SECOND INTERIM 2023-2024

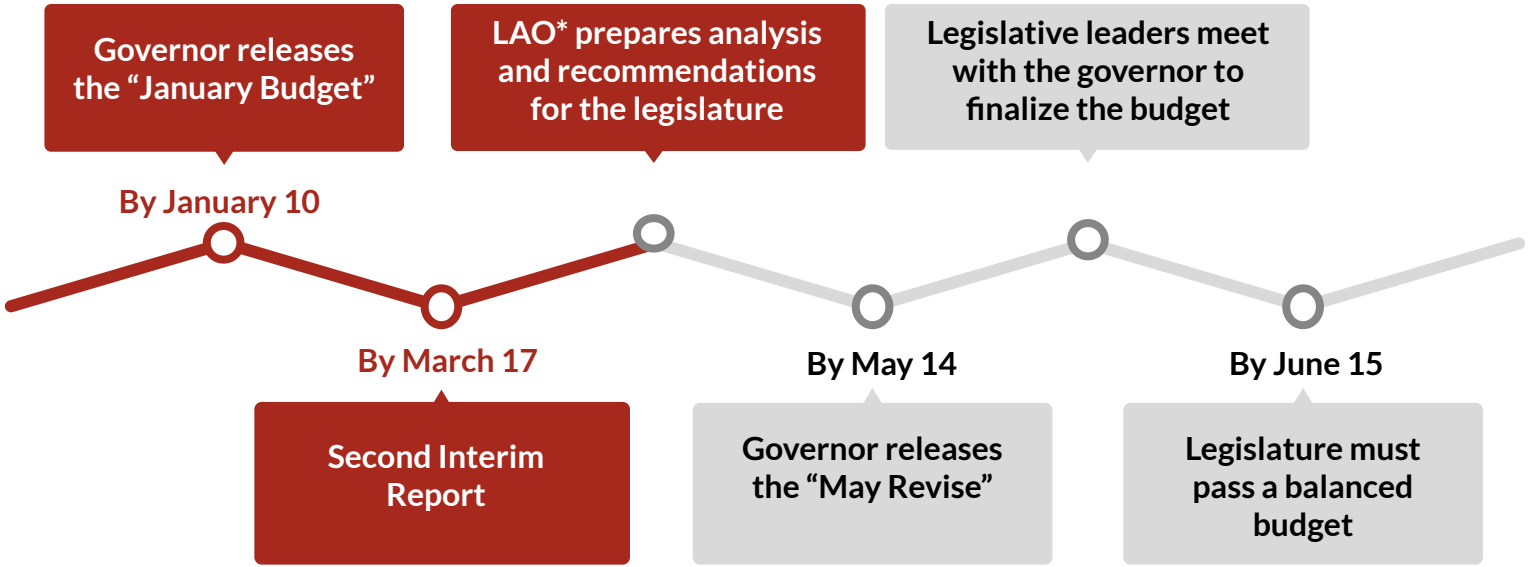
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BUSINESS SERVICES

MARCH 14, 2024

RUSD RIVERSIDE UNIFIED SCHOOL DISTRICT



THE STATE BUDGET PROCESS



*Legislative Analyst's Office

THE JANUARY BUDGET

- Solutions for a $58B budget problem
- $8B reduction in Proposition 98 guarantee for 2022/2023
  - Funded with an unprecedented solution of borrowing from future General Fund revenues
- No cuts to K-12 education
- No deferrals
- .76% COLA for 2024/2025

UPDATED MULTI-YEAR ASSUMPTIONS

	2023/2024		2024/2025		2025/2026	
	First Interim	Second Interim	First Interim	Second Interim	First Interim	Second Interim
Cost of Living Adjustment (COLA)	8.22%	8.22%	3.94%	0.76%	3.29%	2.73%
District Enrollment	38,906	38,855	38,364	38,364	38,441	38,441
Unduplicated Pupil % (Single Yr)*	74.35%	75.65%	74.35%	75.65%	74.35%	75.65%

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

UNRESTRICTED REVENUE

	First Interim	Second Interim
LCFF Sources*	$543,413,132	$544,944,994
Federal Revenue	320,481	320,481
State Revenue	17,023,348	17,023,348
Local Revenue	7,071,448	7,648,459
Total	$567,828,409	$569,937,282

*Local Control Funding Formula

MAJOR CHANGES - UNRESTRICTED GEN FUND

EXPENDITURES

- Deferred Maintenance Summer Projects (-$2.4M)
- Anna Education Center ($-3.0M)
- Shade Structures (-$2.6M)



UNRESTRICTED EXPENDITURES

	First Interim	Second Interim
Certificated Salaries	$219,158,354	$219,376,935
Classified Salaries	66,255,206	64,996,105
Benefits	89,512,181	88,141,293
Books & Supplies	41,972,833	40,804,934
Services	64,459,532	62,208,990
Capital Outlay	15,575,366	9,602,118
Other Outgo	177,652	177,652
Support Costs / Indirect	(12,402,922)	(11,779,090)
Contributions	81,179,842	82,736,281
Total	$565,888,042	$556,265,217

MAJOR CHANGES - RESTRICTED GEN FUND

REVENUES

- Titles I and IV Balance Return 22/23 (-$4.3M)
- Special Education Individuals with Disabilities Education Act (IDEA) (+$740K)
- Equity Multiplier (+980K)



RESTRICTED REVENUE

	First Interim	Second Interim
Federal Revenue	$84,957,329	$81,480,635
State Revenue	107,995,126	108,721,233
Local Revenue	10,860,793	10,895,599
Total	$203,813,247	$201,097,467

MAJOR CHANGES - RESTRICTED GEN FUND

EXPENDITURES

- Expanded Learning Opportunities Program budget alignment (-$13.5M)
- Titles I and IV Balance Return 22/23 (-$4.3M)
- Services/Contracts in Special Education (+5.4M)



RESTRICTED EXPENDITURES

	First Interim	Second Interim
Certificated Salaries	$69,765,959	$70,606,393
Classified Salaries	41,949,073	39,243,175
Benefits	93,338,837	92,553,390
Books & Supplies	39,917,669	31,235,991
Services	38,967,930	41,569,694
Capital Outlay	36,132,175	29,435,116
Other Outgo	392,588	392,588
Support Costs / Indirect	11,057,818	10,422,015
Contributions	(81,179,842)	(82,736,280)
Total	$250,342,207	$232,722,081

GENERAL FUND SUMMARY

Beginning Balance	$317,967,636
Revenue	771,034,749
Expenditures	(788,987,298)
Ending Balance	$300,015,086
Non-Spendable	$216,994
Restricted	122,836,585
Committed	107,077,457
Assigned	38,324,558
Reserve for Economic Uncertainty (Required 4%)	31,559,492
Total	$300,015,086

GENERAL FUND SUMMARY

	First Interim	Second Interim
Non-Spendable	**$216,994**	**$216,994**
Revolving Cash	150,000	150,000
Inventory Stores	66,994	66,994

GENERAL FUND SUMMARY

	First Interim	Second Interim
Restricted	**$107,414,428**	**$122,836,585**
A-G Completion Grant	1,690,785	1,690,785
Classified Professional Dev Block Grant	249,961	249,961
Educator's Effectiveness Block Grant	4,049,802	5,258,648
Equity Multiplier		979,980
Ethnic Studies Local Plan	337,732	337,732
Expanded Learning Opportunities Program (ELOP)	7,551,196	21,660,253
Learning Recovery Emergency Block Grant	44,559,336	45,462,522
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GENERAL FUND SUMMARY

	First Interim	Second Interim
Restricted (continued)		
Medi-Cal Billing Option	2,401,299	2,287,837
Redevelopment	26,057,730	25,546,145
Routine Restricted Maintenance	1,856,375	801,283
Restricted Lottery	1,400,750	1,400,750
Dual Enrollment Opportunities	450,000	450,000
Arts and Music in Schools (AMS) Prop 28	6,711,375	6,711,375
Special Education	9,157,580	9,157,581
Shortage of Special Ed Teachers Local Solutions	190,511	190,511
Various	749,996	651,223

GENERAL FUND SUMMARY

	First Interim	Second Interim
Committed	**$101,948,582**	**$107,077,457**
Anna Education Center Repurposing	-	3,000,000
Contact Tracing Nurses	350,000	350,000
Declining Enrollment & ADA Revenue Loss Mitigation	58,397,596	57,557,107
Deferred Maintenance	-	2,472,170
Electric Vehicle & Infrastructure Mandate	900,000	900,000
Employee Compensation & Benefit Liabilities	24,137,655	24,137,654
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GENERAL FUND SUMMARY

	First Interim	Second Interim
Committed (continued)		
Facilities Planning	250,000	250,000
Historical Archives	300,000	300,000
Medi-Cal Admin Activities (MAA)	2,666,139	500,000
Shade Structures	10,003,333	12,666,667
Technology Infrastructure	1,468,740	1,468,740
Textbook Adoptions	3,286,631	3,286,631
Unclaimed Property	188,487	188,487

GENERAL FUND SUMMARY

	First Interim	Second Interim
Assigned	**$30,632,018**	**$38,324,558**
Deficit Spending due to Reductions in Planned Revenues	30,632,018	38,324,558

MULTI-YEAR PROJECTIONS

Total	2023/2024 First Interim	2023/2024 Second Interim	2024/2025	2025/2026
Beginning Fund Balance	**$317.4**	**$318.0**	**$300.0**	**$258.2**
Revenue	771.6	771.0	717.6	724.9
Expenditures	(816.2)	(789.0)	(759.4)	(749.9)
Ending Fund Balance	**$272.9**	**$300.0**	**$258.2**	**$233.2**

Dollars in Millions

MULTI-YEAR PROJECTIONS

Unrestricted	2023/2024 First Interim	2023/2024 Second Interim	2024/2025	2025/2026
Beginning Fund Balance	**$163.5**	**$163.5**	**$177.2**	**$152.2**
Revenue	567.8	569.9	562.7	569.3
Expenditures	(484.7)	(473.5)	(503.7)	(499.2)
Contributions	(81.2)	(82.7)	(84.0)	(85.6)
Surplus/(Deficit)	1.9	13.7	(25.0)	(15.5)
Ending Fund Balance	**$165.4**	**$177.2**	**$152.2**	**$136.7**

Dollars in Millions

MULTI-YEAR PROJECTIONS

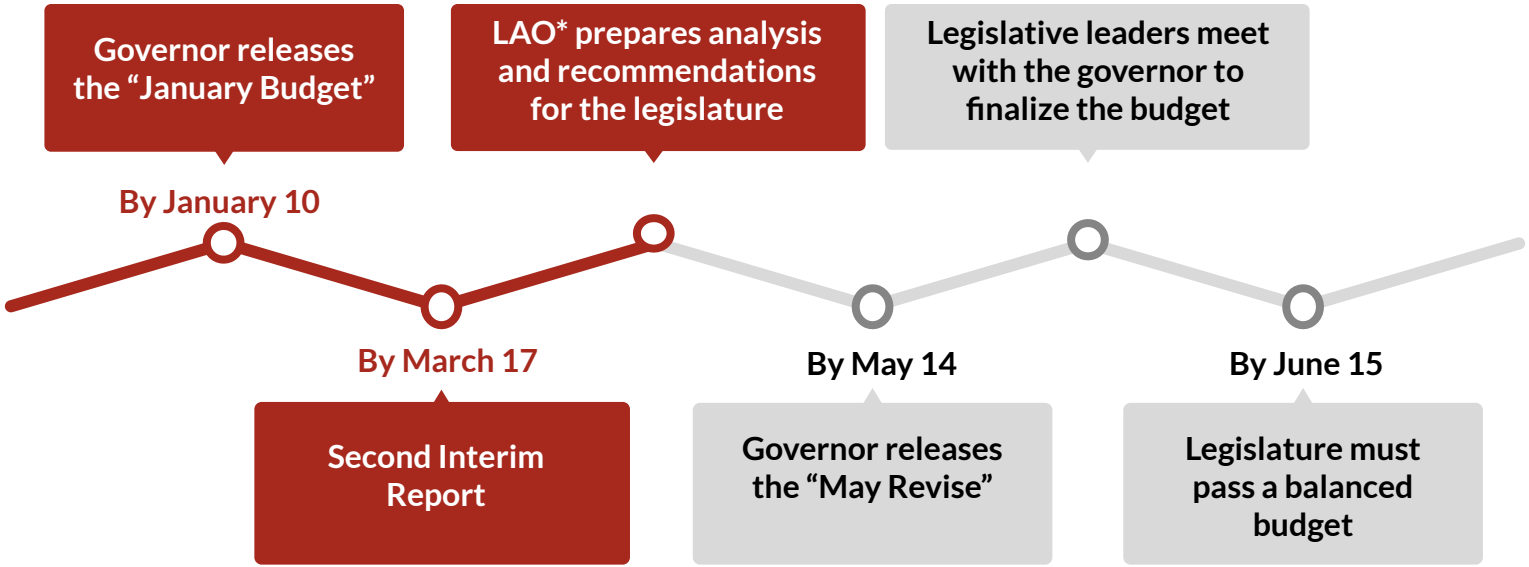
Restricted	2023/2024 First Interim	2023/2024 Second Interim	2024/2025	2025/2026
Beginning Fund Balance	**$153.9**	**$154.5**	**$122.8**	**$106.0**
Revenue	203.8	201.1	154.8	155.6
Expenditures	(331.5)	(315.5)	(255.7)	(250.7)
Contributions	81.2	82.7	84.0	85.6
Surplus/(Deficit)	(46.5)	(31.6)	(16.9)	(9.5)
Ending Fund Balance	**$107.4**	**$122.8**	**$106.0**	**$96.4**

Dollars in Millions

OTHER FUNDS

	Beginning Balance	Revenue/ Sources	Expenditures/ Uses	Ending Balance
Associated Student Bodies (ASB)	$2,380,827	$2,563,496	$2,410,284	$2,534,039
Adult Education	1,024,542	4,118,115	4,696,034	446,623
Child Development (State Preschool)	150,662	5,468,735	5,050,236	569,161
Cafeteria	31,999,608	33,715,326	35,414,953	30,299,981
Building (Measure O)	98,436,202	8,249,695	59,147,600	47,538,297
Capital Facilities (Developer Fees)	7,535,325	2,755,854	5,476,333	4,814,845
Capital Projects (CFDs & State Funds)	26,065,685	24,428,698	13,855,655	36,638,728
Debt Service	710,645	1,578,805	1,572,655	716,795
Self-Insurance	20,034,791	54,274,900	60,646,277	13,663,414
Retiree Benefit Fund Irrevocable Trust	25,034,428	5,600,000	145,000	30,489,428
Foundation Trust	255,495	-	7,000	248,495
Total	**$213,628,210**	**$142,753,624**	**$188,422,028**	**$167,959,805**

THE STATE BUDGET PROCESS



*Legislative Analyst's Office

SINCE THE JANUARY BUDGET

- Legislative Analyst's Office (LAO) Report
  - Forecasted $73B deficit over 3 years
- Lower than anticipated revenues so far this year
- LAO Menu of Options to Legislature
  - Rejection of $8B fix for 2022/2023
  - Reduction of one time allocations that haven't been spent yet
  - Reducing costs in ongoing programs

ACTIONS UNDERWAY & NEXT STEPS

Actions Underway:

- Staffing at or near ratios for all schools
- Align staffing at Riverside Virtual School to enrollment
- Committed funds for budget uncertainty

Next Steps:

- Governor's May Revise
- Plan for attrition in the budget
- Reduce budgets and expenditures where possible, with minimal impact to programs, positions or employees, effective 2024/2025

PUBLIC COMMENTS

RUSD RIVERSIDE UNIFIED SCHOOL DISTRICT