



2024-25

Second Interim Report

COTATI-ROHNERT PARK UNIFIED SCHOOL DISTRICT

SCHOOL BOARD PRESENTATION

DATE 3/11/25

2024-25 Second Interim State Report



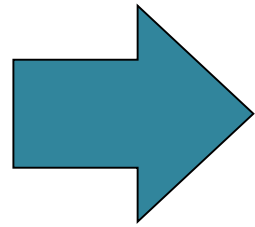
- California Education Code 42130 requires the Superintendent to prepare and submit two interim financial reports to the Board each fiscal year
- After reviewing the report, California Education Code 42131 requires the Board to certify the district's ability to meet its financial obligations for the remainder of the current fiscal year as well as the following two fiscal years
- The Second Interim Report is from July 1st through January 31st, and projects financial activity through June 30th

Process:

- Update the district budget for changes in revenues and expenditures since first interim 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...



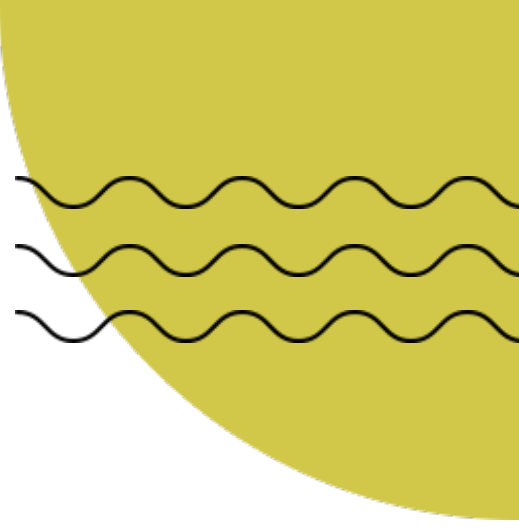
Components: Funding Factors

Budget Planning Factors for 2024-25 and MYPs

	2023-24	2024-25	2025-26	2026-27
Statutory COLA	8.22%	1.07%	2.43%	3.52%
Funded LCFF Cola	8.22%	1.07%	2.43%	3.52%
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	\$ 39.14	\$ 40.52
9-12 per ADA	\$ 72.84	\$ 73.62	\$ 75.41	\$ 78.06
Routine Restricted Maintenance	Minimum of 3% of total GF expenditures (based on actual expenditures)			
District Enrollment	6,183	6,385	6,490	6,540
Est. Funded ADA	5,746.44	5,982.56	6,104.69	6,134.26
ADA %	92.92%	93.84%	93.77%	93.50%
Unduplicated Pupil Count %	47.53%	51.32%	53.52%	55.14%
# of Positions	RPCEA 372.39 FTE SEIU 139.53 FTE CSEA 88.81 FTE Non-Rep 79.0 FTE			
Cost of 1% salary adjustment	RPCEA \$377,800 SEIU \$64,200 CSEA \$67,400 Non-Rep \$120,200			



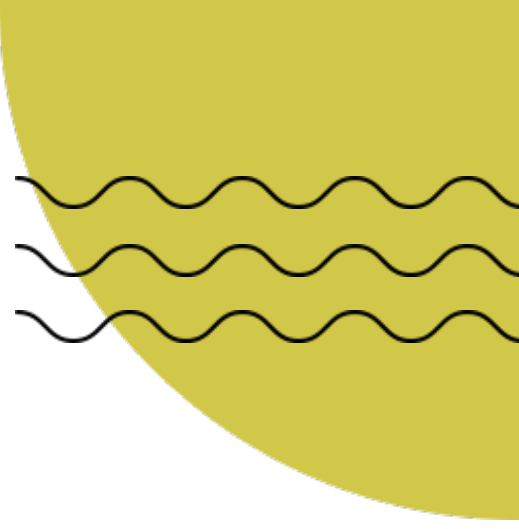
What has changed since 1st Interim?



- Adjusted salaries and benefits to reflect actual projected costs
- PERS rates adjusted in outyears of MYP
- Updated substitute projected costs
- Local revenue budgets are adjusted as actual donations are received
- Contributions to SpEd & M&O adjusted closer to projected actual costs



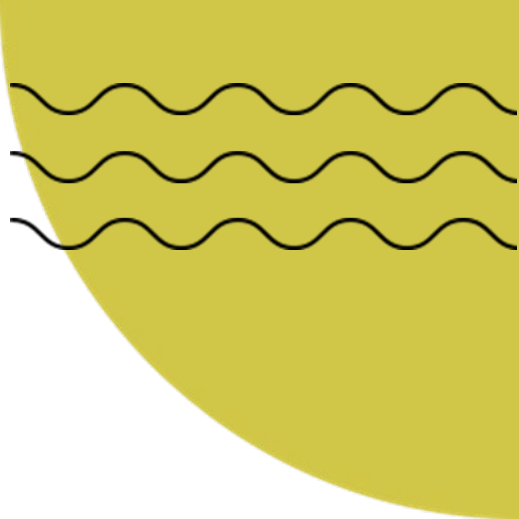
Key Budget Assumptions



- Department of Finance COLA funding assumptions
- Step and Column cost increases 1.5% annually
- Assumes Health and Welfare cost increases 4% annually
- Adjusted PERS costs accordingly using current projected rates
- Funded Average Daily Attendance (ADA) projected at 5,983 (93.84%) for 2024-25
- Funded ADA for 2025-26 of 6,105 (93.77%)
- Funded ADA for 2026-27 of 6,134 (93.50%)



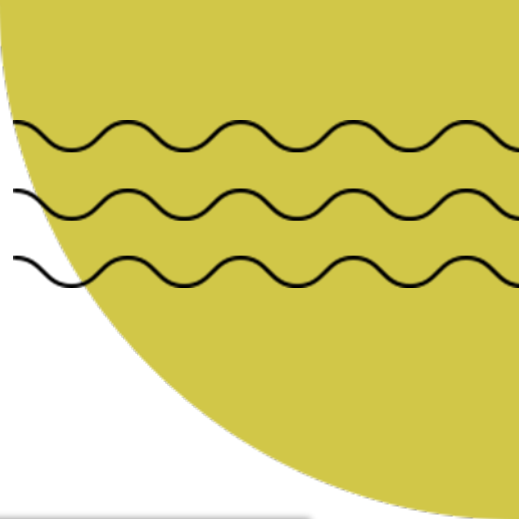
LCFF Revenue 2024-25 (pg. 81)



Cotati-Rohnert Park Unified (73882) - Second Interim 24-25		v.25.2b		CY			
LOCAL CONTROL FUNDING FORMULA				2024-25			
LCFF ENTITLEMENT CALCULATION							
Calculation Factors		COLA & Augmentation		Base Grant Proration	Unduplicated Pupil Percentage		
		1.07%		0.00%	51.32%	51.32%	
		Current Year					
		ADA	Base	Grade Span	Supplemental	Concentration	Total
Grades TK-3		1,804.69	\$ 10,025	\$ 1,043	\$ 1,136	\$ -	\$22,024,472
Grades 4-6		1,277.16	10,177		1,045	-	14,331,737
Grades 7-8		858.45	10,478		1,075	-	9,918,069
Grades 9-12		2,042.26	12,144	316	1,279	-	28,058,395
Subtract Necessary Small School ADA and Funding		-	-	-			-
Total Base, Supplemental, and Concentration Grant			\$ 64,885,718	\$ 2,527,647	\$ 6,919,308	\$ -	\$74,332,673
NSS Allowance			-				-
TOTAL BASE		5,982.56	\$ 64,885,718	\$ 2,527,647	\$ 6,919,308	\$ -	\$74,332,673
ADD ONS:							
Targeted Instructional Improvement Block Grant							\$ 502,003
Home-to-School Transportation (COLA added commencing 2023-24)							749,239
Small School District Bus Replacement Program (COLA added commencing 2023-24)							-
Transitional Kindergarten (Commencing 2022-23)	TK ADA	220.39	TK Add-on rate	\$ 3,077.00			678,140
ECONOMIC RECOVERY TARGET PAYMENT							-
LCFF Entitlement Before Adjustments							\$76,262,055
Miscellaneous Adjustments							-
ADJUSTED LCFF ENTITLEMENT							\$76,262,055
Local Revenue (including RDA)							(34,716,130)
Gross State Aid							\$41,545,925
Education Protection Account Entitlement							(8,247,624)
Net State Aid							\$33,298,301



General Fund 2024-25 Revenue Budget (pg. 15,31,93,96)



DESCRIPTION	Unrestricted	Combined	
General Purpose (LCFF) Revenue	\$76,262,055	\$77,614,064	General Purpose – <i>Property taxes, basic state aid, and education protection account funds</i>
Federal Revenue	\$0	\$3,042,761	Federal – <i>District must follow specific grant guidelines (Title I, Title II, ESSER, etc.)</i>
Other State Revenue	\$2,312,063	\$11,277,568	Other State – <i>State funds not part of State aid (Lottery, Special Education, Mandate etc.)</i>
Other Local Revenue	\$4,193,094	\$10,395,513	Local – <i>Funds received from local sources (Parcel Tax, Casino Funds, Foundation support, PTSA support, Interest, etc.)</i>
TOTAL	\$82,767,212	\$102,329,906	



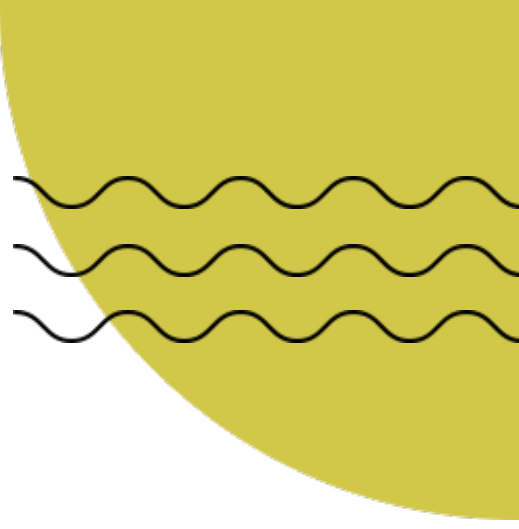
General Fund Expenditures (pg.19,20,35,36)

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

DESCRIPTION	UNRESTRICTED	COMBINED
Certificated Salaries	25,134,824	\$34,347,907
Classified Salaries	6,759,261	\$12,153,728
Certificated & Classified Management Sals	4,426,067	\$7,059,256
Benefits (Payroll Taxes and Health & Welfare Contributions)	18,880,733	\$31,132,239
Books and Supplies	766,709	\$4,559,571
Other Services & Oper.	8,685,314	\$20,212,266
Transfer for County Served Students	49,417	\$49,417
Equipment > \$5,000	0	\$783,249
Indirect Costs	(462,565)	\$0
TOTAL	64,239,760	\$110,297,634



Change in Fund Balance since 1st Interim

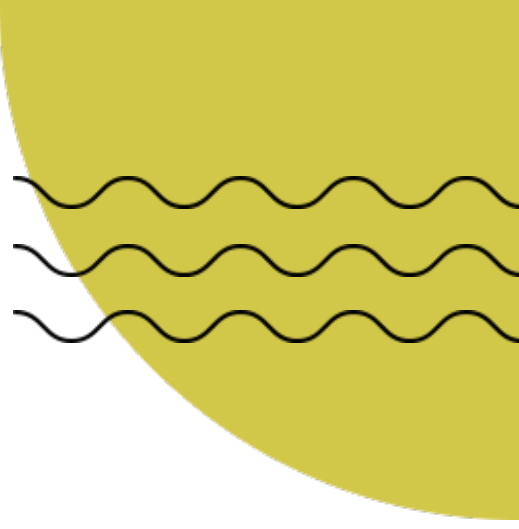


Unrestricted Changes Since First Interim

		Change in Fund Balance
Excess of Expenditures over Revenues at Budget Adoption		\$ (1,903,260)
Revenue Changes		
LCFF Funding - adjustment to ADA & UPP%	313,879	
Other State Revenue - Transportation reimbursement & Lottery revenue adjustment	275,381	
Other Local Revenue - E-Rate and Teacher Induction revenue adjustment	(84,753)	
	504,507	\$ 504,507
Expenditure Changes		
Certificated Salaries - misc adj	12,067	
Classified Salaries - vacation payouts	47,037	
Benefits - increase based on above adjustments	51,632	
Books and Supplies - MAA supplies	3,074	
Other Services, Operations - SIS add on	44,266	
Transfer for site athletic vans	550,000	
Increased Contribution to SpEd	409,336	
	1,117,412	\$ 1,117,412
Revised Excess of Revenues over Expenditures at Second Interim		\$ (2,516,165)



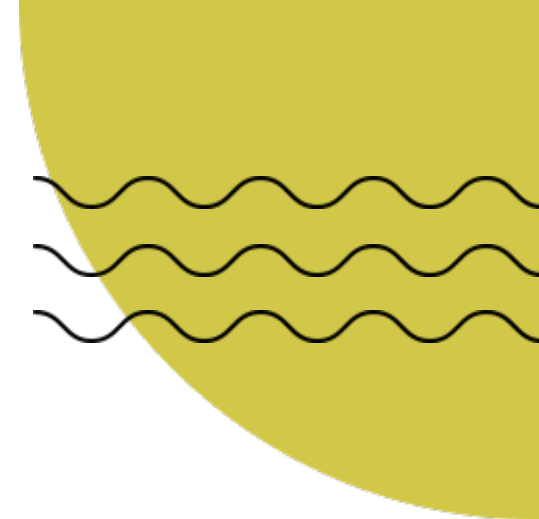
Unrestricted Funds to Restricted Programs (pg. 15,93,95)



CRPUSD Contributions to Restricted	Amount
Special Education - Instruction	18,497,228
Routine Restricted Maintenance	1,996,389
Site Athletic Vans	550,000
Total Contributions	21,043,617



Second Interim General Fund Summary (pg. 93,95)

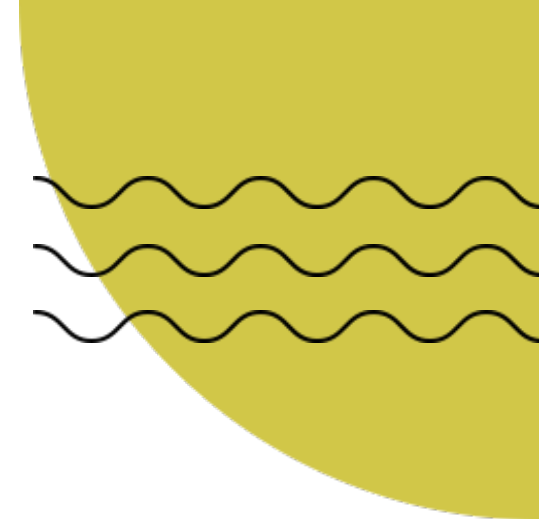


CRPUSD 2nd Interim 2024-25			
Description	Unrestricted	Restricted	Total
Total Revenues	82,767,212	19,562,694	102,329,906
Total Expenditures	64,239,760	46,057,873	110,297,634
Excess/(Deficiency)	18,527,452	(26,495,180)	(7,967,728)
Transfer to RRMA & SpEd	(21,043,617)	21,043,617	0
Transfer from FD 40 to RRMA		1,000,000	1,000,000
Net Increase/(Decrease)	(2,516,165)	(4,451,563)	(6,967,728)
Beginning Fund Balance	5,391,667	12,224,736	17,616,404
FD 01 Ending Fund Balance	2,875,502	7,773,174	10,648,675
FD 17 Special Reserve	3,738,417		
Reserve Percentage	6.00%		



Summary Budget Adoption

Multi-Year Projection(MYP) (pg.93)



2024-25 2nd Interim Multi-Year Projection (Unrestricted General Fund)			
Description	2024-25 Budget	Projected 2025-26	Projected 2026-27
Total Revenues	82,767,212	86,454,074	90,110,592
Total Expenditures	64,239,760	65,810,328	67,215,459
Excess/(Deficiency)	18,527,452	20,643,746	22,895,133
Transfer to RRMA & SpEd	(21,043,617)	(21,378,609)	(22,296,103)
Surplus/(Deficit) (Total Rev - Total Exp)	(2,516,165)	(734,863)	599,030
Add: Beginning Fund Balance	5,391,667	2,875,502	2,140,639
	0	0	0
FD 01 Unrestricted Ending Fund Balance	2,875,502	2,140,639	2,739,669
Special Reserve - Fund 17	3,738,417	3,838,417	3,938,417
AB 1200 Reserve Percentage	6%	5%	6%



Cash Flow

- There will 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, however, the “dry period” of October through December, before property taxes are received, indicates cash shortfalls
 - 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
- Future technology needs
- Increases in general cost of doing business
- Containing Special Education costs
- Future Collective Bargaining



Second Interim Certification

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



Questions?

