



Excellence and Equity in Education

Nancy Magee - County Superintendent of Schools

September 11, 2025

Karen Lentz
President, Governing Board
Brisbane Elementary School District
1 Solano Street
Brisbane, CA 94005-1342

RE: Local Control Accountability Plan and Adopted Budget – Fiscal Year 2025-26

Dear Board President Lentz:

The San Mateo County Office of Education (SMCOE) has completed its review of Brisbane Elementary School District's Local Control Accountability Plan (LCAP) and Adopted Budget for the 2025-26 fiscal year pursuant to Education Codes 42127 and 52070.

A. LOCAL CONTROL ACCOUNTABILITY PLAN

The County Superintendent is required to approve the District's LCAP if it is determined that the following criteria have been met:

- The LCAP adheres to the template adopted by the State Board of Education (*EC 52064*)
- The budget includes expenditures sufficient to implement the specific actions and strategies included in the LCAP
- The LCAP adheres to the expenditure requirements for funds apportioned on the basis of the number and concentration of unduplicated pupils (*EC 42238.02* and *42238.03*)
- The LCAP includes the required calculations to determine whether there is a carryover requirement, and if applicable, includes a description of the planned uses of the specific funds and a description of how the planned uses are to be considered as contributing towards meeting the increased or improved services requirement *{(EC 52070(d)(4))}*

The San Mateo County Superintendent of Schools has approved your Local Control Accountability Plan for the 2025-26 school year, pursuant to Education Code (EC) Section 52070.5(d). California Education Code requires the County Superintendent to review and approve the LCAP prior to the approval of the LEA's adopted budget per EC Section 42127(2). Your board approved LCAP will be posted on the SMCOE website.

B. ADOPTED BUDGET

In accordance with Education Code Section 42127, the County Superintendent of Schools has examined the Adopted Budget of Brisbane Elementary School District (the District) for fiscal year 2025-26 to determine if it complies with the criteria and standards adopted by the State Board of Education, allows the District to meet its financial obligations during the fiscal year, and is consistent with a financial plan that will allow the District to meet its multi-year financial commitments.

The County Office's review and analysis confirms that the 2025-26 Budget, adopted by the Governing Board on June 25, 2025, will meet the requirements outlined in Education Code 42127(c).

The San Mateo County Office of Education **approves** Brisbane Elementary School District's 2025-26 Adopted Budget with the following comments:

The 2025-26 Adopted Budget shows a \$378,000 decrease in the General Fund Balance. Compared to 2024-25 Estimated Actuals, deficit spending has increased by \$1.46 million. Total revenues are projected to decrease by \$1.96 million driven by a \$1.4 million decrease in community redevelopment funds. State and local revenues have been reduced to remove one-time funds. Total expenditures decreased approximately by \$334,000. Classified salaries rose by \$649,000 with added support staff and step and column adjustments. Benefits fell \$802,000 from adjusted STRS pension costs and removal of one-time STRS payments in the prior year. Other reductions included removal of capital outlay and payments to the County Office for services.

RESERVES

The state-recommended minimum reserve for the Brisbane Elementary School District is 4% of total general fund expenditures. In 2025-26, the District is projecting approximately \$2.98 million or 23.47% in available reserves.

The Special Reserve Fund (Fund 17) has a fund balance of \$3.2 million assigned to general district operations and is not included in the calculation of total available reserves.

MULTI-YEAR PROJECTIONS (MYP)

Reserves are projected to increase to 20.75% in 2026-27 and decrease to 19.95% in 2027-28.

Total revenues are expected to decrease by \$221,000 in 2026-27 and increase \$331,000 in 2027-28. Property tax revenues are expected to increase by an average \$317,000 (3%) in 2026-27 and 2027-28. In 2026-27, local revenues will decrease by \$525,000 due to Measure L parcel tax expiration.

Total expenditures are projected to rise \$475,000 in 2026-27 and \$193,000 in 2027-28. Salaries and benefits reflect step and column increases of 3.5% for certificated staff and 5% for classified staff. Health, welfare, and pension costs are expected to grow about 5.5%. In 2026-27, services and operating expenses decline with the end of one-time funds. All other expenditures remain flat.

DEFICIT SPENDING

The multi-year projections indicate operating deficits in the Unrestricted General Fund with a projected \$440,000 million deficit in the current fiscal year followed by deficits of \$853,000 in 2026-27 and \$1 million in 2027-28.

The County Office advises the District to closely monitor the budget and assess opportunities for revenue enhancements or budget reductions to eliminate deficit spending.

CASH FLOW

The District submitted cash flow projections for 2025-26 and 2026-27 showing positive cash balances for each month in both fiscal years. The projected year-end cash balances are estimated to be \$5.2 million in 2025-26 and \$4.3 million in 2026-27.

OTHER FUNDS

The District maintains positive balances for all other funds. There are no other significant changes in other District funds from 2024-25 Estimated Actuals to 2025-26 Adopted Budget.

SALARY NEGOTIATIONS

The District settled negotiations with all bargaining units for 2024-25 and included the costs in the 2025-26 Adopted Budget. **However, the Disclosure of Collective Bargaining Agreements has not been submitted to the County Office for review.**

Negotiations for 2025-26 remain unsettled with all bargaining units.

In accordance with Government Code 3547.5 and Assembly Bill 2756, the District must provide the County Office of Education with an analysis of cost and impact on the operating budget of the proposed salary settlement. The District is also required to submit the following documents reflecting the financial impact:

- 1) Disclosure of Collective Bargaining Agreement ten (10) days before the Governing Board acts on any tentative collective bargaining agreement (requires the signatures of the Superintendent and the Chief Business Official).
- 2) Multi-year spreadsheet reflecting the current and two subsequent fiscal years.
- 3) Budget revisions (if necessary, must be posted to the financial system prior to processing a salary settlement on the payroll system).

The County Superintendent of Schools recommends the District conduct a careful and thorough pre-settlement analysis of any proposed collective bargaining agreement. Multi-year proposals require diligent review to ensure the District can sustain related costs and avoid the risk of insolvency.

We commend the work done by the Board and district staff to develop this year's LCAP and Budget. Please contact us if you have any questions about our review of your district's 2025-26 LCAP or Budget.

Sincerely,



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Enclosures

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