,404,489)
Shade Structures	9,760,713	8,420,713	(1,340,000)
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COMMITTED FUND BALANCE

	2023/2024 Unaudited Actuals	2024/2025 First Interim	Difference
Site Needs and Classroom Technology	4,564,220	6,376,220	1,812,000
Staff Devices	1,975,000	1,975,000	-
Staffing Protection and Combination Class Support	-	4,188,430	4,188,430
Strategic Reserve for Uncertainties	-	82,482,532	82,482,532
Supplemental & Concentration	3,098,303	-	(3,098,303)
Textbook Adoptions	7,366,360	7,571,104	204,744
Unclaimed Property	403,351	403,351	-
Waste Management/Recycling	415,621	-	(415,621)
Total	$157,237,663	$180,537,216	$ 23,299,553

OTHER FUNDS

	Beginning Balance	Revenue/ Sources	Expenditures/ Uses	Ending Balance
Associated Student Bodies (ASB)	$3,200,617	$2,650,610	$2,265,874	$3,585,353
Adult Education	777,970	4,413,136	4,694,359	496,747
Child Development (State Preschool)	1,504,947	5,920,698	5,920,698	1,504,947
Cafeteria	38,844,707	34,226,269	36,843,168	36,227,808
Building (Measure O)	72,238,014	1,700,500	67,362,226	6,576,288
Capital Facilities (Developer Fees)	6,999,467	2,369,844	6,225,256	3,144,055
Capital Projects (CFDs & State Funds)	49,493,595	18,961,719	27,816,319	40,638,995
Debt Service	750,150	1,564,870	1,564,870	750,150
Self-Insurance	17,662,269	54,208,021	53,805,809	18,064,481
Retiree Benefit Fund Irrevocable Trust	32,208,921	2,900,000	145,000	34,963,921
Foundation Trust	271,613	-	9,200	262,413
Total	$223,952,271	$128,915,667	$206,652,778	$146,215,160

LOOKING AHEAD

- Governor's January Budget and May Revision
  - Proposition 98
  - Finalized COLA
- Second Interim Report in March

PUBLIC COMMENTS

RUSD RIVERSIDE UNIFIED SCHOOL DISTRICT