



Pleasanton

UNIFIED SCHOOL DISTRICT

2025/26 First Interim Budget Report

December 11, 2025
Board of Trustees Meeting

Introduction

The 2025-26 First Interim Budget Report is the first of two updates to the 2025/26 Annual Budget. It provides an updated and more accurate picture of Pleasanton Unified School District's finances based on actual revenues and expenditures through October 31, 2025. Since the Board adopted the budget in June, the State has enacted the 2025/26 Budget, PUSD has closed its books for 2024/25, and the District has four months of actual financial data. In addition, the Board approved the transfer of \$11 million in one-time proceeds from the sale of property into Committed and Stabilization Arrangement funds that are now reflected in the General Fund, improving the total ending fund balance but not solving our underlying structural deficit or fiscal and budgetary position.

This report also incorporates Board-approved expenditure reductions for 2026-27. The pages that follow provide detailed financial tables, multi-year projections, explanations of major budget adjustments, and an overview of the enhanced oversight and support we will receive from ACOE. Together, these elements are intended to give the Board and community a transparent view of our fiscal condition and the work ahead to restore long-term solvency while continuing to support high-quality programs for students.

Executive Summary

The District's 2025/26 First Interim is a significant improvement from the Adopted Budget. Our adjusted ending fund balance improved from a negative \$5.7M to a negative \$2.53M. The current projections are based on actual data to date (October 31st) and forecasts for the remainder of the year. While the current projections are an improvement from the Adopted Budget, they do fall short of the 45 Day Budget Update. In the 45 Day Budget Update, staff included new State revenues and estimates on cost savings from reductions in expenditures, with a projected ending fund balance of about \$281K.

Alameda County Office of Education approved our budget on 6 conditions:

- 1) Improved Fiscal Standing per the 45-Day Budget Update.
- 2) Tighter fiscal controls and a freeze on non-essential expenditures.
- 3) Improved Ending Fund Balances from the 2024/25 Unaudited Actuals.
- 4) Shoring up the Reserves from the Sale of Property Funds into Committed and Stabilization Funds.
- 5) Board Resolution to commit to Fiscal Solvency and make needed reductions in 2026/27 and 2027/28.
- 6) Engage in a public process with the School Board to identify solutions and reductions to address the District's fiscal challenges.

The District has met five of these six requirements. The First Interim Report shows the District will not meet the projections of the 45 Day Budget Update with a positive ending fund balance. The primary reason for the variance is due to increased contributions to

support the special education program. The details of the variance between the 45 Day Budget Update and the First Interim can be found in the body of this report.

The First Interim projects a negative unrestricted ending fund balance of about \$2.5M (excluding the Committed and Stabilization funds). Because of the revised projections, the staff is recommending a Negative Certification for the First Interim Budget Report. Despite significant efforts over the past two years to reduce costs and align staffing with enrollment, Pleasanton Unified finds itself in “negative” status because ongoing expenses are outpacing ongoing revenues and our non-committed reserves have been depleted. The \$11 million transfer from the sale of property is set aside in the Committed and Stabilization funds. While the Committed and Stabilization funds are part of our total reserve, they have been restricted by State and Board actions and are not available to balance deficit spending.

Several factors contribute most to this negative status. First, our revenues are structurally constrained: we are a low-funded LCFF district, facing modest COLAs and declining enrollment, which means our State funding is growing more slowly than our costs or even shrinking in future years as ADA falls. Second, major one-time funding sources that propped up the budget in recent years, including pandemic relief, State block grants are either gone or restricted and cannot be used to support ongoing positions and programs permanently or to count toward the 3% reserve. Third, our cost structure is heavily driven by people with about 85% of our budget going to salaries and benefits. At the same time, pension contribution rates, healthcare costs, utilities, insurance, and Special Education expenses continue to rise faster than our revenue.

Negative Certification will bring additional oversight and support to the District. This status does not mean we are immediately insolvent, but it is a clear warning that the District will need to fully implement the approved reductions, continue identifying additional savings, and pursue new or enhanced revenue sources. The District should consider using any future one-time State funds to rebuild reserves and restore long-term fiscal stability for PUSD students, staff, and community.

Key First Interim adjustments from the Adopted Budget:

- Revenue Updates that include the one-time Student Support and Professional Development Discretionary Block Grant
- Updates on beginning balances from the 2024/25 Unaudited Actuals and any carryover funds
- Staffing costs based on actual hires/placements and incorporating known hiring freezes
- Revision to the budget based on actuals and projections for the remainder of the fiscal year
- Adjustments to local revenues and expenditures
- Transfer of funds from the Sale of Property to the General Fund per [Board Resolution 2025-2026.08](#)
- The \$11,000,000 one-time transfer of funds from the Sale of Property has been posted to a specific Committed and Stabilization Arrangement reserve. Because

of the State's restrictions on the use of these funds, they cannot be used to balance our deficit spending.

- Revision to the LCFF in 2026/27 and 2027/28 based on the following:
 - Adjusted Cost of Living Adjustment (COLA) for 2025/26 from 3.02% to 2.53% and 2026/27 revision from 3.42% to 3.02%, based on the Common Message
 - Adjusted enrollment downward by 100 students in 2026/27
- Expenditure reductions for 2026/27 based on Board actions on November 13 and 20, 2025

General Fund unrestricted fund balance increased by \$6,340,843, with a projected Ending Fund Balance of \$8,820,189. Without the one-time \$11M transfer, our General Fund Unrestricted fund balance decreased by -\$4,659,146, with a projected adjusted Ending Fund Balance of -\$2,530,517. While this is a significant improvement over the Adopted Budget, it does not meet the projections in the 45 Day Budget Update.

On the restricted side of the General Fund, we see increased revenues from the one-time Student Support and Professional Development Discretionary Block Grant and local donations. The net deficit spending on restricted funds is projected at -\$4,176,850, with an ending fund balance of \$5,675,156.

Below is a recap of the First Interim financials. Detailed information is available in the appendix and in the SACS Financial documents.

Description	2025/2026 - First Interim		
	Unrestricted	Restricted	Total
Revenues	\$172,399,355	\$42,931,259	\$215,330,614
Expenditures	\$144,438,997	\$82,807,613	\$227,246,610
Transfers In (includes Committed/Stabilization Fund)	\$14,080,000	\$0	\$14,080,000
Contribution to Restricted Programs	-\$35,699,504	\$35,699,504	\$0
Less Committed/Stabilization Funds	\$11,000,000	\$0	\$11,000,000
Net Increase/Decrease (without Committed/Stabilization Fund)	-\$4,659,146	-\$4,176,850	-\$8,835,996
Beginning Balance	\$2,479,335	\$9,852,006	\$12,331,341
Ending Balance (includes Committed/Stabilization Funds)	\$8,820,189	\$5,675,156	\$14,495,345
Less Nonspendable	\$350,706	\$0	\$350,706
Adjusted Ending Balance (without Committed/Stabilization Funds)/Reserves	-\$2,530,517	\$5,675,156	\$3,495,345

Based on the adjustments in the First Interim Report, the District **will not be able to meet its financial obligations** in the current or subsequent fiscal year. Staff recommends submitting the First Interim Budget Report to the Alameda County Office of Education with a **Negative Certification**. When the District clears its negative ending fund balance, we will meet the requirements for a Positive Certification.

Under AB 1200 fiscal oversight system, the Alameda County Office will have an additional monitoring and oversight role, which may include, but is not limited to:

- Assign a Fiscal Expert/Advisor to the district.
- Increase Reporting Frequency: Require monthly cash flow reports, budget status reports, Third Interim, and position control updates.
- Implement Pre-Approval of: New expenditures, Contracts, Labor agreements and Budget revisions.
- Assign the Fiscal Crisis Management Assistance Team (FCMAT) to conduct a Fiscal Health Risk Analysis.
- Require a Financial Stabilization Plan

PUSD staff have been meeting regularly with ACOE staff to review our Budget, cash flow, and First Interim Report. Staff will continue to collaborate with ACOE and meet our additional obligation under a Negative Certification.

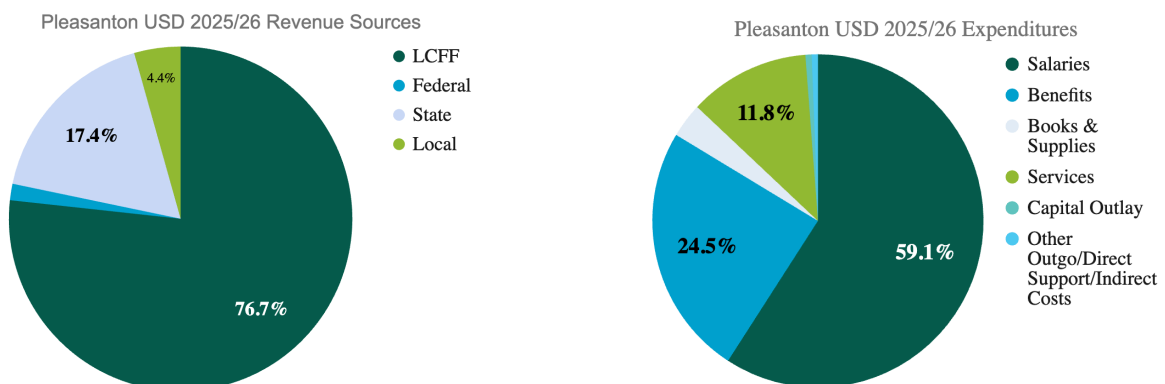
Enhanced Oversight and Support

In the last four months, the District has also taken critical steps to improve internal controls and oversight. Staff has implemented enhanced purchase order and contract approval processes, rigorous budget monitoring, regular department and site budget reviews, weekly cash flow updates and analysis, and strengthened position control. For the First Interim update, staff conducted a thorough line-by-line review of the budget and expenditures to date to estimate the remaining fiscal-year needs. Additionally, staff utilized outside experts to support the development and review of the First Interim budget.

First Interim Revenues and Expenditures

The District's total First Interim General Fund revenue is \$215,330,614 of which \$42,931,259 or about 19.9% is from restricted sources. The District heavily depends on State funding, with the Local Control Funding Formula (LCFF)/Property Tax making up 76.7% of the total funding. Local Property taxes make up about 60% of the total LCFF apportionment.

The District's total projected General Fund expenditures are \$227,246,610, of which \$82,907,613 are Restricted. About 83.6% of District expenditures are allocated to District personnel (salaries and benefits).



Summary of First Interim Budget Adjustments

The First Interim Budget includes the following changes from the June 2025 Adopted Budget. Key changes are highlighted below (amounts are rounded and see attached variance report for details):

Revenue Adjustments:

- \$6.18M net increase in revenue (major changes listed below)
 - \$640K decrease in unrestricted revenues
 - \$78.5K increase in LCFF funding
 - Higher Unduplicated Student counts
 - \$1.08M decrease in other State funding
 - Moved the Student and Professional Development Block Grant into Restricted Revenues
 - \$360K in other Local funding
 - Increased Medi-Cal Administrative Activities (MAA) recovery
 - \$6.82M increase in restricted revenues
 - \$23.3K decrease in Federal revenues
 - \$4.68M increase Other State Revenues (major items listed below)
 - \$3.97M increase in Student and Professional Development Block Grant
 - \$244K increase in CA UTK Planning Grant
 - \$310K increase in Golden State Pathways Program Grant
 - \$279K decrease in State Mental Health (SELPA)
 - \$100K increase in Dual Enrollment Opportunities Grant
 - \$100K increase in State Grant
 - \$124K increase in Early Education Teacher Development Grant
 - \$2.16M increase in local funding, mainly in donations

Expenditure Adjustments:

- \$6.33M net increase in expenditures (major changes listed below)
 - \$868K decrease in unrestricted expenditures
 - \$134K decrease in salary and benefits costs
 - \$391K increase in Books & Supplies and Services & Operations
 - Legal Settlements cost increases
 - Technology licenses and communications costs increase
 - Foothill HS Athletic Trainer (student safety) contract with Stanford Medical
 - Increase in Transfer of Indirect costs: \$1.1M reduced expenses by charging restricted programs the full cost of indirect costs
 - \$7.2M increase in restricted expenditures
 - \$2.35M net increase in salaries and benefits
 - +\$284K in Special Education
 - -\$102K IDEA - Special Education
 - -\$127K State Mental Health - SELPA
 - +\$284K in ELOP Grant

- +94.5K Golden State Pathways Grant
 - +\$272K Special Education Early Preschool Intervention Grant
 - +\$95K Prop 28 Art and Music
 - +\$57K AG Learning Loss Grant
 - +\$583K Classified Summer Assistance (in/out)
 - +\$240K Learning Recovery Emergency Block Grant
 - +\$343K Other Local
 - +\$251K PPIE/PTA Donation
- \$3.16M increase in Books and Supplies (major changes listed below)
- +\$217K CA UTK Planning Grant
 - +\$115K Early Education Teacher Development Grant
 - +\$216K Lottery - Instructional Materials
 - +\$199K Golden State Pathways Grant
 - +\$124K State Programs (Resource 7810)
 - +\$2.17M Local Donations/PTA/PPIE
- \$708K increase in Services and Operations
- +\$61K Inclusive Preschool Grant
 - +\$124K Lottery - Instructional Materials
 - +\$476K Special Education
 - -\$100K SELPA
 - -\$500K Routine Restricted Maintenance
 - +\$325K Local Donations/PTA

Unrestricted Variance from 45-Day Budget Update

Description	2025/2026 - Variance from 45 Day Budget		
	45 Day Budget	First Interim	Variance
Revenues	\$176,160,152	\$172,399,355	-\$3,760,797
Expenditures	\$144,190,084	\$144,438,997	\$248,913
Transfers In (includes Committed/Stabilization Fund)	\$3,280,000	\$14,080,000	\$10,800,000
Contribution to Restricted Programs	\$36,920,338	\$35,699,504	-\$1,220,834
Less Committed/Stabilization Funds		\$11,000,000	\$11,000,000
Net Increase/Decrease (without Committed/Stabilization Fund)	-\$1,670,270	-\$4,659,146	-\$2,988,876
Beginning Balance	\$1,951,522	\$2,479,335	\$527,813
Ending Balance (includes Committed/Stabilization Funds)	\$281,252	\$8,820,189	\$8,538,937
Less Nonspendable	\$240,150	\$350,706	\$110,556
Adjusted Ending Balance (without Committed/Stabilization Funds)/Reserves	\$41,102	-\$2,530,517	-\$2,571,619

The main driver of the decrease in unrestricted revenues in the 45 Day Budget Update is the reallocation of \$3.97M in the Student Support and Professional Development Discretionary Block (SSPDDB) Grant from unrestricted to restricted revenues. In the First Interim, they were reallocated to the restricted side of the budget per the State's direction, which was not available at the time of the 45 Day Budget Update. The District has allocated funds to cover special education costs.

On the unrestricted expenditure side, the net change resulted in about \$250,000 of increased costs from the 45 Day Budget Update. After discounting the \$11M transfer in the First Interim Report, it also included a \$200,000 reduction for reduced lease revenue from Gatan (the COP was not fully paid off). The main variance occurs in our overall contribution to the restricted programs (special education and routine restricted maintenance). When factoring in the use of the SSPDDB Grant of \$3.97M the actual contribution totals \$39.67M (35.7M+3.97M) compared to \$36.92M in the 45 Day Budget Update; an increase of \$2.75M mainly driven by not realizing the reductions in special education as projected in the 45 Day Budget Update and an increase of about \$800K. Other cost factors contributing to the increased variance include settlement costs, higher projected legal costs, and increased contributions to routine restricted maintenance, as required by the 3% of total expenditures.

Budget Model and Multi-Year Projection

While the annual budget and updates provide essential information for current-year planning, it is also extremely important to evaluate the District's multi-year budget planning to assess its fiscal health. The multi-year budgets are also part of the State budget submission requirement. The budget model includes the following key assumptions:

- **Enrollment and Average Daily Attendance (ADA)**

The LCFF formula is based on average daily attendance (ADA). As part of the 2022/23 Enacted Budget, the State implemented an option to use the higher of a three-year rolling average ADA (prior three fiscal-year ADA) or the prior or current-year ADA. The use of the three-year rolling average is beneficial in estimating the revenue impact of declining enrollment in school districts like PUSD.

The 2025/26 enrollment is about 13,012. The enrollment is in line with our projections used during the 2025/26 Adopted Budget. However, this enrollment is slightly lower than our demographers' projection of 13,060 students. For the First Interim MYP projections, we have reduced the projected enrollment for 2026/27 by 100 students from 12,672 to 12,572. We expect to receive the updated demographic projections by January 2026. Staff will use the updated projections for the Second Interim and in the 2026/27 Budget development.

PUSD, similar to many school districts in California, has seen enrollment declines due to the pandemic, lower birth rates, immigration, housing costs, and availability of new housing. With lower enrollment/ADA, PUSD will see lower LCFF revenues. The rolling average will help soften the landing over several years;

however, revenues will decline, and adjustments to staffing and programs will need to be made.

PUSD Projected Enrollment and ADA (* Actual ** Projections)							
	FY 21/22*	FY 22/23*	FY 23/24*	FY 24/25*	FY 25/26*	FY 26/27**	FY 27/28**
Total Enrollment	14,077	13,874	13,685	13,300	13,012	12,572	12,517
ADA (Funding)	14,376	14,119	13,799	13,340	13,025	12,679	12,334

- Local Control Funding Formula Factors (LCFF)**

The chart below shows the key LCFF assumptions that drive funding. The 2025/26 Enacted State Budget includes the statutory 2.30% Cost of Living Adjustment (COLA) to the LCFF and other major programs outside of the LCFF. It's important to note that the total LCFF funding does not grow by the COLA rate because the funded ADA also determines the LCFF. Additionally, the COLA does not apply to the approximately \$5.6M in Economic Recovery Grant funding in our LCFF. As a result of the modest COLA and declining enrollment, the net LCFF increase in 2024/25 is 0.77%, insufficient to keep up with rising costs. In the 2025/26 Adopted Budget, the COLA for 2026/27 was projected to be 3.02%. Based on the Common Message, the COLA will be between 1.27% and 2.53%. Due to the Federal government shutdown, we do not have updated projections. Staff has assumed a COLA of 2.53% for 2026/27 and 3.02% in 2027/28. The net change in LCFF revenue from the prior fiscal year is -0.11% in 2026/27 and 0.40% in 2027/28.

Local Control Funding Formula Assumptions 2025/26 - First Interim			
School Year	FY 25/26	FY 26/27	FY 27/28
Enrollment	13,012	12,572	12,517
LCFF ADA Funding	13,025	12,679	12,334
COLA	2.30%	2.53%	3.02%
Unduplicated as % Enrollment	17.01%	17.05%	17.29%
Grades TK-3 \$/per Student	\$ 11,323	\$ 11,609	\$ 11,960
Grades 4-6 \$/per Student	\$ 10,411	\$ 10,674	\$ 10,996
Grades 7-8 \$/per Student	\$ 10,719	\$ 10,990	\$ 11,322
Grades 9-12 \$/per Student	\$ 12,746	\$ 13,068	\$ 13,463
K-3 Grade Span Adj \$/per Student	\$ 1,067	\$ 1,094	\$ 1,127
9-12 Grade Span Adj \$/per Student	\$ 323	\$ 331	\$ 341
TK Add on \$/Student	\$ 5,545	\$ 5,685	\$ 5,857
TOTAL EST LCFF Funding - unrestricted	\$ 164,014,316	\$ 163,835,941	\$ 164,487,242
Net Change on LCFF Funding	0.77%	-0.11%	0.40%

PUSD LCFF for 2025/26	
Base Grant	\$145,541,901
Grade Span Adjustment	\$5,046,412
Supplemental Grant	\$5,119,952
Home to School Transportation (Special Education)	\$776,447
Transitional Kindergarten	\$2,040,560
Economic Recovery Target*	\$5,579,044
Total	\$164,104,316

* No COLA Adjustment

- **Other Ongoing State Funding**

The District receives additional State funding outside of the LCFF. The two main funding sources are the Lottery and the Mandated Block Grant. For the Lottery, the estimated revenue is \$273 per ADA (\$191 unrestricted and \$82 restricted). The current rate for the Mandated Block Grant is \$39.09 per ADA for grades TK-8 and \$75.31 per ADA for grades 9-12.

Special Education Funding

The District projects receiving \$14.7M in funding for our students in Special Education from the State and Federal governments. Total projected Special Education expenditures is \$46.5M. For 2025/26 First Interim, the contribution included an unrestricted general fund contribution of \$29,173,241 and the entire \$3,972,692 of the Block Grant, for a total of \$33,145,933 to cover Special Education costs. In 2026/27, without the Block Grant, all the full contribution amount will come from the unrestricted General Fund.

In the First Interim, staff conducted a detailed review of expenditures to date and projections for the remaining school years. Based on actual needs and potential expense, the budget was increased by \$820.5K from the Adopted Budget.

The Enacted State 2025/26 Budget included an increase to the base SELPA from \$896.89 per ADA to \$917.52 per ADA, including the 2.30% COLA.

Expanded Learning Opportunities Program (ELOP)

In 2021/22 the State initiated the ELOP to support TK-6 grade unduplicated students (English learners, unhoused, foster youth, and low socio-economic students) with extended after-school academic support. These funds are restricted in nature and must be spent on allowable ELOP expenditures. The estimated funding per TK-6 unduplicated student is at \$1,575. The estimated funding for 2025/26 is \$1.5M. This funding has gone down from prior years.

Proposition 28 Art and Music Funding

On November 8, 2023, voters also approved Proposition 28, which provides ongoing funds to schools for art and music. 2023/24 was the initial year of funding. Detailed information and audit guidelines were not developed until

Spring 2024. The District has three years to spend the funding received in each year. PUSD's allocation to all schools is estimated at \$1.78M for 2025/26. These funds are restricted and will be audited annually. Staff will provide an annual spending report to the School Board.

State's on Behalf STRS Contribution

The Other State revenues also include the State's share of contributions to the employee pension (STRS). These contributions are only an accounting function as the revenue and expenditures are included in our books with no actual revenues being received or expended. This artificially inflates both our revenues and expenditures by about \$9.7M.

Tri-Valley Regional Occupational Program (TVROP)

PUSD, Dublin USD, and Livermore Valley JUSD participate in the TVROP. PUSD's annual financial contribution is \$1.6M to TVROP. The District receives about \$800-900K in CTEIG grants that support our programs in CTE. PUSD students can take career-technical classes as high school juniors and seniors (some sophomores) at various Tri-Valley locations. TVROP provides elective courses that satisfy A-G requirements for UC and CSU, college credit through partnerships with local community colleges, preparation for college and careers through rigorous, relevant instruction, hands-on learning, and internships, and instruction by industry professionals. TVROP also manages the Middle College, where PUSD students can attend Los Positas College beginning in their junior year.

- **One-time State Funding**

- **Student Support and Professional Development Discretionary Block Grant**

The block grant gives districts discretionary fiscal support to address rising costs, including, but not limited to, the following:

- Professional development for teachers on the ELA/ELD framework and Literacy Roadmap, with a focus on strategies to support literacy for English learners
 - Professional development for teachers on the Mathematics Framework
 - Teacher recruitment and retention strategies
 - Career pathways and dual enrollment expansion programs aligned with the Master Plan for Career Education.

The amount the district will receive is approximately \$313 per ADA, as reported in the 2024-25 second principal apportionment. Due to its uncertainty, the district did not include the full amount in its adopted budget, but it is incorporated in the First Interim report as a restricted other State revenue source. PUSD is using the full amount of the Grant, about \$4M, to cover rising Special Education costs.

- **Learning Recovery Block Grant**

One-time funding to support the Learning Recovery Emergency Block Grant (LREBG) through the 2027-28 school year. PUSD grant amount in 2025/26 is \$257,190. These funds will support credit recovery and Saturday

school programs at PUSD. This grant is planned to continue through 2027/28.

- **Other State Grants**

The State funds a variety of programs through one-time/limited-time time/ongoing grants. Below is a listing of the programs:

- CA UTK Planning Grant
- Early Teacher Education Grant
- Inclusive Preschool Grant
- Golden State Pathways Program Grant
- Career Technical Education Initiative
- K-12 Strong Workforce Program
- Special Education Early Intervention Preschool
- Dual Enrollment Opportunities
- A-G Success Grant
- A-G Learning Loss Grant

- **Federal**

Projected ongoing revenues for 2025/26 from all Federal programs is about \$3.32M. The Special Education portion is approximately \$2.57M, and revenues from Title I, II, III and other programs is about \$745K.

- **Local Revenues**

Local revenue consists of donations from PPIE, donations from parents to schools, PTA donations, local grants, Career Technical Education Incentive Grant (CTEIG), Graphics Services, local grants, leases, and rentals.

The District anticipates receiving about \$9.4M in local revenues as of the First Interim. Below is a breakdown of some of the larger revenue sources:

- \$771.7K from PPIE
- \$700K Facility rental and Leases
- \$900K Other local grants
 - \$568.4K Wellness Coach Support Grant
- \$900K Interest earnings
- \$892K From CTEIG
- \$1.6M donations to the schools
- \$2M CERBT Transfer

Additional donations will be received throughout the year and will be recorded once they are earned. This will also increase the corresponding expenditures associated with the donations.

Additionally, the District transfers about \$2.3M annually from its Enterprise Fund 630 (Kids Club) into the General Fund. The Kids Club program includes both fee-based students and students who meet the ELOP program eligibility. Revenues from the fee-based portion are transferred to the General Fund. In recent years, the District has expanded the program to meet the needs of our families, with the added benefit of generating revenue. The District will closely

monitor this program to ensure it can sustain the revenue assumption; any necessary adjustments or revisions will be made in the Second Interim.

The First Interim includes an update on transferring the Gatan lease into the General Fund from \$900K to \$700K annually; this adjustment was made because the full loan amount was not paid to retain about \$5M of the sale of property proceeds. The District is still financing about \$5M of the COP and using the proceeds from the lease to pay the monthly loan payment.

- **Staffing**

Staffing represents the largest expenditure category at 85% of total expenditures. Below is a breakdown of the positions in each classification group as of the First Interim.

Fiscal Year	2024/25 (FTE)	2025/26 (FTE)	Net Change (FTE)
Classified	472.3	447.9	-24.4
Certificated	753.3	732.9	-20.4
Management	76	66	-10
Total	1301.7	1245.8	-54.8

As of October 31, 2025, there are about 46.6 FTE vacancies of which 4 FTE positions are frozen and 13 positions are filled by contractors (special education). The net change from 2024/25 to the 2025/26 First Interim is a reduction of about 55 FTE positions.

In addition to the Board-approved reductions (see Reduction Section), the budget includes a reduction of 16 teaching positions in 2026/27 to align staffing with enrollment. Final teaching staffing will be based on enrollment.

Early Retirement Incentive (PARS)

At the end of 2021/22, the District offered an early retirement incentive to its employees through PARS. Savings realized in salaries should offset the PARS costs that are paid over a five-year period starting in 2022. The District's annual payment to PARS, which is reflected in benefit costs, is about \$882,000. The District allocated as part of the AMIM Block Grant to use those funds to offset 3 of the 5 payments. The 2025/26 payment was made from the General Fund. The 2026/27 will be made from one-time funds from the sale of property, thereby reducing pressure on the General Fund.

- **Salaries**

Salaries and benefits typically make up approximately 85% of operating expenses. Compensation increases include several components. The first component is employee movement on the salary schedule. When hired, staff are placed on a salary schedule depending on their experience and education.

Certificated staff (primarily teachers) can move on this schedule both in experience (steps) and increased education (columns). There are 20 steps and 5 columns. Column movements are based on earned education credits.

Classified staff and managers also advance in annual steps outlined in their respective salary schedules. This typically occurs for up to 5 or 10 years (until they hit the highest step). Once they reach the end of the salary schedule, Classified staff are limited to longevity increases and negotiated increases, and Management staff are limited strictly to negotiated increases.

The District has budgeted an average of 1.86% for salary increases as a result of step/column movement. This is slightly higher than previous years to reflect increased retirements and the hiring of new staff who will be moving on the salary schedule.

The second component is negotiated compensation increases. In 2024/25, the District provided a salary schedule increase, additional stipends, and a benefit increase. For the certificated bargaining group (APT), the 2024/25 salary included a 1% salary schedule increase, additional funds towards health benefits, and other stipend increases. A “me too” clause was negotiated with CSEA that included a 1% salary schedule increase effective July 1, 2024, and an additional 0.54% starting on July 1, 2025. Management received a 1% salary schedule increase and additional health benefits comparable to certificated staff.

The District is committed to maintaining compensation levels that support the retention and attraction of new employees while remaining fiscally responsible. Due to the current budget challenges, no additional compensation has been included in 2025/26 and the following years.

Compensation is a mandatory subject of bargaining, and any compensation changes negotiated with the bargaining units require Board approval to become effective. Approved compensation increases generally reflect the District's consideration of the factors identified in Government Code Section 3548.2, including the interests and welfare of the public and the District's financial ability to pay, total compensation comparability with similar districts, and the Consumer Price Index.

Employee Benefits

- **Pension**

The District participates in two State pensions: the State Teachers' Retirement System (STRS) for credentialed personnel and the Public Employees' Retirement System (PERS) for non-credentialed personnel. Certificated salaries, which are subject to STRS, make up approximately half of total District expenditures and almost 85% of total salaries. Since 2014/15, employer contribution rates have increased under Assembly Bill 1469 from 8% to 19.1% over a seven-year period. PERS has also been increasing to ensure the long-term stability of that pension program. PERS rates can be adjusted annually and are currently at 27.05%. The

impacts of the current market volatility and potential economic downturn have not been factored into these projections.

Pension Program	2024/25	2025/26*	2026/27*	2027/28*
STRS Employer Rates (Approx)	19.10%	19.10%	19.10%	19.10%
PERS Employer Rates (Approx)	27.05%	26.81%	27.80	27.40

Actual and Projected* Employer Contribution Rates

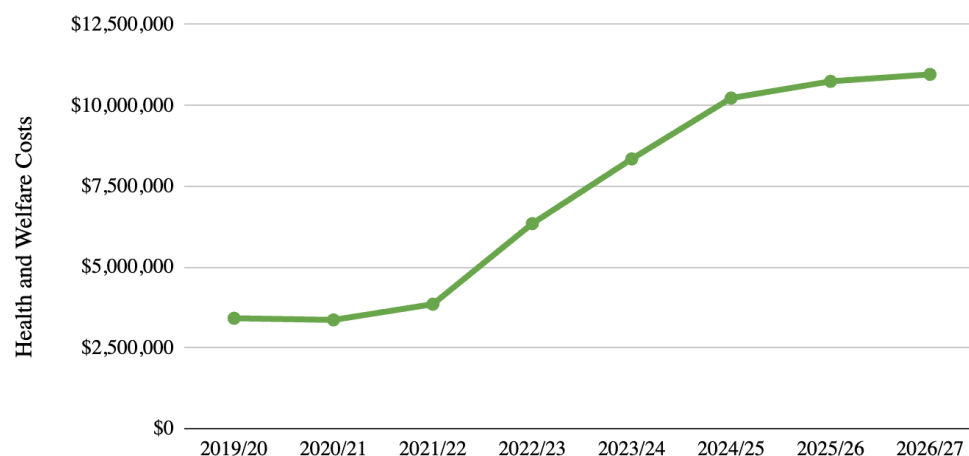
In 2024/25 the District used about \$2.5M in one-time funds to pay down our pension costs from the AMIM Block Grant. With those funds depleted all pension costs are budgeted with ongoing revenues.

- Healthcare**

The District pays up to \$13,357 annually toward medical costs for all full-time unit members, including management, certificated, and classified staff. Staff can access cash-in-lieu options if they choose not to accept the District's program. The cash-in-lieu amount for full-time employees is \$2,000 for management and certificated staff and \$7,745 for classified staff. The District also contributes to the dental programs for classified and management employees.

At the First Interim, our contribution to employee health benefits is estimated at about \$10.74M, up by \$183,454 from the Adopted Budget. During open enrollment, we observed about 32 FTE move to the District-provided healthcare options. This shift may be attributed to uncertainty in the healthcare market and rising costs.

Health and Welfare Costs



- Other Post Employment Benefits (OPEB)**

The District will continue to support its pay-as-you-go OPEB liabilities, which are about \$1M annually and include retiree medical benefits and a "golden

handshake" for retirees. As part of the PARS incentive, the "golden handshake" for APT members was suspended for five years through 2026.

- In February 2021, the Board took action to move funds into the CalPERS CERBT trust fund to help manage the long-term OPEB obligations.
- In 2023/24, the District drew on the CERBT fund in the amount of \$1.24 million to offset the 2023/24 retiree costs.
- In 2024/25, the District drew on the CERBT fund in the amount of \$1.89M to offset the 2023/24 retiree costs.
- The current asset in the CERBT fund as of October 2025 was about \$5.04M.
- The 2025/26 Budget includes another drawdown of about \$2M.
- The 2026/27 and 2027/28 Budget include an annual drawdown of \$1M.
- The funds are one-time and these drawdowns can not continue much further without depleting all the funds.

- **General Fund Transfer In and Out**

The First Interim includes a transfer into the general fund of \$3,080,000.

- \$2,300,000 from Fund 63, Enterprise fund (Kids Club and STEAM)
- \$50,000 for technology from Fund 40 (Sycamore Capital Fund interest earnings)
- \$700,000 from Fund 40 from the lease of the District Property
- \$30,000 (3% administrative costs from Fund 25 Developer Fees)

- **Other Multi-Year Budget Assumptions:**

- 4% growth in unrestricted Services & Operating Costs in 26/27 and 27/28
- 3% growth growth in Books and Supplies in 26/27 and 27/28
- 2% growth in contribution to special education
- Revenues and expenditures from restricted one-time grants and funds are removed in the 2026/27 budget.

Reductions

Over the past two fiscal years 2024/25 and 2025/26, the District has made significant reductions to staffing through reductions and alignment of staffing to enrollment. These reductions have resulted in about 105 FTE reductions or about \$16.74M. These reductions have been made in all classifications, including management, certificated and classified. While these reductions have reduced expenditures, they have not been sufficient to offset revenue losses from declining enrollment and ongoing increases in salaries, benefits, and operational costs.

In the Adopted Budget, it became apparent that the District would need to make further significant reductions to ensure fiscal solvency. Starting in August 2025, the staff worked with the Budget Advisory Committee, Board, and Community to develop over \$15M in detailed reduction options. [Click here to access the dedicated website for this work.](#) The Board met seven times to review the options and determine a final initial list of reductions at the two November Board meetings. [Click here for the final list of cuts.](#) The Board identified reductions totaling about \$11.16 for 2026/27. These reductions have been broken down and incorporated into the multi-year projections. Refer to the detailed MYP in the appendix. It is important to note that about half of the identified reductions require negotiations with our labor partners. The final cuts may change as a

result of the negotiations and revised fiscal data from the State. Staff will keep the Board informed in January as this information develops. Additionally, because some of the reductions are proposed as one-time, the cost associated with those items returns in 2027/28. The combination of higher costs and lower revenues leads to larger deficit spending in 2027/28.

These reductions are designed to achieve a balanced budget (revenues equal expenditures). Further work will be required to rebuild the required minimum 3% REU. The funds in the Committed and Stabilization Arrangement can not be used to balance our budget. Any deficit spending using the set-aside funds must be restored.

Reduction Components	2026/27 - Reductions			2026/27 - Adjustments for One-Time Reduction		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Certificated Salaries	-\$4,664,662	-\$655,481	-\$5,320,143	\$425,170	\$136,329	\$561,499
Classified Salaries	-\$1,245,629	-\$420,850	-\$1,666,479	\$79,811	\$87,784	\$167,596
Benefits	-\$2,911,157	-\$295,624	-\$3,206,780	\$153,329	\$32,576	\$185,906
Books & Supplies	-\$151,000	\$0	-\$151,000	\$0	\$0	\$0
Services, Other Operating Expenses	-\$97,000	-\$295,000	-\$392,000	\$0	\$0	\$0
Other Outgo	-\$400,000	\$0	-\$400,000	\$0	\$0	\$0
TOTAL	-\$9,469,447	-\$1,666,955	-\$11,136,402	\$658,310	\$256,690	\$915,000

Multi-Year Projection Reserves

This First Interim Report projects an ending fund balance of \$14,495,345, of which \$5,675,156 is restricted. This ending fund balance also includes the \$11,000,000 in Committed and Stabilization Arrangement Funds. Removing them both and the nonspendable funds will leave the district with a projected unrestricted ending fund balance of negative (\$2,530,517). While the transfer of Sale of Property funds into the General Fund provides a committed fund balance reserve that meets the minimum state-required reserve for economic uncertainties, the ending fund balance falls short of the reserve which is reflected as a negative unappropriated fund balance.

Fiscal Year	2025/26	2026/27	2027/28
Required 3% Reserve for Economic Uncertainty (REU)	\$6,817,398	\$6,372,347	\$6,452,090
PUSD REU	0	0	0
Net Increase/Decrease (without Committed/Stabilization Fund)	-\$4,659,146	-\$25,783	-\$1,642,683
Unrestricted Ending Fund Balance with Committed and Stabilization Arrangement Funds	\$8,820,189	\$8,794,407	\$7,151,723
Adjusted Unrestricted Ending Fund Balance without Committed and Stabilization Arrangement Funds	-\$2,530,517	-\$1,463,743	-\$3,106,427

The District is not able to meet the required reserve of \$6.8M (3% of total general fund expenditures). A 3% reserve represents about 10 days of our operating expenses.

Summary of Restricted Ending Fund Balance

Below is a summary of restricted programs with projected ending fund balance in the 2025/26 fiscal year.

Restricted Programs Total	\$5,675,160
Other Restricted Federal	\$3,063
Lottery: Instructional Materials	\$5,000
Golden State Pathways Program	\$1,424,252
Special Education (SELPA Administrative Unit)	\$24,602
Mental Health Related Services	\$246,700
Arts and Music in Schools (Proposition 28)	\$1,925,112
Child Nutrition: Food Service Staff Training Funds	\$471
Dual Enrollment Opportunities (CCAP)	\$117,331
Other Restricted State	\$50,000
Ongoing & Major Maintenance Account (RMA)	\$561,464
Other Restricted Local	\$1,317,165

Cash Flow

With a low beginning fund balance and low reserves, cash flow is critical for PUSD to ensure it can meet its monthly financial obligations. Staff regularly monitors and updates its cash flow projections. Staff have been meeting regularly with ACOE to review the cash flow and determine if internal or external borrowing is needed. PUSD receives about 60% of its LCFF funding from local Property Taxes, distributed in December and April, further exacerbating cash flow. For the 2025/26 fiscal year the District has internally borrowed \$12M which will be repaid to the other funds by the end of the fiscal year, and \$10M from the County Treasury, which will be repaid in April 2026.

Other Funds

In the attachments is a report detailing out all of the district's other funds that cover specific programs and restricted funds. The district has nine other restricted funds for specific programs or functions, such as Child Nutritional Services, Kids Club/Steam, Adult Education, Facilities, Developer Fees, Bond Program, and Other Post-Employment Benefits. The funds are in good standing, and the details are attached in the appendix.

State Funding Considerations

The State's Enacted State Budget for 2025/26 includes significant deficit spending and the use of one-time funds to fund ongoing programs, including those in K-14 Education. The State further reduced the Guaranteed Proposition 98 guarantee by \$1.9B, requiring a future settle-up payment to K-14 Education. State revenues have been coming in much stronger than projected in 2025/26 which will further increase the Proposition 98 Guarantee to K-14 Education. These more substantial State revenues are driven mainly

by the personal income tax associated with the growth of Artificial Intelligence and the stock market. Even with this growth, the State will see a \$18 billion deficit in 2026/27. For the K-14 Education side of the budget, the State should be able to meet growing program costs. COLA projections for 2026/27 have been lowered to about 2.5%. The State will still need to develop a plan to address the settle-up monies and additional monies from revenue growth. Similar to the current fiscal year the State may provide some flexible one-time funds. [Click here to access the LAO report on the State 2026/27 Budget.](#) The Governor will present his last State budget in early January, giving us a first look at the proposed COLA for 2026/27 and how he plans to address the fiscal challenges ahead.

Conclusion

Despite significant work over the past two fiscal years to reduce costs and increase revenues, those efforts have not been enough to counter the loss of pandemic funding, rising costs, and declining enrollment. Staff recommends the First Interim Report to be submitted as a Negative Certification to the County Superintendent of Schools, which indicates the district will not meet its financial obligations in the current or subsequent fiscal year. While the transfer of Sale of Property funds into the General Fund provides a committed fund balance reserve that meets the minimum state required reserve for economic uncertainties, the ending fund balance falls short of the reserve which is reflected as a negative unappropriated fund balance. Once the District is able to clear this negative balance it can return to a Positive Certification.

The Negative Certification will translate to additional oversight and support by the ACOE as well as a required fiscal health risk analysis conducted by the Fiscal Crisis Management and Assistance Team (FCMAT). Staff will work closely with ACOE and FCMAT as they support the District's efforts to stabilize its finances.

The reduction options approved by the Board for 2026/27 are an essential step forward to balancing the district budget and ensuring long-term fiscal sustainability. More work will be needed to enhance revenues and/or make additional reductions to continue restoring fiscal stability and resilience while maintaining a high-quality education. Looking forward, the district will need to take advantage of potential one-time State funds to rebuild its reserves while making the necessary reductions to eliminate deficit spending. Ultimately, the district will also need to increase revenues through local property taxes and leveraging our property assets.

The Governor will release the initial State Budget for 2026/27 in the coming month. While the State faces significant budget challenges, we expect it to meet its obligations under Proposition 98 with funding for current programs. The State will also need to determine how it will allocate Prop 28 "settle up" monies from 2025/26 and one-time funds from recent revenue gains. The District next 2025/26 Budget will be updated in March 12, 2026, with actual data through January 31, 2025.

Attachments

- Multi Year Budget - Attachment A
- General Fund Variance Report - Attachment B
- All Funds Report - Attachment C

Description	2024/2025			2025/2026			2026/2027			2027/2028		
	Unaudited Actuals			First Interim			Projection Year 1			Projection Year 2		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
REVENUE												
LCFF	162,755,676	1,184,477	163,940,153	164,014,316	1,189,789	165,204,105	163,835,941	1,189,789	165,025,730	164,487,242	1,189,789	165,677,031
Federal	0	3,380,958	3,380,958	0	3,319,469	3,319,469	0	3,319,469	3,319,469	0	3,319,469	3,319,469
State	3,750,335	31,648,748	35,399,083	3,351,015	34,060,833	37,411,848	3,351,015	28,674,694	32,025,709	3,351,015	28,674,694	32,025,709
Local	5,184,029	6,017,679	11,201,708	5,034,024	4,361,168	9,395,192	4,085,738	4,361,168	8,446,906	4,185,738	4,361,168	8,546,906
TOTAL REVENUE	171,690,040	42,231,862	213,921,902	172,399,355	42,931,259	215,330,614	171,272,694	37,545,120	208,817,814	172,023,995	37,545,120	209,569,115
EXPENDITURES												
Certificated Salaries	84,310,806	19,807,548	104,118,354	82,839,682	20,530,447	103,370,129	81,934,869	20,566,413	102,501,282	78,135,633	20,133,935	98,269,568
Budget Reductions 2026/27							-4,664,662	-655,481	-5,320,143	425,170	136,329	561,499
Classified Salaries	17,365,107	15,062,813	32,427,921	16,085,489	14,926,038	31,011,527	16,533,780	15,312,622	31,846,403	15,684,115	15,277,469	30,961,584
Budget Reductions 2026/27							-1,245,629	-420,850	-1,666,479	79,811	87,784	167,596
Benefits	30,190,221	25,160,084	55,350,305	32,730,343	22,933,527	55,663,870	32,601,868	22,959,525	55,561,393	28,781,140	22,740,621	51,521,760
Budget Reductions 2026/27							-2,911,157	-295,624	-3,206,780	153,329	32,576	185,906
Books & Supplies	1,699,407	2,777,165	4,476,572	2,243,668	5,370,867	7,614,535	2,310,978	3,070,942	5,381,920	2,224,777	3,163,070	5,387,848
Budget Reductions 2026/27							-151,000		-151,000			0
Services, Other Operating Expenses	11,398,889	16,008,081	27,406,971	12,007,476	14,817,749	26,825,225	12,375,775	13,944,620	26,320,395	12,769,926	13,649,620	26,419,546
Budget Reductions 2026/27							-97,000	-295,000	-392,000			0
Capital Outlay	54,496	939,719	994,216	43,000	1,340,714	1,383,714	43,000	445,003	488,003	43,000	445,003	488,003
Other Outgo	1,712,050	228,883	1,940,933	1,773,840	250,000	2,023,840	1,844,794	250,000	2,094,794	1,502,585	250,000	1,752,585
Budget Reductions 2026/27							-400,000		-400,000			0
Direct Support/Indirect Costs	-3,320,596	2,594,172	-726,423	-3,284,501	2,638,271	-646,230	-3,107,748	2,461,518	-646,230	-3,107,748	2,461,518	-646,230
TOTAL EXPENDITURES	143,410,381	82,578,467	225,988,848	144,438,997	82,807,613	227,246,610	135,067,868	77,343,689	212,411,557	136,691,738	78,377,926	215,069,664
EXCESS OF REVENUES OVER EXPENDITURES	28,279,659	-40,346,605	-12,066,946	27,960,358	-39,876,354	-11,915,996	36,204,826	-39,798,569	-3,593,743	35,332,257	-40,832,806	-5,500,549
OTHER FINANCING SOURCES/USES												
Transfers In	2,125,960	0	2,125,960	14,080,000	0	14,080,000	3,080,000	0	3,080,000	3,080,000	0	3,080,000
Transfers Out	31,578	0	31,578	0	0	0	0	0	0	0	0	0
Sources												
Uses												
Contributions to Restricted Programs	-37,592,496	37,592,496	0	-35,699,504	35,699,504	0	-39,310,608	39,310,608	0	-40,054,940	40,054,940	0
Special Education	-31,086,548	31,086,548	0	-29,173,241	29,173,241	0	-33,229,398	33,229,398	0	-33,893,986	33,893,986	0
Restricted Routine Repair	-6,505,948	6,505,948	0	-6,526,263	6,526,263	0	-6,081,211	6,081,211	0	-6,160,954	6,160,954	0
Other Restricted												
TOTAL OTHER FIN. SOURCE/USES	-35,498,114	37,592,496	2,094,382	-21,619,504	35,699,504	14,080,000	-36,230,608	39,310,608	3,080,000	-36,974,940	40,054,940	3,080,000
NET INCREASE (DECREASE) IN FUND BALANCE	-7,218,455	-2,754,109	-9,972,564	6,340,854	-4,176,850	2,164,004	-25,783	-487,960	-513,743	-1,642,683	-777,866	-2,420,549
Beginning Fund Balance	9,697,790	12,606,115	22,303,905	2,479,335	9,852,006	12,331,341	8,820,189	5,675,156	14,495,345	8,794,407	5,187,196	13,981,602
Other Adjustment												
Audit Adjustments												
Other Restatements												
ENDING BALANCE, JUNE 30	2,479,335	9,852,006	12,331,341	8,820,189	5,675,156	14,495,345	8,794,407	5,187,196	13,981,602	7,151,723	4,409,330	11,561,053
COMPONENTS OF ENDING FUND BALANCE												
Nonspendable												
Revolving Cash	40,150		40,150	40,150		40,150	40,150		40,150	40,150		40,150
Stores	316,995		316,995	310,556		310,556	100,000		100,000	100,000		100,000
Prepaid Expenditures	882,057		882,057	0		0	0		0	0		0
Legally Restricted Balances		9,852,006	9,852,006		5,675,156	5,675,156		5,187,196	5,187,196		4,409,330	4,409,330
Committed												
Stabilization Arrangement				7,118,000		7,118,000	7,118,000		7,118,000	7,118,000		7,118,000
Board Designated Reserve per AR 3100												
Other Commitments												
Other Commitments - Textbooks				2,000,000		2,000,000	2,000,000		2,000,000	2,000,000		2,000,000
Other Commitments - Technology				500,000		500,000	500,000		500,000	500,000		500,000
Other Commitments - Bus/Vans				500,000		500,000	500,000		500,000	500,000		500,000
Other Commitments - PARS				882,000		882,000						
Assigned												
Other Assignments												
Unassigned/Unappropriated												
Reserve for Economic Uncertainties	0		0	0		0	0		0	0		0
Unassigned/Unappropriated												
Undesignated / Unappropriated	1,240,134		1,240,134	-2,530,517		-2,530,517	-1,463,743		-1,463,743	-3,106,427		-3,106,427
TOTAL EXPENDITURES	226,020,426			227,246,610			212,411,557			215,069,664		
Adjusted Total Expenditures	226,020,426			227,246,610			212,411,557			215,069,664		
3.00% Minimum Reserve	6,780,613			6,817,398			6,372,347			6,452,090		
Over (Under) reserves	1,240,134			-2,530,517			-1,463,743			-3,106,427		
	0.55%			-1.11%			-0.69%			-1.44%		
Total Reserve (Economic Uncertainty and Undesignated/Unappropriated)	1,240,134			(2,530,517)			(1,463,743)			(3,106,427)		
Reserves as a Percentage of Expenditures	0.55%			-1.11%			-0.69%			-1.44%		

Unrestricted & Restricted General Fund	Original Budget	45-Day Budget	First Interim	Increase/Decrease (1st Interim - Original Budget)	Percentage (1st Interim - Original Budget)
BEGINNING FUND BALANCE	\$ 10,567,115	\$ 10,567,115	\$ 12,331,341		
REVENUE					
LCFF Sources/Property Taxes	\$ 165,125,548	\$ 165,125,548	\$ 165,204,105	\$ 78,557	0.05%
Federal Revenues	\$ 3,342,848	\$ 3,342,848	\$ 3,319,469	\$ (23,379)	-0.70%
Other State Revenue (1)	\$ 33,811,636	\$ 37,330,971	\$ 37,411,848	\$ 3,600,212	9.62%
Other Local Revenue (2)	\$ 6,873,678	\$ 6,873,678	\$ 9,395,192	\$ 2,521,514	26.84%
TOTAL REVENUE	\$ 209,153,710	\$ 212,673,045	\$ 215,330,614	\$ 6,176,904	2.87%
EXPENDITURES					
Certificated Salaries (3)	\$ 101,749,770	\$ 101,259,881	\$ 103,370,129	\$ 1,620,359	1.57%
Classified Salaries (3)	\$ 30,371,296	\$ 29,662,556	\$ 31,011,527	\$ 640,231	2.06%
Employee Benefits (3)	\$ 55,704,291	\$ 55,115,613	\$ 55,663,870	\$ (40,421)	-0.07%
Books and Supplies (4)	\$ 4,565,228	\$ 4,415,228	\$ 7,614,535	\$ 3,049,307	40.05%
Services, Operating Expenses (5)	\$ 25,619,089	\$ 25,369,089	\$ 26,825,225	\$ 1,206,136	4.50%
Capital Outlay (6)	\$ 1,354,595	\$ 1,354,595	\$ 1,383,714	\$ 29,119	2.10%
Other Outgo	\$ 2,023,840	\$ 2,023,840	\$ 2,023,840	\$ -	0.00%
Direct Support/Indirect Costs (7)	\$ (473,937)	\$ (473,937)	\$ (646,230)	\$ (172,293)	26.66%
TOTAL EXPENDITURES	\$ 220,914,172	\$ 218,726,865	\$ 227,246,610	\$ 6,332,438	2.79%
OTHER FINANCING SOURCES					
Transfers In	\$ 3,230,000	\$ 3,280,000	\$ 14,080,000	\$ 10,850,000	77.06%
Contributions	\$ -	\$ -	\$ -	\$ -	
Transfers Out and Other Uses	\$ -	\$ -	\$ -	\$ -	
INCOME minus EXPENSES & TRANSFERS	\$ (8,530,462)	\$ (2,773,820)	\$ 2,164,004	\$ 10,694,466	494.20%
ENDING FUND BALANCE	\$ 2,036,653	\$ 7,793,295	\$ 14,495,345	\$ 12,458,692	85.95%

1 Student Support & Professional Development Discretionary BG; Unearned revenue balances UPK grants, other state grants

2 Medi-Cal Administrative Activities (MAA), Local site and PTA donations, carryover on local grants

3 Home-Hospital, HSA, Athletic Trainer, LCAP Goal 4 PD, Grant funded positions, SPED, Learning Recovery ER BG position move to restr, ELOP

4 Universal Pre-Kindergarten P/I Grant, Restricted lottery, other state and local grants, site and PTA donations - placeholder budget line, gets moved around

5 Legal settlements, telephone, licenses, Restr lottery licenses, SPED Contractors and legal, donations licenses and services

6 Grants and donations

7 Capture more allowable indirect costs - RRM and budgeted expenditures

Unrestricted General Fund	Original Budget	45-Day Budget	First Interim	Increase/Decrease (1st Interim - Original Budget)	Percentage (1st Interim - Original Budget)
BEGINNING FUND BALANCE	\$ 1,951,522	\$ 1,951,522	\$ 2,479,335		
REVENUE					
LCFF Sources/Property Taxes	\$ 163,935,771	\$ 163,935,771	\$ 164,014,316	\$ 78,545	0.05%
Federal Revenues	\$ -	\$ -	\$ -	\$ -	
Other State Revenue	\$ 4,429,580	\$ 7,550,812	\$ 3,351,015	\$ (1,078,565)	-32.19%
Other Local Revenue	\$ 4,673,569	\$ 4,673,569	\$ 5,034,024	\$ 360,455	7.16%
TOTAL REVENUE	\$ 173,038,920	\$ 176,160,152	\$ 172,399,355	\$ (639,565)	-0.37%
EXPENDITURES					
Certificated Salaries	\$ 82,424,668	\$ 82,078,890	\$ 82,839,682	\$ 415,014	0.50%
Classified Salaries	\$ 16,212,745	\$ 15,935,081	\$ 16,085,489	\$ (127,256)	-0.79%
Employee Benefits	\$ 33,151,696	\$ 32,934,181	\$ 32,730,343	\$ (421,353)	-1.29%
Books and Supplies	\$ 2,350,695	\$ 2,074,695	\$ 2,243,668	\$ (107,027)	-4.77%
Services, Operating Expenses	\$ 11,509,017	\$ 11,509,017	\$ 12,007,476	\$ 498,459	4.15%
Capital Outlay	\$ 44,000	\$ 44,000	\$ 43,000	\$ (1,000)	-2.33%
Other Outgo	\$ 1,773,840	\$ 1,773,840	\$ 1,773,840	\$ -	0.00%
Transfers of Indirect Costs	\$ (2,159,620)	\$ (2,159,620)	\$ (3,284,501)	\$ (1,124,881)	34.25%
TOTAL EXPENDITURES	\$ 145,307,041	\$ 144,190,084	\$ 144,438,997	\$ (868,044)	-0.60%
OTHER FINANCING SOURCES					
Transfers In/Out	\$ 3,230,000	\$ 3,280,000	\$ 14,080,000	\$ 10,850,000	77.06%
Other Sources/Uses	\$ -	\$ -	\$ -	\$ -	
Contributions	\$ (38,683,972)	\$ (36,920,338)	\$ (35,699,504)	\$ 2,984,468	-8.36%
Categorical Programs	\$ -	\$ -	\$ -	\$ -	
Special Education	\$ (32,347,682)	\$ (30,584,048)	\$ (29,173,241)	\$ 3,174,441	-10.88%
Restricted Routine Repair	\$ (6,336,290)	\$ (6,336,290)	\$ (6,526,263)	\$ (189,973)	2.91%
Transfers Out and Other Uses	\$ -	\$ -	\$ -	\$ -	
TOTAL - OTHER FINANCING	\$ (35,453,972)	\$ (33,640,338)	\$ (21,619,504)	\$ 13,834,468	-63.99%
INCOME <i>minus</i> EXPENSES & TRANSFERS	\$ (7,722,093)	\$ (1,670,270)	\$ 6,340,854	\$ 14,062,947	221.78%
ENDING FUND BALANCE	\$ (5,770,571)	\$ 281,252	\$ 8,820,189	\$ 14,590,760	165.42%

Restricted General Fund	Original Budget	45-Day Budget	First Interim	Increase/Decrease (1st Interim - Original Budget)	Percentage (1st Interim - Original Budget)
BEGINNING FUND BALANCE	\$ 8,615,593	\$ 8,615,593	\$ 9,852,006		
REVENUE					
LCFF Sources/Property Taxes	\$ 1,189,777	\$ 1,189,777	\$ 1,189,789	\$ 12	0.00%
Federal Revenues	\$ 3,342,848	\$ 3,342,848	\$ 3,319,469	\$ (23,379)	-0.70%
Other State Revenue	\$ 29,382,056	\$ 29,780,159	\$ 34,060,833	\$ 4,678,777	13.74%
Other Local Revenue	\$ 2,200,109	\$ 2,200,109	\$ 4,361,168	\$ 2,161,059	49.55%
TOTAL REVENUE	\$ 36,114,790	\$ 36,512,893	\$ 42,931,259	\$ 6,816,469	15.88%
EXPENDITURES					
Certificated Salaries	\$ 19,325,102	\$ 19,180,991	\$ 20,530,447	\$ 1,205,345	5.87%
Classified Salaries	\$ 14,158,551	\$ 13,727,475	\$ 14,926,038	\$ 767,487	5.14%
Employee Benefits	\$ 22,552,595	\$ 22,181,432	\$ 22,933,527	\$ 380,932	1.66%
Books and Supplies	\$ 2,214,533	\$ 2,340,533	\$ 5,370,867	\$ 3,156,334	58.77%
Services, Operating Expenses	\$ 14,110,072	\$ 13,860,072	\$ 14,817,749	\$ 707,677	4.78%
Capital Outlay	\$ 1,310,595	\$ 1,310,595	\$ 1,340,714	\$ 30,119	2.25%
Other Outgo	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	0.00%
Direct Support/Indirect Costs	\$ 1,685,683	\$ 1,685,683	\$ 2,638,271	\$ 952,588	36.11%
TOTAL EXPENDITURES	\$ 75,607,131	\$ 74,536,781	\$ 82,807,613	\$ 7,200,482	8.70%
OTHER FINANCING SOURCES					
Transfers In	\$ -	\$ -	\$ -	\$ -	
Contributions	\$ 38,683,972	\$ 36,920,338	\$ 35,699,504	\$ (2,984,468)	-8.36%
Categorical Programs	\$ -	\$ -	\$ -	\$ -	
Special Education	\$ 32,347,682	\$ 30,584,048	\$ 29,173,241	\$ (3,174,441)	-10.88%
Restricted Routine Repair	\$ 6,336,290	\$ 6,336,290	\$ 6,526,263	\$ 189,973	2.91%
Transfers Out and Other Uses	\$ -	\$ -	\$ -	\$ -	
TOTAL - OTHER FINANCING	\$ (38,683,972)	\$ (36,920,338)	\$ (35,699,504)	\$ 2,984,468	-8.36%
INCOME minus EXPENSES & TRANSFERS	\$ (808,369)	\$ (1,103,550)	\$ (4,176,850)	\$ (3,368,481)	80.65%
ENDING FUND BALANCE	\$ 7,807,224	\$ 7,512,043	\$ 5,675,156	\$ (2,132,068)	-37.57%

Special Revenue Funds	Adult Education Fund 110	Child Development Fund 120	Cafeteria Fund 130	Child Dev Enterprise Fund 630
BEGINNING FUND BALANCE	\$ 887,702	\$ 317,804	\$ 6,670,850	\$ 3,549,597
Revenue	\$ 7,297,457	\$ 1,769,653	\$ 7,550,000	\$ 5,370,000
Expenditures	\$ 6,824,590	\$ 1,542,782	\$ 7,697,239	\$ 6,100,311
Revenue Over (under) Expenses	\$ 472,867	\$ 226,871	\$ (147,239)	\$ (730,311)
Transfers In (Out)	\$ -	\$ -	\$ -	\$ (2,300,000)
ENDING FUND BALANCE	\$ 1,360,569	\$ 544,675	\$ 6,523,611	\$ 519,286

Special Reserve Funds	Retiree Benefit (OPEB) Fund 710 *	Capital Outlay Fund 400
BEGINNING FUND BALANCE	\$ 6,228,933	\$ 4,548,752
Revenue	\$ 250,000	\$ 1,630,183
Expenditures	\$ -	\$ 27,746,558
Revenue Over (under) Expenses	\$ 250,000	\$ (26,116,375)
Transfers In (Out)	\$ -	\$ 24,297,271
ENDING FUND BALANCE	\$ 6,478,933	\$ 2,729,648

Capital Outlay Funds	Capital Sycamore/ Property Sale Fund 41	Deferred Maintenance Fund 14	Measure I1 and I Fund 21	Capital Facilities Fund 25	County School Facilities Fund 35
BEGINNING FUND BALANCE	\$ 37,961,473	\$ 9,827	\$ 294,263,915	\$ 4,678,649	\$ 3,254,187
Revenue	\$ 100,000	\$ 500	\$ -	\$ 2,057,244	\$ 10,000
Expenditures	\$ -	\$ -	\$ 56,687,343	\$ 197,000	\$ -
Revenue Over (under) Expenses	\$ 100,000	\$ 500	\$ (56,687,343)	\$ 1,860,244	\$ 10,000
Transfers In (Out)	\$ (36,047,271)	\$ -	\$ -	\$ (30,000)	\$ -
ENDING FUND BALANCE	\$ 2,014,202	\$ 10,327	\$ 237,576,572	\$ 6,508,893	\$ 3,264,187