



2024-25

First Interim Report

COTATI-ROHNERT PARK UNIFIED SCHOOL DISTRICT

SCHOOL BOARD PRESENTATION

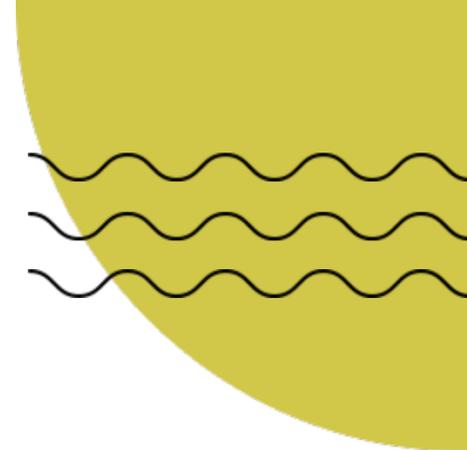
DATE 12/10/24

2024-25 1st Interim State Report

- California Education Code 42130 requires the Superintendent to prepare and submit two interim financial reports to the Board each fiscal year
- After reviewing the report, California Education Code 42131 requires the Board to certify the district's ability to meet its financial obligations for the remainder of the current fiscal year as well as the following two fiscal years



2024-25 1st Interim State Report



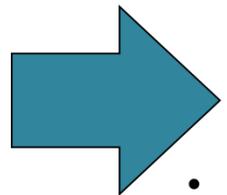
Process:

- Update the district budget for changes in revenues and expenditures since budget adoption using the most current information available and update multi-year projections (MYP) using the most current assumptions
- The report is sent to the Sonoma County Office of Education (SCOE) for review. District will receive a letter from SCOE noting approval (or disapproval)



State Budget Process

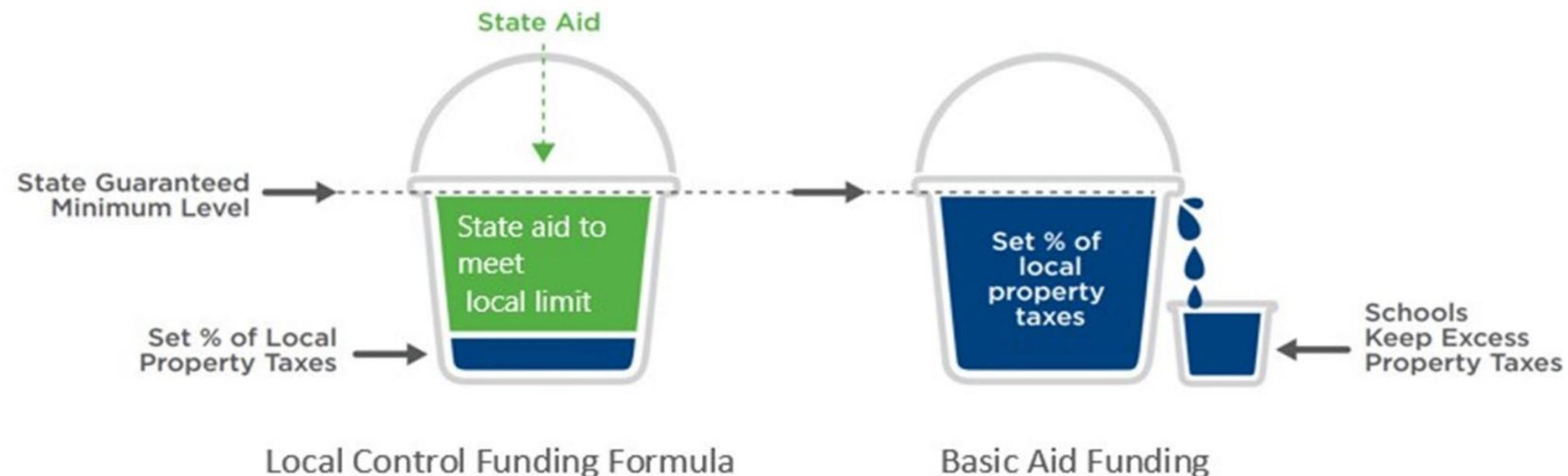
- January
 - Governor's proposed budget for budget year
- February
 - Legislative Analyst review with comments
- April
 - Statutory COLA recalculated
- May
 - "May Revise" reflects tax adjustments
- June 15 (or later)
 - Final adopted State budget
 - COLAs, "gap" funding
 - Potential additional programs, or funding changes
- November
 - Legislative Analyst Report (LAO Report)
 - Projections for next year based on tax collections and economic predictors
- January
 - Governor's proposed budget for next budget year...



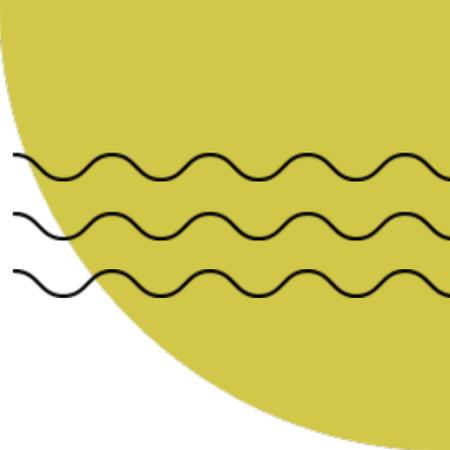
State Funded vs Basic Aid

- District is entitled to a calculated Entitlement
 - Comprised of property taxes and State Aid
 - **When property taxes don't fill the bucket, the State makes up the shortfall with State Aid**

- District is entitled to a calculated Entitlement
 - Comprised of property taxes and State Aid
 - **If Property taxes fill the bucket and overflow, the district keeps the overflow \$\$ and only receives a minimum amount of State Aid**



Components: Funding Factors



Planning Factors for 2024-25 and MYPs

	2023-24	2024-25	2025-26	2026-27
Statutory COLA	8.22%	1.07%	2.93%	3.08%
COLA Investment	0.00%	0.00%	0.00%	0.00%
Funded LCFF Cola	8.22%	1.07%	2.93%	3.08%
STRS Employer Rates	19.10%	19.10%	19.10%	19.10%
PERS Employer Rates	26.68%	27.05%	27.40%	27.50%
Unemployment Insurance Rate	0.05%	0.05%	0.05%	0.05%
Lottery per ADA				
Unrestricted	\$ 211.00	\$ 191.00	\$ 191.00	\$ 191.00
Restricted	\$ 102.00	\$ 82.00	\$ 82.00	\$ 82.00
Mandated Block Grant for Districts				
K-8 per ADA	\$ 37.81	\$ 38.21	\$ 39.33	\$ 40.54
9-12 per ADA	\$ 72.84	\$ 73.62	\$ 75.78	\$ 78.11
Routine Restricted Maintenance	Minimum of 3% of total GF expenditures (based on actual expenditures)			
Est. Funded ADA	5,746.44	5,959.13	6,071.05	6,116.68
District Enrollment	6,183	6,388	6,488	6,538
Unduplicated Pupil Count %	47.53%	51.57%	53.59%	54.96%
# of Positions	RPCEA 372.39FTE SEIU 139.53 FTE CSEA 88.81 FTE Non-Rep 79.0 FTE			
# of Positions 2024-25 Budget Adoption	RPCEA 359.23FTE SEIU 121.89 FTE CSEA 88.81 FTE Non-Rep 78.0 FTE			



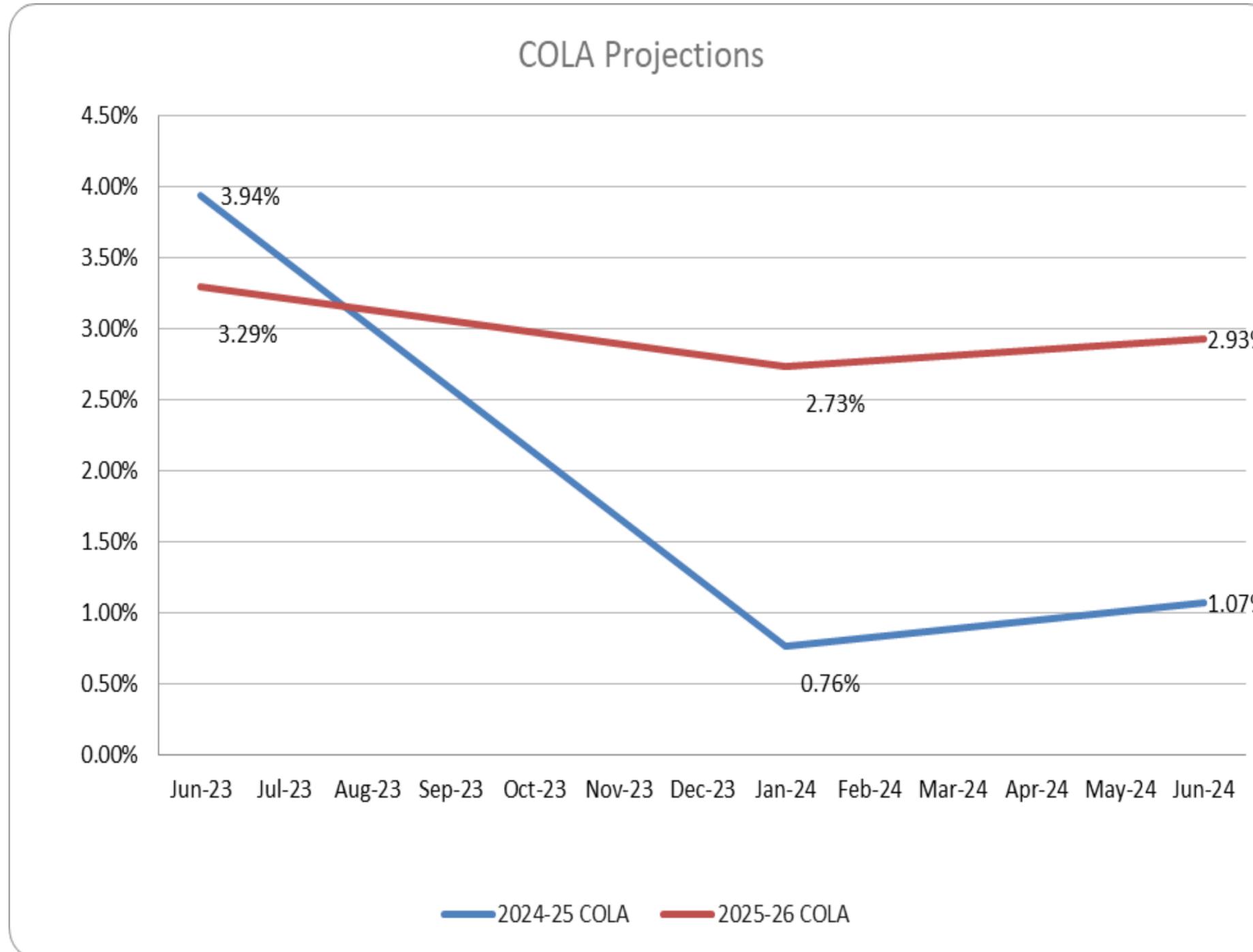
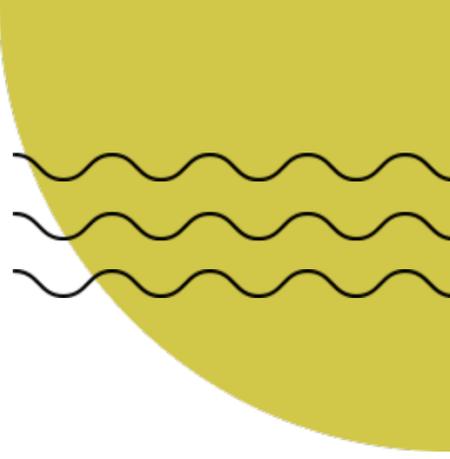
Cost of Living Adjustment (COLA)

- Defined

- Each year, the LCFF entitlement is increased by a cost-of-living adjustment (COLA) that is established in accordance with the requirements of state law.
- The COLA for school districts is based upon a calculation of governmental expenditure price increases from one year to the next



COLA Projections - Timeline



2024-25 LCFF Funding Factors

Grade Span	TK-3	4-6	7-8	9-12
2023-24 Base Grant per ADA	\$9,919	\$10,069	\$10,367	\$12,015
1.07% COLA	\$106	\$108	\$111	\$129
2024-25 Base Grant per ADA	\$10,025	\$10,177	\$10,478	\$12,144
GSA	\$1,043	–	–	\$316
2024-25 Adjusted Base Grant per ADA	\$11,068	\$10,177	\$10,478	\$12,460
20% Supplemental Grant per ADA¹	\$2,214	\$2,035	\$2,096	\$2,492
65% Concentration Grant per ADA²	\$3,237	\$2,977	\$3,065	\$3,645
TK Add-On (inclusive of COLA)	\$3,077	–	–	–

¹Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 20% and UPP

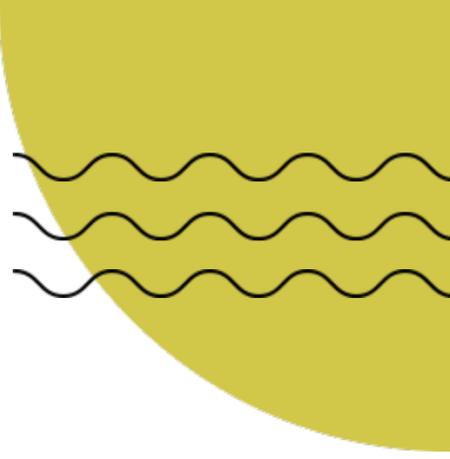
²Maximum amount per ADA—to arrive at LEA’s grant amount, multiply adjusted base grant per ADA by 65% and UPP above 55%

What has changed since Budget Adoption?

- Adjusted salaries and benefits to reflect actual projected costs
- Posted carryover and budgets were increased accordingly within books, supplies and professional services
- Local revenue budgets are adjusted as actual donations are received
- Contributions to Special Education adjusted closer to projected actual costs
- +102 Enrollment
- +148 ADA increase (assuming 93%+ attendance rate)



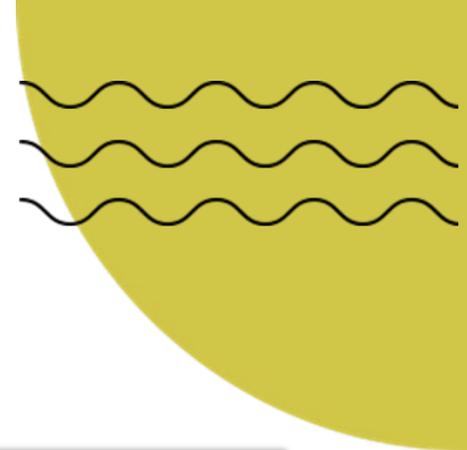
Key Budget Assumptions



- All step and column adjustments, vacancies and late hires reflected in budget
- Department of Finance published COLA funding assumptions
- Increased STRS & PERS costs accordingly using current projected rates
- 4% increase to health & welfare benefits
- Funded Average Daily Attendance (ADA) projected at 5,959.13 (current est. ADA) for 2024-25
- Funded ADA for 2025-26 of 6,071.05 (current projected ADA for 2025-26)
- Funded ADA for 2026-27 of 6,116.68 (current projected ADA for 2026-27)



General Fund 2024-25 Revenue Budget



DESCRIPTION	Unrestricted	Combined
General Purpose (LCFF) Revenue	\$75,948,176	\$77,148,702
Federal Revenue	\$0	\$2,960,386
Other State Revenue	\$2,036,682	\$10,819,443
Other Local Revenue	\$4,277,847	\$10,291,950
TOTAL	\$82,262,705	\$101,220,481

General Purpose – Property taxes, basic state aide, and education protection account funds

Federal – District must follow specific grant guidelines (Title I, Title II, etc.)

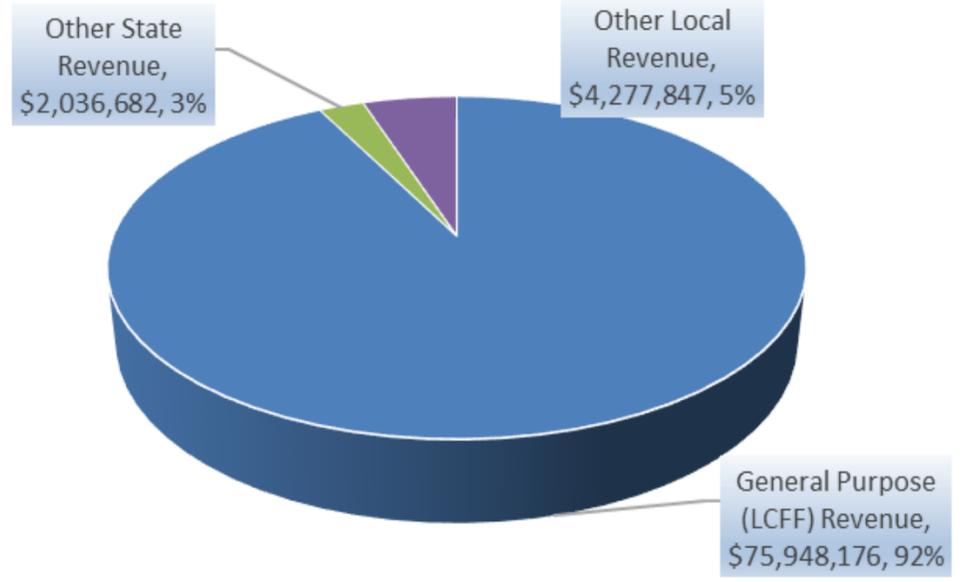
Other State – State funds not part of State Aid (Lottery, Special Education, Mandate etc.)

Local – Funds received from local sources (Parcel Tax, Casino Funds, Foundation support, PTSA support, Interest, etc.)

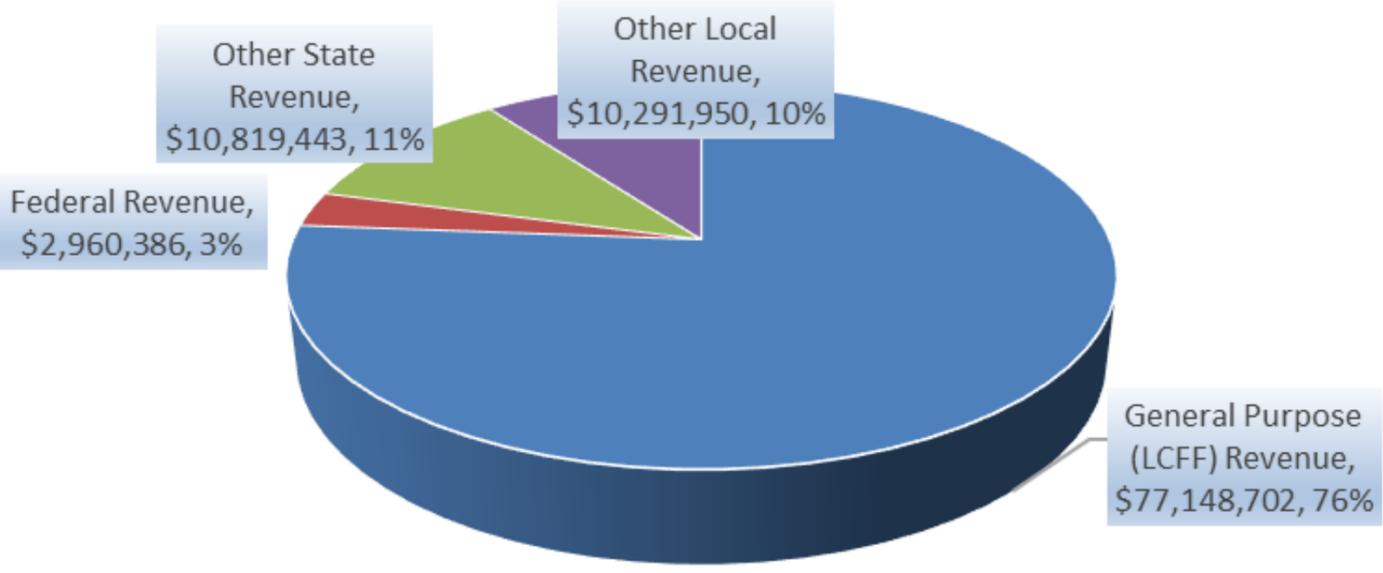


General Fund Revenue Budget

**2024-25 First Interim
Unrestricted General Fund Revenue**



**2024-25 First Interim
Total General Fund Revenue**



General Purpose – Property taxes, basic state aide, and education protection account funds

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Other State – State funds not part of State Aide (Lottery, Special Education, Mandate etc.)

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General Fund Expenditures

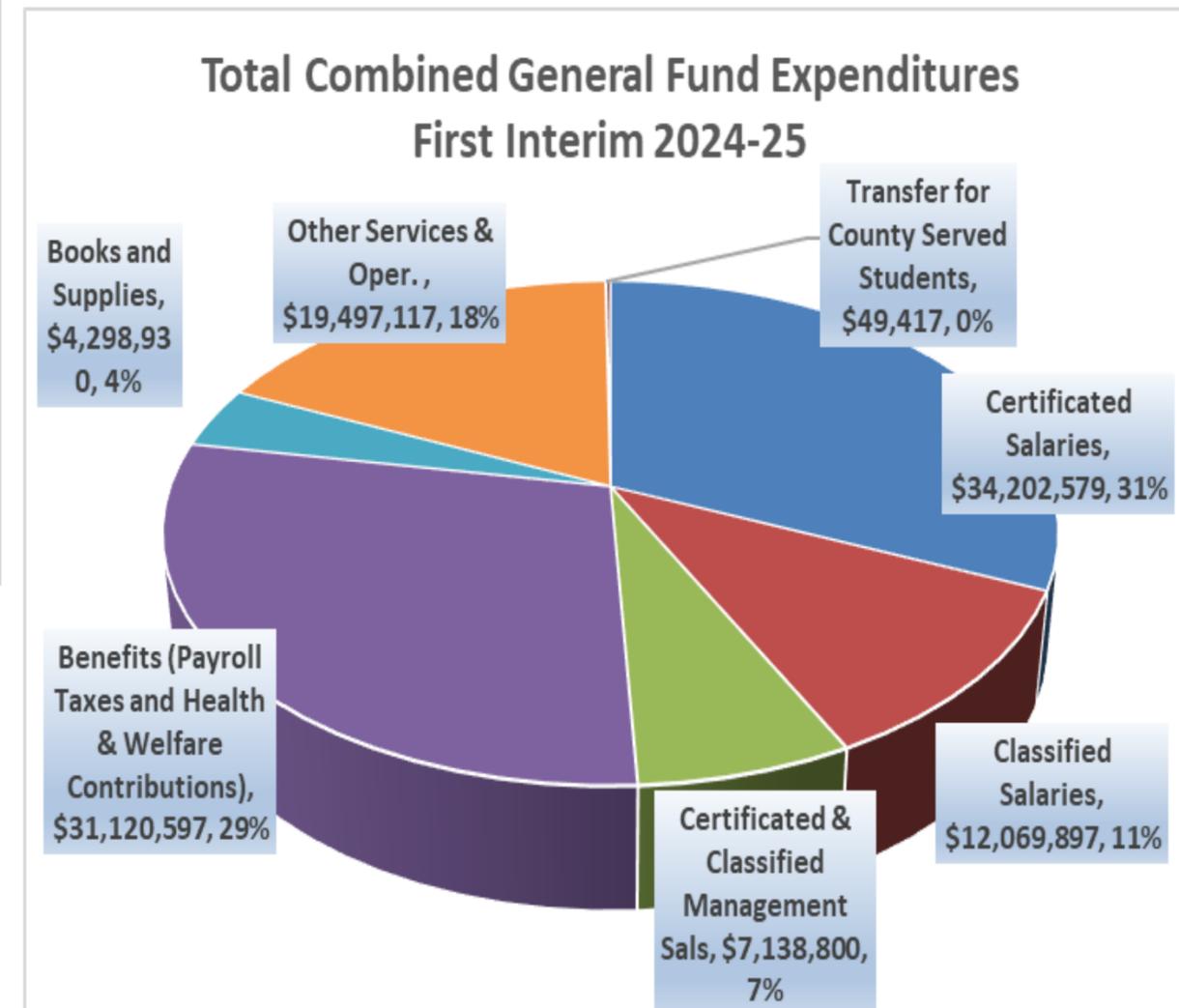
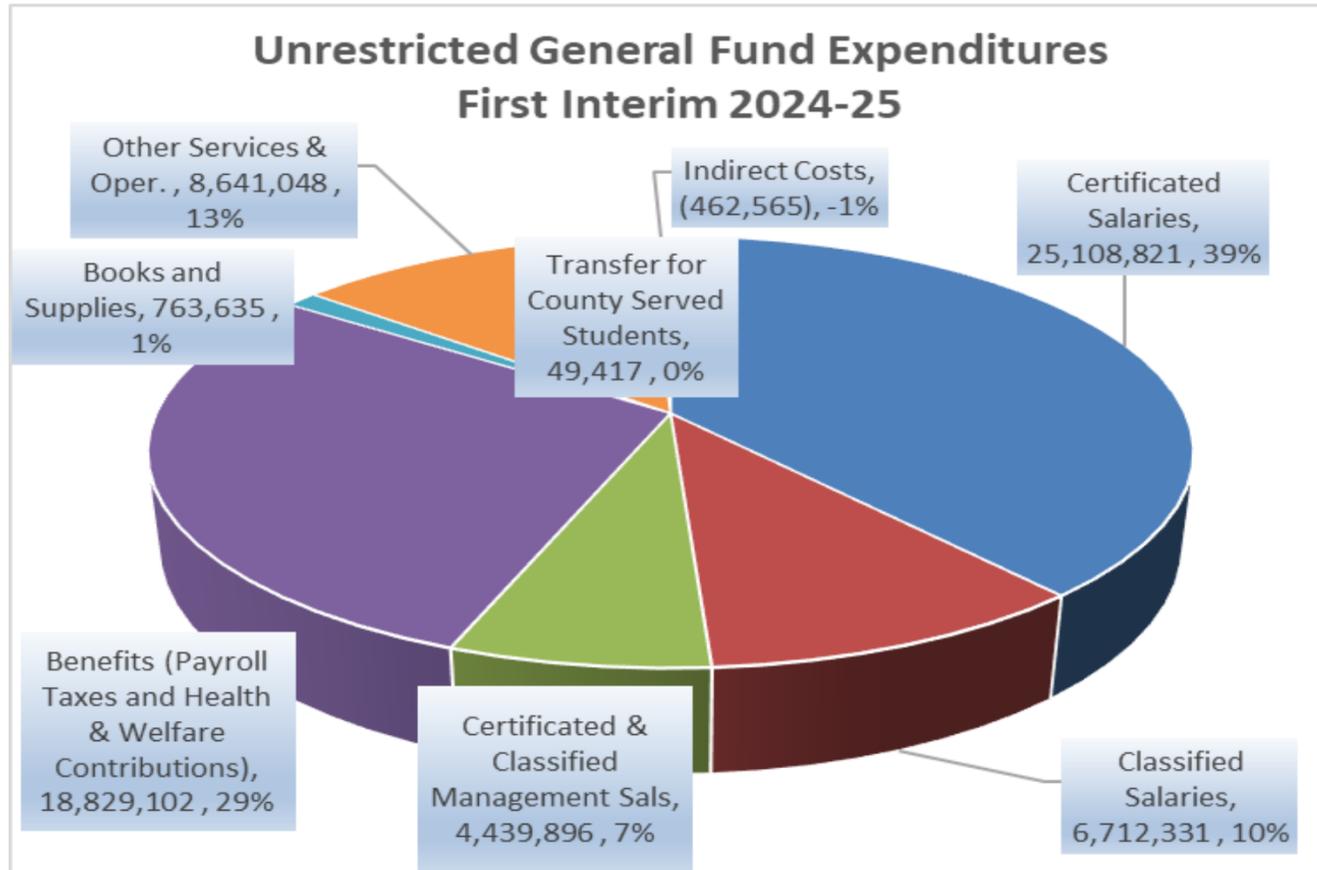
- Reflects General Fund only (no Cafeteria, Bonds, Capital Facilities)
- Employee costs comprise approximately 86% of the Districts unrestricted budget

DESCRIPTION	UNRESTRICTED	COMBINED
Certificated Salaries	25,108,821	\$34,202,579
Classified Salaries	6,712,331	\$12,069,897
Certificated & Classified Management Sals	4,439,896	\$7,138,800
Benefits (Payroll Taxes and Health & Welfare Contributions)	18,829,102	\$31,120,597
Books and Supplies	763,635	\$4,298,930
Other Services & Oper.	8,641,048	\$19,497,117
Transfer for County Served Students	49,417	\$49,417
Equipment > \$5,000	0	\$194,067
Indirect Costs	(462,565)	\$0
TOTAL	64,081,684	\$108,571,404

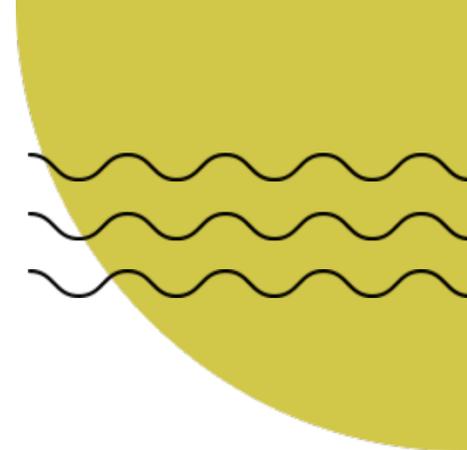


General Fund Expenditures

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Change in Fund Balance since Budget Adoption



Unrestricted Changes Since Budget Adoption

		Change in Fund Balance
Excess of Expenditures over Revenues at Budget Adoption		\$ (2,662,938)
Revenue Changes		
LCFF Funding - adjustment to ADA & UPP%	2,059,423	
Other State Revenue - Updated Lottery	3,824	
Other Local Revenue - Interest Income, Workers Comp return of equity, MAA revenue	236,747	
	2,299,994	\$ 2,299,994
Expenditure Changes		
Certificated Salaries - RPCEA raise, added FTE since budget adoption	191,871	
Classified Salaries - TK assistants, CSEA & SEIU raise	250,645	
Benefits - increase based on above adjustments + H&W and Workers Comp adjustmetns	262,116	
Books and Supplies - MAA supplies	78,276	
Other Services, Operations - bond and safety consultant	48,417	
Transfer of Indirect	(2,441)	
Increased Contribution to SpEd	711,433	
	1,540,316	\$ 1,540,316
Total Expenditure Change		\$ 1,540,316
Revised Excess of Revenues over Expenditures at First Interim		\$ (1,903,260)

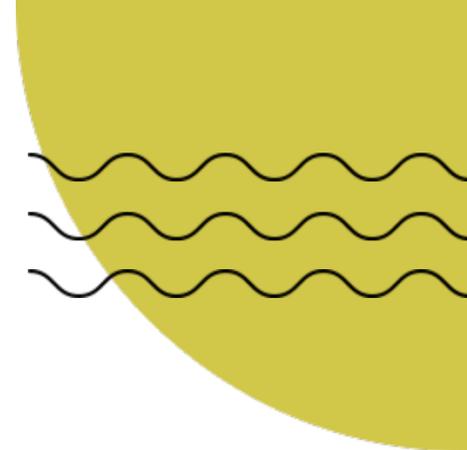


First Interim General Fund Summary

CRPUSD 1st Interim 2024-25			
Description	Unrestricted	Restricted	Total
Total Revenues	82,262,705	18,957,776	101,220,481
Total Expenditures	64,081,684	44,489,719	108,571,404
Excess/(Deficiency)	18,181,021	(25,531,944)	(7,350,923)
Transfer to RRMA & SpEd	(20,084,281)	20,084,281	0
Transfer from FD 40 to RRMA		1,000,000	1,000,000
Net Increase/(Decrease)	(1,903,260)	(4,447,663)	(6,350,923)
Beginning Fund Balance	5,391,667	12,224,736	17,616,404
Site vans for athletics	(550,000)		
FD 01 Ending Fund Balance	2,938,407	7,777,074	11,265,480
FD 17 Special Reserve	3,738,417		
Reserve Percentage	6.15%		



Summary Multi-Year Projection (MYP)



2024-25 1st Interim Multi-Year Projection (Unrestricted General Fund)			
Description	2024-25 Budget	Projected 2025-26	Projected 2026-27
Total Revenues	82,262,705	86,345,873	90,114,218
Total Expenditures	64,081,684	65,635,750	67,074,712
Excess/(Deficiency)	18,181,021	20,710,123	23,039,506
Transfer to RRMA & SpEd	(20,084,281)	(20,896,608)	(21,741,046)
Surplus/(Deficit) (Total Rev - Total Exp)	(1,903,260)	(186,485)	1,298,460
Add: Beginning Fund Balance	5,391,667	2,938,407	2,751,922
Site vans for athletics	(550,000)		0
FD 01 Unrestricted Ending Fund Balance	2,938,407	2,751,922	4,050,382
Special Reserve - Fund 17	3,738,417	3,778,417	3,818,417
AB 1200 Reserve Percentage	6%	6%	7%



Cash Flow

- There may be months where the general fund reflects negative cash balances (districts pay their bills faster than property taxes come in)
 - This is why districts, especially those that are deficit spending, must maintain larger fund balances than the meager state 3% minimum. Larger reserves lead to larger cash balances.
- The June 30, 2025 cash balance is projected to be positive for the district.
 - Should there be any unexpected cash shortfalls throughout the year, the District has prepared to cover short-term borrowing from County Office of Ed funds for the current year (a Tax Anticipation Note)



Areas of Financial Concern

- Enrollment/ADA trends
- Future impact of STRS/PERS and COLA
- Increases in general cost of doing business
- Containing Special Education costs
- Future Collective Bargaining

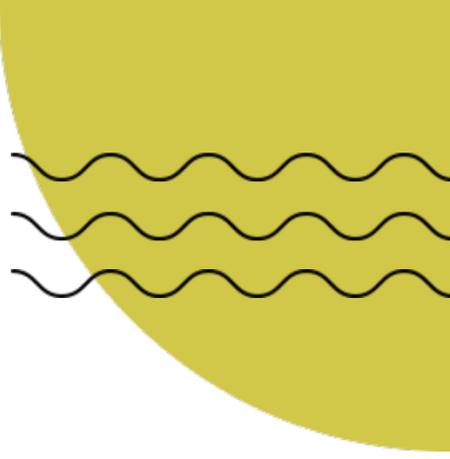


First Interim Certification

- Per AB 1200
- *The First Interim projection indicates that, as defined in AB 1200, “the Cotati Rohnert Park Unified School District will be able to meet its financial obligations for the current fiscal year and subsequent two years.”*
- ✓ *The Cotati Rohnert Park Unified School District is self-certifying as “Positive”* -



Questions ?



CRPUSD



we speak

reconnect

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