SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

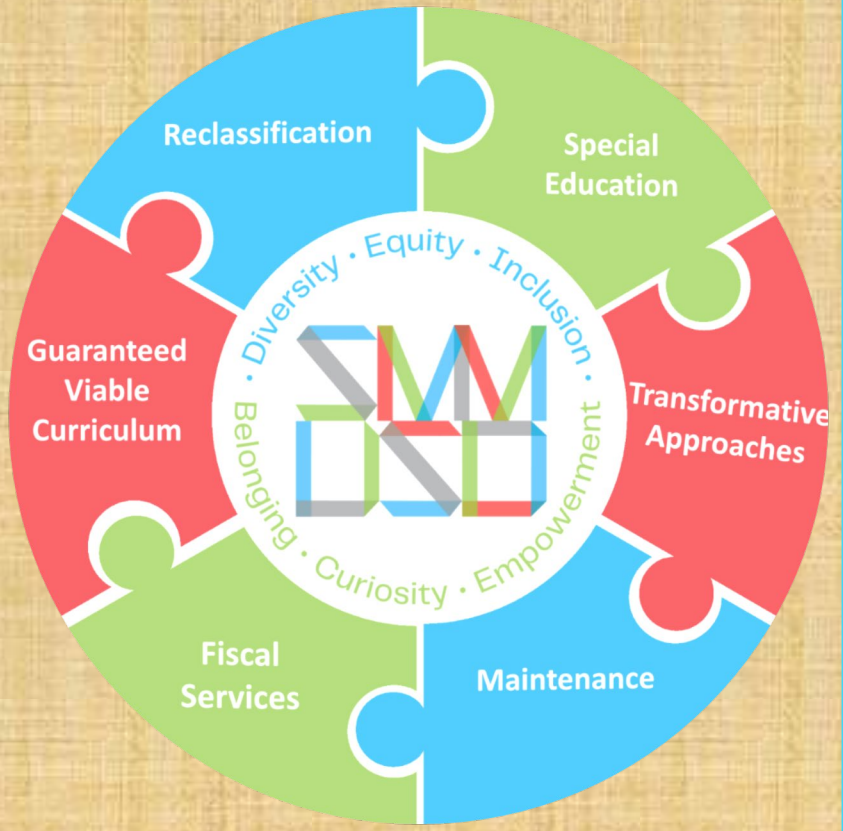
2024-25 Unaudited Actuals

Gerardo Cruz
Assistant Superintendent,
Business & Fiscal Services

Diversity · Equity · Inclusion · Belonging · Curiosity · Empowerment

September 10, 2025
Special Board Meeting
Agenda Item II.E.I




Reclassification
Special Education
Guaranteed Viable Curriculum
Transformative Approaches
Fiscal Services
Maintenance
Diversity · Equity · Inclusion · Empowerment · Curiosity · Belonging

Budget Reporting Periods

1. Preliminary Budget – June
2. Public Hearing Budget – June
3. Adopted Budget – June
4. 45-Day Revision (if needed) – August
5. First Interim – December
6. Second Interim – March
7. Third Revision – May
8. Estimated Actuals – June
9. Fourth Revision (if needed) – June
10. Unaudited Actuals – September
11. FOC/Board Liaisons Review Draft Audit – Dec.
12. Board Approves Final Audit Report – Dec.

What are Unaudited Actuals?

- District prepared year-end financial statements as of June 30th using State format known as SACS (State Account Code Structure) for all District funds *(SACS Report Attachment)*

- Report of activities in all District funds, identifying reserves that are carried forward into future years or unspent funds *(Attachments 1 & 2)*

- Used by external auditors to prepare the official Audit Report

- In June, staff presented 2024-25 Estimated Actuals during the 2025-26 Budget Adoption process

What has changed since June?

- Year-end closing entries are prepared and posted
- The financial books of the District have been closed
- Unspent allocations have been identified and reserved or assigned to the Fund Balance as appropriate *(Attachments 3 & 4)*
- Unaudited Actuals are compared to Estimated Actuals as presented with the 2025-26 Adopted Budget

Why are Projections Different than Expected?

- In general terms, the District uses conservatively estimated revenue and allocated expenditures during the budget and interim reporting processes
- Basic Aid School Districts must monitor cash on a more frequent basis as we only receive two property tax payments per year
- COVID-19 funds and other Categorical funds were used for COVID allowable expenses which relieved portions of the Unrestricted General Fund

What are Common Reasons for Differences? (typical year)

- Expenditure allocations or budgets were not completely spent
- Other Restricted General Fund sources were used in lieu of Unrestricted General Fund
- Rollover Purchase Orders (PO) were carried into the new year, if applicable (other funds)

Explanation of major differences between Estimated Actuals and Unaudited Actuals

$3.6M

REVENUE:

- **PROPERTY TAX – $504K** Higher property tax than budgeted due to increased delinquent assessment collections
- **EDUCATION PROTECTION ACCOUNT – ($130K)** Lower state funding received than originally projected in the budget due to decrease in average daily attendance (ADA)
- **IN LIEU PROPERTY TAX TRANSFER TO CHARTER – ($80K)** District residents attending outside charter schools, resulting in higher-than-budgeted property tax revenue transfers
- **LEASE & RENTAL – $741K** This reflects new facility rental agreements and higher occupancy rates than originally projected
- **LEASE & RENTAL GASB 87 – ($394K)** This was caused by required accounting adjustments under the new GASB 87 lease standard implementation
- **MEASURE R – $416K** Better-than-expected parcel tax collection due to property owners who no longer qualify for the Senior Exemption
- **MEASURE GSH/YY – $85K** Derived from additional sales taxes generated within the City of Santa Monica compared to forecast
- **INTEREST EARNED – $531K** Driven by Federal Reserve interest rate increases improving investment portfolio returns
- **INTEREST EARNED GASB 87 – $2M** Favorable accounting adjustments for positive interest calculations under GASB 87
- **ALL OTHER LOCAL INCOME – $485K** This was generated by reimbursement from the District Property & Liability Insurance provider related to the Franklin and Palisades fires
- **LOCAL GENERAL FUND CONTRIBUTION – $329K** Additional contribution to Special Education by $231K is offset by cost savings in Routine Restricted Maintenance Account (RRMA) that nets to a favorable $329K

$3.6M

Explanation of major differences between Estimated Actuals and Unaudited Actuals	$12.58M
Expenses:	
• SALARIES & STATUTORY BENEFITS – Resulted from, permanent vacancies, positions remaining unfilled longer than expected and employees taking extended unpaid leave [$3.3 million]; use of one-time funds from Career Technical Education, Covid ESSER Funds, as well as a Health Benefit credit from the District's transition from CalPERS to SISC [$3.3 million]	$6.6M
• CONSULTANTS, LEGAL, & OTHER OPERATING – This was generated by reduced need for external consultants, fewer legal disputes, and less other operating costs (include but is not limited to: Conference/Travel, Maintenance Agreements, Advertising, Membership Dues, Inter-fund transfers, Banking Fees, & Audit Fees)	$3.2M
• UNUSED TRANSFER TO FOOD SERVICES – Occurred because food service operations required less general fund subsidy than budgeted due to higher federal and state meal program reimbursement rates	$900K
• SEXUAL ASSUALT MOLESTATION INSURANCE PAID IN 25-26 NOT 24-25 – Timing differences as insurance premium was deferred to the following fiscal year	$500K
• COSTS SAVINGS IN SUPPLIES/BOOKS/TEXTBOOKS o Education Services General Supply Cost & Electronic Devices – $510K o Maintenance & Operations Custodial & General Supply Costs – $86K o Health Services Nursing Supplies & Non-Capital Equipment – $88K o Unspent Site Formula & Stretch Grant Allocations – $103K	$810K
• RENTALS, LEASES, & REPAIRS – This was driven by use of Deferred Maintenance Funds and Ongoing Major Maintenance Funds as well as more favorable lease and repair renegotiations	$350K
• DECREASE IN CAPITAL OUTLAY – Came from reduced need of additional white vehicle fleet as well as bus replacements	$227K

SANTA MONICA- MALIBU USD - PROPERTY TAXES COMPARISON

FISCAL YEAR	P2 REPORT			ANNUAL REPORT			VARIANCE	%	FY vs. FY VARIANCE
	PROPERTY TAXES	RDA FUNDS	TOTAL	PROPERTY TAXES	RDA FUNDS	TOTAL			
2012-13	49,542,296	8,783,796	58,326,092	53,499,704	10,956,778	64,456,482	6,130,390	10.51%	24.66%
2013-14	51,700,678	6,958,920	58,659,598	52,656,493	13,157,653	65,814,146	7,154,548	12.20%	2.11%
2014-15	55,736,580	10,582,632	66,319,212	57,371,774	15,200,596	72,572,370	6,253,158	9.43%	10.27%
2015-16	60,240,363	10,225,493	70,465,856	62,583,086	11,082,687	73,665,773	3,199,917	4.54%	1.51%
2016-17	65,588,613	6,517,394	72,106,007	66,181,738	14,731,464	80,913,202	8,807,195	12.21%	9.84%
2017-18	72,407,623	7,073,023	79,480,646	64,963,302	18,279,332	83,242,634	3,761,988	.73%	2.88%
2018-19	71,277,791	8,151,060	79,378,851	70,579,431	14,889,013	85,468,444	6,089,593	7.67%	2.67%
2019-20	73,835,932	17,273,237	91,109,169	74,659,786	16,524,221	91,184,007	74,838	0.10%	6.27%
2020-21	80,743,207	15,000,000	95,743,207	78,971,008	21,912,180	100,883,188	5,139,981	5.10%	9.62%
2021-22	93,763,505	15,000,000	108,763,505	93,913.203	19,572,246	113,485,449	4,721,944	4.16%	11.10%
2022-23	97,922,388	15,000,000	112,922,388	98,740,236	21,799,348	120,539,584	7,617,196	6.32%	5.85%
2023-24	91,703,372	18,000,000	109,703,372	92,856,330	24,571,397	117,427,727	7,724,355	6.58%	(2.65%)
2024-25	91,163,541	22,000,000	113,163,541	90,701,068	23,931,235	114,632,303	1,468,762	1.30%	(2.44%)

Unrestricted General Fund Balance Historical Differences

June Estimated vs. August Actuals & Net Increase(Decrease) with Reserve Balance

Fiscal Year	Estimated vs. Unaudited Actuals	Net Increase(Decrease)	Ending Fund Balance/Reserve
2011-12	1,575,461	(2,280,283)	17,566,662
2012-13	9,756,047	7,184,608	24,751,270
2013-14	2,671,242	(2,975,908)	21,775,362
2014-15	8,414,916	9,759,555	31,534,919
2015-16	4,019,832	1,074,929	32,609,848
2016-17	3,092,853	(5,691,926)	26,917,922
2017-18	5,701,386	7,968,107	34,886,030
2018-19	2,935,860	(3,585,531)	22,439,368
2019-20	7,537,933	(222,497)	22,216,271
2020-21	10,371,248	9,361,029	31,577,901
2021-22	6,872,603	13,078,889	46,776,590
2022-23	7,230,758	(11,894,736)	34,881,853
2023-24	20,430,866	26,281,549	56,609,464
2024-25	15,692,125	7,252,888	62,550,053

Observations To Keep In Mind

- Stabilizing enrollment
- Property taxes are an extremely high percentage of LCFF funding
- Community Redevelopment Funds a significant percentage of LCFF funding
- Parcel taxes, property transfer tax, special sales tax measures, and donations are a significant percentage of total revenue
- Given the potential for revenue volatility, expenditures need to be managed strategically
- Continue to use and monitor Covid-19 Expenditures from Restricted General Fund

REPORTING PERIODS 2024-25

(Attachment 5)

MULTI-YEAR PROJECTIONS

UNRESTRICTED GENERAL FUND

	A	B	C	D	E	F	G	H	I	J	K	L
		2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2025-26	2026-27	2027-28
	Description	ADOPTED BUDGET	FIRST INTERIM	SECOND INTERIM	THIRD BUDGET REVISION	ESTIMATED ACTUALS	UNAUDITED ACTUALS	ESTIMATED vs UNAUDITED CHANGE	% CHANGE	ADOPTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET
	Revenue:											
1	Property Tax	114,288,540	118,288,540	118,288,540	118,767,103	120,235,867	120,740,080	504,213	0.42%	121,645,640	125,631,466	130,813,039
2	Education Protection Account (EPA)	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,669,382	(130,618)	-7.82%	1,700,000	1,700,000	1,700,000
3	LCFF Transfer to Fund 14	-	-	-	-	-	-	-	0%	-	-	-
4	LCFF In Lieu Property Tax Transfer to Charter School	(287,000)	(287,000)	(287,000)	(287,000)	(287,000)	(366,460)	(79,460)	21.68%	(300,000)	(300,000)	(300,000)
5	Prior Year LCFF Adjustment	-	-	-				-	0%	-	-	-
6	Minimum State Aid	8,585,843	8,585,843	8,585,843	8,585,843	8,585,843	8,585,843	-	0.00%	8,585,843	8,585,843	8,585,843
7	***Subtotal LCFF Funding***	***124,387,384***	***128,387,384***	***128,387,384***	***128,865,947***	***130,334,710***	***130,628,845***	***294,135***	***0.23%***	***131,631,483***	***135,617,309***	***140,798,883***

MULTI-YEAR PROJECTIONS

UNRESTRICTED GENERAL FUND

	A	B	C	D	E	F	G	H	I	J	K	L
		2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2025-26	2026-27	2027-28
	Description	ADOPTED BUDGET	FIRST INTERIM	SECOND INTERIM	THIRD BUDGET REVISION	ESTIMATED ACTUALS	UNAUDITED ACTUALS	ESTIMATED vs UNAUDITED CHANGE	% CHANGE	ADOPTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET
8	Other Federal (MAA - Medi-Cal Administrative Activities)	-	-	-	-	-	-	-	0%	-	-	-
9	Lottery - Unrestricted	1,500,000	1,637,085	1,637,085	1,637,085	1,637,085	1,643,269	6,184	0.38%	1,700,000	1,700,000	1,500,000
10	Mandated Reimbursement Block Grant	419,000	419,000	419,000	419,000	419,000	408,438	(10,562)	-2.59%	410,000	410,000	410,000
11	Other State Revenue	5,000	5,000	355,000	355,000	355,000	328,698	(26,302)	-8.00%	355,000	355,000	355,000
12	Measure 'R' - Parcel Tax	14,502,917	14,502,917	14,502,917	14,502,917	14,668,342	15,084,669	416,327	2.76%	14,301,621	14,587,653	14,879,406
13	Measure 'Y' & 'GSH' - City of Santa Monica	18,000,000	18,000,000	18,000,000	18,000,000	17,500,000	17,585,081	85,081	0.48%	18,000,000	18,000,000	19,000,000
14	Measure 'GS' (Effective 3/1/2023) - City of Santa Monica	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	-	0.00%	10,000,000	10,000,000	10,000,000
15	Joint Use Agreement - City of Santa Monica	10,978,200	10,978,200	10,978,200	10,978,200	11,303,200	11,303,200	-	0.00%	11,529,263	11,759,848	11,995,045
16	Joint Use Agreement - City of Malibu	246,827	246,827	246,827	246,827	226,445	228,717	2,272	0.99%	299,378	299,378	299,378
17	Santa Monica Ed Foundation Donation	1,960,389	1,960,389	1,960,389	2,073,389	2,073,389	2,005,672	(67,717)	-3.38%	1,800,000	1,800,000	1,800,000
18	Malibu Education Foundation	581,685	581,685	581,685	650,600	650,600	671,605	21,005	3.13%	592,508	592,508	592,508
19	Lease & Rental	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,605,557	(394,443)	-24.57%	2,750,000	2,750,000	2,750,000
20	Interest Earned	700,000	700,000	700,000	1,146,745	2,066,762	4,605,527	2,538,765	55.12%	1,250,000	1,000,000	700,000
21	All Other Local Income (including Medi-Cal as of 2023-24)	1,209,000	1,137,916	1,254,207	1,285,471	1,312,897	1,798,254	485,357	26.99%	1,209,000	1,209,000	1,209,000
22	Local General Fund Contribution	(43,265,875)	(48,572,409)	(44,096,073)	(44,278,907)	(44,278,907)	(43,949,551)	329,356	-0.75%	(44,636,667)	(45,529,400)	(46,439,988)
23	**TOTAL REVENUE**	**143,224,526**	**141,983,993**	**146,926,620**	**147,882,273**	**150,268,523**	**153,947,979**	**3,679,456**	**2.39%**	**151,191,585**	**154,551,297**	**159,849,232**

MULTI-YEAR PROJECTIONS

UNRESTRICTED GENERAL FUND

	A	B	C	D	E	F	G	H	I	J	K	L
		2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2025-26	2026-27	2027-28
	Description	ADOPTED BUDGET	FIRST INTERIM	SECOND INTERIM	THIRD BUDGET REVISION	ESTIMATED ACTUALS	UNAUDITED ACTUALS	ESTIMATED vs UNAUDITED CHANGE	% CHANGE	ADOPTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET
24	**Expenditure:**											
25	Certificated Salary	60,681,624	62,551,567	62,408,478	62,430,278	62,515,206	60,391,079	(2,124,127)	-3.52%	63,168,211	63,898,049	66,153,650
26	Classified	27,183,903	26,797,314	26,266,524	26,213,568	26,217,258	25,495,087	(722,171)	-2.83%	27,095,364	27,501,794	27,914,321
27	Benefits	41,441,665	41,474,092	40,765,694	40,810,748	40,833,458	37,074,863	(3,758,595)	-10.14%	38,213,703	43,136,123	44,916,267
28	*STRS*	***11,437,249***	***11,680,852***	***11,596,278***	***11,599,442***	***11,615,663***	***11,024,431***	(591,232)	-5.36%	***11,987,033***	***12,204,527***	***12,635,347***
29	*PERS*	***6,867,080***	***6,928,693***	***6,818,197***	***6,790,946***	***6,791,294***	***6,209,680***	(581,614)	-9.37%	***7,006,964***	***7,397,983***	***7,760,181***
30	*SOCIAL SECURITY & MEDICARE*	***3,000,630***	***3,012,293***	***2,964,214***	***2,959,645***	***2,961,158***	***2,850,013***	(111,145)	-3.90%	***3,096,466***	***3,030,409***	***3,094,674***
31	*HEALTH AND WELFARE*	***15,513,710***	***15,161,876***	***14,742,945***	***14,818,103***	***14,818,103***	***12,577,812***	(2,240,291)	-17.81%	***11,265,726***	***15,629,012***	***16,410,463***
32	*SUI*	***40,279***	***44,600***	***44,071***	***44,083***	***44,129***	***762***	(43,367)		***46,365***	***45,700***	***47,034***
33	*WORKERS COMP*	***3,449,100***	***3,501,979***	***3,463,255***	***3,463,681***	***3,467,155***	***3,338,835***	(128,320)	-3.84%	***3,625,465***	***3,655,994***	***3,762,719***
34	*OPEB*	***1,099,910***	***1,111,667***	***1,098,592***	***1,098,206***	***1,099,314***	***1,020,637***	(78,677)	-7.71%	***1,157,461***	***1,142,498***	***1,175,850***
35	*CASH IN-LIEU*	***33,707***	***32,132***	***38,142***	***36,642***	***36,642***	***52,694***	16,052	30.46%	***28,223***	***30,000***	***30,000***
36	Supplies/Books/Textbooks	4,786,301	4,456,395	4,429,463	4,503,345	3,987,392	3,177,201	(810,191)	-25.50%	4,589,592	2,000,000	2,000,000
37	Other Operational Costs	20,894,296	21,763,290	23,467,052	23,605,590	23,398,874	19,492,792	(3,906,082)	-20.04%	24,454,409	19,103,071	20,281,865
38	*504 PLAN ACCOMODATION (STUDENT SERVICES)*	***20,000***	***20,000***	***20,000***	***20,193***	***193***	***193***	-	0.00%	-	-	-
39	*TRAVEL & CONFERENCE*	***446,015***	***489,166***	***486,840***	***585,514***	***573,444***	***473,931***	***(99,513)***	-21.00%	***699,268***	***500,000***	***500,000***
40	*DUES & MEMBERSHIPS*	***53,576***	***87,436***	***87,436***	***87,021***	***87,561***	***59,648***	***(27,913)***	-46.80%	***81,719***	***80,000***	***80,000***
41	*INSURANCE*	***2,360,977***	***2,607,849***	***3,102,115***	***3,102,115***	***3,102,115***	***2,605,489***	***(496,626)***	-19.06%	***3,257,221***	***2,920,082***	***3,066,086***
42	*UTILITIES*	***4,425,750***	***4,425,750***	***4,425,750***	***4,617,779***	***4,617,779***	***4,898,825***	***281,046***	5.74%	***4,602,779***	***4,602,779***	***4,602,779***
43	*RENTALS, LEASES, REPAIRS*	***2,850,134***	***2,818,818***	***2,823,414***	***2,869,866***	***2,889,026***	***2,542,714***	***(346,312)***	-13.62%	***3,064,724***	***2,500,000***	***2,500,000***
44	*INTRA-FUND TRANSFERS FOR SERVICES*	***(31,704)***	***(111,199)***	***(120,989)***	***(178,349)***	***(181,457)***	***(71,785)***	***109,672***	0.00%	***(91,037)***	***(65,000)***	***(65,000)***
45	*INTER-FUND TRANSFERS FOR SERVICES*	***(137,947)***	***(133,538)***	***(19,357)***	***(232,967)***	***(200,925)***	***(250,000)***	***(49,075)***	0.00%	***(113,660)***	***(175,000)***	***(175,000)***
46	*CONSULTANTS & OTHER OPERATING*	***10,617,285***	***11,270,298***	***12,373,133***	***12,446,708***	***12,223,428***	***8,948,386***	***(3,275,042)***	-36.60%	***12,663,985***	***8,450,000***	***9,500,000***
47	*Other Operational Costs*	*5,542,906*	*5,381,656*	*5,476,796*	*5,420,445*	*4,859,606*	*3,531,710*	*(1,327,896)*	-37.60%	*5,322,268*	*3,000,000*	*3,000,000*
48	*Consultants*	*2,321,297*	*3,135,560*	*3,813,255*	*3,923,581*	*4,261,140*	*2,919,838*	*(1,341,302)*	-45.94%	*3,537,717*	*2,250,000*	*3,000,000*
49	*Legal*	*1,886,000*	*1,886,000*	*2,216,000*	*2,235,600*	*2,235,600*	*1,629,755*	*(605,845)*	-37.17%	*2,204,000*	*1,600,000*	*1,900,000*
50	*Cost of Early Retirement Incentive (SERP)*	*867,082*	*867,082*	*867,082*	*867,082*	*867,082*	*867,082*	-	0.00%	*1,600,000*	*1,600,000*	*1,600,000*
51	*COMMUNICATIONS (LAND & MOBILE)*	***290,210***	***288,710***	***288,710***	***287,710***	***287,710***	***285,391***	***(2,319)***	-0.81%	***289,410***	***290,210***	***273,000***
52	Capital Outlay	616,282	738,365	758,886	706,986	621,761	394,101	(227,660)	-57.77%	71,000	100,000	100,000
53	Transfer to County Specialized Schools & Debt Service	90,000	90,000	90,000	90,000	90,000	110,486	20,486	18.54%	120,000	120,000	120,000
54	Indirect Costs from Restricted General Fund Categoricals	(2,134,389)	(2,385,612)	(2,346,213)	(2,347,909)	(2,331,189)	(1,915,519)	415,670	-21.70%	(110,738)	(1,250,000)	(2,005,458)
55	Interfund Transfer Out to Fund 12 Child Development	375,000	375,000	375,000	375,000	375,000	375,000	-	0.00%	375,000	500,000	500,000
56	LCAP Transfer Out to Fund 12 Child Development	100,000	100,000	100,000	100,000	100,000	100,000	-	0.00%	100,000	100,000	100,000
57	Interfund Transfer Out to Fund 13 Food Services	900,000	900,000	900,000	900,000	900,000	-	(900,000)	0%	750,000	750,000	750,000
58	Interfund Transfer Out to Fund 14 Deferred Maint.	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	0.00%	2,000,000	2,500,000	2,500,000
59	**TOTAL EXPENDITURE**	**156,934,682**	**158,860,411**	**159,214,884**	**159,387,606**	**158,707,760**	**146,695,091**	**(12,012,670)**	**-8.19%**	**160,826,541**	**158,459,037**	**163,330,646**

MULTI-YEAR PROJECTIONS

UNRESTRICTED GENERAL FUND

	A	B	C	D	E	F	G	H	I	J	K	L
		2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2025-26	2026-27	2027-28
	Description	ADOPTED BUDGET	FIRST INTERIM	SECOND INTERIM	THIRD BUDGET REVISION	ESTIMATED ACTUALS	UNAUDITED ACTUALS	ESTIMATED vs UNAUDITED CHANGE	% CHANGE	ADOPTED BUDGET	PROJECTED BUDGET	PROJECTED BUDGET
60	Increase (Decrease) Fund Balance	(13,710,156)	(16,876,418)	(12,288,264)	(11,505,333)	(8,439,237)	7,252,889	15,692,126		(9,634,956)	(3,907,740)	(3,481,414)
61	Beginning Fund Balance	36,178,599	56,609,464	56,609,464	56,609,464	56,609,464	56,609,464	-	0.00%	62,550,054	52,915,098	49,007,358
62	Audit Restatement - Fund 71 to General Fund			3,489,219	3,489,219	3,489,219	-	(3,489,219)	0%			
63	Audit Restatement of Deferred Inflow of Lease Receivables			1,350,591	1,350,591	1,350,591	1,350,591	-	0.00%			
64	District Restatement - Expanded Learning Opportunities Grant			(2,662,890)	(2,662,890)	(2,662,890)	(2,662,890)	-	0.00%			
65	Ending Fund Balance (net of lines 60-64)	22,468,443	39,733,046	46,498,120	47,281,051	50,347,147	62,550,054	12,202,907	19.51%	52,915,098	49,007,358	45,525,944
66	Reserve - Revolving Cash, Prep-paids	20,005	20,025	20,025	20,025	20,025	20,023	(2)	-0.01%	20,025	20,025	20,005
67	Reserve - Fund 71 District Restatement			(3,489,219)	(3,489,219)	(3,489,219)	-	3,489,219	0%	-	-	
68	Reserve - Deficit Spending in 25-26	-	6,843,204	8,095,737	8,410,379	8,410,379	9,634,956	1,224,577	12.71%	-	-	-
69	Reserve - Deficit Spending in 26-27	-	839,427	3,284,231	3,614,605	3,614,605	3,907,740	293,135	7.50%	3,907,740	-	
70	Reserve - Deficit Spending in 27-28	-	-	-	-	-	3,481,414	3,481,414	100.00%	3,481,414	3,481,414	
71	3% Contingency Reserve (unrestricted & restricted general fund)	6,827,097	7,005,613	7,189,128	7,197,366	7,197,366	7,197,366	-	0.00%	6,930,535	6,673,801	6,839,120
72	Reserve Up to 2-months of Expenses ($26.8 million)	15,621,341	25,024,777	24,419,780	24,549,457	27,615,553	38,308,555	10,693,002	27.91%	38,575,384	38,832,118	38,666,819
73	Unappropriated Balance	0	0	0	0	0	0	0		0	0	0

2024-25 Unaudited Actuals
As of 6/30/2025

Components of Ending Fund Balances		2024-25
Fund 01: Unrestricted General Fund		
Unrestricted General Fund Beginning Balance	$	56,609,464
Current Year (Deficit)/Surplus Spending		7,252,889
Audit Restatement & Adjustments for 2023-24 in 2024-25		(1,312,299)
Ending Fund Balance that Requires Explanation		62,550,054
Reasons for Assigned and Unassigned Ending Fund Balances		
***State Recommended 17% Minimum Level for Unified Districts**		
		62,550,054
Less: 3% Reserve for Economic Uncertainties		(7,197,366)
Reserve for Revolving Cash & Prepaid		(20,023)
Reserve for Audit Restatement & Adjustments for 2023-24 in 2024-25		-
Reserve for 25-26 Deficit Spending		(9,634,956)
Reserve for 26-27 Deficit Spending		(3,907,740)
Reserve for 27-28 Deficit Spending		(3,481,414)
^Reserve for up to 2 months General Fund Expenditures		38,308,555
Unappropriated Balance		0

*current reserve is at 28.70% (up 9.00% from 19.70% @ 24-25 Third Revision)
*2023-24 Statewide Average Reserve for Unified State-Aid Districts is 24.62%
*Basic Aid Districts should be about 30%
^A 2-month reserve would be approximately $26.8M

Reserve History

2025-26	17.61%	Adopted Budget
2025-26	20.27%	Proposed Public Hearing Budget
2025-26	15.33%	Preliminary Adopted Budget
2024-25	**28.70%**	**Unaudited Actuals**
2024-25	21.04%	Estimated Actuals
2024-25	19.70%	Third Budget Revision
2024-25	19.40%	Second Interim Budget
2024-25	16.76%	First Interim Budget
2024-25	16.07%	Adopted Budget
2023-24	29.04%	
2022-23	16.43%	
2021-22	26.31%	
2020-21	18.36%	
2019-20	13.53%	
2018-19	13.59%	
2017-18	21.44%	
2016-17	16.92%	
2015-16	22.39%	
2014-15	23.66%	
2013-14	17.56%	
2012-13	20.95%	
2011-12	14.47%	
2010-11	17.33%	
2009-10	14.50%	
2008-09	19.13%	

Min = 13.53%
Max = 29.04%
Avg = 19.22%

2025-26 LOCAL CONTROL FUNDING FORMULA (LCFF) CALCULATION					7/1/2025
BASE GRANT:					
	TK-3	4-6	7-8	9-12	**TOTAL**
	2,240.87	1,866.95	1,334.35	2,907.35	8,349.52
2024-25 BASE	10,025	10,177	10,478	12,144	
2025-26 2.30% COLA	231	234	241	279	
2025-26 BASE	10,256	10,411	10,719	12,423	
	22,981,376	19,436,949	14,302,925	36,118,875	**92,840,125**
AUGMENTATION GRANTS:					
CLASS SIZE REDUCTION (CSR) AUGMENTATION: BASE GRANT X 10.4%					**2,390,063**
CAREER TECHNICAL EDUCATION (CTE) AUGMENTATION 9-12 BASE GRANT X 2.6%					**939,091**
SUPPLEMENTAL AND CONCENTRATION GRANTS:					
TOTAL ENROLLMENT (3-YEAR AVERAGE)					8,704
TOTAL UNDUPLICATED PUPIL COUNT (3-YEAR AVERAGE)					2,727
					31.33%
SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT					**6,026,279**
TRANSPORTATION, TIIG GRANT, & ADD-ON:					
2012-13 LCFF IMPLEMENATION & ADD-ON FOR TRANSPORTATION					**897,197**
2012-13 TARGETED INSTRUCTIONAL IMPROVEMENT BLOCK GRANT					**429,757**
TRANSITIONAL KINDERGARTEN ADD-ON					**736,601**
TOTAL 2025-26 LCFF ENTITLEMENT					**104,259,113**
MINIMUM STATE AID / 2012-13 CATEGORICAL PROGRAMS					**8,585,843**

TOTAL 2025-26 LCFF ENTITLEMENT	**104,259,113**
LOCAL REVENUE / PROPERTY TAXES	**121,645,640**
Amount of Property Tax Over LCFF Entitlement (Basic Aid when negative)	**(17,386,527)**

Note Outside of Calculation:

EDUCATION PROTECTION ACCOUNT	1,700,000
TRANSFER TO CHARTER SCHOOL	-300,000

What's Next for 2024-25?

- CWDL will Audit the 2024-25 Unaudited Actuals week of September 29, 2025.
- Draft Audit Report will be reviewed by the FOC November/December 2025
- Final Audit Report Recommendation from FOC for Approval by BOE in December 2025

What's Next for 2025-26?

- First Interim Recommendations
  - ❑ Revenue
    - ✓ *Property Tax Specific to RDA (Redevelopment Agency Funds)*
    - ✓ *EPA (Education Protection Account)*
    - ✓ *Charter In-Lieu Tax*
    - ✓ *Lottery (Unrestricted)*
    - ✓ *Mandated Cost Block Grant*
    - ✓ *Other State Revenue for Transportation Reimbursement Block Grant*
    - ✓ *Measure YY & GSH*
    - ✓ *Joint Use Agreements*
    - ✓ *Education Foundations (Santa Monica and Malibu)*
    - ✓ *Earned Interest*

What's Next for 2025-26?

- First Interim Recommendations
  - ❑ Expenditures
    - ✓ *Potential Salary & Benefit changes due to upcoming negotiations*
    - ✓ *Legal*
    - ✓ *Other Operational Costs*
    - ✓ *Transfer to County Specialized Schools*
    - ✓ *Fund 14 Deferred Maintenance*
    - ✓ *Middle School Sports Program*

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

2024-25 Unaudited Actuals

Gerardo Cruz
Assistant Superintendent,
Business & Fiscal Services

Diversity · Equity · Inclusion · Belonging · Curiosity · Empowerment

September 10, 2025
Special Board Meeting
Agenda Item II.E.I