



Gold Oak Union School District

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2023-24 1st Interim Report
December 12th, 2023

Budget Timelines

DECEMBER – 1st Interim Budget

The 1st Interim report will be presented at the public board meeting in December of each year. This report will include any changes made to the budget since the budget adoption in June, including those reported 45 days after the Governor signed the annual Budget Act.

MARCH – 2nd Interim Budget

The 2nd Interim report will be presented at the public board meeting in March of each year. This report will include any changes made to the budget since the 1st Interim report was presented in December.

JUNE 1ST – 3rd Interim Budget (Qualified or Negative Certified Districts Only)

No later than June 1, each school district with a qualified or negative certification for the second interim report must provide financial statement projections of the district's fund and cash balances through June 30 for the period ending April 30 to the county superintendent, the Controller, and the SPI.

JULY 1st-Adopted Budget and LCAP

Not later than 45 days after the Governor signs the annual Budget Act, the school district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect the funding made available by the Budget Act. (EC 42127 (i) (4))

SEPTEMBER – Unaudited Actuals

The Unaudited Actuals report will be presented at the public board meeting in September of each year. This report will reflect the actual revenue and expenditures of the district for the budget year.

Budget Assumptions

- This Interim Budget Report is based on a snapshot in time as of October 2023, and therefore these projections do not include any decisions made after October.
- It is a forecast of the revenues and expenditures for the current fiscal year as well as a projection for the two subsequent fiscal years.
- These projections are based on today's known factors, historical trends and State Budget information.

2023-24 Assumptions for 1st Interim

- Enrollment: 436
- Funded Average Daily Attendance (ADA): 423.18
Based on ADA average of 3 prior years
- Current Year Projected ADA: 388.86 (89%)
- Unduplicated Pupil percentage: 39.17%
(Homeless, Foster Youth, English Learners, Low Income)
- Cost of Living Adjustment (COLA): 8.22%
- Staffing Assumptions:
 - Includes Step/Column
 - STRS Employer contribution rate= 19.10%
 - PERS Employer contribution rate= 26.68%
- Updated Cash Flow
- Updated Multi-Year Projection

A Snapshot of the Current Year Budget

Gold Oak Union School District

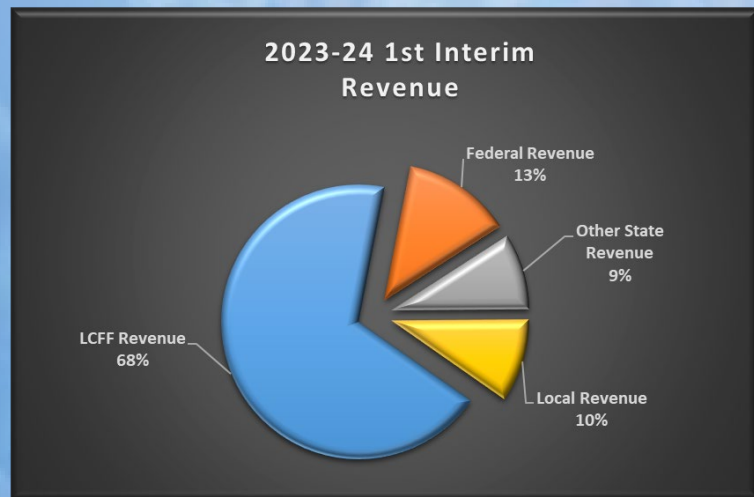
District Net Worth - All Funds

2023-24 1st Interim - All Funds

2023-24	General Fund	Student Body Fund	Cafeteria Fund	Def. Maint. Fund	Capital Facilities Fund	Bond Fund	Total Net Worth
Total Revenues	\$7,513,976	\$11,505	\$334,498	\$30,500	\$55,000	\$278,610	\$8,224,088
Total Expenses	\$8,056,783	\$11,500	\$321,496	\$0	\$2,000	\$270,000	\$8,661,779
Transfers in/out	\$0		\$0				\$0
Excess (Deficiency)	-\$542,807	\$5	\$13,002	\$30,500	\$53,000	\$8,610	-\$437,691
Beginning Balance	\$2,720,206	\$12,617	\$38,953	\$61,685	\$332,308	\$257,501	\$3,423,270
Estimated Ending Balance	\$2,177,399	\$12,622	\$51,955	\$92,185	\$385,308	\$266,111	\$2,985,579

2023-24 General Fund 1st Interim Revenue Variance from Adopted Budget

Gold Oak Union School District 2023-24 1st Interim									
	a	b	c	d	e	f	g	h	i
	<u>2023-24 Adopted Budget</u>			<u>2023-24 1st Interim</u>					
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted Variance	Restricted Variance	Total Variance
1 Revenue Detail									
2 Local Control Funding Formula	5,158,258	-	5,158,258	5,134,271	-	5,134,271	(23,987)	-	(23,987)
3 Federal Revenue	5,000	383,641	388,641	10,000	954,124	964,124	5,000	570,482	575,482
4 Other State Revenue	84,300	527,942	612,242	88,463	586,833	675,296	4,163	58,891	63,054
5 Other Local Revenue	425,311	265,500	690,811	462,950	277,336	740,286	37,639	11,836	49,475
6 Total Revenue	5,672,869	1,177,083	6,849,952	5,695,684	1,818,292	7,513,976	22,815	641,209	664,024



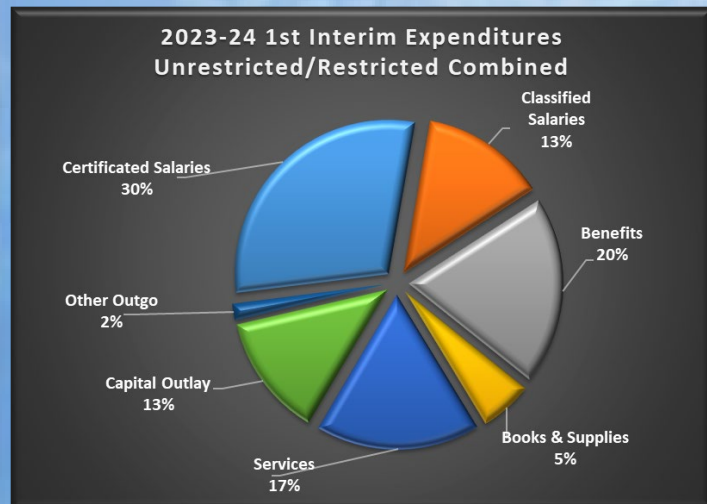
Total projected revenue in the district's general fund has *increased* by \$664k due to:

- LCFF – adjustments to District and COE ADA
- Federal Revenues – Adjust one-time grants, Special Ed funds
- State Revenues - adjust Lottery funding, one-time grants, STRS on-behalf, and Special Ed funds
- Local Revenues - adjust Special Education funding, E-Rate, and one-time Diesel bus grant

2023-24 General Fund 1st Interim Expenditures

Variance from Adopted Budget

Gold Oak Union School District 2023-24 1st Interim									
	a	b	c	d	e	f	g	h	i
	<u>2023-24 Adopted Budget</u>			<u>2023-24 1st Interim</u>					
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted Variance	Restricted Variance	Total Variance
8 Expenditure Detail									
9 Certificated	1,970,753	422,853	2,393,606	1,864,650	531,016	2,395,666	(106,103)	108,163	2,060
10 Classified	747,301	318,429	1,065,730	682,781	375,384	1,058,165	(64,520)	56,955	(7,565)
11 Employee benefits	1,111,456	495,314	1,606,770	1,087,000	513,375	1,600,375	(24,456)	18,061	(6,395)
12 Books & Supplies	201,970	182,500	384,470	247,470	198,294	445,764	45,500	15,794	61,294
13 Service, Other Operating	508,511	704,377	1,212,888	548,379	843,111	1,391,490	39,868	138,734	178,602
14 Capital Outlay	534,150	72,000	606,150	526,555	510,000	1,036,555	(7,595)	438,000	430,405
15 Other Outgo	56,197	42,689	98,886	56,098	79,670	135,768	(99)	36,981	36,882
16 Direct Support/Indirect	(48,910)	42,720	(6,190)	(50,671)	43,671	(7,000)	(1,761)	951	(810)
17 Total Expenditures	5,081,428	2,280,882	7,362,310	4,962,262	3,094,521	8,056,783	(119,166)	813,639	694,473



Total projected expenditures in the district's general fund has *increased* by \$694k due to:

- Salaries and Benefits – adjust extra duty, subs, temporary positions, between UR/R funds, and STRS on-behalf
- Books & Supplies– adjust RRMA, Special Ed, Transportation, Athletics, Tech
- Services– one-time COPS grant, utilities, legal, and special education services
- Capital Outlay– one-time COPS grant , diesel buses, HVACs, equipment
- Other Outgo and Indirect - adjust special education services provided by EDCOE

2023-24 General Fund 1st Interim

Other Financing Sources/Uses

Variance from Adopted Budget

Gold Oak Union School District 2023-24 1st Interim									
	a			b			c		
	2023-24 Adopted Budget			2023-24 1st Interim					
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted Variance	Restricted Variance	Total Variance
21 Other Financing Sources/uses									
22 Transfers In	-	-	-	-	-	-	-	-	-
23 Transfers Out	(10,000)	-	(10,000)	-	-	-	(10,000)	-	(10,000)
24 Contributions	(849,165)	849,165	-	(1,072,715)	1,072,715	-	(223,550)	223,550	-
25 Total Other Sources/Uses	(859,165)	849,165	(10,000)	(1,072,715)	1,072,715	-	(233,550)	223,550	(10,000)
26									
27 Net Inc/Dcr to Fund Balance	(267,724)	(254,634)	(522,358)	(339,293)	(203,514)	(542,807)	(71,569)	51,120	(20,449)
28									
29 Beginning Balance	1,438,587	1,206,452	2,645,039	1,510,387	1,209,819	2,720,206	71,800	3,367	75,168
30 Ending Balance	1,170,863	951,818	2,122,681	1,171,094	1,006,306	2,177,399	231	54,487	54,719

Total other financing sources/ uses decreased by about (\$10k) due to:

- Decreased Transfer Out to the Cafeteria Fund based on current program funding, program needs, participation, and additional one-time revenue
- Increased contributions to Special Education program needs and one-time grant contribution requirements

2023-24 General Fund 1st Interim

Components of Ending Fund Balance

Variance from Adopted Budget

Gold Oak Union School District 2023-24 1st Interim									
	a			b			c		
	2023-24 Adopted Budget			2023-24 1st Interim					
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted Variance	Restricted Variance	Total Variance
32 Components of Ending Fund Balance									
33 Revolving Cash	1,625	-	1,625	1,625	-	1,625	-	-	-
34 Reserve for Economic Uncertainty	294,893	-	294,893	322,272	-	322,272	27,379	-	27,379
35 Restricted	-	951,818	951,818	-	1,006,306	1,006,306	-	54,487	54,487
36 Assigned	874,345	-	874,345	847,197	-	847,197	(27,148)	-	(27,148)
37 Compensated Absence Liability	5,000	-	5,000	8,930	-	8,930	3,930	-	3,930
38 District Reserve Goal (17%)	694,886	-	694,886	781,478	-	781,478	86,592	-	86,592
39 Gold Oak Donations	5,607	-	5,607	4,754	-	4,754	(853)	-	(853)
40 Pleasant Valley Donations	945	-	945	945	-	945	-	-	-
41 PV Sports Uniforms	16	-	16	-	-	-	(16)	-	(16)
42 Gold Oak/Playground Structures	14,392	-	14,392	16,897	-	16,897	2,505	-	2,505
43 Music Program	1,630	-	1,630	1,630	-	1,630	-	-	-
44 Technology Reserve	119,187	-	119,187	32,459	-	32,459	(86,727)	-	(86,727)
45 Gold Oak Grants	102	-	102	102	-	102	-	-	-
46 Instructional Materials (IMF) Reserve	-	-	-	-	-	-	-	-	-
47 PV Art Donations	-	-	-	-	-	-	-	-	-
48 Lottery	32,579	-	32,579	-	-	-	(32,579)	-	(32,579)
49 Unassigned / Unappropriated	-	-	-	-	-	-	-	-	-
50 Total	1,170,863	951,818	2,122,681	1,171,094	1,006,306	2,177,399	231	54,487	54,719
% EUR			4.00%				4.00%		
Goal and EUR			13.43%				13.70%		

True on-going Deficit Spending

- As of this snapshot in time, the district is deficit spending in 2023-24. The district is currently projecting a decrease of (\$339,293) to the unrestricted ending fund balance.
- However, the district is required to evaluate and report if there is a “True” on-going, level of deficit spending. To determine this level the district must remove all one-time revenue, (\$398,837).
- Then, all one-time expenditures are considered, (\$872,637).
- After adjusting for these one-time revenues and expenditures the district does not anticipate an on-going deficit spending in 2023-24.

	Unrestricted	Restricted	Combined
Net Increase/Decrease in Fund Balance	(\$339,293)	(\$203,514)	(\$542,807)
Total One-time Revenues	\$398,837	\$854,834	\$1,253,671
Total One-time Expenses	\$872,637	\$1,066,676	\$1,939,313
Adjusted Deficit Spending	\$134,507	\$8,329	\$142,835

Multi-Year Projections

2024-2026

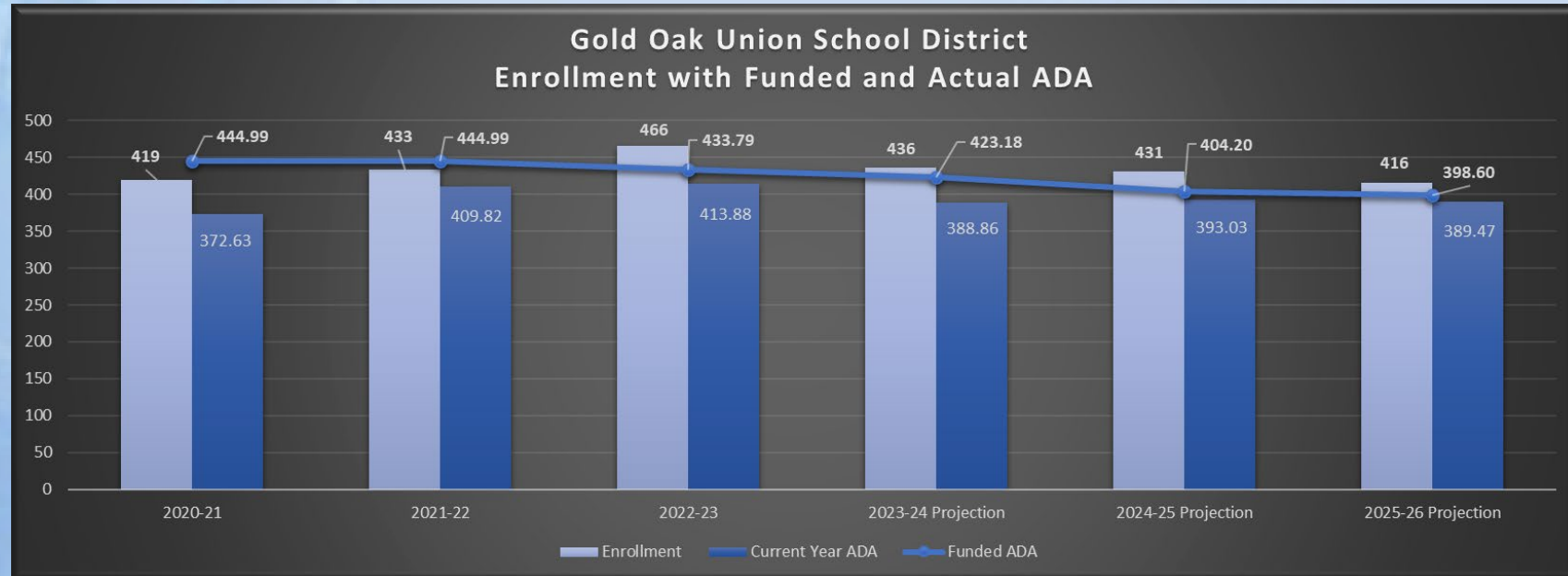
2024-25 MYP Assumptions

- Enrollment: 431
- Funded Average Daily Attendance (ADA): 404.20
Based on ADA average of 3 prior years
- Current Year Projected ADA: 393.03 (91%)
- Unduplicated Pupil percentage: 37.64%
(Homeless, Foster Youth, English Learners, Low Income)
- Cost of Living Adjustment (COLA): 3.94%
- Staffing Assumptions:
 - Includes Step/Column
 - STRS Employer contribution rate= 19.10%
 - PERS Employer contribution rate= 27.70%
- Updated Cash Flow
- Updated Multi-Year Projection

2025-26 MYP Assumptions

- Enrollment: 416
- Funded Average Daily Attendance (ADA): 398.60
Based on ADA average of 3 prior years
- Current Year Projected ADA: 389.47 (93%)
- Unduplicated Pupil percentage: 36.29%
(Homeless, Foster Youth, English Learners, Low Income)
- Cost of Living Adjustment (COLA): 3.29%
- Staffing Assumptions:
 - Includes Step/Column
 - STRS Employer contribution rate= 19.10%
 - PERS Employer contribution rate= 28.30%
- Updated Cash Flow
- Updated Multi-Year Projection

Enrollment & Average Daily Attendance



1	ADA Summary		2019-20	2020-21	2021-22	2022-23	2023-24 Projection	2024-25 Projection	2025-26 Projection
2	Current Year ADA (CY)		444.99	444.99	409.82	413.88	388.86	393.03	389.47
3	Prior Year ADA (PY)		447.76	444.99	445.80	409.82	413.88	388.86	393.03
4	3 prior year average (3yr)		N/A	N/A	N/A	433.79	423.18	404.20	398.60
5	growth/loss in ADA from prior year		(2.77)	0.00	(35.98)	4.06	(25.02)	4.17	(3.56)
6	Funded ADA (> CY or PY or 3yr)	> line 2,3, or 4	447.76	444.99	445.80	433.79	423.18	404.20	398.60
7	Hold Harmless Provision	2019-20		444.99	445.80				
8	ADA Cliff Relief	2021-22			409.82				
9	PY funded ADA		452.22	447.76	444.99	445.80	433.79	423.18	404.20
10	CY Gain/Loss in funded ADA		(4.46)	(2.77)	0.81	(12.01)	(10.61)	(18.98)	(5.60)

**Gold Oak Union School District
2023-24 1st Interim MYP**

	a	b	c	d	e	f	g	h	i
	2023-24 1st Interim			2024-25 Budget			2025-26 Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
1 LCFF Revenue	5,134,271	-	5,134,271	5,093,505	-	5,093,505	5,181,398	-	5,181,398
2 Federal Revenue	10,000	954,124	964,124	10,000	186,000	196,000	10,000	186,000	196,000
3 Other State Revenue	88,463	586,833	675,296	87,800	509,007	596,807	87,200	504,007	591,207
4 Local Revenue	462,950	277,336	740,286	68,733	273,000	341,733	66,233	273,000	339,233
5 OTHER FINANCING SOURCES									
6 Interfund Transfers In	-	-	-	-	-	-	-	-	-
7 Other Sources	-	-	-	-	-	-	-	-	-
8 Contributions	(1,072,715)	1,072,715	-	(954,108)	954,108	-	(977,666)	977,666	-
9 TOTAL REVENUE	4,622,969	2,891,007	7,513,976	4,305,930	1,922,115	6,228,045	4,367,165	1,940,673	6,307,838
10									
11 B. EXPENDITURES:									
12 Certificated Salaries	1,864,650	531,016	2,395,666	2,013,666	351,115	2,364,781	2,040,366	354,890	2,395,256
13 Classified Salaries	682,781	375,384	1,058,165	724,971	362,735	1,087,706	737,706	367,124	1,104,830
14 Benefits	1,087,000	513,375	1,600,375	1,106,724	469,203	1,575,927	1,122,394	473,206	1,595,600
15 Books & Supplies	247,470	198,294	445,764	228,050	30,050	258,100	128,050	130,050	258,100
16 Services	548,379	843,111	1,391,490	543,037	580,736	1,123,773	542,872	578,736	1,121,608
17 Capital Outlay	526,555	510,000	1,036,555	25,000	-	25,000	25,000	-	25,000
18 Other Outgo	56,098	79,670	135,768	46,985	73,784	120,769	40,607	86,798	127,405
19 OTHER FINANCING USES									
20 Interfund Transfers Out	-	-	-	-	-	-	-	-	-
21 Other Uses	-	-	-	-	-	-	-	-	-
22 Direct Support/Indirect Costs	(50,671)	43,671	(7,000)	(50,671)	43,671	(7,000)	(50,671)	43,671	(7,000)
23 TOTAL EXPENDITURES	4,962,262	3,094,521	8,056,783	4,637,762	1,911,294	6,549,056	4,586,324	2,034,475	6,620,799
24									
25 C. EXCESS (DEFICIENCY)	(339,293)	(203,514)	(542,807)	(331,832)	10,821	(321,011)	(219,159)	(93,802)	(312,961)
26									
27 BEGINNING BALANCE	1,510,387	1,209,819	2,720,206	1,171,094	1,006,306	2,177,399	839,262	1,017,127	1,856,388
28 PROJECTED ENDING BALANCE	1,171,094	1,006,306	2,177,399	839,262	1,017,127	1,856,388	620,103	923,325	1,543,427

**Gold Oak Union School District
2023-24 1st Interim MYP**

	a	b	c	d	e	f	g	h	i
	2023-24 1st Interim			2024-25 Budget			2025-26 Budget		
	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined	Unrestricted	Restricted	Combined
30 G. COMPONENTS OF ENDING BALANCE:									
31 Revolving Cash/ Nonspendable	1,625	-	1,625	1,625	-	1,625	1,625	-	1,625
32 Prepaid expenses	-	-	-	-	-	-	-	-	-
33 Reserve for Economic Uncertainty (EUR)	322,272	-	322,272	261,964	-	261,964	264,833	-	264,833
34 Restricted	-	1,006,306	1,006,306	-	1,017,127	1,017,127	-	923,325	923,325
35 Assigned	847,197	-	847,197	575,673	-	575,673	353,645	-	353,645
36 <i>Compensated Absence Liability</i>	8,930	-	8,930	8,930	-	8,930	8,930	-	8,930
37 <i>District Reserve Goal (17%)</i>	781,478	-	781,478	525,705	-	525,705	302,892	-	302,892
38 <i>Gold Oak Donations</i>	4,754	-	4,754	5,554	-	5,554	6,354	-	6,354
39 <i>Pleasant Valley Donations</i>	945	-	945	945	-	945	945	-	945
40 <i>Fieldtrips</i>	-	-	-	-	-	-	16	-	16
41 <i>Gold Oak PTO</i>	-	-	-	-	-	-	-	-	-
42 <i>PV Sports Uniforms</i>	-	-	-	-	-	-	-	-	-
43 <i>Gold Oak/Playground Structures</i>	16,897	-	16,897	17,897	-	17,897	18,897	-	18,897
44 <i>Technology Reserve</i>	32,459	-	32,459	14,908	-	14,908	6,654	-	6,654
45 <i>Gold Oak Grants</i>	102	-	102	102	-	102	102	-	102
46 <i>Instructional Materials (IMF) Reserve</i>	-	-	-	-	-	-	-	-	-
47 <i>Transportation</i>	-	-	-	-	-	-	7,223	-	7,223
48 <i>Lottery</i>	-	-	-	-	-	-	-	-	-
49 <i>Unassigned/Unappropriated</i>	-	-	-	-	-	-	-	-	-
50 Ending Fund Balance	1,171,094	1,006,306	2,177,399	839,262	1,017,127	1,856,388	620,103	923,325	1,543,427
51 Combined EUR %			4.00%			4.00%			4.00%
52 EUR and additional Reserve Goal			13.70%			12.03%			8.57%

Reserve designations may be changed to meet
current program needs.

Final Thoughts

Goals and Challenges

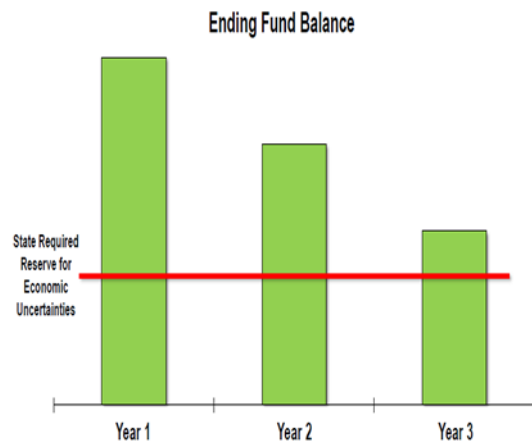
- Program needs- Intervention and Special Education
- Declining Enrollment and attendance trends
- Staffing levels
- Facility needs- Repairs, replacements, modernization
- Impacts of one-time revenue
- Deficit spending
- Bargaining agreements
- Reserve levels

Reserves

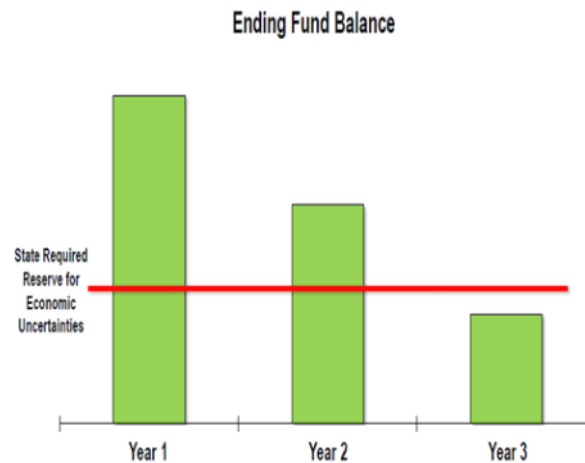
- › State required minimum reserves is 4%
 - Represents less than 3 weeks of payroll
- › Government Finance Officer's Association recommends 2 months of operating expense (roughly 17%)
- › Rating agencies like Fitch or Moody's typically assess the adequacy of a district's reserves by comparing them to statewide averages
 - The California Department of Education released the 2018-19 Unaudited Actuals data which reveals Elementary School Districts averaged 20.47% reserve levels
- › Reserves can help carry you through a tough financial time – but only temporarily since they are **one-time funds**
- › *Temporary adjustments to programs in conjunction with one-time funding has provided the district the ability to meet the required 4% and build an additional assigned reserve for budget stabilization.*
 - *As one-time revenue is exhausted, temporary expenditures and programs will also need to be reviewed and reduced*

Budget Certifications

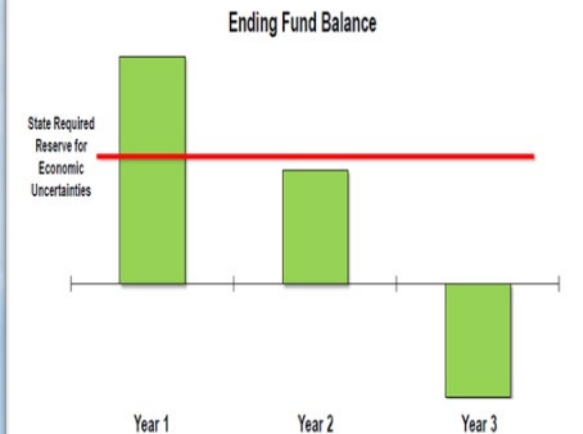
Positive Certification



Qualified Certification



Negative Certification



Budget Certifications

- › Positive: The district is projected to be able to meet its financial obligations all three years.
- › Qualified: It is projected that the district may not meet its financial obligations in one of the three years.
 - The qualified status is a warning sign to district leaders that expenditures are out pacing revenues.
- › Negative: It is projected that the district will not be able to meet its financial obligations in the current or next fiscal year.
 - This is a serious situation. In worse-case situations, the district is taken over by a state-appointed administrator who renders all policy and program decisions to repay funds loaned to the district by the state.

Recommendation

It is recommended, the Governing Board approve the Gold Oak Union School District – 1st Interim Report, which includes:

- Positive budget certification
- Budget revisions as outlined in this report



Thank you!