



A MESSAGE FROM SUPERINTENDENT CHÁVEZ
March 20, 2024
2024 Fiscal State of Farmersville Unified School District

Dear Farmersville Community and Families:

Farmersville Unified School District is committed to providing a high-quality education for all our students. In the spirit of transparency, we invite students, parents, staff, and the community to review and be aware of our budget and personnel information. These fiscal data points make up our **State of the District**. We want to continue to partner with parents, students, staff, and community members to continue to move our district forward because our students deserve the best - no shame, no blame, but no excuses.

The district FUSD budget is composed of federal and state funding allocations. All funding is based on our Student Enrollment and Student Average Daily Attendance with additional funding provided for “Unduplicated Count” students identified as either English Learners, Students Eligible for Free and Reduced Lunch, and Foster Care students. The budget is also adjusted to meet annual Cost of Living Adjustment (COLA) which varies year to year. The budget revenue or allocation is divided into Restricted and Unrestricted Funds. Unrestricted funds are used for the purposes of salaries and benefits, utilities, facilities, and other general functions. Restricted funds can only be spent on very specific purposes outlined in the grant and generally cannot be spent in the same manner as Unrestricted funds. Most restricted funds can only be used for specific programs and for specific groups of students. Restricted and Unrestricted funds make up our overall budget every year.

Our FUSD budget is required by law to receive a certification every year from the Tulare County Office of Education (TCOE). The district budget currently maintains a positive certification from TCOE. This certification means that FUSD has maintained a budget reserve of more than 3% of the overall budget for the next three fiscal years, which is required by law. Historically the Farmersville Unified School District has aimed to keep as reserves above 3% in order to save for years when it receives less money. As of today, our district projected end fund balances are as follows:

- 2023-24: 12.31%
- 2024-25: 9.13%
- 2025-26: 3.71%

This information is based on our 2nd Interim Report provided every Spring to the County and State. There are three major factors that impact on our overall budget: declining enrollment; decreased funding; and staffing levels.

Declining Enrollment

The state provided districts with a Cost-of-Living Adjustment (COLA) originally projected to be an increase of 8.22% for the 23-24 school year. However, based on several factors, FUSD’s overall budget from the 22-23 school year to the 23-24 school year dropped by approximately three percentage points. Currently, FUSD receives approximately \$15,547.00 in revenue annually per student. Funding is based on actual attendance of students, so your students attendance at school is vital to their education as well as to the funding the District receives. From March 2023 to March

2024 student enrollment decreased by 94 students. This translates to a fiscal reduction of \$1,461,418.00 in lost revenue. It is important to note that these assumptions are based on current levels of staffing, spending, and student enrollment and attendance. With our current declining enrollment, our projected revenue adjustment is negatively impacted. At a recent school board meeting, information describing these variables was presented to the school board and the community.

Decrease in Funding

Fiscal challenges remain for FUSD as the initial state budget proposal includes a COLA of less than 1% for 2024-25, lower Average Daily Attendance (ADA) of students, and the ending of one-time COVID related funds (i.e. ESSER funds). In addition, the overall state budget shortfall of over \$60 million dollars is expected to add stress to our district budget.

As a result of COVID, the district received federal ESSER Grants to recover from learning loss. Approximately \$18 million dollars in ESSER (I, II, and III) funds were provided over the last three years to cover a myriad of needs because of the effects of COVID. ESSER I and II had expired last year. ESSER III expires this year.

Staffing Levels

In 2018-19, the student to teacher ratio was 18.37. In 2022-23 this ratio decreased to 16.02. This means that there were fewer students, on average, assigned to every teacher. If the student to teacher ratio would have remained the same from the 2018-19 year, this would have resulted in 18 fewer full-time employees (FTE). Two factors affected the decrease in the staffing to student ratio. Over the four years following 2018-19, average daily attendance (ADA) decreased by 142 students. Our staffing ratios did not remain in line with the decrease in student enrollment. Instead, the staffing for classrooms increased by 10.43 FTE.

Our current class sizes are lower than state averages. According to the CDE, expected class size averages are: K-3 average is 20:1, grades 4-9 average 29:1, and grades 10-12 average 32:1. However, many districts negotiate higher class sizes, which allows for the cost savings to be spent in other ways. At Farmersville Unified School District, our class sizes average is reported at 16:1. This translates in additional cost to the general budget. Classified Staff has also increased from 97 in 2018-19 to 132 in 2023-24. Unrepresented Management positions also increased by 4 positions from the previous year. Certificated Management increased by 2 administrators from previous year and assigned to the sites. Finally, over the last ten years the salary schedule has increased by 35%, with 2022-23 seeing the highest salary increase of 9%.

At this current trend, we assume that we will be facing additional fiscal challenges for the next three to five years. As a district we are working attentively to both navigate the fiscal challenges ahead and ensure that our students and staff are well taken care of. We will continue to plan and make the necessary adjustments to address budget reductions, however, students will continue to be the top priority for the district.

Thank you,

Sergio C. Chavez Ed.D., Superintendent
Farmersville Unified School District