



Lassen County Office of Education

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Patricia Gunderson, Superintendent

March 26, 2024

Brian Boyer, Superintendent
and
Members of the Board of Trustees
Richmond Elementary School District
700-585 Richmond Road, East
Susanville, CA 96130

Dear Brian and Members of the Board:

In accordance with Education Code Section 42131, the Lassen County Office of Education (LCOE) has reviewed the Second Interim Report of the Richmond Elementary School District (RES D) for fiscal year 2023-24. The Education Code requires the County Superintendent to either approve or disapprove the certification for each school district after completing the following:

1. Examine the Second Interim Report and determine whether it complies with the standards and criteria established by the state;
2. Identify any technical corrections needed to bring the budget into compliance with the standards and criteria established by the state;
3. Determine whether the projected budget will allow the district to meet its financial obligations during the fiscal year and is consistent with a financial plan that will enable the district to satisfy its multi-year financial commitments.

CERTIFICATION - The RESD has submitted a positive certification for the Second Interim Report, which complies in all material aspects with the State-Adopted Criteria and Standards for districts of Richmond's size. The report was based on the adopted State budget and information known as of January 31, 2024.

ENROLLMENT - The District shows a decrease in ADA for the first and second subsequent years.

2023-24 Estimated ADA	180.11
2024-25 Estimated ADA	176.49
2025-26 Estimated ADA	172.49

UNRESTRICTED DEFICIT SPENDING – The District plans to deficit spend in the current year and in the first and second subsequent years. Below are the decreases in fund balance for all three years.

2023-24	(\$47,975.00)
2024-25	(\$272,236.00)
2025-26	(\$291,610.00)

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ENDING BALANCE – The RESD is able to meet the minimum State-recommended reserve in the current and two subsequent fiscal years. Here are the projected total unrestricted, restricted, and designated reserves currently projected:

June 30, 2024	\$1,929,027
June 30, 2025	\$1,441,439
June 30, 2026	\$1,149,829

CASH FLOW - The District is projecting positive cash flow each month through June 30, 2024. The June cash is expected to be \$2,461,197

COLLECTIVE BARGAINING - According to information provided, Certificated labor contracts have not been settled. Please keep in mind that, before the District's Board takes any action on a proposed collective bargaining agreement, the District must meet the public disclosure required of Government Code and Title V. The document used for this analysis is referred to as "AB 1200 Public Disclosure of Proposed Collective Bargaining Agreement." This document must be sent to the LCOE ten working days prior to Board approval. We request this information be provided for any settlement regardless of estimated cost or savings.

SUBMISSION OF STUDIES, REPORTS, EVALUATIONS, AND/OR AUDITS - The Education Code requires districts to submit to the LCOE any studies, reports, evaluations, or audits done of the District that contain evidence that the District is showing fiscal distress. The LCOE is required to incorporate this information into our analysis of budgets, interim reports, and the District's overall financial condition.

OTHER ISSUES - The LCOE continues to recommend that districts review all proposed expenditures and carefully review staffing needs.

CONCLUSION - Based on our review, the Second Interim Report is approved as submitted. We commend the Richmond Elementary School District Board, Superintendent, and CBO for their commitment to sound fiscal practices.

If we can be of any assistance, please let us know.

Sincerely,



Patricia A. Gunderson
County Superintendent of Schools

PG/dh
Business/Interim Reports/Second Interims 23.24

cc: Courtney Russell, Director of Business Services
Jeanette Goni, District Business Manager